

No. R. 1238

21 November 2008

LABOUR RELATIONS ACT, 1995**BARGAINING COUNCIL FOR THE LAUNDRY, CLEANING AND DYEING
INDUSTRY (CAPE):
EXTENSION OF SICK BENEFIT FUND COLLECTIVE AGREEMENT TO
NON-PARTIES**

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 Laundry, Cleaning and Dyeing Industry (Cape)** and is binding in terms of section 31 of the Labour Relations Act, 1995, on the parties which concluded the Collective Agreement, shall be binding on the other employers and employees in that Industry, with effect from1 Desember 2008.....and for the period ending 31 October 2010.

**MMS MDLADLANA
MINISTER OF LABOUR**

**BARGAINING COUNCIL FOR THE LAUNDRY, CLEANING AND DYEING
INDUSTRY (CAPE)**

SCHEDULE

SICK BENEFIT FUND COLLECTIVE AGREEMENT

In terms of the Labour Relations Act, 1995, made and entered into and between the

LAUNDRY AND ALLIED WORKERS UNION OF SOUTH AFRICA

(hereafter referred to as the "union" or "employee body", whose domicilium details are in
Clause 1 of the Appendix) of the one part and the

CAPE TOWN & DISTRICT LAUNDRY, CLEANERS & DYERS ASSOCIATION

(hereafter referred to as the "employer body" or "employers" whose domicilium details are in
Clause 2 of the Appendix) of the other part, both being parties to the BARGAINING COUNCIL
FOR THE LAUNDRY, CLEANING AND DYEING INDUSTRY (Cape).

1. SCOPE OF APPLICATION OF AGREEMENT

1.1 The terms of this Agreement shall be observed in the Laundry, Cleaning and Dyeing Industry (Cape) by

- a) All employers who are members of the employers' organization and by all employees who are members of the trade union and who are engaged or employed in the Industry;
- b) In the Magisterial Districts of the Cape, Wynberg, Bellville, Goodwood, Simonstown, Paarl, Somerset West, Strand, Stellenbosch, Kuils River and Wellington.

1.2 Notwithstanding the provisions of sub-clause (1) the terms of this Agreement shall also apply to all employers and employees who are engaged or employed in the industry.

2. PERIOD OF OPERATION

2.1 This Agreement shall come into operation on such date as may be fixed by the Minister of Labour in terms of section 32 (2) of the Act and shall remain in force until 31 October 2010.

2.2 The terms of this Agreement shall not apply to non-parties in respect of clauses 1(1) (a), 2 and 4(3).

3. DEFINITIONS

Unless the contrary intentions appear, any expressions used in this Agreement and which is defined in the Labour Relations Act, 1995, or in the Main Collective Agreement, shall have the same meaning as in that Act or Agreement, unless inconsistent with the context—

"Act" - means the Labour Relations Act, 1995;

"Casual employee" - means an employee who is employed by the same employer for not more than three days in any **one month**;

"Contract staff " - means an employee whose employment has a finite termination date, but who, during the period of the contract, receives at least the equivalent remuneration and benefits, as that enjoyed by permanent members of staff.

"Council" - means the Bargaining Council for the Laundry, Cleaning and Dyeing Industry (Cape);

"Employee" - means a member of staff whose salary/wage is prescribed in the Main Collective Agreement

"Employer number" – the unique number given to each employer by the Fund;

"Fund" - means the Laundry, Cleaning and Dyeing Industry (Cape) Sick Benefit Fund, referred to in clause 4 (1) of this Agreement;

"Laundry, Cleaning and Dyeing Industry" or "Industry" means the Industry in which employers and employees are associated for the purpose of laundering, cleaning or dyeing all types of woven, spun, knitted, or crocheted fabrics, or articles made from such fabrics, including upholstery of upholstered articles, and includes all operations incidental thereto or consequent thereon, if carried out by such employers and their employees;

"Main Collective Agreement" - means the Agreement published under Government Notice No. R. 936 of 6 August 1999 and any subsequent Amendments;

"Management Committee" - means the Management Committee appointed to administer the fund in terms of clause 4 of this Agreement;

"Member" or "Member of the Fund" - means an employee who contributes or has contributed to the Fund and is not precluded from receiving benefits from the Fund by virtue of the provisions of clause 9.2 of this Agreement;

"Remittance reference number" – the unique number, designated by the FUND and comprising of the employer number and the month for which any payment is made by the employer;

"Salary" - means the monthly remuneration payable to an employee in respect of his ordinary hours of work, calculated where necessary, as the weekly wages multiplied by a factor of 4.33;

"Wage" means the weekly remuneration payable to an employee in respect of his ordinary hours of work.

4. ADMINISTRATION

4.1 The Fund that was originally established in terms of the Agreement published under Government Notice 966 of 6 May 1955 known as the "Laundry Cleaning and Dyeing Industry (Cape) Sick Benefit Fund" is hereby continued.

4.2 The Fund shall be administered according to and in terms of this Agreement by a Management Committee hereinafter referred to as the "Committee", appointed by the Council at a duly constituted meeting of the Council and shall consist of two each of the employers and employees representatives on the Council with the Chairman and Vice-Chairman of the Council as ex officio members of the Committee.

4.3 For every representative appointed, an alternate may be appointed in the manner provided for in clause 5 of the Constitution of the Council.

4.4 The Fund shall consist of—

4.4.1 Contributions in terms of clause 7 of this Agreement;

4.4.2 Income and interest derived from the investment of any moneys of the Fund; and

4.4.3 Any other moneys to which the Fund may become entitled.

5. OBJECTS

The object of the fund shall be to provide members of the fund with such benefits as are laid down in clause 4 of the Appendix to this Agreement.

6. MEMBERSHIP OF FUND

- 6.1 Every employee whose employer falls within the ambit of the Bargaining Council and for whom wages/salaries are prescribed in the Main Collective Agreement, shall subject to the provisions of clause 13, be obliged to become a member of the Fund.
- 6.2 The Fund may, after receiving formal approval at a formally constituted Sickfund Committee meeting, extend certain of the medical benefits to specified members of the member's family, provided it is unanimously agreed that it is financially prudent to do so.
- 6.3 Members will be entitled to receive a Sickfund membership card and shall be entitled to receive membership benefits as specified in Clause 4 of the Appendix, after the period as specified in Clause 5 of the Appendix has passed

7. CONTRIBUTIONS

- 7.1 For the purpose of the Fund, each employer shall, before the 7th day of each month, pay across to the Sickfund banking account (details as per Clause 6 of the Appendix) without deduction, the contributions as detailed in clause 3 of the Appendix
- 7.2 This contribution shall be deducted from the total monthly wages earned by each employee covered by this Agreement who has worked for more than 15 days during any month, irrespective of the time so worked:
- 7.3 Contributions shall be made by both employer and employee for and during
 - periods of paid leave of absence and
 - paid holidaysas though the employee concerned were present at work in the normal way.
- 7.4 In addition to the payment, referred to in clause 7.1, the employer shall also forward to the fund, by fax, email or post to reach the fund by no later than the 15th of each month at the address reflected in clause 2 of the Appendix a remittance summary containing analyzing this payment which clearly reflects a unique remittance reference number. The remittance shall reflect
 - 7.4.1 the payments and the deductions from the monthly salary of contributors in his employ;
 - 7.4.2 the full name of the employer, his employer number and the remittance reference number;

- 7.4.3 the number of contributors in respect of whom deductions were made for the month;
- 7.4.4 the names and staff numbers of all contributors engaged or discharged during the preceding month;
- 7.4.5 in respect of the preceding month, the total amount deducted by the employer from the monthly wages or salary of each contributor in his employ and the amount contributed by the employer himself, as provided for in sub-clause 7.1 and 7.4 of this clause;
- 7.4.6 Should either the payment not be made by the 7th of the month OR the remittance not received by the 15th of the month, then the employer's will be in default and will be liable for
 - 7.4.6.1 A 10% penalty of the total amount; and
 - 7.4.6.2 Interest at prevailing overdraft rates for the period that the employer is non-compliant.

8. BENEFITS

Applications for benefits, other than the benefits paid out in terms of clause 9.6, shall be considered in terms of the following rules & regulations;

- 8.1 Each applicant for medical benefits shall have contributed to the Fund for a period of no less than the period specified in clause 5 of the Appendix.
- 8.2 After the above waiting period is over, the Fund shall supply a registration form on which the contributor will supply all details.
- 8.3 After receipt of such details, the Fund shall allocate a unique Fund number to such contributor, together with a membership card. This shall be forwarded to his/her employer. The employer shall thereafter hand such membership card to the contributor concerned.
- 8.4 Upon production of the membership card, the contributor shall be entitled to medical services rendered by the medical practitioner, subject to the provisions of clause 9.
- 8.5 In the first year, where a member has not been a member since the 1st January, all entitlements and benefits specified in clause 4 of the Appendix shall be pro-rated for that initial year.

- 8.6 Each contributor shall be entitled to the sick day benefits as prescribed in clause 4 of the Appendix, provided that no such benefits shall be paid until the contributor has furnished the Fund with a sick certificate signed by a medical practitioner stating the nature of his illness, the treatment he is receiving and the period during which it is estimated he will be precluded from following his employment.
- 8.7 Payment for sick leave will be made to employers by the Fund for all valid sick certificates, submitted within these benefit limits. For administration purposes, payment of this benefit may, at the committee's sole discretion, be done on a quarterly basis on the 15th April, 15th July, 15th October and 15th January for the 3-month period preceding these dates.
- 8.8 Payment of all sick days in terms of clause 8.7, shall only be paid out, provided all requisite contributions and remittances have been validly submitted, as confirmed by the council's accounting records.
- 8.9 Any person in receipt of sick benefits who is able to resume employment before the expiry of the maximum period during which benefit is payable in terms of clause 9.5, shall notify the Fund, who shall forthwith remove the name of such person from the list of those entitled to benefits. The Committee shall have the right to recover from any person any amount paid in excess of that warranted by the actual period of incapacity to work owing to sickness.
- 8.10 Each applicant shall submit such information as the Committee may require proving his sickness.
- 8.11 The Committee shall have the right to require any applicant to be examined and reported upon by the medical practitioner at any time during which such applicant is in receipt of sick pay benefits, and failure or refusal on the part of any such applicant to submit to such medical examination shall render such applicant liable to be deprived of any further sick pay benefits.
- 8.12 The Fund is authorized to implement any further administrative regulations as may be necessary for the efficient running of the fund, after proper approval of same at a formally constituted Sickfund Committee meeting.
- 8.13 The Sickfund Committee shall retain the discretion to enter into agreements with other industry Healthcare/sick funds, if these enhance the value of medical benefits received by members, provided this is done at no additional cost to the fund.

9. LIMITATION OF BENEFITS

- 9.1 Members shall not receive benefits from the Fund, if they have received or are entitled to receive benefits in terms of the Compensation for Occupational Injuries and Diseases Act, No. 130 of 1993, or the Road Accident Fund Act, No. 56 of 1996, as amended, in respect of the same illness.
- 9.2 An employee shall cease to be a member of the fund and shall forfeit all claims upon the Fund
- 9.2.1 at the end of the calendar month following his/her leaving an employer in the Industry, for the purpose of taking employment outside the Industry; or
 - 9.2.2 if he/she has been off work for a period of six consecutive months due to sickness and/or other reasons.

Upon resuming work in the Industry, such person shall be regarded as a new member of the Fund for all purposes and shall have to serve the requisite waiting period, unless agreed otherwise with the employer.

- 9.3 A member whose illness or affliction is attributed to misconduct, excessive indulgence in intoxicating liquor or an addiction to drugs, shall not be entitled to any benefits by reason of such illness.
- 9.4 The cost of medicines to which a member shall be entitled shall not exceed the annual medical benefit limit specified in clause 4 of the Appendix.
- 9.5 The maximum period for which sick pay shall be payable shall not exceed the number of days specified in clause 4 of the appendix. For the first 12 days per annum, the employee shall receive 100% of daily rates from the employer, who shall be refunded by the fund at the rate specified in clause 4 of the Appendix.
- 9.6 The Committee may make such lump sum payments, grant exemptions or extend the period of sick pay, in addition to the benefits provided for in this Agreement, as it may decide to meet extraordinary medical or other expenses in special cases of sickness.

10. FINANCIAL CONTROL

- 10.1 All moneys received by the Fund shall be deposited in the banking account of the Fund: Provided that the Management Committee may from time to time authorize the investment of moneys surplus to the Fund's requirements as prescribed by section 53 (5) of the Act.

- 10.2 All payments by the Fund shall be made by cheque or Electronic Funds Transfer (EFT) drawn on the banking account.
- 10.3 The Committee shall appoint an auditor for the Fund who shall be a registered Auditor who shall be paid out of the Fund. The accounts of the Fund shall be audited for the period ending 31 December of each year, and the auditor's report shall be made available not later than 31 March. Copies of the statements of account together with the auditor's reports shall be transmitted to the Registrar of Labour Relations within 6 (SIX) months of the end of the period to which it relates.
- 10.4 Copies of the financial statements shall also lie for inspection at the office of the Fund.

11. LIQUIDATION OR DISSOLUTION

- 11.1 In the event of the expiry of this agreement by defluxion of time or cessation for any other cause, the Fund shall continue to be administered by the Management Committee until it is either liquidated or transferred by the Council to any other Fund constituted for the same purpose as that for which the original Fund was created, or continued by a subsequent Agreement: Provided that the Fund shall be liquidated unless an Agreement providing for such transfer or continuation is entered into within a period of 12 months of the expiry of this Agreement.
- 11.2 Upon liquidation of the Fund in terms of sub-clause 11.1, the moneys remaining to the credit of the Fund after the payment of all claims against the Fund, including administration and liquidation expenses, shall be paid into the Funds of the Council.

12. INDEMNITY

The members of the Management Committee and the officers and employees of the Fund shall not be liable for the debts and liabilities of the Fund, and they are hereby indemnified by the Fund against all losses and expenses incurred by them in the *bona fide* discharge of their duties.

13. EXEMPTIONS

- 13.1 The Council may grant exemption to or in respect of any person from any of the provisions of this Agreement. In terms of section 32 of the Act, the Council hereby

establishes an independent body to hear and decide as soon as possible any appeal brought against—

- 13.1.1 the Council's refusal of a non-party's application for exemption from any provisions of this Agreement;
- 13.1.2 the withdrawal of such exemption by the Council.
- 13.2 All applications for exemption shall be in writing (on an application form as provided by the Council) and shall be addressed to the Committee for consideration by the Council.
- 13.3 All applications for exemption shall be substantiated, and such substantiation shall include the following details:
 - 13.3.1 The period for which the exemption is required;
 - 13.3.2 the Agreement and clauses or sub-clauses of the Agreement from which exemption is required;
 - 13.3.3 proof that the exemption applied for has been discussed by the employer with his employees and their respective representatives.
 - 13.3.4 The responses resulting from such consultations, either in support of or against the application, are to be included with the application.
- 13.4 The Secretary of the Bargaining Council shall in the first instance place the applications for exemption on the agenda of the next Council meeting, for comment.
- 13.5 Should the Council decide to grant exemption, it shall issue a certificate and advise the applicant(s) of its decision within 14 days.
- 13.6 Should the Council decline the exemption or part of an exemption requested, it shall advise the applicant(s) of such decision within 14 days and shall provide its reasons.
- 13.7 The Council shall consider all applications for exemption with reference to the following criteria:
 - 13.7.1 The written and verbal substantiation provided by the applicant;
 - 13.7.2 the terms of the exemption;
 - 13.7.3 the infringement of basic conditions of employment rights;
 - 13.7.4 the fact that a competitive advantage is not created by the exemption;
 - 13.7.5 the extent of consultation provided by the body proposing the exemption with the employers or employees who are to be affected by the exemption, if granted;
 - 13.7.6 the viewing of the exemption from any employee benefit fund or training provision in relation to the alternative comparable *bona fide* benefit or

provision, including the cost to the employee, transferability, administration management and costs, growth and stability;

13.7.7 the extent to which the proposed exemption undermines collective bargaining and labour peace in the Industry;

13.7.8 any existing special economic or other circumstances, which warrant the granting of the exemption;

13.7.9 reporting requirements by the applicant and monitoring and re-evaluation processes;

13.8 In the case where the exemption pertains to the employer being able and willing to provide a substantially better fund/benefit to all of its employees, such application must include all relevant financial details of the new fund/benefit. Such exemption shall be valid for a maximum period of 3 years, whereafter the employer shall have to reapply for exemption providing updated evidence of benefits.

13.9 In all cases, the Council's decision shall be final and binding and no correspondence shall be entered into.

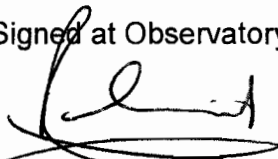
14. EXHIBITION OF AGREEMENT

Every employer shall keep a legible copy of this Agreement exhibited in each of his establishments, excluding depots and vehicles, in a place readily accessible to his employees.

15. ULTRA VIRES

Should any of the provisions of this Agreement be declared ultra vires by any competent court of law, the remaining provisions of this Agreement shall be deemed to be the agreement and shall remain in force for the unexpired period of this Agreement.

Signed at Observatory on behalf of the parties this 19th day of September 2008.



M. E. ROBARTS

Employer Member of the
Bargaining Council



J DANIELS

Employee Member of the
Bargaining Council

THE APPENDIX

1.	THE EMPLOYEE PARTY DOMICILIUM CITANDI ET EXECUTANDI	Laundry and Allied Workers' Union of South Africa P.O. Box 12946 Mowbray 7705 Suite 601, 6 th Floor Premier Centre 451 Main Road Observatory 7946 Tel: 021-448 5055 Fax 021-448 6017 Email: lcd@mweb.co.za
2.	THE EMPLOYER PARTY AND SICKFUND DOMICILIUM CITANDI ET EXECUTANDI	Cape Town and District Laundry Cleaners' and Dyers' Association P.O. Box 109, Cape Town 8000 c/o Suite 112, 1st Floor Premier Centre 451 Main Road Observatory 7946 Tel: 021-448 8000 Fax 021-448 8001 Email: council@laundrybc.co.za
3.	MEMBERS' CONTRIBUTIONS	R80pm per member per month of which <ul style="list-style-type: none"> • 50% shall be paid by the employer • 50% shall be paid by the employee
4.	BENEFITS	TO MEMBERS: <ul style="list-style-type: none"> • General Medical Benefit: R1 120p.a. TO EMPLOYERS <ul style="list-style-type: none"> • SICKDAY BENEFIT: R 35pd (max 12 days)
5.	COMPULSORY CONTRIBUTORY WAITING PERIOD PRIOR TO RECEIVING BENEFITS	5 (FIVE) CALENDAR MONTHS
6.	SICKFUND BANK ACCOUNT	BANK: Standard Bank BRANCH Mowbray - BSB 024-909 ACCOUNT 071297367 TYPE CHEQUE A/C

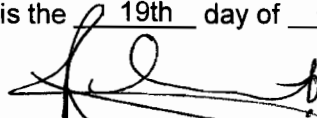
Thus done and signed at Cape Town on this the 19th day of September
2008.



J. DANIELS

EMPLOYEE REPRESENTATIVE

who warrants that he is duly authorized thereto



M. ROBERTS

EMPLOYER REPRESENTATIVE

who warrants that he is duly authorized thereto