

**Agreement of the Transnet Bargaining Council
(in the Transnet Freight Rail Chamber)**

between

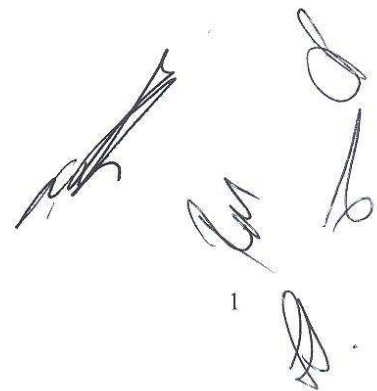
TRANSNET LIMITED
(‘Transnet’)

and

South African Transport and Allied Workers Union
(‘SATAWU’)

and

United Transport and Allied Workers Union
(‘UTATU’)



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PREAMBLE

WHEREAS:

- a. The parties entered into a collective agreement on 31st January 2008, which set out the guaranteed pay system to support, reward, develop, and progress train drivers and train control officers within Transnet Freight Rail ("The Train Movement Agreement").
- b. The purpose of The Train Movement Agreement was to provide a mechanism for train driver and train control officer (TCO) advancement and retention that simultaneously supported Transnet's business development and needs.
- c. The Train Movement Agreement was intended to create opportunities for advancement (career progression and pay level improvements) by encouraging train drivers to acquire and apply competencies required by Transnet.
- d. The intention of The Train Movement Agreement was also to encourage train drivers to move to depots that service critical flows, where the greater complexity of operations require higher levels of competence, with associated higher levels of position.
- e. There have been delays and interpretation differences in the implementation of The Train Movement Agreement.
- f. Disputes have arisen between the parties in relation to the implementation of The Train Movement Agreement.
- g. The parties wish to expedite the implementation of The Train Movement Agreement; and
- h. The parties wish to settle all disputes in relation to The Train Movement Agreement.

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IT IS THEREFORE AGREED:

1. Interpretation

- 1.1. Unless expressly stated otherwise the provisions of The Train Movement Agreement shall continue to apply and in the event of any ambiguity between this agreement and The Train Movement Agreement, the provisions of The Train Movement Agreement shall apply.

2. Operational Changes

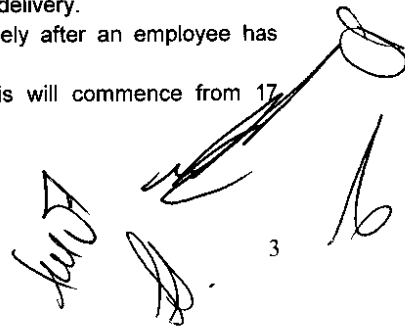
- 2.1. When operational requirements require position changes in depots, Transnet will comply with the consultation provisions set out in the Recognition Agreement.

3. Individual Development Plans

- 3.1. Section Managers will communicate the outcome of the competency confirmation process and issue individual development plans ("IDP's") to employees covered by the Train Movement Agreement by the end of November 2010.
- 3.2. The IDP's will be position specific.
- 3.3. In the event that an employee moves to a higher level or category, the Section Manager will issue that employee with an IDP for the new position within three (3) months after the employee's appointment into the new position.

4. Training

- 4.1. Transnet will develop competency training material to support The Train Movement Agreement and will develop a training plan for train drivers per depot by 15th December 2010.
- 4.2. The School of Rail will deliver training in terms of the training plan per depot according to nominations and scheduling agreed with each depot.
- 4.3. Transnet will consult with the Unions in the Educational and Training Forums ("ETD Forums") on the training plans and training delivery.
- 4.4. Self directed learning may commence immediately after an employee has received his or her IDP.
- 4.5. When classroom based training is required this will commence from 17 January 2011 onward.



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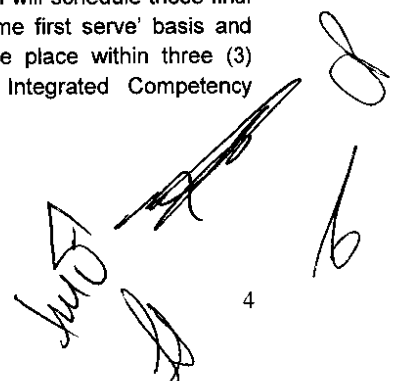
- 4.6. In respect of classroom learning:
 - 4.6.1. The employee will be responsible for requesting the required training material from the Section Manager.
 - 4.6.2. The Section Manager will be responsible for obtaining and delivering the training material to the employee.
 - 4.6.3. The Section Manager will monitor the progress of the employee's learning.

- 4.7. In respect of theoretical assessments:
 - 4.7.1. Upon request by the employee, the Section Manager will arrange for theoretical assessments with the School of Rail (decentralised training centres).
 - 4.7.2. Employees will be assessed and the School of Rail will provide feedback. Depending on the outcome of the assessment, the employee will be rostered for practical training.

- 4.8. In respect of practical training assessment:
 - 4.8.1. Section managers will compile practical learning schedules, create opportunity for practical learning and assessment through rosters.
 - 4.8.2. Feedback on practical learning assessment will be provided by the workplace assessor directly to the employee.
 - 4.8.3. The OJT Co-ordinator will assist the employee in respect of provision of practical training upon request of the Section Manager.

5. Assessment

- 5.1. Transnet will ensure that every employee is given the opportunity to be assessed, in accordance with his or her training plan on an annual basis in terms of The Train Movement Agreement.
- 5.2. Employees, who successfully complete all theoretical and practical learning modules for a competency level, will be rostered for a Final Integrated Competency Assessment (theoretical and practical application). This will be conducted by an independent assessor and a certificate of competence will be issued by the School of Rail (decentralised training centre).
- 5.3. An employee may request a Final Integrated Competency Assessment (theoretical and practical application), in writing, to the employee's line manager. The School of Rail will schedule the Final Integrated Competency Assessments. Wherever possible the School of Rail will schedule these final integrated competency assessments on a 'first come first serve' basis and endeavour to ensure that these assessments take place within three (3) months of the date of request for the Final Integrated Competency Assessment.



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6. Change Management

In order to support the outcomes based modular learning and the future training delivery process, Transnet will develop and implement a comprehensive change management program to support all key milestones.

7. Competency Levels

Notwithstanding the provisions of The Train Movement Agreement:

CATEGORY C

7.1. All Category C Depots will permit all Category C drivers to progress to the maximum (C4) pay level based on successful completion of the required competency assessments applicable for that depot. This will be facilitated through:

7.1.1. the introduction of amongst other additional competencies, including:

7.1.1.1. technical competencies eg: first line and emergency repair modules; and

7.1.1.2. supervisory competencies eg: coaching and supervisory skills;

By 1 April 2011, the date by which the competence material and assessment referred to in 7.1.1.1 and 7.1.1.2 will be ready for implementation, all Category C drivers will have the opportunity to progress to the maximum (C4) pay level, provided that the employee has been declared competent following a final integrated competency assessment.

CATEGORY B

7.2. The current levels and positions in Category B will remain unchanged but may be adjusted in accordance with operational requirements.

CATEGORY A

7.3. A new foundational level will be added to Category A and all new train drivers who enter the system in Category A will enter at this new foundational level which will become level A1. By 1 April 2011, the date by which the foundational competence material and assessment will be ready for implementation, all existing level 1 employees in Category A will become level 2 employees in Category A and all level 2 employees in Category A will become level 3 employees in Category A.

A large, stylized handwritten signature in black ink, possibly reading 'Chris', is written over the text of section 7.3. To its right, there are smaller handwritten initials 'D' and 'B'.A handwritten mark resembling the letter 'D' or a similar symbol, located to the right of the text in section 7.3.A handwritten mark resembling the letter 'B' or a similar symbol, located to the right of the text in section 7.3.

8. Pay Adjustments


- 8.1. In order to receive a pay adjustment, the employee must have been declared competent following a Final Integrated Competency Assessment (theoretical and practical application) for an applicable competency level.
- 8.2. Employees who are not declared competent after the Final Integrated Competency Assessment shall not be entitled to any pay adjustments or competency movements.
- 8.3. Employees, who are declared competent following an integrated competency assessment in terms of clause 8.1 above, shall receive a pay adjustment to the next competence level, the month following the completion of the Final Integrated Competency Assessment.
- 8.4. Once an employee is licensed, an employee may only have one competence level movement within a twelve-month cycle from their last competency movement.

9 Once Off Payment

- 9.1. Employees:
 - 9.1.1. who were not assessed by October 2009 and who received the penalty payment in terms of The Train Movement Agreement; and
 - 9.1.2. whose current remuneration is lower than the employee's competency level

will receive a lump sum, once off payment will be paid, by 30th November 2010 for the period 1 April 2010 to 31 October 2010. The employee's appropriate salary level will be informed by the competency confirmation process that was conducted between October 2009 and March 2010, which might imply that remuneration might be adjusted with more than one competency level.

- 9.2. Thereafter, an employee will only be allowed one competency related remuneration adjustment per annum.
- 9.3. Transnet will calculate the lump sum once off payment based on the difference between the employee's current basic salary and the employee's competency level as determined by the competency confirmation process.
- 9.4. From 1 November 2010 the basic salary of these employees will have been corrected and all pay elements will be based on the new basic salary of the employee.
- 9.5. Employees earning above the assessed pay level will not be eligible for any penalty adjustment and will not qualify for the once off lump sum payment.
- 9.6. The once-off payment will apply to active employees in scope of this agreement, as at date of signature of this agreement.



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10. Dispute Settlement


- 10.1. In the event of any dispute or difference arising in future out of the interpretation or application of The Train Movement Agreement or this agreement which the parties are unable to resolve themselves then the parties agree that before invoking the dispute procedure inferred to in The Train Movement Agreement, the disputing party or parties will notify the facilitator referred to below in writing of the essence of the difference or dispute between them.
- 10.2. The facilitator shall be John Brand or such other facilitator as the parties may agree to from time to time and failing agreement a facilitator appointed by the Chairperson of the Transnet Bargaining Council.
- 10.3. The facilitator shall have a maximum of 5 (five) working days or such longer period as the parties may agree within which to endeavour to resolve the dispute or difference between the parties in as cost effective manner as possible.
- 10.4. If the facilitator is unable to settle the dispute or difference within the time period referred to in 8.3 the parties may then proceed to deal with the dispute in terms of The Train Movement Agreement
- 10.5. The cost of the facilitator shall be paid by Transnet unless the facilitator determines that the difference or dispute was raised frivolously or vexatiously in which event the facilitator may determine the proportion in which the parties will pay the costs


11. Full and Final Settlement

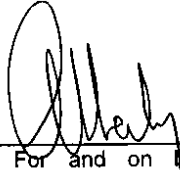
This agreement is in full and final settlement of all claims of whatsoever nature between the parties arising out of The Train Movement Agreement between 31st January 2008 and the date of this agreement.

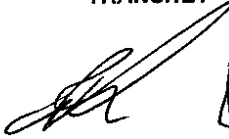

SIGNED AND DATED AT JOHANNESBURG on 9 November 2010.

WITNESSES:

1. 

2. 


_____ For and on behalf of
TRANSNET

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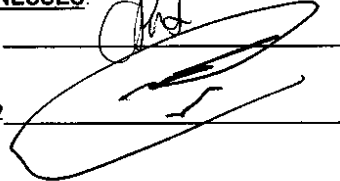


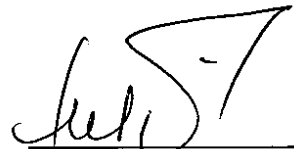


SIGNED AND DATED AT JOHANNESBURG on 09 November 2010.

WITNESSES:

1. 

2. 

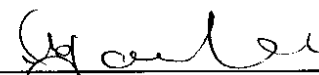

For and on behalf of **SATAWU**

SIGNED AND DATED AT JOHANNESBURG on 09-11-10 2010.

WITNESSES:

3. 

4. 


For and on behalf of **UTATU**



