

No. R. 531

18 June 2010

LABOUR RELATIONS ACT, 1995**METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL: EXTENSION
TO NON-PARTIES OF MAIN 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 Metal and Engineering Industries 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 from28 June 2010..... and for the period ending 30 June 2011.

**MMS MDLADLANA
MINISTER OF LABOUR**

No. R. 531

18 Junie 2010

**METAAL-EN INGENIEURSNYWERHEDE BEDINGINGSRAAD: UITBREIDING NA
NIE-PARTYE VAN HOOF KOLLEKTIEWE HERBEKRAGTIGING- EN
WYSIGINGSOORENKOMS**

Ek, MEMBATHISI MPHUMZI SHEPHERD MDLADLANA, Minister van Arbeid, verklaar hierby, kragtens artikel 32(2) van die Wet op Arbeidsverhoudinge, 1995, dat die Kollektiewe Ooreenkoms wat in die Bylae hiervan verskyn en wat in die Metaal-en Ingenieursnywerhede Bedingingsraad aangegaan is en kragtens artikel 31 van die Wet op Arbeidsverhoudinge, 1995, bindend is op die partye wat die ooreenkoms aangegaan het, bindend is vir die ander werkgewers en werknemers in daardie Nywerheid, met ingang van28 Junie 2010....., en vir die tydperk wat op 30 Junie 2011 eindig.

**MMS MDLADLANA
MINISTER VAN ARBEID**

SCHEDULE**METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL
COLLECTIVE MAIN AGREEMENT**

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

**EMPLOYER ASSOCIATIONS WHICH ARE MEMBERS OF THE EMPLOYER
FEDERATION:**

Association of Electrical Cable Manufacturers of South Africa

Association of Metal Service Centres of South Africa

Bright Bar Association

Cape Engineers' and Founders' Association

Constructional Engineering Association (South Africa)

Covered Conductor Manufacturers' Association

Electrical Engineering and Allied Industries' Association

Electrical Manufacturers' Association of South Africa (EMASA)

Electronics and Telecommunications Industries' Association

Gate and Fence Association

Hand Tool Manufacturers' Association (HATMA)

KwaZulu-Natal Engineering Industries' Association

Lift Engineering Association of South Africa

Light Engineering Industries' Association of South Africa

Non-ferrous Metal Industries' Association of South Africa

Port Elizabeth Engineers' Association

Pressure Vessel Manufacturers' Association of South Africa

Radio, Appliance and Television Association of South Africa (RATA)

Refrigeration and Air Conditioning Manufacturers' and Suppliers' Association

Sheetmetal Industries' Association of South Africa

S.A. Electro-Plating Industries' Association

S.A. Engineers' and Founders' Association

S.A. Fastener Manufacturers' Association (SAFMA)

S.A. Refrigeration and Air Conditioning Contractors' Association (SARACCA)

S.A. Post Tensioning Association (SAPTA)

S.A. Pump Manufacturers' Association

S.A. Reinforced Concrete Engineers' Association (SARCEA)

S.A. Valve and Actuator Manufacturers' Association (SAVAMA)

**EMPLOYER ORGANISATIONS WHICH ARE NOT MEMBERS OF THE EMPLOYER
FEDERATION:**

Consolidated Association of employers of S.A. (CAESAR)

Federated Employers Organisation of S.A. (FEOSA)

National Employers Association of S.A. (NEASA)

Plastic Convertors Association of S.A.

(hereinafter referred to as the “employers” or the “employers’ organisations”), of the one part, and the –

Chemical, Energy, Paper, Printing, Wood and Allied Workers’ Union (CEPPWAWU)

Metal and Electrical Workers Union of South Africa (MEWUSA)

Solidarity / Solidariteit

United Association of S.A. (UASA the Union)

National Union of Metalworkers of South Africa (NUMSA)

S.A. Equity Workers’ Association (SAEWA)

(hereinafter referred to as the “employees” or the “trade unions”), of the other part, being the parties to the Metal and Engineering Industries Bargaining Council to amend the Collective Agreement published under Government Notice R.404 of 31 March 1998, as re-enacted and amended under Government Notices Nos. R.1491 of 27 November 1998, R.941 of 6 august 1999, R.1128 of 17 November 2000, R.1051 of 26 October 2001, R.138 of 8 February 2002, R.1082 of 16 August 2002, R.570 of 2 May 2003, R.1374 of 3 October 2003, R.542 of 30 April 2004, R.1165 of 8 October 2004, R.59 of 28 January 2005, R.868 of 9 September 2005, R.819 of 11 August 2006, R.77 of 2 February 2007, R.839 of 14 September 2007, R.1041 of 3 October 2008, R.899 of 11 September 2009 and R.1181 of 18 December 2009 (hereinafter referred to as the “Former Agreement”).

PART I**CONDITIONS OF EMPLOYMENT****1. SCOPE OF APPLICATION OF AGREEMENT**

- (1) The terms of this Agreement shall be observed—
 - (a) in the Iron, Steel, Engineering and Metallurgical Industry throughout the Republic of South Africa;
 - (b) in the Provinces of the Transvaal and Natal by the section of the Industry concerned with the installation, repair and servicing of radios, refrigerators and domestic electrical appliances;
 - (c) in the Magisterial Districts of Durban, East London, Johannesburg, Pietersburg, Pinetown and The Cape by the section of the industry concerned with radio manufacture;
 - (d) by all employers who are members of the employers' organisations and by all employees who are members of the trade unions.
- (2) Notwithstanding the provisions of clauses 1(1)(d), 2 and the special provisions, the terms of this Agreement shall not apply to employers and employees who are not members of the employers organizations and trade unions, respectively.
- (3) Notwithstanding the provisions of subclause (1), the terms of this Agreement shall not apply to the following:
 - (a) the installation, repair and servicing of radios and domestic electrical appliances in the Provinces of the Cape of Good Hope and the Orange Free State.
 - (b) the manufacture, for sale, of standard high-speed cutting tools made from high-speed steel by means of plant and/or equipment and/or methods specifically adapted and/or designed for production by repetitive processes, in the Magisterial

Districts of Boksburg, Johannesburg, Pietermaritzburg and Vereeniging.

- (c) the manufacture of aluminium sheet and/or foil, and interrelated operations.
- (d) the installation and/or repair and/or maintenance of electrical lifts and escalators.
- (e) the production of iron and/or steel and/or ferro-alloys.
- (f) the installation, maintenance and repair of electrical equipment referred to in paragraph (a)(ii) of the definition 'Electrical Engineering Industry' in clause 3 of Part I of the former Agreement in the Provinces of the Cape of Good Hope and the Orange Free State.
- (g) the manufacture of tungsten carbide (hard metal).
- (h) the assembling, servicing, installation, maintenance and/or repair of appliances, equipment, machines, devices and apparatus, whether utilising manual, photographic, mechanical, electrical, electrostatic or electronic principles, or any combination of such principles, that are primarily intended for use in accounting and/or business and/or calculation and/or office and/or educational procedures.
- (i) the Venetian Blind and Allied Products Manufacturing Industry in the Province of the Transvaal.
- (j) the installation and/or repair of burglar and/or other similar alarm systems in the Provinces of the Cape of Good Hope and the Orange Free State.
- (k) the manufacture of plumbers' and/or engineers' brassware by means of gravity die-casting and/or pressure die-casting and/or hot pressing and/or machining.
- (l) the undertaking of Union Steel Corporation of South Africa (Pty) Limited, in the Magisterial District of Vereeniging, Transvaal.
- (m) the Locksmithing Trade in the Magisterial Districts of Benoni, Boksburg, Durban, Germiston, Johannesburg, Krugersdorp, Lower Umfolozi, Pinetown, Port

Elizabeth, Pretoria, Randburg, Roodepoort, Springs and The Cape.

- (n) the production, for sale, of welding electrodes by means of plant and/or equipment and/or methods specifically adapted and/or designed for production by repetitive processes, in the Magisterial Districts of Brits, Germiston, Kempton Park and Pretoria.
 - (o) the undertaking of Billiton Aluminium S.A. (Pty) Ltd in the Magisterial District of Lower Umfolozi.
 - (p) the erecting, on site, of products referred to in the preamble to Division D/7 of Part II of the Agreement published under Government Notice R.404 of 31 March 1998 (but shall exclude the manufacture on site of palisade fencing).
 - (q) the servicing and/or maintenance and/or repairing of lawn-mowing machines, cultivators, sickle-cutters, grass-cutters, edge-trimmers, chainsaws and/or parts and/or components thereof.
- (4) Notwithstanding the provisions of subclause (1), the terms of this Agreement shall apply to
- (a) apprentices only to the extent to which they are not inconsistent with the provisions of the Manpower Training Act, 1981, and learners in terms of chapter iv of the Skills Development Act 97/1998, or any contract entered into or any conditions fixed thereunder; and
 - (b) trainees under training in terms of section 30 of the Manpower Training Act, 1981, only in so far as they are not inconsistent with the provisions of the Act or any conditions fixed thereunder.
- (5) Notwithstanding the limitation of the Agreement to the operations therein scheduled—
- (a) the provisions of the clauses relating to Leave Pay, Additional Leave Pay and Leave Enhancement Pay of Part I of the Agreement published under Government Notice No. R.404 of 31 March 1998 shall apply to all employees employed in

operative processes receiving a rate of pay equivalent to or more than that prescribed from time to time in the Agreement for Rate D employees, whether paid weekly or monthly, but excluding payment for overtime;

- (b) no person directly employed in a manufacturing or production process shall be paid a wage less than Rate H as prescribed from time to time in Part II of this Agreement.

For the purposes of this subclause, 'employed in a manufacturing or production process' shall apply to those employees whose rate of pay is not scheduled in this Agreement but whose activities are directly concerned with the creation of the engineering goods and/or services as covered by the scope of application of this Agreement. This provision shall not apply to the work carried out by administrative staff and/or those employees employed in non-production operations.

- (6) The conditions of employment of watchmen shall be regulated by the provisions of this Agreement, except in respect of ordinary working hours, which shall be a maximum of 44 hours per week.

2. PERIOD OF OPERATION OF AGREEMENT

This Agreement shall come into operation on such date as may be fixed by the Minister of Labour in terms of clause 32 of the Labour Relations Act, 1995, and shall remain in force until 30 June 2011.

3. SPECIAL PROVISIONS

The provisions contained in clause 28 of the Agreement published under Government Notice No. R.1181 of 18 December 2009. (hereinafter referred to as the "former Agreement") shall apply to employers and employees.

4. GENERAL PROVISIONS

The provisions contained in clauses 3 to 27, and 29 to 47 of Part I and Part II of the Former

Agreement shall apply to employers and employees.

5. CLAUSE 35: SECURITY OF EMPLOYMENT AND SEVERANCE PAYMENT

Substitute the following for the existing clause:

“35. SECURITY OF EMPLOYMENT AND SEVERANCE PAYMENT

- (1) (a) In the case of retrenchment an employer, subject to subclause (2), shall pay to each employee who is retrenched, in addition to any other amounts to which he is entitled in terms of this Agreement on termination of service, a severance payment of a minimum of one week's wages, together with the following:

- (i) pro-rata allowance(s) where applicable;
- (ii) pro-rata leave and leave enhancement pay; and
- (i) an amount equal to the weekly employer contribution to any applicable benefit funds of which the employee was a member at time of retrenchment

In respect of each completed year's service with the same employer.

Subject to the proviso that an employee who has more than six months service but less than a completed year's service shall receive a severance payment equal to one week's remuneration.

- (b) **Employees shall be entitled to the following additional ex-gratia payments:**

- **An employee with between five to ten completed years' service with the same employer: One week's ex gratia payment;**
- **An employee with between eleven to fifteen completed years' service with the same employer: two weeks ex-gratia payment; and**
- **An employee with sixteen or more completed years service with the same employer: three weeks ex gratia payment”.**

- (c) An employer who is retrenching as a consequence of financial difficulties and who is unable to comply with the ex gratia payment may make direct application to the independent Exemptions Appeal Board for exemption. Such exemption application must be supported by appropriate financial statements showing sufficient financial hardship to warrant the exemption sought".
- (d) An employer and any employee or employee representative shall at either's request consult in good faith at plant level with a view to reaching agreement on a higher severance payment than that stipulated in subclause (1)(a).
- (2) (a) The procedure to be followed in the event of lay-offs, relocation or closure of an establishment, retrenchments, redundancies and the operation of limited duration contracts of employment shall be as provided for in Annexure A to this Agreement.
- (b) Where non-observance of the procedures provided for under Annexure A to this Agreement gives rise to a dispute, such dispute shall be dealt with by the Bargaining Council in terms of its dispute resolution procedure."

PART II

6. CLAUSE 4: TECHNICAL SCHEDULES

Schedule G, section (a) General

Insert the following operation:

Rate A (n.e.s.)

56. Steel Erector

Re-number items 56 to 68 as items 57 to 69.

Thus signed at Johannesburg for and on behalf of the parties, this

20 APR 2010

L Trentini
Member.

T Kruger
Member

A Smith
Chief Executive Officer.