

MEMORANDUM

To: Mr Calib Cassim, Chief Financial Officer Reference:
From: Ms Jainthre Sankar, Chief Procurement Officer Version: 0
(Acting), Procurement Office
Date: 21 April 2021

SUBJECT: IMPLEMENTATION OF RATES STANDARDISATION ACROSS ESKOM DIVISIONS

PURPOSE

1. To obtain approval to implement Standardisation of Rates across all Divisions in commodities that have been benchmarked through the Quantity Surveyor processes.

BACKGROUND

2. As part of the cost saving programme, cost paid by Eskom towards labour provided by the Contractors, Consultants in a form of Professionals, procuring Materials and the cost of Procuring Spares including those supplied by the Original Equipment Manufacturer (OEM's) were identified some of the biggest cost drivers. To have a fuller appreciation of the potential value leakage, a benchmarking process was undertaken so as to introduce a Rate Standardisation programme.
3. A Rate Standardisation programme is an exercise of building up rates that are market related which in turn will form the base that Eskom will be willing to pay for each category of Employee, Consultant, Material and Spares.
4. The Rates Standardisation aims to improve the decision making and assist Quantity Surveyors, in particular, on the following (amongst other thing):

IMPLEMENTATION OF RATES STANDARDISATION ACROSS ESKOM DIVISIONS

- a) Production of Quantity Surveying Estimates.
- b) Tender Evaluations, and
- c) Contracts Negotiations

DECISION MAKING PROCESS

- 5. None

DISCUSSION

- 6. Rates standardisation exercise aims to ensure that Eskom pays market related rates for services provided but also to ensure that the suppliers, contractors, service providers, etc. are paid what is fair and in line with the market. Eskom, through its Quantity Surveyors, developed and completed the rate standardisation for Blue Collar category employees, White collar category and rates for Security provision services. A similar exercise will be undertaken to develop a rate standardisation for Materials and Spares including those supplied by OEM's.

Below we discuss in detail each of these categories completed - noting that the same procedure is will be followed for the rest of the categories yet to be standardised as indicated above. The discussion will explain the process undertaken in the development of rates; sources relied upon in the building up of the rates and briefly touch on the analysis done in comparing the proposed rates vs. what is currently being paid by Eskom for similar category of employees.

- a) Blue Collar Employees

Blue Collar Employees include, among others, the *General Workers, Drivers, Semi-skilled, Artisans and Supervisors* working under the Civil Engineering Contracts, Structural Steel Contracts, Piping, Electrical & Instrumentation Contracts, etc.

The *Bargaining Council for the Civil Engineering Industry (BCCEI)* and *Metal and Engineering Industries Bargaining Council Consolidated Main Agreement (MEIBC)* are the two sources relied upon as part of the benchmarking exercise. These bargaining

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councils recommend fair/minimum rates payable to employees per respective category. The rates, as recommended by the councils, are then used as a base. The following allowances are added on to the base to get to an *Eskom proposed rate* for each category of employee:

- i) UIF - 1%
- ii) Provident Fund – 5.25%
- iii) COID/WCA – 4.28% and
- iv) O&P – 15%

The *Eskom proposed rate* is what Eskom will aim to pay for each category of employee.

A comparison has been done where the *Eskom proposed rates* have been compared to what Eskom is currently paying for the same category of employees and it has been found that in some Contracts Eskom pays, on average, up to 50% more.

See Appendix A - Attached

b) White Collar Employees

White Collar employees refer to Professionals. A Rate Standardisation exercise has been done for Engineers, Built-environment professionals, accountants, auditors, Lawyers, etc.

Different surveys were relied upon to formulate a base (recommended rate) and in the main, PayScale surveys were used due to their large reliance and general trust of the survey site among the professionals. Until around 2014 – 2016, different professional bodies used to publish their recommended rates, i.e. ECSA, until the Competition Commission raised concerns over the practice that it hindered on competitive pricing and thereby discouraging fair competition.

A recommended rate by PayScale for a specific professional, also takes in account the experience level, is used and the following allowances are added to get to an *Eskom recommended rate*:

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- i) PayScale works in averages – 50% of the base is added to cater for the higher Pay.
- ii) UIF – 1%
- iii) Provident Fund – 5.25%
- iv) COID/WCA – 4.28%
- v) Liability Insurance – 10%, and
- vi) O&P – 15%

The *Eskom proposed rate* is what Eskom will aim to pay for each category of employee.

A comparison has been done where the *Eskom proposed rates* have been compared to what Eskom is currently paying for the same category of employees and it has been found that in some Contracts Eskom pays, on average, up to 50% more.

See Appendix B - Attached

c) Security Services Employees

These rates are based on what is recommended by the Private Security Industry and Regulation Authority (Psira). Psira releases these rates every year around March.

It is recommended that Eskom agrees all security contracts based on the rates recommended by Psira.

See Appendix C – Attached

FINANCIAL IMPLICATIONS

- 7. No direct financial implications

BUDGET IMPLICATIONS

- 8. No direct budget implications

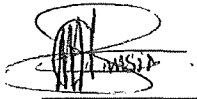
IMPLEMENTATION OF RATES STANDARDISATION ACROSS ESKOM DIVISIONS

RECOMMENDATION

9. It is recommended that the CFO in his capacity as the Chair of the Financial Recovery Steerco:

- Approve the implementation of Rates Standardisation across all divisions;
- Request the CPO to send out Instruction Note on Rates Standardisation to all Procurement committees so that new contracts are based on standardised rates or lower; and
- Request the divisions to review existing contracts with significant labour component as assess whether the rates are in line with the Standardised rates.

Compiled by:



Luyanda Msipha
SENIOR ADVISOR PROJECTS
21 April 2021

Supported by:



Carl Mamabolo
MIDDLE MANAGER CONTRACTS
21 April 2021

Recommended/~~Not recommended~~



Jabulane Mavimbela
GENERAL MANAGER SPECIAL PROJECTS
Date: 22 April 2021

Recommended/~~Not recommended~~



Ngoako Huma
GENERAL MANAGER FINANCE
Date: 22 April 2021

IMPLEMENTATION OF RATES STANDARDISATION ACROSS ESKOM DIVISIONS

Recommended/~~Not recommended~~



Janhree Sankar

CHIEF PROCUREMENT OFFICER (ACTING)

Date: 26/04/21

Approved/~~Not approved~~



Calib Cassim

CHIEF FINANCIAL OFFICER

Date: 27 April 2021

APPENDIX A

Table I : Productive hours

ANNUAL PRODUCTIVE HOURS				
(1) Calendar days per year minus weekends				261
(2) Annual holidays (in n° of days)				12
(3) Others (i.e. illness etc.) (in n° of days)				5
(5) Productive days per year: (1) - (2) - (3) - (4)				244
(6) Working hours per day				9,00
(7) Annual working hours: (1) x (6)				2 349
(8) Productive hours per year: (5) x (6)				2 196
(9) Productive hours per month				183

Not Eskom cost.
Eskom to pay half of the Cost

METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL
CONSOLIDATED MAIN AGREEMENT 2020/2021

(A)

(A)/ 12

Applicable for 3 consecutive nights

Table III : Hourly labour rates per staff (in ZAR)

Staff Category	Job Title	Base Rate [MEIBC]	Salary cost per year	UIF	%	Provident Fund	%	COID/WCA	%	Total annual cost per employee	Overhead and Profit	%	Hourly Labour rate (Total annual costs per person / A)	Night Shift Rate	Overtime Hourly rate	Sundays and Public Holidays
RATE A	Artisans - Category 1 (a)	R 40,86	R 89 728,56	R 897,29	1%	R 4 710,75	5%	R 3 840,38	4%	R 99 176,98	R 14 876,55	15%	R 51,94	R 59,73	R 77,91	R 103,87
RATE A	Artisans - Category 1	R 48,90	R 107 384,40	R 1 073,84	1%	R 5 637,68	5%	R 4 596,05	4%	R 118 691,98	R 17 803,80	15%	R 62,16	R 71,48	R 93,23	R 124,31
RATE A	Artisans - Category 2	R 57,86	R 127 060,56	R 1 270,61	1%	R 6 670,68	5%	R 5 438,19	4%	R 140 440,04	R 21 066,01	15%	R 73,55	R 84,58	R 110,32	R 147,09
RATE A	Artisans - Category 3	R 69,14	R 151 831,44	R 1 518,31	1%	R 7 971,15	5%	R 6 498,39	4%	R 167 819,29	R 25 172,89	15%	R 87,88	R 101,07	R 131,83	R 175,77
RATE A	Artisans - Category 4	R 78,84	R 173 132,64	R 1 731,33	1%	R 9 089,46	5%	R 7 410,08	4%	R 191 363,51	R 28 704,53	15%	R 100,21	R 115,25	R 150,32	R 200,43
RATE A - Most Experienced	Artisans - Category 5	R 84,75	R 186 111,00	R 1 861,11	1%	R 9 770,83	5%	R 7 965,55	4%	R 205 708,49	R 30 856,27	15%	R 107,73	R 123,88	R 161,59	R 215,45
RATE AA	Grinding, Machine operator, etc.: < 6 Months Exp. (Rate C)	R 67,96	R 149 240,16	R 1 492,40	1%	R 7 835,11	5%	R 6 387,48	4%	R 164 955,15	R 24 743,27	15%	R 86,38	R 99,34	R 129,58	R 172,77
RATE AA	Grinding, Machine operator, etc.: < Second 6 Months Exp. (Rate B)	R 70,53	R 154 883,88	R 1 548,84	1%	R 8 131,40	5%	R 6 629,03	4%	R 171 193,15	R 25 678,97	15%	R 89,65	R 103,10	R 134,48	R 179,30
RATE AA	Grinding, Machine operator, etc.: < Experienced.	R 80,83	R 177 502,68	R 1 775,03	1%	R 9 318,89	5%	R 7 597,11	4%	R 196 193,71	R 29 429,06	15%	R 102,74	R 118,15	R 154,11	R 205,49
RATE B	Boiler Tube Fittings, Drilling machine, etc.	R 70,53	R 154 883,88	R 1 548,84	1%	R 8 131,40	5%	R 6 629,03	4%	R 171 193,15	R 25 678,97	15%	R 89,65	R 103,10	R 134,48	R 179,30
RATE C	Operating Power driven machine, etc. < 6 Months Experience (Rate D)	R 66,59	R 146 231,64	R 1 462,32	1%	R 7 677,16	5%	R 6 258,71	4%	R 161 629,83	R 24 244,47	15%	R 84,64	R 97,34	R 126,96	R 169,28
RATE C	Operating Power driven machine, etc.: Experienced	R 67,96	R 149 240,16	R 1 492,40	1%	R 7 835,11	5%	R 6 387,48	4%	R 164 955,15	R 24 743,27	15%	R 86,38	R 99,34	R 129,58	R 172,77
RATE D	Arc & Gas cutting, Bengind of Tubes, etc.: < 3 Months with the employer.	R 59,93	R 131 608,48	R 1 316,08	1%	R 6 909,44	5%	R 5 632,84	4%	R 145 466,85	R 21 820,03	15%	R 76,18	R 87,60	R 114,27	R 152,36
RATE D	Arc & Gas cutting, Bengind of Tubes, etc.: < 6 Months with the employer.	R 63,26	R 138 920,06	R 1 389,20	1%	R 7 293,30	5%	R 5 945,78	4%	R 153 548,34	R 23 032,25	15%	R 80,41	R 92,47	R 120,62	R 160,82
RATE D	Arc & Gas cutting, Bengind of Tubes, etc.: < Permanent	R 66,59	R 146 231,64	R 1 462,32	1%	R 7 677,16	5%	R 6 258,71	4%	R 161 629,83	R 24 244,47	15%	R 84,64	R 97,34	R 126,96	R 169,28
RATE DD	Repetition operations	R 61,76	R 135 624,96	R 1 356,25	1%	R 7 120,31	5%	R 5 804,75	4%	R 149 906,27	R 22 485,94	15%	R 78,50	R 90,28	R 117,75	R 157,01
RATE DDD	Drilling, etc.	R 59,10	R 129 783,60	R 1 297,84	1%	R 6 813,64	5%	R 5 554,74	4%	R 143 449,81	R 21 517,47	15%	R 75,12	R 86,39	R 112,68	R 150,24
RATE E	Metal spraying for protective purposes, ETC	R 56,47	R 124 008,12	R 1 240,08	1%	R 6 510,43	5%	R 5 307,55	4%	R 137 066,18	R 20 559,93	15%	R 71,78	R 82,55	R 107,67	R 143,56
RATE F	Manual and/or automatic setting and/or gulleting and/or sharpening of saws	R 54,11	R 118 825,56	R 1 188,26	1%	R 6 238,34	5%	R 5 085,73	4%	R 131 337,89	R 19 700,68	15%	R 68,78	R 79,10	R 103,17	R 137,56
RATE G	Affixing slings under instruction of a Rate A to D employee.	R 51,65	R 113 423,40	R 1 134,23	1%	R 5 954,73	5%	R 4 854,52	4%	R 125 366,88	R 18 805,03	15%	R 65,65	R 75,50	R 98,48	R 131,30
RATE H	General labouring.	R 49,55	R 108 811,80	R 1 088,12	1%	R 5 712,62	5%	R 4 657,15	4%	R 120 269,68	R 18 040,45	15%	R 62,98	R 72,43	R 94,47	R 125,97
	Crane and Hoists												R -	R -	R -	R -
													R -	R -	R -	R -
													R -	R -	R -	R -
RATE AA	Crane driving-cab-operated overhead cranes < 6 Months Exp. (Rate C)	R 67,96	R 149 240,16	R 1 492,40	1%	R 7 835,11	5%	R 6 387,48	4%	R 164 955,15	R 24 743,27	15%	R 86,38	R 99,34	R 129,58	R 172,77
RATE AA	Crane driving-cab-operated overhead cranes < 6 Months with the employer. (Rate B)	R 70,53	R 154 883,88	R 1 548,84	1%	R 8 131,40	5%	R 6 629,03	4%	R 171 193,15	R 25 678,97	15%	R 89,65	R 103,10	R 134,48	R 179,30
RATE AA	Crane driving-cab-operated overhead cranes < Permanent	R 80,83	R 177 502,68	R 1 775,03	1%	R 9 318,89	5%	R 7 597,11	4%	R 196 193,71	R 29 429,06	15%	R 102,74	R 118,15	R 154,11	R 205,49
RATE B	Crane driving-power-operated jib cranes	R 70,53	R 154 883,88	R 1 548,84	1%	R 8 131,40	5%	R 6 629,03	4%	R 171 193,15	R 25 678,97	15%	R 89,65	R 103,10	R 134,48	R 179,30
RATE D	Crane driving-floor operated power cranes	R 66,59	R 146 231,64	R 1 462,32	1%	R 7 677,16	5%	R 6 258,71	4%	R 161 629,83	R 24 244,47	15%	R 84,64	R 97,34	R 126,96	R 169,28
RATE F	Crane driving — non-slewing jib cranes	R 54,11	R 118 825,56	R 1 188,26	1%	R 6 238,34	5%	R 5 085,73	4%	R 131 337,89	R 19 700,68	15%	R 68,78	R 79,10	R 103,17	R 137,56
RATE G	Crane operating (n.e.s.)	R 51,65	R 113 423,40	R 1 134,23	1%	R 5 954,73	5%	R 4 854,52	4%	R 125 366,88	R 18 805,03	15%	R 65,65	R 75,50	R 98,48	R 131,30
	Vehicle driving-external transport including forklift driving												R -	R -	R -	R -
													R -	R -	R -	R -
													R -	R -	R -	R -
RATE F	Forklift driving of power-operated forklift controlled from on board by the operator.	R 54,11	R 118 825,56	R 1 188,26	1%	R 6 238,34	5%	R 5 085,73	4%	R 131 337,89	R 19 700,68	15%	R 68,78	R 79,10	R 103,17	R 137,56
RATE E	Driving of a load-carrying or hauling vehicle which requires a code 08 light motor vehicle licence t	R 56,47	R 124 008,12	R 1 240,08	1%	R 6 510,43	5%	R 5 307,55	4%	R 137 066,18	R 20 559,93	15%	R 71,78	R 82,55	R 107,67	R 143,56
RATE DD	Driving of a load-carrying or hauling vehicle which requires a code 10 light motor vehicle licence t	R 61,76	R 135 624,96	R 1 356,25	1%	R 7 120,31	5%	R 5 804,75	4%	R 149 906,27	R 22 485,94	15%	R 78,50	R 90,28	R 117,75	R 157,01
RATE C	Driving of a load-carrying or hauling vehicle which requires a code 13 or 14 light motor vehicle lic	R 67,96	R 149 240,16	R 1 492,40	1%	R 7 835,11	5%	R 6 387,48	4%	R 164 955,15	R 24 743,27	15%	R 86,38	R 99,34	R 129,58	R 172,77
													R -	R -	R -	R -

APPENDIX B

Table I : Productive hours

ANNUAL PRODUCTIVE HOURS				
(1) Calendar days per year minus weekends				261
(2) Annual holidays (in n° of days)				12
(3) Others (i.e. illness etc.) (in n° of days)				5
(5) Productive days per year: (1) - (2) - (3) - (4)				244
(6) Working hours per day				8,00
(7) Annual working hours: (1) x (6)				2 088
(8) Productive hours per year: (5) x (6)				1 952
(9) Productive hours per month				163

Not Eskom cost.
Eskom to pay half of the Cost

PAY SCALE - A GROSS ESTIMATE FROM PAY SCALE IS USED PLUS 50% ALLOWANCE TO CATER FOR THE VARIANCES IN AVARAGES.

Table III : Hourly labour rates per staff (in ZAR)

Staff Category	Job Title	Base Rate [Payscale + 50%]	Salary cost per year	UIF	%	Provident Fund	%	COD/WCA	%	Liability Insurance	%	Total annual cost per employee	Overhead and Profit	%	Total Annual Cost incl. Overheads and Profit	Hourly Labour rate (Total annual costs per person / A)	Proposed Monthly Package	Proposed Annual Package	Overtime Hourly rate	Sundays and Public Holidays
Civil Engineer	Civil Engineer - Late Career 20 yrsrs and above	R 722,69	R 1 410 693,00	R 14 106,93	1%	R 74 061,38	5%	R 60 377,66	4%	R 141 069,30	10%	R 1 700 308,27	R 255 046,24	15%	R 1 955 354,51	R 1 001,72	R 163 280,12	R 1 955 354,51	R 1 502,58	R 2 003,44
Civil Engineer	Civil Engineer - Average Expience 10 - 19 yrsrs	R 559,16	R 1 091 490,00	R 10 914,90	1%	R 57 303,23	5%	R 46 715,77	4%	R 109 149,00	10%	R 1 315 572,90	R 197 335,93	15%	R 1 512 908,83	R 775,06	R 126 334,09	R 1 512 908,83	R 1 162,58	R 1 550,11
Civil Engineer	Civil Engineer - Mid Career 5 - 9 years	R 351,81	R 686 731,50	R 6 867,32	1%	R 36 053,40	5%	R 29 392,11	4%	R 68 673,15	10%	R 827 717,48	R 124 157,62	15%	R 951 875,10	R 487,64	R 79 485,47	R 951 875,10	R 731,46	R 975,28
Civil Engineer	Civil Engineer - Average Early-Career 1 - 4 years	R 250,67	R 489 310,50	R 4 893,11	1%	R 25 688,80	5%	R 20 942,49	4%	R 48 931,05	10%	R 589 765,95	R 88 464,89	15%	R 678 230,84	R 347,45	R 56 635,05	R 678 230,84	R 521,18	R 694,91
Civil Engineer	Civil Engineer - Entry Level	R 190,56	R 371 982,00	R 3 719,82	1%	R 19 529,06	5%	R 15 920,83	4%	R 37 198,20	10%	R 448 349,90	R 67 252,49	15%	R 515 602,39	R 264,14	R 43 054,91	R 515 602,39	R 396,21	R 528,28
Mechanical Engineer	Mechanical Engineer - Late Career 20 yrsrs and above	R 701,59	R 1 369 500,00	R 13 695,00	1%	R 71 898,75	5%	R 58 614,60	4%	R 136 950,00	10%	R 1 650 658,35	R 247 598,75	15%	R 1 898 257,10	R 972,47	R 158 512,25	R 1 898 257,10	R 1 458,70	R 1 944,94
Mechanical Engineer	Mechanical Engineer - Average Expience 10 - 19 yrsrs	R 511,09	R 997 650,00	R 9 976,50	1%	R 52 376,63	5%	R 42 699,42	4%	R 99 765,00	10%	R 1 202 467,55	R 180 370,13	15%	R 1 382 837,68	R 708,42	R 115 472,61	R 1 382 837,68	R 1 062,63	R 1 416,84
Mechanical Engineer	Mechanical Engineer - Mid Career 5 - 9 years	R 385,76	R 753 000,00	R 7 530,00	1%	R 39 532,50	5%	R 32 228,40	4%	R 75 300,00	10%	R 907 590,90	R 136 138,64	15%	R 1 043 729,54	R 534,70	R 87 155,69	R 1 043 729,54	R 802,05	R 1 069,40
Mechanical Engineer	Mechanical Engineer - Average Early-Career 1 - 4 years	R 239,75	R 468 000,00	R 4 680,00	1%	R 24 570,00	5%	R 20 030,40	4%	R 46 800,00	10%	R 564 080,40	R 84 612,06	15%	R 648 692,46	R 332,32	R 54 168,48	R 648 692,46	R 498,48	R 664,64
Mechanical Engineer	Mechanical Engineer - Entry Level	R 183,66	R 358 500,00	R 3 585,00	1%	R 18 821,25	5%	R 15 343,80	4%	R 35 850,00	10%	R 432 100,05	R 64 815,01	15%	R 496 915,06	R 254,57	R 41 494,44	R 496 915,06	R 381,85	R 509,13
Quantity Surveyor	Quantity Surveyor - Late Career 20 yrsrs and above	R 439,55	R 858 000,00	R 8 580,00	1%	R 45 045,00	5%	R 36 722,40	4%	R 85 800,00	10%	R 1 034 147,40	R 155 122,11	15%	R 1 189 269,51	R 609,26	R 99 308,88	R 1 189 269,51	R 913,89	R 1 218,51
Quantity Surveyor	Quantity Surveyor - Average Expience 10 - 19 yrsrs	R 368,08	R 718 500,00	R 7 185,00	1%	R 37 721,25	5%	R 30 751,80	4%	R 71 850,00	10%	R 866 008,05	R 129 901,21	15%	R 995 909,26	R 510,20	R 83 162,50	R 995 909,26	R 765,30	R 1 020,40
Quantity Surveyor	Quantity Surveyor - Mid Career 5 - 9 years	R 288,93	R 564 000,00	R 5 640,00	1%	R 29 610,00	5%	R 24 139,20	4%	R 56 400,00	10%	R 679 789,20	R 101 968,38	15%	R 781 757,58	R 400,49	R 65 279,96	R 781 757,58	R 600,74	R 800,98
Quantity Surveyor	Quantity Surveyor - Average Early-Career 1 - 4 years	R 192,88	R 376 500,00	R 3 765,00	1%	R 19 766,25	5%	R 16 114,20	4%	R 37 650,00	10%	R 453 795,45	R 68 069,32	15%	R 521 864,77	R 267,35	R 43 577,85	R 521 864,77	R 401,02	R 534,70
Quantity Surveyor	Quantity Surveyor - Entry Level	R 121,41	R 237 000,00	R 2 370,00	1%	R 12 442,50	5%	R 10 143,60	4%	R 23 700,00	10%	R 285 656,10	R 42 848,42	15%	R 328 504,52	R 168,29	R 27 431,47	R 328 504,52	R 252,44	R 336,58
Project Manager - Construction	Project Manager - Late Career 20 yrsrs and above	R 426,49	R 832 500,00	R 8 325,00	1%	R 43 706,25	5%	R 35 631,00	4%	R 83 250,00	10%	R 1 003 412,25	R 150 511,84	15%	R 1 153 924,09	R 591,15	R 96 357,39	R 1 153 924,09	R 886,72	R 1 182,30
Project Manager - Construction	Project Manager - Average Expience 10 - 19 yrsrs	R 372,69	R 727 500,00	R 7 275,00	1%	R 38 193,75	5%	R 31 137,00	4%	R 72 750,00	10%	R 876 855,75	R 131 528,36	15%	R 1 008 384,11	R 516,59	R 84 204,21	R 1 008 384,11	R 774,89	R 1 033,18
Project Manager - Construction	Project Manager - Mid Career 5 - 9 years	R 300,46	R 586 500,00	R 5 865,00	1%	R 30 791,25	5%	R 25 102,20	4%	R 58 650,00	10%	R 706 908,45	R 106 036,27	15%	R 812 944,72	R 416,47	R 67 884,22	R 812 944,72	R 624,70	R 832,94
Project Manager - Construction	Project Manager - Average Early-Career 1 - 4 years	R 208,25	R 406 500,00	R 4 065,00	1%	R 21 341,25	5%	R 17 398,20	4%	R 40 650,00	10%	R 489 954,45	R 73 493,17	15%	R 563 447,62	R 288,65	R 47 050,19	R 563 447,62	R 432,98	R 577,30
Project Manager - Construction	Project Manager - Entry Level	R 140,63	R 274 500,00	R 2 745,00	1%	R 14 411,25	5%	R 11 748,60	4%	R 27 450,00	10%	R 330 854,85	R 49 628,23	15%	R 380 483,08	R 194,92	R 31 771,90	R 380 483,08	R 292,38	R 389,84
Hydrologists	Hydrologists - Late Career 20 yrsrs and above	R 495,65	R 967 500,00	R 9 675,00	1%	R 50 793,75	5%	R 41 409,00	4%	R 96 750,00	10%	R 1 166 127,75	R 174 919,16	15%	R 1 341 046,91	R 687,01	R 111 982,91	R 1 341 046,91	R 1 030,52	R 1 374,02
Hydrologists	Hydrologists - Average Expience 10 - 19 yrsrs	R 495,65	R 967 500,00	R 9 675,00	1%	R 50 793,75	5%	R 41 409,00	4%	R 96 750,00	10%	R 1 166 127,75	R 174 919,16	15%	R 1 341 046,91	R 687,01	R 111 982,91	R 1 341 046,91	R 1 030,52	R 1 374,02
Hydrologists	Hydrologists - Mid Career 5 - 9 years	R 336,58	R 657 000,00	R 6 570,00	1%	R 34 492,50	5%	R 28 119,60	4%	R 65 700,00	10%	R 791 882,10	R 118 782,32	15%	R 910 664,42	R 466,53	R 76 044,21	R 910 664,42	R 699,79	R 933,06
Hydrologists	Hydrologists - Average Early-Career 1 - 4 years	R 199,80	R 390 000,00	R 3 900,00	1%	R 20 475,00	5%	R 16 692,00	4%	R 39 000,00	10%	R 470 067,00	R 70 510,05	15%	R 540 577,05	R 276,93	R 45 140,40	R 540 577,05	R 415,40	R 553,87
Hydrologists	Hydrologists - Entry Level	R 172,90	R 337 500,00	R 3 375,00	1%	R 17 718,75	5%	R 14 445,00	4%	R 33 750,00	10%	R 406 788,75	R 61 018,31	15%	R 467 807,06	R 239,66	R 39 063,81	R 467 807,06	R 359,48	R 479,31
Construction Manager	Construction Manager - Late Career 20 yrsrs and above	R 481,05	R 939 000,00	R 9 390,00	1%	R 49 297,50	5%	R 40 189,20	4%	R 93 900,00	10%	R 1 131 776,70	R 169 766,51	15%	R 1 301 543,21	R 666,77	R 108 684,19	R 1 301 543,21	R 1 000,16	R 1 333,55
Construction Manager	Construction Manager - Average Expience 10 - 19 yrsrs	R 350,41	R 684 000,00	R 6 840,00	1%	R 35 910,00	5%	R 29 275,20	4%	R 68 400,00	10%	R 824 425,20	R 123 663,78	15%	R 948 088,98	R 485,70	R 79 169,32	R 948 088,98	R 728,55	R 971,40
Construction Manager	Construction Manager - Mid Career 5 - 9 years	R 249,74	R 487 500,00	R 4 875,00	1%	R 25 593,75	5%	R 20 865,00	4%	R 48 750,00	10%	R 587 583,75	R 88 137,56	15%	R 675 721,31	R 346,17	R 56 425,50	R 675 721,31	R 519,25	R 692,34
Construction Manager	Construction Manager - Average Early-Career 1 - 4 years	R 175,97	R 343 500,00	R 3 435,00	1%	R 18 033,75	5%	R 14 701,80	4%	R 34 350,00	10%	R 414 020,55	R 62 103,08	15%	R 476 123,63	R 243,92	R 39 758,27	R 476 123,63	R 365,87	R 487,83
Construction Manager	Construction Manager - Entry Level	R 138,32	R 270 000,00	R 2 700,00	1%	R 14 175,00	5%	R 11 556,00	4%	R 27 000,00	10%	R 325 431,00	R 48 814,65	15%	R 374 245,65	R 191,72	R 31 251,05	R 374 245,65	R 287,59	R 383,45
Electrical Engineer	Electrical Engineer - Late Career 20 yrsrs and above	R 768,44	R 1 500 000,00	R 15 000,00	1%	R 78 750,00	5%	R 64 200,00	4%	R 150 000,00	10%	R 1 807 950,00	R 271 192,50	15%	R 2 079 142,50	R 1 065,13	R 173 616,92	R 2 079 142,50	R 1 597,70	R 2 130,27
Electrical Engineer	Electrical Engineer - Average Expience 10 - 19 yrsrs	R 521,77	R 1 018 500,00	R 10 185,00	1%	R 53 471,25	5%	R 43 591,80	4%	R 101 850,00	10%	R 1 227 598,05	R 184 139,71	15%	R 1 411 737,76	R 723,23	R 117 885,89	R 1 411 737,76	R 1 084,84	R 1 446,45
Electrical Engineer	Electrical Engineer - Mid Career 5 - 9 years	R 361,17	R 705 000,00	R 7 050,00	1%	R 37 012,50	5%	R 30 174,00	4%	R 70 500,00	10%	R 849 736,50	R 127 460,48	15%	R 977 196,98	R 500,61	R 81 599,95	R 977 196,98	R 750,92	R 1 001,23

APPENDIX B

Industrial Engineer	Industrial Engineer - Average Early-Career 1 - 4 years	R	226,69	R	442 500,00	R	4 425,00	1%	R	23 231,25	5%	R	18 939,00	4%	R	44 250,00	10%	R	533 345,25	R	80 001,79	15%	R	613 347,04	R	314,21	R	51 216,99	R	613 347,04	R	471,32	R	628,43
Industrial Engineer	Industrial Engineer - Entry Level	R	185,96	R	363 000,00	R	3 630,00	1%	R	19 057,50	5%	R	15 536,40	4%	R	36 300,00	10%	R	437 523,90	R	65 628,59	15%	R	503 152,49	R	257,76	R	42 015,29	R	503 152,49	R	386,64	R	515,53
Chemical Engineer	Chemical Engineer - Late Career 20 yrsrs and above	R	768,44	R	1 500 000,00	R	15 000,00	1%	R	78 750,00	5%	R	64 200,00	4%	R	150 000,00	10%	R	1 807 950,00	R	271 192,50	15%	R	2 079 142,50	R	1 065,13	R	173 616,92	R	2 079 142,50	R	1 597,70	R	2 130,27
Chemical Engineer	Chemical Engineer - Average Expience 10 - 19 yrsrs	R	653,18	R	1 275 000,00	R	12 750,00	1%	R	66 937,50	5%	R	54 570,00	4%	R	127 500,00	10%	R	1 536 757,50	R	230 513,63	15%	R	1 767 271,13	R	905,36	R	147 574,38	R	1 767 271,13	R	1 358,05	R	1 810,73
Chemical Engineer	Chemical Engineer - Mid Career 5 - 9 years	R	406,51	R	793 500,00	R	7 935,00	1%	R	41 658,75	5%	R	33 961,80	4%	R	79 350,00	10%	R	956 405,55	R	143 460,83	15%	R	1 099 866,38	R	563,46	R	91 843,35	R	1 099 866,38	R	845,18	R	1 126,91
Chemical Engineer	Chemical Engineer - Average Early-Career 1 - 4 years	R	196,72	R	384 000,00	R	3 840,00	1%	R	20 160,00	5%	R	16 435,20	4%	R	38 400,00	10%	R	462 835,20	R	69 425,28	15%	R	532 260,48	R	272,67	R	44 445,93	R	532 260,48	R	409,01	R	545,35
Chemical Engineer	Chemical Engineer - Entry Level	R	184,43	R	360 000,00	R	3 600,00	1%	R	18 900,00	5%	R	15 408,00	4%	R	36 000,00	10%	R	433 908,00	R	65 086,20	15%	R	498 994,20	R	255,63	R	41 668,06	R	498 994,20	R	383,45	R	511,26
Health and Safety Manager	Health and Safety Manager - Late Career 20 yrsrs and above	R	397,28	R	775 500,00	R	7 755,00	1%	R	40 713,75	5%	R	33 191,40	4%	R	77 550,00	10%	R	934 710,15	R	140 206,52	15%	R	1 074 916,67	R	550,67	R	89 739,95	R	1 074 916,67	R	826,01	R	1 101,35
Health and Safety Manager	Health and Safety Manager - Average Expience 10 - 19 yrsrs	R	345,80	R	675 000,00	R	6 750,00	1%	R	35 437,50	5%	R	28 890,00	4%	R	67 500,00	10%	R	813 577,50	R	122 036,63	15%	R	935 614,13	R	479,31	R	78 127,61	R	935 614,13	R	718,97	R	958,62
Health and Safety Manager	Health and Safety Manager - Mid Career 5 - 9 years	R	278,18	R	543 000,00	R	5 430,00	1%	R	28 507,50	5%	R	23 240,40	4%	R	54 300,00	10%	R	654 477,90	R	98 171,69	15%	R	752 649,59	R	385,58	R	62 849,32	R	752 649,59	R	578,37	R	771,16
Health and Safety Manager	Health and Safety Manager - Average Early-Career 1 - 4 years	R	149,85	R	292 500,00	R	2 925,00	1%	R	15 356,25	5%	R	12 519,00	4%	R	29 250,00	10%	R	352 550,25	R	52 882,54	15%	R	405 432,79	R	207,70	R	33 855,30	R	405 432,79	R	311,55	R	415,40
Health and Safety Manager	Health and Safety Manager - Entry Level	R	198,26	R	387 000,00	R	3 870,00	1%	R	20 317,50	5%	R	16 563,60	4%	R	38 700,00	10%	R	466 451,10	R	69 967,67	15%	R	536 418,77	R	274,80	R	44 793,17	R	536 418,77	R	412,21	R	549,61
Environmental Consultant	Environmental Consultant - Late Career 20 yrsrs and above	R	509,48	R	994 500,00	R	9 945,00	1%	R	52 211,25	5%	R	42 564,60	4%	R	99 450,00	10%	R	1 198 670,85	R	179 800,63	15%	R	1 378 471,48	R	706,18	R	115 108,02	R	1 378 471,48	R	1 059,28	R	1 412,37
Environmental Consultant	Environmental Consultant - Average Expience 10 - 19 yrsrs	R	330,43	R	645 000,00	R	6 450,00	1%	R	33 862,50	5%	R	27 606,00	4%	R	64 500,00	10%	R	777 418,50	R	116 612,78	15%	R	894 031,28	R	458,01	R	74 655,28	R	894 031,28	R	687,01	R	916,02
Environmental Consultant	Environmental Consultant - Mid Career 5 - 9 years	R	225,92	R	441 000,00	R	4 410,00	1%	R	23 152,50	5%	R	18 874,80	4%	R	44 100,00	10%	R	531 537,30	R	79 730,60	15%	R	611 267,90	R	313,15	R	51 043,37	R	611 267,90	R	469,72	R	626,30
Environmental Consultant	Environmental Consultant - Average Early-Career 1 - 4 years	R	150,61	R	294 000,00	R	2 940,00	1%	R	15 435,00	5%	R	12 583,20	4%	R	29 400,00	10%	R	354 358,20	R	53 153,73	15%	R	407 511,93	R	208,77	R	34 028,92	R	407 511,93	R	313,15	R	417,53
Environmental Consultant	Environmental Consultant - Entry Level	R	122,18	R	238 500,00	R	2 385,00	1%	R	12 521,25	5%	R	10 207,80	4%	R	23 850,00	10%	R	287 464,05	R	43 119,61	15%	R	330 583,66	R	169,36	R	27 605,09	R	330 583,66	R	254,03	R	338,71
Quality Inspector (QA)/ Quality Control (QC)	Quality Inspector (QA)/ Quality Control (QC)t - Late Career 20 yrsrs and above	R	136,78	R	267 000,00	R	2 670,00	1%	R	14 017,50	5%	R	11 427,60	4%	R	26 700,00	10%	R	321 815,10	R	48 272,27	15%	R	370 087,37	R	189,59	R	30 903,81	R	370 087,37	R	284,39	R	379,19
Quality Inspector (QA)/ Quality Control (QC)	Quality Inspector (QA)/ Quality Control (QC)Environmental Consultant - Average Expience 10 - 19 yrsrs	R	59,94	R	117 000,00	R	1 170,00	1%	R	6 142,50	5%	R	5 007,60	4%	R	11 700,00	10%	R	141 020,10	R	21 153,02	15%	R	162 173,12	R	83,08	R	13 542,12	R	162 173,12	R	124,62	R	166,16
Quality Inspector (QA)/ Quality Control (QC)	Quality Inspector (QA)/ Quality Control (QC)t - Mid Career 5 - 9 years	R	43,80	R	85 500,00	R	855,00	1%	R	4 488,75	5%	R	3 659,40	4%	R	8 550,00	10%	R	103 053,15	R	15 457,97	15%	R	118 511,12	R	60,71	R	9 896,16	R	118 511,12	R	91,07	R	121,43
Quality Inspector (QA)/ Quality Control (QC)	Quality Inspector (QA)/ Quality Control (QC) - Average Early-Career 1 - 4 years	R	33,81	R	66 000,00	R	660,00	1%	R	3 465,00	5%	R	2 824,80	4%	R	6 600,00	10%	R	79 549,80	R	11 932,47	15%	R	91 482,27	R	46,87	R	7 639,14	R	91 482,27	R	70,30	R	93,73
Quality Inspector (QA)/ Quality Control (QC)	Quality Inspector (QA)/ Quality Control (QC) - Entry Level	R	33,81	R	66 000,00	R	660,00	1%	R	3 465,00	5%	R	2 824,80	4%	R	6 600,00	10%	R	79 549,80	R	11 932,47	15%	R	91 482,27	R	46,87	R	7 639,14	R	91 482,27	R	70,30	R	93,73
Human Resource Manager	Human Resource Manager - Late Career 20 yrsrs and above	R	447,23	R	873 000,00	R	8 730,00	1%	R	45 832,50	5%	R	37 364,40	4%	R	87 300,00	10%	R	1 052 226,90	R	157 834,04	15%	R	1 210 060,94	R	619,91	R	101 045,05	R	1 210 060,94	R	929,86	R	1 239,82
Human Resource Manager	Human Resource Manager - Average Expience 10 - 19 yrsrs	R	390,37	R	762 000,00	R	7 620,00	1%	R	40 005,00	5%	R	32 613,60	4%	R	76 200,00	10%	R	918 438,60	R	137 765,79	15%	R	1 056 204,39	R	541,09	R	88 197,40	R	1 056 204,39	R	811,63	R	1 082,18
Human Resource Manager	Human Resource Manager - Mid Career 5 - 9 years	R	310,45	R	606 000,00	R	6 060,00	1%	R	31 815,00	5%	R	25 936,80	4%	R	60 600,00	10%	R	730 411,80	R	109 561,77	15%	R	839 973,57	R	430,31	R	70 141,24	R	839 973,57	R	645,47	R	860,63
Human Resource Manager	Human Resource Manager - Average Early-Career 1 - 4 years	R	230,53	R	450 000,00	R	4 500,00	1%	R	23 625,00	5%	R	19 260,00	4%	R	45 000,00	10%	R	542 385,00	R	81 357,75	15%	R	623 742,75	R	319,54	R	52 085,08	R	623 742,75	R	479,31	R	639,08
Human Resource Manager	Human Resource Manager - Entry Level	R	150,61	R	294 000,00	R	2 940,00	1%	R	15 435,00	5%	R	12 583,20	4%	R	29 400,00	10%	R	354 358,20	R	53 153,73	15%	R	407 511,93	R	208,77	R	34 028,92	R	407 511,93	R	313,15	R	417,53
Human Resource	Human Resource - Late Career 20 yrsrs and above	R	307,38	R	600 000,00	R	6 000,00	1%	R	31 500,00	5%	R	25 680,00	4%	R	60 000,00	10%	R	723 180,00	R	108 477,00	15%	R	831 657,00	R	426,05	R	69 446,77	R	831 657,00	R	639,08	R	852,11
Human Resource	Human Resource - Average Expience 10 - 19 yrsrs	R	261,27	R	510 000,00	R	5 100,00	1%	R	26 775,00	5%	R	21 828,00	4%	R	51 000,00	10%	R	614 703,00	R	92 205,45	15%	R	706 908,45	R	362,15	R	59 029,75	R	706 908,45	R	543,22	R	724,29
Human Resource	Human Resource - Mid Career 5 - 9 years	R	235,91	R	460 500,00	R	4 605,00	1%	R	24 176,25	5%	R	19 709,40	4%	R	46 050,00	10%	R	555 040,65	R	83 256,10	15%	R	638 296,75	R	327,00	R	53 300,39	R	638 296,75	R	490,49	R	653,99
Human Resource	Human Resource - Average Early-Career 1 - 4 years	R	170,59	R	333 000,00	R	3 330,00	1%	R	17 482,50	5%	R	14 252,40	4%	R	33 300,00	10%	R	401 364,90	R	60 204,74	15%	R	461 569,64	R	236,46	R	38 542,96	R	461 569,64	R	354,69	R	472,92
Human Resource	Human Resource - Entry Level	R	129,87	R	253 500,00	R	2 535,00	1%	R	13 308,75	5%	R	10 849,80	4%	R	25 350,00	10%	R	305 543,55	R	45 831,53	15%	R	351 375,08	R	180,01	R	29 341,26	R	351 375,08	R	270,01	R	360,02
Contract Administrator	Contract Administrator - Late Career 20 yrsrs and above	R	276,64	R	540 000,00	R	5 400,00	1%	R	28 350,00	5%	R	23 112,00	4%	R	54 000,00	10%	R	650 862,00	R	97 629,30	15%	R	748 491,30	R	383,45	R	62 502,09	R	748 491,30	R	575,17	R	766,90
Contract Administrator	Contract Administrator - Average Expience 10 - 19 yrsrs	R	222,08	R	433 500,00	R	4 335,00	1%	R	22 758,75	5%	R	18 553,80	4%	R	43 350,00	10%	R	522 497,55	R	78 374,63	15%	R	600 872,18	R	307,82	R	50 175,29	R	600 872,18	R	461,74	R	615,65
Contract Administrator	Contract Administrator - Mid Career 5 - 9 years	R	179,05	R	349 500,00	R	3 495,00	1%	R	18 348,75	5%	R	14 958,60	4%	R	34 950,00	10%	R	421 252,35	R	63 187,85	15%	R	484 440,20	R	248,18	R	40 452,74	R	484 440,20	R	372,26	R	496,35
Contract Administrator	Contract Administrator - Average Early-Career 1 - 4 years	R	152,15	R	297 000,00	R	2 970,00	1%	R	15 5																								

APPENDIX B

Table I : Productive hours

ANNUAL PRODUCTIVE HOURS				
(1) Calendar days per year minus weekends			261	Not Eskom cost. Eskom to pay half of the Cost
(2) Annual holidays (in n° of days)			12	
(3) Others (i.e. illness etc.) (in n° of days)			5	
(5) Productive days per year: (1) - (2) - (3) - (4)			244	
(6) Working hours per day			8,00	
(7) Annual working hours: (1) x (6)			2 088	
(8) Productive hours per year: (5) x (6)			1 992	(A)
(9) Productive hours per month			163	(A)/ 12

PAY SCALE - A GROSS ESTIMATE FROM PAY SCALE IS USED PLUS 50% ALLOWANCE TO CATER FOR THE VARIANCES IN AVARAGES.

Table III : Hourly labour rates per staff (in ZAR)

																				1.5	2
Staff Category	Job Title	Base Rate (Payscale + 50%)	Salary cost per year	UIF	%	President Fund	%	COD/WCA	%	Liability Insurance	%	Total annual cost per employee	Overhead and Profit	%	Total Annual Cost incl. Overheads and Profit	Hourly Labour rate (Total annual costs per person / A)	Proposed Monthly Package	Proposed Annual Package	Overtime Hourly rate	Sundays and Public Holidays	
Corporate Lawyers	Corporate Lawyers - Late Career 20 years and above	R 1 075,82	R 2 100 000,00	R 21 000,00	1%	R 110 250,00	5%	R 89 880,00	4%	R 210 000,00	10%	R 2 531 130,00	R 759 339,00	30%	R 3 290 469,00	R 1 085,69	R 274 767,65	R 3 290 469,00	R 2 528,54	R 3 371,28	
Corporate Lawyers	Corporate Lawyers - Average Expience 10 - 19 years	R 403,43	R 787 500,00	R 7 875,00	1%	R 41 343,75	5%	R 33 705,00	4%	R 78 750,00	10%	R 949 173,75	R 142 376,06	15%	R 1 091 549,81	R 559,20	R 91 148,48	R 1 091 549,81	R 838,79	R 1 118,39	
Corporate Lawyers	Corporate Lawyers - Mid Career 5 - 9 years	R 426,49	R 832 500,00	R 8 325,00	1%	R 43 706,25	5%	R 35 631,00	4%	R 83 250,00	10%	R 1 003 412,25	R 150 511,84	15%	R 1 153 924,09	R 591,15	R 96 357,29	R 1 153 924,09	R 886,72	R 1 182,20	
Corporate Lawyers	Corporate Lawyers - Average Early Career 1 - 4 years	R 236,68	R 462 000,00	R 4 620,00	1%	R 24 255,00	5%	R 19 773,60	4%	R 46 200,00	10%	R 556 848,60	R 83 527,29	15%	R 640 375,89	R 320,06	R 53 474,01	R 640 375,89	R 492,09	R 656,12	
Corporate Lawyers	Corporate Lawyers - Entry Level	R 172,90	R 337 500,00	R 3 375,00	1%	R 17 718,75	5%	R 14 445,00	4%	R 33 750,00	10%	R 406 788,75	R 61 018,31	15%	R 467 807,06	R 239,66	R 39 063,81	R 467 807,06	R 359,48	R 479,31	
Attorney/Lawyer	Attorney/Lawyer - Late Career 20 years and above	R 922,13	R 1 800 000,00	R 18 000,00	1%	R 94 500,00	5%	R 77 040,00	4%	R 180 000,00	10%	R 2 169 540,00	R 325 431,00	15%	R 2 494 971,00	R 1 278,16	R 288 340,30	R 2 494 971,00	R 1 917,24	R 2 556,32	
Attorney/Lawyer	Attorney/Lawyer - Average Expience 10 - 19 years	R 518,70	R 1 012 500,00	R 10 125,00	1%	R 53 156,25	5%	R 43 335,00	4%	R 101 250,00	10%	R 1 220 366,25	R 183 054,94	15%	R 1 403 421,19	R 718,07	R 117 191,42	R 1 403 421,19	R 1 078,45	R 1 437,93	
Attorney/Lawyer	Attorney/Lawyer - Mid Career 5 - 9 years	R 230,53	R 450 000,00	R 4 500,00	1%	R 23 625,00	5%	R 19 260,00	4%	R 45 000,00	10%	R 542 385,00	R 81 357,75	15%	R 623 742,75	R 319,54	R 52 085,08	R 623 742,75	R 479,31	R 639,08	
Attorney/Lawyer	Attorney/Lawyer - Average Early Career 1 - 4 years	R 160,60	R 313 500,00	R 3 135,00	1%	R 16 458,75	5%	R 13 417,80	4%	R 31 350,00	10%	R 377 861,55	R 56 679,23	15%	R 434 540,78	R 222,61	R 36 285,94	R 434 540,78	R 333,92	R 445,23	
Attorney/Lawyer	Attorney/Lawyer - Entry Level	R 138,32	R 270 000,00	R 2 700,00	1%	R 14 175,00	5%	R 11 556,00	4%	R 27 000,00	10%	R 325 431,00	R 48 814,65	15%	R 374 245,65	R 191,72	R 31 251,05	R 374 245,65	R 287,59	R 381,45	
Accountants	Accountants - Late Career 20 years and above	R 304,30	R 594 000,00	R 5 940,00	1%	R 31 185,00	5%	R 25 423,20	4%	R 59 400,00	10%	R 715 948,20	R 107 392,23	15%	R 823 340,43	R 421,79	R 68 752,30	R 823 340,43	R 632,69	R 843,59	
Accountants	Accountants - Average Expience 10 - 19 years	R 271,26	R 529 500,00	R 5 295,00	1%	R 27 798,75	5%	R 22 662,60	4%	R 52 950,00	10%	R 638 206,35	R 95 730,95	15%	R 733 937,30	R 375,99	R 61 286,77	R 733 937,30	R 561,99	R 751,98	
Accountants	Accountants - Mid Career 5 - 9 years	R 225,92	R 441 000,00	R 4 410,00	1%	R 23 152,50	5%	R 18 874,80	4%	R 44 100,00	10%	R 531 537,30	R 79 730,60	15%	R 611 267,90	R 313,15	R 51 043,37	R 611 267,90	R 480,72	R 626,30	
Accountants	Accountants - Average Early Career 1 - 4 years	R 179,82	R 351 000,00	R 3 510,00	1%	R 18 427,50	5%	R 15 022,80	4%	R 35 100,00	10%	R 423 060,30	R 63 459,05	15%	R 486 519,35	R 249,24	R 40 626,36	R 486 519,35	R 373,86	R 498,48	
Accountants	Accountants - Entry Level	R 125,20	R 244 400,00	R 2 444,00	1%	R 12 831,00	5%	R 10 460,32	4%	R 24 440,00	10%	R 294 575,32	R 44 186,30	15%	R 338 761,62	R 173,55	R 28 287,98	R 338 761,62	R 260,32	R 347,09	
Auditor	Auditor - Late Career 20 years and above	R 345,80	R 675 000,00	R 6 750,00	1%	R 35 437,50	5%	R 28 890,00	4%	R 67 500,00	10%	R 813 577,50	R 122 036,63	15%	R 935 614,13	R 479,31	R 78 127,61	R 935 614,13	R 718,07	R 958,62	
Auditor	Auditor - Average Expience 10 - 19 years	R 292,78	R 571 500,00	R 5 715,00	1%	R 30 003,75	5%	R 24 460,20	4%	R 57 150,00	10%	R 688 828,95	R 103 324,34	15%	R 792 153,29	R 405,82	R 66 140,05	R 792 153,29	R 608,72	R 811,63	
Auditor	Auditor - Mid Career 5 - 9 years	R 256,66	R 501 000,00	R 5 010,00	1%	R 26 302,50	5%	R 21 442,80	4%	R 50 100,00	10%	R 603 855,30	R 90 578,30	15%	R 694 433,60	R 355,75	R 57 988,05	R 694 433,60	R 533,63	R 711,51	
Auditor	Auditor - Average Early Career 1 - 4 years	R 175,97	R 343 500,00	R 3 435,00	1%	R 18 033,75	5%	R 14 701,80	4%	R 34 350,00	10%	R 414 020,55	R 62 103,08	15%	R 476 123,63	R 243,92	R 39 758,27	R 476 123,63	R 365,87	R 487,83	
Auditor	Auditor - Entry Level	R 130,53	R 254 800,00	R 2 548,00	1%	R 13 377,00	5%	R 10 905,44	4%	R 25 480,00	10%	R 307 110,44	R 46 066,57	15%	R 353 177,01	R 180,93	R 29 401,73	R 353 177,01	R 271,40	R 361,86	
Internal Auditor	Internal Auditor - Late Career 20 years and above	R 321,98	R 628 500,00	R 6 285,00	1%	R 32 996,25	5%	R 26 899,80	4%	R 62 850,00	10%	R 757 531,05	R 113 629,66	15%	R 871 160,71	R 446,29	R 72 745,49	R 871 160,71	R 689,44	R 892,58	
Internal Auditor	Internal Auditor - Average Expience 10 - 19 years	R 306,61	R 598 500,00	R 5 985,00	1%	R 31 421,25	5%	R 25 615,80	4%	R 59 850,00	10%	R 721 372,05	R 108 205,81	15%	R 829 577,86	R 424,99	R 69 277,15	R 829 577,86	R 637,48	R 849,98	
Internal Auditor	Internal Auditor - Mid Career 5 - 9 years	R 284,32	R 555 000,00	R 5 550,00	1%	R 29 137,50	5%	R 23 754,00	4%	R 55 500,00	10%	R 668 941,50	R 100 341,23	15%	R 769 282,73	R 394,10	R 64 238,26	R 769 282,73	R 591,15	R 788,20	
Internal Auditor	Internal Auditor - Average Early Career 1 - 4 years	R 170,59	R 333 000,00	R 3 330,00	1%	R 17 482,50	5%	R 14 252,40	4%	R 33 300,00	10%	R 401 364,90	R 60 204,74	15%	R 461 569,64	R 236,46	R 38 542,96	R 461 569,64	R 354,69	R 472,92	
Internal Auditor	Internal Auditor - Entry Level	R 105,23	R 205 400,00	R 2 054,00	1%	R 10 783,50	5%	R 8 791,12	4%	R 20 540,00	10%	R 247 568,62	R 37 135,29	15%	R 284 703,91	R 145,85	R 23 773,94	R 284 703,91	R 218,78	R 291,70	

ANNUAL PRODUCTIVE HOURS	
(1) Calendar days per year minus weekends	263
(2) Annual holidays (in n° of days)	12
(3) Others (i.e. illness etc.) (in n° of days)	5
(5) Productive days per year: (1) - (2) - (3) - (4)	241
(6) Working hours per day	12,00

Edison to pay half of the Cost:

74,78

Staff Category		Job Title		Base Rate (PSIRA)	Salary cost per Month	CDF	%	Pension Fund	%	Cover/WCA	%	Training	%	Sets of Uniform	%	Premium Allowance	%	Total annual cost per employee	Overhead and Profit	%	Hourly Labour rate (Total annual costs per person / A)	Rate per Shift	Total Cost Per Month	Night Shift Rate - Plus B	Rate per Night Shift	Sunday Hourly rate	Sunday Rate per Shift	Public Holidays
Grade A		Primary Security Officer - 4 Shifts per week (48 hrs)	R	27.72	R 5,766.00	R 0.28	1%	R 2,08	7.5%	R 1.19	4.28%	R 0.28	1%	R 0.50	0.000%	R 17.30	0.3%	R 49.13	R 19.65	40%	R 49.78	R 49.78	R 14,935.50	R 74.78	R 897.38	R 103.17	R 1,238.07	R 69.78
Grade A		Relief Security Officer - 2 Shifts per week (24 hrs)	R	27.72	R 2,883.00	R 0.28	1%	R 2,08	7.5%	R 1.19	4.28%	R 0.28	1%	R 0.14	0.000%	R 8.65	0.3%	R 31.69	R 12.68	40%	R 49.30	R 49.30	R 7,467.75	R 70.63	R 858.53	R 96.58	R 1,145.04	R 64.30
Grade B		Primary Security Officer - 4 Shifts per week (48 hrs)	R	24.95	R 5,189.00	R 0.25	1%	R 1.87	7.5%	R 1.07	4.28%	R 0.25	1%	R 0.26	0.000%	R 15.57	0.3%	R 28.65	R 11.46	40%	R 39.12	R 39.12	R 11,736.00	R 60.13	R 721.89	R 80.16	R 960.00	R 55.16
Grade B		Relief Security Officer - 2 Shifts per week (24 hrs)	R	24.95	R 2,594.50	R 0.25	1%	R 1.87	7.5%	R 1.07	4.28%	R 0.25	1%	R 0.13	0.000%	R 7.79	0.3%	R 28.52	R 11.41	40%	R 39.00	R 39.00	R 5,868.00	R 49.92	R 590.88	R 66.16	R 780.00	R 50.16
Grade CDE		Primary Security Officer - 4 Shifts per week (48 hrs)	R	22.04	R 4,585.00	R 0.22	1%	R 1.65	7.5%	R 0.94	4.28%	R 0.22	1%	R 0.23	0.000%	R 13.75	0.3%	R 25.31	R 10.12	40%	R 35.66	R 35.66	R 10,728.00	R 44.44	R 497.24	R 55.16	R 677.96	R 50.64
Grade CDE		Relief Security Officer - 2 Shifts per week (24 hrs)	R	22.04	R 2,292.50	R 0.22	1%	R 1.65	7.5%	R 0.94	4.28%	R 0.22	1%	R 0.11	0.000%	R 6.88	0.3%	R 25.30	R 10.08	40%	R 35.58	R 35.58	R 5,364.00	R 44.32	R 495.52	R 52.01	R 654.97	R 50.28

Private Security Industry Regulatory Authority Illustrative Contract Pricing Guideline (with effect from 2 March 2020)

Vers. 2020/1

(Based on the average month, 12 hour shifts every *night* of such month at a site)

AREA 1 & AREA 2

These calculations include a relief security officer

Description	Explanation	Grade			Calculations
		A	B	C/D/E	
MONTHLY SALARY		5766,00	5189,00	4585,00	PROMULGATED monthly salary
HOURLY EQUIVALENT RATE	Clause 4(7)(b) NBC Agreement	*Clause 4(7)(b)	*Clause 4(7)(b)	*Clause 4(7)(b)	*(Monthly salary/hours per week) x (3/13)
Ordinary time: i) Primary Sec Officer	4 shifts per week (48 hrs)	5766,00	5189,00	4585,00	Wage as per Bargaining Council Agreement
ii) *Relief Sec Officer	2 shifts per week (24 hrs)	2882,78	2594,30	2292,32	hr x 24 x 4.333
Sunday pay premium	4,333 weeks p/m @ X1.5	2162,08	1945,73	1719,24	12 x 4.333 x hr x 1.5 (Sunday rate)
Public holiday premium	1 shift p/m @ X1	332,65	299,37	264,52	hr x 12 (1x portion already incl. in basic)
Leave provision	21 consecutive days leave	498,98	449,05	396,78	(hr x 12) x 1.5 (reliever)
Sick Pay	1 shift p/m	498,98	449,05	396,78	hr x 12 x 1.5 (reliever)
Study leave	6 days per annum	249,49	224,52	198,39	((hr x 12 x 6) / 12) x 1.5 (reliever)
Family respons. Leave	5 days per annum	207,91	187,10	165,32	((hr x 12 x 5) / 12) x 1.5 (reliever)
Night shift allowance	6 Rand, p/night shift worked	182,50	182,50	182,50	(365 / 12) x 6
Premium allowance	175 p/m	262,50	262,50	262,50	Premium x 1.5 (reliever)
Provident fund	7,5 % of Fund Salary	648,68	583,76	515,81	Fund Salary X 7.5% x 1.5 (reliever)
Statutory annual bonus	Monthly salary	720,75	648,63	573,13	Monthly salary / 12 x 1.5 (reliever)
SUB TOTAL		14413,30	13015,50	11552,29	A
UIF	1 % of remuneration	128,53	116,16	103,21	(Total income: Primary + reliever) x 1%
COID/WCA	4,28 % of remuneration	550,12	497,17	441,74	(Total income: Prim + reliever) x 4.07%
Sets of uniform	1500 Rand p/p p.a	187,50	187,50	187,50	(Rand value + reliever(50%) / 12
Training	1 % of remuneration (SDL)	128,53	116,16	103,21	(Total income: Primary + reliever) x 1%
Cleaning Allowance	30 Rand p/m	45,00	45,00	45,00	Allowance x 1.5 (reliever)
TOTAL DIRECT COST		15452,99	13977,49	12432,95	B
Share of overheads	40 % of direct cost (Economy of scale rule applies)	6181,19	5591,00	4973,18	B x 40%
TOTAL COST PER MONTH		21634,18	19568,49	17406,13	C

NOTE:

1. Excludes profit and VAT
2. Applicable rates & conditions of employment are in terms of the Bargaining Council Main Agreement
3. The Authority will not be held responsible in respect of your reliance on the accuracy of the aforesaid information.
4. *Relief Security officer is a permanent employee
5. Share of overheads include inter alia, liability and other insurance, payroll and admin, control centre, transport costs (vehicles, maintenance and fuel), fixed infrastructure, rates & taxes, registers, security aids, occupational health and safety compliance, management and supervision and statutory fees payable.

AREA 1 & 2 COMPRISES

Magisterial districts of Alberton, Bellville, Benoni, Boksburg, Bloemfontein, Brakpan, Camperdown, Chatsworth, Durban, East London, Germiston, Goodwood, Inanda, Johannesburg, Kempton Park, Kimberley, Klerksdorp, Krugersdorp, Kuilsrivier, Mitchell's Plain, Nigel, Oberholzer, Paarl, Pietermaritzburg, Pinetown, Port Elizabeth, Pretoria, Randburg, Randfontein, Roodepoort, Sasolburg, Simon's Town, Somerset West, Springs, Stellenbosch, Strand, The Cape, Uitenhage, Vanderbijlpark, Vereeniging, Westonaria, Wonderboom and Wynberg.

Private Security Industry Regulatory Authority Illustrative Contract Pricing Guideline (with effect from 2 March 2020)

Vers. 2020/1

(Based on the average month, 12 hour shifts every *night* of such month at a site)

AREA 3

These calculations include a relief security officer

Description	Explanation	Grade			Calculations
		A	B	C/D/E	
MONTHLY SALARY		4811,00	4396,00	4358,00	PROMULGATED monthly salary
HOURLY EQUIVALENT RATE	Clause 4(7)(b) NBC Agreement	*Clause 4(7)(b)	*Clause 4(7)(b)	*Clause 4(7)(b)	*(Monthly salary/hours per week) x (3/13)
Ordinary time: i) Primary Sec Officer	4 shifts per week (48 hrs)	4811,00	4396,00	4358,00	Wage as per Bargaining Council Agreement
ii) *Relief Sec Officer	2 shifts per week (24 hrs)	2405,31	2197,83	2178,83	hr x 24 x 4.333
Sunday pay premium	4,333 weeks p/m @ X1.5	1803,99	1648,37	1634,12	12 x 4.333 x hr x 1.5 (Sunday rate)
Public holiday premium	1 shift p/m @ X1	277,56	253,62	251,42	hr x 12 (1x portion already incl. in basic)
Leave provision	21 consecutive days leave	416,34	380,42	377,13	(hr x 12) x 1.5 (reliever)
Sick Pay	1 shift p/m	416,34	380,42	377,13	hr x 12 x 1.5 (reliever)
Study leave	6 days per annum	208,17	190,21	188,57	((hr x 12 x 6) / 12) x 1.5 (reliever)
Family respons. Leave	5 days per annum	173,47	158,51	157,14	((hr x 12 x 5) / 12) x 1.5 (reliever)
Night shift allowance	6 Rand, p/night shift worked	182,50	182,50	182,50	(365 / 12) x 6
Premium allowance	175 p/m	262,50	262,50	262,50	Premium x 1.5 (reliever)
Provident fund	7,5 % of Fund Salary	541,24	494,55	490,28	Fund Salary X 7.5% x 1.5 (reliever)
Statutory annual bonus	Monthly salary	601,38	549,50	544,75	Monthly salary / 12 x 1.5 (reliever)
SUB TOTAL		12099,79	11094,44	11002,38	A
UIF	1 % of remuneration	108,06	99,16	98,34	(Total income: Primary + reliever) x 1%
COID/WCA	4,28 % of remuneration	462,48	424,39	420,91	(Total income: Prim + reliever) x 4.07%
Sets of uniform	1500 Rand p/p p.a	187,50	187,50	187,50	(Rand value + reliever(50%) / 12
Training	1 % of remuneration(SDL)	108,06	99,16	98,34	(Total income: Primary + reliever) x 1%
Cleaning Allowance	30 Rand p/m	45,00	45,00	45,00	Allowance x 1.5 (reliever)
TOTAL DIRECT COST		13010,88	11949,65	11852,47	B
Share of overheads	40 % of direct cost (Economy of scale rule applies)	5204,35	4779,86	4740,99	B x 40%
TOTAL COST PER MONTH		18215,23	16729,50	16593,46	C

NOTE:

1. Excludes profit and VAT
2. Applicable rates & conditions of employment are in terms of the Bargaining Council Main Agreement
3. The Authority will not be held responsible in respect of your reliance on the accuracy of the aforesaid information.
4. *Relief Security officer is a permanent employee
5. Share of overheads include inter alia, liability and other insurance, payroll and admin, control centre, transport costs (vehicles, maintenance and fuel), fixed infrastructure, rates & taxes, registers, security aids, occupational health and safety compliance, management and supervision and statutory fees payable.

**AREA 3
COMPRISES**

All other areas