



PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL (PSCBC)

REPORT NO 4 OF 2019

25 MARCH 2019

WE can report that the Public Service Co-ordinating Bargaining Council (PSCBC) met on 19 March 2019 and the following matters were discussed:

Government Employees Pension Fund (GEPF) Presentation on Actuarial Factors

The GEPF made a presentation on the proposed actuarial interest to be paid out to people exiting the fund in the following manner:

- Retirement with less than 10 years of pensionable years;
- Resignation or discharge of the member;
- Death of a member with less than 10 years of pensionable service;
- Severance package; and
- Transfer of member.

The GEPF proposed that the 2018 actuarial interests be implemented with effect from 01 April 2018.

The reason advanced towards this request is that there is a current court case, wherein a party has taken the GEPF to court on a matter relating to the Actuarial Values. It is envisaged that the court verdict will be given before the end of March 2019. Parties provided an undertaking to apply their minds to the issue presented and will revert to Council with a mandate. The GEPF further commented on labour's demand for an increase to the child pension benefit framework. The GEPF promised to investigate the feasibility of this demand and will revert back to Council.

Department of Public Service and Administration (DPSA) – Incorrect Taxation for 2018

In the previous meetings, the issue of incorrect tax deductions on employees' salaries was discussed. In response to labour's request for a breakdown per department on the number and rank of employees affected, the employer made a presentation on the information requested except for information from the Department of Correctional Services (DCS). The employer previously promised to make a presentation on the information of DCS in this meeting. The employer indicated that it is close to finalizing this matter and will request a special Council meeting if it has finalized the matter before the next Council meeting.

The Proposed Scope of Bargaining Councils in Respect of the Technical and Vocation Education and Training (TVET) Lectures and Support Staff

In this meeting, the employer was supposed to provide its response to labour's proposal. In the previous meeting labour proposed that Council should allocate jurisdiction for TVET and CET teaching staff to the Education Labour Relations Council (ELRC) and support staff to the General Public Service Sector Bargaining Council (GPSSBC). The employer indicated that labour's proposal involves the amendment of the PSCBC Constitution, and therefore the constitutional prescripts should be followed on the amendment of the constitution.

Draft Policy on Recognition for Prior Learning (RPL) for Public Service

The General Secretary (GS) of the PSCBC reported that this matter needs an amendment to the South African Qualification Authority (SAQA) Act, which is outside the competencies of the Council. A consensus was reached that the policy be implemented in its current form whilst the

parliamentary processes are unfolding. The matter is removed from the agenda.

Applicability of Section 198B – Fixed Term Contracts

The GS of the PSCBC reported that a seminar was held on 21 February 2019 where this matter was clarified. Currently, people that qualify within the public service are those that are between salary levels 1 to 6, as per the Basic Conditions of Employment Act (BCEA) thresholds as determined by the Minister of the DPSA.

Organisational Rights

This matter also formed part of the seminar where the matter of POPCRU versus SACOSWU was discussed. In this matter SACOSWU, which is a minority Union, entered into an agreement with the employer and was granted organisational rights under section 12 and 13, despite an agreement that the employer had with POPCRU in terms of section 13, establishing a threshold. The courts ruled in favour of SACOSWU.

The PSCBC has signed Resolution 2 of 2017: Agreement on the thresholds and procedures for the granting of Organisational Rights within the Public Service. In contravention of this Resolution, the Department of Correctional Services, went ahead and signed a collective agreement with SACOSWU.

Council resolved that a letter be sent to Director General of the DPSA to guide the Department of Correctional Services to withdraw from the agreement with SACOSWU.

PSCBC Resolution 2 of 2015 (Clause 9: Bursary Scheme)

Eastern Cape (043-722-3776)
KwaZulu-Natal (033-342-6847)
Northern Cape (053-842-2001)

Free State (051-448-4659)
Limpopo (015-295-3272)
North-West (018-462-3692)

Gauteng (011-791-2243)
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Western Cape (021-591-9283)



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This is one of the demands labour tabled during the 2018 wage negotiations. During this meeting, the employer reported that as the State, it is of the view that there is no need to consider a bursary scheme for children of public servants since there is free education for qualifying students at institutions of higher learning. Labour raised a point that most Public Servants' children do not qualify for free education. Labour reminded the employer about the Reconstruction and Development Programme (RDP) housing scheme where Public Servants are also excluded, yet the employer has now reconsidered. Labour urged the employer to reconsider its position on this item as well and respond in the next Council meeting.

Outstanding Matter: Implementation of Previous Resolutions

- Resolution 3 of 2009 (Clause 4)
- Resolution 4 of 2015 (Clause 4.1.4)
- Resolution 5 of 2015 (Clause 3)

The employer provided a report stating that due to the financial situation in the country, it is not prepared to engage on these resolutions citing that the State will not be able to afford settling of these debts. Labour reminded the employer that these are Council resolutions and that it is a signatory to the resolutions. Labour rejected the employer's response and requested it to seek a fresh mandate on these issues.

Resolution 1 of 2018 (Clause 5.2.1: Moratorium on the Filling of Funded Vacant Posts)

The employer indicated that it was still busy compiling the report and will present the report in the next Council meeting.

Resolution 1 of 2018 (Clause 5.2.1: Temporary Incapacity Leave)

In this meeting, the employer was expected to respond to labour's demand, to insert a default clause on the policy. The employer reported that it is still in a mandate seeking process. The matter is deferred to the next Council meeting.

DPSA Circular 1 of 2019: Reduction in the Percentage Allocation of Remuneration Budget for the Payment of Performance Bonuses for All Categories of Employees with Effect from 1 April 2019

This matter was discussed in Council on 27 February 2019 where the employer issued a circular regarding the above issue without consultation on a matter that seeks to change the conditions of employment of workers. Labour insisted that the employer must withdraw the circular, and then consult on the matter. At that meeting, the employer reported that it did not have a mandate to withdraw the circular, but would seek mandate from its principals.

In this meeting, the employer reported that it does not have a mandate yet, but would like to engage in Council on this matter. Labour's response was that the employer should refrain from implementing this circular until there is an agreement reached in Council. Labour also demanded that the employer should present to Council a spreadsheet of the previous PMDS implementation that will indicate how the present policy was implemented between the different categories of staff from level 1 to 16 with the different scores in each category and the amounts. The employer stated it would revert back to Council.

Early Retirement without Penalisation of Pension Benefits in the Terms of Section 16(6) of the Public Service Act (1994)

The employer made a presentation on the policy. After the presentation, labour wanted to know the purpose of the presentation as it is clear that this was not a consultation since the matter was publicly announced and circulars have been issued. We raised the following additional questions to the employer:

- What is the targeted number of staff members to exit?
- What is the breakdown of the targeted categories per department?
- What is going to happen to the posts that will be left vacant?
- Is there a comprehensive skills audit in all the Public Service?
- Plans on how each department is going to implement this?
- Is there an impact analysis report?
- How is this going to deal with the issue of unfilled funded vacant posts?
- Grievance procedure to be followed in this case where there is no agreement?

The employer requested to be given a chance until Tuesday 26 March 2019 to provide a response.

Salary Increases for 2019/2020

The employer reported that the projected Consumer Price Index is 5.2%, therefore salary increases will be as follows:

- **Salary levels 1 – 7: 6.2%**
- **Salary levels 8 – 10: 5.7%**
- **Salary levels 11 – 12: 5.2%**

We will keep members up to date on developments.

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