



**prasa**

PASSENGER RAIL AGENCY  
OF SOUTH AFRICA

## **2011 – 2012 WAGE AGREEMENT**

**Made and entered into by and between:**

**Passenger Rail Agency of South Africa  
(Herein referred to as the “PRASA”)**

**SATAWU**

**South African Transport Allied Workers Union  
(Herein referred to as the “Trade Union”)**

**And**

**UTATU**

**United Transport and Allied Trade Union  
(Herein referred to as the “Trade Union”)**

**(Herein collectively referred to as “Labour”)**

**The parties hereby agree as follows:**

**1. MINIMUM WAGE**

Management and Labour agree to the adjustment of salaries of all employees within the Bargaining unit, to the minimum of R4 500 pm (R54 000 pa). This will only apply to employees within PRASA Corporate, PRASA Rail (Shosholoza Meyl and Metrorail) and PRASA Cres.

The above group of employees will not qualify for any further adjustments as per clause 2 below. (Applicability is only employees currently earning less than R 50 000 pa – this ensures that all employees shall receive a minimum of 8% increase as per clause 2).

**2. ANNUAL SALARY INCREASE**

PRASA shall effect to its junior employees employed in its Corporate Office, PRASA Rail, and PRASA Cres an increment on pensionable salary of 8% across the board (ATB) backdated to 1 April 2011. All BCEA related issues will be dealt or addressed through the BCEA negotiations.

Management has decided once again, to grant a full increase to junior grades that are above the 50<sup>th</sup> percentile and to those that are on Personal-to-Holder (PTH) basis. This concession is extended to the 2011/2012 wage agreement as a once-off compromise which should not be construed to be cancelling or removing the conditions of the Salary Parity Agreement.

**3. HOA AND MEDICAL AID COMPANY CONTRIBUTIONS**

3.1 The HOA company contribution will be calculated in accordance with the current formulas and minimum and maximum thresholds will be applicable (e.g. those currently receiving the maximum subsidy will remain unaffected).



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3.2 The Medical Aid company contribution will be calculated in accordance with the current formulas applicable to minimum and maximum thresholds.

3.3 These allowances will be discussed when the remuneration philosophy is adopted and the total guaranteed package (TGP) is implemented. (For avoidance of any doubt, this refers to Medical Aid and HOA). The parties commit themselves to finalise the implementation of TGP and medical aid equalization by 1 November 2011.

#### **4. APPLICABILITY AND CONDITIONS**

4.1 This agreement will only be applicable to eligible active employees (excluding risk pool employees) as at the time of signature of this agreement.

4.2 The agreement is only applicable to all permanent employees of PRASA within the Bargaining Unit including its Divisions (as covered in clauses 1 and 2 above).

4.3 The agreement will be extended to all non-unionised employees who fall within the Bargaining Unit.

4.4 All Junior Employees in those grades whose salary packages are determined on a Total-Cost-To-Company are included in this agreement.

#### **5. GENERAL**

5.1 The salary increase will be backdated effective from 1 April 2011.



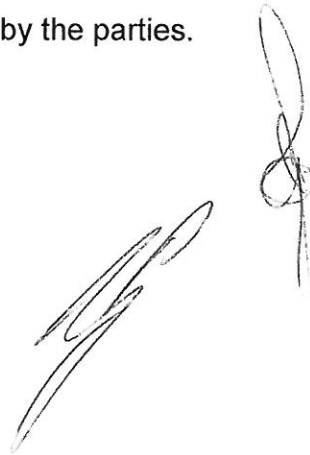
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5.2 This agreement constitutes the entire agreement between the parties regarding the annual wage negotiations for the financial year ending 31 March 2012.

5.3 This agreement replaces any previous wage agreement(s) entered into by the parties.

Any dispute relating to the validity, interpretation and application of this wage agreement or on any matter relating to this agreement shall be determined or resolved through dispute resolution process as determined by the Labour Relations Act of 1995 or any other labour dispute resolution settlement services appointed and agreed to by the parties.

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This agreement was concluded and signed by the parties in Braamfontein, JOHANNESBURG, on this 16<sup>th</sup> day of May 2011 in the presence of the undersigned witnesses.

**DULY AUTHORISED SIGNATORIES**

**Management Representative**



Senior Manager: Employee Relations



Witness

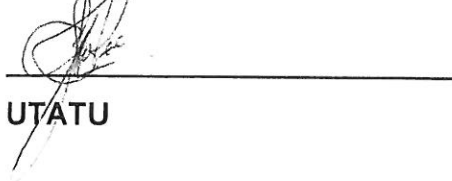
**Trade Union Representatives**



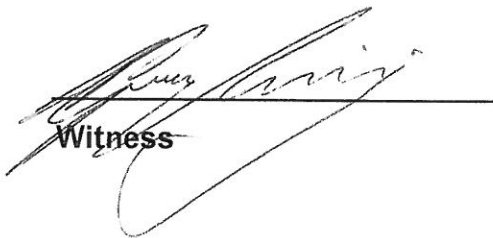
SATAWU



Witness



UTATU



Witness