

PSA PRESS RELEASE No. 16/14
15th October 2014

**PSA CONFIRMS PEACEFUL STRIKE ACTION
TO START MONDAY 20TH OCTOBER 2014!**

After 10 months of unsuccessful negotiation with Tu'ivakano's Cabinet for a fair & just Cost of Living Allowance (COLA) for its members and all employees in Government, over 600 public servants have given Notice to the Chief Executive Officers of seven(7) Ministries in Government on the 26th September advising their intention to participate in the strike action organized by the Public Service Association (PSA). The strike action will start after 15 working days of the Notice which is Monday next week, 20th October 2014 in compliance with Section 21 of the *Public Service (Grievances & Dispute Procedures) Regulations 2006* and as amended in 2010. Around 500 employees are from the Ministry of Health which is approximately 80% of the Ministry's workers.

It is the responsibility of all employers including Government to ensure that their employees are given fair salaries & benefits to ensure that their services to their clients, the people in the case of governments, will not be affected.

Many governments in the world review the salaries of their employees annually or bi-annually in their effort to ensure the welfare of their employees and their families due to the increasing cost of living and at the same time ensure that their services to the people are not affected by any strike action of their employees. This is smart and good governance. In most countries, government grants 0.5-2.0% COLA annually and this way the COLA is easily financed and often built in to government's budget every year.

The Tongan Government and few dictatorship governments do not make allowance for the welfare of its employees. The first ever strike action by the public servants in Tonga was held in 2005 after over 30 years of no salary review. When resolving this strike, the Government agreed in a Memorandum of Understanding (MOU) with those who were on strike that the salaries will be reviewed every two years to avoid this problem from happening again. **The Government did not abide by its promise.**

Every year, the PSA patiently enquired after the salary review. After nine(9) years, Government decided to conduct the review last year and found out that a 20% COLA should be granted to its employees given the increase by 40% of the consumer price index since the last COLA in 2005. The Ministry of Finance calculated a 23%. The PSA then recommended a 22% COLA (average of the 2 COLAs determined by Government) to be granted over a period of 2-3 years given the financial situation of Government.

Cabinet granted 5% in the 2013/2014 financial year and promised another 5-10% in the 2014/2015 financial year but only granted 1%. The PSA recommended a 6-10% for the 2014/2015 and a commitment that the rest to be paid in the 2015/2016 and/or 2016/2017 budgets but Cabinet refused to make further commitments.

It is the responsibility of Cabinet when it prepared the 2014/2015 budget in April/May to consider the welfare of its employees to avoid a strike action as it would be more expensive than the 6% COLA.

In addition to its refusal to consider a fair and just COLA for the employees, Government threatened to wind up the PSA in May, the Prime Minister Lord Tu'ivakano and the Minister of Justice, Mr. Clive Edwards, had sued the PSA and their Secretary in June claiming \$10,000 each for defamation over comments of the payment of approximately T\$54m (~USD25m), tax inclusive, to HRH Princess

Pilolevu's satellite company, Tongasat, to be returned to Gov't. In defense, the PSA has counter sued Government & Tongasat for this payment to Tongasat to prove it unlawful and to be returned to Government. As these legal proceedings are currently in the Supreme Court which will be heard on the 25th November, no further comments will be made on them.

In the span of 10 months since December 2013 of trying to negotiate with Government, the Cabinet has only invited the PSA for 2 negotiation meetings on the 03rd and 09th October only to advise that they refused to consider anymore COLA. The Minister of Finance recommended for the public servants to go and plant crops and fishing to supplement the needs of their families. If all the public servants goes to the plantation and fishing after work, who will return to work the following day? Who will buy the farmers' and fishermen's produce? This was a stupid remark by the Minister of Finance in his effort to justify his own inefficiencies in distributing the 2014/2015 budget wisely and fairly.

There are still 2 more working days left, today included, before the strike action starts on Monday next week. The PSA's Negotiation Team has told Cabinet's Negotiation Team in their meeting last Wednesday that they are still open for negotiation to stop the strike action if they have anything better to offer than their refusal to grant anymore COLA.

For more information, please do not hesitate to contact the PSA Secretary General

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