

TRANSNET



**TRANSNET LIMITED
(Transnet)**

and

**SOUTH AFRICAN TRANSPORT AND
ALLIED WORKERS' UNION
(SATAWU)**

and

UASA THE UNION

and

**UNITED TRANSPORT AND
ALLIED WORKERS' UNION
(UTATU)**

and

**SOUTH AFRICAN RAILWAY
AND HARBOURS WORKERS' UNION
(SARWHU)**

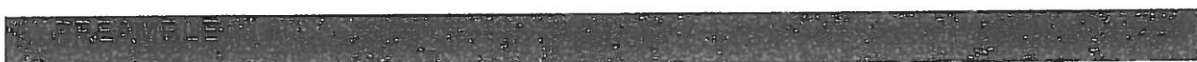
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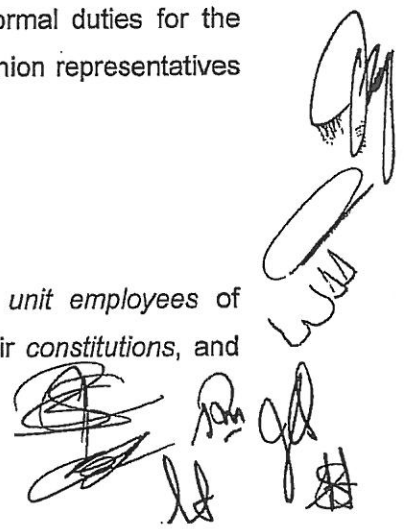


- 1.1. *Transnet* and the signatory *unions* (the *parties*) have entered into this agreement to promote and maintain mutually satisfactory labour relations.
- 1.2. The *parties* recognise and acknowledge that sound, equitable labour relations policies and practices are essential for *Transnet's* viability and growth, the wellbeing of *employees*, and the promotion of goodwill.
- 1.3. The *parties* declare their commitment to:
 - 1.3.1. *Workplace* peace and stability;
 - 1.3.2. Improved work and behaviour standards, and health, safety, fairness and justice in the *workplace*;
 - 1.3.3. Improved working conditions and *employee* wellbeing; and
 - 1.3.4. Good faith application of this agreement.
- 1.4. The *parties* acknowledge that it is the right of the *unions* to represent their *members*, and the prerogative of *Transnet* through its management to direct and manage the company with due regard to this agreement.
- 1.5. *Transnet* and the *unions* agree that the relationship between the *parties* will be one of mutual respect, and will always be conducted in a polite way.
- 1.6. The *unions* acknowledge that they have provided *Transnet* with their *constitutions*, and undertake to notify *Transnet* of any amendments within one (1) month.



- 2.1 **"Agency shop agreement"** means any agency shop agreement concluded by one or more of the *parties*.
- 2.2 **"Agreement"** means this agreement, including any annexures.

- 2.3 **"Bargaining unit"** means all permanent and fixed-term contract *employees* of *Transnet* up to but excluding 610 (or 110).
- 2.4 **"Constitutions"** means the current *constitutions* of the signatory *unions*.
- 2.5 **"Corporate centre"** means *Transnet* head office and includes *Transnet* Projects (formerly Protekon), and Heritage Foundation.
- 2.6 **"Constituency"** means that part of a *workplace* in respect of which a Local Business Committee is established under this agreement (as reflected in Annexure C).
- 2.7 **"Council"** means the *Transnet* Bargaining Council.
- 2.8 **"Employees"** means permanent and fixed-term contract *Transnet employees* in the *bargaining unit*.
- 2.9 **"Effective date"** means **1 November 2007**, notwithstanding the date on which this agreement is signed.
- 2.10 **"Financial year"** means *Transnet's* financial year, from 1 April to 31 March.
- 2.11 **"Fixed term contract employees"** means *employees* who are employed by *Transnet* for a limited duration on written contract, stipulating a fixed commencement and termination date, and in respect of whom *Transnet* is required by law to deduct UIF.
- 2.12 **"Full-time shop stewards (FTSSs)"** means *employees* of *Transnet* who are duly elected or nominated by a signatory union in accordance with the union's constitution, and appointed to the position of *FTSS*, and who are released from normal duties for the duration of their appointment. *FTSSs* may also be called full-time union representatives (FTURs).
- 2.13 **"LRA"** means the Labour Relations Act of 1995.
- 2.14 **"Members"** means permanent or fixed-term contract *bargaining unit employees* of *Transnet* who are *members* of the signatory *unions* in terms of their *constitutions*, and have submitted valid stop orders to *Transnet*.



2.15 **"Operating division"** means the following *Transnet* businesses: *Transnet* National Ports Authority, *Transnet* Pipelines, *Transnet* Port Terminals, *Transnet* Freight Rail, *Transnet* Rail Engineering.

2.16 **"Parties"** means *Transnet* and the signatory unions.

2.17 **"Sufficiently representative union"** means a *Union* that has as paid up members:

2.17.1 as at 30 September 2007:

2.17.1.1 at least twenty percent (20%) of *employees* in the *bargaining unit*; and also

2.17.1.2 at least twenty percent (20%) of *employees* in the *bargaining unit* in an *operating division*; and

2.17.2 as at 30 September 2008:

2.17.2.1 twenty five percent (25%) of *employees* in the *bargaining unit*; and also

2.17.2.2 twenty five percent (25%) of *employees* in the *bargaining unit* in an *operating division*; and

2.17.3 as at 30 September 2009:

2.17.3.1 thirty percent (30%) of *employees* in the *bargaining unit*; and also

2.17.3.2 thirty percent (30%) of *employees* in the *bargaining unit* in an *operating division*;

and a *sufficiently representative union* is **"sufficiently representative"** in a particular *operating division* if it meets the applicable threshold in that *operating division*.

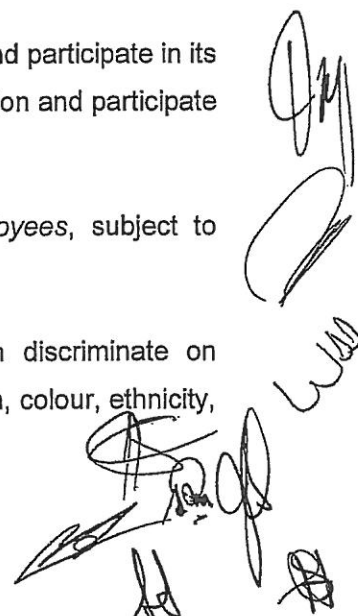
2.18 **"Shop steward"** means an *employee* who is duly elected as such by *members* of a signatory union, in accordance with the union's constitution. *Shop stewards* may also be called trade union representatives.

- 2.1.9 **"Transnet"** means *Transnet Limited*, including its *operating divisions*.
- 2.1.10 **"Transnet Bargaining Council"** is the statutory bargaining council and dispute resolution forum established for *Transnet*.
- 2.1.11 **"Union business"** means any business that is strictly internal to the functioning of the union and which does not relate to any *Transnet* consultative or bargaining process. Union business generally is conducted off *Transnet* premises.
- 2.1.12 **"Union office bearer"** means a *shop steward* elected or nominated to a position in a structure of a recognised union that is provided for in the constitution of that union.
- 2.1.13 **"Union official"** means any permanent employee of a recognised union, who has been designated as an official by the relevant union.
- 2.1.14 **"Unions"** collectively means the South African Railway and Harbours Workers' Union, the South African Transport and Allied Workers' Union, UASA The Union, and the United Transport and Allied Workers' Union, and **"Union"** means one of them.
- 2.1.15 **Workplace** means the place where employees of Transnet ordinarily work or report for work.

GENERAL PRINCIPLES

The *parties* declare their commitment to:

- 3.1. **Freedom of association** – the right of an *employee* to join a union and participate in its activities, and the right of the employer to join an employers' association and participate in its activities.
- 3.2. **Equal opportunities** – providing equal opportunities to all *employees*, subject to *Transnet's* employment equity policy and any relevant legislation.
- 3.3. **Non-discrimination** – eliminating any *workplace* practices which discriminate on grounds of race, gender, sexual orientation, religion, political affiliation, colour, ethnicity, social origin, age, disability, culture or language.

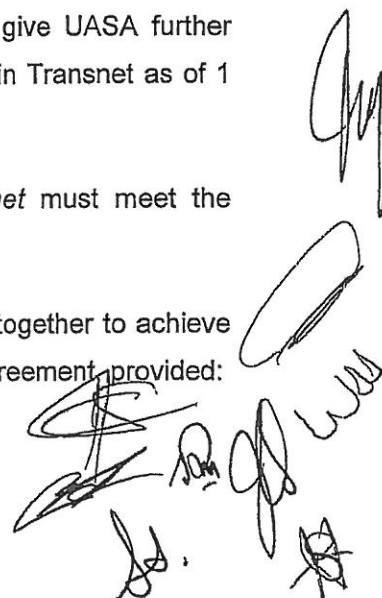


- 3.4. ***Transnet's long-term sustainability as a world-class freight transporter*** - that maintains safety standards, respects the environment, recognises the dignity of work and endeavours to bring about long-term certainty and stability of employment.
- 3.5. ***Resolving issues as close to source as possible*** - issues will wherever possible, be resolved as close to the source of the problem as possible, as quickly as possible.

SECTION 4: RECOGNITION

4. RECOGNITION THRESHOLD

- 4.1. *Transnet* recognises *sufficiently representative unions* as the representatives of their *members* employed by *Transnet* for the purposes outlined in this agreement.
- 4.2. Each *operating division* will recognise *sufficiently representative unions* as the representatives of their *members* employed by that *operating division* for the purposes outlined in this agreement for so long as the relevant union is *sufficiently representative*.
- 4.3. Until 29 February 2008, UASA will be deemed to be a *sufficiently representative union* in respect of its recognition by *Transnet* and those of its *operating divisions* in which it is a *sufficiently representative union*, provided that the provisions of clause 4.6 will not apply if UASA is not a *sufficiently representative union* as at 29 February 2008. *Transnet* will conduct a membership verification exercise of UASA's members on membership figures as at 31 January 2008, to be completed by no later than the 15th February 2008. Should UASA, at this stage, fail to reach the required threshold of a *sufficiently representative union*, *Transnet* will not be required to give UASA further notice and they will cease to be a *sufficiently representative union* in *Transnet* as of 1 March 2008.
- 4.4. Any other registered trade union seeking recognition by *Transnet* must meet the thresholds in the definition of *sufficiently representative union*.
- 4.5. Two or more *unions* who are signatories to this agreement, acting together to achieve representivity will be treated as one union for the purposes of this agreement provided:



- 4.5.1. they jointly meet the representivity thresholds in the definition of *sufficiently representative union*;
- 4.5.2. they act as a single, united entity, and speak with one voice; and
- 4.5.3. they give Transnet 30 days notice in writing of their acting together arrangements in terms of this agreement.

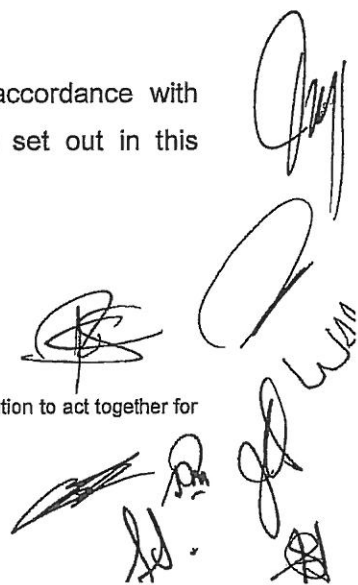
Transnet will interact and correspond only with the larger of the two *unions* for all purposes under this agreement, including the deduction of union subscriptions.¹

- 4.6. *Transnet* will conduct a review of union representivity once a year, based upon verified membership figures as at 30 September. If at any time during the course of the year, whether or not as a result of that review, a *sufficiently representative union's* membership is found to have fallen below the required representivity threshold, *Transnet* must notify the union in writing that it has ninety (90) days from the date of the notice to remedy the situation.
- 4.7. If the union referred to in clause 4.6 fails to become sufficiently representative within the ninety (90) days, *Transnet* must give the union thirty (30) days' notice of termination of recognition of that union.

5. ORGANISATIONAL RIGHTS OVERVIEW

- 5.1. *Transnet* recognises the following rights of a *sufficiently representative union*. The rights apply only to *operating divisions* in which the union is *sufficiently representative*.
 - 5.1.1. Access to the *workplace* in accordance with section 12 of the *LRA*, and on terms and conditions set out in this agreement;
 - 5.1.2. Deduction of union subscriptions from *employees'* wages, in accordance with sections 13 and 25 of the *LRA*, and on terms and conditions set out in this agreement;

¹ At the time of signing this agreement UTATU and SARWHU have given written notice to Transnet of their intention to act together for purposes of clause 4.5



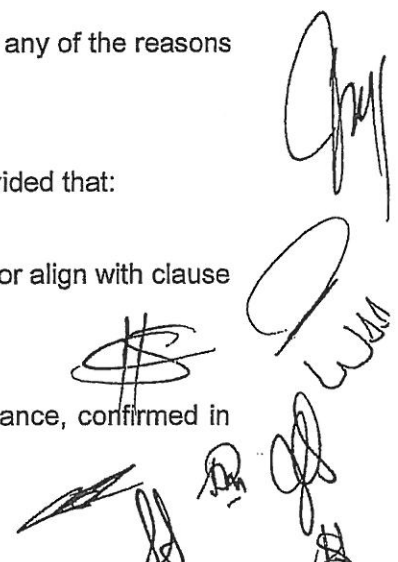
- 5.1.3. Reasonable leave during working hours for *union office bearers* to perform the functions of that office, in accordance with section 15 of the *LRA* and on terms and conditions as set out in this agreement;
- 5.1.4. Disclosure of information in accordance with section 16 of the *LRA*, and on terms and conditions set out in this agreement; and
- 5.1.5. Election of *shop stewards* in accordance with section 14 of the *LRA* and the *unions'* respective *constitutions*, and on terms and conditions set out in this agreement.

SECTION 14: SHOP STEWARDS

14.1: SHOP STEWARD ELECTIONS

- 6.1 Each *sufficiently representative union* shall be entitled in an *operating division* in which it is *sufficiently representative* to have the number of *shop stewards* per constituency, that the *LRA* prescribes per *workplace*.
- 6.2 Pending the next round of *shop steward* elections in terms of a *union's* Constitution existing elected *shop stewards* shall be entitled to all the *shop steward* rights set out in this agreement. This agreement replaces the rights they had in terms of all previous agreements with *Transnet* including the rights of representation on consultative forums. These elections shall take place by no later than the end of March 2010.
- 6.3 The election of *shop stewards* will take place in accordance with the *unions'* respective *constitutions* and with the minimum disruption to *Transnet's* operations.
- 6.4 Where and when a duly elected *shop steward* vacates his/her position for any of the reasons set out in clause 9.2 as set out below:
 - 6.4.1 By-elections may take place to fill the vacant *shop steward* position, provided that:
 - 6.4.1.1 The total *shop steward* numbers in that constituency are less than or align with clause 6.1; and
 - 6.4.1.2 The designated ER manager has, at least seven (7) days in advance, confirmed in

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writing that the union is entitled to hold a by-election and to fill the vacated *shop steward* position.

- 6.5 Within seven (7) days after an election, the *unions* will notify *Transnet* in writing of the names of those elected.

7.1 *Transnet* recognises the right of duly elected *shop stewards*, including *shop stewards* who are office bearers to perform the functions specified in their *Unions'* Constitution as at the date of signing this agreement and any other functions that may be agreed to from time to time.

7.2 The *parties* further recognise the following rights and duties of duly elected *shop stewards* to perform the following functions without loss of pay (including any shift allowances, overtime pay or benefits), or fear of victimisation:

7.2.1 Represent their *members* who are *Transnet employees* in any grievance or disciplinary proceedings in terms of the relevant *Transnet* policies and procedures;

7.2.2 Attend meetings with management by agreement;

7.2.3 Monitor *Transnet's* compliance with employment-related legislation and binding collective agreements, and to report any alleged contraventions to *Transnet*;

7.2.4 Perform other functions agreed to between *Transnet* and the signatory *unions*;

7.2.5 Represent the interests of union *members* by effectively and responsibly liaising between union *members* and management, with the purpose of promoting harmonious labour relations;

7.2.6 Promote co-operation and understanding in order to prevent grievances and disputes;

7.2.7 Disseminate relevant information effectively, responsibly and timeously to union *members*;

- 7.2.8 Actively promote and ensure effective implementation of and strict compliance by union *members* with the terms and conditions of any agreements or undertakings reached between the *unions* and *Transnet*, or any court order obtained by *Transnet*;
- 7.2.9 Sign and abide by any undertaking that may be required by *Transnet* regarding confidentiality or the non-disclosure of sensitive or confidential information;
- 7.2.10 To be available upon reasonable notice to attend any meetings *Transnet* deems necessary in relation to the fulfilment of their duties unless they are prevented from doing so for good reason;
- 7.2.11 To be released by their immediate managers to attend any meeting agreed to with management;
- 7.2.12 To co-operate with *Transnet* to ensure compliance with paragraphs 1.1 to 1.5 of this agreement; and
- 7.2.13 To take reasonable steps to prevent, discourage and stop any unprocedural action by union *members* by disseminating accurate information and counselling *employees* to use *Transnet's* grievance or dispute resolution procedures.
- 7.2.14 Provided that unless agreed otherwise no *shop steward* may spend more than two (2) working days a month representing *members* in grievance and discipline in a constituency other than his or her own. Travel and accommodation costs associated with such representation shall not be for the account of *Transnet*.
- 7.3 *Shop stewards* are *employees* of *Transnet*, and are subject to *Transnet's* policies and procedures. *Transnet* undertakes to notify and consult the relevant union if it intends taking disciplinary action against a *shop steward*.
- 7.4 *Shop stewards* must report to a designated manager for personal supervision in respect of the following:
- 7.4.2 Attendance at work and meetings with management;
- 7.4.3 Leave approval;
- 7.4.4 Attending to any member issues (including grievance and disciplinary matters);



7.4.5 Safety and health issues;

7.4.6 Use of company equipment (where permitted);

7.4.7 Training and development; and

7.4.8 Administering and adhering to the provisions of this agreement.

7.5 *Shop stewards* must not:

7.5.2 Interfere with *employees* in the performance of their duties and the carrying out of lawful instructions;

7.5.3 Give instructions to *employees* or countermand any lawful instruction given to any *employee* by his/her manager concerning the performance of his/her work;

7.5.4 Encourage any *employee* to participate in unprotected industrial action; or

7.5.5 Refuse a reasonable request to attend a meeting.

8. SHOP STEWARDS' RIGHTS AND FACILITIES

8.1 *Shop stewards*, including *FTSS*, are entitled to a maximum of ten (10) working days' paid leave per year to attend to *union business* or union training – unless they are *union office bearers*, in which case they are entitled to a maximum of fifteen (15) working days' paid leave per year to attend to *union business* or union training. Further paid leave for training may be granted by *Transnet* on a discretionary basis.

8.2 *Shop stewards* who attend training courses accredited by a SETA will submit proof of such training to *Transnet* for purposes of *Transnet* claiming in terms of its *workplace* skills plan. If *Transnet* is reimbursed by the SETA for such training, *Transnet* will refund the union who sent the *shop steward* on the training in the amount of the refund from the SETA.

8.3 *Shop stewards* are entitled to reasonable paid time off during working hours to attend to their responsibilities, subject to obtaining prior permission from their designated managers (which may not be unreasonably withheld). What is reasonable paid time off in each operating division will be informed by the operational requirements of each division and existing practices.

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8.4 *Shop stewards* are entitled during working hours to caucus for one (1) hour immediately before any meeting with management. This period may be extended by prior agreement with management.

8.5 Any meetings with *members* during working hours for mandating and report back purposes may take place only with management's agreement, which will not be unreasonably withheld.

8.6 *Shop stewards* are entitled to meet with their *members* outside of normal working hours on company premises, provided they notify management, and provided business operations are not disrupted.

8.7 Notice boards will be made available to *shop stewards* for union notices, provided that the *Unions* undertake not to post notices that are contrary to Company policy or in breach of the law.

8.8 Management will grant *shop stewards* reasonable access to telephones, fax machines and photocopiers for purposes relating to their *shop steward* duties, provided the *shop stewards* keep a proper record of use of these facilities. Management will also allocate *shop stewards* company e-mail addresses, and provide them with reasonable access to a computer for e-mail use, as well as basic computer literacy training.

8.9 *Transnet* will arrange and pay for travel and accommodation necessary for *shop stewards* to attend meetings with management, as well as their salaries and the reasonable costs of office facilities described in clause 8.8. The relevant *unions* will be responsible for all other expenses associated with *shop steward* activities.

8.10 *Shop stewards* who serve as trustees on *Transnet* related retirement schemes, health insurance schemes, the TETA or its sub committees and SAMSA and its sub committees will be paid as a matter of course when attending official meetings of those bodies. Any income or any money paid to *shop stewards* for their participation in these meetings will be declared to the *shop stewards* ER manager.

8.11 The relevant *representative unions* must ensure that *shop stewards* comply with this agreement.

8.12 *Transnet* must ensure that its managers comply with this agreement.

8.13 *Shop stewards* have no rights or privileges other than those set out in this agreement.

9.2 The assignment of a *shop steward* ends automatically on termination of this agreement, or on expiry of his/her term of office, or where the *shop steward*:

9.5 In the event that the *shop steward* breaches this agreement but such breach does not constitute a breach of his or her terms and conditions of employment then *Transnet* may take such steps as it is entitled to in Law.

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9.6 In the event that a *shop steward's* conduct is both a breach of his or her conditions of employment and this agreement *Transnet* may take action in terms of paragraphs 9.4 or 9.5 or in terms of both.

SECTION 10 FULL-TIME SHOP STEWARDS

10. FULL-TIME SHOP STEWARDS: NUMBERS AND ASSIGNMENT

10.1 A distinction is made between:

10.1.1 National *FTSSs*, who represent *members* *Transnet*-wide and are managed from the *corporate centre* (or, by agreement, from one of *Transnet's* *operating divisions*); and

10.1.2 Divisional *FTSSs*, who represent *members* in an *operating division* and are based there.

10.2 To be eligible for a national *FTSS*, a signatory union must be a *sufficiently representative union*. To be eligible for divisional *FTSSs*, the *union* must be *sufficiently representative* in the relevant *operating division*.

10.3 A *sufficiently representative union* is entitled to:

10.3.1 One national *FTSS* for each 5 000 (but not part thereof) *members* at *Transnet*; and

10.3.2 One divisional *FTSS* for each 1 250 (but not part thereof) *members* at *Transnet* Freight Rail and *Transnet* Rail Engineering; and

10.3.3 One divisional *FTSS* for each 750 (but not part thereof) *members* at *Transnet* National Port Authority, *Transnet* Pipelines and *Transnet* Port Terminals.

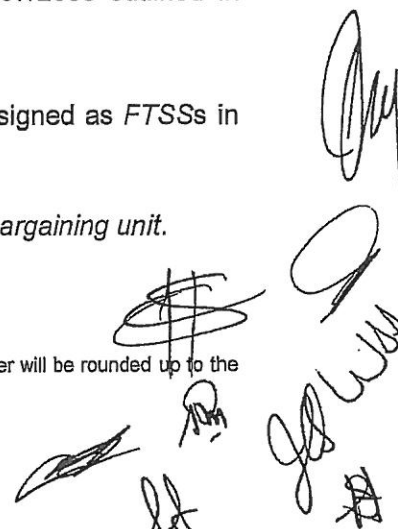
10.4 This translates into the national and divisional *FTSS* allocation for 2007/2008 outlined in annexure A². This allocation will change, as provided for in clause 4.6.

10.5 Each union will nominate those elected individuals it wishes to have assigned as *FTSSs* in terms of its constitution, subject to the provisions of this agreement.

10.6 *FTSSs* must be permanent *employees* of *Transnet* employed within the *bargaining unit*.

² Where a ratio calculation of full time shop stewards results in a percentage point of 0,5 or more, the number will be rounded up to the next highest whole number.

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11.1 FTSSs will be assigned for a period corresponding with terms of office in their respective union *constitutions*, i.e. four (4) years in respect of SATAWU, UTATU and UASA The Union, and three (3) years in respect of SARWHU.

11.2 The *unions* may elect or nominate FTSSs for second or successive terms of assignment, subject to their *constitutions*.

11.3 During their term of office, FTSSs are entitled to:

11.3.1 annual medical examinations in terms of Act 85 at *Transnet's* expense; and

11.3.2 reasonable time to retain licences, where they would otherwise lose such licences.

11.4 On expiry of an FTSS's term of assignment, he/she forfeits any FTSS allowances and reverts to his/her previous job (or a substantially similar job) at a rate of pay at least equivalent to what his/her remuneration would have been had he/she remained in his/her previous position. The displaced former FTSS may:

11.4.1 elect to take a severance package in terms of the social plan; or

11.4.2 apply for other jobs within *Transnet*; and

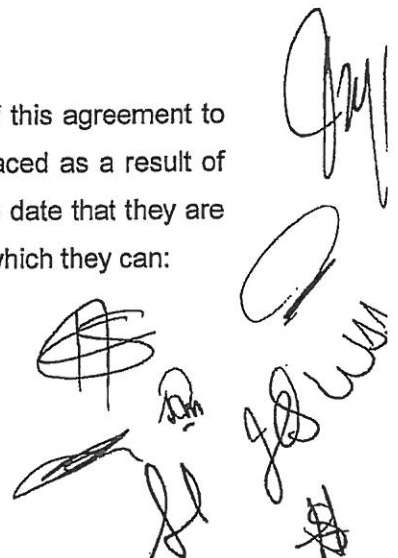
11.4.3 receive training or re-training that facilitates re-entry to their former jobs or any equivalent *Transnet* jobs they may qualify for.

11.5 FTSSs who have worked in *Transnet* environments that could negatively affect their health will be entitled to annual medical check-ups at *Transnet's* expense.

FTSSs displaced by this agreement

11.6 The *Unions* will have a period of two months from the date of signing of this agreement to designate FTSS's in terms of this agreement and FTSSs who are displaced as a result of this agreement will be entitled to a four (4) month "grace period" from the date that they are notified of their displacement before returning to their former jobs, during which they can:

11.6.1 Apply for other jobs in *Transnet*, and continue to be paid;



11.6.2 Receive training that will facilitate their re-entry to their former jobs or any other *Transnet* jobs they might qualify for; and

11.6.3 Receive guidance, counselling, on-the-job training and mentoring where appropriate.

11.7 During this four (4) month "grace period", *Transnet* may deploy displaced *FTSSs* on interim assignments.

11.8 *FTSSs* displaced as a result of this agreement will be:

11.8.1 Paid existing *FTUR* allowances during the grace period;

11.8.2 Given preference in the selection process for jobs for which they are qualified;

11.8.3 Entitled to a twelve- (12) month individual development plan;

11.8.4 Entitled to time off required to retain licences, where they would otherwise lose such licences;

11.8.5 Entitled to annual medical check-ups at *Transnet's* expense if they have worked in *Transnet* environments which could negatively affect their health;

11.8.6 Entitled to retain their existing salary if they are appointed to a job that attracts a lower level of remuneration; and

11.8.7 Required to report daily to a designated manager for the duration of the grace period.

12. FULL TIME NATIONAL AND DIVISIONAL FACILITIES

12.1 National and divisional *FTSSs* will be provided with access to facilities (office space and furniture, and computer, e-mail and internet facilities) to enable them to perform the functions and duties of a *FTSS*. Fax and telephone facilities will be provided and will be utilised in accordance with applicable *Transnet* policy, including *Transnet's* Landline Telephone policy.

12.1 Travel and accommodation expenses incurred by *FTSSs* to attend meetings of union-management consultative forums, or to participate in joint union-management projects, will be borne by *Transnet*, provided these expenses are pre-approved by a designated manager.

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13.1 FTSSs retain the terms and conditions of employment which governed their employment with *Transnet* prior to appointment as an FTSS, except that they will be remunerated as follows:

13.1.1 National FTSSs will be paid at the median of the Paterson C5 grade³, unless a FTSS was earning more than this amount previously, in which case he/she will continue to be paid the higher amount. This rate includes compensation for any overtime pay they might have earned before their election as FTSSs, as well as compensation for any overtime worked in their capacity as FTSSs,. They will participate in any *corporate centre* incentive bonus scheme, and will be eligible for the average annual guaranteed pay increase paid to *bargaining unit employees*.

13.1.2 Divisional FTSSs will be paid at the median of the Paterson C3 grade as applied in the *Transnet* National Ports Authority,⁴ unless a FTSS was earning more than this amount previously, in which case he/she will continue to be paid the higher amount. This rate includes compensation for any overtime pay they might have earned before their election as FTSSs, as well as compensation for any overtime worked in their capacity as FTSSs, Divisional FTSSs will participate in any incentive bonus scheme applicable to the relevant *operating division* and will be eligible for the average annual guaranteed pay increase paid to *bargaining unit employees* in the division in which they are situated.

13.2 All FTSSs will also receive an additional monthly allowance of two thousand five hundred (R2 500) rands, which includes a cell phone allowance of five hundred (R500) rands. *Transnet* will adjust this allowance annually, on 1 April each year, by a percentage equivalent to the Reserve Bank's February year-on-year CPIX figure.

13.3 No FTSSs will be worse off as a result of taking up the position.

13.4 In April each year, *Transnet* will notify the *unions* what each FTSS is earning.

13.5 The FTSS will take annual leave at a time convenient to *Transnet* and the union, subject to prior written approval from *Transnet*, which will not be unreasonably withheld.

³ At the time of signing this agreement the median of the Paterson C5 grade is a basic pay of R230 000.00 per annum.

⁴ At the time of signing this agreement the median of the Paterson C3 grade is basic pay of R170 000 per annum.

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13.6 Management will submit an annual report on the performance of each *FTSS* to the general secretary of the relevant union. Each union will be accountable for the satisfactory performance of its *FTSSs* and the carrying out of their duties.

13.7 The *unions* acknowledge that the release of elected *FTSSs* is subject to *Transnet's* business and operational requirements, which will be communicated to the *unions*.

14.1 *FTSSs* will have no rights or privileges other than those set out in this agreement.

14.2 *FTSSs* remain *employees* of *Transnet*, and are subject to *Transnet's* policies and procedures. *Transnet* undertakes to notify and consult the relevant union if it intends taking disciplinary action against a *FTSS*.

14.3 *FTSSs* will:

14.3.1 Represent the interests of union *members* by effectively and responsibly liaising between union *members* and management, with the purpose of promoting harmonious labour relations;

14.3.2 Promote co-operation and understanding in order to prevent grievances and disputes;

14.3.3 Disseminate relevant information effectively, responsibly and timeously to union *members*;

14.3.4 Assist and represent *employees* in grievance and disciplinary proceedings, when asked to;

14.3.5 Actively promote and ensure effective implementation of, and strict compliance by the union's *members* with the terms and conditions of any agreements or undertakings reached between the *unions* and *Transnet*, or any court order obtained by *Transnet*;


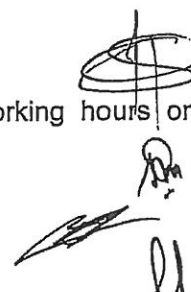

14.3.6 Sign and abide by any undertaking that may be required by *Transnet* regarding confidentiality or the non-disclosure of sensitive or confidential information;

14.3.7 Ensure their availability, subject to reasonable notice, to attend any meetings *Transnet* deems necessary in relation to the fulfilment of their duties;

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- 14.3.8 Timeously report to *Transnet* any alleged contravention of relevant labour legislation, or terms and conditions of employment, or any collective agreement applicable to *Transnet*;
- 14.3.9 Co-operate with *Transnet* to ensure compliance with paragraphs 1.1 to 1.5 of this agreement; and
- 14.3.10 Take reasonable steps to prevent, discourage and stop any unprocedural action by union *members* by disseminating accurate information and counselling *employees* to use *Transnet's* grievance or dispute resolution procedures.
- 14.4 *Transnet* and the *unions* commit themselves to the development of *FTSSs* to achieve the outputs required of their role. The *FTSSs* undertake to apply themselves diligently to successful completion of training programmes conducted in terms of this agreement. All training courses agreed between *Transnet* and the *FTSSs* will be fully funded by the company, including accommodation and transport.
- 14.5 *FTSSs* must report to a designated manager for personal supervision of the following:
- 14.5.1 Attendance at work;
- 14.5.2 Absence from the *workplace*;
- 14.5.3 Leave approval;
- 14.5.4 Use of company equipment (where permitted); and
- 14.5.5 Training and development.
- 14.6 *FTSSs* must not:
- 14.6.1 Interfere with the performance of duties or the carrying out of lawful instructions by *employees*;
- 14.6.2 Give instructions to any *employee* or countermand any lawful instruction given to any *employee* by his/her manager concerning the performance of his/her work;
- 14.6.3 Encourage any *employee* to participate in unprotected industrial action;
- 14.6.4 Arrange meetings with *employees* during working hours or outside working hours on company premises without prior management approval; or

14.6.5 Refuse a reasonable request to attend a meeting with a member of management.

14.7 *Transnet* will arrange and pay for travel and accommodation necessary for *FTSSs* to attend meetings with management, as well as their salaries and the reasonable costs of office facilities described in clause 12.1. The relevant *unions* will be responsible for all other expenses associated with *FTSS* activities.

14.8 The relevant *unions* must ensure that *FTSSs* comply with this agreement.

15.1 The union is entitled to replace a *FTSS*, subject to its constitution, and to elect or nominate a substitute.

15.2 The provisions of paragraph 9.5 and 9.6 shall apply to fulltime *Shop stewards* in the same way that they apply to other *Shop stewards*.

15.3 The assignment of a *FTSS* ends automatically on termination of this agreement, or on expiry of his/her term of office, or where the *FTSS*:

15.3.1 Accepts promotion to a *Transnet* job which falls outside the *bargaining unit*;

15.3.2 Ceases to be a member of the union which nominated or elected him/her;

15.3.3 Ceases to be an *employee* of *Transnet*;

15.3.4 Resigns in writing from the position of *FTSS*;

15.3.5 Ceases to be a *FTSS* when allocations change in terms of clause 6.5;

15.3.6 Is withdrawn by the union that elected or nominated him/her; or

15.3.7 Is suspended or de-recognised as contemplated in terms of paragraph 9.2.7.

SECTION 15: ORGANISATIONAL RIGHTS

15.1 ACCESS OF TRADE UNION OFFICIALS TO THE WORKPLACE

16.1 *Union officials* granted access to *Transnet* undertake:

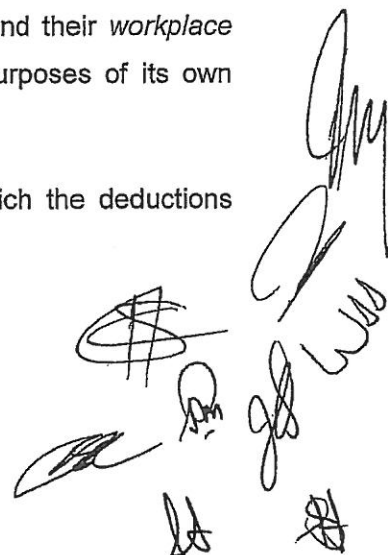
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- 16.1.1 To obtain permission at least twenty-four (24) hours in advance from a designated manager before any proposed meeting with *employees*. This notice period may be waived by agreement;
- 16.1.2 To meet with *employees* during lunch or tea breaks or after working hours, unless the designated manager agrees otherwise;
- 16.1.3 To notify the designated manager on arrival at *Transnet* premises, and again on departure;
- 16.1.4 To comply with *Transnet's* security access requirements and health and safety regulations;
- 16.1.5 To conduct themselves in an orderly manner during visits to *Transnet* premises;
- 16.1.6 Not to interfere with the normal employment-related duties of any *Transnet employees*; and
- 16.1.7 Not to disrupt the normal operations of *Transnet*.

DEDUCTION OF UNION SUBSCRIPTIONS

- 17.1 Union *members* must individually authorise *Transnet* in writing to deduct union membership fees from their remuneration by signing stop orders and submitting them to the relevant union, which will forward the originals to the head office of the relevant *operating division*, or to the *corporate centre* (if the member is employed at the *corporate centre*).
- 17.2 *Transnet* will deduct membership fees from the remuneration of *employees* who have signed stop orders, and credit the relevant *unions'* bank accounts by the seventh (7th) day of the following month. In accordance with section 13 of the *LRA*, each monthly remittance will be accompanied by:
 - 17.2.1 A list of the names of *employees* who have paid membership fees, and their *workplace* codes. A union may request a further breakdown of data for the purposes of its own database. This will not be unreasonably withheld;
 - 17.2.2 Details of the amounts deducted and remitted and the period to which the deductions relate; and
 - 17.2.3 A copy of any notice to cancel a stop order.

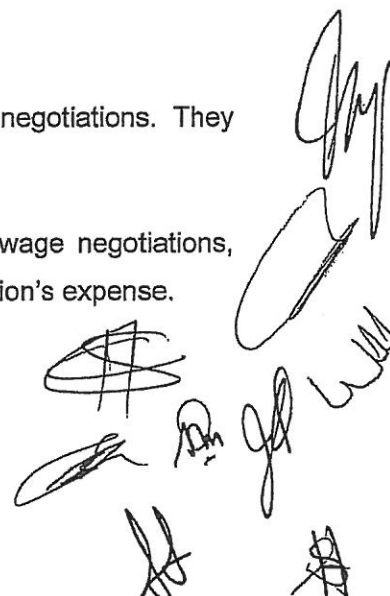


- 17.3 The membership fee amount will be the amount advised by each union. A union must give written notice of at least thirty (30) days of any change in this amount, prior to the twelfth (12th) day of the month in which the change is to be effected – failing which it will be effected in the following month.
- 17.4 *Transnet* will retain 0.5 percent of all fees deducted on behalf of *unions* to cover the costs of administration of union subscription deductions.
- 17.5 *Transnet* will not be responsible for the collection of any arrear fees, unless the company has made an administrative error.
- 17.6 A written request in terms of section 13 of the *LRA* is required to cancel a stop order.
- 17.7 *Transnet* undertakes to allow only one stop order per *employee* for trade union membership, and that will be the most recently authorised stop order – provided any earlier stop order has been cancelled in writing.
- 17.8 Deductions from affected *employees* in terms of any *agency shop agreement* will be governed by that agreement (annexure D).

SECTION 18. NEGOTIATION AND CONSULTATION

18. WAGE NEGOTIATIONS

- 18.1 Negotiations on wages and other substantive terms and conditions of employment for *bargaining unit employees* take place in the Council, unless otherwise agreed.
- 18.2 Admission to the Council is governed by the Council's constitution.
- 18.3 The *parties* to the *Council* generally meet in March of each year for these negotiations. They will agree how often to meet, and reduce any agreements to writing.
- 18.4 The *unions* undertake to designate *FTSSs* as their representatives at wage negotiations, where possible, appropriately assisted by *union officials* at the relevant union's expense.



19.1 The *parties* are committed to addressing *employee* issues as quickly and as close to source as possible.

19.2 Transnet will consult with *sufficiently representative unions* in the forums described below (and depicted in annexure C) on issues that impact on *bargaining unit employees*.

19.3 The number of representatives on a consultative forum from each union will be varied on 1 January of each year based on each union's representativeness as at 30 September of that year. The proportion of each union's representatives may change pro rata in proportion to any change in the union's representatives.

19.4 A matter of mutual interest may be raised by any party at a consultative structure meeting, provided it is not a matter that falls within the jurisdiction of the *Transnet Bargaining Council*, or a matter that should be channelled through the grievance procedure.

19.5 Minutes of consultative meetings will be recorded by management and circulated, together with copies of presentations made, within ten (10) days of any meeting.

19.6 A dispute arising from a consultative process will be dealt with in terms of clause 21.

Transnet-wide structures

19.7 Annual meeting of FTSSs

A national meeting of all *FTSSs* (national and divisional) will be scheduled by *Transnet* in November each year and will replace the November SLF meeting. The purpose of this meeting will be to review *Transnet's* performance against its corporate plan, communicate on measures aimed at facilitating realisation of corporate plan objectives and allow for discussion on planning for the next following *employees*. Management will be represented by *members* of the *Transnet Exco* and senior *members* of the *Transnet HR team*.

19.8 Strategic Leadership Forum (SLF)

19.8.1 This forum is governed by the SLF terms of reference (Annexure B). Its purpose is to enable meaningful two-way communication on trends in the freight transport sector, *Transnet's* annual corporate plan, measures aimed at facilitating realisation of corporate plan objectives, and *Transnet's* performance against its corporate plan.

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19.8.2 The SLF meets quarterly, and is chaired by *Transnet's* Group Chief Executive (GCE), or an SLF member nominated by the GCE.

19.8.3 Each *sufficiently representative union* is entitled to three SLF *members*: the President, General Secretary, and one other member. *Transnet* is represented by *members* of its Executive Committee, and senior human resources professionals.

19.8.4 The SLF may establish task teams, whose terms of reference and composition will be determined by the SLF.

19.9 *Transnet Employment Equity Committee*

19.9.1 The purpose of this committee is to ensure that *Transnet* complies with employment equity legislation and to monitor and guide employment equity in the *operating divisions*.

19.9.2 It meets quarterly, on the same day as the *Transnet* Skills Development Committee, and is chaired by the *Transnet* manager in charge of employment equity.

19.9.3 This committee's union membership comprises a maximum of two (2) representatives per *sufficiently representative union*, who must be national FTSSs or *union officials*. *Transnet* is represented by its relevant managers.

19.10 *Transnet Skills Development Committee*

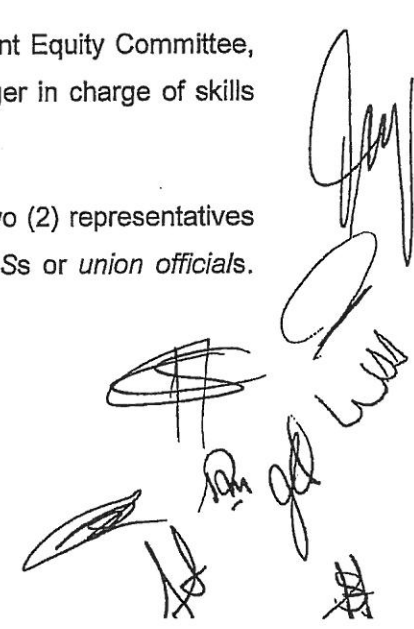
19.10.1 The purpose of this committee is to ensure that *Transnet* complies with skills development legislation and to monitor and guide skills development in the *operating divisions*.

19.10.2 It meets quarterly, on the same day as the *Transnet* Employment Equity Committee, unless otherwise agreed, and is chaired by the *Transnet* manager in charge of skills development.

19.10.3 This committee's union membership comprises a maximum of two (2) representatives per *sufficiently representative union*, who must be national FTSSs or *union officials*. *Transnet* is represented by its relevant managers.

19.11 *Transnet Restructuring Committee (TRC)*

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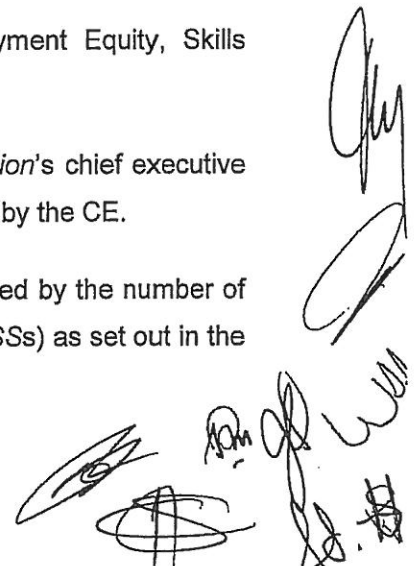


- 19.11.1 The TRC is governed by its constitution. It deals with the disposal of *Transnet's* non-core businesses, and may convene divisional restructuring committees where necessary as per the TRC constitution.

Operating Division Structures: National Level

19.12 National Business Committees (NBCs)

- 19.12.1 The purpose of each National Business Committee (NBC) is to consult on the impact of *operating division* (or *Corporate centre*) business plans on *bargaining unit employees*.
- 19.12.2 At NBC meetings, management will share information on performance against the business plan (including financial performance against budgets, and capital investment plans), as well as market information.
- 19.12.3 Management will consult the *sufficiently representative unions* on the following issues in so far as they affect *bargaining unit employees*:
- 19.12.3.1 operational efficiencies;
 - 19.12.3.2 new technologies;
 - 19.12.3.3 redundancies;
 - 19.12.3.4 *employee* wellness;
 - 19.12.3.5 safety; and
 - 19.12.3.6 any other agreed issues.
- 19.12.4 Reports will be tabled at the NBC from the relevant Employment Equity, Skills Development and Safety committees
- 19.12.5 Each NBC meets quarterly, and is chaired by the *operating division's* chief executive (CE) or a member of the *operating division's* executive designated by the CE.
- 19.12.6 The *sufficiently representative unions* are proportionally represented by the number of *FTSSs* (or *shop stewards* where the *operating division* has no *FTSSs*) as set out in the relevant Annexure C for the *operating division*.



19.12.7 Management is represented by relevant managers set out in Annexure C for the *operating division*.

19.12.8 An NBC may establish fixed-term, issue-specific ad hoc joint committees by agreement and reports must be tabled at the NBC from any ad hoc committee established.

19.13 *Operating division (and Corporate Centre) Employment Equity and Skills Development Committees*

19.13.1 The purpose of each *operating division* Employment Equity and Skills Development Committee is to consult on employment equity and skills development in that *operating division* (or *Corporate centre*) in line with relevant legislation.

19.13.2 Each committee meets quarterly, and is chaired by the managers in charge of employment equity and skills development in that *operating division*. Separate agendas will be prepared for employment equity and skills development issues.

19.13.3 The *sufficiently representative unions* are proportionally represented by the number of FTSSs (or *shop stewards* where the *operating division* has no FTSSs) as set out in Annexure C for the *operating division*.

19.13.4 Management is represented by relevant managers set out in Annexure C for the *operating division*.

19.13.5 Different union and management representatives may be present for each of the two different agendas.

Operating Division Structures: local / operational / regional/ area/ functional

19.14 Local Business Committees (LBCs)

19.14.1 The purpose of each Local Business Committee (LBC) is to consult the *sufficiently representative unions* on the following issues in so far as they affect *bargaining unit employees* in the operating unit/ depot/ functional area:

19.14.1.1 operational efficiencies, including any changes to work processes or organisation;

- 19.14.1.2 the implementation of policies, including transport and uniform and business plans,;
- 19.14.1.3 productivity;
- 19.14.1.4 employment equity;
- 19.14.1.5 skills development;
- 19.14.1.6 risk management;
- 19.14.1.7 safety;
- 19.14.1.8 *employee* wellness; and
- 19.14.1.9 any other agreed issues.

19.14.2 In the LBCs in ***Transnet Port Terminals*** and ***Transnet National Ports Authority***:

19.14.2.1 Management will share information on the following issues as they pertain to the operating unit (or area of jurisdiction) of the LBC:

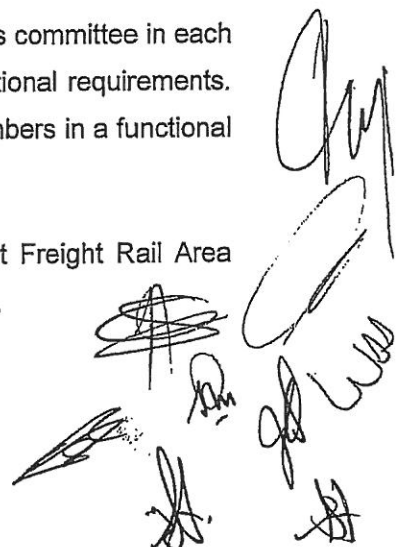
19.14.2.1.1 Performance against the business plan (including financial performance against budgets and capital investment plans); and

19.14.2.1.2 Market information

19.14.2.2 The LBCs in Transnet Port Terminals and Transnet National Ports Authority may establish fixed-term, issue-specific ad hoc joint committees by agreement and reports will be tabled at the LBC from any *ad hoc* committees established by the LBC.

19.14.3 Annexure C sets out the number and location of each local business committee in each *operating division* as determined by the *operating division's* operational requirements. Where a *sufficiently representative union* has ten (10) or more members in a functional area or depot a local business committee may be established.

19.14.4 LBCs will meet monthly, unless otherwise agreed. The Transnet Freight Rail Area Business Committees will meet quarterly as set out in Annexure C1.



19.14.5 The LBCs are chaired by the most senior manager in that operating unit/ depot/ functional area, as described more fully in Annexure C in respect of that *operating division*.

19.14.6 In each LBC:

19.14.6.1 the *sufficiently representative unions* recognised in the *operating division* are proportionally represented by the *shop stewards* as set out in Annexure C in respect of that *operating division*.

19.14.6.2 management is represented by relevant managers as set out in Annexure C in respect of that *operating division*.

19.14.7 The shop stewards set out in the relevant Annexure C for the *operating division* attend LBC meetings provided that the unavailability of a particular shop steward will not be sufficient reason for failing to schedule, hold or continue with an LBC meeting; and provided that at least one shop steward from each *sufficiently representative union* is present.

19.15 **Transnet Freight Rail Regional Committees and Transnet Rail Engineering Operational Committees**

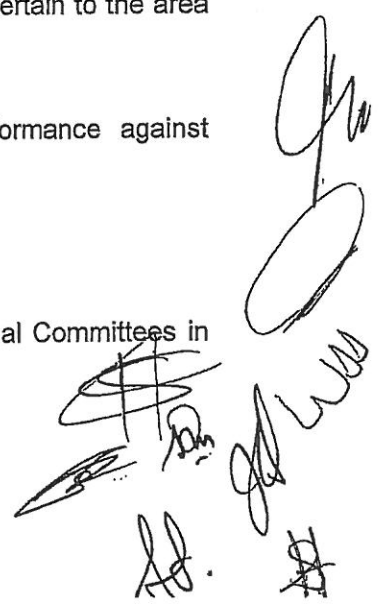
In the Regional Committees (Western Region, Eastern Region and Central Region) in **Transnet Freight Rail** and in the Operational Committees (Locomotives, Wheels, RM, RFR, Coaches, Wagons and Tarpaulins) in **Transnet Rail Engineering** (as more fully outlined in Annexure C1 and C2):

19.15.1 Management will share information on the following issues as they pertain to the area or department:

19.15.1.1 Performance against the business plan (including financial performance against budgets and capital investment plans); and

19.15.1.2 Market information

19.15.2 These Regional Committees in Transnet Freight Rail and Operational Committees in Transnet Rail Engineering will meet quarterly and:



- 19.15.2.1 May establish fixed-term, issue-specific ad hoc joint committees by agreement and reports will be tabled at the meeting from any *ad hoc* committees established.
- 19.15.2.2 These meetings will be chaired by the most senior manager in the operating unit.
- 19.15.2.3 Each *sufficiently representative unions* recognised in the *operating division* are proportionally represented by the FTSS as set out in Annexures C1 and C2.
- 19.15.2.4 Management is represented by relevant managers as set out in Annexure C1 and C2.

19.16 Transnet Freight Rail Regional Employment Equity and Skills Development Committees⁵

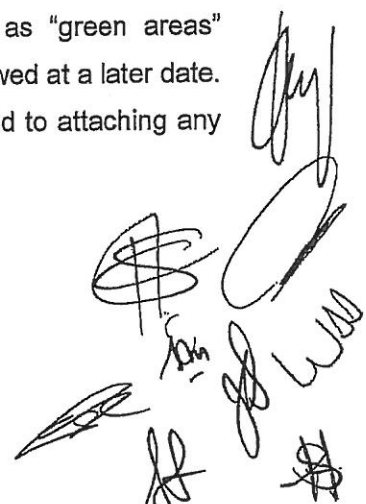
- 19.16.1 The purpose of regional Employment Equity and Skills Development Committees is to consult on employment equity and skills development in that region in line with relevant legislation.
- 19.16.2 Each committee meets quarterly, and is chaired by the managers in charge of employment equity and skills development in that region. Separate agendas will be prepared for employment equity and skills development issues.
- 19.16.3 The *sufficiently representative unions* are proportionally represented by the number of regional FTSSs as set out in Annexure C1.
- 19.16.4 Management is represented by relevant managers as set out in Annexure C1.
- 19.16.5 Different union and management representatives may be present for each of the two different agendas

19.17 Other operating division structures

- 19.17.1 Existing Act 85 structures and other safety structures, as well as "green areas" meetings will continue to operate. The safety structures will be reviewed at a later date. The *parties* commit to finalising this review as soon as possible, and to attaching any agreement reached as an annexure to this agreement.

19.18 Attendance at meetings by union officials

⁵ Only established in the three (3) Transnet Freight Rail regions – Central, Eastern, and Western



19.18.1 A union official from a sufficiently representative union may attend any meeting referred to in clause 19, at their own cost unless otherwise agreed in writing with the relevant Divisional manager.

19.19 Changes to the consultative structures set out in Annexure C in respect of any operating division, may only be made by agreement for pressing operational reasons and after approval has been obtained from the General Manager Employee Relations.

20.1 Discipline, grievances and retrenchments will be regulated by the *Transnet* policies and procedures and existing collective agreements on these subjects.

21.1 The parties will try to resolve through discussion any differences that arise under this agreement, failing which the *Transnet Bargaining Council* dispute resolution procedures will apply, unless the parties agree otherwise.

21.2 The parties agree not to support, instigate, encourage, organise or take part in unprotected industrial action that is contrary to this agreement, the *LRA*, any collective agreement or any issue that the parties have agreed to refer to private dispute resolution.

21.3 Secondary strikes

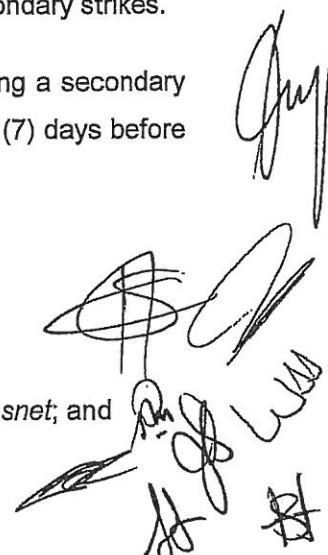
21.3.1 The parties acknowledge that they are bound by the *LRA* provisions on secondary strikes.

21.3.2 The parties also agree that whenever a signatory union contemplates calling a secondary strike at *Transnet*, it will give *Transnet* written notice of not less than seven (7) days before engaging in industrial action. The notice will include details on:

21.3.2.1 The identity of the primary employer;

21.3.2.2 The nature of the intended secondary strike action at *Transnet*;

21.3.2.3 The extent and duration of the proposed secondary strike action at *Transnet*; and



21.3.2.4 The grounds on which the union/s advance/s that the secondary strike action is reasonable in relation to the possible direct or indirect effect the secondary strike action may have on the business of the primary employer.

21.4 Socio-economic protests

21.4.1 The *parties* acknowledge that they are bound by section 77 of the *LRA*.

21.4.2 The *parties* also agree that whenever a signatory union contemplates a socio-economic protest at *Transnet*, it will give *Transnet* written notice of not less than fourteen (14) days before engaging in protest action. The notice will include details on:

21.4.2.1 The issue that is the subject of protest action;

21.4.2.2 The nature of the intended protest action at *Transnet*; and

21.4.2.3 The anticipated extent and duration of the proposed protest action at *Transnet*.

21.5 Picketing

21.5.1 The *parties* acknowledge that they are bound by the *LRA* provisions on picketing. They also agree that picketing should be regulated in the interests of sound labour relations.

21.5.2 Only *Transnet* employees and officials and office bearers of the signatory unions may participate in any picket on *Transnet's* premises.

21.5.3 When any of the signatory unions wishes to call a picket, it will:

21.5.3.1 Notify *Transnet* in writing that it intends calling a picket;

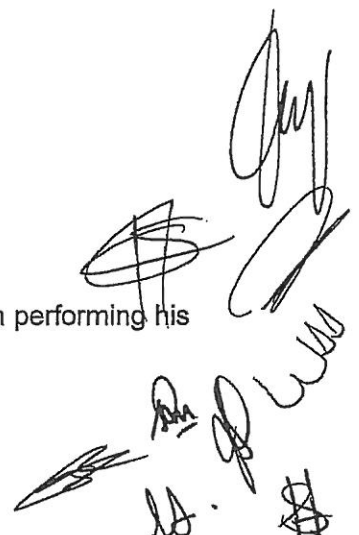
21.5.3.2 State the location where the picket is intended to take place;

21.5.3.3 State the nature of the picket;

21.5.3.4 State the anticipated extent and duration of the picket; and

21.5.3.5 State what steps it will take to ensure that the picket will be peaceful.

21.5.4 The picket may not interfere with any ongoing work or prevent anyone from performing his or her duties.



21.5.5 The picket may not block any entrances to or exits from *Transnet*, or prevent access or egress from any *workplaces* at *Transnet*.

21.5.6 The signatory *unions* and their officials, office bearers, *shop stewards* and *FTSSs* will take all reasonable steps to ensure that:

21.5.6.1 The picket is conducted peacefully and in accordance with this agreement and the relevant provisions of the *LRA*;

21.5.6.2 No picket defames, coerces, intimidates, injures or harms anyone;

21.5.6.3 Picketers do not abuse or damage any property; and

21.5.6.4 Picketers do not have in their possession, or under their control, any weapons or explosives, or any alcohol or drugs.

21.5.7 *Transnet* will not prevent the signatory *unions* from conducting a peaceful picket in compliance with this agreement and the *LRA*.

21.5.8 Picketing agreements concluded in *operating divisions* will remain in force, except for those clauses that are at odds with this agreement.

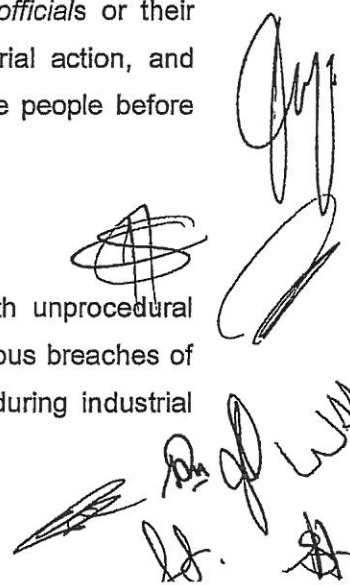
21.6 Communication during industrial action

21.7 The *parties* agree that it is imperative that contact is maintained between *Transnet* and the signatory *unions* during any industrial action.

21.8 To facilitate communication, the signatory *unions* will ensure that *union officials* or their designated representatives make themselves available during the industrial action, and undertake to provide *Transnet* with the names and contact details of these people before industrial action starts.

21.9 Misconduct during industrial action

21.9.1 *Transnet* is entitled to take any action it deems necessary to deal with unprocedural industrial action, as well as misconduct (including criminal conduct or serious breaches of this agreement resulting in injury, loss of life, or damage to property) during industrial action.



22.1 Nothing in this agreement detracts from management's right to communicate with its *employees*, and the *unions*' right to communicate with their *members* – unless the *parties* agree otherwise.

22.2 The *parties* may agree to issue joint communiqués.

23.1 This agreement supersedes all previous written procedural agreements on any issues covered by this agreement including those listed in annexure D.

23.2 No changes will be made to this agreement without consultation, and any amendments must be in writing and signed by the *parties*.

23.3 This agreement will commence on the effective date and will remain in force until either party gives ninety (90) days' written notice to the other of termination of the agreement.

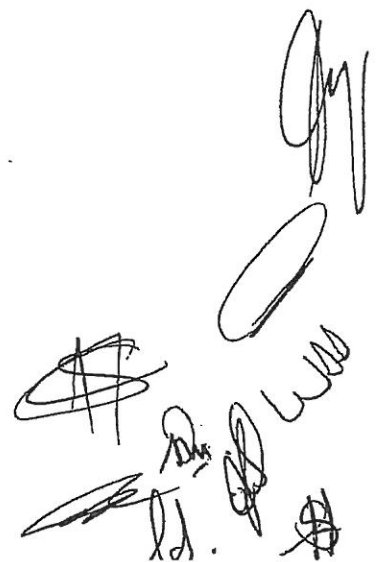
23.4 One party is also entitled to give the other ninety (90) days' written notice of the termination of one or more specific clauses of the agreement.

24.1 For purposes of this agreement, including the serving of notices and legal processes, *Transnet* and the signatory *unions* choose their *domicilium citandi et executandi* as follows:

24.1.1 *Transnet*:
Transnet Limited
Carlton Office Towers
150 Commissioner Street
Johannesburg
2000

P O Box 72501
Parkview
2122
Fax number: (011) 308 2528

24.1.2 SATAWU:
6th Floor Sanlam Centre
208/212 Jeppe Street cnr Von Wielligh Street
Johannesburg



2000
P.O. Box 9451, JHB, 2001
Fax number: (011) 333 8918/0300/0275/0250

24.1.3 UASA: 42 Goldman Street
Florida
Gauteng
1709
Fax number – (011) 674 4057

24.1.4 UTATU: UTATU House
182 Louis Botha Ave
Houghton Estates
2198
P.O. Box 31100
Braamfontein
2017
Fax number: (011) 728 8257/8

24.1.5 SARWHU: P.O. Box 2999, Kimberley, 8300
Southern Life Bldg, 2nd Floor
Cnr Du Toitspan Rd & Chapel Street
Kimberley
8300
Fax number: (053) 832 1501

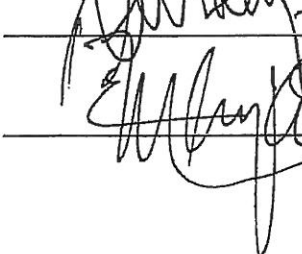
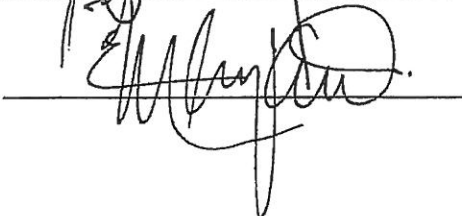
25. STATUS AND VARIATION

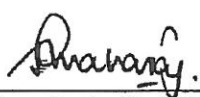
25.1 Any variation to this agreement must be reduced to writing and signed by the *parties*.

25.2 No relaxation or indulgence which *Transnet* or the *unions* may grant to the other party will constitute a waiver by any of them of any of their rights under this agreement.

SIGNED AND DATED AT JOHANNESBURG on 16 NOVEMBER 2007.

WITNESSES:

1. 
2. 


For and on behalf of **TRANSNET**





SIGNED AND DATED AT JOHANNESBURG on 16 November 2007.

WITNESSES:

3.

4.

For and on behalf of **SATAWU**

SIGNED AND DATED AT JOHANNESBURG on 16 November 2007.

WITNESSES:

5.

6.

For and on behalf of **UTATU**

SIGNED AND DATED AT JOHANNESBURG on 16 November 2007.

WITNESSES:

7.

8.

For and on behalf of **UASA**

[Handwritten signatures and initials]

SIGNED AND DATED AT JOHANNESBURG on 16 November 2007.

WITNESSES:

9.

10.

For and on behalf of **SARWU**

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National FTSS numbers

A sufficiently representative union (20% threshold in Transnet and 20% threshold in an Operating Division) is entitled to one (1) FTSS per 5000 members (but not part thereof) rounded up from 0.5%)

UNION	Union membership as a % of total employees (47332)	Number of members*	Calculation	FTSS numbers
SATAWU	34%	16420	3.28	3
UASA	16%	7298	Not applicable as UASA does not meet the 20% threshold	0
UTATU/ SARWHU	37% UTATU – 26% SARWHU – 11%	17 590 UTATU – 12 337 SARWHU – 5253	3.51	4
Total	87%	41308		7

Divisional FTSS numbers

A sufficiently representative union (20% threshold in Transnet and 20% threshold in the Operating Division) is entitled to the following full time shop stewards

SATAWU	Union membership % of total OD employees	Number of employees in each OD	Number of members*	Calculation	FTSS
TNPA (1:750)	39%	2467	973	1.29	1
Pipelines (1:750)	7%	391	29	n/a	0
TPT (1:750)	52%	4950	2563	3.41	3
TFR (1:1250)	27%	24 383	6696	5.35	5
TRE (1:1250)	41%	14 181	5795	4.76	5
Total		46 372*	16056		14

*Note- the total number of employees in the operating divisions excludes employees in the Corporate Centre and Transnet Projects (these numbers are included in the overall calculation of a union's membership).

UASA	Union membership % of total OD employees	Number of employees in each OD	Number of members*	Calculation	FTSS
TNPA (1:750)	19%	2467	465	n/a	0
Pipelines (1:750)	27%	391	107	n/a	0
TPT (1:750)	22%	4950	1071	1.42	1
TFR (1:1250)	19%	24 383	4515	n/a	0
TRE (1:1250)	8%	14 181	1058	n/a	0
Total			7119		1

UTATU/ SARWHU	Union membership % of total OD employees	Number of employees in each OD	Number of members*	Calculation	FTSS
TNPA (1:750)	31% SARWHU – 0%	2467	760	1.01	1
Pipelines (1:750)	51% SARWHU – 0%	391	199	n/a	0
TPT (1:750)	19% SARWHU – 0%	4950	940	n/a	0
TFR (1:1250)	47.45% SARWHU – 17% UTATU – 24%	24 383	10 053 SARWHU – 4222 UTATU – 5831	8.04 SARWHU 2.81 UTATU – 3.88	8
TRE (1:1250)	44.57% SARWHU – 7% UTATU – 32%	14 181	5508 SARWHU – 1019 UTATU – 4489	4.40	4
Total			17460		13

SUMMARY OF FULL TIME SHOP STEWARD NUMBERS PER OPERATING DIVISION

Division	SATAWU	UTATU/ SARWHU	UASA	TOTAL
TNPA	1	1	0	2
Pipelines	0	0	0	0
TPT	3	0	1	4
TFR	5	8	0	13
TRE	5	4	0	9
Divisional Total of FTSS	14	13	1	28
National FTSS	3	4	0	7
Total FTSS	17	17	1	35

1. INTRODUCTION

1.1 *Transnet* and its recognised *unions* acknowledge that:

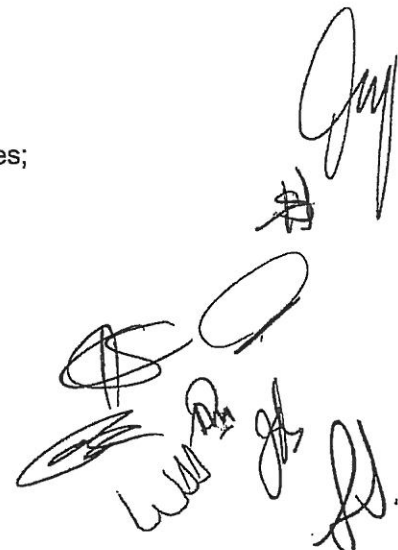
- Certain important lessons were learnt from the dispute which impacts on the quality of their relationship;
- The *parties* agree that for an effective working relationship strategic consultations at the highest level are required;
- Restructuring of *Transnet* is essential if the organisation is to contribute to economic growth by reducing the cost of doing business; and
- A healthy relationship between the *parties* is necessary to facilitate realisation of *Transnet's* strategic objectives.

To this end, it is agreed to establish a Strategic Leadership Forum (SLF) to engage on strategic issues including the achievement of shared objectives concerning the implementation of *Transnet's* strategies in a way that enables all *parties* to contribute to *Transnet's* success.

2. PURPOSE

The purpose of the SLF is to enable meaningful two-way transparent interaction and strategic engagement to achieve the objectives of the SLF and communicate on:

- National and international trends in the freight transport sector;
- *Transnet's* annual corporate plan;
- Measures aimed at facilitating realisation of corporate plan objectives;
- *Transnet's* performance against its corporate plan.
- Building and monitoring the relationship;
- Strategic Exchange; and



- Consensus seeking.

2.2 The SLF is not a decision-making forum. Nor is it a negotiating forum. However, this does not rule out the possibility of the *parties* reaching consensus, or that the trade *unions* have the possibility of influencing *Transnet's* strategy.

2.3. It is also possible that issues discussed at the SLF will be referred to established consultation and negotiation forums for further engagement.

3. PRINCIPLES

3.1 SLF *members* will be guided at all times by the best interests of the company, all its stakeholders and *employees*. To this end, they will conduct themselves in ways that:

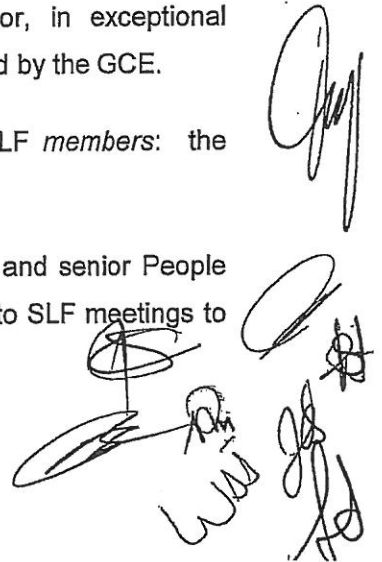
- Encourage thoughtful deliberation and robust engagement;
- Respect diverse views;
- Depersonalise issues;
- Respect confidentiality;
- Share information;
- Affirm the dignity of others; and
- Promote a problem-solving approach to differences.

4. COMPOSITION

4.1 The SLF will be chaired by the Group Chief Executive (GCE) or, in exceptional circumstances in the absence of the GCE, by an SLF member nominated by the GCE.

4.2 Each trade union recognised by *Transnet* will be entitled to three SLF *members*: the President, General-Secretary, and one other member.

4.3 *Transnet* will be represented by *members* of its Executive Committee and senior People Management professionals. The company may invite other managers to SLF meetings to address specific agenda items.



- 4.4 There is no quorum for SLF meetings. However, the *parties* recognise that it is desirable for all *parties* to be present at SLF meetings and should one party be unable to attend, the GCE will evaluate whether the SLF meeting should continue.

5. TASK TEAMS

- 5.1 The SLF may appoint task teams to attend to specific issues. The mandates of these task teams will be determined by the SLF.
- 5.2 Meeting dates of task teams will, where possible, be agreed by the *parties* to the task team to accommodate participation by all *members* of the task team.
- 5.3 There is no quorum for task team meetings. However, the *parties* recognise that it is desirable for all *parties* to be present at task team meetings and should one party be unable to attend, the convenor of the task team will evaluate whether the meeting should continue.

6. SECRETARIAT

- 6.1 *Transnet's Employee Relations Department* will provide secretariat services to the SLF and its task teams.
- 6.2 Secretariat services will include:
- Convening meetings and issuing meeting reminders;
 - Organising meeting logistics (including venues and meals);
 - Keeping a record of meeting outcomes (as opposed to detailed minutes);
 - Formulating and distributing meeting agendas and documents;
 - Managing documents;
 - Tracking execution of outcomes; and
 - Reimbursing SLF *members* for reasonable travel and accommodation costs incurred on account of their participation in the SLF and its task teams.

RA

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7. MEETING FREQUENCY

- The SLF will meet in Johannesburg four times a year, i.e. on the first Monday in February, May, August and November or any mutually agreed date.
- The chairperson may call additional, special meetings if the chairperson deems this necessary, in consultation with labour.
- Labour will consult with the chairperson should they require a special meeting.

8. AGENDA FORMULATION

- Any member can propose an SLF agenda item by notifying the secretariat eight calendar days in advance of the meeting in question, and providing a brief motivation for inclusion of the agenda item.
- The chairperson will be responsible for finalising the agenda.
- The agenda will be circulated four calendar days before each meeting.

9. CONFIDENTIALITY

- 9.1 The *parties* undertake not to disclose any confidential information shared at meetings of the SLF or its task teams, unless otherwise agreed.

PA

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See respective attached consultative structures documents up until 31 March 2008 whereafter an updated schedule will be appended.

Annexure C1 – *Transnet* Freight Rail

Annexure C2 – *Transnet* Rail Engineering

Annexure C3 – *Transnet* Port Terminals

Annexure C4 – *Transnet* National Ports Authority

Annexure C5 – *Transnet* Pipelines

Annexure C6 – *Transnet* Projects and Corporate Centre

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ANNEXURE D - COLLECTIVE AGREEMENTS AND PROCEDURAL AGREEMENTS

- Recognition and procedural agreement between *Transnet* and UASA
- Recognition agreement between *Transnet* and SARHWU
- Recognition and procedural agreement between SALSTAFF and *Transnet*
- TNPA NJTC Committee Constitution
- Agreement on Full Time Union Representatives between UTATU, SALSTAFF, SATAWU and *Transnet* Pipelines
- Memorandum of agreement between *TRANSNET* PORT TERMINALS and SALSTAFF regarding Full Time Union Representatives
- Agreement between *Transnet* and SALSTAFF on Full Time Union Representatives
- Agreement between *Transnet* and SATAWU on Full Time Union Representatives
- Agreement between *Transnet* and TWU (now UTATU) on Full Time Union Representatives
- Memorandum of agreement between *Transnet* Rail Engineering and SATAWU, UTATU and SALSTAFF on *Transnet* Rail Engineering Labour Co-ordinators
- Memorandum of agreement between TNPA and SALSTAFF regarding Full Time Union Representatives
- Memorandum of agreement between TNPA, SATAWU, UASA and UTATU on Full Time Union Representatives
- Agreement regarding Full Time Union Representatives between *Transnet*, SATAWU, UTATU and UASA
- Collective agreement between *Transnet* Port Terminals, SATAWU, UASA and UTATU on Engagement Structures and Processes
- *Transnet* Freight Rail Workplace Engagement Strategy Constitution of the *Transnet* Freight Rail NJTC (including annexures)
- *Transnet* Freight Rail RISCO Charter
- Constitution of the *Transnet* Rail Engineering NJTC
- Constitution of the *Transnet* Rail Engineering Employment Equity Committee
- Recognition and Procedural between Spoornet and SARHWU (15th October 2003);
- Collective agreement between Spoornet & SATAWU (31 May 2005) (recognition and procedural agreement);
- Collective agreement between Spoornet & UASA (18 August 2004) (recognition and procedural agreement);
- Agreement concluded between *Transnet* Rail Engineering, UTATU and SATAWU (dated 20 July 2005);

- *Transnet* Rail Engineering Sick Absence Control Procedures agreement with SATAWU and UTATU (dated 07/03/05);
- Agreement between *Transnet* Rail Engineering, UTATU and SATAWU on the function of the Local Business Working Committees (dated 23 September 2005);
- Agreement with UTATU and others on 'Presidents Agreement';
- Original 1980s agreement on *Full time shop stewards*
- Agreement consolidation of hours for *Shop stewards* between Spoornet and SATAWU, SALSTAFF and UTATU dated 26 March 2002
- Recognition and Procedural Agreement between *Transnet* and SALSTAFF dated 9 November 1990
- Memorandum of Agreement entered into between South African Port Operations Dry Bulk Terminal a Division of *Transnet* Limited and UASA, UTATU and SATAWU regarding standardisation of *shop stewards* time-off requests dated 8 September 2006
- Agreement on consolidation of Hours for *Shop stewards* – coal link – dated 26 March 2002
- Agreement made and entered into between NPA (Port of Durban) and UASA regarding representivity of *shop stewards* (dated 14th October 2004)
- Agreement between NPA and UTATU amending clause 6.1.2 of the Recognition Agreement, dated 31 August 2004



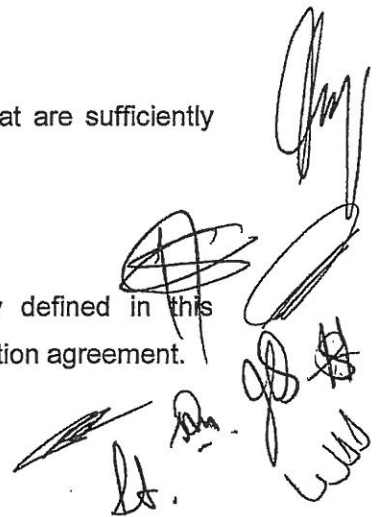
1. INTRODUCTION

- 1.1 The trade *unions*, acting jointly, are currently a representative trade union, in that they have as *members* a majority of *bargaining unit employees*.
- 1.2 The *parties* have agreed to conclude an *agency shop agreement* as contemplated in section 25 of the *LRA*, on the terms and conditions set out in this agreement.

2. DEFINITIONS

For the purposes of this annexure, unless the context requires otherwise:

- 2.1 "**Affected employee**" means an *employee* who is not a member of any one of the trade union *parties*, and is eligible for membership of the trade union *parties*.
- 2.2 "**Agency fee**" means the agency fee provided for in clause 4.1.
- 2.3 "**Agency fee bank account**" means a bank account referred to in clause 4.7.
- 2.4 "**Effective date**" means 1 March 2008 or the date on which the last signing party signs this agreement, whichever is the later.
- 2.5 "**Recognition agreement**" means the recognition agreement concluded between the *parties*, as amended from time to time.
- 2.6 "**Sufficiently representative**" means the trade union *parties* that are sufficiently representative in terms of the recognition agreement.
- 2.7 "**Trade union parties**" means SATAWU, UASA and UTATU.
- 2.8 Unless the context requires otherwise, words not specifically defined in this agreement shall have the meaning ascribed to them in the recognition agreement.



3. **PARTIES BOUND BY THE AGREEMENT**

- 3.1 This agreement binds *Transnet bargaining unit employees* who are *members* of the trade union *parties*; and affected *employees* who fall within the *bargaining unit*.

4. **AGENCY SHOP**

- 4.1 The agency fee is an amount equivalent to one percent (1%) of each affected *employee's* monthly wage, but not more than R80 per month and not less than R35 per month, as amended and agreed between the parties from time to time.

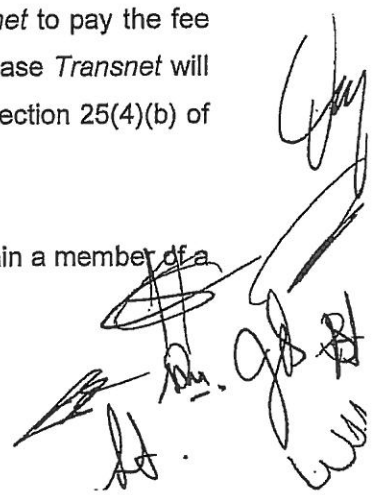
- 4.2 *Transnet* must deduct the agency fee from each affected *employee's* wages on the day on which wages are paid each month following the *effective date*.

- 4.3 *Transnet* must pay all amounts deducted to the council on or before the seventh (7th) day of the following month. The payment must be accompanied by a document stating the name of each affected *employee*, the amount deducted from his/her wages, and the date of the deduction.

- 4.4 The council must, within fourteen (14) days of the payment being received, divide the amount between the trade union *parties* in proportion to the number of *employees* that are *members* of each trade union party as reflected in the latest records available to the council, and pay the *pro rata* amount into each trade union party's agency fee bank account.

- 4.5 An affected *employee* may object in writing on grounds of conscience to the agency fee being paid to the trade union *parties* and may request *Transnet* to pay the fee into a fund administered by the Department of Labour, in which case *Transnet* will pay the fee into a fund nominated for that purpose – in line with section 25(4)(b) of the *LRA*.

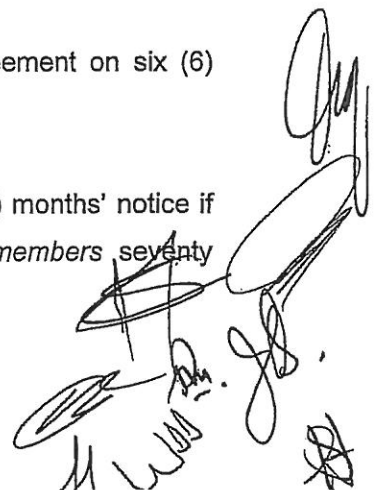
- 4.6 No affected *employee* or other *employee* is obliged to join or remain a member of a trade union party.



- 4.7 Each trade union party must open a separate agency fee bank account for the purposes of this agreement. The money in this account may be used only for expenses incurred by the relevant trade union party for the purposes of collective bargaining with *Transnet*, including the costs of dispute resolution and training of trade union representatives for collective bargaining purposes or to protect the socio-economic interests of *employees*.
- 4.8 No amount paid into an agency fee bank account may be:
- 4.8.1 Paid to a political party as an affiliation fee;
 - 4.8.2 Contributed in cash or kind to a political party or a person standing for election to any political office; or
 - 4.8.3 Used for any expenditure that does not advance or protect the socio-economic interests of *employees*.
- 4.9 Each trade union party must ensure that sections 98 and 100 (b) and (c) of the *LRA* are complied with in respect of its agency fee bank account.
- 4.10 Each trade union party must provide the council and *Transnet* with reasonable access to its offices to inspect all documents required in terms of sections 98 and 100 (b) and (c) of the *LRA* and relating to that trade union party's agency fee bank account.

5. DURATION OF THE AGENCY SHOP

- 5.1 This agreement will commence on the *effective date* and continue in force until terminated in accordance with this agreement.
- 5.2 Either *Transnet* or a trade union party may terminate this agreement on six (6) months' written notice.
- 5.3 *Transnet* may terminate this *agency shop agreement* on three (3) months' notice if the recognised trade unions jointly no longer have as their members seventy percent (70%) plus one (1) of all *employees* in the *bargaining unit*.



5.4 If this agreement is terminated, the provisions of section 25(10) of the *LRA* apply.

5.5 Any dispute in terms of this agreement will be dealt with in accordance with the council's dispute resolution procedure, subject to section 24(7) of the *LRA*.

6. **GENERAL**

6.1 This agreement constitutes the entire agreement between the *parties* on the subject of an agency shop.

6.2 No party will have any claim or right of action arising from any undertaking, representation or warranty not included in this agreement.

6.3 No agreement to vary, add to or cancel this agreement will be of any force or effect unless recorded in writing and signed by or on behalf of all the *parties*.

6.4 No party may cede any of its rights or delegate any of its obligations under this agreement.

6.5 No relaxation or indulgence which any party may grant another party will constitute a waiver by any of them of any of their rights under this agreement.

6.6 The *parties* will co-operate with each other, and deliver any documents or take any actions as may be reasonably requested to carry out, evidence and confirm their rights and the intended purpose of this agreement.

6.7 Termination of this agreement for any cause shall not release any party from any liability which at the time of termination had already accrued to the other party or which may accrue afterwards in respect of any act or omission prior to termination.

