



**MEMORANDUM OF AGREEMENT ON REMUNERATION
AND CONDITIONS OF EMPLOYMENT AND RELATED
MATTERS FOR 2013**

between

UNIVERSITY OF CAPE TOWN

(hereinafter referred to as the Employer)

And

National Education Health and Allied Workers Union

(NEHAWU)

(hereinafter referred to as the Union)

Two handwritten signatures are present in the bottom right corner. The first signature is a stylized cursive signature. The second signature is a blocky signature with the letters "EJm" written above it and "B RTN" written to its right.

1. Preamble and Scope

This document records the agreement reached between the Employer and the Union in respect of remuneration and conditions of employment for employees in the Payclasses 1 to 5. It is noted that for 2012 bargaining NEHAWU has attained the bargaining rights for Payclass 5.

2. 2013 Rate Per Payclass and increases for 2012

The following are the rates per Payclass which will be applied with effect from 1 January 2013:

Payclass	2012 Rate per Payclass	2013 Increase %	2013 Rate per Payclass
Payclass 1	R 80,271	7%	R 85,890
Payclass 2	R 89,426	7%	R 95,686
Payclass 3	R101,431	7.2%	R108,756
Payclass 4	R 109,705	7% - 11.6%	R 122,443
Payclass 5	R132,537 (Standard Package) with a minimum of 5.8% for those performing above Standard Package	7%	R141,815 (Standard Package/Rate per Payclass) with a minimum of 5.9% for those ^{currently placed} performing above Standard Package and between 8.5% -9.5% for those below Standard Package/Rate per Payclass

Payclasses 1-4

Current remuneration policy and structure:

- Salary structure of one rate per payclass
- Rate per payclass aligned to the 60th percentile of the national all-jobs market with 5% tolerance level around (above and below) the 60th percentile
- Increases are awarded with no differentiation on performance management

Agreement for 2013:

Staff in payclasses 1-4 are currently paid on or around the 60th percentile of the National All Jobs Market and the Rate per payclass (for new staff) is currently below the 60th percentile (7% below at payclass 3 and 10% below at payclass 4).



10 December 2012

Proposed 2013 Rate per payclass and increase implications:

Payclass 3 (12 staff): Rate per payclass - R108,756
(All 12 staff members will receive a 7.2% increase)

Payclass 4: (119 staff): Rate per payclass - R122,443

Staff currently earning above the Rate per Payclass (and above the 60th percentile of the National All Jobs Market), will receive an increase of 7%. Staff currently earning below the Rate per Payclass will receive increases of between 7% and up to 11.6% to bring them up to the 2013 rate per payclass.

Payclass 5

The Employer and the Union have agreed that Payclass 5 staff will no longer form part of the Personal Performance System (PPS) and for 2013 will follow the remuneration policy and structure as for Payclasses 1-4:

- Salary structure of one rate per payclass
- Rate per payclass aligned to the 60th percentile of the national all-jobs market with 5% tolerance level around (above and below) the 60th percentile
- Increases are awarded with no differentiation on performance management

Agreement for 2013:

Currently payclass 5's Standard Package of R132,537 is 5 percent above the 60th percentile of R126,528. Based on payclass 5's market position relative to the 60th percentile of the market, as well as taking the market predictions into account, the Employer and the Union have agreed that the rate per payclass should increase by 7% and those staff earning above the rate per payclass receive increases of 5.9% and those staff earning below the rate per payclass receive between 8.5% - 9.5%.

The Employer undertakes to work with the Union in 2013 to look at ways to equalise pay for Payclass 5 staff as they move towards a rate per payclass remuneration structure.

3. Medical Aid

The Employer has not agreed to make medical aid optional but will take into account the results of the medical aid survey conducted in 2012 and feed the results into the review of Discovery Health when it is benchmarked against other medical aids for 2013. This will include an assessment of offering a second medical aid provider.

The Employer will motivate to Discovery Health for the retention of the special concession for staff on the Discovery Health KeyCare plan before January 2013.



4. Study Leave

The Employer has proposed the revision of the *Study and Examination Leave Policy* which provides 12 days per annum for study and examination purposes as an attempt to provide for a more flexible approach to study leave. (The current *Study Leave Policy* which provides 6 days per annum for examination preparation purposes falls away. Leave for examination purposes of 6 days per annum currently 'housed' under *Special Leave* moves to the new policy.)

5. Change to Grievance procedure

The Employer recognises the right of the staff member to be heard and also the right of the line manager to defend themselves in the grievance procedure. The Employer and the Union have agreed on the following proposed change to the wording in the grievance procedure which will be consulted on with the other Union before implementation:

Proposed Procedure for an individual grievance inclusive of Nehawu input

a. Stage one (informal stage)

If a member of staff wishes to raise a grievance he/she shall approach his/her immediate line manager at which point an attempt must be made to resolve the grievance at this level. Should the grievance relate to the actions of the immediate line manager, the staff member should approach their departmental/faculty human resources practitioner who will facilitate an attempt to seek a resolution to the matter. If the staff member so wishes, he/she may obtain the assistance of a representative. Two days will be allowed for this stage.

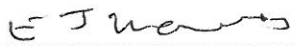

Signed at **RONDEBOSCH** this 12th day of December **2012**.

UNIVERSITY OF CAPE TOWN

NEHAWU


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