



AGREEMENT ON SALARY ADJUSTMENTS FOR 2015/2016, 2016/2017 AND 2017/2018 AND IMPROVEMENT OF CONDITIONS OF SERVICE

As indicated in previous news flashes, PSCBC Resolution 2 of 2015 (**Agreement on salary adjustments and improvements on conditions of service in the public service**) was signed on 20 May 2015 by the majority parties in the PSCBC. The main features of the resolution are:

1. Salary adjustment (cost of living increase)

The salary adjustment for the period 1 April 2015 to 31 March 2016 will be 7%. (NAPTOSA made draft salary scales available for educators/lecturers and PS staff. Please refer to NF TVET 10 and 11)

The cost of living increase for the period 1 April 2016 to 31 March 2017, as well as for 1 April 2017 to 31 March 2018 will be based on the projected Consumer Price Index (CPI) plus 1%.

The same "safety net" included in previous agreements, was also included: If the actual CPI for the relevant period is higher than the projected CPI, the difference will be added to the salary adjustment for the following year. If the actual CPI is lower, the difference will be deducted.

Note: Public servants (including educators and lecturers) get two salary adjustments annually: 1 April = cost of living increase; 1 July = salary progression based on performance assessment (IQMS or PMDS assessment)

2. Family responsibility leave

An additional five (5) working days per calendar year of family responsibility leave for employees with children who have severe special needs, as certified by a medical practitioner and which require health and related services of a type beyond that required by children generally. An application must be accompanied by reasonable proof.

3. Paternity leave

Three (3) days per calendar year of paternity leave for utilisation if the employee's spouse of life partner gives birth or adopts a child not older than two (2) years),

An employee who has used all his/her paternity leave may, subject to the approval of the Head of Department, apply to use his/her part of the five (5) working days family responsibility leave provided for in existing policy. Reasonable proof required.

4. Medical assistance

(a) In-service employees

Medical assistance for employees on GEMS will be adjusted by 28,5% with effect 1 January 2015. Medical assistance is retained

at the current dispensation of 75% of the employee's total monthly contribution, subject to a maximum cap of R925 for the principal and first dependant, i.e. R925 + R925, a maximum cap of R565 for each additional dependant up to a maximum of R3545.

Medical assistance for in-service employees on open schemes is retained on the current dispensation of 66,67% of the employee's total contribution to a maximum of R1014 per month.

Note: It is not clear yet how the increase of medical assistance will be implemented retrospectively for January to May. Medical aid subsidies are normally not paid into an employee's account.

(b) Former employees (pensioners)

Medical assistance of former employees, irrespective of whether they belong to GEMS or open schemes will be aligned with the GEMS dispensation on the basis of 75% of total monthly contributions, subject to a maximum cap of R925 per principal member or a maximum of R1850 in the case of one or more dependants.

Pensioners who retired on the GEMS Sapphire option will continue with the free medical subsidy, provided the subsidy amount does not exceed the former employee's total monthly contribution to GEMS.

Pensioners with no dependants on the open scheme subsidy of R1014 will be protected by the "no worse-off" principle, i.e. a principal member will continue to get a subsidy of R1014 and not the capped maximum of R925 applicable to GEMS.

(c) Future medical subsidy adjustments will come into effect on 1 January of each year.

5. Payment of 13th cheque / service bonus

Employees who wish to get their 13th cheque / service bonus paid in another month than their birthday month, will be required to make a once-off choice with regard to the date of payment of the 13th cheque / service bonus by 31 December 2015. The new service bonus payment date will be effective from 1 March 2016.

6. Recognition of prior learning and bursary scheme for public servants' children

The Employer will by June 2017 develop a policy on the recognition of prior learning and must conduct an investigation into the feasibility of providing a bursary scheme for employees' children. This investigation must be concluded within 12 months.

Government Employees Housing Scheme (GEHS) agreement not signed

The GEHS was not signed by the majority of unions in the PSCBC. Until the agreement is signed by the majority, the *status quo* remains with regard to the housing allowance.

LOUISE SMIT
HEAD: LSEN/TVET UNIT