



## **REPORT NO. 9 OF 2015**

### **PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL (PSCBC)**

Council met again yesterday evening, the 25<sup>th</sup> of March 2015, going through to this morning to explore if the Employer and Labour could possibly reach an agreement on wage negotiations. The parties engaged on the following issues:

#### **Government Employee Housing Scheme (GEHS)**

The Employer tabled a new offer by increasing the housing allowance from R900 to R1100 per month, and herewith are the conditions;

- Employees who are either renting, owning houses or paying loans towards a housing bond shall receive the full R1100 per month.
- Employees who do not rent, own or have houses will receive R600 per month and the remaining R500 will be deposited in a savings scheme for a maximum of ten years. After ten years, the Employer will withdraw the amount and utilise it to assist the Employee towards acquiring a house.
- The housing allowance shall be adjusted by the Consumer Price Index (CPI) each year, with effect from 1 April 2018.

#### **Remuneration of educators receiving priority**

As reported in the last update, Labour presented its proposal, which seeks to address the difference in pay progression between educators and other public servants. Currently educators receive 1% on pay progression, while other public service employees are getting 1.5%.

The Employer will be seeking a mandate from its principals in this regard.

#### **Review of the Performance Management Development System (PMDS)**

Labour provided a written response to the Employer's diagnostic report, and there will be some engagements after the Employer has studied the document from Labour.

## Salary adjustments

The Employer presented its so-called new and final offer to Labour as follows:

They want a multi-term agreement to be signed by Council – 2015 through 2018:

<b>Period</b>	<b>Salary adjustment offer by the employer</b>	<b>Labour's response</b>
First year	CPI plus 1% which equals 5.8%	10%
Second year	CPI plus 0.5%	<b>Single Term</b>
Third year	CPI plus 0.5%	<b>Single Term</b>

As one can see above, Labour is insisting on a single-term agreement for this round of negotiations.

This morning, the Employer invoked the dispute resolution mechanism, citing that we are in dispute, and the Secretariat to Council will arrange for a mediator to bring parties together when we meet again tomorrow (27<sup>th</sup> March 2015).

*– Released by the Office of the General Secretary*