

**SOUTH AFRICAN LOCAL GOVERNMENT
BARGAINING COUNCIL**
(hereinafter referred to as "the "SALGBC")

**CONSOLIDATED COLLECTIVE AGREEMENT
ON CONDITIONS OF SERVICES FOR THE
EASTERN CAPE DIVISION**

In accordance with the provisions of the Bargaining Levels Collective Agreement and

Entered into by and between the:-

**SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION (Eastern
Cape)**
(hereinafter referred to as "SALGA")

Herein represented by Mr Chris Magwangqana

and

**INDEPENDENT MUNICIPAL AND ALLIED TRADE UNION (Eastern
Cape Division)**
(hereinafter referred to as "IMATU")

Herein represented by Ms Cathi Botes

and

**SOUTH AFRICAN MUNICIPAL WORKERS UNION (Eastern Cape
Division)**
(hereinafter referred to as "SAMWU")

Herein represented by Siphiso Ndunyana

(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 Collective Agreement shall be observed in the Local Government Undertaking in the Eastern Cape Province of the Republic of South Africa by all employers and by all employees who fall within the registered scope of the Eastern Cape Division of the SALGBC.

2. EXCLUSION/S FROM THIS AGREEMENT

- 2.1 That Municipal Managers and those employees reporting directly to the Municipal Manager as contemplated in terms of Section 57 of the Municipal Systems Act (Act 32 of 2000 and as amended) be excluded from this Collective Agreement.

3. PERIOD OF OPERATION

- 3.1 This Agreement shall come into operation in respect of the parties to the Agreement, on 1 April 2011 and shall remain in force until 31 March 2016;
- 3.2 This 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 31 March 2016.

4. DEFINITIONS

- 4.1 All expressions used in this agreement which are defined in the Labour Relations Act, 1995, shall bear the same meaning as in the Act and, unless contrary intention appears;
- 4.2 Words importing the masculine gender shall include the feminine, and *vice versa*.
- 4.3 Unless the contrary intention is stated or it is obvious from the context, words or expressions defined in the "Act" that are used in this agreement will have the same meaning as in the Act.

4.3.1 "Act" means the Labour Relations Act, No. 66 of 1995, as amended;

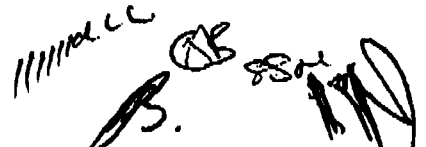
"Annual leave cycle" means the period of twelve (12) months employment with the same employer immediately following an employee's commencement of employment or following the completion of that employee's existing leave cycle;

4.3.2 "Appeal" means an exemption appeal;

4.3.3 "Basic Conditions of Employment Act" means the Basic Conditions of Employment Act, 1997 (Act 75 of 1997);

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- 4.3.3 "Contractual Employee"** means an employee appointed to a post on the staff establishment of a municipality, whether for a fixed period, to perform a specific task or on an *ad hoc* basis;
- 4.3.4 "Continuous Service "** means the continuous period of employment from date of appointment and includes all periods of duly approved leave, periods of suspension and the period from the date of completion of a service contract to the date of commencement of the next service contract shall not be deemed to be an interruption of service, if condoned by the Municipality;
- 4.3.5 "Day"** means working days, i.e. Mondays to Fridays excluding public holidays unless indicated otherwise by the context;
- 4.3.6 "Emergency work"** means any work which, owing to a disruption in essential services, or owing to fire, accident, storm, epidemic, act/s of violence, theft, breakdown of plant or machinery, or any other unforeseen circumstances is required to be done without delay.
- 4.3.7 "Employee"** shall include a permanent employee or a contractual employee as defined but excludes an independent contractor or its employees;
- 4.3.8 "Employer or Employers"** refers to employers/municipalities within the registered scope of the Eastern Cape Division of the SALGBC;
- 4.3.9 "Executive Committee"** means the Executive Committee of the Eastern Cape Division of the SALGBC;
- 4.3.10 "IMATU"** means the Independent Municipal and Allied Trade Union;



- 4.3.11 "Municipality"** means a metropolitan, local or district municipality established in terms of the Municipal Structures Act;
- 4.3.12 "Night work"** means work performed after 18h00 and before 06h00 the next day;
- 4.3.13 "Normal working day"** means any calendar day of the week in respect of which an employee is normally required to work;
- 4.3.14 "Parties"** means IMATU, SALGA and SAMWU;
- 4.3.15 "Permanent employee"** means an employee appointed to an approved post on the staff establishment of a municipality on an open-ended contract;
- 4.3.16 "Post"** means an approved position on a municipality's organisational structure to which specific duties are coupled;
- 4.3.17 "Public holiday"** means a public holiday as stipulated in the Public Holidays Act, 1994 (Act 36 of 1994)';
- 4.3.18 "SALGA"** means the South African Local Government Association;
- 4.3.19 "SALGBC"** means the South African Local Government Bargaining Council;
- 4.3.20 "SAMWU"** means the South African Municipal Workers' Union;
- 4.3.21 "Shift Allowance"** means a non-pensionable allowance, which shall be paid to employees who work on a regular rotational shift basis;
- 4.3.22 "Trade union"** means either IMATU or SAMWU and trade unions means IMATU and/or SAMWU;
- 4.3.23 "Workplace"** means an employer/ municipality;

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4.3.24 "Year"

means the period 1 January to 31 December unless indicated otherwise by the context.

5. OBJECTIVES

- 5.1 To establish common and uniform conditions of service for employees within the registered scope of the Council, and restricted to the Eastern Cape Division of the SALGBC, and to replace all existing conditions of service referred to herein;
- 5.2 The parties have reached agreement on a number of the matters delegated to them in terms of the Bargaining Levels Collective Agreement, and wish to record the terms and conditions of their agreement as follows:

6. OVERTIME

- 6.1 The provisions governing overtime, as regulated by the Basic Conditions of Employment Act (No 75 of 1997), will apply.

7. NIGHT WORK ALLOWANCE

- 7.1 A night work allowance of R6.36 per hour shall be paid for night work performed. This amount will be increased annually in accordance with salary increases as agreed upon at national level.
- 7.2 The provisions governing night work, as set out in the Basic Conditions of Employment Act (No 75 of 1997), will apply.

8. STAND-BY ALLOWANCE

- 8.1 When an employee, by resolution of the Municipality, makes himself available on a stand-by basis for active overtime service outside normal working hours, he shall be entitled to a stand-by allowance calculated on the following basis:

8.1.1 The daily stand-by allowance tariff = the annual basic salary of incumbent $\div 250 \div 8$.

8.1.2 Standby allowance is payable per day and shall be calculated as follows:

Monday to Friday: 1 x daily tariff

Saturday: 1,5 x daily tariff

Sunday and Public Holidays: 2 x daily tariff

- 8.2 An employee on stand-by duty called out to perform actual work shall be paid at the appropriate rate of overtime as determined in this Agreement or as provided for in applicable legislation.

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9. LEGAL INDEMNIFICATION

9.1 Whenever a claim is made or legal proceedings are instituted against any employee of the Municipality arising out of any act or deed done or omission by an employee in the performance of his/ her duties or the exercise of his powers, the Municipality shall:

9.1.1 In the case of a civil claim or civil proceedings, if it is of the opinion that the employee acted in good faith and without negligence, indemnify the employecc in respect of such claim or proceedings and:-

- provide for the legal representation of such employee at the cost of the Municipality or undertake to pay his taxed party- and- party costs, and
- settle the claim and pay any amount due in terms of such settlement, or
- pay any award made by a court against him;

9.1.2 In the case of criminal proceedings, if it is of the opinion that the employee acted in good faith and without negligence, indcmnify him in respect of his legal costs therein or provide for his legal representation at the cost of the Municipality, and

9.1.3 In the case of criminal proceedings, if it is of the opinion that it is in its interest to do so, indemnify the employee in respect of his legal costs therein or provide for his legal representation at the cost of the Municipality, provided that the Municipality may refuse to act in accordance with the afore-going provisions or may terminate any steps already taken by it and rcover from the employee any costs incurred by it on his behalf if the employee:-

- has made an admission or statement which the Municipality considers to be prejudicial to a successful defense,
- has made any offer of payment or settlement, or
- declines to accept the services of a legal representative nominated by the Municipality, or
- fails or refuses to furnish information the Municipality may require or furnishes false or misleading information, or
- fails or refuses to co-operate with the Municipality or to rcnder assistance required by the Municipality.

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10 SHIFT ALLOWANCE

- 10.1 The allowance is equal to 6% of the employees' annual basic salary and is payable monthly.
- 10.2 The allowance shall be increased annually in conjunction with the salary increases.

11 SPECIAL LEAVE

- 11.1 A maximum of 10 (ten) working days special leave on full pay per year shall be granted to an employee, subject to the submission of supporting documents, if the employee:
- 11.2 Is required to remain in quarantine on the instructions of a registered medical practitioner;
- 11.3 Is required to represent South Africa or the Province as a selected member or official in a *bona fide* sports event, or a Provincial or National arts and culture event.
- 11.4 In addition to the 10 (ten) working days special leave provided for in 11.1, above, special leave on full pay shall be granted to an employee who is subpoenaed to appear in Court as a witness, provided that proof is provided.

12 WORKING HOURS OF UNIFORMED STAFF

- 12.1 All uniformed staff are required to work a 40-hour week;
- 12.2 All hours worked in excess of 40 hours per week shall be deemed as overtime.

13 ADDITIONAL PAID SICK LEAVE

- 13.1 Employees who have a balance of at least 60 working days unused sick leave at the end of a three year cycle, shall receive an additional 20 working days paid sick leave to which he will be entitled in the ensuing cycle, provided that in respect of any sick leave cycle no employee shall become entitled to more than 100 working days sick leave on full pay;
- 13.2 If the maximum period of sick leave to which an employee is entitled has been granted to him and, owing to reasons of ill health, he is not able to resume duty, the Municipality must grant such employee an additional 60 working days sick leave in respect of chronic illnesses and/ or illnesses requiring hospitalization, which shall be made up as follows:
- 30 working days on full pay;
 - 30 working days on half

The following conditions shall apply:

- 13.2.1 Provided that the employee has submitted a satisfactory certificate from a registered medical or dental practitioner, or a Traditional Healer registered with a recognized professional council in terms of legislation; and

11/11/11 cc: (SB) 58/11
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13.2.2 If the employer is satisfied that the employee is at that moment not permanently incapacitated to resume his normal duties

13.2.3 Such additional sick leave must be granted in respect of separate periods of absence and in respect of indispositions of different kinds.

13.3 On written application by an employee, who has exhausted his full paid sick leave and additional full paid sick leave, annual leave which he has to his credit must be granted to supplement sick leave on half pay or no pay at the discretion of the employee concerned.

14 MEASURES TO MANAGE THE TAKING, ACCRUAL AND/OR CONVERSION OF SICK LEAVE AND ADMINISTRATIVE ARRANGEMENTS FOR THE TAKING OF SICK LEAVE

14.1 If an employee to whom annual leave has been granted is certified sick by a registered medical or dental practitioner after his annual leave has commenced, that part of his annual leave during which he was thus certified sick shall be converted into sick leave on submission of the prescribed certificate by such medical or dental practitioner or a Traditional Healer registered with a recognized professional council in terms of legislation.

14.2 If, due to illness, an employee is unable to take annual leave already deducted, he shall be credited with an equal number of annual leave days.

14.3 An employee may not during any period of sick leave approved in terms of these conditions, resume service without the approval of a registered medical practitioner.

14.4 An employee who is absent from service because of illness must take all reasonable steps to notify his immediate supervisor (or nominee) as soon as possible.

14.5 An employee to whom the maximum period of full and half paid sick leave has been granted, may be granted sick leave without pay for not more than 250 working days in any cycle if the Municipality is satisfied that such an employee is not permanently incapacitated to resume his duties, provided that where sick leave without pay exceeds 40 consecutive days, the employee must be examined by a registered medical practitioner appointed by the Municipality. The cost of such examination shall be borne by the Municipality.

14.6 The Municipality may, prior to granting additional paid sick leave, require an employee to submit himself to an examination by a registered medical or dental practitioner appointed by the Municipality and the cost of such examination shall be borne by the Municipality.

Special Sick Leave (Injury On Duty)

14.7 An employee who is absent from duty owing to an injury arising out of his duties and occurring in the course thereof or owing to an illness contracted in the course of and as a result of his duties, such sick leave shall be governed by the provisions of the Compensation for Occupational Injuries and Diseases Act 1993 (Act no 130 of 1993).

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15 EMERGENCY WORK

In the case of emergencies owing to circumstances for which an employer could not normally have made provision, Municipalities may require employees to perform emergency work outside his normal working hours and remuneration for such emergency work shall be paid as follows:

- 15.1 Mondays to Saturdays: 1½ times the normal rate of pay;
- 15.2 Sundays and Public Holidays: Double the normal rate of pay;

Provided that such work is authorised by the Municipal Manager or his delegate/s.

16 ACTING ALLOWANCE

16.1 When an employee is required to act in a more senior post for a period of not less than 10 (ten) consecutive working days, an acting allowance at an annual rate equal to the difference between an employee's salary and the commencing notch of the salary scale of the post in which he acts, shall be paid to such employee in addition to his salary in respect of the period in which he acts, provided that:

16.1.1 The employee has been duly appointed by the Municipal Manager (or his delegate/s) to act in the higher post.

16.1.2 Any interruption of less than three working days in total shall be deemed to form part of the acting period if occasioned by any of the following circumstances:

- 16.1.2.1 Illness supported by a medical certificate;
- 16.1.2.2 Family bereavement;
- 16.1.2.3 Attendance at Court as a witness, if subpoenaed.

16.1.3 Subject to existing operational requirements, acting appointments to vacant posts shall be reviewed within 3 (three) months.

16.1.4 Vacant posts on a Municipality's permanent staff establishment should be filled within 6 (six) months unless there is a compelling reason not to do so.

16.1.5 Unless operational requirements dictate otherwise, acting appointments should be confined to employees reporting directly to the applicable acting position.

16.1.6 The calculation of acting allowance/s paid to employees performing acting duties in Section 57 or other fixed term contractual posts shall be based on 60% of total remuneration package of the Section 57 or other contractual post.

16.1.7 In the event that an employee's salary is equal to or higher than the commencing notch of the salary scale of the post in which he is due to assume an acting position, an acting allowance fixed at 2.5% of the employee's basic salary shall be paid.

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17 LONG SERVICE BONUS

17.1 Read in conjunction with 17.4, below, an employee shall qualify for the following additional leave together with the following monetary award as recognition for continuous service at the completion of the following:

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|--------|--|---|
| 17.1.1 | 5 years' service: | 5 days accumulative leave plus a once off payment equal to 2% of the employee's annual salary; |
| 17.1.2 | 10 years' service: | 10 days accumulative leave plus a once off payment equal to 3% of the employee's annual salary; |
| 17.1.3 | 15 years' service: | 15 days accumulative leave plus a once off payment equal to 4% of the employee's annual salary; |
| 17.1.4 | 20 years' service: | 15 days accumulative leave plus a once off payment equal to 5% of the employee's annual salary; |
| 17.1.5 | 25 years' service: | 15 days accumulative leave plus a once off payment equal to 6% of the employee's annual salary. |
| 17.1.6 | 30, 35, 40, 45 (or more years service) | 15 days accumulative leave plus a once off payment equal to 6% of the employee's annual salary. |

17.2 All employees who have attained the milestone years' service as mentioned in 17.1.6, above, on or after 1 December 2008, shall qualify for the additional leave together with the relevant monetary award as stipulated in 17.1.6, above.

17.3 All employees who, as at 1 December 2008, had already reached and passed one of the milestones as mentioned in 17.1.1 to 17.1.6 above, shall qualify, retrospectively from 1 December 2008, for the long service bonus in respect of the nearest preceding milestone, provided that said employee did not obtain a long service bonus in respect of any other long service bonus scheme in respect of the same milestone.

17.4 On termination of service, an employee shall be paid his long service bonus, including the leave mentioned in terms of 17.1 to 17.3, above, calculated in terms of the relevant provisions of the Basic Conditions of Employment Act 75 of 1997.

17.5 The initial date of appointment of an employee shall be maintained for the purposes of determining the actual service period of the employee and for the calculation of the long service bonus;

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17.6 Municipalities whose benefits in terms of existing long service recognition schemes are more favorable than those provided for in this Agreement, shall retain those more favorable benefit/s. Parties to the Local Labour Forums who wish to re-negotiate said benefit/s at local municipal level, may embark on a process of collective bargaining provided that:

17.6.1 They shall notify the SALGBC of their intention to do so, within 90 days from the date of implementation of this Addendum, i.e. by no later than 1 July 2011;

17.6.2 That the Collective Agreement which emanates from this process is forwarded to the SALGBC's Divisional Executive Committee for ratification before the implementation thereof.

17.7 Long service may further be acknowledged by a symbolic occasion.

17.8 Those Municipalities, who due to financial constraints, are unable to implement clause 17.1.6 (read in conjunction with 17.2 and 17.3) shall implement said clause by no later than 1 July 2011.

18 DISPUTE/S REGARDING THE INTERPRETATION AND APPLICATION OF THIS AGREEMENT

18.1 Any person or party may refer a dispute about the interpretation or application of this collective agreement to the Executive Committee of the Eastern Cape Division of the SALGBC;

18.2 The Regional Secretary shall investigate the dispute or cause the dispute to be investigated and attempt to resolve the dispute by issuing a directive, and in the event of the dispute not being resolved:

18.2.1 appoint a conciliator from the appropriate panel of conciliators or if the dispute remains unresolved;

18.2.2 refer the dispute to arbitration;

18.3 Once a conciliator is appointed, the Regional 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;

18.4 If the dispute is referred to arbitration, the Regional Secretary shall appoint an arbitrator from the Divisional panel of arbitrators, doing so far as possible on a rotational basis;

18.5 The Regional Secretary, in consultation with the arbitrator, shall decide the date, time and venue of the arbitration hearing;

18.6 The arbitrator shall:

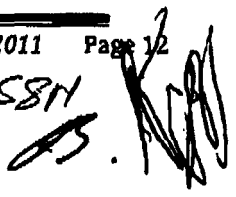
18.6.1 endeavor to conciliate the dispute unless the parties to the dispute advise the arbitrator that the dispute has been properly conciliated;

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

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

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- 20.3 The Eastern Cape Division of the SALGBC may refer any unresolved dispute concerning compliance with any provision of this collective agreement to arbitration by an arbitrator appointed by the SALGBC.
- 20.4 If a party to an arbitration in terms of Section 33A is not a party to the SALGBC, and objects to the appointment of an arbitrator in terms of paragraph 9.3, the Commission, on request by the SALGBC, must appoint an arbitrator.
- 20.5 If an arbitrator is appointed in terms of Section 20.3, above-
- 20.5.1 the SALGBC remains liable for the payment of the arbitrator's fee; and
 - 20.5.2 the arbitration is not conducted under the auspices of the Commission.
- 20.6 An arbitrator conducting an arbitration in terms of Section 33A of the LRA has the powers of a commissioner in terms of section 142 of the LRA, read with the changes required by the context.
- 20.7 Section 138 of the LRA, read with the changes required by the context, applies to any arbitration conducted in terms of Section 33A.
- 20.8 An arbitrator acting in terms of Section 33A may determine any dispute concerning the interpretation or application of a collective agreement.
- 20.9 An arbitrator conducting an arbitration in terms of Section 33A may make an appropriate award, including-
- 20.9.1 ordering any person to pay any amount owing in terms of a collective agreement;
 - 20.9.2 imposing a fine for a failure to comply with a collective agreement;
 - 20.9.3 charging a party an arbitration fee;
 - 20.9.4 ordering a party to pay the costs of the arbitration;
 - 20.9.5 confirming, varying or setting aside a compliance order issued by the General Secretary, Regional Secretary or his appointed designated agent in accordance with subsection (2);
 - 20.9.6 any award contemplated in section 139 (9).
- 20.10 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, 1975 (Act 55 of 1975), unless the arbitration award provides otherwise.
- 20.11 An arbitration award in an arbitration conducted in terms of Section 33A is final and binding and may be enforced in terms of Section 143 of the Act.
- 20.12 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 subsection (7), any obligation to pay a fine is suspended pending the outcome of the application.

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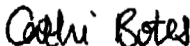
SIGNED BY THE PARTIES AT ...*East London*..... on THE 21st DAY OF FEBRUARY 2011



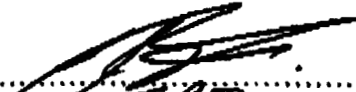
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SALGA REPRESENTATIVE
(MR CHRIS MAGWANGQANA)



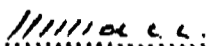
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SAMWU REPRESENTATIVE
(MR SIPHIWO NDUNYANA)



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IMATU REPRESENTATIVE
(MS CATHI BOTES)



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WITNESS *J.P. BENKMAN*



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WITNESS *N.M. NDULULA.*