

No. R. 879

4 September 2009

LABOUR RELATIONS ACT, 1995**BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING
INDUSTRY, KWAZULU-NATAL: EXTENSION TO NON-PARTIES OF THE
PROVIDENT FUND AND MORTALITY BENEFIT 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 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 from14 September 2009..... and for the period ending 31 July 2011.

MMS MDLADLANA
MINISTER OF LABOUR

SCHEDULE

BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING INDUSTRY, KWAZULU-NATAL

PROVIDENT FUND AND MORTALITY BENEFIT ASSOCIATION

COLLECTIVE AGREEMENT

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.

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CHAPTER 1

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 employer's organisation and by all employees who are members of the trade union, who are engaged or employed therein, respectively ;
 - (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 sub-clause (1), the provisions of this Agreement shall-
- (a) only apply in respect of employees for whom minimum wages are prescribed in the Main Collective Agreement and to working Partners, Directors or Members as defined in the Main Collective Agreement ;
 - (b) apply to learners in so far as they are not inconsistent with the provisions of the Skills Development Act, 92 of 1998 or any contracts entered into or any conditions fixed thereunder ;
 - (c) Notwithstanding the provisions of this clause, 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 connection with such business, shall be entitled to the phasing in concessions as contained within Clause 1(3) of the main collective agreement, provided that for the purpose of giving effect to Clause 12(1)(d) of this agreement, the contribution shall be based on the wage prescribed for the highest paid employee in Schedule A of the Main Collective Agreement.
 - (d) The provisions of Sub-Clause 2(d) shall not apply where an employer has more than four employees in his employ at the date of the coming into operation of this Collective Agreement, and subsequently reduces this number of employees to fewer than five.
 - (e) The terms of this agreement shall not apply to non-parties in respect of clauses 1 (1) (a) and 2.

2. PERIOD OF OPERATION OF AGREEMENT

This agreement shall come into operation for the parties to this Agreement on 01 July 2008 and for non-parties on such date as may be decided upon by the Minister of Labour in terms of Section 32 of the Labour Relations Act, 1995 as amended and shall remain in force until 31 July 2011.

3. DEFINITIONS

All expressions used in this Agreement which are defined in the Labour Relations Act, 1995, shall have the same meaning as in that Act, and unless the contrary intention appears, all words and expressions importing the masculine shall include the feminine gender, and those signifying the singular shall include the plural and vice versa ; further unless inconsistent with the context –

“Act” means the Labour Relations Act, 1995 (Act No. 66 of 1995) ;

“Administration Agreement” means the agreement entered into between the Council and the Provident Fund as required by the Financial Services Board in terms of an application made to be licensed as an administrator in terms of Section 13 B of the Pension Funds Act ;

“Association” means the Natal Furniture Workers’ Mortality Benefit Association continued in terms of clause 15 (1) of this Agreement ;

“auditor” means a public accountant as defined in the Act ;

“benefit” means an amount of money ;

“casual employee” means an employee who is employed by the same employer on not more than three days in any one week for the purpose of loading and/or off loading and/or storing raw materials of any kind ;

“Committee” or **“Management Committee”** for the purposes of the administration of the Funds, means the Committee appointed by the Council in accordance with the provisions of clause 4 (2) (a) of this Agreement.

“contributions” means the monies payable to the Fund in terms of clause 12 of this Agreement and/or monies diverted to the Association in terms of clause 12 (5) .

“Council” means the Bargaining Council for the Furniture Manufacturing Industry, KwaZulu-Natal ;

“dependant” means in relation to a member for the purposes of Chapter III

- (a) his wife ;
- (b) his widow ;
- (c) his minor child, legally adopted child, foster child, or minor step child ; or
- (d) any other person wholly dependant upon such member who satisfies the Committee that he is so dependent : Provided that the Committee’s decision as to who the dependants of the deceased member are, shall be final ;

“FSB” means the Financial Services Board ;

“Fund” means the Provident Fund for the Furniture Manufacturing Industry, KwaZulu-Natal, continued in terms of clause 10 of this Agreement;

“Fund week” means the period from midnight between Thursday and Friday to midnight between the following Thursday and Friday, or such other time as may be agreed upon by the Council;

“Furniture Industry” means, without in any way limiting the ordinary meaning of the expression, the manufacture either in whole or part of all types of furniture irrespective of the materials used, and includes the following operations:

Repairing, upholstering, reupholstering, staining, spraying or polishing, and/or repolishing, making of loose covers and/or cushions and/or curtains; and/or the making and/or repairing of box-spring mattresses and/or frames for upholstering; wood machining, veneering, woodturning and carving in connection with the manufacturing and/or repairing of furniture, polishing and/or repolishing of pianos or the manufacturing and/or staining, spraying and polishing and/or repolishing of tearoom, office, church, school, bar or theatre furniture and cabinets for musical instruments and radio cabinets, including the manufacturing or processes in the manufacturing of bedding, including all types of mattress, spring mattresses, overlays, pillows, bolsters and cushions and including the activities carried out in any premises where wood machining, wood turning and/or carving in connection with the production of furniture is carried on ; and including further, the repairing, reupholstering or repolishing of furniture in or in connection with establishments in which the production of furniture or any operation associated with the final preparation of any article of furniture for sale either in whole or in part is carried on, and veneering of laminated blockboard or plywood doors used for furniture, and all parts of materials used in the construction of furniture and the manufacturing in a factory of all items listed in (a) to (g) hereunder and/or the parts or components thereof, whether or not such items intended to be free standing built-in or attached to a building, but excluding the

manufacturing of articles made principally of wicker, grass and/or cane, and the manufacturing of metal furniture, including the manufacturing of metal bedsteads ;

- (a) dressers, cupboards, units for the housing of sinks and appliances, grocery cupboards, shelves, worktops, tables, chairs, benches and pelmets, all of which are for use in kitchens ;
- (b) multi-purpose cabinets – which can be used either singly or in combination with each other for various purposes, including kitchen dressers, kitchen cupboards and kitchen fittings or cupboards – or cabinets in any other part of a building ;
- (c) headboards and pedestals for beds, dressing tables, bedroom cupboards, wardrobes and wall units ;
- (d) other cabinets and cupboards ;
- (e) counters, shelves and cupboards for use in bars ;
- (f) the assembly in any building, of all types of furniture ;
- (g) the repairing or remedying, in any building, of all types of furniture.

“learner” means an employee serving under a written contract of learnership entered into under the provisions of the Skills Development Act, 1998 (Act No. 97 of 1998).

“Main Collective Agreement” means any current agreement for the Furniture Manufacturing Industry, KwaZulu-Natal, published in terms of section 32 of the Act, in which wages are prescribed, or in the absence of such an agreement, the last wage agreement published for the Industry in terms of the Act ;

“member” means an employee who has been admitted as a member of the Fund and/or Association in terms of clause 11 and clause 17 and the words “member” and “membership” shall have a corresponding meaning ;

“normal wage” means the wage based on an employee’s earnings and payable had he worked 44 hours, excluding overtime, holiday pay and any bonus, during any one week and in the instance of a working Partner, Director or Member, shall be deemed to be the wage prescribed for the highest paid employee under the Main Collective Agreement ;

“old age” means the age of 65 years or over ;

“pay-day” means Friday in each week except where Friday is a non-working day, when the pay-day shall be the last working day preceding Friday or any day in respect of which exemption has been granted by the Council to permit it being a pay-day ;

“retirement” means permanent retirement from the Industry through incapacity, ill-health or old age, and “retire” has a corresponding meaning ;

“rules” means the rules of the Fund as registered in terms of the Pension Funds Act, No. 24 of 1956, or the Association made by the Council in terms of **Chapter III** of this Agreement ;

“Secretary” means the Secretary appointed in terms of clause 4 hereof ;

“trustee(s)” means the trustee(s) appointed in terms of the Rules of the Fund, or clause 23 of this Agreement.

“working partner, director or member” means a person who himself performs any of the classes of work referred to in Schedule A of the Main Collective Agreement.

- (a) is registered as an employer in terms of Clause 17, of the Main Collective Agreement or is liable to such registration ; or
- (b) is a partner in a partnership that is registered as an employer in terms of Clause 17 of the Main Collective Agreement, or is liable to such registration ; or
- (c) is a director of a company that is registered as an employer in terms of Clause 17 of the Main Collective Agreement, or is liable to such registration ; or
- (d) is a member of a closed corporation that is registered as an employer in terms of Clause 17 of the Main Collective Agreement, or is liable to such registration.

4. ADMINISTRATION

- (1) The Council shall appoint an auditor, a Secretary and staff on such terms and conditions as it may deem fit and may vary such appointments, arrange and provide for premises, office furniture and equipment for the administration of this Agreement.

- (2) (a) The control and management of funds by the Council shall be vested in a Management Committee consisting of the Chairperson and Vice-Chairperson of the Council, together with three employer and three employee representatives, who shall be delegates to the Council and shall be appointed by the Council on to the Management Committee. For each representative, an alternate shall be appointed by the Council from its Members. The Chairperson and Vice-Chairperson of the Council shall be the Chairperson and Vice-Chairperson of the Management Committee, respectively.
- (b) The Council shall have the authority to prescribe after alter and amend its own rules of procedure for the Management Committee, provided that such rules or any amendments thereto, shall not be inconsistent with the provisions of this Agreement or with the provisions of any Act.
- (3) All expenses incurred for the purpose of the administration of either the Provident Fund or the Mortality Benefit Association, shall be a charge against either fund or alternatively the Council may charge a fee for the administration of either the Provident Fund or Mortality Benefit Association, in which case the details of such arrangement shall be encapsulated in an Administration Agreement between that particular fund and the Council.
- (4) The Council shall collect and receive all revenue of the Provident Fund and the Mortality Benefit Association and shall deposit all monies so received into a bank account opened in the name of the Provident Fund or the Mortality Benefit Association.

In particular the Committee may -

- (a) realise, sell or otherwise dispose of or deal with any of the assets of the Mortality Benefit Association ;
- (b) contract with an insurance company registered in terms of the insurance Act, 1943 (Act No. 27 of 1943), to underwrite all or any of the benefits specified in clause 20.
- (5) Should a dispute arise at any time as to the administration of either the Provident Fund or the Mortality Benefit Association in regard to which members of the Management Committee are equally divided, the matter shall be referred to the Council for decision.
- (6) With reference to the Mortality Benefit Association, every employer shall notify the Secretary of the Council of the death of any member in his employ. The Secretary

shall, as soon as possible upon receiving information from any source of the death of a member, notify the dependant(s) by letter or circular, stating the last known place of work of the deceased member and that benefits may be claimed upon application at an address specified by the Management Committee.

- (7) The Council shall be entitled to recover from an employer, on the appropriate attorneys' and client scale, all monies disbursed by it in respect of legal fees and expenses incurred for the recovery of any monies deducted by an employer from any monies due to an employee, but not paid over to the Council by such employer in terms of this Agreement.

5. ENFORCEMENT OF COLLECTIVE AGREEMENT

- (1) Despite any other provision of this Collective Agreement, the Council may appoint one or more specified persons and may request the Minister of Labour to appoint such person as designated agent in terms of section 33(1) of the Act to promote, monitor and enforce compliance with this Collective Agreement.
- (2) If, during the course of performing his duties and/or in the event that a complaint is received, the designated agent discovers what appears to be a contravention of this Collective Agreement, the designated agent may –
- (a) secure compliance with this agreement by –
 - (i) publicising the contents of this agreement ;
 - (ii) conducting inspections ;
 - (iii) investigating complaints ;
 - (iv) issuing compliance orders ; or
 - (v) any other means the Council may have adopted.
 - (b) perform any other function which is conferred or imposed on the agent by the Council.
- (3) Should any party to such alleged contravention as contemplated by the compliance order in terms of Sub-Clause (2)(a)(iv), fail to comply with the provisions of this Collective Agreement within the specified period, the designated agent must –
- (a) submit a report to the Secretary certifying that the matter remains unresolved ; and

- (b) attach a copy of the compliance notice which shall contain the description of the areas of non-compliance with the provisions of this Collective Agreement.
- (4) Upon receipt of the report submitted under 3(a), the Secretary may –
 - (a) take such steps as are necessary to give effect to any such agreement reached in the event of the contravention issue having been resolved ; or
 - (b) refer the alleged contravention to arbitration by an arbitrator appointed by the Council ; and
 - (c) an arbitrator appointed in terms of this Clause by the Council, shall have all the powers assigned to an arbitrator, as contemplated by the Act, including but not limited to the powers to impose orders for interest costs and penalties as contemplated by Section 33A of the Act read with the Regulations.
- (5) The Secretary may apply to make the arbitration award and/or settlement agreement an order of the Labour Court.
- (6) A designated agent appointed under Section 33(1) of the Act, shall in addition to the powers referred to in this sub-clause, have the powers assigned to a designated agent as set out in Schedule 10 and Section 142 of the Act, read with the changes required by the context.

6. DISPUTES ABOUT INTERPRETATION OF THE COLLECTIVE AGREEMENT

- (1) If there is a dispute about the interpretation of any provision of this Collective Agreement, any party to the dispute may refer the dispute to the Council.
- (2) The party who refers the dispute must satisfy the Council that a copy of such referral has been served on all other parties to the dispute.
- (3) The Council must attempt to resolve the dispute through conciliation.
- (4) The Secretary of the Council may require a designated agent to conciliate the dispute.

- (5) The designated agent may investigate the facts surrounding the dispute and if the designated agent has reason to believe that there has been a contravention of this Collective Agreement, the designated agent may endeavour to secure compliance with the Collective Agreement in terms of Clause 5.
- (6) The designated agent shall submit to the Secretary a written report on the outcome of the investigations undertaken as well as any steps taken in terms of sub-clause (5).
- (7) Should a party to such a dispute at a date set down for conciliation object to the designated agent acting as a conciliator, the Council may upon request of any such party, refer the dispute for conciliation in writing to the Secretary of the Council by –
 - (a) a conciliator experienced in labour conciliation ; or
 - (b) an accredited agency ; or
 - (c) the Commission for Conciliation Mediation and Arbitration, subject to there being an agreement with the Commission in terms of Section 51(6) of the Act.
- (8) Upon the failure of any party to attend a scheduled conciliation meeting, the Council may –
 - (a) postpone proceedings to a date not more than 14 days from initial scheduled conciliation meeting ; or issue a certificate declaring the dispute unresolved.
- (9) If the dispute has been certified as unresolved, any party to the dispute may request the Secretary of the Council to refer the dispute to arbitration by –
 - (a) an arbitrator experienced in labour arbitrations ; or
 - (b) an accredited agency ; or
 - (c) the Commission for Conciliation Mediation and Arbitration, subject to there being an agreement with the Commission in terms of Section 51(6).
- (10) Any party requesting the Secretary of the Council in terms of this Clause to refer the dispute to the following –

- (a) a Conciliator and/or Arbitrator experienced in labour matters ; or
- (b) an accredited agency ; or
- (c) the Commission for Conciliation Mediation and Arbitration, shall be liable for any fee that may be charged by any person and/or institution for performing the functions in terms of this Clause and the Council may recover the fees charged, from the referring party.

7. EXEMPTIONS

(1) GENERAL :

- (a) The Council may grant exemption from any of the provisions of the Collective Agreement for any good and sufficient reason and all applications for exemption shall be dealt with in the following manner:
 - (i) Parties : Any application for exemption by a Party to the Collective Agreement shall be dealt with in accordance with the provisions as laid down within the Constitution relating to exemptions.
 - (ii) Non-Parties : Any application by a non-party to the Collective Agreement shall be dealt with in accordance with the provisions as set out below.

2) PROCESS :

- (a) All applications for exemption must be in the prescribed form as required by the Council and must be forwarded to the Secretary.
- (b) Applications for exemption must be fully motivated and shall *inter alia*, include the following particulars :
 - (i) The period for which exemption is sought ;
 - (ii) the relevant clause/s from which exemption is/are sought ;
 - (iii) If the applicant is an employer, the application must be accompanied by a business plan setting out the steps to be taken by the applicant during the period of the proposed exemption so as to ensure ultimate compliance upon the expiry of such exemption and relevant financial statements shall accompany such application.

(c) Any application for exemption from the minimum wage and/or increases provided for within Schedule A of the Main Collective Agreement, must be received by the Secretary within 30 days after publication by the Minister of Labour, and/or the date of registration as an employer within the Industry, which application shall include a schedule reflecting the following particulars of employees :

- (i) names and job categories ; and
- (ii) current wages earned ; and
- (iii) confirmation that the employees and/or their representatives are in support of the application.

(d) An application for exemption shall not be considered if the employees have not indicated on the prescribed form that they are in favour of the exemption sought.

3) CRITERIA TO BE CONSIDERED WHEN CONSIDERING AN APPLICATION FOR EXEMPTION :

- (a) The exemption applied for may not be in conflict with the primary objects of the Act ;
- (b) The interests of the Industry/Sector shall be taken into account and whether the granting of the exemption would –
 - (i) unfairly undermine the collective bargaining process ;
 - (ii) interfere with fair competition between manufacturers in the Industry ;
 - (iii) encourage unfair exploitation of workers' in the Industry ;
 - (iv) wage and wage related exemptions may only be granted for duration of the Collective Agreement.

4) ADMINISTRATION :

- (a) The Secretary of the Council shall issue to every person granted exemption a licence signed by the Chairman and Secretary of the Council setting out –
 - (i) the full name of the person/employer concerned ;

- (ii) the provisions of the Collective Agreement from which exemption is granted ;
 - (iii) the conditions fixed in accordance with (ii) ;
 - (iv) the period for which exemption shall operate.
- (b) The Secretary of the Council shall –
 - (i) number consecutively all licences issued ;
 - (ii) retain a copy of each licence issued ;
 - (iii) forward a copy of the exemption licence to the Applicant.
- (c) The Council may on good cause shown, give the holder of an exemption licence 30 days' notice of withdrawal of the exemption, on receipt of which the holder may appeal to the Board in which case, such application must reach the Secretary of the Council by no later than 6 weeks from the date of notice of withdrawal by the Council.

5) EXEMPTIONS APPEAL BOARD:

(a) Establishment :

In terms of Section 32 of the Act, the Council hereby establishes an independent body to be known as the Exemptions Appeal Board, to consider and determine any appeal brought against a refusal and/or withdrawal of a non-party application for exemption from any provision of the Collective Agreement by the Council.

- (b) In considering an appeal, the Exemptions Appeal Board must consider the views Expressed by the Council, the employer/s and the employee/s and/or their representatives, as well as representations received in relation to the possible effect of the exemption on competitors.
- (c) In the event of the Exemptions Appeal Board exercising its discretion to grant an exemption previously refused by the Council, the Board must ensure that such an exemption shall not contain terms that would have an unreasonable detrimental effect of the fair equitable and uniform application of this Collective Agreement in the Industry.

- (d) All applications to the Exemptions Appeal Board, must be lodged with the Secretary of the Council by no less than 6 (six) weeks from the date of the delivery of the Council's exemption finding on the Applicant.
- (e) Each application shall be accompanied by Heads of Argument as to why the Council ought to have granted the exemption, together with processing fee of R500.00 (five hundred Rand).
- (f) The Applicant shall be required to attend the hearing, failing which the Exemptions Appeal Board shall be entitled to hear and decide on the matter in the absence of the Applicant.

8. INDEMNITY

- (1) The members of the Council and/or the Management Committee, shall not be held responsible for any act which may result in loss to the Fund or Association, and they are hereby indemnified by the Fund or Association against all losses and expenses incurred by them in or about the *bona fide* discharge of their duties.
- (2) The Council and/or the Management Committee, shall not be held responsible for any contributions deducted or any contributions due and payable by the employers which are not paid into the Fund or Association up to the sequestration or liquidation of the employer's estate or at all.

9. GENERAL PROVISIONS

- (1) The benefits, rights or interests to which a member of the Provident Fund or Mortality Benefit Association may claim to be entitled in terms of this Agreement shall not be used as grounds for damages in any action brought by such member against an employer in respect of dismissal. Nothing in this Agreement shall in any way restrict the right of an employer to terminate the employment of such a member.
- (2) No person, whether a member or otherwise, shall have any claim, right or interest in respect of the Provident Fund or Mortality Benefit Association or any contributions thereto, or any claim against the Council or the Management Committee established in terms of this Agreement and the employers, except under and in accordance with the provisions of this Agreement.

- (3) Subject to the provisions of the insolvency Act, 1936, or any other Act, if the estate of any member and/or his dependant is sequestrated or assigned, the benefit to which such member or dependant is entitled, shall not form part of the assets of his insolvent or assigned estate, but shall revert to the Mortality Benefit Association, and may be dealt with by the Management Committee concerned in a manner calculated, in the opinion of the Management Committee, to benefit such a member or dependant.

CHAPTER II

10. THE PROVIDENT FUND FOR THE FURNITURE MANUFACTURING INDUSTRY, KWAZULU-NATAL

- (1) The Provident Fund, formerly known as the "Benefit Fund for the Furniture Industry" which was established in terms of the Agreement published under Government Notice 475, dated 28 March 1958, and which was subsequently known as the "Provident Fund Sick Benefit Society and Mortality Benefit Association", is hereby continued in so far as matters relating to the Provident Fund and Mortality Benefit Association for the Furniture Manufacturing Industry, KwaZulu-Natal, is concerned, is hereby continued under the name "Provident Fund for the Furniture Manufacturing Industry, KwaZulu-Natal".
- (2) The Provident Fund shall consist of –
- (a) monies standing to the credit of the Provident Fund at the date of the coming into operation of this Agreement ;
 - (b) the total weekly contributions of both the employers and members paid into the Provident Fund, less any amounts to be diverted in terms of clause 13 (5) ;
 - (c) interest derived from the investment of any monies of the Provident Fund;
 - (d) any other monies to which the Provident Fund may become entitled by virtue of this Agreement or for any other reason, or which may be donated to the Fund .

11. MEMBERSHIP

- (1) Membership of the Provident Fund shall be compulsory and shall be further subject to the registered Rules of the Provident Fund relating to Membership.

12. CONTRIBUTIONS

- (1) (a) Subject to the provisions of paragraph (b) hereof, every employer shall on the first pay-day after the date upon which this Agreement comes into operation and therefore on every pay-day of each Fund Week, deduct from the wages of each and every member in his employ the amount specified in column A of Annexure A to this Agreement. To the amount so deducted the employer shall add a contribution as specified in column B of Annexure A to this Agreement.
- (b) Notwithstanding anything to the contrary contained in this Agreement, should a member work for only two days or less during any one Fund Week, no contribution shall be made.
- (c) Deductions shall be made from wages received by a member for periods of paid leave of absence from work and paid holidays during any period of employment other than during the period of annual closure, provided that such paid public holiday falls on a normal working day.
- (d) Every employer shall pay a contribution in respect of each working Partner, Director or Member equal to the sum of columns A and B of Annexure A to this Agreement.
- (i) For the purposes of this clause, the remuneration on which the calculations in terms of sub-clause (d) must be made, shall be deemed to be the wage prescribed for the highest paid employee in Schedule A of the Main Collective Agreement.
- (2) (a) Subject to the provisions of paragraph (b) hereof, the employer shall forward monthly the total contributions referred to in sub-clause (1) of this clause, together with a return in the form prescribed by the Council from time to time, to reach the Secretary not later than the 10th day of month following the month during which the member's deductions were required to be made.

- (b) An employer who is in arrears with payment in terms of paragraph (a) hereof and who fails, after having been warned in writing by the Council, to forward the outstanding amounts within seven days of the date of such warning shall, upon being notified by the Council in writing to do so, submit the contributions referred to in sub-clause (1) of this clause week by week so as to reach the Secretary not later than the Friday following the pay-day of the week in respect of which the contributions are due. The payment submitted in respect of the last pay-day of each calendar month shall be accompanied by the return referred to in paragraph (a) hereof. An employer to whom the provisions of this paragraph have been applied, may revert to the payment of contributions on the monthly basis provided for in terms of paragraph (a) hereof only upon being notified by the Council in writing.
 - (c) If not already furnished in respect of present employees, but in any event whenever a new employee enters the industry, the first statement referred to in paragraph (a) or (b) hereof following the date upon which such employee became eligible for membership of the Fund shall be accompanied by a schedule reflecting the full names of the employee, as well as such employee's address, identity/reference number and the address and identity/reference number, where available, of the member's dependant(s) and/or any other information that may be required by the Council from time to time.
 - (d) Every member, if he has not already done so, but in any event joining the Provident Fund, shall advise his employer of his address and identity/reference number and of the address and identity/reference number where available, of his dependant(s). Every member shall furnish his employer with any change of address of his dependant(s) and every employer shall advise the Secretary thereof in writing.
 - (e) Should an amount due in terms of this clause not be received by the Council by the 10th day of the month following the month in respect of which it is payable, the employer shall pay interest on such amount or on such lesser amount as may remain unpaid, calculated at the rate of two per cent per month or part thereof, from such 10th day until the day which payment is actually received by the Council :
- (3) If any contribution is made to the Provident Fund erroneously, the Provident Fund shall not be liable to repay that contribution after the lapse of six months from the date of such payment.
 - (4) Whenever any benefit has been mistakenly paid to a member as a result of such member having made to the Provident Fund, payments which were not due, the Board may set off the amount of benefit so paid-

- (a) against any sum claimed for the Fund as a repayment of such contributions which were not due ; and
 - (b) against any future benefits that may become due by the Fund to the said member.
- (5) From the weekly contributions received from the employee and his employer, the Provident Fund shall -
 - (a) divert to the Natal Furniture Workers' Sick Benefit Society and / or any other Society established with similar objectives between the Parties, in respect of members, such contributions as are prescribed by that Collective Agreement.
 - (d) divert to the Mortality Benefit Association embodied in Chapter III of this Agreement such contributions as are prescribed in clause 18 (1) and (2).

13. BENEFITS

- (1) A member shall be entitled to payment of the benefits accrued to him in terms of the Rules of the Provident Fund as registered in terms of the Pension Funds Act no. 24 of 1956 as amended or any successor thereof.

14. EXPIRY OF AGREEMENT, DISSOLUTION OF COUNCIL AND LIQUIDATION

- (1) In the event of the expiry of this Agreement by effluxion of time or cessation / or any other cause and no subsequent Agreement being negotiated, the Management Committee shall continue to observe this Agreement as terms of reference as framework for administrative purposes until such time as subsequent arrangements are made and agreed upon by the Parties to the Council.

CHAPTER III

15. NATAL FURNITURE WORKERS' MORTALITY BENEFIT ASSOCIATION

- (1) The Association formerly known as the "Natal Furniture Workers' Mortality Benefit Association, which was established in terms of Government Notice No. R. 1236

dated 08 July 1977, is hereby continued in as far as matters relating to the Natal Furniture Workers' Mortality Benefit Association is concerned.

- (2) The monies of the Association shall consist of -
- (a) any monies which may be transferred to the credit of the Mortality Benefit Association as at the date of the coming into operation of this Agreement ;
 - (b) the contributions diverted to the Mortality Benefit Association in terms of clause 12 (5) of this Agreement ;
 - (c) interest derived from the investment of any monies of the Mortality Benefit Association ; and
 - (d) any other monies to which the Mortality Benefit Association may become entitled or which may be donated to the Association.

16. OBJECTS

- (1) The objects of the Mortality Benefit Association shall be to provide benefits for a dependant of a member of the Association in the event of the death of such member. For the purposes of this Chapter, "dependant", in relation to a member, shall mean, at the discretion of the Management Committee, any one or more of the following :
- (a) His widow ; and/or
 - (b) his minor child and/or minor step-child ; and/or
 - (c) any other person wholly dependant upon such member and who satisfies the Management Committee that he is so dependent ; or
 - (d) a beneficiary nominated by a member where at the date of nomination there is no dependant : Provided that should a dependant under (a) or (b) be established, the nomination of a beneficiary shall be deemed invalid.
- (2) The Management Committee's decision as to whom the dependants of the deceased member are in terms of this clause shall, subject to the approval of the Council, be final.

17. MEMBERSHIP

- (1) (a) Membership of the Mortality Benefit Association shall, subject to the provisions of sub-clause 1 (2), consist of all employees (other than casual employees) for whom a wage is prescribed in the Main Agreement and of learners.
- (b) Notwithstanding the provisions of paragraph (a) hereof, membership shall further, at the discretion of the Committee, be open to all other persons engaged in the Industry, other than casual employees, who elect to become members and in respect of whom their employers have consented to make the contributions provided for in clause 12 of this Agreement.
- (2) Subject to the provisions of sub-clause (3) hereof, membership of the Mortality Benefit Association shall cease -
- or
- (a) immediately there is a cessation of contribution in respect of such member ;
- (b) When a member severs his connection with the industry, and the dependants of such former member shall thereupon not be entitled to the benefits specified by clause 20 of this Chapter.
- (3) Notwithstanding anything to the contrary contained in sub-clause (2) hereof, membership shall not cease where the cessation of contributions is occasioned by -
- (a) whilst still in employment the inability of the member to work because of ill-health ;
- (b) short time.

18. CONTRIBUTIONS

The contributions payable in respect of each member shall be 60c per week and shall—

- (1) in respect of a member referred to clause 17 (1) (a), be diverted in equal proportions in terms of clause 12 (5) from the contributions prescribed in clause 12 (1) (a) of this Agreement ; and

- (2) in respect of a member referred to in clause 17 (1) (b) be deducted weekly by his employer from the wages of the member and forwarded month by month to the Secretary of the Mortality Benefit Association.

19. MORTALITY BENEFITS

(1) Upon the death of a member who had not attained the age of 65 years at the time of his death and on behalf of whom the Mortality Benefit Association received the contributions up to the day of his death, or who had not attained the age of 65 years and who ceased to contribute to the Association prior to his death for the reasons specified in clause 17 (3) (a) and (b), the mortality benefits payable to the dependant shall, subject to clause 6, be in accordance with Column A of the table below. Likewise, upon the death of a wife or child of a member where the Mortality Benefit Association had received contributions up to the date of such death, the mortality benefits payable to the member shall, subject to sub-clause 6, be in accordance with Column B and/or C of the following table :

SCHEDULE			
Period of Member contribution	MEMBER	SPOUSE	EACH CHILD
	A	B	C
Up to 2 years	1,020	-	-
2 years plus	1,500	600	400
3 years plus	1,980	600	400
4 years plus	3,000	600	400
5 years plus	3,600	800	480
6 years plus	4,200	800	560
7 years plus	4,800	800	640
8 years plus	5,400	900	720
9 years plus	6,000	900	800
10 years plus	6,600	1,000	960

11 years plus	7,200	1,000	960
12 years plus	7,800	1,200	1,040
13 years plus	8,200	1,300	1,120
14 years plus	9,000	1,400	1,200
15 years plus	9,600	1,500	1,280
16 years plus	10,200	1,600	1,360
17 years plus	10,800	1,700	1,440
18 years plus	11,400	1,800	1,520
19 years plus	12,000	1,900	1,600
20 years plus	12,600	2,000	1,680

- (2) Should a deceased member have no dependant(s), the Management Committee may, in its discretion, consider an application for an *ex gratia* payment in respect of the burial costs of such deceased member : Provided that should the Management Committee decide to make such payment, it shall not exceed the amount of R250 in the case of members referred to in sub-clause (1). The Management Committee's decision in regard to such application shall be final.
- (3) Where a deceased member has no dependant(s), the Management Committee shall transfer such amount as the deceased member would have received had he had dependants, less any *ex gratia* payments made in terms of sub-clause (2), to a reserve fund created for the payment of benefits to the dependants of non-contributing members who at the time of their death were not contributing to the Mortality Benefit Association for reasons specified in clause 17 (3) (a) and (c).
- (4) Depending upon such surplus as may have accrued to the non-contributory members' reserve fund created in terms of sub-clause (3), the Management Committee shall upon the death of a non-contributory member referred to in that sub-clause decide in relation to such deceased member's period of contributory membership, upon the mortality benefits to be paid, at the entire discretion of the Management Committee to the dependant(s) of such member, which amount shall not exceed R1,000.
- (5) If at any time the amount to the credit of the non-contributory members' reserve fund falls below R1,000, payment in terms of sub-clause (4) shall cease. Payment

of any benefits in terms of sub-clause (4) shall not be resumed until the amount to the credit of the non-contributory members' reserve fund exceeds R2,000.

- (6) Notwithstanding the provisions of sub-clause (5), should the amount in the non-contributory members' reserve fund exceed R1,000, but the total amount to the credit of the Association fall below R6,000, no payment shall be made until the requirements of clause 20 (3) have been complied with.
- (7) The Management Committee may in its discretion transfer monies, in addition to the monies referred to in sub-clause (3), from the Mortality Benefit Association's accumulated funds to the non-contributory members' reserve fund should this reserve fund not be able to meet the commitments: Provided that the Association's accumulated monies shall not by such transfer be reduced to an amount of less than R15,000.

20. LIMITATION OF BENEFITS

- (1) No payments shall be made in terms of clause 19, unless application therefore is made within a period of one year from the date of death or within such longer period (not exceeding three years from the date of death) as the Committee may allow if it is satisfied that the delay in making the application was caused by events beyond the control of the applicant, where after the benefits shall revert to the Mortality Benefit Association for the benefit of the remaining members, and there shall thereafter be no further claim against the Association.
- (2) The Mortality Benefit Association shall not be liable to pay any benefits, other than at the discretion of the Management Committee, where the claim arises from death
 - (a) while insane or in a state of intoxication, by reason of suicide or attempted suicide or intentional self-inflicted injuries or because of self-inflicted gunshot wounds ;
 - (b) while engaged or taking part in aeronautics or aviation of any kind or resulting from the member being in any aircraft except as a fare-paying passenger in a fully licensed standard type of aircraft operated by a recognised airline on a regular air route or in a fully licensed standard type of multi-engine aircraft operated by a recognised air charter company ;
 - (c) while riding or driving in any kind of race or resulting from mountaineering, alpine winter sports, ice hockey, steeple chasing, polo, motor cycling or the use of motor scooters and/or mechanically driven cycles of any description ;

- (d) while engaged or taking part in military, navel or air force service operations ;
 - (e) from any consequences arising directly or indirectly from war, invasion, hostile acts of foreign powers, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power, martial law or a state of siege, or whilst engaged or taking part in any disturbances of the public peace or riots or civil commotions of any kind.
- (3) If at any time the amount to the credit of the Association drops below R12,500, payments in terms of clause 20 shall cease and shall not be resumed until the amount to the credit of the Association exceeds R25,000.

21. POWERS AND DUTIES OF THE COMMITTEE

- (1) Subject to the approval of the Council, the Committee shall direct the policy of the Association and administer the general business and activities of the Association in accordance with the provisions of this Chapter, and in so doing, the committee shall take all such steps as it may deem necessary, or which it considers will be conducive towards or will assist in the attainment of such object.

22. FINANCIAL CONTROL

- (1) All expenses incurred in connection with the administration of the Association shall be a charge against the Association.
- (2) All monies not required to meet current payments and expenses shall be invested in:
- (a) savings accounts, permanent shares or fixed deposits with any registered bank or financial institution ; and / or
 - (b) internal registered stock as contemplated in section 21 of the Exchequer Act, (1975) (Act No. 66 of 1975) ; and / or
 - (c) a registered unit trust ; or
 - (d) any other manner approved by the Registrar.
- (3) The financial year of the Association shall end on 30 June of each year.

- (4) As soon as possible after 30 June of each year, the Association shall prepare a statement of all revenue and expenditure of the Association and a balance sheet showing the assets and liabilities in respect of the preceding period of 12 months ending 30 June, which shall be certified by the auditor and countersigned by the Chairman of the Association and shall be submitted to the Council together with any report by the auditor thereon.
- (5) The audited statement and balance sheet shall thereafter lie for inspection at the office of the Council and copies thereof shall, be submitted to the Registrar of Labour Relations as required by the Act.

23. DISSOLUTION OF THE ASSOCIATION

- (1) Upon the liquidation of the Association the Management Committee, the liquidator or the trustees, as the case may be, shall -
 - (a) forthwith proceed to convert all the investments and assets of the Association into cash funds and invest such cash on call within 30 days;
 - (b) pay all creditors, administration and liquidation expenses from the funds of the Mortality Benefit Association.
- (2)
 - (a) Notwithstanding anything to the contrary contained in this Chapter, should any monies thereafter remain to the credit of the Mortality Benefit Association upon liquidation in accordance with sub-clause (1), such monies shall be paid into the general funds of the Council : Provided, however, that the Council shall, in the event of a claim being received within a period of three years from the date upon which the relevant benefits become due, as specified in clause 19 (6) hereof, be entitled in its absolute discretion to make payments to the beneficiaries concerned out of the monies which have been forfeited to the funds of the Council.
 - (b) If the affairs of the Council have already been wound up and the balance of the Council's funds distributed, monies forfeited in terms of sub-clause (2) (a) hereof shall, in the event of the Association already having been liquidated, be distributed as provided for in terms of the Council's Constitution, as if they formed part of the general funds of the Council.

ANNEXURE A

Schedule of total deductions and contributions to be made in terms of Clause 12(1)(a) of the Agreement towards the Provident Fund for the Furniture Manufacturing Industry, KwaZulu-Natal.

A	B
Employee's weekly deductions from wages 7.25 per cent of actual hours worked to a maximum of 44 hours per week.	Employer's weekly contribution 7.25 per cent of actual hours worked to a maximum of 44 hours per week.

SIGNED AT DURBAN ON THIS 21ST DAY OF MAY 2009.

CHAIRPERSON
G. BOSTOCK

VICE-CHAIRPERSON
S. GOVENDER

SECRETARY
G.J.P. BLIGNAUT