

## **MEDIA STATEMENT**

**For immediate release**

**20 August 2021**

### **SALGA receives the Conciliator's recommendations as an important step forward towards concluding the 2021 Salary and Wage negotiations**

The South African Local Government Association (SALGA) acknowledges receipt of the Conciliator's recommendations for 2021 Salary and Wage negotiations as an important step forward towards concluding the negotiations.

The Conciliator's recommendations come after a two-day extended conciliation session in Durban early this week which concluded on Tuesday, 17 August, through the SA Local Government Bargaining Council (SALGBC).

Conciliation in negotiations is a process where a commissioner meets with the parties to a dispute and explore ways to settle the dispute by agreement as empowered by Section 135 (3)(C) of the Labour Relations Act. Conciliator's recommendations are essential when parties struggle to reach an agreement, whether parties accept the recommendations or not, the rejection of the recommendations by either party have no bearing in the process as it still takes the process to the next level of negotiations.

The Conciliator's proposal in the main calls for all employees to receive an increase of 3.5% with effect from 1 July 2021, and for different categories of employees, to receive an additional once-off non-pensionable cash allowance.

SALGA is optimistic that the process has moved to advance stages compared where it all started in March 2021, following five months of protracted negotiations.

The essence of the Conciliator's recommendations is that it advocates for a multiyear agreement and inflation-linked increases, also comes with elements of cost containment measures in areas around employee costs in municipalities.

Parties are expected to make submissions to the bargaining council not later than 23 August 2021 and the conciliation process has now been extended until 31 August 2021.

Pursuant to the recommendations, SALGA has commenced with the process of consultations and will in due course submit its final position.

SALGA hopes this development will go a long well in cementing the labour relations so that the sector can return to more pressing matters such as continuing the fight against the Covid-19 pandemic, working on improving the financial recovery of municipalities and fast-tracking service delivery.

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