



~~PROPOSED~~ **WAGE SETTLEMENT AGREEMENT**

between

**TRANSNET SOC LIMITED
("TRANSNET")**

AND

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

AND

**UNITED NATIONAL TRANSPORT UNION
("UNTU")**

MADE IN THE MAIN CHAMBER OF THE TRANSNET BARGAINING COUNCIL

**IN RESPECT OF TERMS AND CONDITIONS OF EMPLOYMENT FOR THE FINANCIAL
YEAR**

1 APRIL 2021 TO 31 MARCH 2022

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1 PURPOSE AND SCOPE

- 1.1 The purpose of this agreement is to record the wage agreement (salaries, allowances and benefits) for all bargaining unit employees in Transnet SOC Limited for the financial year 1 April 2021 to 31 March 2022.
- 1.2 This agreement amends the terms and conditions of employment of bargaining unit employees in Transnet (unless otherwise expressly so stated) and supersedes existing agreements on the issues covered in this agreement.
- 1.3 This agreement will be implemented retrospectively from 1 April 2021.

2 PARTIES TO THE AGREEMENT

- 2.1 The parties to this agreement are:
 - 2.1.1 Transnet SOC Limited ("Transnet") having its Head Office at 9 Country Estate Drive, Midrand, Gauteng, and including its Operating Divisions: the Corporate Centre, Transnet Properties; Transnet National Ports Authority; Transnet Pipelines; Transnet Port Terminals; Transnet Freight Rail and Transnet Engineering;
 - 2.1.2 South African Transport and Allied Workers Union ("SATAWU"); and
 - 2.1.3 United National Transport Union ("UNTU").
- 2.2 This agreement applies to and is binding on all bargaining unit employees in Transnet, including those employees who are not members of the trade union parties to the agreement, whether or not such employees are members of any other trade union, employed in grade level G to grade level L.

3 WAGES

- 3.1 The pensionable salary (including 13th cheque and retirement fund contribution) as well as the overtime rate up to the overtime threshold of permanent Transnet employees falling within the bargaining unit below grade level G, will be increased by an across the board increase of 5.0% (five point zero percent).
- 3.2 In respect of grade level G employees, the agreed annual adjustment of 5.0% (five point zero percent) will be applied to their annual cost to company package.

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- 3.3 The across the board increase of 5.0% (five point zero percent) to basic salary will apply to employees who are employed on a fixed term contract basis and who are still in service on the date of signing of this agreement.

4 TRANSNET MEDICAL SUBSIDY

- 4.1 The medical subsidy is an amount payable to all permanent bargaining unit employees who belong to or join a recognised Transnet medical scheme as a principal member.
- 4.2 For the duration of this agreement, the value of the medical subsidy will remain unchanged at R1,597 (One Thousand, Five Hundred and Ninety Seven Rands) per month, amounting to R19,164 (Nineteen Thousand, One Hundred and Sixty Four Rands) per annum.
- 4.3 The parties further agree to engage on achieving universal affordable medical cover for bargaining unit employees by introducing an additional medical scheme for low income earners. Such discussions to commence within thirty (30) days of the signing of this agreement.

5 HOUSING ALLOWANCE

- 5.1 The housing allowance is a fixed allowance that is paid to all permanent employees below grade level G (grade levels H to L) in the bargaining unit.
- 5.2 For the duration of this agreement, the value of the housing allowance will remain unchanged at R1,597 (One Thousand, Five Hundred and Ninety Seven Rands) per month, amounting to R19,164 (Nineteen Thousand, One Hundred and Sixty Four Rands) per annum.

6 STANDBY AND NIGHTSHIFT ALLOWANCE

- 6.1 The standby and nightshift allowances are paid as circumstantial allowances to all bargaining unit employees, where applicable.
- 6.2 For the duration of this agreement, the standby and nightshift allowance will remain unchanged.

7 NON PENSIONABLE ALLOWANCE

- 7.1 The non-pensionable allowances will not be increased for the duration of this agreement.

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8 OVERTIME

- 8.1 Overtime payable to all employees in the bargaining unit, below level G (FST) will be paid as per the earnings threshold set by the Ministerial Determination as published in the Government Gazette, as and when amended.
- 8.2 The overtime rate for all employees on grade level G (First Line Managers, Specialists and Technicians) will be increased with 5.0% (five point zero percent) in accordance with the Collective Agreement on Remuneration Principles for First Line Managers, Specialists and Technicians.

9 MORATORIUM ON RETRENCHMENTS

- 9.1 There will be no forced retrenchments of bargaining unit employees in Transnet during the currency of this agreement. However, Transnet may offer voluntary severance packages to employees during the currency of this agreement, in terms of its operational requirements. Further, Transnet may initiate redeployment of employees; and if the employee unreasonably refuses to accept a reasonable offer of alternative employment within Transnet, then Transnet may however terminate the services of any employee, without payment of a severance package.

10 RESTRUCTURING

- 10.1 The parties agree to commence consultations on the restructuring of the business by no later than thirty (30) days after signing of this agreement. Such consultations shall be facilitated by an external facilitator whose appointment will be mutually agreed to by the parties.

11 ANNUAL LEAVE – LEAVE CYCLE 2020, EXPIRING 31 MARCH 2022

- 11.1 Based on financial and safety considerations, all bargaining unit employees will be encouraged to take all their annual leave categories (statutory, non-statutory as well as accumulative leave) for the 2020 leave cycle which expires on 31 March 2022.

12 FULL AND FINAL SETTLEMENT

- 12.1 This agreement is in full and final settlement of all demands, made by the parties during the wage negotiations for the year 1 April 2021 to 31 March 2022 relating to salary increases and changes to other terms and conditions of employment for the duration of this agreement, except for changes which may emanate from changes to existing collective agreements which the parties may agree to review.
- 12.2 Any amendment to or variation of any provision of this agreement shall not be valid or binding unless it is reduced to writing and signed by authorised representatives of the parties.

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13 DISPUTE RESOLUTION

13.1 Any dispute regarding the interpretation or application of this agreement will be referred to the Transnet Bargaining Council for conciliation and arbitration.

SIGNED AND DATED AT JOHANNESBURG on this 1ST day of JULY.....2021.

<u>Khaya Ngema</u>	<u>[Signature]</u>
NAME For and on behalf of TRANSNET SOC LTD	SIGNATURE

<u>V. RAMLUBAAN</u>	<u>[Signature]</u>
WITNESS NAME	SIGNATURE

<u>R Muller</u>	<u>[Signature]</u>
WITNESS NAME	SIGNATURE

SIGNED AND DATED AT JOHANNESBURG on this day of2021.

<u>Joceta Mazibuko</u>	<u>[Signature]</u>
NAME For and on behalf of SOUTH AFRICAN TRANSPORT AND ALLIED WORKERS' UNION ("SATAWU")	SIGNATURE

<u>Maxwell Monyemana</u>	<u>[Signature]</u>
WITNESS NAME	SIGNATURE

<u>DAVID KOPOTSA</u>	<u>[Signature]</u>
WITNESS NAME	SIGNATURE

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 [Handwritten initials and signatures]



SIGNED AND DATED AT JOHANNESBURG on this 1 day of July 2021.

<u>H.I. FORDIE</u>	
NAME	SIGNATURE
For and on behalf of UNITED NATIONAL TRANSPORT UNION ("UNTU")	

<u>SA Harris</u>	
WITNESS NAME	SIGNATURE

WITNESS NAME	SIGNATURE

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