



# **SOUTH AFRICAN LOCAL GOVERNMENT BARGAINING COUNCIL**

## **HEAD OFFICE**

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25 April 2023

**TO: ALL MUNICIPAL MANAGERS  
ALL CHIEF FINANCIAL OFFICERS  
ALL HUMAN RESOURCES DIRECTORS**

### **THE PARTIES:**

SALGA  
SAMWU  
IMATU

Mr. M Kolisa  
Mr. D Magagula  
Mr. J Koen

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[iohan@imatu.co.za](mailto:iohan@imatu.co.za)

### **REGIONAL SECRETARIES:**

Gauteng/Johannesburg/Tshwane Division  
Eastern Cape Division  
Western Cape/Cape Metro Division  
Northern Cape/Free State Division  
NorthWest/Mpumalanga/Limpopo Division  
KwaZulu-Natal/eThekweni Division

Ms. E Sekgweleo  
Mr. C. Gqeke  
Ms. W Brink  
Mr. T Mqobongo  
Ms N Hlangwani  
Mr. V Nzuzza

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## **Circular 03/2023**

### **EXTENSION OF THE AGENCY SHOP COLLECTIVE AGREEMENT**

1. The Agency Shop Collective Agreement, dated 16 April 2018, which is currently in place, is scheduled to terminate on 30 April 2023.
2. The parties to the SALGBC have however agreed to extend the period of operation of the Agency Shop Collective Agreement for a further three years, until 30 April 2026.
3. The SALGBC parties have also agreed to increase the prescribed maximum agency shop fee, with effect from 1 July 2023.

#### **Extension of the Agency Shop Collective Agreement**

4. The SALGBC parties have concluded an Addendum to the Agency Shop Collective Agreement, dated 18 April 2023, to extend the period of operation of the collective agreement to 30 April 2026.
5. The Addendum Agreement was adopted in terms of the SALGBC Constitution by the Bargaining Committee on 4 April 2023. A copy of the signed Addendum Agreement is attached hereto.

#### **Increase in the Prescribed Maximum Agency Shop Fee**

6. The Addendum Agreement also provides for an increase in the prescribed maximum agency shop fee from R79.50 to **R 84.30**.
7. This increase will take effect on 1 July 2023.
8. Accordingly, as from 1 July 2023, the prescribed Agency Shop Fee payable by all employees falling under the scope of the SALGBC, who are not members of the representative trade unions, shall be 1% of the basic salary of the employees, to a maximum of R 84.30 per month.

#### **Implementation of the Agency Shop Collective Agreement**

9. The prescribed Agency Shop Fee must be deducted from the basic salary of employees who are not members of IMATU and SAMWU and paid over to the SALGBC on the 7<sup>th</sup> day of each month following the month in which it becomes due.
10. Kindly note that Agency Shop Fees not received by the due date, attracts interest at the rate set in terms of the Prescribed Rate of Interest Act.
11. One purpose of the Collective Agreement is to ensure that those employees who fall within the scope of the collective agreement and who receives the benefits of collective bargaining contribute towards the cost of such collective bargaining.
12. The parties to the Bargaining Council represent the majority of employees and employers in the sector. The representativeness of the Bargaining Council, as at 31 March 2023, is as follows:
  - (a) **260 557** Total number of employees falling within the scope of the collective agreement and who belong to the trade unions (**IMATU and SAMWU**) that are party to the collective agreement.

(b) 257 Total number of employers falling within the scope of the collective agreement and who belong to the employers' organisations (**SALGA**) that are party to the collective agreement.

(c) 255 544 Total number of employees employed within the scope of the collective agreement by the employers who belong to the employers' organisations that are party to the collective agreement.

(d) 271 114 Total number of employees employed within the scope of the collective agreement.

13. Kindly ensure that all provisions of the Addendum Agreement are implemented. Your co-operation in implementing the new agency shop fee is appreciated.

14. Kindly place this notice on all employee notice boards.

Yours faithfully

  
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**SS GOVENDER**  
**GENERAL SECRETARY**

**SOUTH AFRICAN LOCAL GOVERNMENT  
BARGAINING COUNCIL**

(Hereinafter referred to as the Council)

**ADDENDUM TO THE AGENCY SHOP COLLECTIVE AGREEMENT**

In accordance with the provisions of the Labour Relations Act, 66 of 1995 as amended  
("the LRA") made and entered into by and between the: -

**SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION**  
(Hereinafter referred to as SALGA, the Employers' Organisation)

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)

*Handwritten signatures and initials:*  
A.S.  
N.M.  
/

## 1. INTRODUCTION

- 1.1 Whereas the Parties have entered into the Agency Shop Collective Agreement dated 16 April 2018 ("the Collective Agreement"); and
- 1.2 The parties also entered into an Addendum to the Collective Agreement dated 15 December 2021, which increased the prescribed maximum Agency Shop Fee to R79.50 per month; and
- 1.3 The Parties wish to amend clauses 2.1 and 5.3 of the Collective Agreement in order to extend the period of operation thereof and to increase the prescribed maximum Agency Shop Fee.
- 1.4 Now therefore, the Parties enter into this Addendum for the sole purpose of amending clauses 2.1 and 5.3 of the Collective Agreement.

## 2. AMENDMENT TO CLAUSE 2.1 OF THE COLLECTIVE AGREEMENT

The parties agree to amend the Collective Agreement by replacing clause 2.1 thereof with the following clause:

### **"2. PERIOD OF OPERATION**

- 2.1 *This Agreement shall come into operation in respect of the Parties to the Agreement, on 01 May 2018 and shall remain in force until 30 April 2026."*

## 3. AMENDMENT TO CLAUSE 5.3 OF THE COLLECTIVE AGREEMENT

The parties agree to amend the Collective Agreement by replacing clause 5.3 thereof with the following clause:

- "5.3 *The prescribed Agency Shop Fee, payable by employees falling within the scope of the Agreement who are not members of the representative trade unions, shall be 1% (one percent) of the basic salary of employees, up to a maximum of R84.30 per month.*

**4. GENERAL**

4.1 This Addendum is incorporated into the Collective Agreement and shall, together with the Collective Agreement as amended herein, constitute the entire agreement between the Parties.

4.2 Except as expressly amended by this Addendum, all other terms and conditions of the Collective Agreement shall remain unchanged and in full force and effect.


**5. EFFECTIVE DATE AND SIGNATURE**

5.1 This Addendum shall come into effect on the date of signature of the last party.

5.2 Notwithstanding the date of signature hereof, the amendment to clause 5.3 of the Collective Agreement shall come into effect on 1 July 2023.


**THIS ADDENDUM AGREEMENT WAS CONSIDERED, ADOPTED AND APPROVED BY THE BARGAINING COMMITTEE OF THE CENTRAL COUNCIL IN TERMS OF CLAUSE 17.3 OF THE CONSTITUTION.**

**SIGNED BY THE PARTIES AT PRETORIA ON THIS 18... DAY OF APRIL..... 2023.**



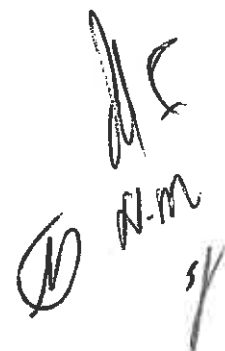
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**MEMBER OF THE COUNCIL  
(REPRESENTING SALGA – MR M KOLISA)**



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**MEMBER OF THE COUNCIL  
(REPRESENTING IMATU – MR K SWANEPOEL)**



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**MEMBER OF THE COUNCIL  
(REPRESENTING SAMWU – MR N MOKGOTHO)**



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**GENERAL SECRETARY OF THE COUNCIL  
MR SS GOVENDER**

