



# SOUTH AFRICAN LOCAL GOVERNMENT BARGAINING COUNCIL

## HEAD OFFICE

Private Bag X16  
MUSGRAVE  
4062

Tel: (031) 201-8210  
Fax: (031) 201-9788

461 King Dinuzulu Road  
DURBAN  
4001

E-mail: [info@salgbc.org.za](mailto:info@salgbc.org.za)  
Web-site: [www.salgbc.org.za](http://www.salgbc.org.za)

---

3 August 2009

To: All Municipal Managers

The Parties:

SALGA  
SAMWU  
IMATU

Mr. X George (012) 369-8001  
Mr. J Nhlapo (021) 696-9175  
Mr. J Koen (012) 460-8444

The Regional Secretaries:

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

Mrs. C Manda (011) 333-8091  
Mrs. S Walter (041) 585-0646  
Mr. A Singh (031) 201-9752  
Mrs. W Brink (021) 930-9244  
Mr. M Faas (053) 831-3608  
Mr. E Shelembe (012) 320-4136

Dear Sir/Madam

### **CIRCULAR NO. 08/2009: SALARY AND WAGE COLLECTIVE AGREEMENT**

The parties to the council have concluded a multi-year (3 years) Salary and Wage Collective Agreement for the period 1 July 2009 to 30 June 2012. The Salary and Wage Collective Agreement that was signed on 31 July 2009 is hereby attached.

All municipal officials, who are responsible for implementing the Salary and Wage Collective Agreement, are advised to ensure the correct implementation and application of the relevant clauses in the Salary and Wage Collective Agreement for the 2009/2010 financial year.

The Salary and Wage Collective Agreement must be displayed on municipal notice boards.

The Salary and Wage Collective Agreement will be available on the SALGBC website on 4 August 2009.

Yours faithfully

  
\_\_\_\_\_  
**Mr S S Govender**  
**GENERAL SECRETARY**

End.

---

*Address correspondence to the General Secretary*

**SOUTH AFRICAN LOCAL GOVERNMENT  
BARGAINING COUNCIL**

(Hereinafter referred to as "the "SALGBC")

**SALARY AND WAGE  
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")

*X.G. P. sf*

# INDEX

1.	OBJECTIVES .....	2
2.	DEFINITIONS .....	2
3.	SCOPE OF APPLICATION .....	2
4.	EXCLUSIONS: SECTION 57 EMPLOYEES .....	2
5.	PERIOD OF OPERATION .....	2
6.	SALARY INCREASES .....	3
7.	MINIMUM WAGE.....	4
8.	WAGE CURVE .....	4
9.	HOME OWNERS ALLOWANCE .....	4
10.	RENTAL ALLOWANCE .....	5
11.	FILLING OF VACANCIES.....	5
12.	APPLICATIONS FOR EXEMPTION FOR PARTIES .....	5
13.	APPLICATIONS FOR EXEMPTION BY NON-PARTIES.....	16
14.	ENFORCEMENT OF THIS COLLECTIVE AGREEMENT .....	20
15.	DISPUTES ABOUT THE APPLICATION OR INTERPRETATION OF THIS COLLECTIVE AGREEMENT .....	22

*Handwritten signatures and initials:*  
xc, Di, [unclear]

## 1. OBJECTIVES

The objectives of this agreement are:

- 1.1 To provide for the general salary adjustments and increases in the minimum wage for the financial years 2009/2010, 2010/2011 and 2011/2012 and a process to deal with the wage curve and job evaluation; and
- 1.2 To provide for an increase in housing allowances, the establishment of a rental allowance task team and a mechanism to fill vacancies in the sector.

## 2. DEFINITIONS

All expressions used in this agreement, which are defined in the Labour Relations Act, 1995 (hereinafter referred to as "the Act"), shall bear the same meaning as in the Act and unless the contrary intention appears, words importing the masculine gender shall include the feminine.

## 3. SCOPE OF APPLICATION

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 SALGBC.

## 4. EXCLUSIONS: SECTION 57 EMPLOYEES

Municipal Managers and those employees appointed as managers directly accountable to Municipal Managers in terms of Section 57(6) of the Municipal Systems Act 32 of 2000 shall be excluded from this collective agreement.

## 5. PERIOD OF OPERATION

- 5.1 This collective agreement shall come into operation in respect of the parties to the agreement, on 1 July 2009 and shall remain in force until 30 June 2012.

- 5.2 This collective agreement shall come into operation in respect of non-parties, on a date to be determined by the Minister of Labour and shall remain in force until 30 June 2012.

## 6. SALARY INCREASES

- 6.1 All employees, except those employees excluded in clause 4 above, shall receive for the financial year 2009/2010,:
- 6.1.1 an across the board increase of thirteen (13%) percent with effect from 1 July 2009;
  - 6.1.2 Two-and-a-half (2,5%) percent of the increase referred to in 6.1.1 shall be non-pensionable for the 2009/2010 financial year only;
  - 6.1.3 Medical aid contributions shall increase by 10,5% by 1 July 2009 for the 2009/2010 financial year only; and
  - 6.1.4 With effect from 1 July 2010 the non-pensionable allowance referred to in 6.1.1 above shall become part of the employee's basic salary and shall not apply retrospectively in respect of pensionable contributions.
- 6.2 All employees, except those employees excluded in clause 4 above, shall receive for the financial year 2010/2011 with effect from 1 July 2010 an across the board increase based on the average CPI percentage, for the period 1 February 2009 until 31 January 2010, plus one-and-a-half (1.5%) percent.
- 6.3 All employees, except those employees excluded in clause 4 above, shall receive for the financial year 2011/2012 with effect from 1 July 2011 an across the board increase based on the average CPI percentage for the period 1 February 2010 until 31 January 2011, plus two (2%) percent.
- 6.4 Benefits and conditions of service linked to the employees' salaries and wages must be accordingly increased when the salaries and wage increase, subject to

*[Handwritten signatures]*

the exclusion provided for in clauses 6.1.2 and 6.1.3 during the 2009/2010 financial year.

- 6.5 Should the average CPI be lower than 5% or higher than 10% for the period referred to in clauses 6.2 and 6.3 above, any party may be entitled to re-open the negotiations.

## 7. MINIMUM WAGE

- 7.1 The minimum wage payable in the sector shall be R3,850.00 (three thousand eight hundred and fifty rand) per month with effect from 1 July 2009, and with effect from 1 January 2010 the minimum wage shall be R4,000.00 (four thousand rand).
- 7.2 With effect from 1 July 2010 the minimum wage referred to in clause 7.1 above shall increase by the same percentage as agreed to in clause 6.2 read with clause 6.5, above.
- 7.3 With effect from 1 July 2011 the minimum wage referred to in clause 7.1 above shall increase by the same percentage as agreed to in clause 6.3 read with clause 6.5, above.

## 8. WAGE CURVE

- 8.1 The Wage Curve dispute currently underway in the SALGBC under Case No. HQ010902 and the Job Evaluation implementation shall be dealt with separately from these wage and salary negotiations.
- 8.2 The Wage Curve Collective Agreement shall be negotiated by the parties for finality on or before 31 August 2009.

## 9. HOME OWNER'S ALLOWANCE

The current method of calculating home owners allowance shall remain in force and shall increase as follows:

- 9.1 For the 2009/2010 financial year, the Home Owners Allowance shall be based on a maximum housing bond of R100,000.00 (one hundred thousand rand nil cent).
- 9.2 For the 2010/2011 financial year, the Home Owners Allowance shall be based on a maximum housing bond of R110,000.00 (one hundred and ten thousand rand nil cent).
- 9.3 For the 2011/2012 financial year, the Home Owners Allowance shall be based on a maximum housing bond of R135,000.00 (one hundred and thirty-five thousand rand nil cent).
- 9.4 On the basis recorded in 9.1 to 9.3 above, the current Housing Dispute in the SALGBC under case number HQ040702, is declared resolved.

## 10. RENTAL ALLOWANCE

The parties to the SALGBC shall establish a joint Task Team, by no later than 31 October 2009, to investigate the feasibility of the National Rental Allowance dispensation for the Local Government Sector.

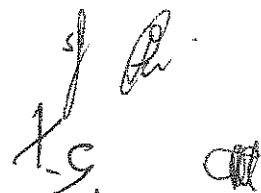
## 11. FILLING OF VACANCIES

All vacant, funded, critical and essential posts at all levels in Municipalities shall be filled on or before 1 July 2010, after such posts have been submitted to the appropriate forum for consultation.

## 12. APPLICATIONS FOR EXEMPTION FOR PARTIES

### 12.1 Introduction

- 12.1.1 Any party may apply for exemption from the provisions of this collective agreement.

Handwritten signatures and initials, including a large signature that appears to be 'X.G.' and another signature that appears to be 'P.H.'.

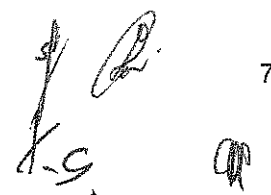
- 12.1.2 This collective agreement sets out the structures, procedures and requirements through which applications for exemption from this collective agreement will be managed.
- 12.1.3 In the event of applications being made that are frivolous and vexatious, such applications may be dismissed with costs.
- 12.1.4 Where a municipality applies for exemption it shall not implement any changes to existing wages until the exemption is finalised, unless the Central Exemptions Committee decides otherwise.
- 12.1.5 Notwithstanding any time periods stipulated herein, every effort should be made to apply for and process exemption applications in the shortest time possible.
- 12.1.6 The onus to prove the case for the granting of an exemption lies with the applicant employer.
- 12.1.7 SALGA undertakes to make every reasonable effort to assist its members to discharge such onus in a full and proper manner.

## 12.2 Exemption Committees

- 12.2.1 There will be an Exemptions Committee at central and divisional levels of the SALGBC. Each committee shall consist of five (5) employer and five (5) trade union representatives. The trade union representatives will be three (3) from SAMWU and two (2) from IMATU.
- 12.2.2 The General Secretary of the SALGBC or his nominee shall provide secretarial services to the above committees.
- 12.2.3 Divisional Exemption Committees shall be sub-committees of the Central Exemptions Committees and the powers and functions of each are set out below.



- 12.2.4 Only the Central Exemption Committee of the SALGBC may grant exemptions from this collective agreement and the role of the divisions of the SALGBC shall be limited to the appointment of the Divisional Exemptions Committee.
- 12.2.5 Decisions of the Central Exemptions Committee and recommendations from the Divisional Exemptions Committees shall be based on consensus.
- 12.2.6 Divisional Exemptions Committees shall have the powers and functions to:-
- 12.2.6.1 investigate all exemption applications in their area of jurisdiction;
  - 12.2.6.2 request that applicant employers provide such further particulars as may be reasonable and necessary to investigate the applications;
  - 12.2.6.3 make recommendations as to the form and terms of any exemption to be granted or to recommend that no exemption be granted;
  - 12.2.6.4 report to the Central Exemption Committee on the nature of the deadlock reached in the event of a failure to reach agreement on the terms of such proposal;
  - 12.2.6.5 ensure that the criteria and the terms of any proposed exemption are consistent;
  - 12.2.6.6 do such other things as are consistent with achieving a full and transparent investigation; and
  - 12.2.6.7 co-opt any person in an advisory capacity.

Handwritten signatures and initials, including a large signature that appears to be 'K.G.' and another signature to its right. There is also a small mark below the 'K.G.' signature.

12.2.7 A Divisional Exemption Committee shall, after considering the exemption application in terms of 12.2.6 above, submit its report, findings and recommendations to the Central Exemption Committee by not later than:

12.2.7.1 15 October 2009 in respect of the 2009/2010 financial year;

12.2.7.2 15 July 2010 in respect of the 2010/2011 financial year; and

12.2.7.3 15 July 2011 in respect of the 2011/2012 financial year.

12.2.8 The Central Exemption Committee shall have the powers and functions to:-

12.2.8.1 grant, or reject an application for exemption;

12.2.8.2 examine all recommendations of Divisional Exemption Committees to ensure that the criteria applied are nationally consistent;

12.2.8.3 require that any Divisional Exemption Committee conduct additional or further investigation(s);

12.2.8.4 do such other things as are consistent with achieving a full and transparent investigation and the uniform and consistent application of criteria for exemption; and

12.2.8.5 grant an applicant employer the power to introduce interim adjustments in circumstances where this will not affect the final outcome.

12.2.9 The Central Exemption Committee shall have until the dates set out below to grant or reject an exemption application:

12.2.9.1 15 November 2009 in respect of the 2009/2010 financial year;

*f. P.*  
*KG. AM*

12.2.9.2 15 August 2010 in respect of the 2010/2011 financial year;  
and

12.2.9.3 15 August 2011 in respect of the 2011/2012 financial year.

12.2.10 Only the Executive Committee of the Central Council shall have the power to extend the time periods provided for in terms of this agreement.

12.2.11 Decisions of the Central Exemptions Committee shall be final and binding.

12.2.12 An exemption certificate which contains the following information shall be signed by the chairperson of the Central Exemptions Committee and the General Secretary of the SALGBC after approval by the Central Exemptions Committee:-

12.2.12.1 the full name of the applicant employer;

12.2.12.2 the date of issue;

12.2.12.3 the details of the agreement for which exemption is granted;

12.2.12.4 the period for which exemption shall operate;

12.2.12.5 the terms and conditions, or remedial requirements of the exemption;

12.2.12.6 the exemption certificate shall be sent directly to the applicant employer and to the relevant Regional Secretary, who shall inform the parties to the division of the final terms and conditions within five (5) working days after receipt of such certificate.

- 12.2.13 In the event of the Central Exemption Committee reaching a deadlock on whether or not to grant an exemption, the matter may be referred directly to the Independent Exemptions Body as set out below and be dealt with in the same manner as an appeal by a non-party.

### 12.3 Applications for Exemption

- 12.3.1 Employers wishing to apply for exemption shall forward their applications to SALGA's Provincial Associations by not later than:

12.3.1.1 7 September 2009 in respect of the 2009/2010 financial year;

12.3.1.2 15 June 2010 in respect of the 2010/2011 financial year; and

12.3.1.3 15 June 2011 in respect of the 2011/2012 financial year.

- 12.3.2 SALGA's Provincial Associations shall forward such application to the Regional Secretary of the relevant division by not later than:

12.3.2.1 21 September 2009 in respect of the 2009/2010 financial year;

12.3.2.2 22 June 2010 in respect of the 2010/2011 financial year; and

12.3.2.3 22 June 2011 in respect of the 2011/2012 financial year.

- 12.3.3 Applications for exemptions must comply with the following requirements:-

12.3.3.1 be accompanied by supporting documentation and financial information;

- 12.3.3.2 provide a full motivation, through reference to supportive documentation as to the grounds of affordability or financial constraint necessitating the application;
- 12.3.3.3 set out the terms of the exemption being sought in the form of a proposal, the period for which it is being sought and the extent of variation from this collective agreement that is requested;
- 12.3.3.4 propose a strategy to guide the employer to achieve compliance with provisions of this collective agreement;
- 12.3.3.5 ensure that such proposal is in a form consistent with the terms of this collective agreement and applied equitably across the full work force;
- 12.3.3.6 provide proof that in taking steps to make such application, the employer has informed and consulted the Trade Unions and Local Labour Forum.

#### **12.4 Criteria and Other Factors to be Considered by Exemptions Committees**

- 12.4.1 The criteria for the approval of an exemption shall be that the employer concerned is either:-
  - 12.4.1.1 unable to afford the costs of the settlement, or
  - 12.4.1.2 has short-term cash flow problems necessitating a limited exemption.
- 12.4.2 In considering any application and the terms of any proposed exemption the Divisional Exemption Committee shall take into consideration:-

- 12.4.2.1 the written and verbal motivation and proposals of the applicant;
- 12.4.2.2 the written or verbal submissions of any party to the SALGBC;
- 12.4.2.3 any special circumstances which exist;
- 12.4.2.4 the applicant's past record of compliance with wage settlements;
- 12.4.2.5 the precedents for exemptions set since the introduction of this procedure and the effects of its proposal as a precedent in its own divisions or other divisions;
- 12.4.2.6 any process or directives from the Central Exemption Committee;
- 12.4.2.7 the financial savings to the municipalities of the delayed implementation of the wage settlement; and
- 12.4.2.8 any such other general or local economic factors relating to the restructuring of local government, which impact on the application for exemption.

## 12.5 Exemptions Policy

- 12.5.1 No application will be considered unless it is accompanied by full supporting documentation.
- 12.5.2 The full terms of this collective agreement are to be implemented, where financially possible, before the end of the relevant financial year.

- 12.5.3 Those employers previously granted exemptions may apply to pay higher increases than the terms of this collective agreement in order to bridge the gap between the salaries of the municipality and those existing in the relevant division of the SALGBC.
- 12.5.4 All applications considered by the Central Exemptions Committee shall only be based on the written application and no verbal motivation by the employer shall be allowed.

## 12.6 Application for Condonation

- 12.6.1 If an application for exemption is referred to the Divisional Exemptions Committee outside the time limits prescribed by the policy then the applicant employer must make application for condonation to the Divisional Exemptions Committee.
- 12.6.2 The application for condonation must be referred and served on all parties to the Divisional Exemptions Committee (IMATU, SAMWU and SALGA). The application for condonation must be supported by affidavit. The affidavit must explain the reason for the failure to refer the application in time. That explanation must be sufficiently detailed to enable the Divisional Exemptions Committee to understand how the failure to refer the application in time came about and to assess the applicant's conduct and behaviour. The affidavit must deal with each of the conditions set out in clause 12.6.7 below.
- 12.6.3 If the application for condonation arises from the applicant employer failing to attend scheduled divisional exemptions meetings then the reasons for the failure to attend must be given.
- 12.6.4 The Divisional Exemptions Committee must consider the application for condonation and any representations made in regard to the application. Condonation must be recommended to the Central Exemptions Committee if there are good grounds for the late referral.

- 12.6.5 If condonation is recommended then the Divisional Exemptions Committee should consider the application for exemption and make a recommendation to the Central Exemptions Committee regarding the exemption application.
- 12.6.6 If the parties to the Divisional Exemptions Committee cannot reach consensus on whether to grant or refuse condonation, then such application for condonation shall be referred to the Central Exemptions Committee for a final decision. If the Central Exemptions Committee grants the application for condonation then the application for exemption shall be referred back to the Divisional Exemptions Committee for consideration and recommendation. If the application for condonation is refused by the Central Exemption Committee, then the application for exemption is also refused. If the Central Exemption Committee cannot reach agreement whether to grant or refuse an application for condonation, the application for condonation shall be dealt with as an appeal as set out in clause 13 below.
- 12.6.7 The Divisional and Central Exemptions Committee must take the following into account when determining whether or not to recommend (in the case of the Divisional Exemptions Committee) or refuse or grant condonation (in the case of the Central Exemption Committee):-
- 12.6.7.1 The degree of lateness. If the application is only a few days late, this factor should weigh in favour of granting condonation. If the referral is very late, that should weigh against granting condonation.
- 12.6.7.2 The degree of fault. If the reason for late referral was due to circumstances beyond the control of the applicant, this factor should weigh in favour of granting condonation.



- 12.6.7.3 The reasonableness of the explanation. If the explanation is improbable this should weigh against granting condonation.
- 12.6.7.4 The prejudice to the employees should condonation be granted.
- 12.6.7.5 The prospects of the application for exemption succeeding, should the committee consider the application for exemption.

## 12.7 Appeals

- 12.7.1 Appeals dealt with in terms of this sub-clause shall be appeals by parties in terms of clause 12.2.13 (where there has been a failure to reach consensus at the Central Exemption Committee) and appeals by non-parties (in terms of clause 13.5 below).
- 12.7.2 The Independent Exemptions Body shall be constituted on an ad hoc basis and shall be appointed by the SALGBC from its panel of arbitrators set up in terms of its constitution.
- 12.7.3 The Independent Exemptions Body shall consider all appeals in a manner it considers appropriate to determine the appeal fairly and quickly, which may include the hearing of evidence and arguments.
- 12.7.4 The criteria which will be considered by the Independent Exemptions Body shall be:-
  - 12.7.4.1 fairness;
  - 12.7.4.2 the ability of the employer to afford the costs of the settlement; and

12.7.4.3 the short-term cash flow problems being experienced by an employer by necessitating a limited exemption.

12.7.5 All appeals shall be in writing and shall be lodged with the General Secretary. Such applications shall contain:-

12.7.5.1 all material details of the applicant;

12.7.5.2 all details of the decision against which the applicant appeals;

12.7.5.3 detailed grounds on which such appeal is sought taking into consideration the criteria specified in sub-clause 12.4 above.

### **13. APPLICATIONS FOR EXEMPTION BY NON-PARTIES**

13.1 In the event of a non-party to the SALGBC applying for an exemption in terms of this agreement, the application shall be determined by the Central Exemptions Committee provided that the non-party applicant shall be entitled to appeal to an Independent Exemptions Body as set out hereunder.

#### **13.2 Applications for Exemption**

13.2.1 Non-party employers, wishing to apply for exemption, shall forward their applications to the General Secretary within the following time frames:

13.2.1.1 Within thirty (30) calendar days of this collective agreement being extended by the Minister to non-parties in terms of clause 5.2 above in respect of the 2009/2010 financial year;

13.2.1.2 By 15 June 2010 in respect of the 2010/2011 financial year; and

13.2.1.3 By 15 June 2011 in respect of the 2011/2012 financial year.

13.2.2 Applications for exemptions must comply with the following requirements:-

13.2.2.1 be accompanied by supporting documentation and financial information;

13.2.2.2 provide a full motivation, through reference to supportive documentation as to the grounds of affordability or financial constraint necessitating the application;

13.2.2.3 set out the terms of the exemption being sought in the form of a proposal, the period for which it is being sought and the extent of variation from the wage settlement that is requested;

13.2.2.4 propose a strategy to guide the municipality to achieve compliance with future wage settlements;

13.2.2.5 ensure that such proposal is in a form consistent with the terms of the wage settlement and applied equitably across the full work force; and

13.2.2.6 provide proof that in taking steps to make such application the municipality or employer has informed and consulted the Trade Unions and the Local Labour Forum.

### 13.3 Criteria and Other Factors to be Considered by Exemptions Committees

13.3.1 The criteria for the approval of an exemption shall be that the employer concerned is either:-

  
X.C.



- 13.3.1.1 unable to afford the costs of the settlement, or
  - 13.3.1.2 has short-term cash flow problems necessitating a limited exemption.
- 13.3.2 In considering any application and the terms of any proposed exemption the Central Exemption Committee shall take into consideration:-
- 13.3.2.1 the written and verbal motivation and proposals of the applicant;
  - 13.3.2.2 the written or verbal submissions of any party to the SALGBC;
  - 13.3.2.3 any special circumstances which exist;
  - 13.3.2.4 the applicant's past record of compliance with wage settlements;
  - 13.3.2.5 the precedents for exemptions set since the introduction of this procedure and the effects of its proposal as a precedent in its own divisions or other divisions;
  - 13.3.2.6 any process or directives from the Central Exemption Committee;
  - 13.3.2.7 the financial savings to the employers of the delayed implementation of the wage settlement; and
  - 13.3.2.8 any such other general or local economic factors relating to the restructuring of local government which impact on the application for exemption.

#### 13.4 Exemptions Policy

- 13.4.1 No application will be considered unless it is accompanied by full supporting documentation.
- 13.4.2 The full terms of this collective agreement are to be implemented, where financially possible, before the end of the relevant financial year.
- 13.4.3 Those employers previously granted exemptions may apply to pay higher increases than the terms of this collective agreement in order to bridge the gap between the salaries of the municipality and those existing in the relevant division of the SALGBC.
- 13.4.4 All applications considered by the Central Exemptions Committee shall only be based on the written application and no verbal motivation by the employer is allowed.

#### 13.5 Appeals

- 13.5.1 The appeals by non-parties shall be considered by the Independent Exemption Body.
- 13.5.2 The Independent Exemptions Body shall be constituted on an ad hoc basis and shall be appointed by the SALGBC from its panel of arbitrators.
- 13.5.3 The Independent Exemptions Body shall consider all appeals in a manner it considers appropriate to determine the appeal fairly and quickly which may include the hearing of evidence and arguments.
- 13.5.4 The criteria which will be considered by the Independent Exemptions Body shall be:-

13.5.4.1 fairness;

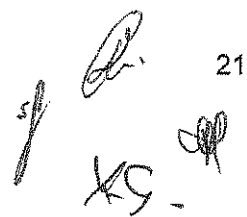
- 13.5.4.2 the ability of the employer to afford the costs of the settlement; and
- 13.5.4.3 the short-term cash flow problems being experienced by an employer by necessitating a limited exemption.
- 13.5.5 All appeals shall be in writing and shall be lodged with the General Secretary. Such application shall contain:-
  - 13.5.5.1 all material details of the applicant;
  - 13.5.5.2 all details of the decision against which the applicant appeals;
  - 13.5.5.3 detailed grounds on which such appeal is sought taking into consideration the criteria specified in sub-clause 12.4 above.

#### 14. ENFORCEMENT OF THIS COLLECTIVE AGREEMENT

- 14.1 Despite any other provision in the Act, the council shall monitor and enforce compliance of this collective agreement in terms of Section 33A of the Act.
- 14.2 The General Secretary or his appointed designated agent may in keeping with the council Constitution, issue a compliance order which will stipulate the alleged breach and shall clearly indicate that such breach be rectified within ten (10) days of receipt of such compliance order.
- 14.3 The council may refer any unresolved dispute concerning compliance with any provision of this collective agreement to arbitration by an arbitrator appointed by the council.
- 14.4 If a party to an arbitration in terms of Section 33A of the Act is not a party to the council, and objects to the appointment of an arbitrator in terms of clause 14.3,

the CCMA (herein referred to as the Commission), on request by the council, must appoint an arbitrator.

- 14.5 If an arbitrator is appointed in terms of clause 14.4 above-
  - 14.5.1 the council remains liable for the payment of the arbitrator's fee; and
  - 14.5.2 the arbitration is not conducted under the auspices of the Commission.
- 14.6 An arbitrator conducting an arbitration in terms of Section 33A of the Act has the powers of a commissioner in terms of Section 142 of the Act, read with the changes required by the context.
- 14.7 Section 138 of the Act, read with the changes required by the context, applies to any arbitration conducted in terms of Section 33A of the Act.
- 14.8 An arbitrator acting in terms of Section 33A of the Act may determine any dispute concerning the interpretation or application of a collective agreement.
- 14.9 An arbitrator conducting an arbitration in terms of Section 33A of the Act may make an appropriate award, including-
  - 14.9.1 ordering any person to pay any amount owing in terms of a collective agreement;
  - 14.9.2 imposing a fine for a failure to comply with a collective agreement;
  - 14.9.3 charging a party an arbitration fee;
  - 14.9.4 ordering a party to pay the costs of the arbitration;
  - 14.9.5 confirming, varying or setting aside a compliance order issued by the General Secretary; or his appointed designated agent in accordance with clause 14.2;

 21

14.9.6 any award contemplated in Section 139 (9) of the Act.

14.10 Interest on any amount that a person is obliged to pay in terms of this collective agreement accrues from the date on which the amount was due and payable at the rate prescribed in terms of Section 1 of the Prescribed Rate of Interest, Act 55 of 1975, unless the arbitration award provides otherwise.

14.11 An arbitration award in an arbitration conducted in terms of Section 33A of the Act is final and binding and may be enforced in terms of Section 143 of the Act.

14.12 If an employer upon whom a fine has been imposed in terms of this Section files an application to review and set aside an award made in terms of clause 14.9, any obligation to pay a fine is suspended pending the outcome of the application.

**15. DISPUTES ABOUT THE APPLICATION OR INTERPRETATION OF THIS COLLECTIVE AGREEMENT**

15.1 Any person or party may refer a dispute about the application or interpretation of this collective agreement, to the General Secretary of the council.

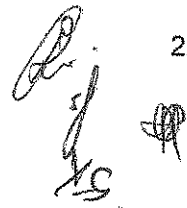
15.2 The General Secretary in the event of a dispute not being resolved-

15.2.1 must appoint a conciliator from the national panel of conciliators, (doing so as far as possible on a rotational basis) or if the dispute remains unresolved;

15.2.2 refer the dispute to arbitration in terms of the constitution of the council.

15.3 If a conciliator is appointed, the General Secretary shall decide the date, time and venue of the conciliation meeting and shall serve notices of these particulars on the parties to the dispute.

15.4 If the dispute is referred to arbitration, the General Secretary shall appoint an arbitrator from the national panel of arbitrators, doing so as far as possible on a rotational basis.

Handwritten signature and initials in the bottom right corner of the page.



15.5 The General Secretary, in consultation with the arbitrator, shall decide the date, time and venue of the arbitration hearing.

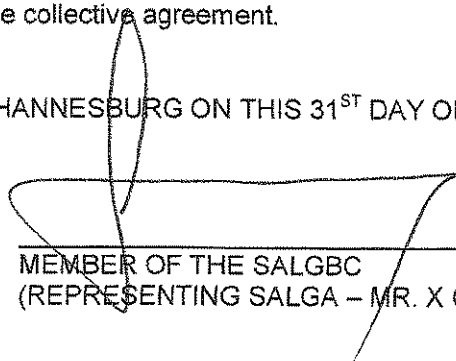
15.6 The arbitrator shall –

15.6.1 endeavour to conciliate the dispute unless the parties to the dispute advise the arbitrator that the dispute has been properly conciliated; and

15.6.2 if the dispute remains unresolved, resolve the dispute through arbitration.

15.7 The arbitrator may make any appropriate arbitration award in terms of the Act that gives effect to the collective agreement.

SIGNED BY THE PARTIES AT JOHANNESBURG ON THIS 31<sup>ST</sup> DAY OF JULY 2009.




---

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



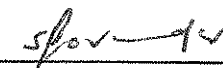
---

MEMBER OF THE SALGBC  
(REPRESENTING IMATU – MR. D CARSTENS)



---

MEMBER OF THE SALGBC  
(REPRESENTING SAMWU – MR. P MASHISHI)



---

GENERAL SECRETARY OF THE SALGBC  
MR S GOVENDER