

Update: Public Service Coordinating Bargaining Council

Management of Public Service wage bill

The employer tabled this item, wherein it requested the review of clause 3.3 of PSCBC Resolution 1/2018 related to the wage agreement for this financial year 1 April 2020, citing that it cannot afford the last leg of the agreement. The clause provides for the cost-of-living adjustment for levels 1 to 7 being projected CPI = 1%; levels 8 to 10 being a projected CPI = 0,5%; and for levels 11 to 12 a projected CPI for the year 2020 with implementation date 1 April 2020.

The PSA, although realising the plight of government and the economic situation the country finds itself in, strongly rejected that the agreement be reviewed. The employer's presentation failed to address the challenges that contributed to the increased wage bill ranging from fruitless litigation, corruption and fraud, usage of consultants, irregular, wasteful and fruitless expenditure and unnecessary foreign missions, with no clear indication of the amount lost in the current financial year. There is no indication or a plan on how monies are or will be recovered in respect of the wasteful expenditure. The employer's statement that these are being dealt with Cabinet was not a satisfactory response. The PSA will ensure that it protects existing benefits at all cost.

Clause 8 on Outstanding Matters – Resolution 1/2018

Clause 8.1.1: Resolution 3/2009

The matter relates to the provision to review Resolution 3/2009. Labour submitted a proposal to the employer in a previous meeting on proposed amendments. The employer previously indicated that the demand is unaffordable. Labour requested a proper response to its demand as the review of the Resolution is agreed to in Resolution 1/2018. The matter stood over for discussion at the next meeting.

Assessment of New Parental, Adoption and Commissioning Parental Leave in terms of Labour Laws Amendment Act 10 of 2018

From 1 January 2020, the provisions relating to specific categories of leave as per the *Labour Law Amendment Act 10 of 2018* came into effect. Council subsequently made an assessment of these provisions in relation to existing leave benefits contained in PSCBC Resolutions and it was found that that the PSCBC Resolutions are more favourable.

- Currently, PSCBC Resolution 2/2015 provides for 3 working days **paternity leave** and the amendment Act provides for 10 days consecutive days parental leave. The employer, however, is not requested to pay an employee on parental leave, and he/she may claim

parental leave benefits from the Unemployment Insurance Fund (UIF). In this instance, the PSCBC Resolution is more beneficial as it provides for 3 days paid leave and an opportunity to extend such leave with annual leave and 184 calendar days of unpaid leave.

- Resolution 7/2000 provides for an employee who **adopts a child** below the age of 2, at least 10 weeks consecutive leave or parental leave. If both parents are adoptive parents, one may qualify for parental leave and the other for adoption leave. The 45 days is paid leave. The amendment law prescribes 10 weeks, but without pay and an employee may claim from the UIF.
- Resolution 1/2018 provides that an employee who is a **commissioning parent in terms of surrogacy**, as contained in the *Children's Act*, is entitled to 4 consecutive months paid leave from the date of birth. If both are employed in the Public Service only one will qualify for surrogacy leave. An employee who is a surrogate mother is entitled to 6 consecutive weeks of leave after the birth of the child. The new law provides that a commissioning parent is entitled to commissioning parental leave of at least 10 weeks consecutive leave. If both parents are commissioning parents one may qualify for parental leave and the other for commissioning parental leave. The leave is unpaid and UIF benefits may be claimed.

The PSA is still engaging the Bargaining Council on this matter.

Pension-backed housing guarantee law amendment - GEPF

The GEPF made a presentation on the proposed amendment to the *GEPF Law* to provide for a pension-backed home loan as an alternative form of housing finance. The loan will be secured by the member's retirement savings instead of the actual property. This concept is currently regulated by the *Pensions Fund Act* through a guarantee by the Fund. A law amendment is required to empower the GEPF to provide for guarantees for home loans, which includes for an express provision permitting deduction from a member's benefit. The presentation is *attached* for members' convenience and outlines the proposed amendments.

Members are requested to provide the PSA with a mandate on the proposed amendments to the *GEPF Law* in order to effect the changes before 20 March 2020.

Council will engage on the proposed amendments at the next meeting. Members will be informed of developments.

GENERAL MANAGER