



NATIONAL NEWS FLASH



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NNF 22 of 2021

21 May 2021

SALARY NEGOTIATIONS: REVISED WAGE OFFER

Members will recall that in National News Flash 17 of 2021 we reported that wage negotiations had reached a deadlock as the employer had tabled a 0% offer on the cost-of-living adjustments (COLA), and that Labour had intended to declare a formal dispute by 4 May 2021. Subsequent to this, the employer requested a Special Council meeting on 3 May 2021 to negotiate the appointment of a facilitator to facilitate a process of unlocking the deadlock.

Mr Ebrahim Patelia was appointed as facilitator and is assisted by Mr Limpho Mandoro, an official from the International Labour Organisation (ILO). Parties agreed that the facilitation process should be concluded within 10 days. The process commenced on Sunday, 9 May 2021 with Labour insisting that the employer should make a pronouncement on the COLA. On 16 May 2021, the employer tabled the following revised offer:

Cash gratuity

The employer will pay to all employees that were in employment on 1 April 2021, a monthly non-pensionable cash gratuity of R978.00 per month for the period 1 April 2021 to 31 March 2022.

The non-pensionable cash gratuity will be implemented on the first payment date following an agreement in the PSCBC.

Pensionable salary increase

The employer will pay a once-off adjustment of the pensionable salary of 1.5% to all employees employed in the public service on 1 July 2021, who will not qualify for pay progression in respect of the 2020/2021 performance cycle, payable to them in terms of any PSCBC or Sectoral Agreements on pay progression, including employees on the maximum notch of their salary levels.

The adjustment will be effected programmatically and be completed within 30 days after agreement has been reached in the PSCBC.

As is often the case in negotiations, the wording of offers, demands and draft agreements are sometimes ambiguous and need clarification. The offer of the employer, reflected above, is no different. It is therefore important that members understand the following:

- The offer of the gratuity of R 978 per month to be paid to **all employees** (those in service on 1 April 2021) will be applicable for a 12 month period (April 2021 – March 2022) **after which it will lapse.**

- Employees who, after assessment, **would qualify** for the 1,5% pay progression, will continue to receive such pay progression on 1 July 2021.
- Employees who would, in terms of the provisions of the pay progression system, **not qualify** for pay progression (i.e. new appointees and newly promoted employees who have qualifying periods applicable to them; those on the maxima of their salary levels; and those who would not qualify because of their assessment) will receive a once-off pensionable adjustment of 1,5% on 1 July 2021.
- The 1,5% offer by the employer **does not mean** an adjustment of 1,5% on top of the 1,5% pay progression that employees who qualify for pay progression, would ordinarily receive on 1 July.
- It ultimately means that the salary of every employee in the public service will increase by 1,5% on 1 July 2021 **(some in terms of the pay progression provisions and others in terms of the employer's offer).**

A period of 10 working days, commencing on Monday, 24 May 2021, has been set aside for unions to consult their members on the revised offer. Once this process is concluded, parties will go back to the negotiation table with fresh mandates from their constituencies.

It must be noted that the consultation process at this stage is only in respect of the offer made on the COLA. Parties in the PSCBC are still engaging on the other demands tabled by Labour. We hope to conclude these negotiations soon. Members will be updated on developments as they happen.

While NAPTOSA will continue its efforts to convince the employer to improve its offer, it must be accepted that the room for this is extremely limited and that it will be influenced by the position of other unions in the PSCBC who collectively represent the majority of employees.

Attached is an Annexure with examples of how educators' salaries will increase for 2021, based on all the factors that annually contribute to an increase in basic salary plus the effect of the employer's revised wage offer. The percentage effect of the R 978 p.m offered by the employer is reflected as the first item for each of the salary notches selected as examples.

To enable NAPTOSA to determine its mandate for the continuing negotiations on the COLA, it is important that our members express their views on the employer's offer as reflected and explained above. Members should also take into account the examples in the attached Annexure.

Members are encouraged to click on the link below and to complete and submit the questionnaire you will find there. Please note that the majority view of the responses received will frame NAPTOSA's mandate. It is therefore important that you utilise the opportunity to express your view.

Only responses received by close of business (16:00) on Tuesday, 25 May 2021, will be computed.

Link:

<https://forms.gle/crsRK5vJrkNGSSb46>

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