

SOUTH AFRICAN DEMOCRATIC TEACHERS' UNION (SADTU)

NEGATIVE ASPECTS OF EXISTING JOB GRADING

- Staff members do not have a stable basic salary . The basic salary fluctuate in relation to changes within the package such as medical aid , housing and car allowance . Financial Institutions base their credit assessment on the gross salary and not on the total package since other benefits do not form part of the cash received in the bank on pay day .
- This system encourage staff members to be able to cancel medical aid contributions and other allowances since one in return receives an increased basic salary at the end an increased cash in the bank . Blue collar employees are not benefiting from such salary structuring . Most of these employees have bigger families which adds more dependants at the end . These are staff members who earn low income . With this category of employees you find staff members who are frequently ill or off sick due to improper diet and poor living conditions or lack of proper medical treatment . Good health is a basic need . Employers should have such salary systems which should encourage staff members to have medical aids in order to have employees who are in a good state of health . This should be the responsibility of the employer to encourage its staff members to be in a position of participating in medical scheme for a better output of the organisation and have a healthier society and a growing economy .

POSITIVE ASPECTS OF THE EXISTING GRADING SYSTEM

- Staff members who wish to cancel the medical aid scheme are not disadvantaged since the employer contribution gets into their basic salary .
- The staff member terminating employment get both the employee and employer contributions of the pension fund since the employer contribution form part of the monthly total package . It is not necessary for the employee to qualify after ten years of service to receive the employer contribution .
- The employer has a fixed budget or costs of salaries and benefits .

The organisation has not indicated to the staff representatives that it may revise the existing grading system .

No salary survey are being conducted at present by the Union . However the Union is aware that this survey may assist the organisation .

*Staff perf appraisals not in place
=> skills audit was done
no. of workers = 120*

Calculation of Package Details

SADTU

Note: Only input data in Blue Cells

		<u>INPUT FIELDS</u>	
Total Package		R 4,000.00	Step 1
Employee Medical Aid Contribution		R 0.00	Step 2
Employer Medical Aid Contribution		R 0.00	Step 3
Non-Pensionable Housing Allowance		R 0.00	Step 4
Vehicle Allowance		R 0.00	Step 5
Pensionable Remuneration		R 3,636.36	
<u>Less:</u>	Employer Contribution: Pension	R 363.64	
	Pensionable Pro-Rata 13th Cheque	R 303.03	
	Employer Contribution: Medical Aid	R 0.00	
	Allowances	R 0.00	
Basic Salary		R 3,333.33	R 4,000.00
<u>Which Includes:</u>	Employee UIF Contribution	R 36.36	
	Employee Contribution: Pension	R 218.18	
<u>Not Considered Part of Package</u>			
	Employer UIF Contribution	R 36.36	
	Supplementary Allowance - Travel Expenses Pre-Paid	R 0.00	
Grand Total		R 4,036.36	

Calculation of Package Details

SADTU

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		INPUT FIELDS	
Total Package		R 4,000.00	Step 1
Employee Medical Aid Contribution		R 0.00	Step 2
Employer Medical Aid Contribution		R 0.00	Step 3
Non-Pensionable Housing Allowance	⇒	R 500.00	Step 4
Vehicle Allowance		R 0.00	Step 5
Pensionable Remuneration		R 3,181.82	
<u>Less:</u>	Employer Contribution: Pension	R 318.18 *	
	Pensionable Pro-Rata 13th Cheque	R 265.15	
	Employer Contribution: Medical Aid	R 0.00	
	Allowances	R 500.00	
Basic Salary		R 2,916.67	R 4,000.00
<u>Which Includes:</u>	Employee UIF Contribution	R 31.82	
	Employee Contribution: Pension	R 190.91 *	
<u>Not Considered Part of Package</u>			
	Employer UIF Contribution	R 31.82	
	Supplementary Allowance - Travel Expenses Pre-Paid	R 0.00	
Grand Total		R 4,031.82	

Calculation of Package Details

SADTU

Note: Only input data in Blue Cells

		INPUT FIELDS	
Total Package		R 4,000.00	Step 1
Employee Medical Aid Contribution		R 500.00	Step 2
Employer Medical Aid Contribution		R 1,000.00	Step 3
Non-Pensionable Housing Allowance		R 500.00	Step 4
Vehicle Allowance		R 0.00	Step 5
Pensionable Remuneration		R 2,272.73	
<u>Less:</u>	Employer Contribution: Pension	R 227.27	
	Pensionable Pro-Rata 13th Cheque	R 189.39	
	Employer Contribution: Medical Aid	R 1,000.00	
	Allowances	R 500.00	
Basic Salary		R 2,083.33	R 4,000.00
<u>Which Includes:</u>	Employee UIF Contribution	R 22.73	
	Employee Contribution: Pension	R 136.36	
<u>Not Considered Part of Package</u>			
	Employer UIF Contribution	R 22.73	
	Supplementary Allowance - Travel Expenses Pre-Paid	R 0.00	
Grand Total		R 4,022.73	

Calculation of Package Details

SADTU

Note: Only input data in Blue Cells

		INPUT FIELDS	
Total Package		R 4,000.00	Step 1
Employee Medical Aid Contribution		R 500.00	Step 2
Employer Medical Aid Contribution		R 1,000.00	Step 3
Non-Pensionable Housing Allowance		R 500.00	Step 4
Vehicle Allowance		R 1,500.00	Step 5
Pensionable Remuneration		R 909.09	
<u>Less:</u>	Employer Contribution: Pension	R 90.91	
	Pensionable Pro-Rata 13th Cheque	R 75.76	
	Employer Contribution: Medical Aid	R 1,000.00	
	Allowances	R 2,000.00	
Basic Salary		R 833.33	R 4,000.00
<u>Which Includes:</u>	Employee UIF Contribution	R 9.09	
	Employee Contribution: Pension	R 54.55	
<u>Not Considered Part of Package</u>			
	Employer UIF Contribution	R 9.09	
	Supplementary Allowance - Travel Expenses Pre-Paid	R 0.00	
Grand Total		R 4,009.09	

Calculation of Package Details

SADTU

Note: Only input data in Blue Cells

		<u>INPUT FIELDS</u>	
Total Package		R 6,000.00	Step 1
Employee Medical Aid Contribution		R 500.00	Step 2
Employer Medical Aid Contribution		R 1,000.00	Step 3
Non-Pensionable Housing Allowance		R 500.00	Step 4
Vehicle Allowance		R 1,500.00	Step 5
Pensionable Remuneration		R 2,727.27	
<u>Less:</u>	Employer Contribution: Pension	R 272.73	
	Pensionable Pro-Rata 13th Cheque	R 227.27	
	Employer Contribution: Medical Aid	R 1,000.00	
	Allowances	R 2,000.00	
Basic Salary		R 2,500.00	R 6,000.00
<u>Which Includes:</u>	Employee UIF Contribution	R 27.27	
	Employee Contribution: Pension	R 163.64	
<u>Not Considered Part of Package</u>			
	Employer UIF Contribution	R 27.27	
	Supplementary Allowance - Travel Expenses Pre-Paid	R 0.00	
Grand Total		R 6,027.27	

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