FOR PSA MEMBERS: **PUBLIC SERVICE COORDINATING BARGAINING COUNCIL (PSCBC)**

17-02-2025

What is happening at the PSCBC?

Transfer of additional employees from DHA to BMA

The employer engaged organised labour regarding the transfer and integration of employees from the Department of Home Affairs (DHA) to the Border Management Authority (BMA). In 2023, approximately 1 950 employees were transferred from the DHA, the Department of Health, the Department of Forestry, Fisheries and Environment, and the Department of Agriculture, Land Reform and Rural Development to establish the BMA. Of these, 1 225 employees came from the DHA, comprising experts, support staff, auxiliary personnel, and senior management. Subsequently, the BMA's workforce expanded to 2 570 employees, and a BMA National Consultation and Bargaining Forum was established with an independent chairperson.

To facilitate the transfer of functions, employees, assets, and funds to the BMA, PSCBC Resolution 1/2023 was concluded. However, the employer has since identified that some border law enforcement functions remain with DHA officials, which it claims violates section 4(2) of the *BMA Act*. Specifically, the employer noted that two directorates - Operational Support and Airline Liaison - remain within the Chief Directorate: Port Control, despite their functions being directly related to border law enforcement. Only 1 225 officials under the Ports of Entry directorate were transferred to the BMA, whilst other directorates, accounting for just 2% of the funded positions in the Chief Directorate, were left behind. The remaining 27 positions include: One **Chief Director, three Deputy Directors, five Assistant Directors, seven Senior Administrative Officers, and one Administrative Clerk.** The employer proposed that these 27 employees be transferred to the BMA using the same principles applied in 2023, with an addendum to Resolution 1/2023 facilitating the transfer. However, the General Secretary of the PSCBC advised that an addendum to a signed collective agreement would not be legally valid, and that a new agreement must be concluded. Since the only affected department is the DHA, the Council recommended that the matter be referred to the General Public Service Sectoral Bargaining Council (GPSSBC) for further deliberation. Organised labour raised concerns about ongoing issues faced by members at the BMA, including delayed salary payments and excessive taxation, which resulted in some members losing policies.

Given these challenges, organised labour agreed that further discussions should be held at the GPSSBC, where the situation can be more closely monitored. The item has been formally referred to the GPSSBC for further engagement and resolution.

Early retirement without penalisation of benefits

The employer has proposed an early retirement programme for public service employees without the usual penalties on pension benefits, as well as an exit programme with financial incentives. This initiative, approved by Cabinet in April 2024, aims to address challenges related to an aging public service workforce. According to the DPSA report, there are 214 121 public servants aged 55 and older as of 28 April 2023, out of a total workforce of 1 183 765. This represents a 103% increase compared to 2004, when only 105 000 employees were in this category. In education and health, the percentage of employees aged 55 and above rises to an average of 33%.

The employer submitted that an aging workforce increases fiscal pressure on government, reduces capacity of departments to deliver services effectively, and highlights the need for intergenerational competence transfer and workforce rejuvenation. The early retirement programme aims to encourage public servants aged 55 to 59 to exit voluntarily whilst receiving additional financial incentives. Employees who are 60 to 63 years old will also receive incentives if they opt for voluntary early exit, even though they do not qualify for early retirement.

Age group	Incentive structure
55 - 59 years	**Two weeks of salary per year** for the first **20 years** of pensionable service, then **one week per additional year.**
60 - 63 years	**Two weeks salary per ten years** of pensionable service, then one **week per additional year.**

National Treasury will cover the cost of pension penalties, in addition to the above incentives. The programme will run over two financial years (2025/26 and 2026/27), with a target of 30 000 exits:

- 12 000 in 2025/26
- 18 000 in 2026/27

Concerns raised by organised labour

During engagements, organised labour raised key concerns, including:

- Whether a skills audit has been conducted to prevent the loss of scarce and critical skills
- Selection criteria for employees and transparency in the process
- Dispute resolution mechanisms for employees whose applications are declined
- Organised labour’s involvement in monitoring the process
- Impact of the programme on public service capacity
- Current number of vacancies in the public service and plans for filling these posts

Organised labour has committed to consulting with its members and gathering inputs for further engagements on the matter. Members are encouraged to review the *attached* presentation and provide inputs by emailing *joseph.mashigo@psa.co.za* by no later than **24 February 2025**. Members’ feedback is crucial in ensuring that concerns are adequately addressed in upcoming discussions.

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

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