No. 965 29 October 2010

LABOUR RELATIONS ACT, 1995

FURNITURE BARGAINING COUNCIL: EXTENSION TO NON-PARTIES OF THE COLLECTIVE RE-ENACTING AND AMENDING AGREEMENT

No. R. 965 29 Oktober 2010

MEUBEL NYWERHEDE BEDINGINGSRAAD: UITBREIDING NA NIE-PARTYE VAN KOLLEKTIEWE HERBEKRAGTIGINGS- EN WYSIGINGSOOREENKOMS

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 Meubel Nywerhede 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 van8 November 2010......., en vir die tydperk wat op 30 Junie 2012 eindig.

MMS MDLADLANA MINISTER VAN ARBEID

SCHEDULE

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 Allled 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.

CHAPTER 1

1. SCOPE OF APPLICATION

- 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; and
 - 1.2.2 apply to learners under the Skills Development Act, 1998, or any contracts entered into or any conditions fixed thereunder.
- 1.3 The following provisions shall not apply to non parties: Clauses 1.1.1, 2 and 3 of Chapter 1, Chapter 2A and Clauses 5.1, 5.2, 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.

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 2010 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 2012.

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 Notices Nos. R.832 of 18 August 2006, R.488 dated 8 June 2007 and R.813 of 7 September 2007 as corrected by Government Notice No. R.1104 of 23 November 2007 (hereinafter referred to as the "Former Agreement") as further amended, extended, and re-enacted from time to time shall apply to employers and employees who are members of the parties to the collective agreement.

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 13.12, 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 "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, kitchen cupboards, attached wall cupboards, built-in cupboards, free standing bars or built-in 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 tearooms, 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 bedding 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. made mainly of wood, cane, wicker or grass. Curtain making includes window treatment, cutting of rails and rods, fitting of pelmets, curtains, blinds and associated products;"

(2) Insert the following new definition:

""substantive issues" means all issues relating to costs and affecting the wage packages of employees or their remuneration;"

6. CLAUSE 5 OF THE FORMER AGREEMENT: PROHIBITION OF TWO-TIER BARGAINING

Substitute the following for clause 5:

- "5.1 The Bargaining Council shall be the exclusive forum for the negotiation and conclusion of all agreements on substantive issues between employers' organisations and their members, on the one hand, and employees or trade unions and their members on the other hand.
- Non-substantive conditions of employment over and above existing ones in the prevailing Collective Agreement, e.g. bonuses or incentive schemes that are directly related to profit or productivity, or both, may be negotiated by employee representatives or representative trade unions at establishment level and/or plant level. In the event of a deadlock in negotiations between the parties in this category of issues, the provisions of the Council's prevailing Collective Agreement may be invoked.
- 5.3 No trade union, employee, employers' organisation or employer may call a strike, lock-out or attempt in any way to seek, to induce or to compel negotiations on the issues referred to in clause 5.1 at any level other than at the Bargaining Council level.
- 5.4 Any establishment or plant level agreement between an employer who is a member of a party employers' organisation and a party trade union which contains provisions that are inconsistent with this Agreement-
 - 5.4.1 must be regarded by the parties to the establishment or plant level agreement as having been amended to create consistency with this clause; and
 - 5.4.2 any provisions of the establishment or plant level agreement will not be binding to the extent that those provisions are inconsistent with this clause.

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

Insert the following new clause before the PHASE ONE clause:

"New establishments with not more than a total of 10 employees (including employees involved in activities other than furniture, bedding, upholstery and curtain manufacturing activities e.g. administration, sales, marketing, etc), may apply for the following phasing in concession, provided that their employees agree thereto and the establishment concerned shall then be prohibited from applying a Newly Employed Employee Concession as per clause 7A hereunder until the expiry or cancellation of the Newly Established Small Employer Concession:"

8. NEW CLAUSE 7A: NEWLY EMPLOYED EMPLOYEE CONCESSION

Insert the following new clause after clause 7:

"The following calculations may be applied to determine the remuneration, levies and contributions payable to any new employee who commences employment with an employer for the first time after 1 July 2010, provided that the establishment concerned has not been afforded a Newly Established Small Employer Concession as per clause 7 above:

YEAR ONE of employment:

- (a) 100% of the prescribed minimum weekly wage rates for General Workers;
- (b) 85% of the prescribed minimum weekly wage rates for all other Occupation Skills Levels of employees;
- (c) 100% of the prescribed Council Levies;
- (d) 100% of the prescribed Leave Pay Fund contributions;

YEAR TWO of employment:

- (a) 100% of the prescribed minimum weekly wage rates for General Workers;
- (b) 90% of the prescribed minimum weekly wage rates for all other Occupation Skills Levies of employees;
- (c) 100% of the prescribed Council Levies;
- (d) 100% of the prescribed Leave Pay Fund contributions;

(e) 100% of the prescribed Sick Benefit Society contributions OR 100% of the prescribed Additional Provident Fund contributions;

YEAR THREE of employment

- (a) 100% of the prescribed minimum weekly wage rates for all the Occupation Skills Levels of employees:
- (b) 100% of the prescribed Council Levies:
- (c) 100% of all prescribed Leave Pay Fund contributions;
- (d) 100% of the prescribed Sick Benefit Society contributions OR 100% of the prescribed Additional Provident Fund contributions;

YEAR FOUR of employment

After completion of Year Three of employment, all prescribed wages, Council levies and contributions shall become applicable and payable by the employer and the employee.".

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

(1) 8.2 Intervals

Substitute the following for clause 8.2.2:

"8.2.2 a lunch interval of between 30 minutes and 60 minutes after a continuous period of work of not more than 5 hours, which shall not be regarded as part of ordinary hours of work."

(2) 8.10.1 Short Time

Substitute the following for clause 8.10.1.2:

"8.10.1.2 An employee who on any day reports for duty at the usual starting time of the establishment and for whom no work is available, or for whom work becomes unavailable during the course of the day, shall be paid in respect of such day an amount of not less than 4 hours' wages, unless he was notified by his employer previously that his services would not be required on the day in question.".

(3) 8.13 Family responsibility leave

Substitute the following for clauses 8.13.1 and 8.13.2:

- "8.13.1 An employee who has been employed with an employer for longer than 4 months shall be entitled to 3 days' paid leave per annum at full pay, on submission of the necessary proof, when the employee's child is born or when the employee's child is sick. Upon the death of the employee's spouse, life partner, parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling, the employee shall be entitled to a further 2 days' paid leave per annum at full pay, on submission of the necessary proof.
- 8.13.2 An employee's unused entitlement to leave in terms of this clause lapses annually and may not be accrued.".

CHAPTER 2

10. CLAUSE 8 OF THE FORMER AGREEMENT: BENEFITS INALIENABLE

(1) Substitute the following for clause 8.2:

"No benefit or right to any benefit shall be capable of being ceded, transferred, assigned or otherwise made over, or pledged or hypothecated. No contributions made by a member or on his behalf shall be liable to be attached or be subject to any form of execution under a judgement or order of a court of law except to any other Fund administered by the Council.".

(2) Delete clause 8.3.

CHAPTER 2A

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

(1) Clause 12.1 The Furnmed Sick Benefit Society

Substitute the following for clause 12.1.2.3:

"12.1.2.3 Compulsory membership

- 12.1.2.3.1 If an employer is a FBUMA or CMAPA member and its employees are members of CEPPWAWU, such employees must become members of the FURNMED Sick Benefit Society and the employer and employee must pay the prescribed contributions which are applicable to the FURNMED Sick Benefit Society.
- 12.1.2.3.2 If an employer is a FBUMA or CMAPA member and its employees do not belong to any trade union, its employees may join the FURNMED Sick Benefit Society, which will be subject to the approval of the society failing which the employer and employee must pay prescribed additional Provident Fund contributions.
- 12.1.2.3.3 If an employer is a FBUMA or CMAPA member and its employees are members of trade unions other than CEPPWAWU, such employees may not become members of the FURNMED Sick Benefit Society.".

(2) Clause 12.2: The NUFAWSA Sick Benefit Society

Substitute the following for clause 12.2.5.3:

"12.2.5.3 Compulsory membership

12.2.5.3.1 If an employer is a FBUMA or CMAPA member and its employees are members of NUFAWSA, such employees must become members of the NUFAWSA Sick Benefit Society and the employer and employee must pay the prescribed

contributions which are applicable to the NUFAWSA Sick Benefit Society.

- 12.2.5.3.2 If an employer is a FBUMA or CMAPA member and its employees do not belong to any trade union, its employees may join the NUFAWSA Sick Benefit Society, which will be subject to the approval of the society failing which the employer and employee must pay prescribed additional Provident Fund contributions.
- 12.2.5.3.3 If an employer is a FBUMA or CMAPA member and its employees are members of trade unions other than NUFAWSA, such employees may not become members of the NUFAWSA Sick Benefit Society.".

SCHEDULE 1

12. CONTRIBUTIONS, LEVIES, MONEYS AND REGISTRATION FEE PAYABLE TO THE COUNCIL

(1) Clause 1: LEAVE PAY MONEYS

Substitute the following for clause 1.1:

- "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 and trade union representative leave days.".
- (2) Substitute the following for clause 1.3:
 - "1.3 No Leave Pay moneys are payable on wages which are payable for overtime wages, hours worked on a Sunday, allowances and on wages which are payable for sick leave days, study leave days and family responsibility leave days.".

(3) Clause 2: HOLIDAY BONUS MONEYS

Substitute the following for clause 2:

"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 and trade union representative leave days and shall be determined as follows:"

- (4) Substitute the following for clause 2.4:
 - "2.4 No Holiday Bonus moneys are payable on wages which are payable for overtime wages, hours worked on a Sunday, allowances and on wages which are payable for sick leave days, study leave days and family responsibility leave days.".
- (5) Clause 3: PROVIDENT FUND (payable only when more than 16 hours' wages per week have been paid):

Substitute the following for clause 3:

- "3. **PROVIDENT FUND MONEYS** (These contributions shall be payable only when more than 16 hours' wages per week have been paid in respect of the ordinary hours worked by the employee, the hours which would ordinarily have been worked by the employee on paid public holidays and trade union representative leave days only."
- (6) Clause 4: ADDITIONAL PROVIDENT FUND MONEYS (payable only when more than 16 hours' wages per week have been paid)

Substitute the following for clause 4:

"4. ADDITIONAL PROVIDENT FUND MONEYS (These contributions shall be payable only when more than 16 hours' wages per week have been paid in respect of the ordinary hours worked by the employee, the hours which would ordinarily have been worked by the employee on paid public holidays and trade union representative leave days only.

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 additional Provident Fund contributions equal to the Furnmed Sick Benefit Society's member contributions:

(7) Clause 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)

Substitute the following for clause 5.1:

- "5.1 FURNMED SICK BENEFIT SOCIETY (For all areas excluding the Free State Province) (These contributions shall be payable only when more than 16 hours' wages per week have been paid in respect of the ordinary hours worked by the employee, the hours which would ordinarily have been worked by the employee on paid public holidays and trade union representative leave days only."
- (8) Substitute the following for clauses 5.1.1, 5.1.2, 5.1.3 and 5.1.4:

"5.1.1 Member: R42-50 per week payable by

the employee and R60-50 per

week payable by the

employer.

5.1.2 Adult dependants: R45-00 per week payable, per

adult dependant, payable by

the employee only.

5.1.3 Minor dependants: R45-00 per week, per minor

dependant, payable by the

employee only.

5.1.4 Extraordinary dependants:

R103-00 per week, per extraordinary dependant, payable by the employee only.

(9) Clause 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)

Substitute the following for clause 5.2:

- "5.2 FURNMED SICK BENEFIT SOCIETY (for the Free State Province ONLY) (These contributions shall be payable only when more than 16 hours' wages per week have been paid in respect of the ordinary hours worked by the employee, the hours which would ordinarily have been worked by the employee on paid public holidays and trade union representative leave days only.".
- (10) Substitute the following for clauses 5.2.1, 5.2.2, 5.2.3 and 5.2.4:

"5.2.1 Member:

R25-00 per week payable by the employee and R71-00 per

week payable by the

employer.

5.2.2 Adult dependants:

R45-00 per week payable, per

adult dependant, payable by

the employee only.

5.2.3 Minor dependants:

R45-00 per week, per minor

dependant, payable by the

employee only.

5.2.4 Extraordinary dependants:

R96-00 per week, per

extraordinary dependant,

(11) Clause 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)

Substitute the following for clause 5.3:

- "5.3 NUFAWSA SICK BENEFIT SOCIETY (For all areas excluding the Free State Province) (These contributions shall be payable only when more than 16 hours' wages per week have been paid in respect of the ordinary hours worked by the employee, the hours which would ordinarily have been worked by the employee on paid public holidays and trade union representative leave days only."
- (12) Clause 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)

Substitute the following for clause 5.4:

- "5.4 NUFAWSA SICK BENEFIT SOCIETY (For the Free State Province ONLY) (These contributions shall be payable only when more than 16 hours' wages per week have been paid in respect of the ordinary hours worked by the employee, the hours which would ordinarily have been worked by the employee on paid public holidays and trade union representative leave days only.".
- (13) Clause 6: COUNCIL LEVIES

Substitute the following for clause 6:

"6. COUNCIL LEVIES (These contributions shall be payable only when more than 16 hours' wages per week have been paid in respect of the ordinary hours worked by the employee, the hours which would ordinarily have been worked by the employee on paid public holidays and trade union representative leave days only.

The Council levies shall amount to R6-20 per week by the employer and R6-20 per week by the employee.".

SCHEDULE 2

- 13. SPECIFIED MINIMUM WEEKLY WAGE INCREASES, MINIMUM WEEKLY WAGE RATES AND SUBSISTENCE ALLOWANCE (for all areas excluding the Province of the Free State)
- (1) Substitute the following for clause 1 of Schedule 2:

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

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

Sectors	Occupation Skills Level	Occupation Skills Level Code	Minimum weekly wage increases effective as from the date of coming into operation of this Agreement for the period ending 30 June 2011	Minimum weekly wage rates effective as from the date of coming into operation of this Agreement
Furniture, Bedding and	General worker	05	7% of actual weekly wages	R428-00
Upholstery	Semi-skilled employees	04	7% of actual weekly wages	R633-55
	Skilled employees	03	7% of actual weekly wages	R680-72
	Chargehands	02	7% of actual weekly wages	R734-32

	Foremen/ Supervisors	01	7% of actual weekly wages	R734-32
Curtaining	General	05	7% of actual weekly wages	R390-55
	Semi-skilled employees	04	7% of actual weekly wages	R516-79
	Skilled employees	03	7% of actual weekly wages	R587-30
	Chargehands	02	7% of actual weekly wages	645-25
	Foremen/ Supervisors	01	7% of actual weekly wages	645-25

- (2) Insert the following new clause 2 and renumber the existing clause 2 accordingly to read 3:
 - "2. A 2010 allowance effective from 1 January 2011 until 30 June 2011. This allowance shall be calculated at 1% of employees basic wages prior to 1 July 2010 and shall not attract any levies or contributions.".

SCHEDULE 3

- 14. SPECIFIED MINIMUM WEEKLY WAGE INCREASES, MINIMUM WEEKLY WAGE RATES AND SUBSISTENCE ALLOWANCE (for the Free State Province ONLY)
- (1) Substitute the following for clause 1 of Schedule 3:

"SPECIFIED MINIMUM WEEKLY WAGE INCREASES, MINIMUM WEEKLY WAGE RATES AND SUBSISTENCE ALLOWANCE (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 as from the date of coming into operation of this Agreement for the period ending 30 June 2011	Minimum weekly wage rates effective as from the date of coming into operation of this Agreement
Furniture, Bedding and	General	05	7% of actual weekly wages	R428-00
Upholstery	Semi-skilled employees	04	7% of actual weekly wages	R494-26
	Skilled employees	03	7% of actual weekly wages	R649-77
	Chargehands	02	7% of actual weekly wages	R697-06
	Foremen/ Supervisors	01	7% of actual weekly wages	R697-06
Curtaining	General worker	05	7% of actual weekly wages	R404-11
	Semi-skilled employees	04	7% of actual weekly wages	R470-72

- (2) Insert the following new clause 2 and renumber the existing clauses 2, 2.1 and 2.2 accordingly to read 3, 3.1 and 3.2:
 - "2. A 2010 allowance effective from 1 January 2011 until 30 June 2011. This allowance shall be calculated at 1% of employees basic wages prior to 1 July 2010 and shall not attract any levies or contributions.".

1 JULY 2009 TO 30 JUNE 2010

Substitute the clause to read:

"1 JULY 2011 TO 30 JUNE 2012

Minimum weekly wage increases effective from 1 July 2011 shall be 7% of actual weekly wages for the period ending 30 June 2012, provided that the official CPI rate for the year ending May 2011 is not below 3% or above 6%. If the official CPI rate for the year ending May 2011 is below 3% or above 6% the parties to the agreement shall meet to negotiate wage increases for the period 1 July 2011 to 30 June 2012.".

Agreement signed at Johannesburg on this 20th day of April 2010.

M SEFF
Chairman

P LUNGA
Vice-Chairman

WA JANSE VAN RENSBURG General Secretary