

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

07-03-2023

SARS 2021-wage dispute: **Mandate required**

Members were informed that the employer applied for leave to appeal against the High Court Judgement in relation to the outstanding 2.3%-salary increase. On 6 March 2024, the employer presented a revised offer, which it presented to settle the dispute. Should members accept the offer, it will conclude the dispute process.

The following offer was made by the employer and consists of two parts:

A. Settling the past (2021 - 2023)

Members will be paid a once-off gratuity amount of 2.3% on Guaranteed Total Packages (GTP) as of 31 March 2021.

B. Baseline increase

Employees' GTP will be adjusted, effective from 1 April 2024 as follows:

- For calculation purposes, an employee's GTP as of 31 March 2021 will be increased by 1% to establish a revised GTP base.
- The actual annual increases received for 2021 - 2023 will be factored into the revised base.
- This revised base determines an employee's new GTP, effective 1 April 2024.

The settlement amount will be paid to all employees who were in service as of 31 March 2021 and will be paid *pro rata* to any employee who has since left the service.

The following is a breakdown of various examples made on different GTPs to illustrate what members stand to gain should the offer made by the employer be accepted:

Translated for illustrative purposes as an example:

A) Once-off Gratuity for periods 1 April 2021 until 31 March 2024 (calculated on GTP as at 31 March 2021)				
Illustrative Examples	GTP (31 March 2021)	Original Offer (2%)	Revised Offer (2.3%)*	Improvement
Example 1	100 000.00	6 000.00	7 215.68	1 215.68
Example 2	250 000.00	15 000.00	18 039.19	3 039.19
Example 3	350 000.00	21 000.00	25 254.86	4 254.86
Example 4	450 000.00	27 000.00	32 470.54	5 470.54
Example 5	550 000.00	33 000.00	39 686.21	6 686.21

*Revised Offer inclusive of 2022 and 2023 annual increases

B) GTP Base Increase 1% (calculated on GTP as at 31 March 2021)				
Illustrative Examples	GTP (31 March 2021)	Current GTP (31 March 2024)	New GTP (1 April 2024)*	Improvement
Example 1	100 000.00	115 043.30	116 150.55	1 107.25
Example 2	250 000.00	287 608.18	290 376.31	2 768.13
Example 3	350 000.00	402 651.46	406 526.84	3 875.38
Example 4	450 000.00	517 694.70	522 677.33	4 982.63
Example 5	550 000.00	632 738.01	638 827.89	6 089.88

*Revised Offer inclusive of 2022 and 2023 annual increases

These amounts are still subject to all statutory deductions.

Members should take note that this does not conclude this year's wage negotiations as wage negotiations for the 2024/25-financial year will commence after the conclusion of this process.

MANDATE REQUIRED

Based on the revised offer received from the employer, members are required to provide the PSA with a mandate by means of the PSA's online-voting system, using the following link: rb.gy/8pdsln

1. Vote: YES - to accept the employer's settlement offer.
2. Vote: NO - to reject the employer's settlement offer.

The voting period will be from **Thursday, 7 March 2024**, to **Wednesday, 13 March 2024 at 10:00**.

Members will be informed of developments.

SARS employees who have not yet chosen the PSA as their Union of Choice can visit the PSA's website (www.psa.co.za), send an email to ask@psa.co.za, or contact PSA Provincial Offices.

Reuben Maleka
GENERAL MANAGER