



# PUBLIC SERVICE COORDINATING BARGAINING COUNCIL SPECIAL COUNCIL MEETING - CONTINUATION OF THE PSCBC 2025/26 WAGE NEGOTIATIONS

## REPORT 19 OF 2024

## 02 OCTOBER 2024

Parties to the Public Service Coordinating Bargaining Council (PSCBC) convened a PSCBC Special Council meeting on 01 October 2024 to continue with the 2025/26 Public Sector Wage Negotiations.

Organised Labour tabled its response pertaining to the employer's rejection of initial demands. **See attached Annexure 1.**

The respective Annexure can also be found on the Hospersa website – [www.hospersa.co.za](http://www.hospersa.co.za)

### THE EMPLOYER RESPONDED TO LABOURS DOCUMENT IN TERMS OF THE FOLLOWING ISSUES:

**COLA DEMAND** -The employer indicated that it had provided a comprehensive response via the draft collective agreement that was tabled.

The draft collective agreement that was tabled never sought to close off any further engagements for parties.

Any further agreements emanating from the conclusion of the 2025/26 wage negotiations would be inserted into the final agreement, as has been the case previously.

increase, had the employer tabled an offer closer to inflation would that have

The 3% salary increase is what the employer can afford due to the national fiscus challenges that the country is facing now.

In essence the employers tabled offer of a 3% salary increase for salary levels 1 to 12 is closer to the current inflation percentage of a 4.5%.

State Owned Entities (SoEs) s have never settled at 12% salary increase for its employees.

**TERM OF THE COLLECTIVE AGREEMENT** - The employer indicated that the need to conclude a multi-term agreement, was a better option in that it would mean compliance with various public service budgetary processes.

**HOUSING** - The employer indicated that the savings component does not belong to the employees. The money belongs to the state, it simply affords employees an option to purchase homes, whilst being the employ of government.

Where employees resign, they have voluntarily severed ties with the employer, even where employees are dismissed, that indicates that the relationship between the employee and the employer changes due to the employee having wronged the employer in one way or another.

Labour was saying that in the interim whilst the resolution 7 of 2015 is being amended in addressing the anomaly that was picked up by the employer, whether the mitigation thereof should be dealt with in the current wage negotiations or be dealt with in the interim, via a proposed directive that the employer proposed?

i.e., Clause 4.5.6.5.3 of Resolution 7 of 2015 does not provide for the withdrawal from the Individual Savings Facility (ILSF), due to death or retirement while the employee is not enrolled with the GEHS.

**MEDICAL AID** – The employer responded that the introduction of NHI is simply for the fact that the government does not want to continue subsidising employees on private medical aid schemes. The employer further responded that it is simply not affordable to increase the current medical aid subsidy to 12% plus MPI. Therefore the employer continues to reject the demand.

**DANGER ALLOWANCE AND SPECIAL DANGER ALLOWANCE** – The employer indicated that the demand by organised labour is not affordable, i.e., increasing danger allowance from the current R597 to R1000 and the special danger allowance increase from the current R894 to R1400. The demand was still further rejected by the employer.

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**DEATH GRANT** – The death grant is only implemented at the discretion of the National Commissioner. The employer further indicated that the death grant is not a matter of mutual interest. Therefore, parties at the level of the PSCBC do not have jurisdiction to deal with the matter. The employer continues to reject the demand.

**CHILDCARE AND BREASTFEEDING FACILITIES** – The employer indicated that it cannot prescribe to provinces regarding the implementation of the demand. It had proposed that organised labour participate in a process Government process that would allow for parties to the PSCBC to provide meaningful submissions on the matter.

Labour should therefore table the draft framework for negotiations to commence on the Childcare and Breastfeeding Facilities demand.

**PAY PROGRESSION** – The employer continues to reject the demand, based on issues of interpretation regarding collective agreement that was concluded in the PSCBC in the year 2021.

**RECRUITMENT POLICY** – The Public Service Act provides the correct indication in terms of who has executive authority over issues related to Recruitment and Policy in the various provinces. The Public Service Act and its Regulations prescribes over issues of Recruitment and Selection in the public service. Therefore, the employer continues to reject the demand.

**BURSARY SCHEME** – The employer indicated that it was not the first time that parties to the PSCBC were engaging on this matter, and to date the matter is

receiving attention at the level of the Department of Higher Education and Training (DHET) to address the issue of the “missing middle”. The discussions at the level of DHET, includes, coming up with a comprehensive model to address this matter, and those discussions were at an advance stage. The employer further indicated that parallel processes should not be taking place on this demand, and therefore continued to reject the demand.

**DECENT WORK** – The employer questioned whether the PSCBC had the jurisdiction to address the demand, taking into cognizance that there are sectoral processes in place on issues, e.g., Community Health Workers (CHWs).

The employer questioned whether the demand was a mutual interest matter or not? Furthermore, the fact that Gauteng Department of Health permanently employed CHWs, indicates that it's not a matter of mutual interest, but province inclined.

The availability of resources will remain an issue regarding the permanent appointment of Education Assistants, CHWs, Reservists, EPWPs etc. The employer further reiterated that these employees were employed solely on a project-based term. The employer, therefore, continues to reject the demand.

**ABOLISHMENT OF SALARY LEVELS 1 TO 3** – The national fiscus cannot afford to abolish salary levels 1 to 3 and start all employees in the public service at salary level 4.

**UNIFORM POLICY** – The employer indicated that the demand is a sectoral matter and therefore does not have jurisdiction in the PSCBC. All the referenced collective agreements, e.g., the PHSDSBC Resolution 1 of 2023, the SSSBC Resolution 1 of 2017, etc are indicative of that.

The employer, therefore, further rejected the demand, citing reasons that the uniform is sectoral determined and cannot be centralised at the level of the PSCBC by concluding a collective agreement. The employer continues to reject the demand.

**LONG SERVICE** – The employer indicated that the demand is not affordable for the national fiscus. Therefore, the demand continued to be rejected.

**PERFORMANCE BONUS** – The employer indicated that the demand is not a matter of mutual interest. Therefore, the demand continues to be rejected by the employer.

**GEPF ANNUAL PENSION INCREASE FOR PUBLIC SERVANTS** – The employer indicated that employees have not been prejudiced on this matter, and further indicated that should the law be amended and make it prescriptive to a 100%, does that mean employees would be willing to contribute their share of the pension increase? Given that pensions are a joint liability. The demand is not financially viable without employees themselves agreeing to contribute their portion.

### THE VICE – CHAIRPERSON (ORGANISED LABOUR) RESPONDED THAT:

Organised labour was very disappointed with the employer's responses to regarding the document that labour had tabled.

If the employer had tabled a number closer to the demanded 12%, that would have indicated that the employer was serious regarding the current wage negotiations.

The employer's utterances that some of the demands are not matters of mutual interest, was very incorrect.

The concept of "matters of mutual interest" included terms and conditions of employment as well as matters of direct relevance to the workplace and the job security of employees, such as health and safety issues, the dismissal of workers and the negotiation of disciplinary grievance. Furthermore, that mutual interest refers to economic and industrial relations between employees and employers.

Therefore, all the tabled demands by organised labour for the 2025/26 wage negotiations constitute as matters of mutual interest.

The employer should, therefore, take organised labour's demands seriously and go back to its principals to seek a better mandate on all the demands.

### THE EMPLOYER INDICATED THAT:

It was apparent at this stage that, parties were having differing views on several demands, especially on issues of interpretation.

The employer proposed that the Office of the General Secretary (OGS) enlist the services of a facilitator to assist parties to the negotiations with the issues that were being raised.

### THE VICE CHAIRPERSON (LABOUR) INDICATED THAT:

Organised labour was amenable to the OGS sourcing the services of a facilitator in assisting parties to find each other.

Parties agreed to await the outcomes of the OGS in sourcing the services of a facilitator to assist with the wage negotiations process, and for parties to reconvene once the facilitator was available, in continuing with the 2025/26 Public Sector Wage Negotiations.

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