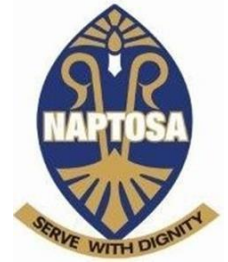


NATIONAL NEWS FLASH

SERVING EDUCATION SINCE 1904



Visit our website: www.naptosa.org.za

NNF 33 of 2024

24 October 2024

SALARY NEGOTIATIONS UPDATE

The Public Service salary negotiations are continuing. Labour initially presented a demand for a 12% salary increase across the board, along with other key issues such as housing, medical aid, and bursaries for public servants. However, the employer tabled a counter-offer of 3% increase and requested facilitation.

The facilitation process occurred over three days, 8 to 11 October 2024. During this process, the employer proposed a pensionable salary increase based on the Consumer Price Index (CPI) for employees on salary levels 1–12 and those appointed under the Occupation Specific Dispensation (OSD) for the financial years 2025/2026, 2026/2027, and 2027/2028 as follows:

- 🕒 2025/2026: Pensionable salary increase equal to CPI for that year.
- 🕒 2026/2027: Pensionable salary increase equal to CPI for that year.
- 🕒 2027/2028: Pensionable salary increase equal to CPI for that year.

Additionally, a cap was introduced for the CPI, ensuring that if the projected CPI is below 4%, it will be deemed 4%, and if it exceeds 6%, it will be capped at 6%.

Labour's Position

Labour proposed a cost-of-living adjustment (COLA) as follows:

- 🕒 2025/2026: A 7.5% increase (CPI + 2.8%).
- 🕒 2026/2027: A CPI + 2.5% increase.
- 🕒 2027/2028: A CPI + 1.5% increase.

Housing

The parties reaffirmed their commitment to the Government Employees Housing Scheme (GEHS) as per PSCBC Resolution 7 of 2015 and will continue discussions through the GEHS committee. The employer offered to increase the baseline housing allowance to R1,900, a 6.5% increase, as opposed to labour's request for R2,000. The implementation of related clauses is proposed to take effect from 1 April 2025, while labour is requesting an earlier implementation from 1 December 2024.

Parties also agreed that clause 4.5.6.5.3 of PSCBC Resolution 7 of 2015 be amended to read as follows (subject to a trade-off on COLA):

'In the event of resignation or dismissal, the employee shall receive the full value of the savings.'

Medical Aid

The employer indicated that it cannot afford further increases to medical aid contributions, and the current Medical Price Index (MPI) increase will remain.

Childcare and Breastfeeding Facilities

Parties agreed that research on the state of readiness within departments for establishing childcare and breastfeeding facilities will be conducted, guided by minimum requirements from the Department of Social Development. This research is to be completed within six months from the agreement being finalized.

Bursary Scheme

Acknowledging the financial difficulties public servants face in funding their children's tertiary education, parties agreed that research will be conducted to develop a funding model for the children of public servants. This research, considering work already done by the Department of Higher Education and Training, is to be concluded within 12 months of the agreement.

Other Negotiation Items

Other items in the negotiations basket included Decent Work, Uniform Policy, Recruitment Policy, Long Service, Performance Bonus, Abolishment of Levels 1-3, Death Grant, and Danger Allowance.

The negotiations remain ongoing. At this stage, labour and the state as employer seem to be far apart. Labour remains ready to return to the negotiating table to finalise the demands as tabled. Further updates will be provided when developments occur.

Mr BL Manuel

Executive Director