



Agreement between the University of Cape Town (UCT) and the National Education Health and Allied Workers Union (NEHAWU)

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 Pay classes 3,4 and 5.

2. 2017 Increases

The following differentiated increases to the 2017 pay ranges will be applied with effect from 1 January 2017:

UCT Payclass	UCT 2016 Standard Package	May 2016 60th percentile	Compa ratio to May 2016 60th percentile	2017 increase	UCT 2017 Standard Package	Compa ratio to projected 2016 60th
3	141 613	166 548	85	7,5%	152 234	91
4	161 140	169 392	95	7%	172 420	102
5	173 405	181 080	96	7%	185 544	102

The current remuneration policy for PASS staff allows for a tolerance level of 5% above and 5% below 100 of the compa ratio to the 60th percentile of the National All Jobs Market. The National All Jobs Market is expected to move between 6% - 6, 5% for 2016/2017. Payclasses 4 and 5 fall within the policy and are offered 7% and Payclass 3 is offered 7, 5% as they are further behind the market.

**Note:* The above increases are inclusive of the 6% increase already implemented during February 2017 backdated to 1 January 2017. The difference which equates to 1.5% for Payclass 3 and 1% for Payclasses 4 and 5 will be implemented accordingly in addition to the 6% already implemented to reflect the above table. This will be implemented during the April 2017 payrun.

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Importantly, the employer wishes to confirm that while no union held bargaining rights for Payclass 2 on 30 April 2016, being the cut-off date for representivity for bargaining during the current bargaining cycle, the employer will be implementing a 7, 5% increase for 2017 in line with what is set out in the above, equating to an additional 1, 5% over and above the 6% already implemented in February 2017. See previous *Note.

3. Medical Aid Options

The Employer confirms that the University Council agreed on 18 March 2017 to the extension of optional medical aid to Payclasses 4 and 5 and also agreed to medical aid of choice i.e that staff can belong to any medical aid scheme so long as they provide proof of cover each year.

The Employer confirms that should staff wish to qualify for the post-retirement medical aid subsidy, they would need to belong to a medical aid scheme while they are employed at UCT and provide proof of cover each year in order to accrue the years of service required to qualify for the post-retirement subsidy. They will then have the option to join UCT's medical aid of choice before retirement date in order to qualify for the post-retirement medical aid subsidy, as is the case at the moment where staff belong to their spouse's medical aid scheme.

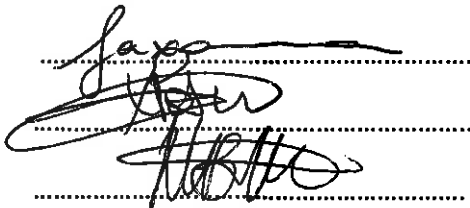
The Employer confirms that the University Council also approved that, with effect from 1 January 2018, all new staff will no longer qualify for a post-retirement medical aid subsidy.

The Employer confirms that where employees are required to comply with statutory requirements and medical clearance is required in order to meet the statutory requirements, that the university will cover the costs of the associated medical examination in order to meet the statutory compliance requirement. This will only apply in the renewal of Professional Driving Permits (PDP) in jobs/roles where this is an operational requirement.

The Employer confirms that it is envisaged that the decision to elect optional cover will commence with effect from 1 May 2017. Each staff member electing not to belong to a medical aid scheme will be required to meet with the Healthcare Intermediary in order to confirm that they fully understand the implications of exercising their choice. They will be required to sign acknowledgement of the implications of exercising their choice, including but not limited to, having to pay back any savings used in addition to the portion already contributed as well as receiving any unused prorated savings contributions.

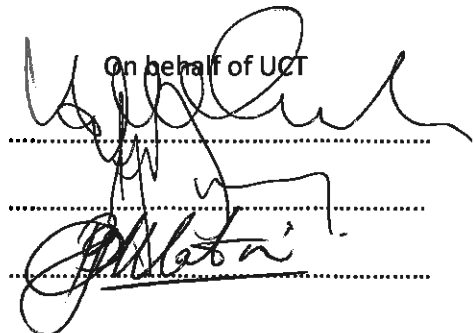
Signed at Rondebosch on 20 March 2017

On behalf of NEHAWU



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On behalf of UCT



Handwritten signature of a representative on behalf of UCT, written over three horizontal dotted lines.