



COMPASS (WAGE NEGOTIATIONS)

REPORT 1 OF 2019

14 MARCH 2019

We are glad to report that the first round of wage negotiations with Compass took place on 6 March 2019.

You will recall that we embarked on a mandate seeking process in January and February 2019.

We tabled our demands at this meeting. Compass responded by indicating that it had already started negotiations with other unions and that they were prepared to table what it has offered the other unions as a starting point to help the process move forward.

The following matters were discussed:

Salary Increase

We demanded a 15% across the board (ATB) salary increase.

The employer responded with a 3% ATB offer and explained its current position based on the contracts with the institutions they service.

The employer highlighted that its focus is to reduce costs for all service providers due to the current financial constraints and the pressure on our economy. The employer stated that it cannot afford increases at rates higher than what it receives for the services rendered.

We rejected the offer arguing that it is not even in line with inflation. It is important to note that our members are also feeling the pressure on their

available monthly spending power and if the employer continues adjusting salaries at rates lower than inflation, it would ultimately lead to a reduction in the quality of life for our members.

Medical Aid Subsidy

We demanded a 15% increase while the employer tabled a 3% offer.

The employer also presented a document in relation to the medical aid. The employer indicated that it has engaged with the current service providers and members are able to adjust their options up until the end of April 2019.

This will assist in ensuring that the subsidy will cover the cost for the main member. The current subsidy is R2 122. On the Prime 3 network, the current employee contribution is R464. If a staff member moves to Prime 2 network, the subsidy will cover the cost with no additional out of pocket contributions for the main member.

Allowances

We demanded that the meal allowance be increased as per percentages agreed upon by parties.

The employer indicated that it will not go back to an allowance paid in cash and would like to maintain the current arrangement in place as agreed in the last negotiations. Currently, staff

members are given meals and management indicated that it will prepare a presentation for the unions in the next sitting to engage on this demand.

Implementation date

We demanded that the implementation date remain 1 March 2019. In the event that salary negotiations are concluded beyond 1 March 2019, all increases will be back dated to the effective date (1 March 2019). The employer agreed to this demand.

We will keep you informed on any further developments.



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possible.***

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