



South African Medical Research Council (SAMRC) Update Bulletin on Wage Negotiations

APRIL 2020

Introduction

This bulletin serves to provide an update to members at the South African Medical Research Council {SAMRC} on the progress regarding 2020/21 wage negotiations in response to the misleading statement issued by the management of SAMRC on 15th April 2020.

The South African Medical Research Council (SAMRC) 2020/21 wage negotiations commenced on the 04th March 2020 at the SAMRC Head Office in Cape Town after the union exerted pressure on management to convene the bargaining meeting in order to meet the deadline of the 01st April 2020. The meeting took place after the national union embarked on a program of collecting demands from its members in all SAMRC workplaces.

The union collected demands from members, consolidated them and thereafter tabled the demands for consideration by the employer (SAMRC).

Wage Demands:

1. Single -Term Agreement
2. Sliding Scale
3. Use CPI current rate of 4.1 % as a baseline
4. Salary Increase of,
 - 12% for salary band A & B
 - 11% for salary band C
 - 10% for salary band D
 - 9% for salary band E
5. Establish a Task Team to review all Percentile increases to address salary discrepancies.

| Demand | Union's Position | Employer's Position |
|----------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Term | Single Term | Single Term |
| Principle Base line | Sliding Scale 4.1% baseline CPI | Sliding Scale and 4.1% baseline CPI |
| Salary Increases | 12% for salary band A & B 11% for salary band C 10% for salary band D 9% for salary band E | Rejected by the employer |
| Percentile Increases and discrepancies | Establish a Task Team to review all Percentile increases to address salary discrepancies. | Establish a Task Team to review all Percentile increases to address salary discrepancies. |



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In our first meeting with the employer held on the 04th March 2020 we tabled the demands and the employer responded as follows:

The employer confirmed its disagreement with the union's demands on salary increment and argued that its cost implication is higher than R 17 503 104 which is the budget provided by the National Treasury and approved by the Board of SAMRC for the 2020/21 salary adjustment.

Furthermore, the employer pleaded poverty due to the current economic crisis facing the country and the fact that the institution is experiencing financial constraints which makes it impossible to accede to our demands for salary adjustments. The union vehemently rejected the excuse of the financial constraint as our demands are equally related to the financial constraints induced by the same economic crisis which the employer is referring to.

Parties could not agree on the salary adjustment during the first round of negotiations and agreed to revert to the members and/or principals for a renewed mandate. At this point both parties acknowledged that failure to reach an agreement will affect the expected implementation date of 01st April 2020. Nonetheless parties agreed that the increment will be backdated to 01st April 2020 once the agreement is signed.

The union rolled out another program of giving feedback on the progress registered regarding salary negotiations in all workplaces at SAMRC. On the 10th March 2020, we provided feedback in both Gauteng and KwaZulu Natal provinces. On the 17th March 2020, we further convened Western Cape Province via video conferencing to give feedback on progress as well. All members agreed with the revised demands and directed us to go and negotiate for an increment that is not less than what they received in the previous financial year.

The second round of negotiations resumed on the 18th March 2020 via video conferencing due to lockdown as the country was already grappling with COVID 19 and the movement of people was prohibited. During this round of negotiations, the employer reiterated the position of not being able to negotiate any increase that exceeds the amount allocated by National Treasury (R 17 503 104). Instead the employer proposed the following new offer, 8% (salary band A & B), 5.65% (salary band C), 5.1% (salary band D), 5.1% (salary band E). With this offer, the employer indicated a possibility of a minimum budget deficit which should be funded through reprioritization of the career progression budget. With no hesitation, this unreasonable revised offer was vehemently rejected on the basis that the employer wanted workers to finance their own salary increment. The national union rejected the proposal by the employer on the basis because it did not provide for a meaningful variation in the gap between salary level C and salary level E.

The employer further requested that we reconvene on the 26th March 2020 because they wanted to consult with their principals for a new mandate. To this end, it was not necessary for the union to revert to members as it is still within prescribed members' mandate.



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On the 23rd March 2020, we received a letter from SAMRC citing that they are unable to accede to any salary increase demand that exceeds the quantum amount of R 17 503 104 and implored us to accept the offer of 8% (salary band A & B), 5.65% (salary band C), 5.65% (salary band D) and 5.1% (salary band E). On the same day the State President made announcement of a nation-wide lockdown for 21 days with effect from the 26th March 2020 up to the 16th April 2020 which later was further extended until the end of April 2020. Unfortunately this lockdown has had a negative impact on our envisaged plan of consulting with members for a mandate to return back to the negotiating table.

The national union having noted the extension of the national lockdown wrote to SAMRC exerting pressure to resume negotiations via teleconference or any other form as this is a matter of urgency to clarify the deliberate confusion caused by the misleading statement issued by management and also to ensure that our members receive their salary increment. As things stand, we are waiting for the date to resume salary negotiations from the SAMRC to urgently conclude these negotiations and the union will continue updating its members on developments in this regard.

END

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