RESOLUTION NO 1 OF 2005

AGENCY SHOP AGREEMENT

1. *Noting* that section 25 of the Labour Relations Act, No 66 of 1995 (the LRA) enables an employer and representative trade union/s to conclude an agency shop agreement;

2. The parties to the Public Service Co-ordinating Bargaining Council (the PSCBC) hereby resolve to conclude an agency shop agreement, which agreement is attached to this resolution (Schedule 1).

3. This agreement binds :-
   (i) The employer;
   (ii) The employees of the employer who are members of the trade union parties to this agreement; and
(iii) The employees of the employer who are not members of any trade union parties to this agreement, but who fall within the registered scope of the Council.

4. This agreement substitutes Resolution 1 of 1998 and Resolution 4 of 2003, with effect from the date on which this agreement comes into effect.

5. This agreement shall come into effect on the ... April 2005 ...

6. If there is a dispute about the interpretation or application of this agreement any party may refer the matter to the Council for resolution in terms of the dispute resolution procedure of the Council.

7. The Council will monitor the implementation of this agreement.
THIS DONE AND SIGNED AT CENTURION OF THIS 10th DAY OF FEBRUARY 2005.

ON BEHALF OF THE EMPLOYER PARTY

<table>
<thead>
<tr>
<th>Name</th>
<th>Signature</th>
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</thead>
<tbody>
<tr>
<td>State as Employer</td>
<td>BN Nkentwana</td>
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</table>

ON BEHALF OF TRADE UNION PARTIES

<table>
<thead>
<tr>
<th>Trade Union</th>
<th>Name</th>
<th>Signature</th>
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<tbody>
<tr>
<td>DENOSA</td>
<td>Jabu C Magagula</td>
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<tr>
<td>HOSPESA/ NUPSAW/ NATU</td>
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<td>NAPTOSA</td>
<td>H. Hendricken</td>
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<tr>
<td>NEHAWU</td>
<td>J. Van den Berg</td>
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<tr>
<td>POPCRU</td>
<td>Shadla Mqinisen</td>
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<td>PSA</td>
<td>C. Haiker</td>
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<td>SADTU</td>
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Schedule 1

AGENCY SHOP AGREEMENT

1) This is an *agency shop*¹ agreement for the purposes of section 25 of the LRA. The object of this agreement is to ensure that all *employees* who receive the benefits of collective bargaining contribute towards its costs.

2) (1) Subject to subclause (2), this agreement applies to the *employer* and all *employees*-
   
   (a) employed by the State; and
   (b) who fall within the registered scope of the *Council*.

   (2) This agreement does not apply to the *employer* and those *employees* covered by an *agency shop* agreement-
   
   (a) concluded in a *sectoral council*; and
   (b) approved by the *Council*.

3) (1) The *employer* must-

   (a) bring the provisions of this agreement to the attention of-

      (i) its *employees*; and

      (ii) all applicants for employment; and

   (b) enable each new *employee* to meet with the *trade union* representatives of each of the *trade unions* that have members in

¹Words that are italicized are defined in clause 19 of this agreement
the national department or the provincial administration, as the case may be.

(2) No employee is or can become obliged to join a trade union that is or becomes a party to this agreement. Employees who are not members of a trade union party to this agreement are not compelled to become members of any trade union party to this agreement.

4) (1) The agreed agency fee in terms of this agreement shall be R39,50 per month, taking into account that PSCBC has more than one registered trade union.

(2) The agreed to agency fee in (4)(1) above, is subject to review at the Annual General Meetings of Council.

5) Each month the employer must deduct the agency fee from the basic salary of each of its employees who are not members of any one of the trade union parties to the Council.

6) The employer must pay the amounts deducted for the month to the Secretary of the Council on or before the 14th day of each month. The payment must be accompanied by a schedule stating the date of the deduction and the total amounts deducted.

7) A schedule listing the names, PERSAL or PERSOL number and the amount deducted as at 31 December of each year in respect of each employee shall be
given to the Secretary of the Council by 31 March of each year. The Secretary shall present this Schedule at the annual general meetings of the Council.

8) The Secretary must divide the amounts received in terms of clause 6 between the trade unions in proportion to the number of members of each trade union who are members in good standing as at 31 December of the previous year. Should a trade union apply for membership to the Council, and such application is successful, the trade union will acquire a proportionate share of the monthly amount from the date on which it became a member of the Council.

9) The Secretary of the Council must deposit the amounts allocated in terms of clause 8 into the respective bank accounts contemplated in clause 10.

10) Each trade union must open a separate bank account for the purpose of this agreement and the money in that account may be used only for the collective bargaining expenses of the trade union. Those expenses may include costs of dispute resolution and the training of trade union representatives but may not be used -

(a) to pay an affiliation fee to a political party;

(b) to make a contribution in cash or kind to a political party or a person standing for election to any political office; or

(c) for any expenditure that does not advance or protect the socio-economic interests of employees.

11) The trade unions must keep books and records of their respective bank accounts in accordance with generally accepted accounting practices, including
statements of income and expenditure and the balance sheets indicating the assets, liabilities and financial standing of the account.

12) The bank accounts referred to in clause 10 must be audited annually, which audited accounts will be open to any party to the Council, or any employee, for inspection.

13) Any employee may apply in writing to the Council for an exemption from the provisions of this agreement on the grounds that the employee conscientiously objects to being associated with or paying contributions to secular associations.

14) If an exemption is granted to an employee who is a conscientious objector, the employee may request that the agency fee be paid into-

(a) the general account of the Council; or

(b) a fund administered by the Department of Labour.

15) Any exemption to this agreement must be granted by an agreement of the Council.

16) If less than 50% of the employees employed by the employer belong to the trade unions, the Council must notify the trade unions of this fact and give them 90 days within which they must establish that they represent the majority of the employees.

17) If the trade unions fail to establish that they represent the majority of the employees within the 90 day period, the Council must give 30 days notice of the termination of the agreement.
18) If there is a dispute about the interpretation or application of this agreement any party may refer the matter to the Council for resolution in terms of the dispute resolution procedure of the Council.
19) For the purpose of this agreement-

(a) “agency shop” means the compulsory deduction in terms of clause 4 and 5 of the agency fee from the basic salary of employees who are not members of the trade union parties to the Council;

(b) “Council” means the Public Service Co-ordinating Bargaining Council;

(c) “employer” means the State as employer;

(d) “employee” means a person-

(i) employed by the State; and

(ii) who is eligible for membership of the trade union parties to the Council;

(e) “LRA” means the Labour Relations Act, No 66 of 1995;

(f) “sectoral council” means a council-

(i) established by the Council, or the President, in terms of section 37 of the LRA; or

(ii) deemed to be a sectoral council in terms of item 16 and 18 of Schedule 7 to the LRA;

(g) “trade union” shall carry the definition as set out in the Act and shall also mean:
(i) a trade union having organisational rights with an employer falling within the registered scope of the Council; or

(ii) two or more registered trade unions having organisational rights with an employer falling within the registered scope of the Council, acting together as a single party.

(h) “workplace” is deemed to be the public sector as a whole including all places where employees work², unless a Minister contemplated in the definition of “workplace” in section 213 has determined differently.

² The Minister for Public Service and Administration must determine this meaning of the workplace for the purpose of section 23 and 24 of the LRA.

The Minister of Education will have to determine that the education sector is a single workplace for the purpose of section 23 and 24 of the LRA.

The Minister for Safety and Security will have to determine that the police sector is a single workplace for the purpose of section 23 and 24 of the LRA.