

MEDIATOR'S WORKING DOCUMENT

26 APRIL 2013

1. Implementation Date and Duration of the Agreement

The agreement will be implemented on 1 April 2013 and expire on 31 March 2015.

2. Across the Board (ATB)

An across the board increase to basic pay as follows:

2.1 Year 1 (2013/2014) – 8.5%

2.2 Year 2 (2014/2015) – 8.5%

2.3 Re-opener to be agreed.

3. No Retrenchments

Transnet will not retrench during the currency of the two year agreement.

4. Standby allowance

The standby allowance will increase each year by the across the board increase.

5. Night Shift Allowance

The night shift allowance will increase each year by the across the board increase.

6. Subsistence Allowance

The subsistence allowance will increase to R70.

7. Non Pensionable Allowance

The status quo will continue.

8. Housing Allowance

The current housing allowance of R720 per month will increase as follows:

8.1 Year 1 (2013/2014) by 13.9% to R820 per month

8.2 Year 2 (2014/2015) by 12.2% to R920 per month

9. Medical Subsidy

The medical subsidy will increase from R650 per month as follows:

9.1 Year 1 (2013/2014) by 9.2% to R710 per month

9.2 Year 2 (2014/2015) by 15.4% to R820 per month

10. Service Bonus

10.1 The status quo in respect of the service bonus calculation will continue to apply to permanent employees as per the 2012/13 wage agreement.

10.2 The service bonus and the December salary will be paid separately to permanent employees. The service bonus will be paid on or about the 15th of December each year and the December salary will be paid on or about the 27th of December each year.

11. Leave

The status quo will continue to apply in respect of all leave provisions.

12. BCEA and Overtime

Transnet will comply with the Ministerial Determination on the overtime threshold.

13. Minimum Wage

The current minimum basic salary in Transnet is R58 807 per annum. The minimum basic salary will increase as follows:

13.1 Year 1 (2013/2014) by 12.3% to R66 041

13.2 Year 2 (2014/2015) by 12.4% to R74 238

14. Fixed Term Contract Employees

14.1 Transnet Freight Rail will appoint at least 700 fixed term employees employed on maintenance work as full time Transnet employees. The task team referred to in clause 14.2 below will determine the criteria for the selection of the employees and those appointed in terms of the agreed criteria will have their new terms and conditions of employment implemented with effect from 1 October 2013.

14.2 The parties will establish a task team as a subcommittee of the Transnet Bargaining Council to consider in particular:

14.2.1 increases to the minimum hourly rates of pay of fixed term contract employees;

14.2.2 other payments to fixed term contract employees;

14.2.3 the employment, on a permanent basis, of those fixed term contract employees providing ongoing, regular work in Transnet as a whole;

14.2.4 any other matter concerning fixed term contract employees.

- 14.3 The task team will consist of four representatives per union and representatives of management.
- 14.4 The task team may, by agreement, co-opt persons to join the task team for agreed sessions.
- 14.5 The task team will seek to make recommendations to the main chamber of the Bargaining Council by 31 October 2013.