



SOUTH AFRICAN LOCAL GOVERNMENT BARGAINING COUNCIL

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10 July 2006

To: All Municipal Managers

The Parties:	SALGA – Chief Executive Officer	Dr. M Khoza	(012) 369-8043
	SAMWU – General Secretary	Mr. R Ronnie	(021) 696-9175
	IMATU – General Secretary	Mr. C Dunstan	(012) 460-8444

The Regional Secretaries:

Gauteng Division	Mr. T Ndlovu	(011) 333-8091
Eastern Cape Division	Ms. S Walter	(041) 585-0646
KwaZulu-Natal Division	Mr. A Singh	(031) 267-0930
Western Cape Division	Mr. O Wilson	(021) 930-9244
Northern Cape/Free State Division	Mr. M Faas	(053) 831-3608
North West/Mpumalanga/Limpopo Division	Mr. E Shelembe	(012) 320-4136

Dear Sir/Madam

CIRCULAR NO.: 6/2006 WAGE AND SALARY INCREASE: 2006/2007 FINANCIAL YEAR

The parties to the SALGBC have reached agreement on the wage and salary increase for the 2006/2007 financial year.

All employees, excluding Municipal Managers and managers directly accountable to the Municipal Manager in terms of Section 57 (6) of the Municipal Systems Act, shall receive the following increase:

1. An across the board increase of six (6) percent with effect from 1 July 2006 calculated on their basic salaries as at 30 June 2006.

With effect from 1 July 2006 the minimum wage payable in the sector shall be R2,850.00 (two thousand eight hundred and fifty rand) per month. If an employee, after having received the six (6) percent increase, still earns less than the minimum of R2,850.00, then that employee must receive the minimum wage of R2,850.00.

2. A further two (2) percent across the board increase with effect from 1 January 2007 calculated on their basic salaries as at 31 December 2006.

Address correspondence to the General Secretary

The minimum wage will increase to R2,907.00 (two thousand nine hundred and seven rand) per month with effect from 1 January 2007. If an employee after having received the two (2) percent increase, still earns less than the minimum of R2,907.00, then that employee must receive the minimum wage of R2,907.00.

The Medical Aid Subsidy shall increase to R2,194.39 with effect from 1 July 2006 and to R2,238.27 with effect from 1 January 2007 respectively.

All other allowances, except the Home Owners Allowance, must be adjusted accordingly.

Further details relating to the three year (multi-year) Wage and Salary Collective Agreement will be published in due course.

This circular is downloadable from the SALGBC website.

Yours faithfully



Mr S S Govender
GENERAL SECRETARY