



SAVF HOOFKANTOOR HEAD OFFICE

Hospitaalstraat 41, ARCADIA 0083
41 Hospital Street, ARCADIA 0083

☎ 40526, ARCADIA 0007
☎ 012 325 3920
☎ 012 324 4109
✉ hoofbestuur@savf.co.za
www.savf.co.za

001-446 NPO

INTRODUCTION

- I would like to warmly welcome all parties to the bargaining forum. I also like to introduce the SAVF's new Director of Management Service to forum Mr. Gerhard Erasmus,
- I also like to introduce the new union in the Bargaining Forum and the SAVF CCRAWUSA represented by Mr. Isaac Mosweu.

Attendant register

Has been circulated

Brief back ground

Allow me to first find out from the parties if we are a quorum.

I like to first thank the parties for all the years that we have been negotiating in good faith, I hope that this year we will also negotiate in good faith again and reach an agreement like the past years, although last year we had a verbal agreement to unilaterally implement the wages with Hospersa, we signed the wage agreement with NEHAWU. As the SAVF we will be happy if we can reach an agreement, because is for the benefits of all the parties present.

I will like to further thank the unions for the clear and concise consolidated demands which you put on the table.

Before I can respond to the demands of the workers I will like to request the parties to allow me to state the context in which we are negotiating in order for all parties to understand where we coming from and what is the situation at the moment. The past years economy of the country has made a down turn and it is definitely affecting all the areas of life and the whole business spectrum, and at the end the welfare organizations is affected. Due to this situation, SAVF income which consists of the income from the residents, donations and subsidies had a massive decline. Donations and sponsors are becoming scares or non existent as we see that some businesses are closing down, big businesses are cutting on their social responsibilities and reducing their employees; so they contribute less to the welfare organizations, and residents have been struggling to pay the boarding and lodging fees which mean there is a shortfall of income from residents and this has resulted into most facilities to operate in loss.

Most of our facilities have empty beds and we have been struggling for the past years to fill those empty beds, which means a big loss in monthly income for the past years including the year 2015 the average unit cost is about R6000.00 per bed which the SAVF is losing per month. We did not increase boarding and lodging to 90% of our facilities since 2015 because residents are not able to afford the unit cost which is becoming too high, they rather take their people in and employ their private health caregivers and use the money from pension to pay this employees. To make the situation worse Government are not increasing their subsidies and in Gauteng no SLAs signed yet with the Government by employers, which means we have to source money elsewhere to pay out the salaries, at few places they do adjust their subsidies but most of the places kept subsidies at the same level for the last four to five years which means cost are rising but income from subsidies are not increasing. The other point is that Government is behind or late with the payment of the subsidies. At some places we do not get subsidies because of the corruption in the government. The subsidies decreased to 23% as indicated by the employer last year during the 2014/2015 wage negotiations. In addition the SAVF facilities overall lost +-R28 million

The introduction of the Labour Relations Amendment Bill had also a negative impact to the finances of the SAVF facilities due to the fact that most of our facilities depended on the fixed term contract workers and part time workers, we had to employ this employees in all our facilities on a permanent basis because we can't do without them, we carry more financial strain on the contribution of pension and provident fund, annual bonus, allowances, etc. due to this employees who previously did not qualify for this benefits.

Allow me with this background to respond to the wage demands of the workers.

Salary increase

The employer offer 3% increase across the board,

Minimum wage demanded by the employees is R 3500.00 general workers and R4000 Healthcare workers

The facilities are currently offering R2385.00 minimum wage – therefore we will increase the minimum wage by the average percentage at the end of the negotiations.

100% guaranteed 13th cheque – the employer provide a 13th cheque to the value of 93% of the basic salary, this 93% was budgeted in the subsidies at the time the employer was receiving 75% on subsidies, an now the subsidies have been reduced to 23% over the past years, the employer will be able to only adjust the bonus by 1% which will go to 94% bonus.

Equal pay for different job of different value

This problem came into effect when the parties in the bargaining forum have agreed to lift all the employees below R2000.00 to the minimum wage of R2000.00, in 2011/2012 wage negotiations, in 2013/2014 the parties have agreed to increase the Healthcare giver's salaries by 1% more than the general workers. Therefore the employer will give consideration to this matter in the next financial year 2016-2017 due to the fact that a budget to accommodate this correction must be compiled by the facilities.

Shortage of staff

This is a give and take situation due to the fact that this two facilities cannot be able to employ more staff than they currently have due to their financial predicaments, therefore if the two facilities employ more staff, the two facilities will not give the increase to the employees this financial year instead the percentage which they are to offer to the employees will be used to compliment the salaries of the employees to be employed.

Provision of uniform

The uniform will be provided as per the policy of the SAVF, which is two uniforms in two years, therefore the status quo will remain.

The employer will discuss the matter regarding providing of shoes to the employees with NEB in May 2015 and therefore if is approved by the NEB, it will be looked into in the next financial year of 2016/2017, note that we do not promise that it will be approved.

An audit has been conducted and it was found that our facilities are providing uniform once in two years which is in line with our policy.

SAVF Martha Hofmeyer provided the uniform last received their uniform in 2014 and them due for uniform in 2016.

It is correct that SAVF Hendrina have received their last uniforms in 2009, this was due to their financial situation, the Management opted to give employees an increment the previous years instead of cutting the increase and provide uniform, the employees will receive their uniform at the end of April 2015.

Long Service Awards – will increase as per the average percentage at the end of the negotiations.

Night shift allowances - Will be increased as per the average percentage at the end of the negotiations

Food Allowances – an audit was done concerning the food that we give to the workers on a daily basis, the employees only pay R20.00 for food in a month per person, and it cost the employer R121.00 per month per person to provide employees with food, R10285 for all the employees in a facility which have 85 employees such as SAVF Martha Hofmeyer, R123420.00 per year. Therefore we cannot afford to give the employees food without them paying for it due to the fact that is going to escalate the already existing cost of food.

The Annual Leave.

this is a give and take situation due to the fact that all employees getting less than 21 days annual leave receive a long service bonus, so if the employer offer these employees 21 days leave, the long service bonus will fall away, and also note that all registered nurses qualify 21days leave, plus 5 days long service leave after five years which is once off.

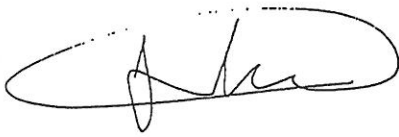
The SAVF have long implemented the leave as per the Welfare sector determination, we even give more leave than what is stipulated in the welfare sector. So status will remain on this point.

Paternity Leave and Compassionate Leave - The Status quo of five (5) days paternity and compassionate leave will remain because we giving more than the 3 days paternity and compassionate leave stipulated in the BCEA. The same for compassionate leave.

Sick Notes – the employer do recognize a letter from the clinic only when is signed by a Doctor and when the employee is been booked off by the Doctor. Therefore the status quo will remain on this demand. Take note that we do not discipline employees for absenteeism when they bring the letter from the clinic which is signed by a care giver or nurse.

Skills Development – the employer will supply the list in the next date of wage negotiations, I'm still busy compiling the list.

Report compiled by



Richard N Hlungwane
Human Resource Manager