



PARASTATALS UPDATE BULLETIN ON NON-IMPLEMENTATION OF WAGE AGREEMENTS

APRIL 2020

This bulletin serves to provide an update to our members at NHBRC (National Home Builders Regulating Council), SANBI (South African National Biodiversity Institute) and IEC (Independent Electoral Commission) on the non-implementation of wage agreements by the employers.

NHBRC (National Home Builders Regulating Council)

At NHBRC (National Home Builders Regulating Council) the union as a majority union signed a 3 year agreement on the 26th April 2019 which Section 4 of the agreement directs that workers must receive salary increases as follows:

- Year 1: 2019 to 2020: 8% effective from 01st April 2019
- Year 2: 2020 to 2021: 7.5% effective from 01st April 2020
- Year 2: 2021 to 2022: 7.5% effective from 01st April 2020

The union on the 06th April 2020 received a letter from the employer indicating that “The recent events pertaining to Covid-19 have impacted South Africa and the rest of the world. The announcement by the President of the Republic of South Africa, Mr Cyril Ramaphosa, which saw the country undergoing the lockdown, affected all South Africans. Furthermore, South Africa was recently downgraded to junk status by the international rating agencies, resulting in the weakening of the currency and our economy. These recent developments have a direct impact in the ability of the NHBRC to fulfil its mandate of delivering services to clients, generate revenue and create additional revenue generation streams”.

We responded immediately to this letter by indicating that the agreement must be implemented as it is and remains binding to both the employer and the union. The NHBRC Board had its meeting on the 17th April 2020 which apparently unilaterally resolved on deferring the implementation by 6 months depending on their financials.

IEC (Independent Electoral Commission)

The Commissioner of the IEC (Independent Electoral Commission) has unilaterally resolved on not effecting the salary increment that was due now in April 2020. The union and the employer (IEC) entered into a 3 year agreement on the 06th April 2018, which the last leg due on the 01st April 2020 would have seen the members receiving their salary increment as following:

Last Leg 2020 to 2021

- Implementation of the average projected CPI by National Treasury for 2020/2021
- DM (Deputy Manager) Level: CPI (National Treasury Projected CPI (4.3%))
- AM (Assistant Manager) Level and all Officers below: CPI plus 1% = 5.3%

Our members received their salary advices on the 20th April 2020 with no salary increment adjusted and the management is hiding behind the lockdown. This is the same institution that has been delaying the implementation of some of the agreed points on the same agreement and to this effect we have taken the Commission to the CCMA.

SANBI (South African National Biodiversity Institute)

At South African National Biodiversity Institute (SANBI), the employer has refused to implement both



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the pay progression and the salary increment for employees at Pretoria Zoo and SANBI at large. This is because of the alleged outcomes of a research that was unilaterally done by 21st Century, which concluded that our members were overpaid and their salary notches are very high.

The union met with management in a National Bargaining Forum meeting convened on the 19th March 2020 and could not agree as a result the union registered that it will be approaching the CCMA to demand the following:

- (a) Withdrawal or reversal of the pay scales recommended by 21st Century and approved by the former Minister.
- (b) Implementation of the performance outcomes for the employees at Pretoria Zoo and their incorporation into the SANBI current structure effectively from the 01st April 2020.
- (c) Payment of pay progression using the old pay scales for the last performance cycle 2018/2019.

At the National Bargaining Forum, the employer indicated that they have received a letter from Treasury which instructed them not to improve any condition of service for their employees. This meant that SANBI was also not going to implement the wage agreement for our members as per the agreement.

Conclusion

Collective Bargaining is entrenched in the Labour Relations Act and was not given to workers on a silver plate. Workers of this country fought and others lost their lives fighting for these rights. The union is not going to sit and watch the State and these employers eroding those gains. All employers mentioned above have followed the same route that has been taken by the State of renegeing from legal binding agreements.

The union has requested its own Legal Department to immediately kick-start legal processes of defending these wage agreements in order to ensure that they are implemented as they are. Indeed, parallel the union will mobilize its members and workers in general to defend and protect their bargaining rights post lockdown to take the fight to these intransigent employers. Members will be given updates on developments continuously.

END.

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