MEDIA RELEASE **Constitutional Court hears Public Service wage dispute**

DATE 24 August 2021

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The Constitutional Court heard the watershed matter related to the Public Service wage dispute on 24 August 2021 and the Public Servants Association (PSA), representing more than 235 000 public servants, remains confident that the Court will apply its mind very carefully as the matter has far-reaching implications for the future of collective bargaining.

Public Service Coordinating Bargaining Council (PSCBC) Resolution 1/2018 made provision for a three-year agreement on salary adjustments and improvements to conditions of service for public servants in the 2018/19, 2019/20 and 2020/21-financial years. Clause 3.3 of the Resolution deals with the salary adjustments, percentages, and projected CPI for the 2020/21-financial year. The Department of Public Service and Administration was bound by the agreement for the for the full period, as incorporated in PSCBC Resolution 1/2018.

In terms of clause 3.3. of the Resolution, it was agreed that with effect from 1 April 2020, and until 31 March 2021, salary adjustments for employees would be projected CPI plus 1.0% (level 1 to 7), projected CPI plus 0.5% (level 8 to 10) and projected CPI (level 11 to 12).

During discussions with the Department, it was indicated to unions, including the PSA, that government does not intend to implement the adjustments and would be reneging on the agreed adjustments for the 2020/21-financial year as it does not have the funds to honour the agreement.

The PSA lodged a dispute at the Labour Appeal Court but was unsuccessful and subsequently took the matter to the Constitutional Court on appeal. The matter was heard by the Court on 24 August 2021. All applicants were afforded reasonable time to raise salient points in convincing the Court of their respective case. The PSA's case resolved around substantial or actual compliance to regulation 78 and 79 and the validity of the collective agreement.

The judgement was reserved. The PSA is confident that justice will prevail and that the Court will consider all parties' arguments and provide a fair and reasonable judgement.

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