



Pillar #1

SERVICING THE MEMBERS IS A VIRTUE FROM ZERO BUDGET TO R27billion THE POWER OF NEGOTIATIONS

TRANSLATION OF DRAFT AGREEMENT

Level	Average Salary (Rands p.a)	Average Salary (Rands p.m)	(CASH GRATUITY) Non-pensionable equal distribution (Rands p.m.p.p)	Pensionable 1.5% distribution (Rands p.m.p.p)	Total increase before tax (Rands p.m.p.p)	Average Salary after increase (Rands p.m)	Tax Implications			Total increase after tax (Rands p.m.p.p)	Percentage increase before tax (Rands p.m.p.p)	COLA Equivalent %
							Tax before increase	Tax after increase	Tax increase			
1	R142 960	R11 913,33	R1 220,00	R178,70	R1 398,70	R13 312	R831	R1 042	R211	R1 187,70	11,74%	CPI + 7.5%
2	R172 303	R14 358,58	R1 220,00	R215,38	R1 435,38	R15 794	R1 271	R1 492	R221	R1 214,38	10,00%	CPI + 5.8%
3	R210 205	R17 517,08	R1 220,00	R262,76	R1 482,76	R19 000	R1 840	R2 131	R291	R1 191,76	8,46%	CPI + 4.3%
4	R245 763	R20 480,25	R1 220,00	R307,20	R1 527,20	R22 007	R2 581	R2 913	R332	R1 195,20	7,46%	CPI + 3.3%
5	R286 140	R23 845,00	R1 220,00	R357,68	R1 577,68	R25 423	R3 443	R3 801	R358	R1 219,68	6,62%	CPI + 2.4%
6	R338 794	R28 232,83	R1 352,00	R423,49	R1 775,49	R30 008	R4 587	R5 029	R442	R1 333,49	6,29%	CPI + 2.1%
7	R413 924	R34 493,67	R1 352,00	R517,41	R1 869,41	R36 363	R6 531	R7 006	R475	R1 394,41	5,42%	CPI + 1.2%
8	R483 512	R40 292,67	R1 450,00	R604,39	R2 054,39	R42 347	R8 401	R8 970	R569	R1 485,39	5,10%	CPI + 0.9%
9	R579 139	R48 261,58	R1 450,00	R723,92	R2 173,92	R50 436	R11 273	R11 874	R601	R1 572,92	4,50%	CPI + 0.3%
10	R720 768	R60 064,00	R1 640,00	R900,96	R2 540,96	R62 605	R15 781	R16 522	R741	R1 799,96	4,23%	CPI + 0%
11	R871 057	R72 588,08	R1 640,00	R1 088,82	R2 728,82	R75 317	R20 830	R21 658	R828	R1 900,82	3,76%	CPI - 0.4%
12	R1 233 837	R102 819,75	R1 695,00	R1 542,30	R3 237,30	R106 057	R33 211	R34 247	R1 036	R2 201,30	3,15%	CPI - 1.1%

WAGE NEGOTIATION TIMELINE IN BRIEF

March 2021

Labour presents their demands:

- Single-term
- CPI Plus 4%

April

Employer asks labour to consider a 0% offer until a new remunerative framework is designed.

May:

- Labour rejects the 0% offer.
- FACILITATION process resumes
- Employer presents a revised offer:
 - 1,5% pensionable salary adjustment
 - R978 non-pensionable cash gratuity to employees in level 1 to 12
 - SADTU surveys the members and receives a **Yes** and members ask for improvement of the offer.

June:

Labour demands R1 500 cash gratuity and monthly 2% pensionable salary.

July:

Employer presents a revised offer:

- 1,5% pensionable salary adjustment.
- R1 200 – R1 695 non-pensionable cash gratuity.

9 July

- SADTU and other Unions sign the offer.
- The agreement will be implemented when the majority of Unions has signed.
- 1,5% implemented with effect from 1 July.
- Cash gratuity of between R1 220 and R1696 will be implemented with effect from 1 April 2021 to 31 March 2022.

Workers need relief during this economic hardship, hence SADTU signed so that members can have cash\$\$ in their pockets.