



FOR PSA MEMBERS: **KWAZULU- NATAL DEPARTMENT of SOCIAL DEVELOPMENT**

28-01-2025

Feedback: KwaZulu-Natal Social Development Multi-Lateral Meeting - 24 January 2025 - Non-renewal of service contracts of EPWP employees

The employer invited organised labour to a multi-lateral meeting held at Charlotte Maxeke Building in Durban on 24 January 2025 to discuss the non-renewal of the service contracts of Extended Public Works Program (EPWP) employees. The employer presented to organised labour that it has about 2 270 EPWP employees who have been on contract since the 2010/11-financial year. These employees include Community Care Givers (CCGs) and Community Health Workers (CHWs) who have been receiving a stipend through an integrated grants process. The stipend paid to these employees is costing the employer R54 863 678. Treasury has been cutting these funds for a number of years now and the Department of Social Development can no longer afford to pay these employees.

The Department of Social Development in KwaZulu-Natal approached Treasury and Office of the Premier for additional funding to continue paying these employees but it has unfortunately not been successful in requesting more funding. An amount of only R18.1 million for the 2024/25-financial year has been allocated under the program of EPWPs and the employer is subsequently no longer able to keep all these employees since the available funds can only pay the stipend of 565 employees. As a result of the funding challenge, the contracts of 1 705 employees who are community based are not going to be extended when these expire at the end of March 2025.

The employer had already, before the mentioned multi-lateral meeting of 24 January 2025, issued letters to employees whose contracts are not going to be extended. The non-renewal of these employees' employment contracts is therefore done without prior consultation with organised labour and the PSA is subsequently vehemently opposing this non-renewal of contracts for these employees who are amongst the vulnerable members of society and often serve as the primary breadwinners for their families. The decision not to renew these employees' employment contracts without proper consultation is unjust and detrimental to their livelihoods and wellbeing.

The PSA has written to the MEC, Ms Mbali Shinga, and the HOD demanding the immediate withdrawal of the letters mentioned indicating the non-renewal of employees' contracts. The PSA further requested an urgent bilateral meeting with the MEC and HOD to discuss this matter thoroughly and explore alternative

measures to prevent this non-renewal of these contracts. It is imperative for the Department of Social Development in collaboration with Provincial and National Government to find sustainable solutions that do not involve the dismissal of these employees.

For more information, contact Mbongeni Mbanjwa (PSA Labour Relations Officer) on mbongeni.mbanjwa@psa.co.za / 082 880 8966.

Reuben Maleka
GENERAL MANAGER