

**Private Security Industry Regulatory Authority**  
**Illustrative Contract Pricing Structure 2007/2008**

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

**AREA 1**

Calculations include relief security officer

Description	Explanation	Grade					Calculations
		A	B	C	D	E	
<b>BASIC SALARY</b>	4 x 12 hr shifts p/w (Max)	<b>2,991.00</b>	<b>2,544.00</b>	<b>2,020.00</b>	<b>1,851.00</b>	<b>1,758.00</b>	basic salary as per sectoral det
<b>HOURLY EQUIVALENT RATE</b>		<b>14.38</b>	<b>12.23</b>	<b>9.71</b>	<b>8.90</b>	<b>8.45</b>	hourly rate as per sectoral det
Ordinary time: i) Primary Sec Officer	4 shifts per week (48 hrs)	2991.00	2544.00	2020.00	1851.00	1758.00	basic salary as per sectoral det
ii) Relief Sec Officer	2 shifts per week (24 Hrs)	1495.40	1271.82	1009.76	925.53	878.73	hr x 24x 4.333
Sunday pay premium	4.33 weeks p/m @ X1.5	1121.55	953.87	757.32	694.15	659.05	12 x 4.333 x hr x 1.5
Public holiday premium	1 shift p/m @ X2	345.12	293.52	233.04	213.60	202.80	hr x 12 x 2
Leave provision	1 day for every 17 days worked	258.84	220.14	174.78	160.20	152.10	((hr x 12 x 12) / 12) x 1.5
Sick Pay	1 shift p/m	258.84	220.14	174.78	160.20	152.10	hr x 12 x 1.5
Study leave	4 days per annum	86.28	73.38	58.26	53.40	50.70	((hr x 12 x 4) / 12) x 1.5
Family respons. Leave	4 days per annum	86.28	73.38	58.26	53.40	50.70	((hr x 12 x 4) / 12) x 1.5
Night shift allowance	3 p/ night shift (rands)	91.25	91.25	91.25	91.25	91.25	(365 / 12) x 3
Provident fund	6.5 % of Fund Salary	291.62	248.04	196.95	180.47	171.41	basic X 6.5% x 1.5
Bonus	Basic salary	373.88	318.00	252.50	231.38	219.75	basic / 12 x 1.5
<b>SUB TOTAL</b>		<b>7400.07</b>	<b>6307.54</b>	<b>5026.90</b>	<b>4614.57</b>	<b>4386.59</b>	<b>A</b>
UIF	1 % of basic pay	44.86	38.16	30.30	27.77	26.37	(Primary + reliever) x 1%
COID/WCA	3.29 % of total pay	195.86	166.58	132.26	121.21	115.10	(Prim + Relief + Sunday +p/h) x 3.29%
Uniform	1000 p.p p.a (rands)	125.00	125.00	125.00	125.00	125.00	(1000 + 500) / 12
Training	1 % of wage cost (SDL)	44.86	38.16	30.30	27.77	26.37	(Primary + reliever) x 1%
Cleaning Allowance	1.85 p/w (rands)	12.02	12.02	12.02	12.02	12.02	1.85 x 4.333 x 1.5
<b>TOTAL DIRECT COST</b>		<b>7822.67</b>	<b>6687.46</b>	<b>5356.79</b>	<b>4928.34</b>	<b>4691.45</b>	<b>B</b>
Share of overheads	40 % of direct cost (Economy of scale rule applies)	3129.07	2674.98	2142.71	1971.34	1876.58	B x 40%
<b>TOTAL COST PER MONTH</b>		<b>10951.74</b>	<b>9362.44</b>	<b>7499.50</b>	<b>6899.68</b>	<b>6568.03</b>	<b>B + overheads</b>

- NOTE:**
1. Excludes profit and VAT
  2. Rates used are in terms of Sectoral Determination 6
  3. Kindly note that this is an illustrative contract pricing structure and the Authority will not be held responsible in respect of your reliance on the accuracy of the aforesaid information.

**AREA 1** Magisterial districts of Brakpan, Camperdown, Chatsworth, Durban, Germiston, Alberton, Belville, Boksburg, Goodwood, Inanda, Johannesburg, Kempton Park, Krugersdorp, Kuils rivier, Oberholzer, Mitchell's Plain, Nigel, Paarl, Port Elizabeth, Pinetown, Pretoria, Randburg, Randfontein, Roodepoort, Sasolburg, Simon's town, Springs, The Cape, Uitenhage, Vanderbijlpark, Vereeniging, Westonaria, Wynberg and Wonderboom.

**Private Security Industry Regulatory Authority**  
**Illustrative Contract Pricing Structure 2007/2008**

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

**AREA 2**

Calculations include relief security officer

Description	Explanation	Grade					Calculations
		A	B	C	D	E	
<b>BASIC SALARY</b>	4 x 12 hr shifts p/w (Max)	<b>2,732.00</b>	<b>2,318.00</b>	<b>1,861.00</b>	<b>1,692.00</b>	<b>1,613.00</b>	basic salary as per sectoral det
<b>HOURLY EQUIVALENT RATE</b>		<b>13.13</b>	<b>11.14</b>	<b>8.95</b>	<b>8.13</b>	<b>7.76</b>	hourly rate as per sectoral det
Ordinary time: i) Primary Sec Officer	4 shifts per week (48 hrs)	2732.00	2318.00	1861.00	1692.00	1613.00	basic salary as per sectoral det
ii) Relief Sec Officer	2 shifts per week (24 Hrs)	1365.41	1158.47	930.73	845.45	806.98	hr x 24x 4.333
Sunday pay premium	4.33 weeks p/m @ X1.5	1024.06	868.85	698.05	634.09	605.23	12 x 4.333 x hr x 1.5
Public holiday premium	1 shift p/m @ X2	315.12	267.36	214.80	195.12	186.24	hr x 12 x 2
Leave provision	1 day for every 17 days worked	236.34	200.52	161.10	146.34	139.68	((hr x 12 x 12) / 12) x 1.5
Sick Pay	1 shift p/m	236.34	200.52	161.10	146.34	139.68	hr x 12 x 1.5
Study leave	4 days per annum	78.78	66.84	53.70	48.78	46.56	((hr x 12 x 4) / 12) x 1.5
Family respons. Leave	4 days per annum	78.78	66.84	53.70	48.78	46.56	((hr x 12 x 4) / 12) x 1.5
Night shift allowance	3 p/ night shift (rands)	91.25	91.25	91.25	91.25	91.25	(365 / 12) x 3
Provident fund	6.5 % of Fund Salary	266.37	226.01	181.45	164.97	157.27	basic X 6.5% x 1.5
Bonus	Basic salary	341.50	289.75	232.63	211.50	201.63	basic / 12 x 1.5
<b>SUB TOTAL</b>		<b>6765.96</b>	<b>5754.41</b>	<b>4639.50</b>	<b>4224.63</b>	<b>4034.07</b>	<b>A</b>
UIF	1 % of basic pay	40.97	34.76	27.92	25.37	24.20	(Primary + reliever) x 1%
COID/WCA	3.29 % of total pay	178.86	151.76	121.88	110.76	105.66	(Prim + Relief + Sunday +p/h) x 3.29%
Uniform	1000 p.p p.a (rands)	125.00	125.00	125.00	125.00	125.00	(1000 + 500) / 12
Training	1 % of wage cost (SDL)	40.97	34.76	27.92	25.37	24.20	(Primary + reliever) x 1%
Cleaning Allowance	1.85 p/w (rands)	12.02	12.02	12.02	12.02	12.02	1.85 x 4.333 x 1.5
<b>TOTAL DIRECT COST</b>		<b>7163.79</b>	<b>6112.72</b>	<b>4954.24</b>	<b>4523.16</b>	<b>4325.15</b>	<b>B</b>
Share of overheads	40 % of direct cost (Economy of scale rule applies)	2865.52	2445.09	1981.69	1809.27	1730.06	B x 40%
<b>TOTAL COST PER MONTH</b>		<b>10029.31</b>	<b>8557.81</b>	<b>6935.93</b>	<b>6332.43</b>	<b>6055.22</b>	<b>B + overheads</b>

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  2. Rates used are in terms of Sectoral Determination 6
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**AREA 2** Magisterial districts of Bloemfontein, East London, Kimberley, Klerksdorp,  
**COMPRISES** Pietermaritzburg, Somerset West, Stellenbosch and Strand.

**Private Security Industry Regulatory Authority**  
**Illustrative Contract Pricing Structure 2007/2008**

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

**AREA 3**

Calculations include relief security officer

Description	Explanation	Grade					Calculations
		A	B	C	D	E	
<b>BASIC SALARY</b>	4 x 12 hr shifts p/w (Max)	<b>2,481.00</b>	<b>2,092.00</b>	<b>1,680.00</b>	<b>1,539.00</b>	<b>1,458.00</b>	basic salary as per sectoral det
<b>HOURLY EQUIVALENT RATE</b>		<b>11.93</b>	<b>10.06</b>	<b>8.08</b>	<b>7.40</b>	<b>7.01</b>	hourly rate as per sectoral det
Ordinary time: i) Primary Sec Officer	4 shifts per week (48 hrs)	2481.00	2092.00	1680.00	1539.00	1458.00	basic salary as per sectoral det
ii) Relief Sec Officer	2 shifts per week (24 Hrs)	1240.62	1046.16	840.26	769.54	728.98	hr x 24x 4.333
Sunday pay premium	4.33 weeks p/m @ X1.5	930.47	784.62	630.19	577.16	546.74	12 x 4.333 x hr x 1.5
Public holiday premium	1 shift p/m @ X2	286.32	241.44	193.92	177.60	168.24	hr x 12 x 2
Leave provision	1 day for every 17 days worked	214.74	181.08	145.44	133.20	126.18	((hr x 12 x 12) / 12) x 1.5
Sick Pay	1 shift p/m	214.74	181.08	145.44	133.20	126.18	hr x 12 x 1.5
Study leave	4 days per annum	71.58	60.36	48.48	44.40	42.06	((hr x 12 x 4) / 12) x 1.5
Family respons. Leave	4 days per annum	71.58	60.36	48.48	44.40	42.06	((hr x 12 x 4) / 12) x 1.5
Night shift allowance	3 p/ night shift (rands)	91.25	91.25	91.25	91.25	91.25	(365 / 12) x 3
Provident fund	6.5 % of Fund Salary	241.90	203.97	163.80	150.05	142.16	basic X 6.5% x 1.5
Bonus	Basic salary	310.13	261.50	210.00	192.38	182.25	basic / 12 x 1.5
<b>SUB TOTAL</b>		<b>6154.33</b>	<b>5203.82</b>	<b>4197.26</b>	<b>3852.17</b>	<b>3654.10</b>	<b>A</b>
UIF	1 % of basic pay	37.22	31.38	25.20	23.09	21.87	(Primary + reliever) x 1%
COID/WCA	3.29 % of total pay	162.47	137.00	110.03	100.78	95.47	(Prim + Relief + Sunday +p/h) x 3.29%
Uniform	1000 p.p p.a (rands)	125.00	125.00	125.00	125.00	125.00	(1000 + 500) / 12
Training	1 % of wage cost (SDL)	37.22	31.38	25.20	23.09	21.87	(Primary + reliever) x 1%
Cleaning Allowance	1.85 p/w (rands)	12.02	12.02	12.02	12.02	12.02	1.85 x 4.333 x 1.5
<b>TOTAL DIRECT COST</b>		<b>6528.26</b>	<b>5540.61</b>	<b>4494.72</b>	<b>4136.15</b>	<b>3930.34</b>	<b>B</b>
Share of overheads	40 % of direct cost (Economy of scale rule applies)	2611.30	2216.24	1797.89	1654.46	1572.13	B x 40%
<b>TOTAL COST PER MONTH</b>		<b>9139.56</b>	<b>7756.85</b>	<b>6292.60</b>	<b>5790.61</b>	<b>5502.47</b>	<b>B + overheads</b>

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**AREA 3** Magisterial districts of Odendaalsrus, Potchefstroom, Virginia, Welkom and Witbank.  
**COMPRISES**

**Private Security Industry Regulatory Authority**  
**Illustrative Contract Pricing Structure 2007/2008**

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

**AREA 4**

Calculations include relief security officer

Description	Explanation	Grade					Calculations
		A	B	C	D	E	
<b>BASIC SALARY</b>	4 x 12 hr shifts p/w (Max)	<b>2,308.00</b>	<b>1,944.00</b>	<b>1,578.00</b>	<b>1,436.00</b>	<b>1,372.00</b>	basic salary as per sectoral det
<b>HOURLY EQUIVALENT RATE</b>		<b>11.10</b>	<b>9.35</b>	<b>7.59</b>	<b>6.90</b>	<b>6.59</b>	hourly rate as per sectoral det
Ordinary time: i) Primary Sec Officer	4 shifts per week (48 hrs)	2308.00	1944.00	1578.00	1436.00	1372.00	basic salary as per sectoral det
ii) Relief Sec Officer	2 shifts per week (24 Hrs)	1154.31	972.33	789.30	717.54	685.31	hr x 24x 4.333
Sunday pay premium	4.33 weeks p/m @ X1.5	865.73	729.24	591.97	538.16	513.98	12 x 4.333 x hr x 1.5
Public holiday premium	1 shift p/m @ X2	266.40	224.40	182.16	165.60	158.16	hr x 12 x 2
Leave provision	1 day for every 17 days worked	199.80	168.30	136.62	124.20	118.62	((hr x 12 x 12) / 12) x 1.5
Sick Pay	1 shift p/m	199.80	168.30	136.62	124.20	118.62	hr x 12 x 1.5
Study leave	4 days per annum	66.60	56.10	45.54	41.40	39.54	((hr x 12 x 4) / 12) x 1.5
Family respons. Leave	4 days per annum	66.60	56.10	45.54	41.40	39.54	((hr x 12 x 4) / 12) x 1.5
Night shift allowance	3 p/ night shift (rands)	91.25	91.25	91.25	91.25	91.25	(365 / 12) x 3
Provident fund	6.5 % of Fund Salary	225.03	189.54	153.86	140.01	133.77	basic X 6.5% x 1.5
Bonus	Basic salary	288.50	243.00	197.25	179.50	171.50	basic / 12 x 1.5
<b>SUB TOTAL</b>		<b>5732.02</b>	<b>4842.56</b>	<b>3948.11</b>	<b>3599.26</b>	<b>3442.29</b>	<b>A</b>
UIF	1 % of basic pay	34.62	29.16	23.67	21.54	20.57	(Primary + reliever) x 1%
COID/WCA	3.29 % of total pay	151.16	127.32	103.35	94.01	89.80	(Prim + Relief + Sunday +p/h) x 3.29%
Uniform	1000 p.p p.a (rands)	125.00	125.00	125.00	125.00	125.00	(1000 + 500) / 12
Training	1 % of wage cost (SDL)	34.62	29.16	23.67	21.54	20.57	(Primary + reliever) x 1%
Cleaning Allowance	1.85 p/w (rands)	12.02	12.02	12.02	12.02	12.02	1.85 x 4.333 x 1.5
<b>TOTAL DIRECT COST</b>		<b>6089.45</b>	<b>5165.23</b>	<b>4235.83</b>	<b>3873.36</b>	<b>3710.26</b>	<b>B</b>
Share of overheads	40 % of direct cost (Economy of scale rule applies)	2435.78	2066.09	1694.33	1549.35	1484.10	B x 40%
<b>TOTAL COST PER MONTH</b>		<b>8525.23</b>	<b>7231.32</b>	<b>5930.16</b>	<b>5422.71</b>	<b>5194.36</b>	<b>B + overheads</b>

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**AREA 1** Magisterial districts of Bethlehem, George, Henneman, Highveld Ridge,  
**COMPRISES** King William's Town, Klip River, Knysna, Lower Tugela, Lower Umfolozi,  
Middelburg (Mpumalanga), Mossel Bay, Nelspruit, Newcastle, Oudtshoorn,  
Pietersburg, Port Shepstone, Potgietersrus, Rustenburg, Queenstown  
and Umzinto

**Private Security Industry Regulatory Authority**  
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(Based on the average month, 12 hour shifts every night of such month at a site)

**AREA 5**

Calculations include relief security officer

Description	Explanation	Grade					Calculations
		A	B	C	D	E	
<b>BASIC SALARY</b>	4 x 12 hr shifts p/w (Max)	<b>2,193.00</b>	<b>1,847.00</b>	<b>1,499.00</b>	<b>1,364.00</b>	<b>1,303.00</b>	basic salary as per sectoral det
<b>HOURLY EQUIVALENT RATE</b>		<b>10.54</b>	<b>8.88</b>	<b>7.21</b>	<b>6.56</b>	<b>6.27</b>	hourly rate as per sectoral det
Ordinary time: i) Primary Sec Officer	4 shifts per week (48 hrs)	2193.00	1847.00	1499.00	1364.00	1303.00	basic salary as per sectoral det
ii) Relief Sec Officer	2 shifts per week (24 Hrs)	1096.08	923.45	749.78	682.19	652.03	hr x 24x 4.333
Sunday pay premium	4.33 weeks p/m @ X1.5	822.06	692.59	562.34	511.64	489.02	12 x 4.333 x hr x 1.5
Public holiday premium	1 shift p/m @ X2	252.96	213.12	173.04	157.44	150.48	hr x 12 x 2
Leave provision	1 day for every 17 days worked	189.72	159.84	129.78	118.08	112.86	((hr x 12 x 12) / 12) x 1.5
Sick Pay	1 shift p/m	189.72	159.84	129.78	118.08	112.86	hr x 12 x 1.5
Study leave	4 days per annum	63.24	53.28	43.26	39.36	37.62	((hr x 12 x 4) / 12) x 1.5
Family respons. Leave	4 days per annum	63.24	53.28	43.26	39.36	37.62	((hr x 12 x 4) / 12) x 1.5
Night shift allowance	3 p/ night shift (rands)	91.25	91.25	91.25	91.25	91.25	(365 / 12) x 3
Provident fund	6.5 % of Fund Salary	213.82	180.08	146.15	132.99	127.04	basic X 6.5% x 1.5
Bonus	Basic salary	274.13	230.88	187.38	170.50	162.88	basic / 12 x 1.5
<b>SUB TOTAL</b>		<b>5449.20</b>	<b>4604.60</b>	<b>3755.02</b>	<b>3424.89</b>	<b>3276.66</b>	<b>A</b>
UIF	1 % of basic pay	32.89	27.70	22.49	20.46	19.55	(Primary + reliever) x 1%
COID/WCA	3.29 % of total pay	143.58	120.95	98.18	89.33	85.36	(Prim + Relief + Sunday +p/h) x 3.29%
Uniform	1000 p.p p.a (rands)	125.00	125.00	125.00	125.00	125.00	(1000 + 500) / 12
Training	1 % of wage cost (SDL)	32.89	27.70	22.49	20.46	19.55	(Primary + reliever) x 1%
Cleaning Allowance	1.85 p/w (rands)	12.02	12.02	12.02	12.02	12.02	1.85 x 4.333 x 1.5
<b>TOTAL DIRECT COST</b>		<b>5795.59</b>	<b>4917.98</b>	<b>4035.20</b>	<b>3692.17</b>	<b>3538.14</b>	<b>B</b>
Share of overheads	40 % of direct cost (Economy of scale rule applies)	2318.24	1967.19	1614.08	1476.87	1415.26	B x 40%
<b>TOTAL COST PER MONTH</b>		<b>8113.82</b>	<b>6885.17</b>	<b>5649.27</b>	<b>5169.04</b>	<b>4953.40</b>	<b>B + overheads</b>

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**AREA 1** All other areas  
**COMPRISES**