



**IN THE NATIONAL BARGAINING COUNCIL FOR THE ROAD FREIGHT AND
LOGISTICS INDUSTRY**

MEMORANDUM OF AGREEMENT

ENTERED INTO BETWEEN:

SOUTH AFRICAN TRANSPORT AND ALLIED WORKERS UNION

AND

MOTOR TRANSPORT WORKERS UNION

AND

**TRANSPORT AND ALLIED WORKERS UNION OF SOUTH AFRICA acting jointly with
PROFESSIONAL TRANSPORT AND ALLIED WORKERS UNION OF SOUTH AFRICA**

AND

ROAD FREIGHT ASSOCIATION

AND

NATIONAL EMPLOYERS ASSOCIATION OF SOUTH AFRICA

The above parties being the parties of the National Bargaining Council for the Road Freight and Logistics Industry agree to the following process and amendments/inclusions to the Council's collective agreements, arising from the wage negotiations conducted in terms of the Constitution, for implementation in 2019, 2020 and 2021. The parties record their agreement as follows:

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1. The following items have been agreed upon to be placed in process, the terms of reference of which is attached hereto in Annexure A.

- 1.1 PAYE provisions / requirement
- 1.2 System admin requiring full contributions regardless of contractual provisions
- 1.3 Leave pay out-requirement i.t.o system
- 1.4 SMME Exemptions
- 1.5 Owner driver scheme
- 1.6 Rigging
- 1.7 Skills Development Program
- 1.8 Review of Warehousing Definition
- 1.9 Essential Services within courier sector
- 1.10 EBU Sick Leave
- 1.11 252 Shifts: Recognition of employees working on Sundays and Public Holidays
- 1.12 CIT Tribus process

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2. GENERAL PROVISIONS

2.1 PERIOD OF OPERATION

The period of operation of the agreement is three years across all chambers.

2.2 APPLICATION OF THE EE ACT

Parties agree to promote compliance with the Employment Equity Act 55 of 1998 amongst their respective members.

2.3 OVERTIME

Amendment to clause 13 of the Main Collective Agreement: Add the following sentence at the end of 13(1):

Subject to the provisions of this agreement, all hours worked in excess of ordinary hours per day worked during a week, will be regarded as overtime, whether the employee has completed the weekly 45 ordinary hours or not.

2.4 CROSS-BORDER ALLOWANCE

2019 = increase by 50% from current allowance of R149.00 to R223.50

- Inconvenience = R78.33
- Meal = R48.39 x 3 = R145.17

2020 = increase by 50% to R335.26

- Inconvenience = R117.50
- Meal = R72.59 x 3 = R217.76

2021 = increase as per ATB at 7.5% to R360.40

- Inconvenience = R126.31
- Meal = R78.03 x 3 = R234.09

2.5 SUBSISTENCE ALLOWANCE

2019 = increase by 20% from R130.00 to R156.00

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- Inconvenience = R43.43
- Meal = R37.52 x 3 = R112.57

2020 = increase as per ATB at 7.5% to R167.70

- Inconvenience = R46.69
- Meal = R40.34 x 3 = R121.01

2021 = increase as per ATB at 7.5% to R180.28

- Inconvenience = R50.19
- Meal = R43.36 x 3 = R130.09

2.6 NIGHT SHIFT ALLOWANCE

2019 = Increase current base amount of R10.00 by 20% to R12.00 and subsequent hours to increase with ATB at 8% from R2.01 to R2.17

2020 = Increase base amount and subsequent hours with ATB at 7.5%

- Base amount to R12.90
- Hourly rate to R2.33

2021 = Increase base amount and subsequent hours with ATB at 7.5%

- Base amount to 13.86
- Hourly rate to R2.50

2.7 HAZCHEM ALLOWANCE

Increase the 1.5% calculation of the Min for the grade to 2% of the MIN of the grade

2.8 DUAL DRIVER ALLOWANCE

2.8.1 Amend clause 67A (4) of the Main Collective Agreement as follows:

A Dual Driver Subsistence Allowance, as well as a payment equal to 2 hours calculated at overtime rate, will be payable, in terms of item 7, schedule 5, to

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each driver for the shift worked in accordance with the dual driver system. This allowance will be paid instead of the standard subsistence allowance. A driver who does not qualify for the standard subsistence allowance, as per clause 36 of the Main Agreement, will receive the difference between the dual driver subsistence allowance and the standard subsistence allowance as specified in clause 36 of the Main Agreement, *as well as a payment equal to 2 hours calculated at overtime rate.*

2.8.2 Item 5.2 of this agreement is applicable in clause 2.8.1 above.

2.9 SUBSISTENCE ALLOWANCE: RECOVERING OF ALLOWANCE

It is proposed that clause 36(3) of the Main Collective Agreement be amended to include sub clause (e) as stated hereunder:

2.9.1 A subsistence allowance -

- 2.9.1.1 must be paid to employees who, in the performance of their duties, are absent from their place of residence and their employer's establishment for any period extending over the compulsory rest interval of nine consecutive hours prescribed in clause 6 (1);
- 2.9.1.2 is in addition to any other remuneration due to an employee;
- 2.9.1.3 is payable within seven days of completion of the journey to which it relates;
- 2.9.1.4 is payable in advance to an employee who is required to undertake a journey involving an absence of 48 hours or more. In this event, the duration of absence must be estimated and the employee must refund to the employer any overpayment of the allowance on completion of the journey.
- 2.9.1.5 *The employer is entitled to recover, any unused portion of such allowance at the next pay date following the employee's return from the trip to his place of residence or employer's establishment. In addition, should an employee*

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complete more trips than planned, the relevant subsistence allowance shall apply and will be paid to the employee at the next pay date.

- 2.10 An employee who qualifies for and receives a subsistence allowance is not entitled to a night shift allowance.

3. WAGES

3.1 ATB across all chambers:

- (a) 2019 = 8%
- (b) 2020 = 7,5%
- (c) 2021 = 7,5%

The ATB must apply on the current wages before adjustment of the minimums.

3.2 MIN (except where otherwise indicated for specific grades i.e. in courier and CIT)

2019

Grade 1

- R400.00 to be applied to the MIN on date of implementation 2019
- R400.00 to be applied to the MIN 6 months after date of implementation

Grade 2 & 3

- R605.00 to be applied to the MIN on date of implementation 2019
- R100.00 to be applied to the MIN 6 months after date of implementation

Grade 4

- R605.00 to be applied to the MIN on date of implementation 2019

Grade 5

- R1 000.00 to be applied to the MIN on date of implementation 2019

2020 = MIN to increase as per ATB

2021 = MIN to increase as per ATB

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3.3 MIN - COURIER**2019****Grade 1**

- R400.00 to be applied to the MIN on date of implementation 2019
- R400.00 to be applied to the MIN 6 months after date of implementation

Grade 2 - 3

- R605 .00 to be applied to the MIN on date of implementation 2019
- R50.00 to be applied to the MIN 6 months after date of implementation.

Grade 4

- R605.00 to be applied to the MIN on date of implementation 2019

Grade 5

- R1 000.00 to be applied to the MIN on date of implementation 2019

2020 = MIN to increase as per ATB

2021 = MIN to increase as per ATB

3.4 MIN - CIT

Class	Grades	Current MIN p/m	2019	2020	2021
Vehicle Guard	B2	12 169.36	13 250.00	14 170.28	15 162.20
Security Officer i	B4	12 169.36	13 250.00	14 170.28	15 162.20
Security Officer ii	B3	12 169.36	13 250.00	14 170.28	15 162.20
Security Officer iii	B3	10 141.82	11 000.98	11 771.05	12 595.03
Custodian	B4	14 195.64	15 189.33	16 252.59	17 390.27

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3.5 EBU increases across all Chambers:

3.5.1 Current EBU up to Patterson Grade B4 ATB to increase with agreed ATB

3.5.2 Current EBU Patterson Grade C1 to increase at 1% less than ATB

4. CASH-IN-TRANSIT SPECIFIC PROVISIONS

4.1 Safety & security issues

Safety and Security issues are being addressed through the PSIRA process. Parties agree that Labour should be participating in that process.

4.2 Custodian definition

The Main Agreement is clear on the requirement on the differential wage, which dictates that when an employee does work in a higher category of work, such employee should receive a differential wage allowance for the time that he/she performed the work in the higher category.

For purposes of the CIT application, should such duties become the majority of the employee's functions for a period exceeding 1 (one) month, such employee must be promoted to that higher category.

5. ADMINISTRATIVE PROVISIONS

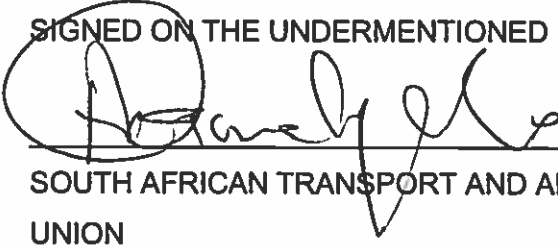
5.1 EXTENSION AND IMPLEMENTATION OF THIS AGREEMENT

The provisions of clause 20.3 of the NBCRFLI constitution shall apply in this regard. Should an employer elect to implement this agreement or parts thereof, (as per clause 20.3.3 of said constitution), prior to extension by the Minister of Labour to non-parties, such employer will be deemed to already be in compliance with the published agreement insofar as the applicable provisions that have already been implemented by such employer. For the purposes of these negotiations, the aforementioned items constitute the amendments required to the Main Collective Agreement.

5.2 Any existing practices and/or benefits in the industry which are more than the agreed minimums in this agreement, must not be reduced.

Handwritten initials and signatures: C.D., LM, DR, MG, DP, S.T.



SIGNED ON THE UNDERMENTIONED DATES:


SOUTH AFRICAN TRANSPORT AND ALLIED WORKERS
UNION


DATE 12 September 2018


MOTOR TRANSPORT WORKERS UNION (S.A.)

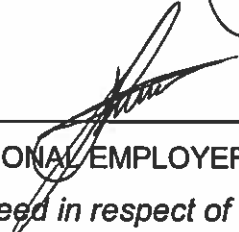
DATE 12.09 2018



TRANSPORT AND ALLIED WORKERS UNION OF SA
Acting jointly with PROFESSIONAL TRANSPORT AND ALLIED
WORKERS UNION

DATE 12.09. 2018


ROAD FREIGHT ASSOCIATION

DATE 12 September 2018


NATIONAL EMPLOYERS ASSOCIATION OF SOUTH AFRICA
(Agreed in respect of all chambers except for General Freight Chamber)

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**ANNEXURE A
MATTERS IN PROCESS**

The following matters are put in to process. The various committees shall endeavour to make proposals to the NBCRFLI Council on the way forward regarding the following matters, as per the terms of reference as specified under each below. Should there be no agreed conclusion, such matters will be addressed during the next negotiations.

1. PAYE PROVISIONS:

- 1.1 Amend clause 19 of the Main Collective Agreement by the insertion of the following subclause as subclause 19(13):

"The contributions referred to in clause 19(1) must be included in each employees' remuneration by the relevant employer for the purpose of calculating employees' tax, on a monthly basis. Every employer shall pay over the amount of employees' tax so withheld to the Commissioner for the South African Revenue Service (SARS) in accordance with the provisions of the Fourth Schedule to the Income Tax Act, 1962, as amended or replaced from time to time."

- 1.2 Amend clause 29 of the Main Collective Agreement by the insertion of the following subclause as subclause 29(5):

"The contributions referred to in clause 29(1) must be included in each employees' remuneration by the relevant employer for the purpose of calculating employees' tax, on a monthly basis. Every employer shall pay over the amount of employees' tax so withheld to the Commissioner for the South African Revenue Service (SARS) in accordance with the provisions of the Fourth Schedule to the Income Tax Act, 1962, as amended or replaced from time to time."

- 1.3 Amend clause 30 of the Main Collective Agreement by the insertion of the following subclause 30 as subclause 30(6):

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“The contributions referred to in clause 30(1) must be included in each employees’ remuneration by the relevant employer for the purpose of calculating employees’ tax, on a monthly basis. Every employer shall pay over the amount of employees’ tax so withheld to the Commissioner for the South African Revenue Service (SARS) in accordance with the provisions of the Fourth Schedule to the Income Tax Act, 1962, as amended or replaced from time to time.”

This matter is referred to MEMCO. MEMCO is to agree the terms of reference and timelines in accordance with its annual plan which is to be approved by NBCRFLI

2. SYSTEM ADMINISTRATION

2.1 The system should be adjusted to accept prorated payment based on actual hours of work, to Council. MEMCO to also investigate if this will impact payment of any NBCRFLI service providers / services provided (e.g. wellness benefit). This has to be considered against requirements for wellness as per 2.2 below.

The process should be concluded by no later than 28 February 2019, to be implemented on the implementation date of this agreement.

2.2 Wellness committee should engage the Service Provider, with the assistance of NBCRFLI administration, with regards to employees who do not meet the full contribution. The concern is that if the MIN amount is not reached, what cover does the employee have, other than ARV benefits. A sliding scale of benefits should be further investigated and also the possibility of voluntary top-up jointly by the employer and the employee. If none of this is possible, then consideration should be given to NBCRFLI having to refund such employees. In the alternative, such employees should be allowed to elect on contributing or not.

The process should be concluded by no later than 28 February 2019, to be implemented on the implementation date of this agreement.

3 LEAVE PAY OUT-REQUIREMENT I.T.O SYSTEM

3.1 The system should be adjusted to allow for ad-hoc leave to be taken and paid out by

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NBCRFLI on an as-and-when basis, subject to contributions already paid to NBCRFLI, similar to how sick leave is being managed. Furthermore, the system should be able to provide leave / sick leave reports.

The process should be concluded by no later than 28 February 2019, to be implemented on the implementation date of this agreement.

4 SMME EXEMPTIONS

4.1 The matter of SMME exemptions or possible provisions specific to such enterprises, will be dealt with in the existing Enterprise Development Committee, subject to terms of reference, with meeting deadlines, to be agreed upon.

4.2 Such Committee should endeavour to provide a report to NBCRFLI within 12 months of promulgation and extension of this agreement.

5 OWNER DRIVER SCHEME

5.1 The matter of Owner Driver exemptions or possible provisions specific to such enterprises and the development thereof, will be dealt with in the existing Enterprise Development Committee, subject to terms of reference, with meeting deadlines, to be agreed upon.

5.2 Such committee should endeavour to provide a report to NBCRFLI within 12 months of signing of this agreement.

6 RIGGING

6.1 It was agreed that the RIGGING position will be graded under the auspices of MEMCO.

6.2 Such grading should take place within 2 months of signing of this agreement and outcome of the grading exercise be implemented on date of implementation of this agreement in 2019.

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6.3 A grading outcome report thereon should be submitted to the NBCRFLI within another 30 days' thereafter.

7 SKILLS DEVELOPMENT PROGRAM

7.1 This matter is referred to MEMCO. MEMCO is to agree the terms of reference and timelines in accordance with its annual plan which is to be approved by NBCRFLI.

8 REVIEW OF WAREHOUSING DEFINITION

8.1 This matter is referred to MEMCO. MEMCO is to agree the terms of reference and timelines in accordance with its annual plan which is to be approved by NBCRFLI.

9 ESSENTIAL SERVICES WITHIN COURIER SECTOR

9.1 This matter is referred to the Outstanding Wage Matters Committee and should provide NBCRFLI with a report by no later than 90 days after promulgation and extension of this agreement.

10 EBU SICK LEAVE

10.1 This matter is referred to the Outstanding Wage Matters Committee and a report is to be provided to NBCRFLI within 6 months of promulgation and extension of this agreement.

11 252 SHIFTS: RECOGNITION OF EMPLOYEES WORKING ON SUNDAYS AND PUBLIC HOLIDAYS

11.1 This matter is referred to the Outstanding Wage Matters Committee and a report is to be provided to NBCRFLI within 6 months of promulgation and extension of this agreement.

12 Heavy container (Tribus)

A high level task team is to be set up, which includes labour and employer representatives, to engage jointly in a process with all stakeholders in order to find a

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suitable alternative to the Tribus devise.

This process will be undertaken under the auspices of the NBCRFLI and will be delegated to the standing Outstanding Wage Matters Committee. This process must be concluded within 18 months of the parties signing this agreement. Should this process not be concluded within 18 months, the parties shall extend the process to a period to be determined by the Outstanding Wage Matters Committee at that time.

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