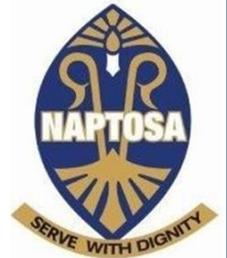


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The Status of the R1 000 Gratuity

NAPTOSA is inundated with questions from members who want to know what will happen to their R1 000 cash gratuity after 31 March 2023. This is to be expected as the *draft agreement* made provision for the gratuity to be replaced in 2023 with a new agreement.

The Public Service Coordinating Bargaining Council (PSCBC) Resolution 1 of 2021 does however state in clause 3.3:

“If no new agreement is reached by 31 March 2022 on the 2022/2023 salary adjustment, this non-pensionable cash allowance shall remain in force until a new agreement is entered into by parties”.

It must therefore be noted that during the salary negotiations in 2022, **no agreement** was reached in the PSCBC. The 3% salary adjustment was implemented unilaterally by the employer. The *intention* during the 2022/23 bargaining process was for the gratuity to be converted into a pensionable percentage. This would have ensured that the pensions are positively impacted in the long run.

NAPTOSA and the Public Sector Unions within FEDUSA are in discussion to ensure that there is no misunderstanding of the interpretations of Resolution 1 of 2021.

It is unfortunate that the entire process of salary negotiations was not concluded due to some unions being in dispute and embarking on industrial action and thus resulting in a breakdown of the 2022 negotiations. Salary negotiations for the 2023/2024 financial year could not take place, until the 2022 dialogue was concluded.

Clause 3.3 of PSCBC Resolution 1 is still valid and it is therefore NAPTOSA's view that public service employees will continue receiving the R1 000 cash gratuity after 31 March 2023, until a new agreement is signed.

NAPTOSA will continue to keep members updated on the developments as they happen.

Mr BL Manuel

Executive Director