



REPORT NO. 17 OF 2015

PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL MEETING

Mediation continued on the 8th May 2015, after the Employer had met with its mandating committee.

It tabled a final offer to Labour – which can be obtained from the Hospersa website under Collective Bargaining, Private Sector or from Hospersa's provincial offices.

In essence, the offer is as follows:

Multi-term salary increase:

Parties have agreed on the principle of a multi-term agreement, which will start from 2015/16 to 2017/18.

Year One (2015/16): 7% (average projected Consumer Price Index + 2.2%);

Year Two (2016/17): Average projected CPI + 1%; and

Year Three (2017/18): Average projected CPI + 1%.

For members who are wondering how the average projected CPI is calculated, please be advised that it is based on National Treasury forecasts and it is currently standing at 4.8%.

The Employer's offer for the first year amounts to 7%, which is 4.8% CPI plus 2.2%.

In the event that the forecasts are not in keeping with reality, the following two clauses make provision for such an eventuality:

– If the actual average CPI for a period is higher than the projected average, the difference shall be added to the adjustment for the following year.

– If the actual average CPI for a period is lower than the projected average, the difference shall be deducted from the adjustment for the following year.

The 1 April each year is the date upon which adjustments will take place.

Family Responsibility Leave

Five working days per calendar year family responsibility has been introduced for employees with children who have severe special needs. Application for this family responsibility leave shall be supported by reasonable proof to demonstrate the severe special needs of such child/ren by the concerned employee/s.

Paternity Leave

It was agreed that three working days paternity leave per calendar year be introduced to be utilised when the spouse gives birth or for an adoption of a child not older than two years. An application for paternity leave must be accompanied by reasonable proof.

4. MEDICAL ASSISTANCE

4.1. In-service employees

The medical assistance for in-service employees who are on the Government Employee Medical Scheme will be adjusted by 28.5% effective from the 1st of January 2015. The dispensation for in-service employees on GEMS will be retained at 75% of the employees' total contribution subject to a maximum cap of R925 per principal member and the first dependent and R565 per month for additional dependent to the maximum subsidy of R3545 per month

The medical assistance for employees on open schemes shall be retained at a dispensation of 66.67% of the employees' total contribution subject to a maximum cap or R1014 per month.

4.2. Former employees

A new post-retirement medical assistance dispensation for all former employees on both GEMS and open schemes is introduced. That is the medical assistance for those employees that retire or have retired on open schemes is aligned with the GEMS dispensation.

Both will be on the basis of 75% of total monthly contribution to a maximum of R925 per principal members and a maximum of R1 850 per month

All employees on salary levels 1 – 5 who retire on the Sapphire option of GEMS, without dependants, shall continue to receive free 100% medical subsidy for the principal member only, provided the subsidy amount does not exceed the former employee's total contribution to GEMS. All employees on salary levels 1 – 5 who retire on the Sapphire option of GEMS shall continue to receive free 100% medical subsidy provided the subsidy amount does not exceed the former employee's total contribution to GEMS

And other employees on levels 6 – 10 who retire on the Sapphire option of GEMS shall continue as in bullet two above.

4.3. Future Medical Subsidy Adjustments

The first annual adjustment of the medical aid subsidy shall be effected from the 1st of January 2016; and

Future adjustments of the medical aid assistance for in-service employees on GEMS and all former employees on all medical schemes, shall be in accordance with the Medical Price Index (MPI).

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5. 13th Cheque / Service Bonus

All employees will be able to choose the date upon which they wish to receive their bonus. For those who do not do so, the status quo shall remain in place. Please refer to Clause 7 of *PSCBC Report 17 – Employer's Offer* for further details.

6. Recognition of Prior Learning

The Employer will develop a policy on recognition of prior learning for the public service and table it to the PSCBC for consultation.

7. Bursary Scheme

The Employer will conduct a feasibility study as to whether it can possibly provide some form of bursary assistance for the children of public service employees.

8. Government Employee Housing Scheme

The employer has increased the housing allowance from R900 to R1200 per month; the amount shall be adjusted annually on the basis of the average Consumer Price index for the preceding year with the first adjustment being effective from the 1st of July 2017.

All employees who are on total cost to employer will not benefit from this dispensation and only one of the eligible employees between married couples will receive the housing allowance.

New employees entering the public service after the date of signature of the agreement and become eligible to receive the allowance, shall only be paid if they own a house and or are paying a home loan for a house in which they live in, if they do not own a house all the allowance shall be diverted into a saving facility awaiting the time they are ready to buy a house.

Current employees who are eligible to receive the housing allowance but do not own a house, shall continue to receive the R900 per month and the difference shall be diverted in a individual saving facility.

8.1. Should an employee's employment in the public service be terminated, the following shall apply:

- In the event of death or medical boarding the employee shall receive the full value of the accumulated savings;
- In the event of death of the employee, the full value of the accumulated savings shall be paid out to the nominated beneficiary of the deceased employee, or estate;
- In the event of a resignation or dismissal, the employee shall not be entitled to receive the accumulated savings; and

- Employees in rural areas occupying communal land, with the necessary permission, shall be deemed by the Employer to be valid home owners.

9. Danger Allowance

Parties have agreed that the Employer will conduct a comprehensive review of the danger dispensation applicable to the public service and the modality for the payment of the danger allowance. This shall be tabled at the PSCBC for negotiation.

10. Mandate

Hospersa is requesting members to provide a mandate through their branch structures, which must reach the provincial office no later than the **15th May 2015**.

Please note that members can also utilise Hospersa's Core Talk system to SMS mandates to their various provincial offices.

Each province will be sending a Core Talk message to members' cellphones. Please use this facility to return your mandate.

If the mandate at the PSCB is to reject the Employer's offer, the next step for Labour will be to embark on industrial action.

– Released by the Office of the General Secretary