MEDIA RELEASE	**SARS: PSA horrified by withdrawal of R430 million initially offered to employees and warns of renewed strike action**
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The Public Servants Association (PSA) is outraged by the South African Revenue Service's (SARS) withdrawal of the salary increase funding offer of R430 million, rather than tabling an improved offer.

The PSA, representing more than 5 200 SARS employees, recently embarked on industrial action after rejecting the paltry SARS salary offer of 1.39% and 8.63% once-off payment. The PSA, however, suspended the strike after presenting a memorandum to SARS and the Minister of Finance, giving them seven days to respond to employees' demands. SARS subsequently called parties for a meeting where, instead of tabling an improved offer, the offer of R430 million was withdrawn. This, despite the demand from labour that the said amount be used for a salary increase and not once-off payment.

SARS became inflexible and demonstrated arrogance and disregard for the plight of workers by now offering only R70 million, translating to a 1.39% increase, which does not even equate to a R200 per month increase for some occupational groups. SARS is clearly not negotiating in good faith and was using the R430 million once-off payment as a bait for employees to accept the paltry 1.39% increase.

Employees, however, saw the offer for what it was as well as the condescending tactics by SARS, which undermine labour and the intelligence of employees. A salary increase of 1.39%, when the CPI is around 5.9%, defies logic and is an insult to the hard-working employees of the SARS. The silence of the Minister of Finance further is not aiding and will leave employees with no choice but to reinstate the strike notice and embark on further industrial action. The PSA gave SARS the benefit of doubt and suspended the strike to allow SARS to consider the demands. SARS, however, responded with arrogance by removing what was already offered to employees. Since the offer was made, the petrol price has increased to more than R24 per litre, with a ripple effect on prices of foods and other commodities. Despite this, SARS remains resolute in its position.

The PSA is currently finalising internal processes to mount a national strike to force SARS to present a reasonable salary increase offer that can be considered by members.

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