



**TSHWANE AUTOMOTIVE
SPECIAL ECONOMIC ZONE**

AFRICA'S FIRST AUTOMOTIVE CITY

**EMPLOYMENT RELATIONS POLICY,
PRINCIPLES AND
REQUIREMENTS FOR CONSTRUCTION
OF THE TSHWANE AUTOMOTIVE
SPECIAL ECONOMIC ZONE**

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DOCUMENT CONTROL SHEET

The purpose of this form is to ensure that documents are reviewed and approved prior to issue. The form is to be bound into the front of all documents released by the Coega Development Corporation.

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DOCUMENT TITLE : *Employment Relations Policy, Principles and Requirements for Construction of the Tshwane Automotive Special Economic Zone*

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SIGNING OF THE ORIGINAL DOCUMENT

We, the undersigned, accept this document as a stable work product to be placed under formal change control as described by the Change Control Procedure document.

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EMPLOYMENT RELATIONS POLICY, PRINCIPLES AND REQUIREMENTS (Construction Works Only)

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1. DEFINITIONS

- 1.1 **“CDC”** means the Coega Development Corporation, contracted through the Department of Trade & Industry as Implementing Agent to the TASEZ Project, and interim Zone Operator of the TASEZ.
- 1.2 **“Client”** means the Department of Trade, Industry & Competition.
- 1.3 **“Construction Labour Management Protocols”** means the contractually applicable labour management practices, procedures and processes established on the Project in terms of this Employment Relations Policy, Principles & Requirements instrument.
- 1.4 **“Contractor”** means any Building Contractor, Civil Engineering Contractor, Mechanical, Electrical, Instrumentation or Piping Contractor, Service Provider, Vendor or any joint venture partnership and their sub-contractors (SMME’s inclusive), conducting construction work and related activities on the Project.
- 1.5 **“Employee”** means an employee of the Contractor.
- 1.6 **“Employer”** means a Contractor, who effects its obligations on the Project through persons employed on / deployed to the Project.
- 1.7 **“Essential Services”** means security services, firefighting, medical facilities and any other service, the interruption of which endangers the life, personal safety and or health of the whole or part of the population, or work to be performed in the event of an emergency (as declared by the Implementing Agent), or work to be performed in terms of legislation.
- 1.8 **“Implementing Agent”** means the Coega Development Corporation.
- 1.9 **“Industry Wage Regulating Mechanisms”** means the minimum wage rates, conditions of employment and regulating mechanisms through the respective Bargaining Council Agreements or similar national or regional industry-based collective bargaining outcomes, extended by the Minister of Employment & Labour to non-parties in accordance with the provisions of the Labour Relations Act.
- 1.10 **“Job”** means PSDC authorised employment / deployment on the Project of the minimum duration of four (4) weeks continuous site work, and shall exclude the same person being employed again by the same employer on the same construction / service contract.

- 1.11 Local Employee**” means a person who normally resides in the Tshwane Municipality (i.e. Target Area 1 and Target Area 2) and who may be employed, based on an hourly-paid arrangement, on a Limited Duration Contract of Employment. In instances where a Contractor is permanently based in the local municipality, his permanent employees will be deemed to be “core” employees and may be seconded to the Project on a “Secondment Contract of Employment”.
- 1.12 “Night Shift”** means a shift that commences and ends between the hours of 18:00 and 06:00.
- 1.13 “Project”** means the construction and commissioning of all infrastructure on the Tshwane Automotive Special Economic Zone.
- 1.14 “PSDC”** means the Project Socio-economic Development Centre, located in close proximity to the Project.
- 1.15 “Seconded Employee”** means an employee of a contractor who is assigned to the Project by the contractor, after having received individual placement approval from the PSDC.
- 1.16 “Standard Wage Rates”** shall mean the actual rates of pay for the respective categories of employment, as defined and set out in the wage schedules (attached as Annexure A, B and C), subject to the provisions of clause 2.1.
- 1.17 “SMME”** means a small, medium or micro enterprise contracted to deliver service/s on the Project.
- 1.18 “TASEZ”** means the Tshwane Automotive Special Economic Zone.

2. APPLICABILITY

- 2.1 This Employment Relations Policy, Principles and Requirements Policy and Procedures document, also referred to hereinafter as the ER Policy, details the construction labour management requirements, including the minimum conditions of employment applicable to all TASEZ construction contracts. Full adherence and proven compliance to all construction labour management protocols detailed in this document, by every construction contractor, every sub-contractor (including all SMME’s) and on-site service provider, is a contractual requirement placed on every main/principal contractor.
- 2.2 The documentation included in the pre-tender specifications will provide detail to the prospective contractor in order to ensure a comprehensive understanding of the socio-economic specifications and

labour management protocols in effect, and enables prospective contractors to tender accordingly.

- 2.3 This ER Policy supersedes the two similar documents prepared for early works contracts, namely the Construction Labour Management Framework (Early Civils Works) for TASEZ and the Construction Labour Conditions (Early Civils Works) for TASEZ.

3. PREAMBLE

- 3.1 The development and implementation of the comprehensive Employment Relations Strategy is informed by the project preliminary labour management risk assessment.
- 3.2 This Policy and Procedures document details how the construction labour and socio-economic issues are dealt with during construction of the Tshwane Automotive Special Economic Zone (TASEZ).
- 3.3 It is informed by the fact that one of the primary objectives of the TASEZ is to pursue socio-economic transformation. It then informs the mandatory requirement of all construction contractors on the Project, to actively promote labour harmony on site in a uniform manner through the full application of the construction labour management protocols provided herein, and to achieve the stipulated socio-economic imperatives when implementing/constructing projects within the TASEZ.
- 3.4 The overall objective of this document is to ensure that there is clarity of purpose and identification of required deliverables with respect to these construction labour management and socio-economic imperatives.
- 3.5 This ER Policy document, together with the Socio-economic imperatives, guides the Implementing Agent in planning and providing clear instructions on how construction labour management and socio-economic issues are dealt with on TASEZ construction projects, and what deliverables are to be expected during the course of each construction contract.
- 3.6 The importance of this document is also to ensure that these issues are given due consideration during the planning stage of project life cycle and monitored effectively during the development, construction and commissioning stages of each construction contract.

- 3.7 The full implementation of this ER Policy document across all construction contracts is the responsibility of the Implementing Agent, to promote the effective management of construction labour on the TASEZ.

4. EMPLOYMENT RELATIONS POLICY, PHILOSOPHY AND PRINCIPLES

4.1. The Employment Relations Policy and philosophy of the Client, to be adopted for all activities associated with the construction project, including contractors, sub-contractors, SMME's and employees, are enshrined in the following principles:

- 4.1.1. Compliance to all applicable legislation that governs employment / labour relations in the Republic of South Africa;
- 4.1.2. Compliance to all applicable collective bargaining industry agreements, concluded between employer association/s and trade union/s at a regional or national level;
- 4.1.3. Compliance to any labour agreement that is negotiated between contractor employer association/s and/or the Main/Principal Contractors and organised labour, in respect of the Project, and endorsed by the Implementing Agent;
- 4.1.4. Compliance to the concept of fair labour practices as developed by the judgements and rulings of the CCMA, Labour Courts, the Labour Appeal Court and similar juristic structures in the Republic of South Africa;
- 4.1.5. Application of fair and uniform wage rates for all local and seconded labour across the Project;
- 4.1.6. Fair and equitable terms and conditions of employment that are, as far as possible and practicable, uniform and standardised across the Project;
- 4.1.7. Compliance to all project procedures, rules and regulations that are prescribed, introduced or implemented by the Implementing Agent or its duly authorised representative;
- 4.1.8. Promotion of labour stability, harmony, safety and productivity at every possible opportunity;
- 4.1.9. Maximisation of local content in projects, developments, services, contracting and construction contracts and activities;
- 4.1.10. Development and empowerment of SMME's in local communities, particularly those from a previously disadvantaged background;
- 4.1.11. Skills development through training initiatives and the services of training providers. On-the-job training and upgrading of skills and capacity must be provided by contractors;
- 4.1.12. Dedication and commitment to performance and professionalism in the execution of activities associated with the Project;
- 4.1.13. Mutual respect between all parties and individuals engaged in any employment relationship on the Project;
- 4.1.14. Honesty, integrity and transparency in all aspects and activities related to the Project.

4.2. All contractors and employees who participate in the Project are required to adopt and subscribe to these principles.

5. EMPLOYMENT RELATIONS REQUIREMENTS ON THE PROJECT

- 5.1. The Implementing Agent requires that employment relations within the Project be managed in a uniform and consistent manner by all contractors, sub-contractors, sub-projects and on-site service providers. The Implementing Agent believes that a uniform approach by all participants will substantially assist in the establishment and maintenance of fair labour practices and labour harmony.
- 5.2. In addition, that such uniform approach and standards will provide certainty amongst employees within the Project, enabling them to focus on their productivity, performance, development and skills acquisition during their tenure of employment.
- 5.3. Accordingly, the Implementing Agent requires that all projects, sub-projects, contractors, sub-contractors and on-site service providers commit themselves to comply with all the employment relations requirements that are detailed in this document.
- 5.4. Contractors must ensure adequate site management and supervision at all times, for the full duration of construction, to ensure the earliest resolution of labour management challenges, without impacting on other Contractors' construction progress, as well as ensure that their site management and supervision possess enhanced disciplinary / performance management and grievance resolution capabilities.
- 5.5. Contractor/s shall not enter into negotiations with organised labour / trade unions on terms and conditions of employment on the project without the prior written approval of the Implementing Agent, per instance.
- 5.6. Furthermore, Contractor/s shall not conclude such approved negotiations with organised labour / trade unions on terms and conditions of employment on the project without the prior written endorsement of the Implementing Agent, per instance.
- 5.7. In order to facilitate site access to the TASEZ construction site by registered trade unions, where a recognised trade union wishes to interact with a contractor and/or its employees, such access must be co-ordinated by the Contractors' ER Co-ordinator.
- 5.8. When trade union officials and/or shop stewards and/or employee representatives wish to meet with the contractor or the contractor's employees, then such interaction on site must be conducted within the times allocated by the contractor and in accordance with Health & Safety regulations and/or instructions.

5.9. Associated risks, inclusive of instances of trade union rivalry, must immediately be reported to the Main/Principal Contractor's ER Practitioner, who with the support of the Contractors' ER Co-ordinator, shall guide the appropriate risk response.

5.10. To prevent labour conflict as a consequence of political electioneering on site, the Main/Principal contractors must proactively implement uniform measures to effectively avoid any form of political electioneering on site.

6. COMPLIANCE TO LEGISLATION AND THE VALIDITY OF STATUTORY COLLECTIVE BARGAINING SYSTEMS AND INSTRUMENTS

6.1 South African labour legislation, including applicable industry sector specific regional and national collective bargaining agreements and wage regulatory instruments, will have jurisdiction on the Project.

6.2 In turn, contractors, sub-contractors and service providers will perform construction, fabrication, erection, installation and service activities in the respective industry sectors that are governed by these regional and/or national collective bargaining agreements and/or sectoral determinations.

6.3 It is each Main/Principal contractor's duty to ensure that it and all its sub-contractors and on-site service providers comply with the applicable agreement/s through their correct industry specific demarcation (i.e. the Civil Engineering; Building; Mechanical, Electrical, Instrumentation & Piping (MEIP) and Electrical contracting industries etc.).

6.4 In instances where the Contractor is not governed by an industry agreement on general terms and conditions of employment, then compliance to the Basic Conditions of Employment Act (No.75 of 1997) as amended from time to time, shall be the minimum requirement.

7. SOCIO-ECONOMIC OBJECTIVES

7.1. The Implementing Agent has placed a number of contractual obligations on contractors in fulfilling the objectives for the socio-economic deliverables on the project.

7.2. The primary socio-economic objectives are to:

7.2.1. Maximise the employment of local resources from Target Areas;

7.2.2. Maximise the local impact of training and development opportunities;

- 7.2.3. Ensure the establishment and retention of a stable and safe construction labour environment by proactively mitigating associated risks;
 - 7.2.4. Promote the adoption of better human resource management standards, practices and systems;
 - 7.2.5. Proactively mitigate neighbouring community job seeker risks by implementing and managing enhanced construction labour recruitment systems and methodologies;
 - 7.2.6. Record, track and report on achievement of socio-economic objectives.
- 7.3. The Implementing Agent has confirmed the minimum employment number for each TASEZ construction project and service.
- 7.4. All contractors and service providers commit to achieving at least the minimum employment obligation (i.e. number of Jobs provided) referred to in 7.3. above.
- 7.5. Defining a Job on the TASEZ construction project means all authorised personnel employed on the TASEZ construction site comprising:
- 7.5.1. Local additional personnel employed through the PSDC (hourly-paid and salaried staff);
 - 7.5.2. Local seconded personnel (hourly-paid and salaried staff);
 - 7.5.3. Non-local seconded personnel (hourly-paid and salaried staff);
 - 7.5.4. Structured Learning (Internships, Apprenticeships, Learnerships and experiential placements);
 - 7.5.5. Employment by Consultants (hourly-paid and salaried staff, excluding formal learning)
- 7.6. For the purpose of contractual compliance to minimum employment obligations, employment of individuals for periods of employment on the construction site of shorter duration than twenty (20) continuous working days are excluded from the employment / jobs calculation.
- 7.7. To prevent any Contractor attempting to circumvent the minimum employment obligation by significantly increasing the headcount at the end of the project and then attempting to claim compliance, the Implementing Agent reserves the right, for the purpose of effecting non-compliant penalties, to use an alternate calculation method. This alternate method is to calculate minimum employment on the basis of accumulated proven actual normal hours worked on site per month (limited to 9 hours per person per normal working day) on site and divided by 180 hours per working month to confirm the level of employment for each past month. This calculated level of employment per month is then averaged over the completed months worked to arrive at the calculated total employment.

8. EMPLOYMENT RELATIONS STRATEGY: THE MANAGED APPROACH

- 8.1. It is the desire of the Implementing Agent and the Client that employment relations practices, procedures and processes that are implemented within the project are uniform and of the highest possible standard. The objective of this approach is to promote an environment that is healthy, safe, efficient, productive, harmonious, is free of disruption and localises opportunities for neighbouring communities. Such an environment will clearly assist contractors in implementing their projects successfully. All Contractors, sub-contractors and site service providers within the project have a role and responsibility in achieving this objective.
- 8.2. To this end, certain mechanisms and structures are put in place to ensure that all participants on TASEZ construction projects are aware of the socio-economic and labour requirements and obligations that are contractually binding on them, and that these are properly implemented and complied with.
- 8.3. A key component of the socio-economic requirements and obligations is the proper and timely completion and submission of Standard Labour Documentation to the Project Socio-economic Development Centre (PSDC) in the provision of employment opportunities to local community members. The formats of the Standard Labour Documentation and the support services are made available at each Main/Principal Contractor's contract kick-off / commencement meeting.

9. APPLICATION OF THE CONSTRUCTION LABOUR MANAGEMENT PROTOCOLS

9.1. Contracting Phase (per construction contract)

The Implementing Agent provides the Labour Management Specification which entail the construction labour management standards and practices for inclusion in the construction tender documentation. This will include the required provisions in the Bill of Quantities (BoQ) to fully cater for the implementation of the established construction labour management protocols and the socio-economic deliverables.

The Implementing Agent's construction labour management representative must participate in Main/Principal contract pre-tender briefings to ensure the correct presentation of the established labour management protocols.

9.2. Implementation Phase (per construction contract)

The Implementing Agent's construction labour management representative must participate in the Main/Principal construction contract commencement meeting to promote full understanding by the site management of the Main/Principal contractor of the required compliance to the established contractual labour management protocols.

The Implementing Agent's construction labour management representative may elect to conduct a coaching audit with the Main/Principal contractor's approved Project ER Practitioner, shortly after site establishment, to ensure each Main/Principal contractor's understanding of compliance measures related to the established labour management protocols.

9.3. Construction Phase

The Implementing Agent shall:

- Provide support in monitoring labour management risks through regular Main/Principal contractor interaction;
- Enhance labour stability through regular scheduled Employment Relations Co-ordination meetings with the collective of Main/Principal contractors on site;
- Conduct Labour Management Compliance Audits to measure Main/Principal contractor compliance to the established labour management protocols, and provide reports and instruct required remedial action;
- Provide input to monthly Client reports on status of Employment Relations on site;
- Implement the updated Project ER Policy, should any collective bargaining wage agreement impact the Policy, and/or should the Implementing Agent, at its sole discretion, require any amendment.

9.4. Close-out Phase

The Implementing Agent shall:

- Endeavour to enhance each Main/Principal contractor's understanding of better labour demobilisation practices and statutory requirements, to avoid unnecessary labour conflict/disruptions associated with labour demobilisations;
- Provide employment relations input on each Project Close-out Report, per Main/Principal contractor;

- Provide detail of the extent of Exit Medical Assessments having been conducted by every employee of every contractor, per Main/Principal contractor.

10. TOOLS AND TECHNIQUES FOR PROMOTING ADHERANCE TO CONSTRUCTION LABOUR MANAGEMENT PROTOCOLS AND THE ACHIEVEMENT OF SOCIO-ECONOMIC DELIVERABLES

10.1. Construction Labour Management and Socio-Economic Specifications Clarification Meeting

10.1.1 Within five (5) working days of the contract commencement / kick-off meeting, every Main/Principal contractor shall attend a Construction Labour Management and Socio-Economic Specifications clarification meeting with the Implementing Agent's construction labour management representative(s), prior to site establishment. Both the Main/Principal contractor's senior site/contract manager and the approved employment relations practitioner are required to participate in this clarification meeting.

10.2. Labour Management Compliance Auditing

10.2.1. The Labour Management Compliance Audit Template, aligned to this Project ER Policy and the prescribed labour management system document templates to be used during the project, shall be provided to the Main/Principal contractor by the Implementing Agent's construction labour management representative(s), at this clarification meeting. This template will contribute to the contractor's self-assessment of its early compliance to the required Labour Management Practices and Standards.

10.2.2. The Implementing Agent reserves the right to amend the audit template(s) to align to changing risks facing the project.

10.2.3. Every Main/Principal contractor shall ensure that best labour management practices are uniformly applied to construction labour management on site as a whole, all sub-contractors (including all SMME's) inclusive. As such, every Main/Principal contractor shall audit its own full compliance to the established labour management protocols and the socio-economic deliverables using the same compliance audit template. This includes the Main/Principal contractors conducting compliance audits on every active sub-contractor (SMME contractors inclusive), using the same compliance audit template.

- 10.2.4. Proactive measures must be employed by the Main/Principal contractor in order to ensure that all sub-contractors (SMME contractors inclusive) achieve and retain full compliance to the established labour management protocols, throughout their duration on their works on site. Such measures include the immediate cessation (i.e. stopping) of an SMME's construction activities on site, should the SMME not be able to remunerate (i.e. pay) own labour, until the remuneration deficiency is remedied (i.e. until wage payment is made).
- 10.2.5. The Implementing Agent has appointed Employment Relations Compliance Auditor(s) to monitor the adherence to the established labour management protocols and the achievement of the socio-economic imperatives. The Implementing Agent shall conduct periodic compliance audits on the Main/Principal contractors, who at the time of audit, will be required to present their compliance audit reports on every active sub-contractor (SMME contractors inclusive).
- 10.2.6. The Implementing Agent reserves the right to audit compliance on any sub-contractor (SMME contractors inclusive).

10.3. Non-compliance Penalty Provision

- 10.3.1. The compliance audits will confirm the extent to which all contractors comply with the established construction labour management protocols and better labour management practices, as well as the extent of achievement of the socio-economic deliverables.
- 10.3.2. Every contractor is required to achieve full compliance to the established labour management protocols (i.e. a demerit score of zero using the audit template) within one (1) month (defined as twenty (20) working days) of the non-compliance/s being highlighted.
- 10.3.3. In the event of the Main/Principal contractor or any sub-contractor (SMME's inclusive) not complying with the socio-economic specifications after the one (1) month period stated herein above, or failing to maintain the required labour management protocol thereafter, then a punitive penalty of R10 000 (Ten Thousand Rand (Excl. VAT) per day will be paid by the non-compliant Main/Principal contractor to the Implementing Agent, for each working day that the non-compliance prevails, as determined by the Implementing Agent.
- 10.3.4. Such payment shall be in the form of a deduction of the full penalty incurred during the preceding month, off payments due to the non-compliant Main/Principal contractor.

11. LABOUR RISK ASSESSMENTS

- 11.1. Prior to construction commencement, the Main/Principal contractor is required to undergo a labour risk assessment to highlight the most significant labour risks associated with the project and provide the mitigations to deal with these identified risks. The Labour Risk Assessment Report template, with the accompanying instruction, shall be provided at the contract kick-off/commencement meeting.
- 11.2. The duly completed labour risk assessment report will be submitted to the Implementing Agent by the Main/Principal contractor, prior to construction commencement.
- 11.3. The Implementing Agent's construction labour management representative shall review the contractor's labour risk assessment report and provide endorsement recommendations to the Implementing Agent.
- 11.4. Thereafter, all Main/Principal contractors are required to participate in the project-wide Labour Risk Assessment Review processes facilitated by the Implementing Agent, at scheduled intervals as determined by the Implementing Agent.
- 11.5. The responsibility for mitigating labour risks rests with each contractor, proactively management by each Main/Principal contractor.

12. SHIFT WORK ARRANGEMENTS

- 12.1. Due to the fast-tracked nature of the TASEZ Project, it is recognised that innovative measures will need to be introduced by the Main/Principal contractors to ensure that their construction contract is completed by the contractual works completion date. It is further recognised that such innovative measures could include the introduction of shift work arrangements. Accordingly, Main/Principal contractors must ensure the effective introduction and maintenance of a standardised night shift allowance and related shift work arrangements across the TASEZ Project as a whole (sub-contractors inclusive), that aligns to construction industries' regional and national collective bargaining agreements and current practices.

- 12.2. Every Main/Principal contractor must ensure the implementation of appropriate working hours' arrangements to suit its operational requirements across its contract as a whole, sub-contractors inclusive. Such appropriate working hours' arrangements, inclusive of shift configurations (if applicable), should be established at project commencement and must be clearly explained by the contractor (i.e. employer) to individual labour, prior to contracting individual labour, of required flexible working flexible working / shift arrangements included in the employment contract.
- 12.3. It is recognised that changing working hours' arrangements and/or shift configurations during the course of a construction project serves as a platform for resultant conflict and therefore, as far as practically possible, contractors should establish, communicate and uniformly implement such requirements at construction commencement and not endeavour to introduce changed arrangements during the course of each construction project.

13. COMMUNICATION STRUCTURES

13.1 Communication

- 13.1.1. In order to ensure that effective communication takes place on and for the Project, various interventions are required to spread a positive message on the Socio-Economic (S-E) objectives and benefits to stakeholders. The community engagement structures established by the Implementing Agent, form the primary mechanism to achieve this.

13.2 Inductions

- 13.2.1. All project personnel on site must attend a Project Induction presentation, followed by a Site Induction presentation, before commencing work on site.
- 13.2.2. The Project Induction will be provided by the Implementing Agent through the PSDC and shall include the project overview, performance expectations and key labour management aspects including the general health, safety and environmental practices to be employed on the project and the project demobilisation bonus.
- 13.2.3. The Site Induction shall be provided for all construction personnel by the contractor, prior individual personnel commencing employment on site. Individual Site Induction may not be conducted prior to individual Project Induction, per person.

- 13.2.4. The Site Induction must include an effective Zero Tolerance message relating to construction personnel being under the influence of alcohol or other intoxicating substances on the construction site, during construction hours.
- 13.2.5. All Contractors must ensure that all appropriate work-readiness skills, and in particular Health, Safety & Environmental awareness training (including meeting all COVID-19 requirements) specific to their construction activities, is conducted prior to individual's work commencement on site, and where appropriate, during the course of employment on site.
- 13.2.6. Attendance registers of all personnel attending the Site Inductions and all other required training must be retained on site for the duration of the construction project.
- 13.2.7. Contractors are encouraged to conduct appropriate site induction and work force integration activities to promote early assimilation of new members to teams, to avoid the lack of acceptance and integration of "new" employees with the contractors longer serving core labour.

13.3 Labour Consultative Forum (on-site individual contract communication structure)

- 13.3.1. In order to ensure labour harmony, the contractor shall be responsible for facilitating all on-site communication on the contractor's own construction site. A Labour Consultative Forum (LCF) shall be established on site at which labour and workplace related issues will be addressed.
- 13.3.2. The LCF will be established by the Main/Principal contractor within one (1) month of construction commencement and will meet at least monthly thereafter.
- 13.3.3. The LCF will be attended by senior management representatives of the Main/Principal contractor and its ER Practitioner, senior management representative(s) and ER Practitioners of each active sub-contractor and on-site service provider employing labour, and the representatives elected from amongst the labour on site.
- 13.3.4. The total number of participants should be limited to twenty (20), to promote efficiency and effectiveness of the meeting.

- 13.3.5. The Main/Principal contractor's ER Practitioner shall perform the role of Secretariat to the LCF, which includes preparing a schedule of the dates of the monthly meetings, ensuring the timely distribution of invitations to the next meeting, the next meeting's proposed Agenda, as well as the written minutes of each meeting, availed within 5 working days of the conducted meeting.
- 13.3.6. All issues raised in the LCF will be addressed in a timely manner by the contractor, and communicated to the PSDC in the weekly site employment relations report by the Main/Principal contractor, in the format as provided by the Implementing Agent.

13.4 Employment Relations Co-ordination Committee

- 13.4.1. The Implementing Agent shall form the Employment Relations Co-ordination Committee (ERCC), which shall be chaired by its construction labour management representative. The Implementing Agent shall provide secretarial services to the ERCC.
- 13.4.2. Each Main/Principal contractor's most senior site manager, together with its approved ER Practitioner, shall attend every ERCC meeting, typically conducted at monthly intervals.
- 13.4.3. The senior site manager is permitted to invite a subordinate site manager to accompany him/her to the meeting, who is most attuned to current labour management challenges, should this facilitate meeting progress.
- 13.4.4. In exceptional circumstances when the senior site manager is unable to participate in any scheduled ERCC meeting, then he/she must ensure the participation of an alternate site manager in the ERCC meeting, who shall be delegated to take decisions on behalf of the absent senior site manager.
- 13.4.5. Should practical circumstances require, the Implementing Agent may elect to conduct any ERCC meeting through a virtual meeting digital platform of its choice.

13.5 Contractors' Consultative Forum

- 13.5.1. The collective of Main/Principal contractors active on site shall elect a Chairperson from amongst the contractors' most senior site managers. The Chairperson shall then facilitate the formation of the Contractors' Consultative Forum (CCF), together with required governance arrangements.
- 13.5.2. The Contractors' ER Co-ordinator shall provide secretarial services to the CCF.

13.5.3. Each active Main/Principal contractor's most senior site manager, together with its approved ER Practitioner, shall attend every monthly CCF meeting.

13.5.4. In exceptional circumstances when the senior site manager is unable to participate in any scheduled CCF meeting, then he/she must ensure the participation of an alternate site manager in the CCF meeting, who shall be delegated to take decisions on behalf of the absent senior site manager.

13.5.5. At a minimum, the CCF shall meet monthly, immediately prior to scheduled monthly ERCC meetings.

14. LOCAL EMPLOYMENT

14.1. Maximising creation of employment opportunities

14.1.1. All TASEZ projects are to endeavour to maximise local employment opportunities. This shall include utilising labour intensive methodologies in the construction project whenever practically possible, and localising the manufacture and supply of materials to be used on the project.

14.1.2. This shall be achieved through appropriate design and value engineering for local conditions and methodologies.

14.1.3. The minimum number of construction personnel to be employed / deployed on the Project shall be determined by the Implementing Agent, based on the nature and extent of the site works.

14.1.4. It is therefore a contractual obligation that the minimum number of construction personnel must be employed / deployed on the Project and that at least 66% of the minimum number of Jobs obligation is met at the mid-point (i.e. 50%) of the construction contract duration.

14.1.5. It is the obligation of the Main/Principle contractor to ensure that the minimum employment contractual obligation is met across its project as a whole, all subcontractors / SMMEs inclusive.

14.1.6. The number of construction personnel shall include all PSDC approved contractors' seconded personnel who also qualify in accordance to the Job definition as detailed in clause 1.10.

- 14.1.7. As a measure to avoid seconded labour creep during the course of construction, thereby maximising new local employment opportunities through the single recruitment avenue, every construction contractor shall, prior to its first labour secondment approval request, provide the PSDC with the first and final version of all its current employees who could possibly be seconded to the Project. This information is to be provided to the PSDC in electronic Excel spreadsheet format and must include the following detail: Contractor name; Employee identity number; Employee surname; Employee first name(s); Employment commencement date; Nationality.
- 14.1.8. The PSDC shall not process the first seconded labour application from any contractor without the contractor having first complied to the provisions of clause 14.1.7 above, taking due cognisance that no person may access the TASEZ construction site for employment purpose without having been granted specific authorisation by the Implementing Agent through the PSDC.
- 14.1.9. A seconded labour approval application for any blue-collar / hourly-paid construction worker who does not appear in the name list as provided per 14.1.7 above, shall not be considered by the PSDC for authorised site access. The exception to this restriction is limited to the secondment of additional semi-skilled or skilled personnel in the instance detailed in clause 14.2.13 below, where the PSDC has confirmed in writing that it is unable to supply sufficient scarce skill sought by the Contractor.
- 14.1.10. Efforts to provide employment to youth, women and people with disabilities will be a key focus in setting of minimum employment targets.
- 14.1.11. Immediately prior to the construction commencement / kick-off meeting, the Main/Principal contractor is required to provide the PSDC written confirmation in the form of the Additional Labour Histogram, as provided by the Implementing Agent, of the anticipated numbers of additional labour required per job title, to be utilised during the course of the construction project.
- 14.1.12. Additional Labour Histogram submissions must be inclusive of the total projected additional labour requirements of all sub-contractors and service providers on site.
- 14.1.13. It is acknowledged that this Additional Labour Histogram provided by the Main/Principal contractor at the construction commencement / kick-off meeting will be a best estimate based on the information at hand, and that the Main/Principal contractor shall update the Additional Labour Histogram through regular updated submissions to the PSDC, as soon as more accurate information is forthcoming.

14.1.14. Notwithstanding, a new Additional Labour Histograms must be submitted to the PSDC by each Main/Principal contractor on a monthly basis, even if the projected additional labour requirement across the contract as a whole does not change from the prior month submission.

14.2. Recruitment of Labour to the Project

14.2.1. The minimum of 70% of all construction personnel to be sourced from Target Areas 1 and 2.

14.2.2. Preference for employment shall be granted to local candidates who reside in Target Area 1 and Target Area 2 and who are in possession of appropriate qualifications, skills or experience.

14.2.3. The Target Areas are defines as:

- **Target Area 1** is limited to nine (9) Tshwane Wards in close proximity to the construction site;
- **Target Area 2** is limited to the balance of the City of Tshwane; and
- **Target Area 3** is the balance of the Gauteng Province

14.2.4. **Target Area 1** is limited to the following:

- Ward 06: Mamelodi West areas C2, D1, D4 and D5;
- Ward 15: Nellmapius ext. 6, ext. 7, and ext. 8, Ikageng and Buffer Zone;
- Ward 18: Mamelodi East, Khutsong extensions, Mamelodi Gardens, sections 1, 14, 15, 16, 17);
- Ward 28: Mamelodi West areas, D2, D3, Moretele View and Buffer Zone;
- Ward 38: Mamelodi Sun Valley (X 13 and X14);
- Ward 41: Bellievue, Meyerspark, Murrayfield, Salieshoek, Silverton and Val de Grace;
- Ward 43: Dispatch, Eersterust, Silverton (North of Pretoria Avenue) Silvertone dale and Waltloo;
- Ward 67: Mamelodi; and
- Ward 86: Nellmapius, Samcor Park, Willow Brase and Willow Park and Willow Park Manor.

14.2.5. Preference for employment shall be granted to competent local candidates residing in Target Area 1 above local candidates residing in Target Area 2, and similarly, preference for employment shall be granted to competent local candidates residing in Target Area 2 above local candidates residing in Target Area 3.

- 14.2.6. The employment of youth (i.e. less than 35 years of age), women and people living with disabilities are targeted for recruitment through the TASEZ Project & Socio-Economic Development Centre (PSDC), at the minimum level of:
- Youth at 50%;
 - Women at 10%
 - People living with disabilities at 2%
- 14.2.7. The Main/Principal contractor is required to ensure that all the minimum employment targets stated herein above (i.e. local, youth, women and disabled employment) are achieved across the construction works as a whole, through the entire course of construction, and not just during the final phase.
- 14.2.8. The Main/Principal contractor is required to submit a timely Labour Requisition to the PSDC, in the form presented by the PSDC, for the recruitment of all additional labour requirements, including that of all sub-contractors (SMMEs inclusive) and service providers.
- 14.2.9. The Labour Requisition must be submitted to the PSDC at least ten (10) days prior to the planned contractor selection date. Should the Additional Labour Histogram have been accurate and timely, then the PSDC should be successful in reducing the recruitment timelines, thereby advancing the contractor selection date.
- 14.2.10. In order to avoid instances of skills misrepresentation by additional local labour recruited through the PSDC, every contractor recruiting labour must conduct a competency assessment prior to and/or immediately after selection, and report any alleged skills misrepresentation / candidate deficiency to the PSDC as early as possible, preferably within one (1) working day.
- 14.2.11. No fees will be levied for recruitment or admission to employment, as the Implementing Agent will provide the recruitment service through the PSDC.
- 14.2.12. Contractors will be entitled to second and utilise core skills on the Project, subject to the approval requirements specified by the Implementing Agent.

- 14.2.13. In instance where sufficient semi-skilled or skilled personnel are not available in the TASEZ Job Seekers' database as managed by the PSDC, the contractor will be advised in writing by the PSDC, whereupon the contractor is obliged to recruit its own additional resources as detailed in the PSDC written notification, and to follow the standard secondment approval process to deploy such additional personnel onto the Project.
- 14.2.14. To avoid additional labour placement delays due to challenges associated with the provision of required Personal Protective Equipment (PPE) due to supply / delivery challenges, contractors must place PPE orders in advance in accordance with their latest additional labour histogram submission, and minimum PPE requirements to be stocked on site for immediate issue on labour placement on site.
- 14.2.15. It is the responsibility of every Main/Principal contractor to co-ordinate access authorisation (i.e. both take-on and termination) of all sub-contractors' personnel (SMMEs inclusive) through the PSDC. This co-ordination between the Main/Principal contractor and the PSDC is one of the primary roles of the approved ER Practitioner.
- 14.2.16. No persons may access the TASEZ construction site for employment purposes without the approval of the Implementing Agent through the PSDC, and the subsequent issuing of individual site access card by the Implementing Agent.

14.3. Secondment of Labour to the Project

- 14.3.1. Every contractor active on site is permitted to deploy the maximum of 30% non-local seconded labour, who usually reside outside Target Areas 1 and 2.
- 14.3.2. A pre-placement approval process, administered by the PSDC on behalf of the Implementing Agent, shall be in effect for all seconded labour.
- 14.3.3. For successful secondment of typically hourly-rated personnel, the contractor must also provide the PSDC valid evidence of its prior employment of the individual on a previous project, prior to being awarded its first contract on the TASEZ Project.
- 14.3.4. All secondment approval requests must be effected on the application documentation as provided to the contractor by the Implementing Agent.

- 14.3.5. Main/Principal contractors must ensure that no labour for itself and/or any sub-contractor (SMMEs inclusive) is transferred to another contractor or to another construction contract on the site without the Main/Principal contractors having received written authorisation from the PSDC.
- 14.3.6. No secondment approval shall be authorised for site access for employment purposes for a foreign national / expatriate, should a valid work visa / valid work permit not accompany the secondment approval application to the PSDC.

14.4. Construction site access authorisation

- 14.4.1. No person may access the TASEZ construction site for employment purpose without having been granted specific authorisation by the Implementing Agent through the PSDC, with the issuing of a valid site access card by the Implementing Agent.
- 14.4.2. It is the responsibility of every Main/Principal contractor to co-ordinate access authorisation (i.e. both take-on and termination) of all sub-contractors' (SMMEs inclusive) personnel.
- 14.4.3. Such site access authorisation may be withdrawn by the Implementing Agent, should such access not contribute to furthering the Project objectives, in the sole and reasonable opinion of the Implementing Agent. In such instances, the contractor is to deploy such affected labour elsewhere.

14.5. Use of expatriate labour

- 14.5.1. The use of expatriate labour (i.e. contractors seconding foreign nationals) is discouraged due to the socio-political risks it brings to the Project. Expatriate labour should only be used on the Project for those skilled job categories in proven short supply.
- 14.5.2. Notwithstanding, the Main/Principal contractor must ensure that each expatriate labour possesses a valid work visa / valid work permit, prior to processing each secondment application for itself and/or any sub-contractor (SMMEs inclusive).
- 14.5.3. The Main/Principal contractor must introduce control measures to ensure demobilisation of individual foreign nationals for itself and/or any sub-contractor (SMMEs inclusive), prior to expiry of their valid work visa / valid work permit.

14.6. Use of labour brokering services

The use of Labour Brokering services, where the employment relationship in whatever form remains with the Labour Broker or any other party other than the contractor (even if partially shared with the contractor) is prohibited (i.e. banned) on the TASEZ construction project.

14.7. No labour poaching provision

- 14.7.1. No contractor may poach employee/s from other contractors on the Project by means of financial inducements, or other incentives or upon any other basis, except where:
- another contractor has either demobilised an employee on a fixed duration employment contract or made the employee redundant, or
 - an employee has resigned and a period of 90 days has elapsed from the date of resignation, or
 - an employee can present letter of release from the contractor and the employee is offered permanent employment by another contractor
- 14.7.2. Should a contractor on the Project allege that another contractor on the Project is attempting to / has poached labour from amongst its labour force on the Project, then such employment shall be stalled until the next CCF meeting, whereupon both affected Contractors will abide by the majority consensus view of the CCF.
- 14.7.3. Notwithstanding the provisions of this clause, when an employee of another contractor has been dismissed for misconduct or for participation in unprocedural industrial action or project, or future access is denied by the Implementing Agent, then that employee shall not, under any circumstances, be employed by any other contractor on the Project.
- 14.7.4. Main/Principal contractors are to ensure that every sub-contractor's (SMMEs inclusive) site management are advised during the detailed induction of labour management protocols, that labour poaching is not permitted on site. Main/Principal contractors must conduct random checks on sub-contractors to ensure that no sub-contractor is engaging in labour poaching.

14.8. Determination of minimum wages and payment procedures

- 14.8.1. It is imperative that standard wage conditions are adopted across the entire project as a whole, wherever practically possible.
- 14.8.2. The Main/Principal contractors must ensure that the wage rates comply with the minimum wage rates provided by the Implementing Agent, yet may not be less than the wage rates prescribed in the applicable industry collective bargaining agreement, and that such wage rates are sufficiently competitive to retain labour, promote labour productivity and minimise associated labour conflict.
- 14.8.3. The wage rates paid should also be deemed fair, through the application of Equal Pay for Work of Equal Value, whenever practically possible.
- 14.8.4. Remuneration based solely on piecework arrangements (e.g. paying a semi-skilled bricklayer per brick laid, in the absence of a guaranteed minimum hourly rate of pay) is prohibited (i.e. banned) on the TASEZ construction project.
- 14.8.5. Wages shall be paid monthly in arrears into each employee's own bank account. The wage payment detail, including all deductions made, must be provided in acceptable pay-slip format on or immediately before the scheduled payday. No cash payments may be made for safety reasons, and as such a condition of employment for labour employed on the Project shall be the possession of his/her own active bank account.
- 14.8.6. The contractor must provide for all annual wage rate increases to actual rates of pay, for the full duration of the construction project and include such wage rate increases in the tendered price.
- 14.8.7. The timing and quantum of the wage increases shall be in accordance with the prevailing arrangement in the Industry, yet may not be less than the latest available year-on-year Consumer Price Index (CPI) as issued by Statistics South Africa at the time of the wage rate increase.
- 14.8.8. Such annual wage rate increases per industry sector, must be effected at the same time throughout the construction project (i.e. all sub-contractors inclusive) and at intervals of no more than twelve (12) months.
- 14.8.9. No pro-rata wage increases may be effected; for example, awaiting individual twelve (12) months' employment tenure before apportioning the full annual wage increase.

14.9. Central Wage Bureau Service

- 14.9.1. The Main/Principal contractors are required to introduce uniform measures to effectively mitigate the risk of delayed / partial / non-payment of wages and statutory deductions, and payslip challenges by itself and all onsite sub-contractors and onsite service providers.
- 14.9.2. Such uniform measures must include the contractors' utilising the services of one competent and experienced Central Wage Bureau service provider for mandatory application of the Central Wage Bureau's full wage administration and wage payment services by:
- (i) every SMME contractor (excluding CIDB grades 5+) for all labour; and
 - (ii) every other contractor and service provider active on site (including the Main/Principal contractor), for all local labour recruited through the PSDC.
- 14.9.3. The Main/Principal contractor is to ensure the timely and accurate submission of timesheets to the Central Wage Bureau, and timely subsequent payments to the Central Wage Bureau by all sub-contractors (SMMEs inclusive) to ensure timely wage payments.
- 14.9.4. The Central Wage Bureau (CWB) service must include:
- (i) The administration, calculation and processing of the payroll according to authorised payroll information supplied by the construction contractor to the CWB;
 - (ii) The calculation, physical preparation and provision of payslips for timely delivery by the CWB to the construction contractor for distribution to its employees;
 - (iii) The payment of "net pay" to employees of the construction contractor by electronic transfer, to be available in the employees' bank account on the stipulated pay day;
 - (iv) The preparing and producing of uniform individual pay slips detailing ordinary and overtime working hours, gross and net wages paid and deductions effected, as well as the monthly credit and accumulated Project Demobilisation Bonus credit detailed in hours;
 - (v) The handling and resolution of all wage queries in conjunction with the construction contractor;
 - (vi) Ensuring accurate and timely payment of all required statutory deductions and trade union subscriptions to the appropriate authority / organisation, with adequate and suitable communication to the authority / organisation;
 - (vii) The reliable and accurate invoicing of wage bills to the construction contractors;
 - (viii) The accurate receipting, recording and disbursement of funds from the construction contractors;
 - (ix) To the extent necessary, the generation and reconciliation of IRP5 forms and other similar statutory returns of all employees of the construction contractors; and

- (x) The provision of monthly reports as required by construction contractors, the Contractors' Consultative Forum and the Implementing Agent.

14.9.5. The Main/Principal contractor is to ensure that every sub-contractor (SMMEs inclusive) contracts the services of the CWB and complies with the CWB take-on requirements (e.g. the sub-contractor's UIF Department of Employment & Labour and South African Revenue Services registration numbers etc.) before processing any labour secondment or placing any additional local labour through the PSDC.

14.10. Use of standardised contracts of employment

14.10.1. The contractor is required to ensure compliance to employment legislation. To this end, every hourly-paid employee / blue collar construction worker to be employed / deployed on site must sign the employment contracts as provided to the contractor in hard copy form, by the PSDC, before commencing employment on site. The application of this provision includes monthly paid personnel whose job functions typically fall within the ambit of hourly-rated personnel in the applicable Industry, as solely determined by the Implementing Agent.

14.10.2. For additional local hourly-paid labour, the standard form of the limited duration employment contract will be provided by the Implementing Agent, in consultation with the contractor, as the standard limited duration employment contract for use on the project.

14.10.3. All seconded hourly-paid personnel deployed to the site must sign a secondment contract of employment before commencing employment on site. The standard form of the secondment contract of employment will be provided by the Implementing Agent, in consultation with the contractor, as the standard secondment employment contract for use on the project.

14.10.4. A copy of every employment contract must be retained on site by the contractor (i.e. the employer) for the full duration of the construction contract, to enable labour management compliance auditing by the Implementing Agent and/or the Main/Principal contractor.

14.11. Medical Assessments

- 14.11.1. Every contractor is required to comply with all Occupational Health & Safety Legislation, inclusive of the Construction Regulations. Accordingly, prior to employment commencement on site, all site personnel must receive pre-employment medical fitness clearance from a suitably qualified Occupational Medical Practitioner. The medical assessment must relate to each individual's man-job specification.
- 14.11.2. Similarly, upon leaving site employment, an exit medical assessment must be conducted.
- 14.11.3. The Principal/Main contractor must retain evidence on site of all individual pre-employment, periodic and exit medical assessments of all site personnel; and avail these medical assessment reports during labour management compliance auditing by the Implementing Agent.
- 14.11.4. All costs associated with Medical Assessments shall be for the contractors' own account.

14.12. Security Arrangements and Access Control

- 14.12.1. All contractors and their employees shall conform and comply with all security procedures as detailed and determined from time to time by the Implementing Agent, including denying site access to individual persons as deemed appropriate by the Implementing Agent.
- 14.12.2. The Implementing Agent shall, at no cost to the contractor, issue all approved employees of the contractor with a site access card.
- 14.12.3. The Implementing Agent shall, at no cost to the contractor, issue all approved employees of the contractor with a site access card.
- 14.12.4. The issued site access card remains the property of the Implementing Agent, and must be returned immediately to the Implementing Agent upon site access being denied by the Implementing Agent, for whatever reason.
- 14.12.5. Lost site access cards will be replaced by the Implementing Agent at the cost to the contractor of one hundred and fifty rand (R150.00) Excl. VAT, per card.
- 14.12.6. The Contractor shall, immediately upon individual labour demobilisation off the project, return each and every site access card to the Implementing Agent.

- 14.12.7. Site access cards not returned to the Implementing Agent by the contractor within 24 hours of individual demobilisation, will be invoiced at the fee of two hundred rand (R200.00) Excl. VAT, per card not returned.
- 14.12.8. The Implementing Agent retains the right to implement more stringent security controls, such as the implementation of a Biometric Access Control system, both at the Project access gate as well as at the Site access gate. The Biometric Access Control system's application may be expanded to include Time and Attendance capability for uniform application on the Project as a whole.

14.13. Labour Demobilisation / Termination

14.13.1. Employer obligations upon demobilisation / termination of local employees

- 14.13.1.1. Ensure that individual labour termination is for a fair and valid reason, including the consistent application of fair selection criteria for demobilising labour.
- 14.13.1.2. Consult affected labour, initially through their on-site representatives (if elected/nominated), on the demobilisation selection criteria to be used.
- 14.13.1.3. Communicate individually with each affected employee, confirming demobilisation arrangements, including the final working day.
- 14.13.1.4. Arrange the individual Exit Medical Assessment.
- 14.13.1.5. Confirm the departing / departed employee's attendance at the Exit Medical Assessment, prior to final wages being paid.
- 14.13.1.6. Retrieve the site access card from the demobilised employee at the end of the last shift, and return the site access card to the Zone Operator within twenty-four (24) hours of retrieving the site access card.
- 14.13.1.7. Provide the following standard documentation to individual local labour upon demobilisation / termination:
- (i) Final Payslip;
 - (ii) Procedures for claiming benefits and contact addresses of the applicable office Department of Employment & Labour ;

- (iii) Certificate of Service;
- (iv) Any training certificate/s that may have been issued on the Project;
- (v) Tax Certificate (where applicable).

14.13.1.8. Effect final wage payments, including payment of annual leave credits and payment of the Project Demobilisation Bonus.

14.13.1.9. Provide written confirmation to the PSDC within twenty-four (24) hours of individual labour demobilisation.

14.13.2. Employee obligations upon demobilisation / termination of employment

14.13.2.1. Attend the Exit Medical Assessment as arranged and paid for by the Employer (all site-based employees, including all seconded labour).

14.13.2.2. Return the site access security badge.

14.13.2.3. Acknowledge the deduction of **R200.00** excluding VAT off final wages in the event that the site access security badge is not returned by the employee.

14.13.2.4. Sign acknowledgment of receipt in respect of documentation received from the employer.

14.14. Project Demobilisation Bonus

14.14.1. A Project Demobilisation Bonus equal to 9.25 hours wages will accrue, for each completed month worked on the TASEZ Project, to each individual hourly-paid employee.

14.14.2. The Project Demobilisation Bonus will only be paid upon individual employee demobilisation off the TASEZ Project, and not in the event of resignation or dismissal.

14.14.3. The Project Demobilisation Bonus will only be paid to the employee, provided that during his/her period of employment on the TASEZ Project, the employee:

- (i) is not absent without leave (i.e. AWOL);
- (ii) does not refuse to work contractual/agreed to overtime, when required to work such overtime;
- (iii) does not refuse to work changed working hours arrangements in accordance with the employer's operational requirements;

- (iv) does not participate in any form of action disrupting construction including stay away, work stoppage or industrial action that is not in compliance with the protection provisions according to section 67 of the of the Labour Relations Act.
- (v) In the event of unauthorised absence, or refusal to work contractual /agreed overtime, or refusal to work changed working hours arrangements in accordance with the employer's operational requirements, the employee will forfeit (i.e. lose) 100% of his/her Project Demobilisation Bonus accrued for that month in which the unauthorised absence or refusal occurs.
- (vi) In the event of the employee participating in any unprotected disruption or unprotected industrial action, the total Project Demobilisation Bonus accrued will be forfeited (i.e. will be lost).

14.15. Other Allowances, Subsidies or Bonuses

- 14.15.1. No allowances, subsidies or bonuses other than those contained in the applicable respective Industry Collective Bargaining Agreement and this ER Policy will be considered or paid on the TASEZ Project.

15. LABOUR INCIDENCES / INDUSTRIAL ACTION / LABOUR UNREST

15.1. Communication

Contractors must report all labour incidences to Main/Principal contractor's ER Practitioner as soon as practically possible for scenario specific response guidance.

Any instance of envisaged or actual industrial action / labour unrest must also be reported to the Contractors' Employment Relations Co-ordinator and the Implementing Agent's Employment Relations Representative, as soon as practically possible within the same shift.

15.2. Objective

The Implementing Agent affirm its fundamental belief in consultation and negotiation as the preferred method of employers and employees conducting their working relationship and agree that industrial action should only be engaged in as the last resort, once the procedural requirements of the Labour Relations Act have been adhered to.

15.3. Attempts to Resolve

The Parties shall make themselves available prior to and during the period of the industrial action in order to attempt to resolve the dispute as soon as possible.

15.4. Picketing Rules

The Picketing Rules must be established by the Commission for Conciliation, Mediation and Arbitration (CCMA), at the request of any party in dispute. Written input from the Implementing Agent must be sought by the contractor, for submission to the CCMA, prior to the CCMA establishing the Picketing Rules, should authorisation be sought to conduct the picket on the TASEZ Project, or within one hundred (100) metres of a TASEZ Project perimeter gate. Such Picketing Rules shall be strictly adhered to by all Parties during the industrial action.

15.5. Right to Continue Work

Contractors must ensure that employees that participate in industrial action shall not interfere on site with any employee from the contractor, other contractors or TASEZ operations who choose to work during industrial action. Similarly, Contractors must ensure that striking labour, once off the site, remain off site and may not approach within one hundred (100) metres of any site access / exit point.

15.6. Conduct

Contractors' employees who participate in industrial action may not threaten other employees, clients and their representatives, customers or suppliers.

15.7. Shutdown Procedure

The Parties shall not engage in industrial action until they have observed the shutdown procedures required to ensure Health & Safety and minimise loss of construction material.

The Parties must ensure that during the 48 hour notice period provided for in section 64(1)(b) of the Labour Relations Act, and before employees engage in industrial action, they will ensure that any equipment or materials on which, or with which employees are working, are left secured in such a way that it does not pose a threat of injury to people or loss or damage to property, equipment or materials.

15.8. Protection of Property

The Implementing Agent requires of contractors not to tolerate any employee/s who damage or threaten to damage any property on the TASEZ Project.

15.9. Wage payments during Industrial Action / Strike Action / Labour Unrest

In order to mitigate the risk of disparate (i.e. different) wage payment arrangements on site, due to disruption of construction through no fault of the contractor (i.e. the employer), the Main/Principal contractors must ensure the uniform application of the principle of **No-Work, No-Pay**, where defensible, is consistently applied, per instance, by every contractor amongst all hourly-paid labour across the affected site.

16. TRAINING AND DEVELOPMENT

Training and development interventions are to be planned and implemented on the TASEZ Project. This will take the form of technical skills training, on-the-job training, work-readiness training, and awareness training. These courses are to address the construction skills shortages existing in communities surrounding the projects.

16.1. Work-readiness training

Provision is to be made for undertaking Work Readiness Training to benefit non-seconded labour and limited local community members. This training should be conducted prior to labour commencing work on site, but must be conducted within the first two months of every individual commencing work on site. Such provision shall include the cost of tuition, venue and trainee refreshments.

The contractor shall interact with the Implementing Agent to agree upon a practical program in order to deliver the Work Readiness training aspect. Approval for the contractor to commence with the Work Readiness training programme shall be based on the submission of a proposal to the Implementing Agent, for its consideration.

All Work Readiness training shall be recorded on the TASEZ Labour Management System, through the PSDC.

16.2. Health & Safety awareness training

The Main/Principal contractor shall be responsible for promoting HIV/AIDS prevention awareness, COVID-19 prevention awareness and general Health & Safety awareness on site.

Every worker anticipated to be employed on the Project must be trained in the awareness of site-based issues, according to industry norms and standards.

Provision is made for conducting the training.

The contractor shall be responsible for promoting health and safety on site.

Prior to employment on the Project site, all labour must be inducted on pertinent aspects of the Occupational Health and Safety Act and the Construction Regulations, including safe working practices, before they commence with work on site.

The contractor shall submit monthly reports on awareness training to the Implementing Agent, accompanied by attendance registers in the format prescribed by the Implementing Agent. All Awareness training shall be recorded on the TASEZ Labour Management System through the PSDC.

16.3. Built-environment Internship Programme

The Main / Principal Contractor shall employ the minimum number of Interns, as detailed in the tender specification. This will be determined by the scope and extent of duration of the project and the requirements for employing interns.

The objective is to assist these interns to obtain practical workplace experience on the TASEZ construction site.

Provision is to be made for undertaking Built-environment Interns to benefit local qualifying interns from the local communities. These appointments should be made prior to site commencing work, with selection being made from the pool of interns provided by the PSDC. Such provision shall include the cost of employment and the payment of stipends.

The contractor shall engage the Implementing Agent to agree upon a practical program in order to deliver the Intern Programme. Approval for the contractor to commence with the Intern Programme shall be based on the submission of a proposal, which shall be approved by the Implementing Agent.

All Intern Programme shall be recorded on the TASEZ Labour Management System through the PSDC.

16.4. Scarce Construction Skills Training

Every Main/Principal contractor is required to participate in PSDC initiatives to identify and assess the extent of local construction skills scarcity.

All contractors are required to enhance their own skills development initiatives, targeting local scarce construction skills.

Shared skills development initiatives through the CCF, administered by the CERC, will promote economies of scale to achieve a superior result.

The PSDC will actively support and assist in administering the achievement of contractors' skills development initiatives targeting local scarce skills.

17. REPORTING AND RECORDS

17.1. All socio-economic reporting related to employment, labour management and training activities are captured on a daily basis, by each Main/Principal contractor's Employment Relations Practitioner, on the web-enabled TASEZ Labour Management System (LMS) provided by the Implementing Agent.

17.2. The LMS enables systematised recording, tracking, monitoring and reporting of the primary labour and socio-economic components on the project.

17.3. The LMS modules provided for include:

- (i) Client, Programme and Contract configuration;
- (ii) Contact details of all relevant personnel;
- (iii) Detailing the Socio-economic Specification;
- (iv) Labour histograms;
- (v) Training planning;
- (vi) The labour pool of local residents recorded on the central project database;
- (vii) Labour mobilisation;
- (viii) Inductions, medical assessment recording and reporting;
- (ix) Training conducted;
- (x) Daily labour returns (weekly submission of hours worked);
- (xi) Employment relations weekly report;
- (xii) Wage schedules;

- (xiii) Standard employment templates and take-on documents;
- (xiv) Project reporting on the achievement of Socio-Economic deliverables;
- (xv) Document repository;
- (xvi) Labour demobilisation; and
- (xvii) Close-out reporting.

17.4. The Main/Principal contractor is required to extract and submit monthly labour reports from the TASEZ Labour Management System (LMS) and submit monthly to the Implementing Agent, by the date predetermined by the Implementing Agent. The labour report must be verified by the PSDC, prior to being submitted to the Implementing Agent.

17.5. The LMS is an integrated tool linked to the Implementing Agent information management systems.

17.6. The LMS is accessible by all project role-players through the internet. Access is provided by the Implementing Agent via usernames and passwords issued to each project participant. The copyright of the system, including associated processes and templates, resides with the Coega Development Corporation.

18. ROLES AND RESPONSIBILITIES

18.1 Project Resources

The resources delegated to promote the objectives for labour and community harmony on projects are outlined below.

18.1.1. Construction Labour Management Support

The Implementing Agent will ensure:

- (i) Communication through the community liaison structure;
- (ii) Provision of a fully equipped and resourced Project Socio-economic Development Centre (PSDC) in close proximity to the construction site;
- (iii) Labour recruitment through the development of a database of local job seekers;
- (iv) Provision of additional local labour candidates at the timely request of contractors;
- (v) Provision of individual hardcopy employment contracts via the TASEZ Labour Management System; and
- (vi) Reporting of progress on the achievement of the socio-economic objectives.

18.1.2. Community Liaison Structure

The key imperative on all projects is to ensure that community consultation is established in advance of commencement with site works. This entails the Implementing Agent defining the socio-economic objectives and how to maximise benefits to local communities as well as the Implementing Agent's engagement with the community structures, to promote the project.

The initiation of community engagements and liaison is undertaken by the Implementing Agent, through its appointed team. The establishment of the Community Project Committee (CPC) by the Implementing Agent is a critical element for ensuring community participation in the project. The Implementing Agent and the Client require a proactive approach to dealing with community and business fora concerns and challenges.

Community related concerns directed at the broader TASEZ Project shall be addressed by the CPC, in the endeavour to resolve such concerns.

Typically, the Contractor will not participate in CPC meetings, but may be requested by the Implementing Agent to provide input or respond to queries from the CPC, via the Implementing Agent.

18.2. Site Employment Relations Practitioner

18.2.1. For the Main/Principal contractor

In order to successfully manage all labour issues on site, in a proactive manner, each main/principal contractor shall deploy a full time, site-based, competent and suitably qualified Employment Relations (ER) Practitioner, as an employee of the contractor, for the **full duration** of construction.

The minimum educational qualification of the Site ER Practitioner should be a South African human resources tertiary qualification at a Bachelor's Degree / Diploma level, with South African labour law. Furthermore, the ER Practitioner must have the minimum of five (5) years proven construction site Employment Relations management experience.

The Site ER Practitioners must have sufficient proven competency, knowledge and experience to ensure best labour management practices on a large multi-disciplinary construction site in a complex environment, thereby being able to independently ensure full compliance to the established labour management protocol by the Main/Principal contractor and amongst all sub-contractors and service providers on site.

The obligation is to promote labour harmony across the whole site, with the absolute minimum of unnecessary labour disruption throughout the entire duration of the construction project.

This appointment must receive the **prior written approval** of the Implementing Agent before placing the candidate Site ER Practitioner, using the Site ER Practitioner candidate approval form, as provided by the Implementing Agent.

On-site administrative support must be provided to the Site ER Practitioner.

18.2.2 For the Sub-contractor employing / responsible for 50 or more persons at the same time

Where the contractor is to utilise the services of sub-contractors and service providers, each **employing / responsible 50 or more persons on site at the same time**, then a full time, site-based, competent, suitably qualified and experienced Employment Relations Practitioner must be employed by the sub-contractor / service provider, for the full duration of the construction period when employing in excess of 50 persons on site.

This appointment must receive the prior written approval of the Main/Principal contractor, with a copy of the written approval being sent to the PSDC by the Main/Principal contractor for notification, within two (2) working days of such approval.

18.2.3 For the Sub-contractor employing / responsible for less than 50 persons at the same time

For sub-contractors and service providers each **employing / responsible for less than 50 persons on site at the same time**, then a full time, site-based, competent supervisor with labour management experience and responsibility must be employed by the sub-contractor / service provider on site, for the full duration of the construction period whilst employing less than 50 persons on site.

This appointment, as the nominated person responsible for Employment Relations co-ordination of the sub-contractor's / service provider's on-site work team must receive the prior written approval of the Main/Principal contractor, with a copy of the written approval being sent to the PSDC by the Main/Principal contractor for notification, within two (2) working days of such approval.

(Note: Employment Relations was previously referred to as Industrial Relations or Labour Relations, and in this context are deemed the same).

18.3. Contractors' Employment Relations Co-ordinator

It is common practice across large and complex projects involving a multitude of contractors, that these contractors and service providers appoint a full-time Contractors' Employment Relations Co-ordinator (CERC). This is confirmed to be the requirement of the Implementing Agent for the full duration of construction on the Project.

The primary role of the CERC is to manage and co-ordinate all contractors' employment relations activities, to facilitate a uniform approach, to assist in the speedy resolution of disputes that may arise at individual contractor level and to ensure that labour harmony on site prevails.

The role of the CERC includes the promotion of safe and co-ordinated daily labour transport to and from the construction site (i.e. from main contractors' designated pick-up points and to the main contractors' designated drop-off points). The CERC must regularly review the designated pick-up / drop-off points to ensure adequacy of changing requirements.

The acceptance of such an appointment and the duration and costs associated with the establishment and functioning of the CERC on the TASEZ construction project shall be determined and resolved between the Implementing Agent and the early Main/Principal contractor/s.

The proposed CERC candidate shall possess appropriate qualifications and sufficient labour management experience to fulfil this role effectively. At a minimum, the candidate must possess a South African human resources management tertiary qualification at a Bachelor's Degree / Diploma level, with South African labour law.

Furthermore, the candidate should have at least ten (10) years proven construction site Employment Relations management experience, and must have sufficient proven competency, knowledge and experience to ensure best labour management practices on a large multi-disciplinary construction site, in a complex environment.

The role of the CERC is not to perform the function on any site of the ER Practitioner as detailed in 18.2 above, but to monitor, coach and provide proactive support to the ER Practitioner, with the primary objective of ensuring contractor compliance to the established labour management protocols, promoting labour harmony across the Project as a whole, and ensuring minimal disruptions caused by labour conflict on the Project.

The appointment of the Contractors' ER Co-ordinator is subject to prior written approval of the Implementing Agent.

The Implementing Agent reserves the right to call the early termination of the practitioner deployed as the CERC, on reasonable grounds and termination date as solely determined by the Implementing Agent (i.e. due to lack of sufficient competence, lack of compatibility, lack of capacity, poor performance or operational requirement). This decision shall be communicated by the Implementing Agent to the chairperson of the CCF.

The proposed deployment of a competent replacement CERC candidate, must be presented by the chairperson of the CCF, within twenty (20) working days of the termination of the prior CERC deployment, to the Implementing Agent for approval consideration.

Similarly, should the CERC leave the Project, or be incapacitated for a continuous period in excess of twenty (20) working days, then the proposed deployment of a competent replacement CERC candidate must be presented by the Chairperson of the CCF, within a further twenty (20) working days, to the Implementing Agent for approval consideration.

19. LABOUR TENDER COST CHECKLIST SUMMARY

The tender includes a spreadsheet providing costing detail for itemised Socio-Economic deliverables on the project, titled "*S-E Costing _TASEZ Construction*"

The Main/Principal contractor shall include mark-up / profit in all cost provisions at rates agreed with the Implementing Agent.

20. REVIEW OF THIS EMPLOYMENT RELATIONS POLICY

This Employment Relations Policy, Principles and Requirements document, will be reviewed by the Implementing Agent as and when necessary. This includes annual increases to the wage schedules as included as Annexures to this document. The revised Employment Relations Policy, Principles and Requirements shall be approved by the Implementing Agent, before being implemented, and the latest revision.

ANNEXURE "A1"

**LIMITED DURATION CONTRACT OF EMPLOYMENT (LDC)
FOR LOCAL EMPLOYEES**

The Employer: _____

hereby agrees to engage the service of the

Employee: _____

1 EMPLOYMENT

- 1.1 The nature of the Employer's operations relates to a specific construction/ contract being: _____ on the Tshwane Automotive Special Economic Zone (TASEZ) Construction Project, consequently the Employer is not in a position to offer permanent employment but is able to offer employment of a temporary nature.
- 1.2 The Employee acknowledges that this contract is of a temporary nature and for a limited duration, and no expectation of permanent employment or further employment is created.
- 1.3 The Employer hereby engages the Employee as a _____ in _____ (*Occupational Group as per Job & Wage schedule*)
- 1.4 The Employee's employment on the project will commence on _____ (*date*) and will terminate on completion of the task/job for which the Employee was employed. The period of employment on the project shall not exceed the time for which the employee's services are required for a task/job on the Project or a particular phase thereof.

2 PROBATION

- 2.1 The Employee shall be evaluated for work performance (i.e. quantity and quality) and compatibility by the Employer over a continuous period of _____ (*weeks*) for the job category for which he/she is tendering his/her services, to the satisfaction of the Employer.
- 2.2 Should the Employee not meet that performance and/or compatibility standard as reasonably required by the Employer, then the Employer may terminate this employment contract through a fair process.

- 2.3 This probation period may be extended by the Employer upon good cause shown, through written confirmation to the Employee detailing shortcomings and required remedial action over a limited period.

3 WAGES

- 3.1 The Employee's hourly rate of pay will be : R _____
(Standard per Job & Wage schedule)
- 3.2 The Employee's wages will be paid by bank transfer, monthly in arrears into his / her own bank account.
- 3.3 The Employee therefore acknowledges that having an active personal bank account is a condition of employment.
- 3.4 Any increase to the Employee's wage rate will be in accordance with the timing and percentage applicable to the industry agreement. The Employee agrees that no other increases will be applicable whilst employed on the TASEZ Project, unless the Employee is promoted to a higher job category.

4 HOURS OF WORK AND OVERTIME

- 4.1 The hours of work over the typical month will be:

	Mon.	Tue.	Wed.	Thu.	Fri.	Sat.	Sun.
Week 1							
Week 2							
Week 3							
Week 4							

- 4.2 The daily shift start time(s) will be _____
- 4.3 The daily shift start time(s) will be _____
- 4.4 There will be paid 15-minute rest interval from _____
- 4.5 There will be a 30 minute unpaid lunch break from _____
- 4.6 The hours set out in Clause 3.1 can be increased or reduced according to project requirements.

- 4.7 Due to the nature of the construction project, overtime work is envisaged. The Employee hereby voluntarily agrees to work such overtime as required by the Employer.
- 4.8 Hours worked in excess of normal hours will be paid as overtime in accordance with the applicable industry agreement, or in the absence of the industry agreement, in accordance with the Basic Conditions of Employment Act.

5 UNPAID NO WORK DAYS

- 5.1 Whenever your contract of employment stipulates ad hoc work conditions (see clause 4.1 above) or due to no continuity of work, the time you do not work will be unpaid.
- 5.2 The employer will give reasonable notice to employees that they will be unpaid for the reasons stipulated on clause 5.1.

6 SHIFT WORK

- 6.1 Due to the nature of the construction project, it is envisaged that shift work will be required.
- 6.2 The Employee hereby voluntarily agrees to work such shift work arrangement or changed shift work arrangements as required by the Employer, upon being granted reasonable notice of at least two (2) working days.

7 LEAVE

7.1 Annual Leave

- 7.1.1 The Employees will be accrue annual leave at a rate of 1 day for every 17 days worked and the Employee agrees not to take leave for the first 3 months of employment.
- 7.1.2 The Employer will have the discretion to require the Employee to take accumulated leave during the December shutdown period.

7.2 Sick Leave

- 7.2.1 The Employee is entitled to paid sick leave in accordance with the Basic Conditions of Employment Act, with the limitation that during the first 6 months of employment, the Employee is only entitled to 1 day's paid sick leave for every 26 days worked.

7.3 Family Responsibility Leave

7.3.1 The Employee is entitled to 3 days of family responsibility leave during each annual leave cycle, subject to the limitations of the Basic Conditions of Employment Act, including no entitlement to family responsibility leave during the first 4 months of employment.

7.3.2 The Employee must furnish valid proof of the family responsibility to the HR department or Site management, before family responsibility leave will be granted.

7.4 Maternity Leave

7.4.1 The employees are entitled to four (4) month maternity leave, which is unpaid as per the Basic Conditions of Employment Act.

8 NOTICE OF TERMINATION

8.1 It is hereby agreed that the notice of termination of employment upon completion of task or when operational requirements as confirmed by the Employer necessitate a reduction of employment levels, will be presented by the Employer, which then terminates the employment relationship, with no expectation of further employment through the Employer.

8.2 The termination notice of employees will be subject to section 37, of the Basic Condition of Employment (BCEA). The act stipulates if you are employed for:

- Up to six (6) weeks of service – one (1) week's notice;
- Six (6) Months up to a year service – two (2) weeks' notice;
- More than One (1) year of service – four (4) weeks' notice.

9 RESTRICTIONS

9.1 Whilst employed by the Employer, the Employee shall not supply any goods, information, nor render any services to clients, suppliers nor to any employee of the Employer, except as may be required in the course of the Employee's employment.

9.2 No Employee may be directly or indirectly engaged in any business or undertaking other than that of the Employer, unless specific prior written consent is obtained from the Employer.

9.3 Non-Employer work may only be undertaken by the Employee outside of normal working hours and with the prior written consent of the Employer. Such consent shall not be unreasonably withheld if such work does not affect the performance of the Employee's duties.

10 OTHER CONDITIONS

- 10.1 The conditions of employment not specifically dealt with above will be those prevailing in the applicable industry agreement, the Project Employment Relations Policy, the Employer's policy and general rules and regulations applicable to TASEZ construction.

11 OCCUPATIONAL HEALTH, SAFETY AND THE ENVIRONMENT

- 11.1 The Employee acknowledges that exposure to hazardous conditions may occur. The Employee undertakes to take all reasonable steps to protect him/her and his/her fellow workers from the dangers of contracting any injury or disease and to comply with any Project procedures, recommendations, guidelines and preventative measures that may apply with regard to Occupational Health, Safety and Hygiene and protecting the Environment.
- 11.2 The Employee acknowledges COVID-19 awareness and that he/she will comply with all coronavirus pandemic measures specifically introduced to curb the spread of the virus, including the wearing of facemasks, regular sanitising of hands, observing social distancing as well as adhering to all other instructions focussed on preventing the spread of the coronavirus.
- 11.3 The Employee shall be required to complete a pre-employment Declaration of Medical History and will be required to undergo a pre-employment medical assessment, and possibly a periodic medical assessment at the requirement and cost of the Employer.
- 11.4 Upon demobilisation, the Employee shall be required to complete a post-employment Declaration of Medical History and will be required to undergo an exit medical assessment at the requirement and cost of the Employer.
- 11.5 The Employee acknowledges that attending the exit medical assessment is a legal requirement in accordance with the Occupational Health & Safety Act (Construction Regulations), and that failure to attend the arranged exit medical assessment will serve to indemnify the Employer and the Client from any claim whatsoever related to employment on this construction project.
- 11.6 The Employee acknowledges that failure to attend the arranged exit medical assessment will also result in the delay by the Employer of final monies due being paid to the Employee.

12 CONTRACTORS TOOLS, EQUIPMENT AND PROPERTY

- 12.1 The Employee accepts responsibility for the safe and efficient use of the Employer's tools, equipment and property, and will ensure that no abuse, loss or negligent damage takes place.

- 12.2 In the event of abuse, loss or negligent or wilful damage the Employer is entitled to recover the replacement value of such items from the Employee, subject to an enquiry or investigation.

13 SECURITY

- 13.1 The Employee will be issued with a project access card, which must then be worn at all times for identification purposes. Without this card, the Employee will not be permitted on the construction site.
- 13.2 Should the access card be lost, the cost of a replacement card of One Hundred and Fifty Rand (R150.00) will be deducted from the Employee's next wage payment by the Employer.
- 13.3 Should the access card not be returned immediately upon the Employee's demobilisation from the project, a penalty fee of Two Hundred Rand (R200.00) will be deducted from the Employee's final wages by the Employer.

14 EMPLOYEE UNDERTAKING

I undertake to:

- 14.1 Abide by all conditions of employment;
- 14.2 Channel all grievances through the correct procedure;
- 14.3 Respect fellow employees as individuals and respect each individual's freedom of choice;
- 14.4 Work safely and not endanger fellow workers;
- 14.5 Recognise that the success of the Project represents an important development milestone for all Gauteng communities;
- 14.6 Not participate in unprotected and unprocedural industrial action;
- 14.7 Abide by all Project rules and regulations;
- 14.8 Agree to work the hours as detailed in this contract and overtime when required to do so;
- 14.9 Not be absent without permission;
- 14.10 Work to the best of my ability in compliance with my contractual obligations towards my employer;
- 14.11 Attend all medical assessments, as required and paid for by my employer.

I _____ acknowledge that the conditions set out in clauses 1 to 11 here above and have been explained to me and I understand the contents of this contract and signify acceptance thereof, during my period of employment on the TASEZ Construction Project.

Signed at: _____ on _____

Employee: _____

Employee's Address: _____

Employee's Bank details: (filled in by the employee)

Account holder's name:

Bank name:

Bank account number:.....

Branch name / number:.....

For the Company: _____

Company's Address: _____

Date: _____

Witness name: _____

Witness signature: _____

Date: _____

ANNEXURE "A2"

Employee Name: _____

Employee ID Number: _____

SECONDMENT CONTRACT OF EMPLOYMENT IN RESPECT OF PERMANENT EMPLOYEES SECONDED TO THE TSHWANE SEZ CONSTRUCTION PROJECT

The Employee confirms that he/she has been in the permanent employ of _____
(*the Employer*) since _____ (*date*).

There are specific conditions of employment applicable to the Tshwane Automotive Special Economic Zone (TASEZ) Construction Project and these need to be accepted by the Employee prior to his/her secondment to the Project.

The Employee's conditions of employment specific to the Project for the duration of his/her secondment will be in accordance with this Secondment Contract of Employment.

1 POSITION AND WAGES

- 1.1 The Employee's occupation on the Project (*per the Project Job & Wage Schedule*) will be _____ but the Employee will also be required carry out other types of work if and when required, as also provided for in the applicable industry agreement.
- 1.2 The Employee's rate of pay upon secondment to the Project will R _____ per hour.
- 1.3 Any increase to the Employee's wage rate will be in accordance with the timing and percentage applicable to the industry agreement. The Employee agrees that no other increases will be applicable whilst employed on the TASEZ Project, unless the Employee is promoted to a higher job category.
- 1.4 Payment of wages by the Employer will be made monthly, in arrears, directly into the Employee's own bank account.

2 PERIOD OF SECONDMENT TO THE PROJECT

- 2.1 The period of the Employee's secondment on the Project shall not exceed the time for which the Employee's services are required on the Project or a particular phase thereof, with due regard for the requirement of the Employee's particular skill at that time, where after the Employee will be demobilised and returned to his/her Company home base.

- 2.2 The Employee's secondment will automatically terminate if the Client and/or the Main/Principal Contractor requests the Employee's removal from the Project, for a valid reason.

3 HOURS OF WORK AND OVERTIME

- 3.1 The hours of work over the typical month will be:

	Mon.	Tue.	Wed.	Thu.	Fri.	Sat.	Sun.
Week 1							
Week 2							
Week 3							
Week 4							

- 3.2 The daily shift start time(s) will be _____
- 3.3 The daily shift start time(s) will be _____
- 3.4 There will be paid 15-minute rest interval from _____
- 3.5 There will be a 30 minute unpaid lunch break from _____
- 3.6 The hours set out in Clause 3.1 can be increased or reduced according to project requirements.
- 3.7 Due to the nature of the construction project, overtime work is envisaged. The Employee hereby voluntarily agrees to work such overtime as required by the Employer.
- 3.8 Hours worked in excess of normal hours will be paid as overtime in accordance with the applicable industry agreement, or in the absence of the industry agreement, in accordance with the Basic Conditions of Employment Act.

4 SHIFT WORK

- 4.1 Due to the nature of the construction project, it is envisaged that shift work will be required.
- 4.2 The Employee hereby voluntarily agrees to work such shift work arrangement or changed shift work arrangements as required by the Employer, upon being granted reasonable notice of at least two (2) working days.

5 OTHER CONDITIONS OF EMPLOYMENT, RULES AND REGULATIONS

- 5.1 The conditions of employment not specifically dealt with above will be those prevailing in the applicable industry agreement, the Project Employment Relations Policy, the Employer's policy and general rules and regulations applicable to TASEZ construction.
- 5.2 The Employee will be required to adhere to all rules and regulations, including any specific occupational health, safety and environmental regulations in place on the TASEZ Project. These rules and regulations will be explained to the Employee at the induction course when he/she arrives at the TASEZ Project, prior to being permitted to commence working on site.
- 5.3 In the event of disciplinary action being taken against the Employee whilst on secondment, the effect of such disciplinary action will be the same as if the home-based employer took such action.
- 5.4 In the event of the Employee being dismissed whilst on secondment, the Employee's contract of employment with your home-based employer will also terminate.

6 OCCUPATIONAL HEALTH, SAFETY AND THE ENVIRONMENT

- 6.1 The Employee acknowledges that exposure to hazardous conditions may occur. The Employee undertakes to take all reasonable steps to protect him/her and his/her fellow workers from the dangers of contracting any injury or disease and to comply with any Project procedures, recommendations, guidelines and preventative measures that may apply with regard to Occupational Health, Safety and Hygiene and protecting the Environment.
- 6.2 The Employee acknowledges COVID-19 awareness and that he/she will comply with all coronavirus pandemic measures specifically introduced to curb the spread of the virus, including the wearing of facemasks, regular sanitising of hands, observing social distancing as well as adhering to all other instructions focussed on preventing the spread of the coronavirus.
- 6.3 The Employee shall be required to complete a pre-employment Declaration of Medical History and will be required to undergo a pre-employment medical assessment, and possibly a periodic medical assessment at the requirement and cost of the Employer.
- 6.4 Upon demobilisation, the Employee shall be required to complete a post-employment Declaration of Medical History and will be required to undergo an exit medical assessment at the requirement and cost of the Employer.
- 6.5 The Employee acknowledges that attending the exit medical assessment is a legal requirement in accordance with the Occupational Health & Safety Act (Construction Regulations), and that failure to attend the arranged exit medical assessment will serve to indemnify the Employer and the Client from any claim whatsoever related to employment on this construction project.

- 6.6 The Employee acknowledges that failure to attend the arranged exit medical assessment will also result in the delay by the Employer of final monies due being paid to the Employee.

7 CONTRACTORS TOOLS, EQUIPMENT AND PROPERTY

- 7.1 The Employee accepts responsibility for the safe and efficient use of the Employer's tools, equipment and property, and will ensure that no abuse, loss or negligent damage takes place.
- 7.2 In the event of abuse, loss or negligent or wilful damage the Employer is entitled to recover the replacement value of such items from the Employee, subject to an enquiry or investigation.

8 SECURITY

- 8.1 The Employee will be issued with a project access card, which must then be worn at all times for identification purposes. Without this card, the Employee will not be permitted on the construction site.
- 8.2 Should the access card be lost, the cost of a replacement card of One Hundred and Fifty Rand (R150.00) will be deducted from the Employee's next wage payment by the Employer.
- 8.3 Should the access card not be returned immediately upon the Employee's demobilisation from the project, a penalty fee of Two Hundred Rand (R200.00) will be deducted from the Employee's wages by the Employer.

9 HOME ADDRESS

The Employee confirms the home address to be: -

Residential Address: _____

Name of next-of-kin: _____

Relationship of next-of-kin _____

Contact number of next-of-kin: _____

10 HOME BASE PERMANENT CONDITIONS OF EMPLOYMENT

The conditions contained herein will be valid during the Employee's secondment to the TASEZ Construction Project. Upon demobilisation, the Employee will revert to the permanent employment conditions applicable to the Employee prior to his/her secondment to the Project.

11 EMPLOYEE UNDERTAKING

I undertake to: -

- 11.1 Abide by all conditions of employment;
- 11.2 Channel all grievances through the correct procedure;
- 11.3 Respect fellow employees as individuals and respect each individual's freedom of choice;
- 11.4 Work safely and not endanger fellow workers;
- 11.5 Recognise that the success of the Project represents an important development milestone for all Gauteng communities;
- 11.6 Not participate in unprotected and unprocedural industrial action;
- 11.7 Abide by all Project rules and regulations;
- 11.8 Agree to work the hours as detailed in this contract and overtime when required to do so;
- 11.9 Not be absent without permission;
- 11.10 Work to the best of my ability in compliance with my contractual obligations towards my employer;
- 11.11 Attend all medical assessments, as required and paid for by my employer.

I, _____, the undersigned hereby acknowledge that the conditions of this Secondment Contract of Employment, as set out in Clause 1 to 11 above, have been explained to me and that I understand and accept these terms and conditions as binding upon me during my period of employment on the TASEZ Construction Project.

Signed at : _____ on _____

Employee Name: _____

Employee Signature: _____

Date: _____

For the Employer : _____
(Authorised signatory name)

Signature: _____

Date: _____

Employer's Company Address: _____

Witness name: _____

Witness signature: _____

Date: _____

Building Industry: Job & Wage Rates Structure
Tshwane Automotive SEZ
Effective from 1 September 2020

Task Grade	Job Title	Minimum Basic Wage Rate (per hour)
Construction Worker Grade E	General Worker	R 30.00
Construction Worker Grade D	Semi-skilled Construction Worker	R 33.86
	Hoist Operator	
	Driver (code 8) Driver (code 9)	R 36.40
Construction Worker Grade C	Journeyman's Assistant	R 40.87
	Driver (code 10)	
	Crane Operator	
	Machine Minder and Sawyer	
	Mechanical Handling Equipment Driver	
Construction Worker Grade B	Artisan / Journeyman	R 65.95
Construction Worker Grade A	Artisan Journeyman with minimum N2	R 69.77

This schedule, inclusive of the wage rates, is reviewed annually, in line with the wage increase granted in the local building industry.

Civil Engineering: Job Structure and Standard Wage Rates on Tshwane Automotive SEZ
Effective from 1 September 2020

Grade	Occupational group	Job Title	Minimum basic wage rate (per hour)
Task Grade A	General Worker	General Worker	R 39.82
		Watchman	
Task Grade B	Artisan Aid	Artisan Aid	R 40.75
	Construction Hand Grade 4	Structures Construction Hand	
		Premix Paving Checker / Tallyman	
		Steel Bending Machine Operator	
		Civil Construction Bricklayer Grade 2	
		Crusher Assistant	
	Operator Grade 4	Boom Scraper Operator	
		Pedestrian Roller Operator	
		Hoist / Lift Operator	
	Chainman	Chainman / Survey Assistant	
	Site Support	Artisan Aid	
		Safety Watcher	
Task Grade C	Construction Hand Grade 3	Materials Tester Assistant	R 42.89
		Shutter hand Grade 3	
		Concrete Hand Grade 2	
		Pipelayer Grade 2	
	Operator Grade 4	Frontman	
		Track Rig Operator (general)	
		Bore Pile Operator	
		Drilling Supervisor	
		Winch Operator	
	Site Support	Junior Site Clerk	
		Welder Semi-Skilled	
		Banksman / Rigger Assistant	
		Storeman	

Grade	Occupational group	Job Title	Minimum basic wage rate (per hour)
Task Grade D	Construction Hand Grade 2	Shutterhand Grade 2	R 48.32
		Reinforcing Hand Grade 2	
		Concrete Hand Grade 1	
		Fence Erector	
		Guard Rail Erector	
		Scaffold Erector	
		Blasting Assistant	
	Operator Grade 3	Concrete Mixer Operator	
		Continuous Flight Auger Operator	
		Concrete Dumper Operator	
		Concrete Pump Operator	
		Tower Crane Operator	
		General Premix Roller Operator	
		Milling Machine Operator	
		Paver Operator	
		Excavator Operator	
		Front End Loader Operator	
		TLB Operator	
		Dozer Operator	
		Grader Operator (general)	
		Gunite Nozzleman	
		Crusher Operator	
	Driver Grade 2	Motorcycle Driver	
		Tractor Driver	
		Light Motor Vehicle Driver	
		Driver Operator	
		Forklift Operator	
		Heavy Duty Driver (rigid)	
		Extra Heavy Duty Driver (rigid)	
	Articulated Dumper Truck Operator		
	Site Support	Tools and small plant repairer	
		Formwork Controller	

Grade	Occupational group	Job Title	Minimum basic wage rate (per hour)
Task Grade E	Construction Hand Grade 1	Shutter hand Grade 1	R 56.91
		Piling Auger Machine Operator	
		Reinforcing Hand Grade 1	
		Pipelaye Grade 1	
		Kerblayer	
		Civil Construction Bricklayer Grade 1	
	Operator Grade 2	Mobile Crane Operator	
		Screed Operator	
		Scraper Operator	
		Batch Plant Operator	
	Driver Grade 1	Heavy Duty Driver (articulated)	
		Extra Heavy Duty Driver (articulated)	
	Site Support	Assistant Surveyor	
		Scaffold Inspector	
Material Tester			
Task Grade F	Operator Grade 1	Artisan Unlicensed	R 82.48
		Grader Operator (final level)	
	Site Support	Site Clerk	
		Supervisor Grade 2	
		Plant Serviceman	
		Senior Material Tester (Lab)	
		Senior Material Tester (Field)	
Task Grade G	Site Support	Supervisor Grade 2	R 87.92
		Plant Serviceman	
Task Grade H	Site Support	Supervisor Grade 1	R 92.08
Task Grade I	Artisan	Fitter & Turner, Diesel Mechanic, Auto Electrician, Boilermaker, Spray Painter, Welder.	R 129.27

This schedule, inclusive of the wage rates, is reviewed annually, in line with the wage increase granted in the Civil Engineering Industry.

ANNEXURE “B3”

WAGE RATES: MECHANICAL / ELECTRICAL / INSTRUMENTATION JOB CATEGORY STRUCTURE FOR METAL & ENGINEERING INDUSTRY (TASEZ)

CAT	ENTRY RATE	PROJECT RATE	RIGGING / STRUCTURAL	PAINTING / DRIVING / ADMIN.	WELDING	PIPE FITTING	SCAFFOLDING	ELECTRICAL	INSTRUMENT MECH.	MECHANICAL
5		R 122.65	Artisan Rigger		Artisan Welder – 6G	Artisan Pipe Fitter		Artisan Electrician	Artisan Instrument Mechanic	Artisan Boilermaker Artisan Mech. Fitter
4		R 101.82	Erection of structural steel utilising drawings and cranes under supervision. Carry out on site modifications. Use of Theodolite	Supervise painting Operating mobile crane over 25T	Welding subject to ultrasonic and radiographic examination.	Pipe Fitter Levelling and installing pre-prepared pipe work and fittings using drawings		Termination of cables including soldering and including harnessing wires to pre-prepare schedules	Install small bore tubing – Termination of ends to pre-prepared schedules, running of harnesses and installation of terminal blocks.	Installing, setting out and install to drawing. Carry out on site modifications. Fabricate to drawings.
3		R 69.14	Supervise cladding. Complete H/rail installation. Assy s/work to drawings. Supervise Cat 1&2. Drill including sharpen. Use dumpy level. Sort s/work to drawing.	Supervise Cat 1 & 2. Stores attendant. Clerical Assistant. Operating mobile crane up to 25T. Truck Driver Site Clerk Store man	Welding 2G to 5G.	Setting and aligning pipes and joints. Drilling including sharpening	Supervision of erection of scaffolding utilising drawings.	Mounting of junction boxes and auxiliary equipment including trays/racks/panels. Drilling Glanding	Install air supply tubing. Install brackets, frames and wire-ways. Install control panels, equipment and instruments under supervision.	Assembly, Assembly of pre-fabricated components.
2		R 57.85	Steel catching. Bolt including torqueing. Slings. Operate power hoists. Affix cladding. Operate gas-cutting equipment. Lift by rope, chain block, hand winch, and tirlor. Secure slings. Grind to marks. Install flooring, handrails, stair treads. Assembling on ground including bolting.	Operate shot blast gun. Operate mobile lift LDV Driver Tractor Driver Forklift Driver Stores attendant, Clerical Assistant Application of coatings other than anti-corrosive Application of anti-corrosive coatings. Cleaning by W/brush.	Tack welding runs up to 50mm. Welding in jigs. Learner welder	Preparing, cutting, dressing by hand of piping to be erected. Cutting by oxy-acet. To marks. Install pre-prepared flanged and screwed pipes. Cutting to stops and marks. Grind to marks.	Erection of scaffolding under supervision using pipes and fittings. Erection of scaffolding frames under supervision	Prepare cables for termination. Laying of cables in prepared routes/ trenches/ ducts including binding and strapping.	Laying of cables in prepared routes / trenches / ducts / racks including binding and strapping.	
1	R 41.12	R 48.90	GENERAL LABOURER							

This Schedule, inclusive of the wage rates, is reviewed annually, in line with the increase granted in the MEI Industry through the MEIBC.

DISCIPLINARY POLICY, PROCEDURE AND PENALTY GUIDE

1. PREAMBLE

All Contractors operating on the TASEZ Project must have certain rules and regulations to carry out its activities in an orderly and meaningful manner.

It is the duty and prerogative of management and supervision to correct working practices that do not conform to the disciplinary code with which employees are required to comply for the safe and efficient operation of the work

Employees should know what is expected of them and management and supervision must be aware of the method of dealing with alleged ill-discipline.

Each Main/Principal contractor must ensure the installation and maintenance of discipline across their construction site as a whole and must ensure consistency of appropriate disciplinary action taken.

Similarly, Main/Principal contractors must promote uniform discipline across the TASEZ Project as a whole, and must promote consistency of appropriate disciplinary action taken.

2. POLICY

The guidelines are established to ensure that a common framework exists for required disciplinary action taken across the TASEZ Project.

- 2.1 Enforcement of discipline is management's prerogative and all levels of management must take appropriate disciplinary action when warranted. The intention of this action must be preventative and corrective and not punitive. To achieve this aim, the following principles will be observed:
 - 2.1.1 Management will, in the first place and where appropriate, seek to correct an employee's poor performance or conduct through informal counselling.
 - 2.1.2 Management will apply the formal disciplinary process only when informed that counselling is inappropriate or has failed.
 - 2.1.3 Clear evidence of a breach of rules and regulations or unsatisfactory performance must be established.
 - 2.1.4 Management accepts that no employee will be formally disciplined without a fair opportunity to present his/her version, taking due cognisance of the Code of Good Practice: Dismissal per Schedule 8 of the Labour Relations Act.
 - 2.1.5 Careful consideration of the circumstances of the alleged offence must be given before disciplinary action is taken.
 - 2.1.6 Disciplinary action must be prompt and fair.
 - 2.1.7 Management must strive wherever possible and with due reference to the circumstances of each individual case, to be consistent in taking disciplinary action.
 - 2.1.8 Where appropriate, the employer may consider alternative measures as an alternative to dismissal, such as a final warning coupled with voluntary suspension without pay for a maximum period of three (3) months or a final warning coupled with voluntary demotion.

3. DISCIPLINARY CODE

The disciplinary code is the establishment of a formal framework to guide the application of disciplinary action. It sets out rules and regulations with which employees are required to comply. The code is based on the following principles:

- 3.1 Management have the right to take disciplinary steps against any employee who acts in a manner conflicting with the interest of the employer.
- 3.2 The employer recognises the differences between warning offences and dismissible offences.
- 3.3 The employer recognises the right of the employee to appeal against any disciplinary measure considered unjust or unfair.

4. TYPE OF DISCIPLINARY MEASURES

- 4.1 There are four types of formal disciplinary measures, depending on the circumstances, which may be applied.

In order of severity, these are:

- Written warning
- Final written warning
- Dismissal

The time periods relating to the expiry of warnings are as follows:

- Written warnings: six months
- Final written warnings: twelve months

- 4.1 Whenever formal disciplinary action is taken against an employee, a formal disciplinary hearing will be held into any offence that may result in a Final Written Warning or Dismissal.

5. THE DISCIPLINARY PROCEDURE

- 5.1 Informal Discipline - Verbal Reprimand

If the immediate management is of the opinion that the minor misconduct or lesser performance of an employee is unsatisfactory, but does not warrant formal disciplinary action, then a verbal reprimand should be given.

- 5.2 Formal Disciplinary Action

- 5.2.1 Level One - Written Warning

If management is dissatisfied with the conduct or performance of the employee, management, including the immediate supervisor shall discuss the nature of the transgression, the disciplinary steps and the corrective action with the employee.

Management must then complete the Disciplinary Report Form and secure the signature of the employee and the employee representative (if applicable) thereon as an acknowledgment of receipt of the written warning, even though the employee may not necessarily agree with the disciplinary action applied.

Should the employee refuse to sign the warning, and then the immediate manager shall merely note the fact thereon. The employee has the right to be represented.

The disciplinary warning should then be placed in the employee's personal file and a copy given to the employee. This written warning shall remain valid for a period of six (6) months from date of issue.

5.2.2 Level Two - Final Written Warning

If, subsequent to issuing a written warning, management is still not satisfied with the performance or behaviour of the employee, or if the employee commits another offence within the prescribed period of six (6) months, or if an employee commits any offence which warrants a final warning, then the same procedure as detailed in level one shall be followed. The final written warning shall remain valid for a period of twelve (12) months from date of issue.

Management shall ensure that the employee is aware of the fact that, should the employee commit a further offence within the period of twelve (12) months following receipt of the final written warning, then that offence shall be subject to the decision reached at the formal disciplinary enquiry.

5.2.3 Level Three - Formal Disciplinary Enquiry

If, subsequent to issuing a Final written warning, the supervisor is still not satisfied with the performance or behaviour of the employee, or the employee commits a further offence within the prescribed period of twelve (12) months, or if an employee commits an offence which could render him/her liable for dismissal, then the supervisor shall request a formal disciplinary enquiry.

The supervisor shall complete the Disciplinary Report Form, stating the ground for an enquiry, will report the matter to the senior manager and hand over the disciplinary report. In the absence of the senior manager of the department concerned, the supervisor may hand the disciplinary report to any designated senior manager.

The senior manager shall inform the employee in writing by way of the Formal Disciplinary Hearing Notification.

The senior manager shall, after a minimum period of twenty four (24) hours, and within two (2) clear working days, conduct a formal hearing in the presence of the employee, the employee representative (if applicable), immediate management, the ER Practitioner (as observer to guide procedural fairness) and any witnesses.

The senior manager shall ensure that a record of the proceedings is kept. The senior manager shall ensure that the enquiry is conducted in a fair and proper manner. The senior manager shall, within two (2) working days of the enquiry, give a decision on the matter. The decision shall be recorded on the disciplinary report and a copy, signed by the parties, made available to the employee and the employee representative (if applicable).

The senior manager shall ensure that the employee and the employee's representative are made aware of the right of the employee to appeal against the disciplinary action taken.

5.2.4 Level Four - Appeal Hearing

Any employee disciplined in terms of this procedure but not dismissed may appeal, in writing, to the next level of management, i.e. to the more senior supervisor or manager to the one who implemented the disciplinary action.

An employee representative or a Trade Union Official may represent the employee at the Appeal hearing.

Any employee dismissed in terms of the disciplinary procedures shall have the right to appeal. The grounds for the appeal against dismissal or disciplinary action shall be submitted in writing to the manager concerned within three (3) working days of the disciplinary action.

The manager concerned shall, as soon as possible, but within two (2) working days of receipt of the appeal application, conduct a formal appeal hearing. The appeal hearing shall be conducted along similar lines to the disciplinary enquiry. The manager concerned shall, within two (2) working days of the appeal hearing give a written decision of the outcome of the appeal hearing, which will be final.

The dismissed employee has the right in terms of the Labour Relations Act to refer a dispute to the Commission for Conciliation, Mediation and Arbitration (CCMA) or relevant Bargaining Council for resolution, should he/she allege unfairness in the employer's decision to terminate his/her services.

5.3 Employee Representation

Any employee being disciplined or appealing in terms of this disciplinary procedure may request any fellow employee from his/her place of work to act as a representative during the proceedings.

5.4 Dispute Resolution

Following conclusion of the procedure as above, nothing contained herein will prohibit the parties from taking any action that they are entitled to in terms of the Labour Relations Act.

5.5 Pre-dismissal Arbitration

The employer and the affected employee(s) may elect to dispense with the internal disciplinary processes and proceed directly to the external arbitration stage, typically viewed as the final stage in adjudicating the fairness of dismissals.

This alternative process of pre-dismissal arbitration is a provision of section 188A of the Labour Relations Act, which defines the limitations of application, and may be conducted by the CCMA, the relevant accredited Bargaining Council or any other accredited entity.

6. DISCIPLINARY PENALTY GUIDE

6.1 Principles

- (a) The list of offences in this Disciplinary Penalty Guide is not exhaustive and only serves as a **guide** in respect of the application of discipline.

- (b) Management may initiate disciplinary action against transgressing employees, even though the offence may not be listed in this Disciplinary Penalty Guide. In order to achieve the objectives of maintenance of good order and fair treatment of employees, management will ensure that:
 - (i) The Disciplinary Penalty Guide is published and made available to employees;
 - (ii) Employees are made aware of the standards expected of them to ensure the wellbeing of the construction project and to prevent inappropriate behaviour; and
 - (iii) Each case is handled on its own merits, taking into account the degree of severity and the existence of mitigating and aggravating factors;

6.2 Deviations from the Disciplinary Penalty Guide

Should any deviation from this Disciplinary Penalty Guide be anticipated, the Contractors' ER Co-ordinator must be consulted, prior to taking any action.

6.3 Guideline on Sanctions for Offences

CATEGORY	NATURE OF OFFENCE	DISCIPLINARY ACTION		
		FIRST OFFENCE	SECOND OFFENCE	THIRD OFFENCE
1. ABSENTEEISM	Transgressions relating to non-attendance			
	Being absent from work for four or less consecutive working days without prior approved leave / a valid reason	Written Warning	Final Written Warning	Dismissal
	Being absent from work for five or more consecutive working days without prior approved leave / a valid reason	Dismissal		
	Late arrival to work without prior approval / a valid reason	Written Warning	Final Written Warning	Dismissal
	Leaving work during working hours without permission from immediate Manager	Written Warning	Final Written Warning	Dismissal
2. DISORDERLY BEHAVIOUR	Transgressions relating to misconduct			
	Assault or threat thereof	Dismissal		
	Intimidation	Dismissal		
	Dereliction of Duty	Dismissal		
	Failure to carry out a reasonable and lawful instruction	Written Warning	Final Written Warning	Dismissal
	Refusal to carry out a reasonable and lawful instruction	Final Written Warning	Dismissal	
	Refusing to perform a work task without a valid reason	Final Written Warning	Dismissal	

CATEGORY	NATURE OF OFFENCE	DISCIPLINARY ACTION		
		FIRST OFFENCE	SECOND OFFENCE	THIRD OFFENCE
	Negligent damage to company property	Final Written Warning	Dismissal	
	Wilful / intentional damage to company property	Dismissal		
	Breach of Safety, Health and Environmental protection, including security regulations	Final Written Warning	Dismissal	
	Gross violation of safety and security rules and regulations	Dismissal		
	Insubordination / Insolence	Final Written Warning	Dismissal	
	Gross insubordination / Gross insolence	Dismissal		
	Bringing the organisation into disrepute	Final Written Warning	Dismissal	
	Breach or contravention of the provisions of the code of ethics, declaration of interest, confidentiality of information undertaking and information security declaration, either negligently or intentionally	Final Written Warning	Dismissal	
	Behaviour on or off company premises that results in a major breach of trust or significant conflict of interest	Dismissal		
	Unauthorised possession of dangerous weapons at the workplace	Dismissal		
Failure to submit to medical certificate when required	Written Warning	Final Written Warning	Dismissal	

CATEGORY	NATURE OF OFFENCE	DISCIPLINARY ACTION		
		FIRST OFFENCE	SECOND OFFENCE	THIRD OFFENCE
3. DISHONESTY	Transgression relating to lack of honesty (includes attempted instances)			
	Theft / Fraud / Forgery	Dismissal		
	Unauthorised possession of company property	Dismissal		
	Bribery / Corruption	Dismissal		
	Gross dishonesty	Dismissal		
4. SEXUAL	Transgression relating to improper approaches to fellow employees			
	Sexual harassment	Dismissal		

DISCIPLINARY REPORT FORM	
Employee :	Company:
Supervisor :	Manager:

WRITTEN WARNING

Incident :	Time:
Date :	Place:

Nature of Transgression:	
Witness/es:	
Disciplinary action taken:	
Typical consequences of repeated misconduct:	
Details of other valid Disciplinary Warnings:	
Signature of Supervisor:	Date:
Signature of Employee:	Date:
Signature of Representative: (if presence requested by Employee)	Date:
The signature of the employee signifies that the employee acknowledges the disciplinary action, whether or not the employee agrees with the action.	

DISCIPLINARY REPORT FORM	
Employee :	Company:
Supervisor :	Manager:

FINAL WRITTEN WARNING

Incident :	Time:
Date :	Place:

Nature of Transgression:	
Witness/es:	
Disciplinary action taken:	
Typical consequences of repeated misconduct:	
Details of other valid Disciplinary Warnings:	
Signature of Supervisor:	Date:
Signature of Executive Manager:	Date:
Signature of Employee:	Date:
Signature of Representative: (if presence requested by Employee)	Date:
The signature of the employee signifies that the employee acknowledges the disciplinary action, whether or not the employee agrees with the action.	

FORMAL DISCIPLINARY HEARING NOTIFICATION	
Employee :	Company:
Initiator:	Manager :

NOTIFICATION TO ATTEND A DISCIPLINARY HEARING

The employee is hereby notified of the following charge/s levelled against the employee and that the employee is instructed to attend a formal disciplinary hearing into the transgression/s as detailed hereunder, is to be held as follows:

Date:	Time:	Place:
The Charge/s:		
Details of Transgression:		

Handed to the Employee on: _____ (date) _____ (time)	
Signature of Initiator:	Date:
Signature of Senior Manager:	Date:
Signature of Employee:	Date:
The signature of the employee signifies that the employee has received the notice of the disciplinary hearing, whether or not the employee agrees with the action.	
<p>The employee is advised of the following rights which may be exercised at the Disciplinary hearing:</p> <ul style="list-style-type: none"> • The right to be represented by a fellow employee • The right to a fair and proper hearing • The right to call and cross-examine witnesses. • The right to an interpreter, if required. 	

DISCIPLINARY REPORT FORM	
Employee:	Company:
Chairperson:	Manager:

OUTCOME OF THE DISCIPLINARY HEARING

Notification of enquiry handed to the Employee on:
A formal Disciplinary enquiry was held on:
Outcome of hearing (Guilty or Not Guilty):
Disciplinary action taken:

<p>The signature of the employee signifies that the employee has received the notice of disciplinary action taken, whether or not the employee agrees with the action. In accordance with the provisions of the Labour Relations Act, the employee may refer a dispute to the CCMA or the applicable accredited Bargaining Council within 30 days of the alleged unfair action having been instituted.</p>	
Signature of Chairperson:	Date:
Signature of Initiator:	Date:
Signature of Employee:	Date:
Signature of Representative: (if presence requested by Employee)	Date:
Signature of ER Practitioner:	Date:

GRIEVANCE RESOLUTION PROCEDURE

1 OBJECTIVE

The objective of this grievance resolution procedure is to provide employees an effective method of voicing without prejudice, a grievance, complaint, problem, dissatisfaction or feeling of injustice regarding the work situation to more than one level of management, and to enable a grievance to be settled as close to its source, as quickly as possible.

The purpose of implementing this procedure is to prevent these grievances from accumulating or festering to such an extent that they are expressed in some sort of conflict, and to also protect the interest of employers and employees, as well as the broader project.

2 DEFINITION

A grievance is a work-related complaint that is expressed formally and triggers the formal procedural mechanism to bring to management's attention any dissatisfaction or feeling of injustice relating to an employee's or group of employees work situation.

The grievance resolution procedure is not intended to deal with collective interests such as wages and conditions of employment, nor is the grievance procedure to be used as an appeal mechanism against disciplinary action as a result of the disciplinary procedure. Such appeals are covered by the disciplinary procedure.

3 GENERAL

The grievance resolution procedure allows employees to formally discuss and attempt to resolve any complaint that they may have and to provide a channel for the fair settlement of complaints and grievances. It serves to bring employee problems to the attention of management so that they become aware of employee frustration, problems and expectations.

The grievance resolution procedure should ensure that grievances are:

- openly and properly exposed
- settled as close to the point of origin and as quickly as possible
- resolved in a manner that ensures fairness and equity

4 GRIEVANCE RESOLUTION PROCEDURE

(a) Level One

The employee must raise the grievance verbally with the immediate supervisor. (This is done without prejudice to the employee).

The supervisor must:

- listen to the employee in private
 - encourage the employee to express the grievance freely and openly
 - obtained all relevant facts about the grievance, distinguishing fact from opinion
 - endeavour to resolve the grievance as quickly as possible, within three (3) working days.
- If the supervisor's decision is unacceptable to the employee, level two becomes effective and the supervisor must advise the employee of the subsequent stages of the procedure and of the employee's right to seek the assistance of an employee representative.

(b) **Level Two**

Any employee making use of the grievance resolution procedure may request an employee representative from within his work area to act as his/her representative during the proceedings of levels two, three and four.

The employee should discuss his/her grievance with the employee representative. The employee should, with assistance of the employee representative, raise the grievance verbally again with the immediate supervisor. If the supervisor's decision is unacceptable to the employee, level three becomes effective.

(c) **Level Three**

The employee who elects to proceed with the grievance must, with the assistance of the employee representative (if requested), record the relevant details on the grievance form. The signed grievance form must be handed to the supervisor whose findings must be recorded on the grievance form and returned to the employee to proceed to level four, if the employee so desires.

(d) **Level Four**

The employee may forward the grievance form and all facts pertaining thereto to the senior manager, who shall hold an enquiry into the matter within two (2) working days of receipt, or at a later date as agreed to in writing by the parties.

The enquiry shall be attended by the senior manager, the supervisor, the employee and the employee's representative (if applicable). A record of the enquiry must be kept by the senior manager.

The senior manager must give a decision within two (2) working days of the enquiry. The senior manager's decision must be recorded on the grievance form and a signed copy handed to the employee.

(e) **Dispute Resolution Procedure**

If the grievance remains unresolved, the employee may, with the assistance of the employee's representative (if applicable), submit a dispute in accordance with the TASEZ Dispute Resolution Procedure (see Annexure "E").

5. **ROLE OF PARTICIPANTS**

(a) **The Role of Management**

It is important for the supervisor and management to encourage the employee to express the grievance freely and openly.

The supervisor should:

- Explain the procedure
- Clarify the grievance with the employee
- Distinguish fact from opinion
- Note the relevant facts of the grievance
- Ask the employee the settlement desired
- Verify facts from witness and other people who may be able to contribute
- Obtain assistance from other members of management, if necessary
- Monitor adherence to the grievance procedure by all participants at all times
- Seek an appropriate resolution of the grievance

(b) The Role of the Employee Representative

The employee is entitled to request a fellow employee to represent his/her interest.

The employee representative should:

- Listen to the employee's grievance and encourage the employee to express the grievance freely and openly, without fear of victimisation or intimidation
- Investigate the grievance, together with the employee, to ensure that all the circumstances and the facts relating to the grievance are accurate, and assist the employee to prepare a reasonable case for presentation to management
- Counsel the employee as to the validity of the grievance, and if it does not merit management's attention, assist the employee by advising how best it can be resolved
- Attend the grievance resolution meeting with management to discuss the employee's grievance, and support the employee by assisting with the presentation of the employee's case to management
- Monitor the grievance procedure to ensure that all participants adhere to it at all times
- Endeavour to formulate an appropriate resolution to the grievance.

(c) The Role of the Employee

The employee should:

- Discuss the grievance with the employee representative (if requested) to establish the best method of resolving the grievance
- Be clear and concise when explaining the grievance to management
- Express the grievance freely and openly to management without fear of being victimised or intimidated
- Give thought to what would be an acceptable solution to the grievance prior to meeting with management, so that management may be assisted in helping to resolve the grievance

GRIEVANCE RESOLUTION PROCEDURE

Level One

Employee raises grievance verbally with supervisor

if not resolved at Level 1

Level Two

Employee discussion with employee's representative and raise again with supervisor

if not resolved at Level 2

Level Three

Employee submits written grievance (form # 1) to supervisor

if not resolved at Level 3

Level Four

Employee submits written grievance (form # 2) to senior manager to hold enquiry within 2 days (Enquiry outcome decision within 2 days)

if not resolved at Level 4

Grievance Procedure Ends

Employee may refer the dispute to the Project Dispute Resolution Committee
(TASEZ Dispute Resolution Procedure commences)

GRIEVANCE FORM # 1

EMPLOYEE'S NAME: _____ DEPARTMENT: _____

SUPERVISOR'S NAME: _____ DATE: _____

EMPLOYEE'S REPRESENTATIVE'S NAME: _____

NATURE OF GRIEVANCE, CAUSE AND DATE OF GRIEVANCE:

SETTLEMENT DESIRED: _____

GRIEVANCE FORM HANDED TO: _____ TIME: _____

SIGNATURE OF RECIPIENT: _____ DATE: _____

AGREEMENT OR SETTLEMENT OF GRIEVANCE OR REASONS FOR FAILURE TO REACH AGREEMENT:

SIGNATURE OF SUPERVISOR: _____ DATE: _____

SIGNATURE OF EMPLOYEE: _____ DATE: _____

SIGNATURE OF EMPLOYEE REPRESENTATIVE: _____

GRIEVANCE FORM # 2

EMPLOYEE'S NAME: _____ DEPARTMENT: _____

SENIOR MANAGER'S NAME: _____ DATE: _____

EMPLOYEE'S REPRESENTATIVE'S NAME: _____

NATURE OF GRIEVANCE, CAUSE AND DATE OF GRIEVANCE:

SETTLEMENT DESIRED: _____

GRIEVANCE FORM HANDED TO: _____ TIME: _____

SIGNATURE OF RECIPIENT: _____ DATE: _____

AGREEMENT OR SETTLEMENT OF GRIEVANCE OR REASONS FOR FAILURE TO REACH AGREEMENT:

SIGNATURE OF SENIOR MANAGER: _____ DATE: _____

SIGNATURE OF EMPLOYEE: _____ DATE: _____

SIGNATURE OF EMPLOYEE REPRESENTATIVE: _____

LABOUR DISPUTE RESOLUTION PROCEDURE

1 INTRODUCTION

In order to facilitate the speedy resolution of labour disputes, individual employees employed by construction contractors on the TASEZ project may utilise this Dispute Resolution Procedure.

2 DECLARATION OF DISPUTE

The employee, as the aggrieved party, shall furnish a written statement of dispute containing particulars of the issue in dispute to the other party, at the level of the individual contractor and to the Contractors' ER Coordinator, within three (3) working days of the occurrence of the issue in dispute. Such notice shall set out the nature of the dispute and the proposed terms of settlement. The employee may be represented by a fellow employee of his/her choosing.

3 ANSWERING STATEMENT

Within one (1) working day of a receipt of the written statement of dispute, the answering party (i.e. the contractor, being the employer of the aggrieved party) shall present the aggrieved party and the Contractors' ER Coordinator, a written answering statement. The answering statement shall respond to the allegations in the statement of dispute, and shall further set out a statement of the answering party's position with regard to the proposed terms of settlement.

4 MEETING OF THE PARTIES

The parties to the dispute shall meet within two (2) working days of the answering statement being received by the aggrieved party, and shall attempt to resolve the dispute. Further meetings may be convened by mutual agreement. The Contractors' ER Coordinator shall be kept apprised of developments and may attend the meeting as an observer.

5 DISPUTE RESOLUTION MEETING

- 5.1 Should the dispute remain unresolved, after the meeting of the parties, the parties shall convene a meeting being chaired by the Contractors' ER Coordinator, or his/her delegated alternate, to be convened within two (2) working days.
- 5.2 The Chairperson shall be empowered to resolve the issue by applying mediation, fact-finding and/or advisory arbitration.
- 5.3 The Dispute Resolution Meeting shall complete its deliberations within three (3) working days. Failure to do so shall result in the dispute being deemed unresolved.

6 CONCILIATION, MEDIATION AND/OR ARBITRATION

Should the parties fail to resolve the dispute at the Dispute Resolution Meeting, then they shall still be entitled to refer the dispute for resolution in accordance with the provisions of the Labour Relations Act.

7 VARIATION OF THE PROCEDURE

The parties may by mutual agreement, reduce or extend any timelines detailed herein above, or amend any step referred to in this procedure.