



# SOUTH AFRICAN LOCAL GOVERNMENT BARGAINING COUNCIL

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10 October 2024

To **ALL MUNICIPAL MANAGERS**  
**ALL CHIEF FINANCIAL OFFICERS**  
**ALL EMPLOYEES**

### The Parties:

SALGA  
SAMWU  
IMATU

Mr. S Mbanga  
Mr. D Magagula  
Mr. J Koen

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### REGIONAL SECRETARIES:

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

Ms. E Sekgweleo  
Mr. C.Gqeke  
Ms. W Brink  
Mr. T Mqobongo  
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Dear Sir/Madam

## **CIRCULAR NO.: 08/2024** **INCREASE IN PRESCRIBED MAXIMUM AGENCY SHOP FEE**

1. The current Agency Shop Collective Agreement, concluded in 2018, provides that the Prescribed Maximum Agency Shop Fee is subject to a periodic increase, provided that the parties conclude and sign off an Addendum to this effect.
2. The parties have concluded the attached Addendum to the Agency Shop Collective Agreement (Addendum Agreement) dated 26 September 2024. The Addendum Agreement provides for an increase to the Prescribed Maximum Agency Shop Fee, which increase comes into effect on 1 November 2024. The Addendum Agreement is binding on all Municipalities and employees who are not members of IMATU or SAMWU.

3. In terms of the Addendum Agreement, the Agency Shop Fee is increased to **1% of an employee's basic salary, to a maximum of R89.50**, effective from 1 November 2024.
4. The prescribed Agency Shop Fee must be deducted from the basic salary of employees who are not members of IMATU or 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.
5. 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.
6. The main purpose of the Collective Agreement is to ensure that those employees who are not members of IMATU or SAMWU, and who receive the benefits of collective bargaining, contribute towards the cost of such collective bargaining.
7. Kindly ensure that all provisions of the Collective Agreement read together with the attached Addendum Agreement are implemented. Your co-operation in implementing the new Prescribed Maximum Agency Shop fee is appreciated.
8. Kindly place this notice on all employee notice boards.

Yours faithfully

  
\_\_\_\_\_  
**MR. S. 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]*  
W. S. N. M.

## 1. INTRODUCTION

- 1.1 The Parties have entered into the Agency Shop Collective Agreement dated 16 April 2018 (“the Collective Agreement”); and
- 1.2 The Parties wish to amend clause 5.3 of the Collective Agreement in order to increase the prescribed maximum Agency Shop Fee payable by employees.
- 1.3 Now therefore, the Parties enter into this Addendum for the sole purpose of amending clause 5.3 of the Collective Agreement.

## 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 R89.50 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.

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.

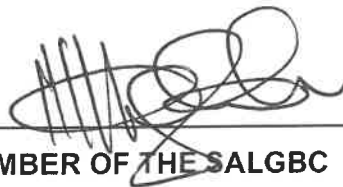
SIGNED BY THE PARTIES AT Pretoria ON THIS 26<sup>th</sup> DAY OF September 2024.



MEMBER OF THE SALGBC  
(REPRESENTING SALGA – MR S MBANGA)



MEMBER OF THE SALGBC  
(REPRESENTING IMATU – MR K SWANEPOEL)



MEMBER OF THE SALGBC  
(REPRESENTING SAMWU – MR N MOKGOTHO)



GENERAL SECRETARY OF THE SALGBC  
MR SS GOVENDER