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Notice is hereby given, in terms of Section 19(b) of the Local Government: Municipal Systems Act, 32 of 2000 as amended, that a **SPECIAL MEETING** of the **MUNICIPAL COUNCIL** of Knysna Municipality will be held in the Council Chambers **on THURSDAY, 19 SEPTEMBER 2024** at **8:00** to consider the business set forth in the attached agenda.

Kennis geskied hiermee as gevolg van Artikel 19(b) van die Plaaslike Regering : Munisipale Stelsels Wet, 32 van 2000, dat ‘n **SPESIALE VERGADERING** van die **MUNISIPALE RAAD** van Knysna Munisipaliteit in die Munisipale Raadsaal op **DONDERDAG, 19 SEPTEMBER 2024** om **8:00** gehou sal word ten einde sake soos uiteengesit in die aangehegte agenda te oorweeg.

Ibhunga lika**MASIPALA** waseKnysna Iazisa ngomthetho okwisolotya 19(b) wenkqubo mgaqo olawula oMasipala, 32 of 2000, njengoko utshintshiwe, **NGENTLANGANISO EKHETHEKILEYO** ye**BHUNGA** lika**MASIPALA** waseKnysna eyakubanjelwa **NGOLWESINE, NGOMHLA WE 19 EYOMSINTSI 2024** ngentsimbi ye **08:00** umba iyakuba lushishino oluchazwe kwi-agenda.

CLLR MD SKOSANA	PHAAHLE SIMON MALEPENG
The Speaker	Acting Municipal Manager
Die Speaker	Waarnemende Munisipale Bestuurder
Usomlomo	Bambela Mphathi kaMasipala

Date : 18 September 2024

TABLE OF CONTENTS

A G E N D A

1. **OPENING AND WELCOMING**

2. **SILENT PRAYER**

3. **ATTENDANCE OF MEMBERS**

   3.1 **COUNCILLORS PRESENT**

   3.2 **COUNCILLORS WITH LEAVE**

   3.3 **COUNCILLORS WITHOUT LEAVE**

4. **NOTING THE PROVISIONS OF SCHEDULE 1 (CODE OF CONDUCT FOR COUNCILLORS) OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, 2000**

5. **DISCLOSURE OF INTERESTS BY COUNCILLORS**

6. NEW MATTERS SUBMITTED BY THE ACTING MUNICIPAL MANAGER

6.1

SC01/09/24 SALARY AND WAGE AGREEMENT : CIRCULAR 06/2024

REPORT FROM THE ACTING MUNICIPAL MANAGER

PURPOSE OF THE REPORT

To inform the Council of the outcome of the recently concluded South African Local Government Bargaining Council Salary and Wage Collective Agreement.

BACKGROUND

The preceding Salary and Wage Agreement for the past Bargaining Period has lapsed. The relevant parties, SALGA, SAMWU, and IMATU, were engaged in three rounds of salary and wage negotiations during July 2024 to August 2024, facilitated by two independent facilitators.

The Facilitator's proposal was issued on 16 August 2024.

The parties adopted and signed the Salary and Wage Collective Agreement on 06 September 2024, attached as annexure.

The agreement provides for the across-the-board salary adjustments and wage increase for the financial years 2024/2025, 2025/2026, 2026/2027, 2027/2028 and 2028/2029.

FINANCIAL IMPLICATIONS

MTREF 2024/2025 (Financial provision of 4.9% as per the National Treasury Guidelines were made for the salary & wage increase in the approved MTREF). The agreed wage agreement of 4.5% applicable to from 1 July 2024 would be adequately covered by the financial provision made within the current budget, however the additional 1.5% implementable from 1 March 2025 would result in a shortfall in terms of the budget. To fully implement the holistic wage agreement would mean we must fully comply with the Budget Funding Plan as well as implement cost containment measures to cover the shortfall.

RELEVANT LEGISLATION

SALGBC CIRCULAR 6/2024

RECOMMENDATION

[a] The report regarding the approved and signed SALGBC Collective Agreement dated 6 September 2024, be noted;

[b] That the salary increase be implemented per Circular 6/2024: South African Local Government Bargaining Council – Salary & Wage Collective Agreement, with effect

from 1 July 2024 and that Council, shall not in terms of Clause 14 of the agreement, apply for an exemption from any provision of the collective agreement;

[c] That it be noted that financial provision for the salary and wage increase is not adequate to cover the full wage agreement in the current Medium Term Revenue Expenditure Framework 2024/2025, to fully implement the wage agreement, departments must implement cost containment measures and also strict comply with the budget funding plan to provide for the shortfall;

[d] That it be noted that in respect of this financial year, all employees covered by the SALGBC Agreement, shall receive an increase of four and a half percent (4.5%) with effect from 1 July 2024;

[e] That with effect from 1 March 2025, all employees covered by the SALGBC Agreement, shall receive a further increase of one and a half percent (1.5%), based on the salaries of the employees as at 28 February 2025;

[f] That in respect of the financial years 2025/2026, 2026/2027, 2027/2028 and 2028/2029, Council approves that all employees covered by the SALGBC Agreement dated 6 September 2024, shall receive the increases as set out in the said agreement.

Execution : Acting Director : Corporate Services
Manager : Human Resources

SOUTH AFRICAN LOCAL GOVERNMENT BARGAINING COUNCIL

HEAD OFFICE

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Web-site: www.salgbc.org.za

9 September 2024

TO: ALL MUNICIPAL MANAGERS
ALL CHIEF FINANCIAL OFFICERS

The Parties		
SALGA	Mr. S Mbanga	smbanga@salga.org.za
SAMWU	Mr. D Magagula	dumisane.magagula@samwu.org.za
IMATU	Mr. J Koen	johan@imatu.co.za
REGIONAL SECRETARIES:		
Gauteng/Johannesburg/Tshwane Division	Ms. E Sekgweleo	esmeralda@salgbc.org.za
Eastern Cape Division	Mr. C.Gqeke	Chumani@salgbc.org.za
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Northern Cape/Free State Division	Mr. T Mqobongo	Thabiso@salgbc.org.za
North West/Mpumalanga/Limpopo Division	Ms D Monyemangene	Dikeledi@salgbc.org.za
KwaZulu-Natal/eThekwini Division	Mr. V Nzuza	vusi@salgbc.org.za

CIRCULAR NO.: 6/2024

SALARY AND WAGE COLLECTIVE AGREEMENT

The parties (SALGA, SAMWU and IMATU) to the Council have been engaged in three rounds of salary and wage negotiations, in July and August 2024. These negotiations were facilitated by two independent facilitators and a Facilitator's Proposal, was issued on 16 August 2024.

The parties to the Council adopted and signed the attached Salary and Wage Collective Agreement at the Bargaining Committee, held on 6 September 2024.

The Collective Agreement must be published on the employee noticeboards. The Collective Agreement is available on the SALGBC website as well.

Your faithfully

s/o

MR SS GOVENDER
GENERAL SECRETARY

Encl: Salary and Wage Collective Agreement (22 Pages)

Address correspondence to the General Secretary

SOUTH AFRICAN LOCAL GOVERNMENT BARGAINING COUNCIL

(Hereinafter referred to as "the "SALGBC or Council")

SALARY AND WAGE COLLECTIVE AGREEMENT

In accordance with the provisions of the Labour Relations Act, 1995 made and entered into by and between the:-

SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION
(Hereinafter referred to as "SALGA")

and

INDEPENDENT MUNICIPAL AND ALLIED TRADE UNION
(Hereinafter referred to as "IMATU")

and

SOUTH AFRICAN MUNICIPAL WORKERS' UNION
(Hereinafter referred to as "SAMWU")

(IMATU and SAMWU will together be referred to as the "Trade Unions")

INDEX

1. SCOPE OF APPLICATION

The terms of this agreement shall be observed in the Local Government Undertaking in the Republic of South Africa by all employers and by all employees who fall within the registered scope of the SALGBC.

2. EXCLUSIONS

Municipal Managers and those employees appointed as managers directly accountable to Municipal Managers in terms of Section 54A, Section 56 and Section 57 of the Municipal Systems Act 32 of 2000, as amended, shall be excluded from all the terms of this collective agreement.

3. PERIOD OF OPERATION

3.1 Notwithstanding the date of signature, this agreement shall come into operation in respect of the Parties to the agreement on **1 July 2024** and shall remain in force until **30 June 2029.**

3.2 This agreement may, by agreement of the parties, be submitted to the Minister of Employment and Labour for extension in terms of Section 32 of the Labour Relations Act, in which case, the agreement shall come into operation in respect of non-parties on a date to be determined by the Minister of Employment and Labour and shall remain in force until **30 June 2029.**

4. OBJECTIVES

The objectives of this agreement are, *inter alia,* to:

4.1 Provide for across the board increases and other related matters, within competing constraints of a high inflation, fiscally constrained economy and a limited fiscus.

4.2 Provide for across-the-board, salary adjustments as well as increases in the minimum wage for the financial years 2024/2025, 2025/2026, 2026/2027, 2027/2028 and 2028/2029.

4.3 Provide for annual adjustments to the maximum monthly employer contribution rate to accredited medical schemes for the financial years 2024/2025, 2025/2026, 2026/2027, 2027/2028 and 2028/2029;

4.4 Provide for annual increases to the Home-Owners Allowance for the financial years 2024/2025, 2025/2026, 2026/2027, 2027/2028 and 2028/2029 as well as a once off, non-pensionable payment to GAP Market employees;

4.5 Provide for the conduct of an investigation, the purpose of which is to improve access to home ownership for Local Government employees;

4.6 Specify that the provision of Serviced Stands is left to the Municipal discretion;

4.7 Specify that the review of Maternity, Paternity and Adoption leave benefits shall be dealt with as part of the negotiations on the Main Collective Agreement;

4.8 Outline a productivity statement to emphasise that wage increases provided for in this agreement strive to encourage and promote optimal municipal performance and higher levels of productivity;

4.9 Provide for an exemption procedure, inclusive of a mediation process; and

4.10 Provide for matters connected therewith.

5. DEFINITIONS

All expressions used in this agreement, which are defined in the Labour Relations Act, 1995 (hereinafter referred to as "the Act"), shall bear the same meaning as in the Act, unless the contrary intention appears, words importing the masculine gender shall include the feminine.

6. SALARY AND RELATED INCREASES

Financial Year 2024/2025

6.1 In respect of this financial year, all employees covered by this agreement shall receive an increase of **four and a half percent (4.5%)** with effect from 1 July 2024.

6.2 With effect from 1 March 2025, all employees covered by this agreement shall receive a further increase of **one and a half percent (1.5%)**, based on the salaries of the employees as at 28 February 2025.

Financial Year 2025/2026

6.3 In respect of this financial year, all employees covered by this agreement shall receive, with effect from 1 July 2025, an increase based on the average CPI percentage for the period 1 February 2024 until 31 January 2025, plus zero comma seventy five percent **(0.75%).**

6.4 The publications of Statistics South Africa shall be used to determine the average CPI in terms of clause 6.3. above.

6.5 In the event that the average CPI percentage for the period 1 February 2024 until 31 January 2025 is less than four percent (4%), it will be deemed to be four percent (4%), and in the event that the average CPI percentage for this period is higher than seven percent (7%), it will be deemed to be seven percent (7%).

Financial Year 2026/2027

6.6 In respect of this financial year, all employees covered by this agreement shall receive, with effect from 1 July 2026, an increase based on the average CPI percentage for the period 1 February 2025 until 31 January 2026, plus zero comma seventy five percent **(0.75%).**

6.7 The publications of Statistics South Africa shall be used to determine the average CPI in terms of clause 6.6 above.

6.8 In the event that the average CPI percentage for the period 1 February 2025 until 31 January 2026 is less than four percent (4%), it will be deemed to be four percent (4%), and in the event that the average CPI percentage for this period is higher than seven percent (7%), it will be deemed to be seven percent (7%).

Financial Year 2027/2028

6.9 In respect of this financial year, all employees covered by this agreement shall receive, with effect from 1 July 2027, an increase based on the average CPI percentage for the period 1 February 2026 until 31 January 2027, plus one comma twenty five percent (**1.25%**).

6.10 The publications of Statistics South Africa shall be used to determine the average CPI in terms of clause 6.9 above.

6.11 In the event that the average CPI percentage for the period 1 February 2026 until 31 January 2027 is less than four percent (4%), it will be deemed to be four percent (4%), and in the event that the average CPI percentage for this period is higher than seven percent (7%), it will be deemed to be seven percent (7%).

Financial Year 2028/2029

6.12 In respect of this financial year, all employees covered by this agreement shall receive, with effect from 1 July 2028, an increase based on the average CPI percentage for the period 1 February 2027 until 31 January 2028, plus one comma twenty five percent (**1.25%**).

6.13 The publications of Statistics South Africa shall be used to determine the average CPI in terms of clause 6.12 above.

6.14 In the event that the average CPI percentage for the period 1 February 2027 until 31 January 2028 is less than four percent (4%), it will be deemed to be four

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percent (4%), and in the event that the average CPI percentage for this period is higher than seven percent (7%), it will be deemed to be seven percent (7%).

7. MINIMUM WAGE

7.1 With effect from 1 July 2024, the minimum wage payable in the sector shall increase by **4.5%** to **R 9 960.45** per month.

7.2 With effect from 1 March 2025, the minimum wage payable in the sector shall increase by a further **1.5%** to **R 10 109.85** per month.

7.3 With effect from 1 July 2025, the minimum wage payable in the sector shall increase by the same percentage as the salary and wage increase for the 2025/2026 financial year.

7.4 With effect from 1 July 2026, the minimum wage payable in the sector shall increase by the same percentage as the salary and wage increase for the 2026/2027 financial year.

7.5 With effect from 1 July 2027, the minimum wage payable in the sector shall increase by the same percentage as the salary and wage increase for the 2027/2028 financial year.

7.6 With effect from 1 July 2028, the minimum wage payable in the sector shall increase by the same percentage as the salary and wage increase for the 2028/2029 financial year.

8. HOME-OWNERS ALLOWANCE AND RELATED MATTERS

8.1 <u>Increase to the Home-Owners Allowance</u>

8.1.1 The flat rate Home-Owners Allowance, which is currently set at **R1 066.41**, shall increase as follows:

8.1.1.1 For the 2024/2025 financial year, with effect from 1 July 2024, by **4.5%,** to **R 1 114.40**. The home-owners allowance **shall not** increase by 1.5% on 1 March 2025 and shall remain at R 1 114.40 until 30 June 2025.

8.1.1.2 For the 2025/2026 financial year, with effect from 1 July 2025, by the same percentage as the salary and wage increase for the 2025/2026 financial year.

8.1.1.3 For the 2026/2027 financial year, with effect from 1 July 2026, by the same percentage as the salary and wage increase for the 2026/2027 financial year.

8.1.1.4 For the 2027/2028 financial year, with effect from 1 July 2027, by the same percentage as the salary and wage increase for the 2027/2028 financial year.

8.1.1.5 For the 2028/2029 financial year, with effect from 1 July 2028, by the same percentage as the salary and wage increase for the 2028/2029 financial year.

8.2 GAP Market Allowance

8.2.1 Gap Market employees are defined as employees whose income is regarded as too low to access bank funded housing finance (mortgage finance), but too high to qualify for the national government's free-basic housing subsidy scheme.

8.2.2 Gap Market employees who earn a basic salary of R22 000.00 per month or less, as at 01 July 2024, and who do not own a house or receive any form of housing assistance or do not participate in the current or any Home-Owners Allowance shall be paid a once-off, non-pensionable payment of **R2 000.00**.

8.2.3 The once off, non-pensionable payment shall be made on 31 December 2024, and where not possible, by no later than 31 March 2025.

8.3 Housing Investigation

8.3.1 The parties shall conduct an investigation, the purpose of which shall be to improve access to home ownership for employees within the Local Government sector.

8.3.2 The housing investigation must be concluded by no later than 31 March 2025, unless the Parties agree otherwise in writing.

9. MEDICAL AID

9.1 For the duration of this agreement, and based on the 60/40 principle set out in the Main Collective Agreement, the maximum medical aid employer contribution rate to accredited medical schemes, which is currently set at **R5 277.38**, shall increase as follows:

9.1.1 For the 2024/2025 financial year, with effect from 1 July 2024, by **4.5%**, to **R 5 514.86**. The maximum medical aid employer contribution **shall not** increase by 1.5% on 1 March 2025 and shall remain at R 5 514.86 until 30 June 2025.

9.1.2 For the 2025/2026 financial year, with effect from 1 July 2025, by the same percentage as the salary and wage increase for the 2025/2026 financial year.

9.1.3 For the 2026/2027 financial year, with effect from 1 July 2026, by the same percentage as the salary and wage increase for the 2026/2027 financial year.

9.1.4 For the 2027/2028 financial year, with effect from 1 July 2027, by the same percentage as the salary and wage increase for the 2027/2028 financial year.

9.1.5 For the 2028/2029 financial year, with effect from 1 July 2028, by the same percentage as the salary and wage increase for the 2028/2029 financial year.

10. LINKED BENEFITS AND CONDITIONS OF SERVICE

Any benefit or condition of service that ordinarily increases by virtue of its link to the increase in the salary of an employee, shall increase by the same rate as the salary increase in each financial year, as set out in clause 6 above.

11. MATERNITY, PATERNITY AND ADOPTION LEAVE BENEFITS

The review of maternity, paternity and adoption leave benefits shall be dealt with as part of the negotiations on the Main Collective Agreement.

12. SERVICED STANDS

The provision of Serviced Stands is left to the Municipal discretion.

13. PRODUCTIVITY STATEMENT

13.1 The Parties recognise that wage increase adjustments strive to reinforce, encourage and promote optimal municipal performance to ensure a higher level of productivity. Therefore, this salary and wage adjustment collective agreement must be seen to attract and retain scarce and critical skills to help municipalities maintain financial sustainability and viability.

13.2 This wage collective agreement is to address socio-economic needs of workers, their families and communities to benefit from the employers' revenue and productivity. Parties commit and recognise that municipalities exist to serve the public. Therefore, service delivery is the focal point of this collective agreement.

13.3 The Parties commit to engage on a method to optimise productivity of the employees in all municipalities, though the implementation of the current Service Charter and Professionalisation Framework for the local government sector.

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14. EXEMPTIONS

14.1 Exemption Applications

14.1.1 Any Party or municipality bound by this collective agreement shall be entitled to apply for exemption from any provision of this collective agreement.

14.1.2 All applications for exemption by a municipality must be lodged with the SALGBC's National Office by no later than:

14.1.2.1 45-working days of this collective agreement being signed, in respect of the 2024/2025 financial year; and

14.1.2.2 30-days from the date of approval of the budget of the municipality by the municipal council, or 30 June, whichever is the soonest, in respect of the 2025/2026, 2026/2027, 2027/2028 and 2028/2029 financial years.

14.1.3 All applications for exemption shall be made in writing on the prescribed application form, obtained from the SALGBC, setting out relevant information, including, but not limited to:

14.1.3.1 The provisions of the agreement in respect of which exemption is sought;

14.1.3.2 The number of employees in respect of whom the exemption is sought;

14.1.3.3 The reasons why the exemption is sought;

14.1.3.4 The nature and size of the municipality in respect of which the exemption is sought;

14.1.3.5 The duration and timeframe for which the exemption sought;

14.1.3.6 The financial recovery plan of the applicant seeking the exemption;

14.1.3.7 The applicant's past record (if applicable) of compliance with the provisions of the Collective Agreement, its amendments and Exemptions Outcome;

14.1.3.8 Confirmation that the trade unions or employees themselves were advised of the exemption application at local level;

14.1.3.9 The following relevant financial information:

14.1.3.9.1 The last two years' audited financial statements;

14.1.3.9.2 The Section 71 and Section 72 Municipal Finance Management Act (MFMA) reports for the current and preceding two financial years; and

14.1.3.9.3 The latest financial ratios as prescribed by National Treasury in the template for Calculating Uniform Financial Ratios and Norms (MFMA Circular 71 of January 2014).

14.1.4 An application for exemption from any provision of the collective agreement shall be lodged, in writing on the prescribed form, with the General Secretary of the SALGBC and the applicant shall serve a copy of the application as follows:

14.1.4.1 In the case of a Trade Union applying for exemption from this collective agreement, serve a copy of the exemption application to the national office of SALGA and the relevant municipality affected by the application; and

14.1.4.2 In the case of SALGA and/or a Municipality applying for exemption from this collective agreement, serve a copy of the exemption application to the national office of IMATU and SAMWU.

14.1.5 The Parties referred to in clause 14.1.4, as the case may be, shall be afforded ten (10) days to submit a response to the application for exemption to the General Secretary of the SALGBC. The party shall also be obliged to submit the response to the applicant for exemption.

14.1.6 The application for exemption shall be considered by the Panellist.

14.1.7 All applications considered by the Panellist shall only be based on the written exemption application and written submissions and arguments in respect of the application, if any, by the applicant and any party or a Municipality opposing the application, unless determined otherwise by a Panellist.

14.1.8 The Panellist shall consider and determine exemption applications in a manner that is fair and transparent. The applications shall be determined as expeditiously as possible and may, in exceptional cases and subject to the decision of the Panellist, include the hearing of evidence, where the matter cannot be decided solely on the documentation.

14.1.9 The Exemptions Process shall be a financial inquiry based on the Exemptions Criteria set out in clause 14.4 below.

14.1.10 Notwithstanding clauses 14.1.9 and 14.1.3.9 any Party to this Agreement shall be free to submit any relevant evidence / documents for consideration by the Panellist. However, the Panellist shall determine the relevance and weight to be attached to such evidence, noting the specific criteria and factors to be considered by the Panellist.

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14.1.11 In the event of applications being made that are frivolous and vexatious, such applications may be dismissed with costs.

14.1.12 Where a municipality submits an application for exemption, the municipality's obligation to implement the salary increase is suspended pending the outcome of the exemption application.

14.1.13 The Panellist must consider and make a decision and issue an Exemption Outcome within 30 days of appointment of the Panellist.

14.1.14 The onus to prove the case for the granting of an exemption lies with the applicant.

14.1.15 Parties undertake to make every reasonable effort to assist their members to discharge such onus in a full and proper manner.

14.2 National Exemption Panel:

14.2.1 The Executive Committee of the SALGBC shall establish a dedicated panel of exemption panellists and mediators that are preferably accredited by the CCMA to conduct mutual interest disputes from the National and Divisional Panel of conciliators and arbitrators of the SALGBC to constitute the National Exemptions Panel.

14.2.2 The Executive Committee of the SALGBC shall also establish a dedicated panel of independent financial experts made up of persons, in good standing, from a body to be determined by the Executive Committee. The financial expert should be in possession of a qualification in finance and, preferably a background and experience in local government finances.

14.2.3 The role of the financial expert shall be to:

14.2.3.1 Conduct an assessment of the exemption application, within the parameters stipulated by this agreement, including the relevant information set out in 14.1.3.9 hereof;

14.2.3.2 Assess whether the municipality can afford the costs of the whole or part of the agreement;

14.2.3.3 Provide financial advice to the Panellist; and

14.2.3.4 Develop and submit a written report with recommendations for consideration by the Panellist.

14.2.4 For each exemption application, the General Secretary of the SALGBC shall appoint a Panellist from the dedicated exemptions panel of arbitrators together with one financial expert from the appointed panel of financial experts.

14.3 <u>Exemption Procedure</u>

14.3.1 The SALGBC must, in the first instance, appoint a mediator to the exemption application.

14.3.2 The mediator must attempt to resolve the application through mediation, within 30-days of receipt of the exemption application by the SALGBC. However, the parties may agree, in writing, to extend the 30-day period.

14.3.3 The discussions and exchange of proposals during the mediation session shall be confidential and on a without prejudice basis.

14.3.4 In the event that mediation is successful, the agreement must be recorded and issued as an exemption outcome of the Panellist, by consent of the parties.

14.3.5 In the event that mediation has failed, or at the end of the 30-day period or any further period agreed to between the parties, the mediator shall issue a written mediation outcome to the Parties, through the office of the General Secretary of the SALGBC.

14.3.6 Any party shall be entitled to supplement its exemption application or response thereto as the case may be, within 10 days of receipt of the mediation outcome.

14.3.7 Once the mediation outcome has been issued, and the 10-day period referred in clause 14.3.6 above has expired, the SALGBC must set the application down for a hearing before a Panellist assisted by a financial expert.

14.3.8 The Panellist shall hear and determine the application. The financial expert shall assist and provide advice and recommendations to the Panellist.

14.3.9 The Panellist shall consider any written and or verbal substantiation provided by the applicant or a Party to the SALGBC.

14.3.10 The Panellist shall undertake its duties in a fair and transparent manner and shall have the powers and functions to:

14.3.10.1 Grant a full or partial exemption or reject an application for exemption; and

14.3.10.2 Approve interim orders in circumstances where this will not affect the final outcome.

14.3.11 For the purposes of this section:

14.3.11.1 Full exemption is defined as an exemption in terms of which a municipality is fully exempted from implementing the provisions of this collective agreement which relate to the salary increase, and / or related conditions, for the full duration of the financial year in respect of which exemption has been sought.

14.3.11.2 Partial exemption is defined as an exemption in terms of which a municipality is exempted from implementing the provisions of this collective agreement in full, either by a later implementation date, or reduced salary increase or reduced conditions as per the collective agreement.

14.3.12 The Panellist shall have the power to grant a full or partial exemption or reject an application for exemption or issue an exemption outcome by consent of the parties as referred to in clause 14.3.4 above.

14.3.13 The Panellist shall have the power to condone any failure to comply with the time periods provided for in terms of this procedure based on good cause shown.

14.3.14 The decisions of the Panellist shall be final and binding, subject to an aggrieved party's right to institute review proceedings in any court having jurisdiction to hear the matter. The Panellist shall provide brief written reasons for its decision, together with a copy of the financial expert's report.

14.3.15 The Panellist shall notify the parties of its decision and that the aggrieved party has the right to institute review proceedings in any court having jurisdiction to hear the matter.

14.3.16 An Exemption Outcome shall be signed by the Panellist, and contain the following information:

14.3.16.1 The full name of the applicant employer;

14.3.16.2 The date of issue;

14.3.16.3 The details of the agreement for which exemption is granted;

14.3.16.4 The period for which exemption shall operate;

14.3.16.5 The terms and conditions, or remedial requirements of the exemption;

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14.3.16.6 The reasons for the decision;

14.3.16.7 A copy of the financial expert's report; and

14.3.16.8 Any other matter the Panellist deems relevant.

14.4 Criteria to be considered by the Panellist:

14.4.1 When considering an application for exemption, including an application for the withdrawal of an Outcome of Exemption by the SALGBC, the following criteria shall be taken into account (the order not indicating any form of priority):

14.4.1.1 The employer is unable to afford the costs of the whole or part of this agreement;

14.4.1.2 The level of compliance with Section 138 and 140 of the Municipal Finance Management Act 56 of 2003, as amended;

14.4.1.3 Fairness to the employer and its employees with reference to the criteria set out in this agreement as well as the impact of the exemption on the employer and its employees;

14.4.1.4 The employer has short-term cash flow problems necessitating a partial exemption;

14.4.1.5 Unexpected economic hardship occurring during the currency of this agreement and job creation and/or loss thereof;

14.4.1.6 Whether a budgetary provision, approved by the Municipal Council, was made for implementation of the obligations arising out of the collective agreement, having regard, where applicable, to unfunded budgets and unforeseen budget constraints;

14.4.1.7 The outcome of the exemption application should not have the effect of undermining this agreement or the collective bargaining process; and

14.4.1.8 Any other factor(s) which is considered appropriate.

14.5 For the purposes of this section only, "Day" shall mean calendar day, unless otherwise specified.

15. ENFORCEMENT OF THIS COLLECTIVE AGREEMENT

15.1 Despite any other provision in the Act, the SALGBC shall monitor and enforce compliance of this collective agreement in terms of Section 33A of the Act.

15.2 The General Secretary or his appointed designated agent may, in keeping with the SALGBC constitution and Section 33(3) of the Act, issue a compliance order in terms of which any person bound by this collective agreement is required to comply with the terms of this agreement, stipulating the alleged breach and requiring that such breach be rectified within ten (10) days of receipt of such compliance order.

15.3 The SALGBC may refer any unresolved dispute concerning compliance with any provision of this collective agreement to arbitration by an arbitrator appointed by the SALGBC.

15.4 If a party to an arbitration in terms of Section 33A of the Act is not a party to the SALGBC, and objects to the appointment of an arbitrator, the CCMA (herein referred to as "the Commission"), on request by the Council, must appoint an arbitrator.

15.5 If an arbitrator is appointed by the Commission in terms of clause 15.4:

15.5.1 The council remains liable for the payment of the arbitrator's fee; and

15.5.2 The arbitration is not conducted under the auspices of the Commission.

15.6 An arbitrator conducting an arbitration in terms of Section 33A of the Act has the powers of a commissioner in terms of Section 142 of the Act, read with the changes required by the context.

15.7 Section 138 of the Act, read with the changes required by the context, applies to any arbitration conducted in terms of Section 33A of the Act and clause 15.6.

15.8 An arbitrator acting in terms of Section 33A of the Act and clause 15.6 may determine any dispute concerning the interpretation or application of a collective agreement.

15.9 An arbitrator conducting an arbitration in terms of Section 33A of the Act and clause 15.6 may make an appropriate award, including:

15.9.1 Ordering any party to pay any amount owing in terms of a collective agreement;

15.9.2 Imposing a fine for a failure to comply with a collective agreement;

15.9.3 Charging a party an arbitration fee;

15.9.4 Ordering a party to pay the costs of the arbitration;

15.9.5 Confirming, varying or setting aside a compliance order issued by the General Secretary or his appointed designated agent; and

15.9.6 Any award contemplated in Section 139 (9) of the Act.

15.10 Interest on any amount that a party is obliged to pay in terms of this collective agreement accrues from the date on which the amount was due and payable at the rate prescribed in terms of Section 1 of the Prescribed Rate of Interest, Act 55 of 1975, unless the arbitration award provides otherwise.

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15.11 An arbitration award in an arbitration conducted in terms of Section 33A of the Act and clause 15.6 is final and binding and may be enforced in terms of Section 143 of the Act.

15.12 If an employer upon whom a fine has been imposed in terms of this Section files an application to review and set aside an award made in terms of this clause 15.6, any obligation to pay a fine is suspended pending the outcome of the application.

16. DISPUTES ABOUT THE APPLICATION OR INTERPRETATION OF THIS COLLECTIVE AGREEMENT

16.1 Any Party may refer a dispute about the application or interpretation of this agreement to the General Secretary of the SALGBC.

16.2 The General Secretary must appoint a conciliator from the national panel of conciliators, (doing so as far as possible on a rotational basis) to attempt to resolve the dispute.

16.3 If the dispute remains unresolved any of the parties to the dispute may request the General Secretary to appoint an arbitrator from the national panel of arbitrators, (doing so as far as possible on a rotational basis) to arbitrate the dispute.

17. ENTIRE AGREEMENT, SEVERABILITY, WAIVER AND VARIATION

17.1 This agreement incorporates the entire agreement between the Parties.

17.2 Any failure by any Party to enforce any provision of this agreement shall not constitute a waiver of such provision or affect, in any way, a Party's right to require performance of such provision at any time in the future, nor shall the waiver of any subsequent breach nullify the effectiveness of the provision itself.

17.3 If any provision of this agreement is held to be illegal, invalid or unenforceable, such illegality, invalidity and/or unenforceability shall not affect the other provisions of this agreement which shall continue to remain in force and effect.

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THIS AGREEMENT WAS CONSIDERED, ADOPTED AND APPROVED BY THE BARGAINING COMMITTEE OF THE CENTRAL COUNCIL IN TERMS OF CLAUSE 17.3 OF THE CONSTITUTION.

SIGNED BY THE PARTIES AT KEMPTON PARK ON THIS THE 6TH DAY OF SEPTEMBER 2024.

MEMBER OF THE SALGBC
(REPRESENTING SALGA – MR S MBANGA)

MEMBER OF THE SALGBC
(REPRESENTING IMATU – MR K SWANEPOEL)

MEMBER OF THE SALGBC
(REPRESENTING SAMWU – MR N MOKGOTHO)

T/O 1V

GENERAL SECRETARY OF THE SALGBC
MR SS GOVENDER

7. CONSIDERATION OF MOTIONS

None

8. CONSIDERATION OF QUESTIONS

None

9. CONSIDERATION OF MOTIONS OF EXIGENCY

None

10. IN COMMITTEE ITEMS

None

11. ADJOURNMENT

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