## GOVERNMENT NOTICE

#### **DEPARTMENT OF LABOUR**

No. R. 1139 14 November 2006

#### BASIC CONDITIONS OF EMPLOYMENT ACT, NO 75 OF 1997

# AMENDMENT OF SECTORAL DETERMINATION 1: CONTRACT CLEANING SECTOR, SOUTH AFRICA

I, Membathisi Mphumzi Shepherd Mdladlana, Minister of Labour, in terms of section 56 (1) of the Basic Conditions of Employment Act, No. 75 of 1997, hereby amend Sectoral Determination 1: Contract Cleaning Sector, South Africa, published under Government Gazette R. 1196 of 16 November 2001 and Gazette R. 1385 of 26 November 2004 in accordance with the schedule hereto and fix 01 December 2006 as the date on which this amendment shall become binding.

M M S MDLADLANA, MP MINISTER OF LABOUR

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### **SCHEDULE**

1. Substitute clause 3 as reflected in Government Notice R. 1385 of 26 November 2004 with the following wage table:

#### Clause 3

#### **3** Remuneration

(1) **An** employer shall pay an employee in respect of each hour or part thereof (excluding overtime) worked by an employee on any day other than a paid holiday or a Sunday, not less than the hourly rate in the schedule below:

hour Period Rat	te per hour
ing to 80%	40 <b>OR</b> 6 of Area <b>A</b> 2 per hour
ing to 85%	40 <b>OR</b> 6 of Area A 6 per hour
· I	45 <b>OR</b> 6 of Area <b>A</b> 9 per hour
•	s prescribed 01/12/2008 R9. ning to 90%

<sup>\*\*</sup> If CPIX is higher than 6.75% in year 170, then the increase on year two will be equal to the CPIX.

\*\* If CPIX is higher than 6.25% in year three, then the increase on year three will be equal to the CPIX.

- (2) With the commencement of:
  - (a) the second year of this determination, if the CPIX is higher than 6.75% at a date contemplated on the wage schedule in clause 3
    (1), the minimum rate prescribed for the period 01/12/2006-31/11/2007 should be increased by the CPIX rate,
  - (b) the third year of this determination, if the CPIX is higher than 6.25% at the date contemplated on the wage schedule in clause 3(1), the minimum rate prescribed for the period 01/12/2007 to 30/11/2008 should be increased by the CPIX rate.
- (3) For the purpose of this clause, the CPIX is the CPIX as reported by Statistics South Africa six weeks before the increase becomes effective'.

# 2. Substitute clause 3(2)(a) and (b) as reflected in Government Notice R. 1385 of 26 November 2004 with the following:

- 3(2) **An** annual bonus will be paid to all employees, during the month **of** December each year or on termination of employment. This bonus will be calculated **as** follows-
  - (a) **An** employee shall receive an amount equivalent to the employee's weekly wage **as** on 1 December 2006;
  - (b) During the second year of this Determination, an employee shall receive an amount equivalent to two weeks of the employee's weekly wage as on 1 December 2007;

<sup>&</sup>lt;sup>1</sup> Defined by Statistics South Africa as the Consumer Price Index excluding interest rates on mortgage bonds for the historical metropolitan and other urban areas.

- (c) During the third year of this Determination, an employee shall receive an amount equivalent to three weeks wage of the employee's weekly wage as on 1December 2008;
- (d) In the event that the employee's contract of employment ends before December of each year, the employee must receive a prorated share of the bonus for the period **of** the year that he or she has worked.
- (e) The prorated bonus will calculated on:
  - (i) during the first year of this determination, the number of full calendar months service divided by 12 and multiplied by the employee's weekly wage for December 2006;
  - (ii) during the second year of this determination, the number of full calendar months service divided by 12 and multiplied by two times an employee's weekly wage for December 2007; and
  - (iii) during the third year of this determination, the number of full calendar months service divided by 12 and multiplied by three times an employee's weekly wage for December 2008.