

No. R. 1031

6 November 2009

LABOUR RELATIONS ACT, 1995**BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING INDUSTRY,
KWAZULU NATAL: EXTENSION TO NON-PARTIES OF MAIN
COLLECTIVE RE-ENACTING AND AMENDING AGREEMENT FOR THE
METRO AREAS**

I, MEMBATHISI MPHUMZI SHEPHERD MDLADLANA, Minister of Labour, hereby in terms of section 32(2) of the Labour Relations Act, 1995, declare that the Collective Agreement which appears in the Schedule hereto, which was concluded in the Bargaining Council for the Furniture Manufacturing Industry, Kwazulu Natal and is binding in terms of section 31 of the Labour Relations Act, 1995, on the parties which concluded the agreement, shall be binding on the other employers and employees in that Industry with effect from16 November 2009..... and for the period ending 30 June 2010.

**M M S MDLADLANA
MINISTER OF LABOUR**

SCHEDULE**BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING
INDUSTRY, KWAZULU-NATAL
MAIN COLLECTIVE AGREEMENT FOR THE METRO AREAS**

in accordance with the provisions of the Labour Relations
Act, 1995, made and entered into by and between the

KwaZulu-Natal Furniture Manufacturers' Association

(hereinafter referred to as the "employers" or the "employers' organisation"),
of the one part, and the

**National Union of Furniture and
Allied Workers of South Africa**

(hereinafter referred to as the "employees" or the "trade union"), of the other
part, being the parties to the Bargaining Council for the Furniture
Manufacturing Industry, KwaZulu-Natal, to amend the Collective Agreement
published under Government Notice Nos R. 396 dated 2 April 2004, R. 1142
dated 8 October 2004, R. 618 dated 1 July 2005, R. 1205 dated 15 December
2005, R. 1219 dated 8 December 2006, R. 123 dated 16 February 2007, R.
1066 dated 16 November 2007 and R.850 dated 15 August 2008.

1. SCOPE OF APPLICATION OF AGREEMENT

(1) The terms of this Agreement shall be observed in the Furniture
Manufacturing Industry, KwaZulu-Natal -

- (a) by all employers who are members of the employers' organisation and by all employees who are members of the trade union and who are engaged or employed therein;
 - (b) in Area A, which consists of the Magisterial Districts of Camperdown, Chatsworth, Durban, Inanda, Pietermaritzburg, Pinetown and Mount Currie.
- (2) Notwithstanding the provisions of subclause (1), the provisions of this Agreement shall -
- (a) apply only in respect of employees for whom minimum wages are prescribed in this Agreement;
 - (b) apply to learners in so far as the provisions are not inconsistent with the provisions of the Skills Development Act, No. 92 of 1998, or any contracts entered into or any conditions fixed thereunder;
 - (c) not apply to professional, technical, administrative, sales and office staff: Provided that such employees are in receipt of regular remuneration in excess of the maximum rate prescribed in Schedule A of the former Agreement, excluding paragraph (XXI) plus R35,00;
 - (d) not apply to managers, submanagers, foremen and supervisory staff if such employees are in receipt of regular remuneration of not less than R40 920,00 per annum or, where the employer of such

staff does not provide or maintain a registered pension or registered provident fund and a registered medical aid fund, R48 140,00 per annum. These limits shall be increased from year to year by the same percentage as the increases granted to employees earning the highest rate set out in Schedule A of the former Agreement.

- (3) Notwithstanding the provisions of subclauses (1) and (2), employers who carry on not more than one business within the scope of application of this Collective Agreement and who employ less than five employees at all times in or in connection with such business, will be entitled to the following phasing-in concessions: Provided that their employees consent to such phasing-in:

PHASE ONE: **First two years of registration**

During this period the employer shall be exempt from the provisions of Schedule A and clause 38B.

Any pro-rata holiday pay benefits accrued by employees during the first two years of registration with the Council shall be paid by the employer in terms of the Basic Conditions of Employment Act, 1997, when due.

PHASE TWO: **Third year of registration**

During this period employees shall be remunerated at not less than 60% of the rate of pay prescribed in Schedule A and clause 38B.

Any pro-rata holiday pay benefits accrued by employees during the third year of registration with the Council shall be paid by the employer in terms of the Basic Conditions of Employment Act, 1997, when due.

PHASE THREE: Fourth year of registration

During this period employees shall be remunerated at not less than 75% of the rate of pay prescribed in Schedule A and clause 38B.

In addition, the following contributions shall come into effect:

Clause 13 - Holidays and Holiday Fund.

PHASE FOUR: Fifth year of registration

During this period employees shall be remunerated at not less than 90% of the rate of pay prescribed in Schedule A and clause 38B.

In addition, the following contributions shall come into effect:

- (a) Clause 13 - Holidays and Holiday Fund.
- (b) Provident Fund and Mortality Benefit contributions prescribed in that Collective Agreement, as amended and extended from time to time.

PHASE FIVE: From sixth year onwards

All provisions of the Main Collective and Provident Fund, and the Mortality Benefit Association Collective Agreements and Schedule A, as amended and extended from time to time, shall apply.

- (4) The provisions of subclause (3) shall not apply where an employer has more than four employees in his or her employ at the date of the coming into operation of this Collective Agreement, and subsequently reduces this number of employees to fewer than five.
- (5) The terms of this Agreement shall not apply to non-parties in respect of clauses 1(1)(a) and 2.

2. PERIOD OF OPERATION

This Collective Agreement shall be binding on the parties to this Agreement as from 1 July 2009 and shall come into operation in respect of non-parties on such date as the Minister of Labour extends the Collective Agreement to non-parties and shall remain in force until 30 June 2010.

3. SPECIAL PROVISIONS

The provisions contained in 23A, 24 to 25 of the Agreement published under Government Notice No. R 396 of 2 April 2004 (hereinafter referred to as the "Former Agreement"), as further amended and re-enacted from time to time, shall apply to employers and employees.

4. GENERAL PROVISIONS

The provisions contained in clauses 3 to 22, 23B, 26 to 45 and Schedule A of the Agreement published under Government Notice No. R 396 of 2 April 2004 (as further amended and re-enacted from time to time) shall apply to employers and employees.

5. CLAUSE 26: WAGES

Substitute the following for the existing subclause:

"2. Wage increases for the period 01 July 2009 to 30 June 2010:

(a) Party Shops:

A wage increase of 8% per week calculated on the actual wages paid within Party Shop establishments as from 01 July 2009.

(b) Non-Party Shops:

A wage increase of 8% per week calculated on actual wages paid within non-party establishments effective as from such date as the Minister of Labour extends the collective agreement to non-parties.”.

6. SCHEDULE A: WAGES

Substitute the existing Schedule A: Wages with the following:

“1] Unskilled Employees - (Level 4):

Work at this level is of a manual and / or repetitive nature. Minimum skill is required and limited discretion and limited judgement applies. The employee will work under direct supervision.

Nature of work performed.

All types of manual labour of a repetitive nature.

Some job titles.

Truck assistant, cleaner, machine feeder, packer, stacker, sand paperer, operating a filling machine, securing mattress panels to springs, tea persons, other non-production operations etc.

2] Semi Skilled Employees - (Level 3) :

Employees at this level will have limited skills training and are required to exercise limited discretion in performing tasks.

Employees work under direct supervision.

They will have a basic understanding of work flow and sectional output, meeting required quality standards.

Nature of work performed.

- ◆ Setting up and / or operating continuous processing machines.
- ◆ Clerical staff e.g. storeman, dispatch clerk, etc.

Some job titles.

Spray painting, silk screening, upholstering basic furniture e.g. occasional chairs, dining room / kitchen chairs, studio couches, repetitive welding in a jig, sandblasting, drivers assemblers etc.

3] Skilled Employees - (Level 2):

Employees at this level either have a recognized tertiary qualification or have gained competence through experience.

The employee is required to exercise a considerable degree of discretion and will be able to read technical drawings where necessary.

The employee must accept responsibility for meeting production outputs at an acceptable quality level.

Nature of work performed.

- ◆ All artisans who have obtained a recognized artisan qualification.
- ◆ Technical staff who have obtained a recognized technical qualification equivalent to at least M + 3.

- ◆ Using computer to construct working drawings and production schedules.

4] Chargehand - (Level 1):

Employees at this level will have a broad knowledge of the discipline that they supervise. They can either be working chargehands or supervisory chargehands.

They must be competent and trained in people management skills and will be responsible for outputs in the section within acceptable parameters.

They will be required to exercise analytical skills with a relevantly high level of decision making.

5] Foreman / Supervisors - (Level 1):

Employees at this level will have experience in more than one discipline with competency in people management skills (e.g. motivation, discipline, safety and security etc).

They will be able to work from complex drawings and will be able to interpret and apply technical skills. They will be versed in, on the job training. Employees at this level will regularly meet output targets maintaining an acceptable quality standard.

WAGE LEVELS PERIOD 01 JULY 2009 / 31 JUNE 2010

| | | | |
|---------|----------------------|---|-------------|
| Level 1 | Chargehand / Foreman | - | R734.32 |
| Level 2 | Skilled | - | R680.72 |
| Level 3 | Semi-skilled | - | R633.55 |
| Level 4 | Unskilled | - | R401.25". . |

Signed at **Durban** on this 3rd day of August **2009**.

G. BOSTOCK
CHAIRPERSON

S. GOVENDER
VICE-CHAIRPERSON

G.J.P. BLIGNAUT
SECRETARY OF THE COUNCIL
