

MEDIA STATEMENT

PUBLIC SERVICE UNIONS AFFILIATED TO COSATU, FEDUSA AND SAFTU ON THE COLLAPSED PUBLIC SERVICE WAGE NEGOTIATIONS & NATIONAL DAY OF ACTION

Thursday November 17, 2022

The trade unions organising in the Public Service affiliated to COSATU, FEDUSA and SAFTU have called this media briefing to update our members and the public in general about the collapsed public service wage negotiations and further outline the wayforward and our concrete program of action.

As a collective of public service unions represented at the PSCBC which is the biggest bargaining council in the country carrying the hopes and aspirations of public servants, we could not stand by and watch as the government erodes collective bargaining and the rights of workers. We observed with utter disdain as the employer made jokes about how government has assisted -"sibazamile"- public servants with the paltry 3 per cent offer made.

The country's one million plus public service workers pour their hard labour into ensuring that the citizens of this country receive public services. They endure difficult living conditions as a result of low wages and the inability to access state housing, this includes the fact that their buying power has been eroded since the none implementation of the last leg of Resolution 1 of 2018. They commit their time and skills by overextending themselves in their posts because government has failed to fill vacant posts for years. Yet when they demand a fair raise in their salaries, they are told by the Finance Minister Enoch Godongwana that "sibazamile".

Our stand point is also to demonstrate the seriousness within which we take the government's concerted effort to underplay the role and significance of collective bargaining and the signed agreements that bind parties. With the rapidly increased cost of living, as the international lenders warn the worst is yet to come, the government wants public servants to be at peace with less than inflation increases. This cannot stand unchallenged.

Workers mandated unions to table demands during the 2022/23 salary negotiations that include a cost-of-living adjustment (COLA) of 10 per cent, a reasonably above-inflation increase. This year government expect inflation to average at 6.7% whilst it is offering 3% increase.

In the current context of extremely high unemployment, the average wage settlement rate in collective bargaining agreements only rose to 6.1% in the first half of 2022. However, this was before the spike in the inflation rate in July and as we know wage adjustments are always chasing behind the rate at which the cost of living rises. This means that in the overall workers are going to lose some more in terms of the rest of the year as the value of the pay-packets is going to be further eroded by the effect of July spike in inflation rate.

In addition to inflation, was the consideration of the interest rate hikes which was increased by 75 basis points in September, taking the repo rate to 6,25 per cent per annum.

Interest rate hikes plus inflation have made the cost of living more expensive for public servants, the working class in general and the poor. These are concretely expressed in the increased cost of groceries, the nutritional basket for children, fuel, electricity and commuter transport among other costs.

While the demand for 10 per cent against these realities is justified, consideration also ought to be given to the many serious losses public servants have incurred in the past two financial years, particularly the losses of 2020, where workers went without increases because the government refused to implement the last leg of the 2018 collective agreement.

Our consolidated demands also included a baseline adjustment to the housing allowance to all public servants regardless of whether they own or do not have a bonded house to R2 500, bursary schemes for the children of public servants who are currently excluded because they are considered too rich to get NSFAS funding, but their parents are poor to afford tuition fees and living expenses.

The list of consolidated demands also included access to a pension fund before retirement and an encashment of capped leave amongst others.

To all of these demands, the government has refused to concede and months since the negotiations started, we find ourselves at this point.

The refusal to meet these demands, however, must be contextualized. This is a well-coordinated attack on the public service and its employees that is coming from the arsenal of neoliberalism.

The neoliberal attacks are carried out because the ANC-led government has committed to neoliberalism, which dictates that government debt is unsustainable and to address that, such debt must be reduced. Nice-sounding and deceiving concepts such as fiscal consolidation are used to define this path of budget cuts.

From 2020/2021, the refusal to give public servants their due increase was anchored by the “supposed” fiscal consolidation which targeted the Medium-Term Expenditure Framework (MTEF) between 2020/21 to 2024/25. More budget cuts mean below CPI wage increases such as the 3% increase, reduction of staff in the public service, less money for infrastructure, and less money for other critical resources enabling the realisation of the public service mandate.

This spells disaster for the public servants, but, more so for the beneficiaries of public services – who constitute the entire population. This means millions of South Africans will continue to receive poor services, whilst our members are overwhelmed with work due to retrenchments.

At the beginning of the negotiations in the Public Service Coordinating Bargaining Council (PSCBC), as united labour, we rejected the fiscal outlook presented by Treasury.

In contrast, we called for the expansion of the public service wage bill so that more teachers, police, nurses, correctional and traffic officers, community healthcare workers, social workers and other categories of public servants can be employed to meet international standards in terms of ratios and deliver quality services to South Africans.

The recent unilateral implementation of the 3% increases will not deter our focus to fight for better salary increases. We have given negotiations a chance and have extended the engagements beyond the set period. Our fight is not only for the cost-of-living adjustment but also for the protection of collective bargaining. The unilateral implementation will

give us no reason to engage in collective bargaining and the consequences of such will be collapsing social dialogue institutions like the PSCBC which is a creation of legislation in South Africa.

We have not forgotten these growing tendencies of continuously undermining collective bargaining and destroying these institutions and voices of ordinary workers.

We have resolved to fight and protect collective bargaining; we are aware of the threats to want to demobilise our collective strength, but we will forge forward even to the last breath we take. We call on the government to do the honourable thing and accede to the reasonable demands that will counter the high inflation, the skyrocketing petrol prices, unaffordable food and public transport prices. Government must not create confusion with its frivolous call for labour to return to the council to negotiate for 2023/2024 because we are not done with 2022/2023 and if we were to heed that call it will mean that we agree with the pathetic increment.

We have mobilised our workers across all provinces and have adopted a program of action which will culminate into a National Day of Action on the 22nd of November 2022 to the offices of the National Treasury in Pretoria as our main march, which will be complemented by the similar joint programmes in all other 8 provinces.

Further to that, we will be continuing with picket demonstrations across critical service centres like public hospitals, the ports, and government institutions; our workplaces will become points of struggles up until Government comes to its senses.

We have resolved to rally our collective might to push the employer to improve the rejected offer and will use everything in our power to register our disdain to the government.

Lastly, we call on all our members and public servants to join the National Day of Action on Tuesday 22nd November 2022 as a show of force to push back the frontiers of government oppression and fight the attempt to reverse the constitutional gains that workers have earned with their blood and sweat.

END