



PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL (PSCBC)

REPORT NO 5 OF 2019

28 MARCH 2019

WE can report that the Public Service Co-ordinating Bargaining Council (PSCBC) met on 26 March 2019 and the following matter was discussed:

Early Retirement without Penalisation of Pension Benefits in Terms of Section 16(6) of the Public Service Act, 1994

The meeting was held as a follow up to the meeting held on 19 March 2019 whereby the employer made a presentation on "The early retirement without penalisation of the pension benefits in terms of section 16(6) of the Public Service Act, 1994".

In that meeting, labour raised some questions to the employer. These questions were communicated in our previous PSCBC Report [Hospersa Pulse 4 of 2019]. The employer requested to be afforded time to formulate its response and promised to respond in this meeting.

The employer responded by stating the following:

- This is an employee-initiated process and employees will not be forced to apply for early retirement.
- The application for early retirement will be subject to approval, to pension laws, criteria and to conditions determined by the employer as well as availability of funding.

- The process is envisaged to be completed within 2 years from its inception on 1 April 2019.
- This process is targeted at employees between the ages of fifty-five (55) to sixty (60) years old.
- There are currently approximately 156 000 employees in that age bracket.
- The posts that will be vacated will remain on the staff establishment.
- The skills deficiencies will be avoided at all costs.

Labour raised the following concerns:

- The employer did not respond adequately to labour's questions raised in the last meeting.
- The employer has failed to present to Council a comprehensive Human Resource plan as requested in the last meeting.
- The employer has failed to provide a report of the available skills present in the Public Sector, and what skills are required to render an efficient, effective public service in South Africa (SA).
- The employer has failed to provide a report on the vacant funded posts. Furthermore the employer cannot explain how the early retirement process will affect the filling of vacant funded posts as per clause 8.2 of PSCBC Resolution 1 of 2018:

Moratorium on the filling of funded vacant posts.

Labour indicated that it is of the view that this is a section 189 matter of the Labour Relations Act (LRA) and it is not prepared to participate in such a process especially when taking into consideration the manner in which it was presented by the employer. Labour also disagreed with the notion that this is an employee-initiated process, as it is the employer that has initiated this process.

Labour indicated that it is of the view that the employer is negotiating in bad faith because it has come to labour's attention that the employer has already started with the process of informing employees in the Department of Correctional Services (DCS) and the Department of Home Affairs (DHA) about this process as well as encouraging employees to apply for early retirement.

Labour further cautioned the employer on creating a rift between Trade Unions and its members regarding this matter.

Labour rejected this process and reserved its rights.

We will keep members up to date on developments.

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