

MEMORANDUM OF AGREEMENT FOR 2025

Between

UNIVERSITY OF CAPE TOWN (UCT)

And

UNIVERSITY OF CAPE TOWN ACADEMICS' UNION (AU)

1. Period of agreement

This agreement operates, unless otherwise stated, for the period 1 January 2025 to 31 December 2025. For the period 2026 to 2027, the parties will meet annually to determine the percentage increase to align with Clause 4.2.

2. Scope of agreement

The agreement applies to the bargaining unit as per the Collective Agreement signed between the parties in 2009.

3. Increases in the Cost of Employment for 2025

For 2025, Management and the AU have agreed on a 4.4% CPI-based increase, based on the CPI as of August 2024, along with additional benchmark adjustments outlined in Annexure A, in accordance with the 2023 agreement to address rank misalignments.

The Standard Academic Salary Package (SASP) for Academic staff is based on the total Cost of Employment. The increases agreed for 2025 are as follows:

| Academic Rank | UCT 2024 SASP | Inflation Adjustment (CPI August 2024) | Benchmark Adjustment | UCT 2025 SASP |
|---------------------|------------------|---|---------------------------|---------------|
| Lecturer | 901 517 | 4.4% | Aligned | 941 184 |
| Senior Lecturer | 1 084 555 | 4.4% | As per the 2023 Agreement | 1 147 460 |
| Associate Professor | 1 303 157 | 4.4% | As per the 2023 Agreement | 1 378 741 |
| Professor | 1 589 931 | 4.4% | As per the 2023 Agreement | 1 694 867 |

Management commits to ensuring that the measure of CPI used in salary negotiations is applied equally across all bargaining units. If a larger increase than CPI baseline of 4.4% is agreed with any other staff body(ies) it will be applied to academic staff and this agreement will adjust accordingly.



4. Implementation of the Agreement to reach the 75th percentile over a three-year period

As per the 2023 agreement, Management commits to aligning academic salaries with the 75th percentile benchmark over a three-year period, targeting full alignment by 2027 through a phased adjustment strategy. Annual incremental increases will progressively narrow the gap, with reductions planned for 2025 and 2026, culminating in a 0% gap by 2027. This will be reviewed annually during the 2026 and 2027 bargaining cycles to ensure alignment with financial sustainability principles outlined in Clause 5 of the Academic Pay Policy. Adjustments will account for Consumer Price Index (CPI), benchmarking data as obtained from Remchannel, the impact of salary adjustments on revenue and expenses, projected budget surplus or deficit, and evaluation of available Council-controlled free cash.

To ensure consistency in application for the duration of the three-year agreement, and consistent with the approach used in the current (2025) process, the parties further agree to use the following data for purposes of assessing and determining increases in the SASP for 2026 and 2027:

- 1. National CPI year on year as at the end of August each year (data released by STATS SA last week of September. It is important to use a consistent year-on-year CPI measure to ensure an accurate determination of inflation over time. The August data also ensures alignment with the timelines in respect of point 2 below.
- 2. Benchmarking data in respect of the 75th percentile of the agreed comparator group of Universities to be requested from Remchannel during September of each year, age-corrected to October month. This data will be used to assess any lead or lag against the benchmark.

5. Non-salary demands

The parties agree to a separate process to resolve the remaining non-salary demands as set out in Annexure B.

6. Dispute Resolution

The Parties agree that where any dispute arise from this agreement, it shall be dealt with in accordance with clause 10 of the Recognition Agreement which stipulates that the following dispute resolution process should be followed:

(i) Either party may declare a dispute by giving the other party written notice that must explain the issues in dispute.

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| (ii) | (5) working days of receipt on the dispute. | meeting of the negotiating committee within five of a declaration of dispute in an attempt to resolve Ω |
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| (iii) | private mediation or arbitra | on may agree to refer an unresolved dispute to ation. If the parties agree to private mediation or who the mediator or arbitrator shall be, as well as |
| (iv) | resolved by private mediation issues in dispute relate to the | olved after the parties have attempted to have it on, they may agree to proceed to arbitration if the parties' mutual interest, or take the appropriate er in terms of this agreement or law. |
| (v) | If the parties agree to private bear 50% of the costs of such | e mediation or arbitration, each of the parties shall n a mediation or arbitration. |
| (vi) | private mediation or arbitrat | ion do not agree to refer an unresolved dispute to ion, either party may proceed to the CCMA or take provided for either in terms of this agreement or |
| Signed at R | RONDEBOSCH on thisd | ay of DECEMBER 2024. |
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Annexure A

| Academic Rank | UCT 2024 SASP | Inflation Adjustment (CPI August 2024) | Benchmark Adjustment | Total Percentage Increase | UCT 2025 SASP |
|---------------------|------------------|--|-------------------------|---------------------------------|---------------|
| Lecturer | 901 517 | 4.4% | Aligned | 4.4% | 941 184 |
| Senior Lecturer | 1 084 555 | 4.4% | 1.40% | 5.8% | 1 147 460 |
| Associate Professor | 1 303 157 | 4.4% | 1.40% | 5.8% | 1 378 741 |
| Professor | 1 589 931 | 4.4% | 2.20% | 6.6% | 1 694 867 |

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Annexure B

ACADEMICS UNION NON-SALARY DEMANDS 2024

| Item | Status | Feedback |
|---|---|-------------------------|
| Social Environment of campus | In progress – A committee has been established and is set to address this item further. Feedback to the matters relating to Safety and Security and Parking has been provided by the Office of the COO and Properties & Services | CFASM meeting/Task Team |
| Implementation of the SFARS Policy | In progress | CFASM / Task Team |
| Pay Policy Related Items | In progress | CFASM |
| Task Team on Academic conditions of Service | In progress – Constitution of the task team to be revisited to address and take this item forward. | |
| Finalization and Implementation of the Policy for promotion to the rank of Associate Professor for Academic Teaching-only Academics | The Policy was presented at SEC and Senate during September 2024 | CFASM |
| Review Conditions of Service of Heads of Departments and Sections | In progress | CFASM |

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| Item | Status | Feedback |
|---|--|----------|
| Review of Disciplinary and Bullying Policy | In progress – The policies are currently under review and all relevant stakeholders and unions will be given an opportunity to provide input | CFASM |
| Administrative Systems and Workflows | In progress – Progress to be provided every 6 months at CFASM | CFASM |
| Financial Sustainability and Incentives | In progress | CFASM |

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