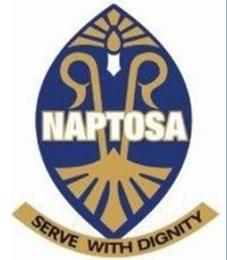




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PREPARING FOR 2022 WAGE NEGOTIATIONS

The 2022 wage negotiations will be commencing soon for purposes of which NAPTOSA needs to determine its demands to feed into those of the FEDUSA block in the PSCBC (of which we are part), and ultimately into a consolidated demand of all the unions to the PSCBC.

To enable NAPTOSA to finalise its set of demands, a survey will be conducted among members. The survey will concentrate on the main issues of a wage demand, namely the term of the agreement and the quantum of the increase, as well as certain other benefit areas.

- **Term of the agreement**

The choice is between a one year or a multi-term agreement. Based on Labour's experience with the 2018 multi-term agreement where the employer reneged on the final year of implementation and the resultant trust deficit in the employer, a multi-term agreement at this juncture appears risky.

- **Quantum of the increase**

In terms of PSCBC resolution 1 of 2021, public servants receive a non-pensionable cash allowance of between R 1220 and R 1695 p.m., depending on their salary level, to be continued until parties to the PSCBC reach a new agreement on a salary adjustment for 2022/23.

We have warned before that this should not lull us into complacency because it does not constitute a real salary increase. In fact, members have not received a pensionable salary increase for two years on top of which they have to contend with run-away fuel and electricity price increases that are having a knock-on effect on commodity prices. The result is higher inflation (CPI), currently standing at 5,7%.

It is believed that a wage increase should at least mitigate the effect of inflation on the buying power of members whilst making up for the wage losses of the past two years. The projected average CPI for 2022/23 is 4,5% and should form the basis of the wage increase quantum. To demand an additional 2% (bringing the demand to 6,5% across the board) is regarded as not unreasonable, taking into account the current economic climate.

- **Housing allowance**

While the housing allowance (R 1 500.07p.m.) increases annually with the average CPI for the preceding financial year, the baseline amount of R 1 200 p.m. negotiated in 2015 was a compromise position at that stage. It is believed that a housing allowance of R 2 500 p.m. is a more realistic allowance taking into account current house prices and rentals.

Some of the provisions of the Government Employees Housing Scheme have also been problematic from the start. The fact that the full housing allowance, or a portion thereof (depending on when an

employee entered the public service), is paid into an individual-linked savings facility for employees who rent, does not alleviate the rental demands of many. While for some this might be a way to save to eventually assist them in purchasing a property, others would rather have the allowance assist them with their rent. It is believed that it would be fairer to all if the savings facility in the housing scheme was to become optional.

The housing allowance was negotiated as a benefit to employees. It is therefore unfair that an employee should forfeit his/her accumulated benefit in the savings facility when he she resigns.

- **Capped leave**

Because of the financial pressures that public servants are under, many need financial assistance to fund expenses in the period before they reach retirement age. It is believed that the employer should allow those employees who have capped leave, to have such leave paid out them in full or in part before retirement. This will be in line with National Treasury's investigation into the possible limited withdrawal of pension funds to assist workers.

- **Improved qualifications**

Ministers of Public Service and Administration continually allude to the professionalization of the public service. Encouraging employees to improve their qualifications is an important element in achieving this goal, but then it must be made worth the employee's effort because ultimately the employer and the public service will benefit. It is believed that the improvement of qualifications should therefore be made more attractive to employees. The current benefit of 10% of annual salary, limited to salary level 8.1, therefore needs to be improved.

- **Filling of funded posts**

There are too many funded posts in the public service that remain unfilled, putting pressure on employees who are in service to plug these gaps. The employer needs to commit to the filling of funded vacancies within an agreed time frame. A period of six months should be more than reasonable.

As part of the filling of posts, all beginner teachers (Self-funded, Funza Lushaka, ETDP Seta Bursary holders) should be given equal opportunity to access teaching posts.

As indicated above, NAPTOSA's demands will feed into further Labour structures. It is important to note that in this process of discussions and compromises the demands of individual unions may be adapted or left off the final consolidated Labour demands.

Click on the link to complete the survey: <https://forms.gle/n1x1owuQj2PgtNaF8>

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