

MEMORANDUM OF UNDERSTANDING

ACKNOWLEDGING the Royal Command of the Princess Regent of Tonga in respect of the continuing strike of the civil servants,

RECOGNISING the respectful and positive response from the Interim Committee on behalf of the dissatisfied civil servants on strike,

WHEREAS The Cabinet team comprising of Hon. Fielakepa, Hon. Tu'a Taumoepeau-Tupou and Hon. Dr Feleti Sevele,

AND The Negotiation Team for Interim Committee for dissatisfied civil servants on strike comprising of Mr Maliu Takai, Mr Siaosi Sovaleni, Mr Sione Vuna Fa'otusia and Ms Mele 'Amanaki,

AND WHEREAS the two parties discussed the various aspects of the proposed solutions for the relevant issues that had been raised and they were guided by the principles of mutual respect, trust, fairness and moving forward in peace and good faith,

AND WHEREAS it was agreed that Dr Sitiveni Halapua of the East-West Centre serves as an independent facilitator.

NOW THEREFORE it is hereby agreed between:

THE CABINET NEGOTIATION SUB-COMMITTEE ON BEHALF OF THE GOVERNMENT OF TONGA

AND

THE NEGOTIATION TEAM FOR THE INTERIM COMMITTEE FOR DISSATISFIED CIVIL SERVANTS ON STRIKE

That the strike action by Government of Tonga Civil Servants in relation to the demand for a new salary scale will end on Friday 02 September 2005 on the conditions that:

1. All civil servants will resume duties at their respective work places on Monday 05 September 2005.
2. The approved salary scale as at 30 June 2005 is to be implemented by Government, effective from 1 July 2005, in the following manner:

- | | |
|------------------|--------------|
| a) Levels 2 – 5 | 60% increase |
| b) Levels 6 – 10 | 70% increase |

- c) Levels 11 – 14A 80% increase
- d) Labourers and pensioners At the appropriate level

3. That the new salary increase will be paid in two (2) tranches as follows:
 - a) 60% effective as from 01 July 2005;
 - b) 40% effective as from 01 July 2006 and backdated to 01 July 2005;
and
 - c) Should any civil servant leave the service before 01 July 2006, the appropriate proportion of the 40% of the arrears will be paid to the beneficiary.
4. The salary of all civil servants on strike will be paid for the period of the strike on the salary scale agreed to in clause 2.
5. Civil servants who are on strike will not be disciplined or discriminated against.
6. Students enrolled at Government schools who supported the strike will not be disciplined.
7. The implementation of the Public Service Salary Review that was approved by Government on 30 June 2005 as effective on 01 July 2005 will be deferred for two (2) years.
8. That aside from the ongoing and proposed taxation reforms currently under the Economic Reform Programme, there would be no increase of any taxes because of the salary increase.

Fielakepa.....

~~Hon~~ Fielakepa

Minister for Lands, Survey and Natural Resources

Chairman of Cabinet Sub-Committee

Maliu Takai.....

Mr. Maliu Takai

Chairman of the Negotiation Team for the Interim Committee for Dissatisfied Civil Servants on Strike

Sitiveni Halapua.....

Dr. Sitiveni Halapua

Facilitator

Dated this 3rd day of September 2005.