

No. R. 966

12 September 2008

LABOUR RELATIONS ACT, 1995**FURNITURE BARGAINING COUNCIL: EXTENSION TO NON-PARTIES
OF THE COLLECTIVE RE-ENACTING AND AMENDING AGREEMENT**

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 Furniture Bargaining Council 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 from 22 September 2008 and for the period ending 30 June 2010.


MINISTER OF LABOUR

FURNITURE BARGAINING COUNCIL**COLLECTIVE AGREEMENT**

In accordance with the provisions of the Labour Relations Act 1995 (Act No 66 of 1995), made and entered into by and between the

Furniture, Bedding and Upholstery Manufacturers' Association (FBUMA)

and

Curtain Makers' and Allied Products Association (CMAPA)

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

National Union of Furniture and Allied Workers of South Africa (NUFAWSA)

(hereinafter referred to as the "employees" or the "trade union"), of the other part, being parties
to the Furniture Bargaining Council

TABLE OF CONTENTS

Substitute the following for the table of contents:

"TABLE OF CONTENTS**CHAPTER 1**

1.	SCOPE OF APPLICATION.....
2.	PERIOD OF OPERATION OF AGREEMENT.....
3.	INDUSTRIAL ACTION.....
4.	DEFINITIONS.....
5.	PROHIBITION OF TWO-TIER BARGAINING.....
6.	REGISTRATION OF EMPLOYERS.....
7.	NEWLY ESTABLISHED SMALL EMPLOYER CONCESSION.....

8.	TERMS OF EMPLOYMENT.....
8.1	Ordinary hours of work.....
8.2	Intervals.....
8.3	Overtime.....
8.4	Shift work.....
8.5	Public holidays.....
8.6	Annual closure.....
8.7	Paid sick leave and proof of incapacity.....
8.8	Termination of employment.....
8.9	Absenteeism.....
8.10	Short time, dismissals based on operational requirements and severance pay.....
8.11	Trade union representative leave.....
8.12	Maternity leave.....
8.13	Family responsibility leave.....
8.14	Study leave.....
8.15	Fixed-term contract of employment.....
8.16	Indefinite-period contract of employment.....
8.17	Certificate of service.....
9.	GENERAL
9.1	Work under an incentive scheme.....
9.2	Temporary employment services and/or labour brokers.....
9.3	Outwork.....
9.4	Provision of tools.....
9.5	Employment of children and forced labour.....
9.6	Working employers.....
9.7	Prohibited employment.....
9.8	Employment of trade union members.....
9.9	Trade union representatives on the Council and committees of a national character in the Industry.....
9.10	Subscriptions to trade unions.....
9.11	Council levies.....
9.12	Exhibitions of Agreement and notices.....
9.13	Administration and enforcement of Agreement.....
9.14	Agents.....
9.15	Provisions declared <i>ultra vires</i>

9.16	Protective clothing.....
9.17	Compulsory retirement age.....
9.18	Late/non-payment and allocation of contributions, moneys and levies..
9.19	Audit and accounting.....
10.	EXEMPTIONS.....
11.	LEAVE PAY FUND.....
12.	HOLIDAY BONUS FUND.....
13.	REMUNERATION.....
13.1	Wages.....
13.2	Set-off of wages.....
13.3	Hourly rate.....
13.4	Basis of payment.....
13.5	Employees engaged in more than one occupation skills level.....
13.6	Wage payment procedure.....
13.7	Remuneration for overtime and work on a Sunday.....
13.8	Remuneration for work on public holidays.....
13.9	Remuneration for time worked in.....
13.10	Payment of shift allowance.....
13.11	Set off against annual weekly wage increase.....
13.12	Subsistence allowance.....

CHAPTER 2

COUNCIL BENEFIT FUNDS

1.	ESTABLISHMENT AND CONTINUATION OF COUNCIL BENEFIT FUNDS.
2.	ADMINISTRATION OF PROVIDENT FUND AND D.D.S.....
3.	OPERATION OF THE PROVIDENT FUND AND D.D.S.....
4.	AUDITING OF THE PROVIDENT FUND AND D.D.S.....
5.	EXPIRY OF THE COLLECTIVE AGREEMENT.....
6.	LIQUIDATION OF THE PROVIDENT FUND AND D.D.S.....
7.	SPECIAL PROVISIONS IN RESPECT OF THE PROVIDENT FUND AND D.D.S
7.1	The Provident Fund.....
7.2	The D.D.S.....
8.	BENEFITS INALIENABLE.....
9.	WITHHOLDING OF BENEFITS.....
10.	PAYMENT OF LEVIES, MONEYS AND CONTRIBUTIONS.....
11.	AMENDMENTS TO THE RULES.....

CHAPTER 2A PARTY BENEFIT FUNDS

1. ESTABLISHMENT OF PARTY BENEFIT FUNDS.....
2. PARTIES TO THE FUNDS.....
3. ADMINISTRATION OF THE FUNDS.....
4. OPERATION OF THE FUNDS.....
5. AUDITING OF THE FUNDS.....
6. EXPIRY OF THE COLLECTIVE AGREEMENT.....
7. LIQUIDATION OF THE FUNDS.....
8. BENEFITS INALIENABLE.....
9. WITHHOLDING OF BENEFITS.....
10. PAYMENT OF CONTRIBUTIONS.....
11. AMENDMENTS TO THE RULES.....
12. SPECIAL PROVISIONS IN RESPECT OF THE FUNDS.....
 - 12.1 The Furnmed Sick Benefit Society.....
 - 12.2 The NUFAWSA Sick Benefit Society.....

CHAPTER 3 NEGOTIATING PROCEDURES AND DISPUTE SETTLEMENT PROCEDURES

1. PREAMBLE.....
2. PROCEDURE FOR THE NEGOTIATION OF COLLECTIVE AGREEMENTS..
3. DISPUTES BETWEEN PARTIES TO THE BARGAINING COUNCIL.....
4. ALL OTHER DISPUTES.....
5. GENERAL.....

CHAPTER 4 OCCUPATIONS SKILLS LEVELS

- A. OCCUPATION SKILLS LEVELS – FURNITURE, BEDDING AND UPHOLSTERY
SECTOR.....
- B. OCCUPATION SKILLS LEVELS – CURTAINING SECTOR.....

SCHEDULE 1**CONTRIBUTIONS, LEVIES, MONEYS AND REGISTRATION FEE PAYABLE TO THE COUNCIL**

1. LEAVE PAY MONEYS.....
2. HOLIDAY BONUS MONEYS.....
3. PROVIDENT FUND.....
4. ADDITIONAL PROVIDENT FUND.....
5. SICK BENEFIT SOCIETIES.....
 - 5.1 FURNMED Sick Benefit Society.....
 - 5.2 NUFAWSA Sick Benefit Society.....
6. COUNCIL LEVIES.....
7. DISPUTE RESOLUTION LEVIES.....
8. REGISTRATION FEE.....

SCHEDULE 2**SPECIFIED MINIMUM WEEKLY WAGE INCREASES, MINIMUM WEEKLY WAGE RATES AND SUBSISTENCE ALLOWANCE (for all areas excluding the Free State Province)**

1. SPECIFIED MINIMUM WEEKLY WAGE INCREASES AND MINIMUM WEEKLY WAGE RATES.....
2. SUBSISTENCE ALLOWANCE.....

SCHEDULE 3**SPECIFIED MINIMUM WEEKLY WAGE INCREASES, MINIMUM WEEKLY WAGE RATES AND SUBSISTENCE ALLOWANCES (for the Free State Province ONLY)**

1. SPECIFIED MINIMUM WEEKLY WAGE INCREASES AND MINIMUM WEEKLY WAGE RATES.....
2. SUBSISTENCE ALLOWANCE.....”

CHAPTER 1

1. CLAUSE 1: SCOPE OF APPLICATION

Substitute the following for clause 1:

"1.1 The terms of this Agreement shall be observed in the Furniture, Bedding, Upholstery and Curtain Manufacturing Industry-

1.1.1 by all employers who are members of the party employers' organisations, which are party to this Agreement and by all employees who are members of the party trade union, which is party to this Agreement, and who are engaged or employed in the Furniture, Bedding, Upholstery and Curtain Manufacturing Industry, respectively;

1.1.2 in the Provinces of Gauteng, North West, Mpumalanga, Limpopo and Free State.

1.2 Notwithstanding the provisions of clause 1.1 the provisions of this Agreement-

1.2.1 apply only to employees for whom wages are prescribed in this Agreement and to the employers of such employees;

1.2.2 apply to learners under the Skills Development Act, 1998, or any contracts entered into or any conditions fixed thereunder; and

1.2.3 will be subject to the provisions of the Determination by the Industrial Court, dated 30 October 1984, in the matter between the Industrial Councils for the Furniture and Bedding Manufacturing Industry, Transvaal and Natal, and the Industrial Councils for the Building Industry, Transvaal, Pietermaritzburg and Northern Areas and Natal.

1.3 The following provisions shall not apply to non parties: Clauses 1.1.1, 2 and 3 of Chapter 1, Clause 2.2 of Chapter 2A and items 5.3 and 5.4 of Schedule 1.

1.4 Threshold – Trade union organisational rights

The terms of this Agreement and the application thereof shall be subject to the following in respect of trade union organisational rights threshold:

Any trade union duly registered in terms of section 96 of the Labour Relations Act and that can prove by means of reasonable identification, membership of employees in the Industry that it has a membership of at least 20% of the total number of employees in the Industry, shall be recognised as a sufficiently representative trade union entitled to exercise the rights set out in sections 12, 13 and 15 of the Labour Relations Act. As soon as sufficient representativeness has been proved to the parties, such sufficiently representative trade union shall be entitled to be treated for organisational purposes on an equal and fair footing with the other trade unions who are already members of the Bargaining Council.

2. CLAUSE 2: PERIOD OF OPERATION OF AGREEMENT

This Agreement shall, in terms of section 31 of the Act, become binding on the above parties on 1 July 2008 and for non-parties on such date as may be fixed by the Minister of Labour in terms of section 32 of the Act and shall remain in force for the period ending 30 June 2010.

3. SPECIAL PROVISIONS

The provisions of clauses 8.11, 9.9, 9.14, Chapter 2A, Chapter 3.3, Schedule 1.4 of the Agreement published under Government Notice No. R.832 of 18 August 2006 as further extended and amended by Government Notices Nos R.488 dated 8 June 2007 and R.813 of 7 September 2007 (hereinafter referred to as the "Former Agreement") as further extended, amended and re-enacted from time to time, shall apply to employers and employees.

4. GENERAL PROVISIONS

The provisions contained in clauses 4 to 8.10, 8.12 to 9.8, 9.10 to 9.13, 9.15 to 12.12, Chapter 2, Chapter 3, Chapter 4, Schedule 1, Schedule 2 and Schedule 3 of the Former Agreement (as further extended, amended and re-enacted from time to time) shall apply to employers and employees.

5. CLAUSE 4 OF THE FORMER AGREEMENT: DEFINITIONS

- (1) Substitute the following definition for the definition of "Act":

"Act" means the Labour Relations Act, 1995 (Act 66 of 1995)(as amended);"

- (2) Substitute the following definition for the definition of "casual driver of motor vehicle":

"casual driver of motor vehicle" means an employee who is employed as a driver of a motor vehicle by the same employer for not more than 3 days in any one month, to be remunerated daily for 9 hours at no less than the applicable minimum hourly rate for drivers, plus full leave pay moneys and maximum holiday bonus moneys;" .

- (3) Substitute the following definition for the definition of "casual employee":

"casual employee" means an employee who is employed by the same employer for not more than 3 days in any one month, to be remunerated at the applicable hourly rate for the occupation skills level of work performed plus full leave pay moneys and maximum holiday bonus moneys;".

- (4) Substitute the following definition for the definition of "**Furniture, Bedding, Upholstery and Curtain Manufacturing Industry**" or "**Industry**":

"Furniture, Bedding, Upholstery and Curtain Manufacturing Industry" or **"Industry"** means, without in any way limiting the ordinary meaning of the expression, the industry in which employers and their employees are associated for the manufacture, either in whole or in part, of all types of furniture, bedding and curtains as well as upholstery and/or re-upholstery and will, inter alia, include the following:

- (a) **Furniture**

Repairing, staining, spraying, polishing, re-polishing, making loose covers and/or cushions, wood machining, veneering, woodturning, carving, assembling, painting, wood bending and laminating. Furniture manufacturing will also include the manufacturing, repairing, polishing, re-polishing, staining, spraying of pianos, organs, coffins, kitchen cupboards, attached wall cupboards, free standing bars or bar counters, cane, wicker or grass furniture, cabinets including cabinets for musical instruments and radios, wireless or television cabinets, bathroom

cupboards, cupboard tops and furniture for tea-rooms, restaurants, offices, churches, schools, libraries, other educational institutions, conference centres and theatres but excluding the manufacturing of furniture made mainly of metal and/or plastic materials.

(b) **Bedding**

The manufacturing, repairing, covering, re-covering of mattress bases, mattresses, spring mattresses, overlays, bolsters, pillows, cushions for studio couches, spring units, box-spring mattresses and studio couches but excluding the manufacturing of furniture made mainly of metal and/or plastic materials.

"Studio Couch" means an article of furniture, which is designed for seating and for conversion into a double bed or two or more beds and of which the frames are constructed mainly of metal and the seating and/or sleeping surfaces consist of mattresses and/or cushions.

(c) **Upholstery**

The upholstering or re-upholstering of any furniture, or item of furniture, bedding, pelmets and mattress bases.

(d) **Curtain making**

The making, altering, repairing and hanging of curtains and/or blinds. Curtain making includes window treatment, cutting of rails and rods, fitting of pelmets, curtains, blinds and associated products;"

(5) Insert the following new definition:

"**holiday bonus**" means a work attendance bonus payable by the establishment for its employees, which is determined by the level of work attendance of the individual employee;"

(6) Substitute the following definition for the definition of "Holiday Bonus Fund":

"**Holiday Bonus Fund**" means the Fund established by the Council for the purposes of receiving holiday bonus moneys from establishments for their employees, for holding these holiday bonus moneys in reserve and to pay these holiday bonus moneys to the employees when due;"

- (7) Insert the following new definition:

"leave pay" means that portion of the employee's remuneration payable by the establishment for the employee for the purpose of remunerating the employee for any period which the employee is on annual leave as prescribed by the prevailing Collective Agreement;".

- (8) Insert the following new definition:

"Leave Pay Fund" means the Fund established by the Council for the purposes of receiving leave pay moneys from establishments for their employees, for holding these moneys in reserve and to pay these leave pay moneys to the employees when due;".

- (9) Insert the following new definition:

"Pay week" means the period of 7 days which is considered when determining the weekly wage of an employee;".

6. CLAUSE 6 OF THE FORMER AGREEMENT: REGISTRATION OF EMPLOYERS

Substitute the following for clause 6.4:

- "6.4 Any employer in the Industry shall, when required to do so by the Council, within seven days of that request, lodge with the Council a cash amount or guarantee acceptable to the Council, to cover the payment in respect of his employees as follows:

6.4.1 One week's wages;

6.4.2 13 weeks' levies, contributions and/or moneys in respect of-

6.4.2.1 Leave pay moneys;

6.4.2.2 Holiday bonus moneys;

6.4.2.3 Council Levies;

6.4.2.4 Provident Fund contributions and additional Provident Fund contributions;

Provided that the minimum guarantee shall be for an amount of R500.".

7. CLAUSE 7 OF THE FORMER AGREEMENT: NEWLY ESTABLISHED SMALL EMPLOYER CONCESSION

- (1) Substitute the following for PHASE ONE:

**"PHASE ONE: First year of registration until the end of the first September
following registration**

During this period the employer shall be exempted from prescribed minimum wages, Leave Pay moneys payable to the Council, Holiday Bonus moneys, Provident Fund, additional Provident Fund or Sick Benefit Society contributions. Employees may be remunerated at their current rates of pay and wage increments may be negotiated between employer and employee(s).

All other provisions of the Agreement shall remain applicable, including the following:

Any accumulated leave-pay benefits accrued by the employees prior to October of the first year of registration must be paid out by the employer in terms of the Basic Conditions of Employment Act, 1997 (Act 75 of 1997)(as amended), when due. The following levies shall be payable as prescribed in Schedule 1:

- (a) Council levies;
- (b) Trade union subscriptions (if applicable).".

- (2) Substitute the following for PHASE TWO:

**"PHASE TWO: October of the second year of registration to the end of
September of the following year**

During this period the employee(s) shall be remunerated at their current rates of pay and wage increments may be negotiated between employer and employee(s). In addition to the levies payable to the Council in Phase One, the following moneys shall become payable to the Council as prescribed in Schedule 1:

- (a) Leave Pay moneys;
- (b) Holiday Bonus moneys.".

- (3) Substitute the following for PHASE FOUR:

"PHASE FOUR: As from October of the fourth year of registration

All the provisions of the prevailing Agreement administered by this Council shall become applicable, including the payment of at least a 100% of minimum weekly wages

as prescribed in Schedule 2 or Schedule 3 and the payment of additional Provident Fund contributions or Sick Benefit Society contributions as prescribed in Schedule 1.”.

8. CLAUSE 8 OF THE FORMER AGREEMENT: TERMS OF EMPLOYMENT

- (1)** Insert the following new clause 8.3.4:

“8.3.4 In order to calculate overtime-

8.3.4.1 Paid sick leave;

8.3.4.2 Paid public holidays;

8.3.4.3 Paid study leave;

8.3.4.4 Paid family responsibility leave; and

8.3.4.5 Paid trade union representative leave

are to be considered as paid ordinary hours of work.

- (2)** Insert the following new clause 8.3.5:

“8.3.5 All newly engaged motor vehicle drivers and motor vehicle crew employed after 1 July 2008 shall receive overtime payment equal only to 1.5 x their ordinary hourly rate of pay, irrespective of the overtime hours worked by such drivers and crew.”.

- (3)** Substitute the following for clause 8.6:

“8.6 Annual closure

Annual closure shall be for a period of 15 consecutive working days between 1 December of each year and 31 January of the following year or as otherwise prescribed by the Council from time to time.

During any period of annual closure, no employer shall require or permit an employee to perform work and no employee shall undertake work, whether for remuneration, reward or not.

If the annual closure dates are prescribed by the Council, any establishment may apply to the Council for exemption from the prescribed annual closure dates, if the establishment believes that extraordinary circumstances exist that may warrant the granting of an exemption.”.

(4) **8.11 Trade union representative leave**

Substitute the following for clause 8.11.1:

"8.11.1 For the purpose of attending training courses and/or seminars and/or meetings arranged by the trade unions which are parties to this Agreement, trade union representatives shall be entitled to 7 days' paid leave per annum and senior trade union representatives to 10 days' paid leave per annum. For the purpose of attending official meetings of the Bargaining Council, trade union representatives shall be entitled to additional leave for which the Council shall reimburse the trade union representative's establishment for the actual loss of working hours by the trade union representative, which shall be paid to the trade union representative by the establishment together with his normal weekly wages as if the trade union representative worked on the day he attended an official meeting of the Bargaining Council, with effect from the date of the coming into operation of this Agreement, subject to the following conditions:".

(5) Substitute the heading of clause 8.15 **"Pro forma fixed term contract of employment – ANNEXURE A"** with the heading **"Fixed term contract of employment"**.

(6) Substitute clauses 8.15.1, 8.15.2, 8.15.3 and 8.15.4 with the following:

"Any employer who intends to employ an employee for a fixed term shall enter into a written fixed term contract of employment with such an employee. Such fixed term contract of employment shall comply with the provisions of the Basic Conditions of Employment Act, 1997 (Act 75 of 1997)(as amended).".

(7) Substitute the heading of clause 8.16 **"Pro forma indefinite-period contract of employment – ANNEXURE B"** with the heading **"Indefinite-period contract of employment"**.

(8) Substitute clauses 8.16.1 and 8.16.2 with the following:

"Any employer who intends to employ an employee for an indefinite period of employment shall enter into a written indefinite period contract of employment with such

an employee. Such indefinite period contract of employment shall comply with the provisions of the Basic Conditions of Employment Act, 1997 (Act 75 of 1997)(as amended).".

- (9) Substitute the heading of clause 8.17 "**Pro forma certificate of service – ANNEXURE C**" with the heading "**Certificate of service**".
- (10) Substitute clause 8.17 with the following:

Every employer shall issue an employee with a certificate of service on termination of the employee's contract of employment. Such certificate shall comply with the provisions of the Basic Conditions of Employment Act, 1997 (Act 75 of 1997)(as amended).".

9. CLAUSE 9 OF THE FORMER AGREEMENT: GENERAL

- (1) Substitute the following for clause 9.6:

"9.6 Working employers

All working employers shall observe the provisions of this Agreement in respect of hours of work, payment of Leave Pay moneys and payment of Holiday Bonus moneys at the prescribed foremen's rate of pay, payment of Provident Fund contributions, additional Provident Fund contributions, payment of Council levies and payment of wages for public holidays.".

- (2) Substitute the following for clause 9.18:

"9.18 Late/non-payment and allocation of contributions, moneys and levies

All levies, moneys and contributions payable in terms of this Agreement shall be paid to the Council monthly by not later than the tenth day of the month following the month to which they relate.

An employer who is in arrears with any payments, having been warned in writing by the Council to forward the outstanding amounts within seven days of the date of such warning, may be required by the Council to pay the amounts weekly on such terms and conditions as determined by the Council from time to time.

Should any amount due to the Council not be received by the Council by the tenth day of the month following the month to which they relate, the employer shall pay interest on such amount or on such lesser amount as remains unpaid, calculated at the rate of 15% per annum or part thereof from such tenth day until the day upon which payment is actually received by the Council.

The Council shall have the right to allocate contributions, moneys and levies received on behalf of employees from employers, to the Funds of the employees concerned as the Council deems appropriate from time to time.”.

10. CLAUSE 10 OF THE FORMER AGREEMENT: EXEMPTIONS

Substitute the heading of clause 10.1 “**Exemption and Arbitration Board**” with the heading “**Exemption and Independent Appeal Body**”.

11. CLAUSE 11: LEAVE PAY FUND

Insert the following new clause 11 and renumber the existing clauses 11 and 12 accordingly to read 12 and 13:

“11.1 Every employer shall pay over monthly to the Council, on the specified form, by not later than the tenth day of the following month concerned in respect of every employee Leave Pay moneys as prescribed in Schedule 1.

11.2 Guarantees submitted in respect of Leave Pay moneys:

11.2.1 Every employer who supplies the Council with an acceptable guarantee for the total of his estimated maximum annual commitments under this clause shall, without in any way limiting his liability towards his employees, be granted an exemption from making payment to the Council in the manner specified: provided that the exemption shall be subject to such terms and conditions made applicable thereto by the Council from time to time.

11.2.2 Every employer shall submit a monthly statement as specified in clause 11.1 above in respect of all his employees. Should the services of any employee be terminated during the month, a statement as prescribed together with the

amount due in respect of Leave pay moneys for the period employed between October of the current year and September the following year shall be submitted to the Council. Should the services of no employees be terminated during the month, the Council shall be notified on the specified form.

- 11.2.3 The employer shall submit to the Council not later than 10 November of each year a statement in the form prescribed reflecting all particulars of all employees who are in the employ of the employer as at 30 September who are to be paid by him in terms of this clause.
- 11.2.4 By not later than 23 December of each year, the employer shall submit to the Council a statement as prescribed reflecting the actual moneys paid out in respect of the Leave Pay moneys to all his employees together with payment of moneys not paid out.
- 11.3 Leave Pay moneys shall be paid to employees between 7 December and 13 December of each year. Leave Pay moneys shall be paid to employees whose contracts of employment have been terminated during the contribution year, within two months after such termination.
- 11.4 Leave Pay moneys shall be paid to the employee by means of electronic transfer to the employee's bank account or by Council cheque drawn in favour of the employee.
- 11.5 **Administration of the Fund**
- 11.5.1 The Leave Pay Fund shall be administered by the Council and all expenses incurred in connection with the administration of the Leave Pay Fund shall form a charge against the Council.
- 11.5.2 All moneys paid to the Leave Pay Fund shall be invested as provided for in terms of section 53 (5) of the Act and any interest accruing from such investment shall accrue to the general funds of the Council in consideration of the Council's administration of the Fund. All payments from the Leave Pay Fund shall be by cheque drawn on the Fund's account and such cheques shall be signed by three persons duly authorised by the Council. The Council shall keep a record of each employee in respect of whom payments are made in terms of this clause and the amount paid to the employee.
- 11.5.3 The Leave Pay Fund shall be paid to employees concerned to serve as Leave Pay. Each employee shall be paid Leave Pay equal to the amount deposited into the Leave Pay Fund in respect of him during the year ending on the last pay week of September each year.
- 11.5.4 Any employee employed continuously during the year from the first pay week in October of the previous year to the last pay week in September of the current

year shall receive Leave Pay during December of that year of not less than two weeks' normal wages. Any shortfall shall be paid to the employees by the employer.

- 11.5.5 Leave Pay which remains unclaimed for a period of two years from the date on which they become payable shall accrue to the general funds of the Council: Provided that the Council shall be liable for payment from the Council's general funds of any Leave Pay due and claimed during a further period of three years after such accrual to the Council's general funds: Provided further that should the Council be dissolved within any or either of the periods mentioned herein, such moneys shall finally accrue to the general funds of the Council three months after the date of such dissolution."

12. CLAUSE 11 OF THE FORMER AGREEMENT: HOLIDAY BONUS FUND

Substitute the following for clause 12 (was clause 11):

- "12.1 Every employer shall pay over monthly to the Council, on the specified form, by not later than the tenth day of the following month concerned in respect of every employee Holiday Bonus Fund moneys as prescribed in Schedule 1.
- 12.2 Guarantees submitted in respect of Holiday Bonus Fund:
- 12.2.1 Every employer who supplies the Council with an acceptable guarantee for the total of his estimated maximum annual commitments under this clause shall, without in any way limiting his liability towards his employees, be granted an exemption from making payment to the Council in the manner specified: provided that the exemption shall be subject to such terms and conditions made applicable thereto by the Council from time to time.
- 12.2.2 Every employer shall submit a monthly statement as specified in clause 12.1 above in respect of all his employees. Should the services of any employee be terminated during the month, a statement as prescribed together with the amount due in respect of Holiday Bonus Fund moneys for the period employed between October of the current year and September the following year shall be submitted to the Council. Should the services of no employees be terminated during the month, the Council shall be notified on the specified form.
- 12.2.3 The employer shall submit to the Council not later than 10 November of each year a statement in the form prescribed reflecting all particulars of all employees

who are in the employ of the employer as at 30 September who are to be paid by him in terms of this clause.

- 12.2.4 By not later than 23 December of each year, the employer shall submit to the Council a statement as prescribed reflecting the actual moneys paid out in respect of the Holiday Bonus moneys to all his employees together with payment of moneys not paid out.
- 12.3 Holiday Bonus moneys shall be paid to employees between 7 December and 13 December of each year. Holiday Bonus moneys shall be paid to employees whose contracts of employment have been terminated during the contribution year, within two months after such termination.
- 12.4 Holiday Bonus moneys shall be paid to the employee by means of electronic transfer to the employee's bank account or by Council cheque drawn in favour of the employee.
- 12.5 **Administration of the Fund**
- 12.5.1 The Holiday Bonus Fund shall be administered by the Council and all expenses incurred in connection with the administration of the Holiday Bonus Fund shall form a charge against the Council.
- 12.5.2 All moneys paid to the Holiday Bonus Fund shall be invested as provided for in terms of section 53 (5) of the Act and any interest accruing from such investment shall accrue to the general funds of the Council in consideration of the Council's administration of the Fund. All payments from the Holiday Bonus Fund shall be by cheque drawn on the Fund's account and such cheques shall be signed by three persons duly authorised by the Council. The Council shall keep a record of each employee in respect of whom payments are made in terms of this clause and the amount paid to the employee.
- 12.5.3 The Holiday Bonus moneys shall be paid to employees concerned to serve as a holiday bonus on the following basis: Each employee shall be paid a holiday bonus equal to the amount deposited into the Holiday Bonus Fund in respect of him during the year ending on the last pay week of September each year.
- 12.5.4 Any employee employed continuously during the year from the first pay week in October of the previous year to the last pay week in September of the current year shall receive a holiday bonus moneys during December of that year calculated in accordance with the formula reflected in Schedule 1 of the prevailing Collective Agreement.

- 12.5.5 Holiday bonus moneys which remain unclaimed for a period of two years from the date on which they become payable shall accrue to the general funds of the Council: Provided that the Council shall be liable for payment from the Council's general funds of any holiday bonus moneys due and claimed during a further period of three years after such accrual to the Council's general funds: Provided further that should the Council be dissolved within any or either of the periods mentioned herein, such moneys shall finally accrue to the general funds of the Council three months after the date of such dissolution."

CHAPTER 2

COUNCIL BENEFIT FUNDS

13. CLAUSE 10 OF THE FORMER AGREEMENT: PAYMENT OF LEVIES AND CONTRIBUTIONS

Substitute the following for clause 10:

"10. PAYMENT OF LEVIES, MONEYS AND CONTRIBUTIONS

- 10.1 Every employer shall forward monthly the levies, moneys and contributions prescribed in Schedule 1 to this Agreement, together with return(s) in the form(s) specified by the Council from time to time, to reach it by not later than the tenth day of the month following the month during which the employee's deductions were required to be made. Interest on late payment will be charged at a rate of 15% per annum. The return(s) shall be certified by the employer or an authorised representative as true and correct.
- 10.2 If, in any particular month, no employees are employed, a NIL return, duly signed by the employer or the authorised representative, shall be submitted to the Council."

CHAPTER 2A

PARTY BENEFIT FUNDS

14. CLAUSE 12 OF THE FORMER AGREEMENT: SPECIAL PROVISIONS IN RESPECT OF THE FUNDS

Substitute clause 12.1.2.3 with the following:

"12.1.2.3 *Compulsory membership*

CEPPWAWU members and all other employees who are employed in the Industry and for whom wages are prescribed in this Agreement and who are employed by an employer who is a member of an employers' organisation which is party to this Agreement, but excluding members of the Furnmed Sick Benefit Society who are referred to in clauses 12.1.2.1 and 12.1.2.2 above and excluding employees who are members of the National Union of Furniture and Allied Workers of South Africa or any other trade union, shall be deemed to be compulsory members of the Furnmed Sick Benefit Society and membership of the Furnmed Sick Benefit Society shall be regarded as a condition of their employment, unless otherwise decided by the trustees of the Furnmed Sick Benefit Society. The provisions of this Agreement which are applicable to the Furnmed Sick Benefit Society as well as the rules of the Furnmed Sick Benefit Society shall *mutatis mutandis* apply to such compulsory members of the Furnmed Sick Benefit Society."

CHAPTER 4

15. CLAUSE A OF THE FORMER AGREEMENT: OCCUPATION SKILLS LEVELS – FURNITURE, BEDDING AND UPHOLSTERY SECTORS

- (1) Substitute the heading of Chapter 4 "**CLAUSE A: OCCUPATION SKILLS LEVELS – FURNITURE, BEDDING AND UPHOLSTERY SECTORS**" with the heading "**CLAUSE A: OCCUPATION SKILLS LEVELS – FURNITURE, BEDDING AND UPHOLSTERY SECTOR**".
- (2) Substitute the heading of clause 1 "**Unskilled Employees**" with the heading "**General Workers**".

- (3) Substitute the following for clause 4:

"4. Chargehand

Employees at this level will have a broad knowledge of the discipline that they supervise. They may 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. These employees will be supervisors of only general workers.

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

**16. CLAUSE B OF THE FORMER AGREEMENT: OCCUPATION SKILLS LEVELS –
CURTAINING SECTOR**

Substitute the heading of clause 1 "Unskilled employees" with the heading "General workers".

SCHEDULE 1

17. CONTRIBUTIONS, LEVIES AND REGISTRATION FEE PAYABLE TO THE COUNCIL

Substitute the following for Schedule 1:

**CONTRIBUTIONS, LEVIES, MONEYS AND REGISTRATION FEE PAYABLE TO THE
COUNCIL**

1. LEAVE PAY MONEYS

- 1.1 The amount payable by the employer shall be calculated at 5% of the ordinary hours worked by the employee and on the hours which would ordinarily have been worked by the employee on paid public holidays, paid sick leave days, paid study leave days, paid family responsibility leave days and paid trade union representative leave days.
- 1.2 No Leave Pay moneys are payable on wages which are payable for overtime wages and allowances.

2. HOLIDAY BONUS MONEYS

The amount payable by the employer shall be calculated on the ordinary hours worked by the employee and on the hours which would ordinarily have been worked by the employee on paid public holidays, paid sick leave days, paid study leave days, paid family responsibility leave days and paid trade union representative leave days and shall be determined as follows:

- 2.1 10% of the employee's ordinary weekly wages if the employee has lost 20 minutes or less of the full possible number of ordinary hours that the employee is entitled to be paid for in any specific pay week.
- 2.2 5% of the employee's ordinary weekly wages if the employee has lost between 21 minutes and 60 minutes of the full possible number of ordinary hours that the employee is entitled to be paid for in any specific pay week.
- 2.3 10% of a foreman's prescribed minimum weekly wage for working employers.
- 2.4 No Holiday Bonus moneys are payable on wages which are payable for overtime wages and allowances.

3. PROVIDENT FUND (payable only when more than 16 hours' wages per week have been paid):

- 3.1 ***Employees in Industry:*** 6% of normal weekly wage from the employee per week plus an equal amount from the employer.
- 3.2 ***Working employers:*** 12% of a foreman's prescribed weekly wage.

4. ADDITIONAL PROVIDENT FUND (payable only when more than 16 hours' wages per week have been paid)

All employees in the Industry and all employers in the Industry, including working employers who do not contribute to either Furnmed Sick Benefit Society or the NUFAWSA Sick Benefit Society, shall pay the following additional Provident Fund contributions equal to the Furnmed Sick Benefit Society's member contributions:

- 4.1 Additional Provident Fund contributions payable **(for all areas excluding the Free State Province)**
- 4.1.1 Employees in Industry – refer to clause 5.1.1 below.
 - 4.1.2 Employers in Industry – refer to clause 5.1.1 below.
 - 4.1.3 Working employers in Industry – refer to clause 5.1.4 below.
- 4.2 Additional Provident Fund contributions payable **(for the Free State Province ONLY)**
- 4.2.1 Employees in Industry – refer to clause 5.2.1 below.
 - 4.2.2 Employers in Industry – refer to clause 5.2.1 below.
 - 4.2.3 Working employers in Industry – refer to clause 5.2.4 below.

5. **SICK BENEFIT SOCIETIES**

- 5.1 **FURNMED SICK BENEFIT SOCIETY (For all areas excluding the Free State Province)** (payable only when more than 16 hours' wages per week have been paid)

- | | |
|---------------------------------|--|
| 5.1.1 Member: | R35-00 per week payable by the employee and R53-00 per week payable by the employer. |
| 5.1.2 Adult dependants: | R30-00 per week payable, per adult dependant, payable by the employee only. |
| 5.1.3 Minor dependants: | R30-00 per week, per minor dependant, payable by the employee only. |
| 5.1.4 Extraordinary dependants: | R88-00 per week, per extraordinary dependant, payable by the employee only. |

5.2 FURNMED SICK BENEFIT SOCIETY (for the Free State Province ONLY)

(payable only when more than 16 hours' wages per week have been paid)

- | | |
|---------------------------------|--|
| 5.2.1 Member: | R17-50 per week payable by the employee and R63-50 per week payable by the employer. |
| 5.2.2 Adult dependants: | R30-00 per week payable, per adult dependant, payable by the employee only. |
| 5.2.3 Minor dependants: | R30-00 per week, per minor dependant, payable by the employee only. |
| 5.2.4 Extraordinary dependants: | R81-00 per week, per extraordinary dependant, payable by the employee only. |

5.3 NUFAWSA SICK BENEFIT SOCIETY (For all areas excluding the Free State Province) (payable only when more than 16 hours' wages per week have been paid)

- | | |
|--|---|
| 5.3.1 Member plus 1 to 3 dependants | R54-50 per week payable by the employee and R60-50 per week payable by the employer." |
| 5.3.2 4 th and 5 th dependants | R12-50 per week, per dependant, payable by the employee only. |
| 5.3.3 6 th and more dependants | R92-00 per week, per dependant, payable by the employee only. |
| 5.3.4 Extraordinary dependants | R92-00 per week, per extraordinary dependant, payable by the employee only. |

5.4 NUFAWSA SICK BENEFIT SOCIETY (for the Free State Province ONLY)
(payable only when more than 16 hours' wages per week have been paid)

5.4.1	Member plus 1 to 3 dependants	R10-00 per week payable by the employee and R71-00 per week payable by the employer.
5.4.2	4 th and 5 th dependants	R12-50 per week, per dependant, payable by the employee only.
5.4.3	6 th and more dependants	R92-00 per week, per dependant, payable by the employee only.
5.4.4	Extraordinary dependants	R92-00 per week, per extraordinary dependant, payable by the employee only.

5.5 Increases in employer and/or employee contributions payable to the Furnmed Sick Benefit Society and the NUFAWSA Sick Benefit Society shall be negotiated annually.

6. **COUNCIL LEVIES:** These levies shall be payable only when more than 16 hours' wages per week have been paid and shall amount to R5,30 per week by the employer and R5,30 per week by the employee.

The Council levies shall be increased annually by the average percentage of the Industry's wage increases.

7. **DISPUTE RESOLUTION LEVIES:** These levies shall be payable only when more than 16 hours' wages per week have been paid and shall amount to R0-00 per week by the employer and R0-00 per week by the employee.

8. **REGISTRATION FEE**

Every employer who registers with this Council shall pay a registration fee of R500-00 per establishment upon registration.”.

SCHEDULE 2

**18. SPECIFIED MINIMUM WEEKLY WAGE INCREASES, MINIMUM WEEKLY WAGE RATES
AND SUBSISTENCE ALLOWANCE (for all areas excluding the Province of
the Free State)**

Substitute the following for Schedule 2:

**“SPECIFIED MINIMUM WEEKLY WAGE INCREASES, MINIMUM WEEKLY WAGE RATES
AND SUBSISTENCE ALLOWANCE (for all areas excluding the Free State
Province)**

1. Specified minimum weekly wage increases and minimum weekly wage rates:

Sectors	Occupation Skills Level	Occupation Skills Level Code	Minimum weekly wage increases effective for parties as from 1 July 2008 and for non-parties on such date as may be fixed by the Minister of Labour	Minimum weekly wage rates effective for parties as from 1 July 2008 and for non-parties on such date as may be fixed by the Minister of Labour
Furniture, Bedding and Upholstery	General worker	05	8% of actual weekly wages	R400-00
	Semi-skilled employees	04	8% of actual weekly wages	R633-55
	Skilled employees	03	8% of actual weekly wages	R680-72
	Chargehands	02	8% of actual weekly wages	R734-32
	Foremen/ Supervisors	01	8% of actual weekly wages	R734-32
Curtainning	General worker	05	8% of actual weekly wages	R365-00
	Semi-skilled employees	04	8% of actual weekly wages	R516-79
	Skilled employees	03	8% of actual weekly wages	R587-30
	Chargehands	02	8% of actual weekly wages	645-25
	Foremen/ Supervisors	01	8% of actual weekly wages	645-25

2. Subsistence allowance

A minimum subsistence allowance of R45-00 per night is payable.”.

SCHEDULE 3**19. SPECIFIED MINIMUM WEEKLY WAGE INCREASES, MINIMUM WEEKLY WAGE RATES
AND SUBSISTENCE ALLOWANCE (for the Province of the Free State ONLY)**

Substitute the following for Schedule 3:

**“SPECIFIED MINIMUM WEEKLY WAGE INCREASES, MINIMUM WEEKLY WAGE RATES
AND SUBSISTENCE ALLOWANCES (for the Free State Province ONLY)****1. Specified minimum weekly wage increases and minimum weekly wage rates:**

Sectors	Occupation Skills Level	Occupation Skills Level Code	Minimum weekly wage increases effective for parties as from 1 July 2008 and for non-parties on such date as may be fixed by the Minister of Labour	Minimum weekly wage rates effective for parties as from 1 July 2008 and for non-parties on such date as may be fixed by the Minister of Labour
Furniture, Bedding and Upholstery	General worker	05	8% of actual weekly wages	R400-00
	Semi-skilled employees	04	8% of actual weekly wages	R494-26
	Skilled employees	03	8% of actual weekly wages	R649-77
	Chargehands	02	8% of actual weekly wages	R697-06
	Foremen/ Supervisors	01	8% of actual weekly wages	R697-06
Curtaining	General worker	05	8% of actual weekly wages	R377-67
	Semi-skilled employees	04	8% of actual weekly wages	R470-72
	Skilled employees	03	8% of actual weekly wages	R618-83
	Chargehands	02	8% of actual weekly wages	R663-87
	Foremen/ Supervisors	01	8% of actual weekly wages	R663-87

2. Subsistence allowance

A minimum subsistence allowance of –

- 2.1 R160-00 per day is payable, where the employee pays for his own food and accommodation; or
- 2.2 R65-00 per day is payable, where the employer pays for the employee's accommodation only.

1 JULY 2009 TO 30 JUNE 2010

Minimum weekly wage increases effective 1 July 2009 shall be 8% of actual weekly wages for the period ending 30 June 2010 provided that CPI-X for the year ending April 2009 is not below 6% or above 10%. If the CPI-X for the year ending April 2009 is below 6% or above 10% the parties to the agreement shall meet to negotiate wage increases for the period 1 July 2009 to 30 June 2010.

20. ANNEXURES

- (1) Delete the following Annexure:

“ANNEXURE A – Pro forma fixed-term contract of employment”.

- (2) Delete the following Annexure:

“ANNEXURE B – Pro forma Indefinite-period contract of employment”.

- (3) Delete the following Annexure:

“ANNEXURE C – Pro forma certificate of service”.

Agreement signed at Johannesburg on this 17th day of June 2008.

R MTHOMBENI

Chairman

P LUNGA

Vice-Chairman

WA JANSE VAN RENSBURG

General Secretary