

WAGE AGREEMENT 2016-2017

BETWEEN

SOUTH AFRICAN AIRWAYS (SOC) LIMITED

("SAA")

AND

NATIONAL TRANSPORT MOVEMENT ("NTM")

AND

SOUTH AFRICAN CABIN CREW ASSOCIATION ("SACCA")

AND

UASA (THE UNION") and NUMSA - ACTING JOINTLY FOR PURPOSES OF
COLLECTIVE BARGAINING

(Collectively referred to as "the Parties")

WHEREAS the Parties have entered into a Wage Agreement for the Financial Year
2016/2017 in Kempton Park on 7 June 2016.




Handwritten signatures and initials, including "M.C.", "Z.C.", and "K.H.", along with a large signature on the right.


1. INTRODUCTION


- 1.1. South African Airways and the recognised Trade Unions (NTM, SACCA and UASA and NUMSA acting jointly) have been engaged in negotiations regarding the review of wages and other conditions of employment for the period April 2016 to March 2017, in respect of South African Airways employees in the Cabin Crew and Ground Staff Bargaining Unit.
- 1.2. The signatory Trade Unions, acting on behalf of their members in the Bargaining Unit as of date of signature of this Agreement, and SAA hereby reduce their agreement to writing as set out below.

2. APPLICATION OF THE AGREEMENT

- 2.1. The signatory Trade Unions have as their members the majority of employees in the recognized bargaining unit (herein defined) and at the workplace.
- 2.2. The Parties further recognize that this Agreement constitutes a Collective Agreement within the meaning of section 23 (1) of the Labour Relations Act 66 of 1995, as amended ("the LRA").
- 2.3. This Agreement therefore applies to and binds each and every employee who is, and may become, a member of the following trade unions:
 - 2.3.1. NTM
 - 2.3.2. SACCA
 - 2.3.3. UASA and NUMSA acting jointly for purposes of collective bargaining
- 2.4. Furthermore, this Agreement is, in accordance with section 23 (1) of the LRA, specifically extended to all permanent South African Airways employees in the Bargaining Unit, who are not, at the time of signature of this Agreement, members of the trade unions who are parties to this Agreement.
- 2.5. Notwithstanding the above provisions in this clause 2, this Agreement shall not apply to employees who are not in service on the Implementation Date, as reflected below.


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3. DEFINITIONS AND INTERPRETATION

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| 3.1. | "2016-17 Wage Agreement" | Shall mean this Collective Agreement concluded by and between the parties on the 20 th May 2016, regulating wages and other conditions of employment, until the 31 st March 2017. |
| 3.2. | "Agreement" | Shall mean this Agreement including any annexures thereto, as may be amended in writing, from time to time. |
| 3.3. | "Bargaining Unit" | Shall mean cabin crew and ground staff employees employed permanently and specifically excludes management, fixed term contractors, Pilots and employees of Subsidiaries of SAA. |
| 3.4. | "Basic Salary" | Shall mean the monthly salary payable to an employee, which shall exclude, overtime, any bonuses, premiums, allowances, gratuities and payments of like nature. |
| 3.5. | "Dispute" | Shall mean any matter that is declared to be a dispute in writing by one party to another party. |
| 3.6. | "Implementation Date" | Shall mean 1 April 2016. |
| 3.7. | "LRA" | shall mean the Labour Relations Act 66 of 1995, as amended from time to time. |
| 3.8. | NTM | Shall mean the National Transport Movement. |
| 3.9. | NUMSA | Shall mean the National Union of Metal Workers of South Africa |
| 3.10. | "the Parties" | Shall mean NTM, SACCA and UASA and NUMSA (acting jointly) and SAA, as defined herein. |
| 3.11. | "SAA" | Shall mean South African Airways (SOC) Limited. |
| 3.12. | "SACCA" | Shall mean "South African Cabin Crew Association". |
| 3.13. | "Signature Date" | Shall mean the date of the last signing party. |
| 3.14. | "UASA" | Shall mean UASA, the Union |
| 3.15. | "Workplace" | Shall mean any premises where SAA conducts its business within the Republic of the South Africa (excluding its subsidiaries). |
| 3.15. | In this Agreement unless the context clearly indicates otherwise, | |



- 3.15.1. The singular includes the plural and vice versa.
- 3.15.2. Reference to one gender includes the other gender.

4. DURATION OF THE AGREEMENT

This Agreement shall be applicable with effect from the 1st April 2016 up to and including the 31st March 2017.

5. BASIC SALARY

The basic salary of all employees in the Bargaining Unit shall increase by **8% (eight percent)** per annum, on their basic salary with effect from the 1st April 2016, until the 31st March 2017.

6. HOME OWNERS ASSISTANCE ALLOWANCE

All current employees within the Bargaining Unit will receive an **8% (eight percent)** increase on the current housing allowance, with effect from the 1st April 2016, until the 31st March 2017.

7. MEDICAL AID SUBSIDY

All current employees in the bargaining unit belonging to one (1) of the three (3) official SAA medical schemes will receive **8% (eight percent)** increase on the current medical aid subsidy with effect from the 1st April 2016, until the 31st March 2017.

8. MATERNITY LEAVE

Management will engage the DOL with a view to improve the efficiency of UIF payments in order that employees on maternity leave receive their UIF payments timeously. Management will be accompanied by a representative from each recognised Union.

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9. DANGEROUS GOODS

As part of a consultation process, a working group will be constituted with Labour to research what the market practice is regarding working with dangerous goods and dangerous goods allowances.

10. BONA FIDE BENEVOLENT FUND SCHEME

As part of a consultation process, a working group will be constituted with Labour to research a Bona Fide Funding scheme.

11. MEAL ALLOWANCES

As previously advised, meal allowances are an operational cost intended to provide sustenance to employees on official business and it therefore does not constitute a term and condition of employment. As such, meal allowances must be dealt with in the Main Consultative Forum of the SAA Bargaining Forum. The Company has confirmed the commitment to address the meal allowance matter in a formal letter to the recognised unions in the bargaining unit. In terms of consultations, the Company hereby confirms that it has considered and has revised the Domestic meal allowance which will be increased to R250 per day effective from 15 June 2016 and is increased by CPI annually thereafter.






12. GENERAL PROVISION

- 12.1 The Parties acknowledge that this agreement settles all the issue of wages and conditions of employment and is an accurate record of all rights created through the 2016/7 wage negotiations.
- 12.2 This Agreement constitutes the entire agreement between the Parties and substitutes any previous agreements that may have been entered into between the Parties and any such previous agreement shall have no further legal effect.
- 12.3 In the event that a wage settlement agreement is reached with any other recognised union in the bargaining unit, which settlement is more favourable than this agreement, the Company agrees to match such settlement agreement.
- 12.4 No variation or amendment of this agreement shall have any legal effect unless reduced to writing and signed by the Parties.


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12.5 Any dispute arising out of the interpretation of this Agreement shall be dealt with by the CCMA through conciliation, failing which arbitration in line with the Labour Relations Act (LRA).

13. SIGNATURES

PARTY	FULL NAMES & DESIGNATION	SIGNATURE	DATE
SAA	<u>LOURENS FRASMU</u>		<u>2016/06/07</u>
WITNESS	<u>SHANU PILLAY</u>		<u>2016/06/07</u>
NTM	<u>MASHUDU RAPHETHA</u>		<u>07th JUN 2016</u>
WITNESS	<u>JANNON FRUSSARD</u>		<u>07th JUN 16</u>
UASA			<u>2016/06/14</u>
NUMSA			
UASA WITNESS	<u>ANDRE MOORCROFT</u>		<u>2016/06/14</u>
SACCA			
WITNESS			