

27 June 2017

Dear Sirs,

CONSUMER NOTIFICATION RE STATUTORY INCREASES WITH EFFECT FROM 1 SEPTEMBER 2017



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Statistics SA have published the annualised CPI for May 2017 as 5.4%.

This has resulted in an increase across the board for all employees in the private security sector (PSI)

The salient aspects are as follows –

1. Grade E and D salaries will, be increased to those of Grade C security officers, thereby effectively eliminating Grades E and D as from 1 September 2017;
2. The current three geographic/economic areas will be reduced to two areas in September 2017, being named "Urban" and "Rural", the current Area 2 (Bloemfontein, East London, Kimberley, Klerksdorp, Pietermaritzburg, Somerset West, Stellenbosch and Strand) now falling into the existing Area 1, which will be renamed "Urban".
3. The Grade E, D and C salaries for all three years were predetermined in 2015 and published in the sectoral determination effective 1 September 2015, with the other grades (B and A) receiving increases based on an "annualised CPI + 1%" basis on 1 September 2017, with a minimum of 6% and a maximum of 8%.
4. This means that Grade B and A Security officers will receive an increase of 6.4%, except for those previously falling within Area 2, who will be entitled to a bit more.
5. The night shift allowance will increase to R6.00 per shift as from September 2017.
6. The Cleaning allowance will remain at R30.00 per month until further notice.
7. The Special allowance for Mobile Supervisors, Armed Officers, Armed Response Officers, National Key Point Officers and Control Centre Operators, currently R8.00 per shift, will increase to R8.50 per shift as from September 2017.

The Department of Labour has advised us that they will not be gazetting these increased rates as the basis for the increase (the CPI figure) is a matter of public record; however, they have undertaken to post the new salary table on their website at www.labour.gov.za prior to 1 September 2017.

We understand that this is a difficult time for all security service providers and consumers alike, but we urge all users of security services to consider the abovementioned factors as a guideline for accepting the increases resulting from the statutory increases outlined herein.

The new salary scales are as per the attached schedule, for your assistance.

Furthermore, a recent Pretoria High Court judgment, the written judgment still pending, has emphatically outlawed the use of independent contractors (also referred to as self-employed security officers) and other such “disguised employment relationships”.

It must respectfully be pointed out that clause 38(3)(g) of the PSIRA Act (see www.psira.co.za) deems it a criminal act for consumers to contract or otherwise make use of unregistered or non-compliant security service providers. We urge all users of security services to conduct stringent due diligence exercises on their current and/or potential security service providers, as the case may be. Such exercise should include –

- Ensuring that security officers are remunerated in terms of Sectoral Determination 6
- Ensuring that all security service providers are registered with PSIRA and in good standing with that authority
- Ensuring that all security service providers are SARS compliant
- Ensuring that all security service providers are COID compliant
- Ensuring that all service providers are compliant with the Private Security Sector Provident Fund (PSSPF) and that all security officers employed are participating in the PSSPF, by comparing the member numbers on the PSSPF compliance certificate with the number of security officers reflected on the PSIRA letter of good standing

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

Very best regards,

SECURITY ASSOCIATION OF SOUTH AFRICA



TONY BOTES
ADMINISTRATOR

Registered as an employers' organisation in terms of the Labour Relations Act (reference LR 2/6/3/831)



MONTHLY SALARY SCALES (with effect from 1 September 2017)

Magisterial District:	Alberton, Bellville, Benoni, Bloemfontein, Boksburg, Brakpan, Camperdown, Chatsworth, Durban, East London, Goodwood, Inanda, Johannesburg, Kempton Park, Kimberley, Klerksdorp, Krugersdorp, Kuils River, Mitchell's Plain, Nigel, Oberholzer, Paarl, Pietermaritzburg, Pinetown, Port Elizabeth, Pretoria, Randburg, Roodepoort, Sasolburg, Simon's Town, Somerset West, Springs, Stellenbosch, Strand, The Cape, Uitenhage, Vanderbijlpark, Vereeniging, Westonaria, Wonderboom and Wynberg	All other areas
Security Officer		
Grade A	R5,209	R4,312
Grade B	R4,668	R3,934
Grade C, D and E¹	R4,102	R3,414

Note 1: Already gazetted in SD6 for 2015, as corrected