

14 July 2015

Dear Sirs

CLIENT NOTIFICATION RE STATUTORY INCREASES WITH EFFECT FROM 1 SEPTEMBER 2015



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As was reported in the national media, the private security industry concluded a three year collective agreement with the various trade unions in our sector on 8 May 2015, in terms of which salary adjustments for security sector employees would be adjusted as from 1 September 2015.

The salient aspects increased are as follows –

1. Grade D salaries will, over the next three years, be increased to those of Grade C security officers, thereby effectively eliminating Grade D as from the third year, September 2017;
2. The current three geographic/economic areas would be reduced to two areas, “Urban” and “Rural”, during these three years, with Area 2 (Bloemfontein, East London, Kimberley, Klerksdorp, Pietermaritzburg, Somerset West, Stellenbosch and Strand) phasing into Area 1 in the third and final year of this agreement;
3. All other grades (C, B and A) would be adjusted on an “annualised CPI + 1%” basis for all three years, with Grade C receiving no increase in the third year, to rationalise the mirroring with the Grade D salary levels.
4. The night shift allowance will increase from the current R5.50 per shift to R6.00 per shift as from year 3.
5. The Cleaning allowance will increase from the current R25.00 per month to R30.00 per months as from 1 September 2015.
6. The Special allowance for Mobile Supervisors, Armed Officers, Armed Response Officers, National Key Point Officers and Control Centre Operators, currently R7.00 per shift, will increase to R7.50 per shift as from September 2015, R8.00 per shift as from September 2016 and R8.50 per shift as from September 2017.
7. Slight adjustments will be made to the method of calculating the annual bonuses, with very little impact on costs.

The tables below indicate the new basic salary scales as from 1 September 2015, based on the presumption that the annualised CPI as at 30 June 2015 (to be published by Stats SA at the end of July 2015) will not exceed 5%.

Salary scales as from 1 September 2015 (Year 1)				
	Area 1	Area 2¹	Area 3²	Remarks
Grade A	R4,571	R4,177	R3,794	<i>Based on the presumption that the annualised CPI as at 30 June 2015 will be less than or equal to 5%</i>
Grade B	R4096	R3,739	R3,452	
Grade C	R3,545	R3,258	R2,948	
Grade D & E	R3,482	R3,162	R2,874	
Notes -	1	An Area 2 Premium of R150.00 per month for all grades will apply per month in Year 1.		
	2	The Area 3 Premium of R90.00 per month will apply to all grades in Area 3		

The salary scales for years 2 and 3, from September 2016 and 2017 respectively, will be based on the same CPI formula as above, with slightly higher increases for Grades D and E, to equal those of Grade C by year 3.

We have persuaded the Department of Labour to, with effect from 1 September 2015, issue a totally new and consolidated Sectoral Determination 6 (SD6) government gazette, instead of simply another amendment. We are assisting in this consolidation process and are confident that the new determination document will be published and available by the middle of August 2015.

Please feel free to contact the SASA office, as above, for any further information that you may require.

Very best regards,

SECURITY ASSOCIATION OF SOUTH AFRICA



**TONY BOTES
ADMINISTRATOR**