



HEALTH AND OTHER SERVICE PERSONNEL TRADE UNION OF SOUTH AFRICA

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SALARY NEGOTIATIONS IN THE PSCBC REACH DEADLOCK

FORMAL DISPUTES DECLARED

HOSPERSA (Health and Other Service Personnel Trade Union of South Africa), NAPTOSA, the COSATU affiliated public service unions and the Independent Labour Caucus, representing 14 unions and approximately 1.3 million employees of the State, were compelled during the evening of 9 June 2010 to declare disputes as a result of the Employer's intransigence and inability to meet the demands of Labour. The Employer has continually frustrated bargaining by employing stalling tactics. The latest offer of the State (as employer) proposes a general increase of 6.5% and an increase in the housing allowance from R500 pm to R620 pm. The Employer is totally out of touch with the reality of the existing economic conditions in the country.

Workers are struggling to keep up with spiralling increases in municipal rates and taxes caused by the 24.5% of electricity tariff increase. The cost of travelling borne by the workers is too high given the high fuel prices. We regard the offer by the employer as a punishment to workers for the recession that was not caused by them but by greedy multinational corporations.

When negotiations commenced on 16 April 2010, Labour demanded an 11% general salary adjustment, a housing allowance of R1 650 pm as well as equal employer subsidy for those members of medical schemes other than GEMS. In this regard it needs to be mentioned that the housing allowance has not been adjusted for more than 5 years and the employer subsidy for other medical schemes has not been adjusted for the last 5 years.

Labour regularly amended its demands in its endeavour to meet the Employer halfway, and the latest demand on which the Employer was requested to obtain a mandate, was for a 8.6% general salary adjustment and a housing allowance of R1,000 pm. However, the Employer reported (9 June 2010) that it did not have a mandate to continue with bargaining, and that they did not expect to be in a position to continue for at least another week.

It is acutely regrettable that on the eve of the World Cup, the negotiations have regressed to such a point that Labour had no other option but to declare disputes. It needs to be emphasised that

Labour did everything in its power to avert this, but the latest developments left Labour with no other alternative. Such a negative approach by the Employer is definitely not conducive to sound labour relations and the establishment of a positive perception in the eyes of the international media. The sincere hope is expressed that the Employer will come to their senses and adopt a more positive and responsible approach during the process of conciliation under the guidance of an external conciliator.

The principals and negotiators of Labour have made themselves available on a 24 hours seven day basis in an attempt to reach a reasonable settlement. Hopefully the Employer will adopt a similar approach.

We refuse to be blackmailed by the Employer because of the World Cup 2010 and we shall fight until our demands are met.

End of statement

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