

SOUTH AFRICAN LOCAL GOVERNMENT

BARGAINING COUNCIL

(hereinafter referred to as "the Council")

CATEGORISATION AND JOB EVALUATION WAGE CURVES

COLLECTIVE AGREEMENT

In accordance with the provisions of the Labour Relations Act, 1995 made and entered into by and between the:-

SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION

(hereinafter referred to as "SALGA")

and

INDEPENDENT MUNICIPAL AND ALLIED TRADE UNION

(hereinafter referred to as "IMATU")

and

SOUTH AFRICAN MUNICIPAL WORKERS' UNION

(hereinafter referred to as "SAMWU")

(IMATU and SAMWU will together be referred to as the "Trade Unions")

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1. SCOPE OF APPLICATION

- 1.1 The terms of this Agreement shall be observed in the *Local Government Undertaking* in the Republic of South Africa by all *employers* and by all employees who fall within the scope of the *Council*.

2. EXCLUSION FROM THIS AGREEMENT

- 2.1 Municipal Managers and persons appointed as managers directly accountable to Municipal Managers in terms of Section 57 of the Municipal Systems Act, 32 of 2000 shall be excluded from this agreement.

3. PERIOD OF OPERATION

- 3.1 This Agreement shall come into operation in respect of the parties to the Agreement on 1 July 2010 and shall terminate on 30 June 2012.
- 3.2 This Agreement shall come into operation in respect of non-parties, on the date to be determined by the Minister of Labour and shall terminate on 30 June 2012.

4. OBJECTIVES

- 4.1 The objectives of this collective agreement are to provide for:
- 4.1.1 the categorisation of municipalities as per the agreed criteria;
- 4.1.2 wage curves for the different categories of municipalities; and

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4.1.3 employees to receive new wage rates as a result of their jobs being evaluated, as per the TASK Job Evaluation System and published by the SALGBC.

5. CATEGORISATION OF MUNICIPALITIES

5.1 There shall be eight (8) categories of municipalities for the purpose of a local government wage curves as set out in Annexure "A".

5.2 The agreed criteria and determination of weighting of categories of municipalities shall be as follows:

CRITERIA	WEIGHTING
1. Actual Income	60%
2. Wage Bill	25%
3. Equitable Share Income	15%

5.3 The categorisation of Municipalities shall be managed by the Executive Committee of the Central Council of the SALGBC.

5.4 Any municipality or any of the parties are entitled to appeal the outcome of the categorisation as determined by the Executive Committee of the SALGBC. Such appeal shall address inaccuracies in the data used in the application of the agreed upon criteria to that specific municipality. Such appeal shall be submitted to the Executive Committee of the SALGBC within three months of the signing of this collective agreement.

5.5 A municipality or any of the parties may apply to have a municipality re-categorised on a three-yearly basis, provided that the first application may be made from 1 July 2013.

5.6 However, should a municipality be redemarcated in terms of legislation, the municipality will have to be reassessed for possible recategorisation.

6. THE WAGE CURVE

- 6.1 The 50th percentile market position as determined by Deloitte and Touche in its survey of September 2009 is used as a basis to determine the wage curves.
- 6.2 The applicable wage scales are attached hereto as Annexures "B1" to "B8".
- 6.3 The ratio between the minimum and maximum salary in any particular wage curve shall be 1 : 12 but shall not include Section 57 employees.

7. IMPLEMENTATION OF THE WAGE SCALES

- 7.1 All employees shall be paid in accordance with the new wage rates with effect from the date in clause 3.1 above.
- 7.2 The following conditions shall apply when placing employees on the new wage curve:
- 7.2.1 Employees whose current salary notch falls between two salary notches will be placed on the salary notch on the pay scale of the wage curve applicable to their municipality as categorised in terms of clause 5 above, which is the next higher salary notch to their existing salary notch;
- 7.2.2 Employees whose current salary notch is lower than the minimum of the salary scale of the wage curve applicable to their municipality will be placed on the minimum of the said salary scale;
- 7.2.3 Employees whose existing basic salary is higher than the maximum notch of their applicable TASK grade, on the salary scale of their municipality in terms of this Agreement, shall retain their basic salary;

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7.2.4 An employee referred to in clause 7.2.3 above who successfully applies for a promotion to a post with a new maximum and which is lower than his/her existing basic salary, will retain his/her existing salary;

7.2.5 Annual salary adjustments, in terms of 8.3 below, will be applied to the basic salaries of those employees referred to in clauses 7.2.3 and 7.2.4 above; and

7.2.6 Eligible employees referred to in clauses 7.2.1 and 7.2.2 above shall receive nine (9) months retrospective increases. This retrospective payment may be paid over a period not exceeding a nine (9) month period commencing on 1 July 2010.

8. SALARY SCALES

8.1 There shall be salary scales from TASK Grade 1 to TASK Grade 26 as follows:

TASK SKILL LEVEL	TASK GRADE
I. BASIC	1
	2
	3
II. DISCRETIONARY	4
	5
	6
	7
	8
III. SPECIALISED	9
	10
	11
	12
	13
IV. TACTICAL	14
	15
	16
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TASK SKILL LEVEL	TASK GRADE
V. STRATEGIC	18
	19
	20
	21
	22
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	26

8.2 The salary scales referred to in Annexures "B1" to "B8" will be adjusted with effect from 1 July 2011 and then annually thereafter by the same percentage as agreed to in the applicable Wage and Salary Collective Agreement .

9. EXEMPTIONS FROM NON-WAGE COLLECTIVE AGREEMENTS OF THE COUNCIL

9.1 Applications

9.1.1 Any *Party* or person bound by a collective agreement concluded under the auspices of the *Council* or which binds the *Parties* to the *Council*, shall be entitled to apply for exemption from any provision of the said collective agreement.

9.1.2 An application for exemption from any provision of the collective agreement shall be lodged in writing on the prescribed form and shall be lodged with the General Secretary of the *Council*, and the applicant shall serve a copy of the application as follows:

9.1.2.1 In the case of a *Trade Union* or employee applying for exemption from a collective agreement, submit a copy of the exemption application to *SALGA* and the relevant municipality affected by the application.

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9.1.2.2 In the case of SALGA and/or a Municipality applying for exemption from a collective agreement, forward the exemption application to the national and regional/provincial offices of IMATU and SAMWU where that Municipality is located.

9.1.3 The application for exemption shall contain:

9.1.3.1 all material details of the applicant;

9.1.3.2 the exact provisions of the collective agreement from which the applicant seeks exemption; and

9.1.3.3 detailed grounds on which such exemption is sought, which grounds should *inter alia* include the criteria specified in clause 3.4 below.

9.1.4 The Parties referred to in clauses 9.1.2.1 and 9.1.2.2, as the case may be, shall be afforded fifteen (15) days to submit a response to the application for exemption to the General Secretary of the Council. The Party shall also be obliged to submit the response to the applicant for exemption.

9.1.5 The applicant may elect to reply to the response referred to in clause 9.1.4 above. Should the applicant elect to reply to the response, then the applicant must submit its reply within ten (10) days to the General Secretary and the other parties to the exemption application as set out in clauses 9.1.2.1 or 9.1.2.2 as the case may be.

9.2 National Exemption Committee

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- 9.2.1 The National Exemption Committee shall consist of three (3) *SALGA* representatives, two (2) *SAMWU* representatives and one (1) *IMATU* representative.
- 9.2.2 The National Exemption Committee may grant exemption from any conditions and for any period it considers appropriate. The ruling of the National Exemption Committee shall be reduced to writing and shall be signed by its Chairperson or his or her nominee.
- 9.2.3 In the event that the National Exemption Committee cannot reach consensus on the application for exemption or in the event that a person or party feels aggrieved by its decision, that person or party may appeal, in writing, against the decision of the National Exemption Committee to the Independent Exemptions Committee. Such an appeal must be lodged by not later than fifteen (15) days after the aggrieved party has received the written ruling of the National Exemption Committee referred to in clause 9.2.1 above. The appeal shall consist of a notice of appeal and the grounds of appeal. The notice and grounds of appeal must be submitted to the other *Parties* to the exemption application as well as the General Secretary of the *Council*. The respondent(s) in the appeal shall have a further fifteen (15) days to respond to the notice and grounds of appeal. The respondent must submit the response to the appellant and the General Secretary of the *Council*. The appellant in turn shall have a further ten (10) days to reply to the response of the respondent and the reply must be submitted to the other *Parties* to the appeal as well as the General Secretary of the *Council*.
- 9.2.4 Having made a decision to grant or refuse an exemption application, the National Exemption Committee shall advise the applicant, respondents and the *Council* within fifteen (15) days of its decision, giving full reasons for the decision.

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9.2.5 The National Exemption Committee shall consider exemption applications in a manner that is fair and transparent and applications shall be determined as expeditiously as possible, which may include the hearing of evidence and arguments.

9.2.6 The National Exemption Committee shall be constituted on an ad hoc basis and shall be appointed by the *Council* from time to time. *Parties* to the *Council* shall appoint their own representatives to the National Exemptions Committee.

9.3 Independent Exemptions Board

9.3.1 The appeal referred to in clause 9.2.2 above as well as those matters that could not be determined due to a lack of consensus, shall be heard by an Independent Exemptions Board consisting of an arbitrator appointed from the national panel of arbitrators of the *Council*.

9.3.2 The decision of the arbitrator, referred to in clause 9.3.1 above, shall be final and binding.

9.3.3 The *Council* may apply to the Independent Exemption Body to withdraw a certificate of exemption granted to a party or non-party to this agreement.

9.3.4 When considering an application for exemption or an application for the withdrawal of a certificate of exemption by the *Council*, the National Exemption Committee shall take into account the following (the order not indicating any form of priority):

9.3.4.1 any written and/or verbal substantiation provided by the applicant;

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- 9.3.4.2 fairness to the employer, its employees and other employers and the employees in the industry;
- 9.3.4.3 whether an exemption, if granted would undermine this agreement or the collective bargaining process;
- 9.3.4.4 unexpected economic hardship occurring during the currency of this agreement and job creation and/or loss thereof;
- 9.3.4.5 whether a budgetary provision was made for implementation of the obligation arising out of the collective agreement;
- 9.3.4.6 the infringement of basic conditions of employment rights;
- 9.3.4.7 the fact that a competitive advantage might be created by exemption;
- 9.3.4.8 comparable benefits or provisions where applicable;
- 9.3.4.9 the applicant's compliance with other statutory requirements such as the Compensation for Occupational Injuries and Diseases Act 130 of 1993, Basic Conditions of Employment Act 75 of 1997, Employment Equity Act 55 of 1998, Skills Development Act 97 of 1998, Skills Development Levies Act 9 of 1999, or Unemployment Insurance Act 63 of 2001; or
- 9.3.4.10 any other factor which is considered appropriate.

9.3.4.10 any other factor which is considered appropriate.

9.4 The *Council* shall issue a certificate of exemption to an applicant whose application for exemption was successful setting out:

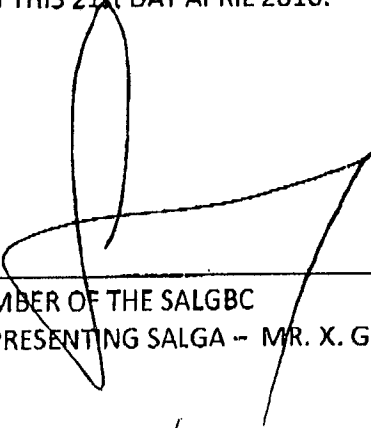
9.4.1 the applicant's name;

9.4.2 the provisions of the agreement from which exemption has been granted;

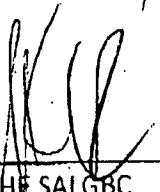
9.4.3 the conditions relating to the exemption; and

9.4.4 the period for which the exemption shall operate.

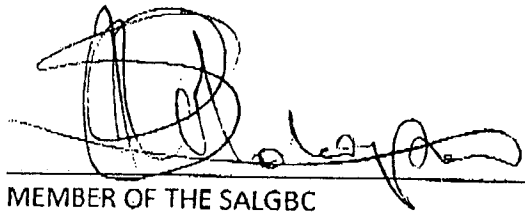
SIGNED BY THE PARTIES AT PRETORIA ON THIS 21st DAY APRIL 2010.



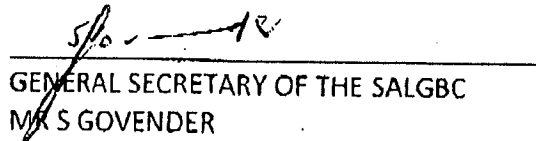
MEMBER OF THE SALGBC
(REPRESENTING SALGA -- MR. X. GEORGE)



MEMBER OF THE SALGBC
(REPRESENTING IMATU -- MR. J KOEN)



MEMBER OF THE SALGBC
(REPRESENTING SAMWU – MR. S MOLOPE)



GENERAL SECRETARY OF THE SALGBC
MR S GOVENDER

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