



FOR PSA MEMBERS: **SOUTH AFRICAN REVENUE SERVICE (SARS)**

13-04-2026

Update: SARS Hay grade dispute

As reported previously (*Informus* available at PSA Provincial Office or from the PSA website), the PSA is pleased to inform members of a significant development in the long-standing Hay grade dispute, which the PSA has been pursuing tirelessly for the past 20 years. On 7 April 2026, the Labour Court delivered a judgement in favour of the PSA, clearing the way for the matter to proceed to private arbitration. This represents a major breakthrough in the PSA's ongoing efforts to ensure justice on the Hay grade matter.

The dispute relates to the incorrect grading of PSA-represented employees at SARS under the Hay job evaluation system. For two decades, the PSA has argued that members are placed on incorrect grades and have consequently been under-remunerated. SARS has consistently resisted correcting the grading outcomes.

The PSA approached the Labour Court to challenge the refusal by SARS and compel that an appropriate arbitrator be appointed to hear the dispute. In the judgement delivered by acting Judge Lennox, the Court dismissed the application by SARS for leave to appeal, confirming that there is no reasonable prospect that another court would come to a different conclusion. The Court found, amongst others, that SARS has gone to considerable lengths to avoid its obligations towards the PSA and its members, an approach the Court stated should not be condoned. This judgement means the following:

- The previous judgement stands.
- A private arbitrator must now be appointed to arbitrate the Hay grade dispute.
- The dispute may finally proceed to a determination on the merits after 20 years of delays.

The Court also ordered SARS to pay the PSA's legal costs for this application. Members will be informed of developments.

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Join today by visiting the PSA's website or contacting the nearest PSA Provincial Office.

Reuben Maleka
GENERAL MANAGER