

NISA

Newsletter of the Internal Staff Association (ISA)

of the South African Parastatal and Tertiary Institutions Union (SAPTU)

No 4, May 2009

Dear ISA members

Wage negotiations

Our representative, Sugan Marrimuthu reports that at the Labour Relations Forum (LRF) meeting on 5 May 2009, management indicated that the unions combined, according to the January 2009 stats, have less than 50% + 1% representation. This means, in terms of the recognition agreement, that the unions no longer have bargaining power. The unions argued that the stats were not correct but management was adamant that the stats received are correct. Management urged unions to rethink their position and come with proposals at the next LRF meeting. (Considering the fiasco with the February salaries, the IRP5 mess and leave inaccuracies, ISA strongly doubts management's claims regarding union membership numbers and believes a proper audit must be done.)

However, for now this is extremely bad news for both union and non-aligned members. ISA therefore appeals and urges our members to recruit members amongst the non-aligned staff. We need to get as many members on board if the unions are to make any impact on the wages and other working conditions of staff.

Why it is important to join a union

The role of a union or association of employees is to protect and promote the rights and interests of its members. In this regard, unions participate in negotiations with employers about many key areas such as wages, overtime and shift payments, living allowance, medical aid, training, employment equity, leave, long service awards, retirement funds, approval of policies and procedures, to name a few. If there are no unions in the workplace, or unions with no bargaining power, no one will know whether they are being fairly treated or the policies and laws are being followed by management. In fact, management would be able to operate unilaterally with no consideration to employee needs, often resulting in a negative outcome to the employee.

From January to April 2009, ISA had grown from 770 to 860 members, which means that our representation stands at 16%. We therefore need to urgently recruit members to double our numbers. Remember, ISA pays R20 for every member recruited. A membership form and a recruits payment form are attached.

Overtime

ISA has had a number of queries from staff enquiring "why the NHLS only pays 70% of overtime".

Exco member Richard Poxon explains:

A person is not "paid 70% of their overtime" by the NHLS, but is paid their full overtime as required by the law.

Refer to the explanation given below which should clear up any queries regarding payment of overtime

1. The hourly rate of work is calculated using a person's salary, not the total cost to company package.
2. The company contribution is 30% of total package
3. Therefore the employee's salary is 70% of package

In order to calculate this, the following formula is used;

$$\text{Pay rate of person} = \frac{\text{Package} \times 70}{173}$$

Where -

Package = total cost to company

70 = salary portion of package (the company contribution being 30% of total package)

173 = the total number of hours worked in a month (40 hours per week x 52 weeks in a year, divided by 12 months)

$$40 \times 52 = 2080$$

$$\frac{2080}{12} = 173 \text{ hours per month}$$

This formula is applied to packages up to the prescribed limit given by the Minister of Labour and all staff earning above this figure are paid at the rate calculated at this ceiling of R12,487.

REPORT BACK FROM LRF

GEPF

Four hundred and sixty-five (465) GEPF members opted to transfer to the NHLS Pension and Provident Fund. Transfer took place on 1 May 2009. These staff will shortly receive letters explaining the transfer values.

Retirement age

The proposed increase to 65 years of the retirement age for all staff will be discussed at the May meeting of the Remuneration and Human Resources Committee of the Board. (The recent rumour that this had already been approved is therefore not true.)

Leave

Leave audits in the Northern region and KwaZulu-Natal have been completed. Any anomalies should be taken up with HR and evidence to the contrary must be provided.

As for the "missing" annual leave in the April payslips, this will reflect as grace leave in the May payslips.

Capped leave in KwaZulu-Natal

Management made a commitment to pay out capped leave to staff in KZN within the next three to six months.

Overtime ceiling and back pay

This was implemented. However, money owed by staff to the NHLS due to taxation on the increased overtime ceiling, will be recovered in consultation with staff.

Communication in the NHLS

Following many comments about the poor communication within the NHLS and that we mostly have to rely on the grapevine to get "official" information, Sugan raised this issue in the LRF and enquired about a policy. Management indicated that this was one of the top five issues on the CEO's list of priorities. A communications/marketing manager's post needs to be created and a communications strategy developed. This issue is scheduled for discussion at the Remuneration and Human Resources committee meeting of the Board in June 2009.