



FOR SERVICE WORKER EMPOWERMENT

**JOINT MEDIA STATEMENT BY PUBLIC SECTOR UNIONS AS REPRESENTED BY THE INDEPENDENT LABOUR CAUCUS AND COSATU ON MONDAY 5 JULY 2010
SALARY NEGOTIATIONS IN THE PUBLIC SERVICE**

POSSIBLE LABOUR UNREST LOOMING

Herewith, for your information and records, the abovementioned media statement. The ball is now squarely in the employer's court. A joint meeting of Labour has been scheduled for Wednesday 07 July 2010 to begin discussions on joint industrial action (and coordination) in light of looming strikes. HOSPERSA will not accept the employers no-care attitude.

The Independent Labour Caucus, of which HOSPERSA is a member, and the unions affiliated to COSATU, are extremely disappointed that the formal disputes that were declared on 9 June 2010 between the state as employer and the unions representing the employees of the state, did not bear the fruit that Labour hoped for.

At the following conciliation process the public sector unions received a certificate from the conciliator stating that the dispute remains unresolved and that the parties could now exercise their rights in terms of the Labour Relations Act.

The unions represent 1.3 million government employees in the Public Service Co-ordinating Bargaining Council (PSCBC). The council provides a platform for the state as employer and the public service unions to engage constructively over matters of mutual interest.

It is evident that the employer entered the 2010 salary negotiations with an extremely narrow mandate. Based on information gleaned during the conciliation, the conciliator came to the conclusion that further interaction by and between the unions and the employer would serve no purpose.

This development comes after the state refused to improve on its offer of a 6,5% increase across the board for public servants and hot on the heels of the threatening Eskom strike. The unions are demanding an 8,6% increase for their members. Other issues relating to service benefits, such as the equalisation of medical subsidies and increasing the housing allowance from R500 per month to R1 000 per month, were also raised.

Labour had high expectations that the employer would take unions' demands seriously and significantly improve on its offer. The state is settling on substantial increases in other sectors of government. This contradiction is unacceptable. The most recent collective negotiating settlements in the labour market, with specific reference to local authorities, state departments that fall outside the ambit of the PSCBC and parastatals, range from 8% to 13%.

It is a fact that despite the seemingly lower-projected inflation rate, electricity and municipal service hikes are a reality. Steep increases in the petrol price will also hit consumers hard this year. The state as employer contends that unions' demands are unreasonable, but the average public servant in lower and middle echelons cannot even afford to buy a decent home. By not giving proper attention to the housing allowance, which is a meagre R500 per month, and by offering

an insignificant real increase, the employer is contributing to poverty as the public service is the single largest workplace in our country.

The plight of our members is desperate and we are left with no other option but to consider the most severe option left to us, which is strike action. Unions are balloting their membership in this regard. Other forms of industrial action, e.g. picketing, media campaigns, etc are not excluded. We are united as Labour in this and ALL the admitted unions are committed to convince the state to improve on its offer. We will also consider external mediation as a parallel process.

Labour has indicated at the time of declaring disputes that they were available 24 hours 7 days a week in order to resolve the dispute. The employer can ill afford not to meet Labour's demands of an 8.6% for salary increase, a R1000 pm housing allowance and the equalisation of subsidy for medical aid. The demands by Labour represent a compromise given the current settlements in the labour market.

Should we, however, not be able to convince the employer to significantly improve on its wage offer and address the housing allowance, we cannot see that we will be able to prevent our members from embarking on strike action. Labour, however, remains optimistic that parties will be able to resolve the matter. Hopefully the Employer will adopt a similar approach.

Failure to find an amicable solution will have serious consequences for the public service. This can be avoided. Labour has consistently compromised in order to meet the employer more than half way but there was no commitment from the side of the employer.

End of statement

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