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RESPONSE TO DPSA STATEMENT ON IMPLEMENTATION OF 2018 WAGE AGREEMENT

NAPTOSA is dismayed by the media statement issued by the Department of Public Service and Administration (DPSA) on 31 March 2020 concerning the expected wage increase for public servants on 1 April 2020. The statement not only sends mixed messages, but also contains misleading information.

According to Minister Mchunu, government is willing to pay salary increases and is still engaging with labour unions. Citing issues such as the outbreak of the corona virus pandemic and the recent downgrading of the country's credit ratings to junk status by Moody's as piling more anguish on the economy which is already in recession, is disingenuous and nothing but an attempt to lobby public sympathy and support for not wishing to honour the 2018 wage agreement.

The real facts are the following. At the PSCBC Special Council meeting of Wednesday, 25 March 2020, the employer, having assured Labour that they were committed to implementing the Wage Agreement as provided for in Resolution 1 of 2018, proposed implementation modalities that would have amended clause 3.3 of the Resolution, which inter alia deals with salary adjustments, percentages and projected CPI in relation to the 2020/2021 financial year.

In terms of the proposed modalities, employees would have to forfeit their 1.5% salary progression (payable on 1 July 2020) to be used to fund a 4.4% (CPI) increase, plus a once off non-pensionable gratuity equivalent to a day's salary, for employees on salary levels 1-8 only. This means that workers on salary levels 9-12 will not be considered for salary increases.

How this can be viewed by the employer as a commitment to implementing the 2018 Wage Agreement is beyond comprehension. Their proposal constitutes a clear deviation from, and amendment of, the Resolution, full stop.

NAPTOSA and all other unions in the PSCBC rejected the employer's proposal. Labour made it clear that further engagement with the employer on the matter was a futile exercise as it was clear that it had been the employer's intention all along to amend clause 3.3 of the Resolution. The Minister's statement that discussions with Labour is ongoing is therefore false.

The Minister's indication that the employer will not engage on the issue in the media, but at the same time using the opportunity to garner public support for the employer's position, is nothing short of hypocritical. The Minister says that government remains committed to the implementation of the 2018 wage agreement, but "AT STAKE IS HOW TO DO IT". We say "Honour the agreement Minister".

BASIL MANUEL
EXECUTIVE DIRECTOR