



WAGE NEGOTIATIONS UPDATE (NETCARE)

REPORT 3 OF 2017

26 JANUARY 2017

ON 24 January 2017 the Health and Other Service Personnel Trade Union of South Africa (Hospersa) participated in the second round of wage negotiations with Netcare.

Unfortunately Netcare dug in its heels, adjusting their initial offer of 4,5% by a mere 0,25% to 4,75%. Hospersa is convinced that this increase is not reflective of the employer's reported profits, and therefore we had to reject it outright. In terms of medical aid subsidy, Netcare moved from R1864 to R1920, equating to an increase of R56 or 2,9%.

The inflexibility of Netcare during these negotiations is cause for concern, and one can expect a difficult path ahead. However, Hospersa will continue to strive toward maximum protection against the rising cost of living, while trying to improve the overall levels of compensation received by our members.

The following is a brief summary of the various points on the table:

Salary: Hospersa's first demand was for an across-the-board salary increase of 12%, which was later revised to 10%. In turn, as indicated above, Netcare revised its initial offer of 4,5% to 4,75%. Hospersa will seek to challenge Netcare's deadline of 3 March 2017 to finalise negotiations, based on the CCMA conciliation outcome of 2014/15. The outcome saw parties agreeing that the employer cannot insist on the finalisation of negotiations by using the implementation date, as this is already encapsulated in the Organisational Rights Agreement (ORA).

Medical Aid Subsidy: Hospersa first demanded a 15% increase, which was

later revised to 11%. This figure was largely based on the medical inflation rate. As indicated above, Netcare's revised offer constitutes an increase of a mere 2,9%. There is obviously still a lot of ground to cover and Hospersa will table its arguments at the next session.

Housing Allowance: Hospersa demanded R800 per month, which currently does not exist. In response, Netcare pointed to an agreement with First National Bank (FNB) to provide home loans to employees at an interest rate of prime minus 1%. This issue will be discussed further at the next session.

Theatre Allowance (Flexi-Split): The report from Netcare regarding this matter is that allowances can be separated from basic salary at Albertillo Hospital, Umhlanga Hospital and Port Alfred Hospital.

Long Service Awards: While Hospersa initially demanded monetary awards for long service (15, 20 and 25 years), Netcare would not entertain the proposal and parties remain deadlocked on this matter.

Clinical Facilitator Allowance: Hospersa proposed a R1000 allowance for employees with post-graduate (Honours or Masters) degrees, for specialisation and working in various special units. Netcare's counter argument was that Clinical Facilitators (who hold a one-year diploma qualification) are already being paid for this purpose. Hospersa will continue arguments in this regard at the next session.

Special Unit Allowance: Netcare reported its intention to increase this allowance for Registered Nurses

Qualified (RNO) ranging from R47 to R107 (per month) on top of the current allowance. Hospersa is still deliberating on how to deal with this at the next session.

Labour Ward, Maternity ward and Emergency Unit Allowance: Netcare proposed increases for Registered Nurses in these wards ranges from R10 to R26 (per month) on top of current allowance. This matter will be discussed further at the next session.

The next session is scheduled to take place on 7 February 2017.

Hospersa will continue to provide feedback to its members on any further developments. Members are encouraged to organise and attend regular feedback meetings after each negotiating session, as this will strengthen our hand and provide us with mandated arguments when we are sitting around the negotiating tables.

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If you are not yet a member of Hospersa, we invite you to immediately become a member of the premier trade union in the health and service sectors.

Contact your Provincial Office on the numbers below and we will process your application as soon as possible.

Eastern Cape (043-722-3776)
KwaZulu-Natal (033-342-6847)
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