



COMMONWEALTH OF DOMINICA

## ESTABLISHMENT, PERSONNEL AND TRAINING DEPARTMENT

Tel: (767) 266 3274 / 3244  
Fax: (767) 448 5044  
E-mail: establishment@cwdom.dm  
Website: www.dominica.gov.dm

4<sup>th</sup> Floor, Government Headquarters  
Kennedy Avenue  
Roseau  
Commonwealth of Dominica

November 16, 2012

Dear Public Officers,

You would be aware that the Government Negotiating Team, in accordance with its mandate, has been negotiating with the Dominica Public Service Union and other public service unions in good faith in an effort to arrive at a conclusion of negotiations for a Collective Bargaining Agreement for the second and third year of the 2009/2012 Triennium.

Having agreed on a 3% increase for the first year 2009/2010, as well as other non-salary benefits, and 1% increase for the second year 2010/2011, negotiations focused on the third year of the triennium in respect of which Government offered 1% increase and the union, at the negotiating table, countered with a 2% increase.

The Government Negotiating Team was not in a position to accept the union's request for a 2% increase and, in an effort to seek to bring negotiations to a conclusion, undertook to examine the union's proposal for additional non-salary measures if the union were to accept 1% for the third year.

It is the GNT's responsibility to cost and quantify all and any recommendations arising out of the negotiations, since there is a cost attached to non-salary measures. In so doing, it was recognized that the global cost of the non-salary measures approximated 1% and in some given circumstances could even exceed 1% thus imposing a cost on the Treasury for the 3<sup>rd</sup> year of 2% or more, as Government would have a responsibility to pass on equivalent benefits to all its employees in the bargaining unit whether they were members of the union or not.

While the Government would wish to offer the best possible salary/wage package and conditions of service to its employees, it has to take into account the fiscal and economic challenges confronting not only Dominica, but the Caribbean and most of its development partners.

Having emerged from the fiscal crisis of 2002 to 2004 and having had to take exceptional fiscal measures, including a stabilization levy of 4% and 3% and a reduction of public service salaries, wages and allowances of 5%, the Government cannot now take steps in respect of salaries/wages and conditions of service which are non-sustainable and which could contribute to driving the country back into a fiscal crisis.

In that regard, note should be taken of developments in the region and further afield where, in an attempt to cope with the fiscal and economic crisis, Governments are forced to institute measures resulting, not only in increased taxation, but in reduced expenditure including a reduction in the size of the Public Service and a reduction in the salaries and pensions of Government employees.

Consequently, Government is cautious about approving any additional measures that would cause the country's fiscal and economic position to reach a precarious level and so affect the lives and livelihood of the citizens of the Commonwealth of Dominica.

This information is being provided to ensure that the Government's position on the matter of conclusion of wage and salary negotiations for the 2009/2012 Triennium is widely communicated and understood.