

31 July 2018



TO ALL SASA MEMBERS

STATUS UPDATE: 2018 WAGE AGREEMENT CONCLUDED

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We are pleased to announce that the long and extremely difficult wage negotiation process, which began with the exchange of demands on 31 August 2017, was concluded on Friday, 27 July 2018, with a collective agreement signed by the employer organisations and the majority of the representative trade unions, a copy thereof attached for your information.

The agreement was concluded at the National Bargaining Forum in accordance with the stipulations of the Negotiating Framework Agreement for the National Bargaining Forum for the Private Security Sector.

We must, for the record, confirm that, even if a trade union has - for whatever reason – not signed the collective agreement, it is binding on all parties to the National Bargaining Forum but the agreement and its provisions shall only become effective upon promulgation of a Sectoral Determination by the Minister of Labour.

Agreements reached at the National Bargaining Forum have traditionally been adopted by the Minister of Labour as the basis of future Sectoral Determinations and we have no reason to believe it will not be adopted in this instance. The Minister of Labour does however have discretion whether to accept the amendments and to publish it.

This agreement will now be submitted to the Minister of Labour, via formal channels, and we await the decision of the Minister. We are hopeful that the amendments to Sectoral Determination will be published before 1 September 2018.

The collective agreement provides for the following:

- An increase of 6.7% on current minimum salary levels in all areas.
- The abolition of the Area 3 Premium.
- A commitment by the parties to investigate the viability of a hospital plan for all security officers.

The agreement reached and proposed amendments to the Sectoral Determination shall endure for a period of 12 months as opposed to previous agreements which endured for a period of 3 years.

The reason for a 1 year agreement is that the Department of Labour informed the industry in June 2018 that its application for the establishment of a Bargaining Council has been approved. The name of the Council is the National Bargaining Council for the Private Security Sector (NBCPSS). The Council is not yet formally established but a business plan for the council has been finalised. It is envisaged that future negotiations on terms and conditions of employment in the Private Security Sector will in future take place under the auspices of the Bargaining Council.

It must be kept in mind that the National Minimum Wage of R20.00 per hour, when promulgated by the President, will apply, but subsequent to 6.7% increase, will only affect Area 3 salary levels. There is still no certainty as to when the National Minimum Wage will become effective.

We want to thank the employer negotiation team for their dedication during this difficult exercise.

*Registered as an employers' organisation in terms of the Labour Relations Act,
Registration number LR 2/6/3/831*



Please do not hesitate to contact our office for any additional information you may require.

Very best Regards

SECURITY ASSOCIATION OF SOUTH AFRICA

A handwritten signature in black ink, appearing to read 'Tony Botes', written in a cursive style.

TONY BOTES
NATIONAL ADMINISTRATOR