



REPORT NO. 20 OF 2015

PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL MEETING

A Special PSCBC Council meeting was held on 1st June 2015. The meeting was called as a result of Circular 1 of 2015, released by the Department of Public Service and Administration and signed on the 29th May 2015. The Circular was about the implementation of the cost-of-living adjustment of 6.4% for the 2015/16 financial year – instead of 7% as per PSCBC Resolution 2 of 2015, signed by the majority of Labour parties during May 2015. The reason government provided for not paying the 7% is that there will be a subtraction of the overpayment of 0.6% for the 2014/15 financial year.

During this Special Council meeting, Labour wanted to know why the Employer issued a Circular that contradicts PSCBC Resolution 2 of 2015. The Employer's response was that the Circular was not approved or authorised. The Employer proposed implementing the 6.4% and obtaining a legal opinion on the matter. Labour, on the other hand, asserted that a legal opinion ought to be obtained prior to implementation.

The Parties agreed to seek legal opinions from different attorneys, including the PSCBC attorneys.

Background to Hospersa's current position

While Hospersa has received a mandate from its members to accept a salary increase of 7%, we have not yet been able to sign as we are involved in a strategic alliance with two other unions – Natu and Nupsaw. This confers the advantage upon Hospersa of operating within a 100 000-strong block at the PSCBC, but it also means that we cannot sign a settlement without the support of our partners.

Our position is that we cannot sign the wage agreement due to conflicting views on medical aid clauses. There is a concern that should we sign the wage agreement, it will prejudice us – and, by extension, members – should there be a later legal challenge vis a

vis the inferior benefits offered to members who are not on the Government Employees Medical Scheme (GEMS). A legal challenge may well prove to be successful, in which case the cautious approach adopted by Hospersa and its partners will be applauded. Either way, our members are not comprised. Our non-signature does not preclude members from receiving the salary increase, but it does reserve the rights of those who may be prejudiced from a medical-aid standpoint.

Hospersa will keep members updated on progress.

– Issued by the Office of the General Secretary