

FOR PSA MEMBERS: **SOUTH AFRICAN REVENUE SERVICE (SARS)**

18-07-2024

Update: SARS travel allowance dispute

The previous *Informus* refers (copy can be obtained on the PSA's website at www.psa.co.za or from PSA Provincial Offices).

Members were previously informed that the dispute in which the PSA is trying to reinstate the travel allowance was heard in the Labour Court at the end of June and that the Judge indicated that he would deliver his judgement soon. The PSA has now received the judgement. The Judge has dismissed the PSA's review application. The Judge has made this ruling based on the following two aspects:

"The withdrawal from a party to a collective agreement does not result in the benefit received out of the agreement to live on infinity and it does not get incorporated into employee's employment contracts. This is based on a recent Labour Appeal Court judgment in the Imperial Cargo Solutions matter. The judge believed the matters are very similar in nature and therefore since a higher court already provided precedence on the matter the labour court are bound by the higher courts decision and therefore ruled the collective agreement did not alter employee's employment contracts and therefore when the employer withdrew from the collective agreement, they were also correct to stop paying the travel allowance. According to the judgment, this approach complies with the provision of Section 23(4) of the LRA and promotes collective bargaining. The employer provided fair reasons when the travel policy was removed. According to the judgment, the employer was within its rights to terminate the policy as the use of the policy could not be substantiated any further and the limited claims by employees resulted in wasteful and fruitless expenditure that after the employer consulted with labour it was entitled to phase out the allowance".

The PSA is studying the judgement to determine if there are grounds to appeal the judgement, failing which the PSA will have exhausted all options to settle this dispute.

Employees who want to join the PSA can visit the PSA's website (www.psa.co.za), send an email to ask@psa.co.za, or contact PSA Provincial Offices.

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