DEPARTMENT OF LABOUR

No. R. 1051 24 December 2014

LABOUR RELATIONS ACT, 1995

METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL: EXTENSION TO NON-PARTIES OF THE MAIN COLLECTIVE RE-ENACTING AND AMENDING AGREEMENT

MINISTER OF LABOUR

SCHEDULE

METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL RE-ENACTED AND AMENDED MAIN COLLECTIVE AGREEMENT

In accordance with the provisions of the Labour Relations Act, 1995, made and entered into by and between the following registered Employer Organisations:

Association of Electrical Cable Manufacturers of South Africa

Association of Metal Service Centres of South Africa

Constructional Engineering Association (South Africa)

Eastern Cape Engineering and Allied Industries Association (ECEAIA)

Electrical Engineering and Allied Industries' Association

Electrical Manufacturers' Association of South Africa (EMASA)

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

Pressure Vessel Manufacturers' Association of South Africa

Refrigeration and Air Conditioning Manufacturers' and Suppliers' Association

South African Electro-Plating Industries' Association

South African Engineers' and Founders' Association

South African Fastener Manufacturers' Association (SAFMA)

South African Refrigeration and Air Conditioning Contractors' Association (SARACCA)

South African Post Tensioning Association (SAPTA)

South African Pump Manufacturers' Association

South African Reinforced Concrete Engineers' Association (SARCEA)

South African Valve and Actuator Manufacturers' Association (SAVAMA)

(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)

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, R.1181 of 18 December 2009, R. 531 of 18 June 2010, R.628 of 23 July 2010 and R.268 of 12 April 2013, as corrected by Government Notice R.314 of 26 April 2013 (hereinafter referred to as the "Former Agreement").

PART I

CONDITIONS OF EMPLOYMENT

1. CLAUSE 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.
 - (e) By scheduled employees as defined in clause 3 of this Agreement.
- (2) Notwithstanding the provisions of clauses 1(1)(d), 2 and Annexure J, 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 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.
- (h) 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.
- (i) 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.
- (j) the undertaking of Union Steel Corporation of South Africa (Pty) Limited, in the Magisterial District of Vereeniging, Transvaal.

- (k) the undertaking of Billiton Aluminium S.A. (Pty) Ltd in the Magisterial District of Lower Umfolozi.
- (l) 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).
- (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. CLAUSE 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 **2017**.

3. SPECIAL PROVISIONS

The provisions contained in clause 28 of the Agreement published under Government Notice No. R.268 dated 12 April 2013 (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 3: DEFINITIONS

Substitute the definition of employee with the following:

"Scheduled employee" means an employee whose minimum rate of pay is scheduled in this Agreement or an employee employed under exemption from this Agreement or under conditions determined by the

council or an apprentice.

6. CLAUSE 5: OVERTIME AND PAYMENT FOR WORK ON SUNDAYS

Substitute the following for subclause 1(b):

Fatigue Shift

"1(b) Where overtime is worked after the completion of the normal hours of a shift, the employee must be allowed a rest period of at least eight hours before the next normal shift starts.

Where the rest period extends into the next shift, then the overlapping period into the shift is regarded as a paid period that the employee is not required to work."

7. CLAUSE 7: SHORT TIME

Substitute the following for the definition of short-time:

For the purposes of this clause, "short-time' means the implementation of reduced working time i.e. fewer number of hours per day and/or fewer number of days per week, owing to a shortage of work and/or materials and any other justifiable contingencies including planned load shedding and/or unforeseen contingencies and/or circumstances beyond the control of the employer.

Substitute the following for sub-clause (1)(e):

"(1)(e) An employer shall give the Regional Council, affected employees and affected party trade unions five calendar days' notice if short time is to continue for more than six weeks from the date of original implementation.

It is agreed that during this time period, the employer shall consult with the representatives of the party trade unions and/or elected shop stewards on the continuation of short time or alternatives as contained in the Security of Employment provision as set out in Annexure A of this Agreement."

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Insert a new sub-clause 7(2)(b)(iii)

"(2)(b)(iii) Where the employer does not implement short-time in response to a planned or foreseen load shedding, and employees report for work and are sent home by the employer, they will be entitled to 8 hours payment in respect of such day."

8. CLAUSE 12: LEAVE PAY

- (1) Substitute the following for subclause 3(a)(v):
 - "3(a)(v) Short shifts worked whilst working short time shall count as shifts actually worked. Employees working 24 hours or more, spread over three or four days, and employees on a three-shift system working three or four shifts per week, shall:
 - be credited with the full shifts for an ordinary week for purposes of the paid leave referred to in this clause, for up to three (3) months in any calendar year; and
 - thereafter, be credited with one additional shift per week and above those shifts actually worked for purposes of the paid leave referred to in this clause."
- (2) Insert the following new subclause 3(a)(viii):
 - "3(a)(viii) "Time off for the training of shop stewards shall be treated as shifts worked for purposes of calculating paid leave and leave enhancement pay."
- (3) Insert the following new subclause 3(a)(ix):
 - "3(a)(ix) "Time-off for representatives of party trade unions who act as trustees of the Industry Benefit funds or who are office bearers of the MERSETA and/or the MEIBC shall be treated as shifts worked for purposes of calculating paid leave and leave enhancement pay."

8(a) CLAUSE 14. LEAVE ENHANCEMENT PAY (LEP)

Substitute the following for subclause (1)(a)

"L,E.P. means Leave Enhancement Pay;

- "(1) (a) Every employee shall be entitled under this Agreement to L.E.P. calculated at 8.33% of the actual hourly rate applicable on the date on which the employee proceeds on leave, which shall be calculated according to the following formulae:
 - Employees working a five-day week:
 Actual ordinary weekly wage x 52 weeks x 8.33% x number of shifts worked divided by 234; (excluding allowances)
 - Employees working a six-day week:
 Actual ordinary weekly wage x 52 weeks x 8.33% x number of shifts worked divided by 283; (excluding allowances)

Note: For purposes of calculating leave enhancement pay, periods of absence provided for in subclauses 12(3)(a)(iii) to (vii) must be taken into account."

9. CLAUSE 20: OUTWORK, TEMPORARY EMPLOYMENT SERVICES AND LIMITED DURATION CONTRACTS

(1) Insert the following for the existing preamble to clause 20:

"Notwithstanding anything to the contrary contained in this agreement the following special provisions shall apply:

- Employers must endeavor to minimize the use of temporary employment services in the industry.
- Employers must endeavor to enter into permanent employment relationships."
- The Parties undertake that as far as it is practicably possible to do so, the administration of fair disciplinary action will be administered by trained and professional persons in the employ of the secondary employer, where the capacity exists, or the primary employer, where it is not possible for the secondary employer to do so, e.g. where it is alleged that misconduct has taken place outside the secondary employers premises.

- (1) Subject to the provisions of clause 198 of the Act—
 - (a) no employer shall require or allow an employee to undertake any class of work covered by this Agreement elsewhere than in his establishment, except where such work is in execution or completion of any order placed with that employer, and no employer shall require or allow any employee of any other employer to undertake on his behalf any class of work covered by this Agreement, except where such work is in execution or completion of an order placed by that employer with the other employer; and
 - (b) no employee shall solicit or take orders for or undertake any class of work covered by this Agreement for sale and/or for gain either on his own account or on behalf of any other person or firm whilst he is in the employ of any employer engaged in the Industry.
- (2) Every employer undertaking to execute or complete any work in any region other than the region in which his establishment is registered with the Council shall notify the nature and place of work in writing to the Regional Council for the area in which the work is done within seven days of the commencement of such work and shall maintain at such place of work a register of the hours worked by all employees and their remuneration in respect thereof.
- (3) No employer shall utilize the services of workers within the meaning of section 198 of the Act unless the temporary employment service provides proof of the employer of -
 - (a) the company's CIPC (companies Intellectual Property Commission) registration document and details;
 - (b) the registration number issued by the MEIBC in respect of the temporary employment services in pursuance of the Council's Registration and Administration Expenses Agreement (MIBFA number);

- (c) An Accredited certificate issued by the MEIBC certifying that the TES has undergone a verification audit and has met all the accreditation criteria as developed by the MEIBC, permitting the TES to operate as a Temporary Employment Service Provider in the Industry.
- (d) An affidavit warranting compliance with regard to Legislation and Collective

 Agreements and that correct rates are being paid to placed staff, and correct deductions are
 being made according to the MEIBC collective agreements and including all benefits;
- (e) Physical business address of the TES;
- (f) A list of the TES's clients which will remain confidential between the member and the MEIBC;
- (g) Copies of current exemptions to the Main Agreement, if applicable;
- (h) Client service and employee employment contracts to be available for inspection;
- (i) Letter of good standing from the Compensation Commissioner;
- (j) Letter of good standing from the Unemployment insurance Fund;
- (k) Tax clearance certificate from SARS;
- (1) Proof of submission of Employment Equity reports if applicable;
- (m) BEE certificate;
- (n) The registration number allocated by the Director-General of Labour and/or a certificate of registration in respect of section 24 of the Skills Development Act;
- (o) Confirmation from the Metal Industries Benefit Fund Administrators that the TES is up to date with all fund contributions and levy payments;
- (p) Any other matter agreed.

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- (4) An employer who procures a worker or workers within the meaning of section 198 of the Act from a temporary employment service shall notify the region as defined in clause 3 of this Agreement in writing of the business name and physical business address of the temporary employment service concerned within seven days from the date on which the services of the worker or workers procured are utilised within that region or, if the services of such workers are already being utilised at the date of coming into operation of this subclause, within seven days of the date of coming into operation of this subclause.
- (5) An employer who procures a worker or workers within the meaning of clause 198 of the Act from a temporary employment service shall complete a form in the format determined by the Council in respect of each such worker and such form shall be signed by both the employer and the worker concerned declaring that the particulars therein are correct.
- (6) The form (Limited Duration Contract of Employment) referred to in subclause (5) above shall contain the following particulars:
 - (a) The name, telephone number, residential address and identity number of the worker;
 - (b) the business name, business telephone number and physical business address of the temporary employment service concerned;
 - (c) the date from which the employer utilises the services of the worker and the expected termination date;
 - (d) the site or workshop address where the services of the worker will be utilised;
 - (e) the anticipated normal hours and overtime to be worked by the worker;
 - whether the worker will be engaged on work scheduled in this Agreement as Rate A work;

- (g) the scheduled occupation in terms of this Agreement applicable to the worker.
- (7) The employer shall submit the form referred to in subclause (5) above to the region as defined in clause 3 of this Agreement within seven days after he has commenced utilising the services of the workers concerned.
- (8) The temporary employment service and the client shall be jointly and severally liable if the temporary employment service, in respect of any of its employees, contravenes—
 - (a) a collective agreement, concluded in a Bargaining Council that regulates terms and conditions of employment;
 - (b) a binding arbitration award that regulates terms and conditions of employment;
 - (c) the Basic conditions of Employment Act, or
 - (d) a determination made in terms of the Wage Act.
 - (e) the statutory requirements in terms of registration with the Council and its funds levies and shall be liable for prosecution by the Bargaining Council.

Any employer who utilises the services of a temporary employment service should, in view of the possible financial risk involved, ensure that the temporary employment service is complying with the Collective Agreement of the Council.

- (9) A worker supplied by a temporary employment service to an employer in the industry and who performs work scheduled in this Agreement shall be regarded as an employee for purposes of this Agreement and shall be entitled to all terms and conditions and benefits under the Council's Agreements, from the date of engagement.
- (10) Where the employee reasonably expected the employer to renew a fixed-term contract of employment on the same or similar terms, but the employer offered to renew it on less favourable terms or did not renew it, such employee shall be regarded as having been dismissed. In such

cases the date of dismissal shall be the date on which the employer offered the less favourable terms or the date on which the employer notified the employee of the intention not to renew the contract.

- (11) The following special provisions shall apply in respect of the use of workers supplied by Temporary Employment Service providers.
 - (a) Temporary Employment Service providers (TES) who comply with the following may be permitted to operate in the Industry;
 - Who have met the requirements set out in subclause (3) above;
 - Who have undergone a verification audit conducted by the MEIBC.
 - (b) The current provisions set out in Annexure A(3) of the Main Agreement dealing with Limited Duration Contracts of Employment obligating the TES to utilize the same terms and conditions of employment that would be applicable to a company when engaging an employee on a fixed term or limited duration contract of employment for a company; namely:
 - Site work

 Employment in terms of a contract which specifies that employment is in respect of a specific construction site for the duration of the site contract or a specific portion or section thereof.
 - Employment in terms of a contract of employment which specifies that employment is for the duration, or portion thereof, of

Turnaround work:

A contract secured by the employer to carry out specified installation,
maintenance, overhaul or development work on existing equipment or on an
installation not owned by the employer, or

• Major maintenance, overhaul or development work on equipment or an installation owned by the employer necessitating the recruitment of employees over and above the normal complement.

■ Ship repair work:

Employment in terms of a contract of employment that specifies that employment is for the duration or portion thereof of a specific contract secured by the employer to carry out repairs on a particular vessel.

Short-term fluctuations in workload:

Employment in terms of a contact of employment which arises out of a situation where the employer is necessitated to take on additional employees through a temporary employment service provider, as a result of having secured additional work of a short term nature. This employment will be limited in duration to a period not exceeding four months. Provided that if a longer period is required to complete a specific task or activity, then the period of the specific task or activity shall be specified in the limited duration contract of employment.

- (c) All employees including those employed on a limited duration contract will have access at plant level to social facilities including canteens, toilet and ablution facilities.
- (d) No employer shall require the procurement of employees from a Temporary

 Employment Service for any period beyond that which is envisaged in the Limited

 Duration Contract of Employment.
- (e) Where a worker works for a period beyond the terms of the contract such worker shall become permanent.

- (f) All workers procured through Temporary Employment Service will enjoy all existing terms and conditions of employment outlined in the Collective Main Agreement.
 Workshop and/or factory based employees may not be granted a package rate exemption, which takes into account all benefits payable to employees as an hourly rate of pay, other than overtime and Sunday time.
- (g) Procured workers may not elect the option of choice in becoming members of the retirement schemes offered to employees in the Metal and Engineering Industries.
- (h) To better monitor the prevalence of employees procured by Temporary Employment Service, a separate monthly return to the Metal Industries Fund Administrators must be endorsed by a client in the industry whose workers have been procured through a temporary employment service to confirm the period for which employees are procured and the number thereof in each instance of procurement.
- (i) Where an employer intends to use Temporary Employment Service workers in scheduled occupations in the direct production process on a permanent basis, then clause 37 should not be construed to limit the parties' right to take industrial action in accordance with the provisions of the Labour Relations Act.
- (j) All Temporary Employment shall make use of the model Limited Duration Contract below:

MODEL CONTRACT FOR USE BY TEMPORARY EMPLOYMENT SERVICES LIMITED DURATION CONTRACT OF EMPLOYMENT

Schedule referred to in clause 3(a) of Annexure A to the Main Agreement

CONTRACT OF EMPLOYMENT

(The employer) agrees to engage the services of (the
employee) and the employee hereby agrees to accept service with the employer on the following terms
and conditions:
(i)(a) The contract of employment in terms of clause 3 of Annexure A to the Main Agreement shall be
for a maximum period of months / weeks from date of employment,
for the purpose of site work / turn-around work / ship repair work (delete whichever is not applicable)
from to or completion of the specific work detailed hereunder:
(b) The contract of employment for short-term fluctuations in workload shall not exceed a period of
four months from date of employment, viz from to or
completion of the specific work detailed hereunder:
(Note: Should a period longer than four months be required to complete a specific task or activity, the
period and the specific task or activity must be specified hereunder):
(ii) On completion of the contract detailed in (i) above, this contract shall automatically terminate.
Such termination shall not be construed as being retrenchment but as completion of contract.
(iii) The remaining conditions of employment, not expressly detailed above, shall be existing employer
policy, rules and regulations and the general conditions of employment as contained in the Main
Agreement for the Iron, Steel, Engineering and Metallurgical Industry, subject to the limitation set out in

- (ii) above.
- (iv) Where employment continues after completion of this contract in terms of (i) above this contract shall become null and void and the provisions of the Main Agreement shall apply.
- (v) Subject to the amendment of the general conditions of employment as set out in (ii) above, the engagement conditions shall be:

(a)	ccupation

The employee acknowledges that he/she understands the contents of this contract and signifies acceptance thereof.

Signed at	 . on	2011
Employer:	 	
Employee:	 	

Note: The employer and employee shall, during the period of employment in terms of this contract, observe the provisions of the applicable Benefit Fund Agreements.

- (12) Employers who have been granted a "flat-rate" exemption in terms of which all employee entitlements are incorporated into a single, comprehensive hourly wage may only apply this to employees engaged on work construction sites. It may not be used in manufacturing establishments.
- (13) This Agreement shall apply to all Labour Brokers in the Industry and employees of Labour Brokers will enjoy the wage structures and all the benefits of the Bargaining Council Agreements.

10. CLAUSE 22: INSURANCE OF TOOLS

Substitute the following for the existing clause:

"Every employer shall take out an insurance policy with a registered insurance company insuring tools, which are the private property of his journeyman, apprentice and machinist employees, against damage or destruction on the employer's premises by fire. The cover under this clause for insurance of tools shall be 100% of the replacement value of the tools, where the value can be proven."

11. CLAUSE 23: EXEMPTIONS

- (1) Substitute the following for subclause 1(c):
- "1(c) Applications for wage increase exemptions must be submitted to the Bargaining Council not later than 30 days after the date of gazettal of this Agreement i.e. the date on which the extension to non-parties becomes operational."
- (2) Insert the following new subclause 1(e):
- "1(e) The provisions of the National Exemptions Policy per ANNEXURE K, as approved by the Council shall apply when considering exemption applications and appeals."
- 12. CLAUSE 33: TECHNOLOGICAL CHANGES AND WORK RE-ORGANISATION
 Substitute the following for subclause 3(b):
- "3(b) The company shall notify the union(s) and/or employee representative body of any such work re-organisation not less than 42 days prior to the implementation of such change."

13. CLAUSE 34: PAID SICK LEAVE

Substitute the following for subclause 13:

"(13) The employer and trade union parties agree that they will recognize traditional healers for paid sick leave purposes, in terms of the Main Agreement, provided such traditional healers are registered with the interim Health Practitioners Council of S.A. in terms of the

Traditional Health Practitioners Act (Act no. 22 of 2007)."

14. CLAUSE 39: STANDBY AND CALL-OUT ARRANGEMENTS

Delete subclause 39(3)

15. CLAUSE 47: TIME-OFF FOR REPRESENTATIVES OF PARTY TRADE UNIONS WHO ACT AS TRUSTEES OF THE INDUSTRY BENEFIT FUNDS OR WHO ARE OFFICE BEARERS OF THE MERSETA METAL AND PLASTICS CHAMBERS

Insert the following three paragraphs:

- An employee who is an office bearer of a party trade union is entitled to take reasonable
 leave during working hours for the purposes of performing the functions of that office.
- The party trade union and the employer may agree to the number of days of leave, the number of days of paid leave and the conditions attached to any leave.
- Subject to reasonable conditions to be agreed at company level, a trade union representative
 elected to be a trustee on the Industry Benefit Funds and/or a representative on the
 MERSETA and/or MEIBC will be entitled to a minimum of 10 days paid leave for
 performing his/her duties on these structures.

16. PART II

Substitute the following for the existing clauses 1, 2 and 3:

"1. WAGES AND/OR EARNINGS

A new five-grade job and wage structure has been determined for use in the Industry. Individual employers together with employees, their representatives and/or registered trade unions at establishment level will accordingly mutually agree on whether or not to implement the new five-grade job and wage structure on a voluntary basis or continue to observe the existing 13 grades (Rates A to H) and related arrangements.

Details of the five-grade job and wage structure are set out in Annexure B. Details of definitions of the grades are set out in Annexure C. Details of the current 13 grade structures are set out in Part II of this Agreement.

The Tables of Wage Rates as set out in (a) to (h) hereunder have general and/or specific application to operations listed in this Agreement. For ease of reference the wage rate categories are as follows:

(a) Except as provided for in Wage Tables (b) to (f) hereunder, the wage rates prescribed in Wage Table (a) are applicable to all operations listed as Rates A, A1, AA, AB, B, C, D, DD, DDD, E, F, G and H, including watchman's work in—

Schedule G

Schedule M

Division D/O to D/33

Schedule E/1 and E/3

Division E/2.

- Wage rates prescribed in Wage Table (b) are applicable to employees employed as vehicle drivers and have general *(b)* application throughout the Technical Schedules in this Agreement.
- (c) Wage rates prescribed in Wage Table (c) have specific application to the operations listed therein.
- Wage rates prescribed in Wage Table (d) apply only to the operations listed in Schedule F. (d)
- Wage rates prescribed in Wage Table (e) apply to apprentices only. (e)
- **(f)** Wage Rates prescribed in wage table (f) apply only to the operations listed in Division D/7.
- Wage rates prescribed in Annexure B, "Five Grade Job and Wage Structure" only apply to the operations listed therein and in Annexure C, "The Skills Definitions accompanying the new five grade structure".
- (h) Wage rates prescribed in Annexure H, "Construction Sites covered by a Project Labour Agreement" only apply to the operations listed therein.
- (1) Any employee who at the date of coming into operation of this Agreement was in receipt of a higher rate than that prescribed in the Agreement for the class of work upon which he is employed shall continue to receive not less than such higher rate while he is employed by the same employer on the same work or any other work for which a lower rate is prescribed.
 - Every employee who on the date of coming into operation of this Agreement is employed by an employer on work classified in the Agreement shall, whilst in the employ of the same employer and whether or not his actual rate of pay immediately prior to the said date was in excess of the rate specified for his class of work in this Agreement, be paid not less than the actual rate he was receiving immediately prior to the said date plus, as a guaranteed personal increase, an additional amount for his class of work, as set out in the Wage Tables hereunder: Provided that-
 - (i) the additional amount payable in terms of this subclause to an employee for his class of work may be reduced by the amount of any increase or increases granted to such employee on or subsequent to 1 July
 - (ii) any employee who was engaged after 1 July 2014 at a rate of pay not less than the rate of pay prescribed for his class of work as at the date of coming into operation of this Agreement shall not be entitled to be paid the additional amount specified in this subclause for his class of work;

Note:

The dates set out in subclauses (i) and (ii) above will change as follows in respect of subsequent annual cycles of the Agreement:

- For the period 1 July 2015 to 30 June 2016: 1 July 2015
- For the period 1 July 2016 to 30 June 2017: 1 July 2016
- (iii) no employer shall reduce the rate of pay of any employee to whom an increase in excess of the additional amount specified in this subclause for his class of work has been awarded on or subsequent to date of coming into operation of this Agreement, and no employee shall be paid wages at a rate less that the rate for his class of work specified in this Agreement;
- (iv) for the purposes of this Agreement the rate applicable in terms of this subclause shall mutatis mutandis apply to employees employed in incentive bonus work in terms of clause 10 of Part I of the Agreement;
- (v) an employer who intends to grant general increases to all employees, or all employees in a particular category of employees, in excess of the guaranteed personal minimum increases provided for in this Agreement, shall consult the employees concerned: Provided that, in respect of employees who are members of a union, if the employer is a member of any of the employers' organisations which are parties to the Agreement, the employer shall consult the trade unions concerned;
- (vi) Where an employer, following such consultation, grants such increases over and above that provided for in this Agreement, the Bargaining Council shall be notified of the increases granted.
- (2) No employee shall be required as part of his contract of service to accept board or lodging or both from his employer, nor to purchase any goods or hire any property from his employer. Where an employee agrees to accept board or The state of the s lodging or both from his employer the employer may deduct from such employee's wages or earnings such amount as

- agreed upon for the payment of board or lodging or both: Provided that the Council is notified in writing prior to the said deductions being made and the amounts thereof.
- "(3) No employee shall be employed on more than one occupation scheduled in this Agreement at different rates of pay in any one week, including any overtime worked at a higher paid occupation, unless payment is made as if such employee had been employed for the whole of that week on the highest-paid occupation: Provided that where a lower-rated employee is requested to act in the capacity of a higher-rated employee for more than 4 hours, the employee must receive an acting allowance, from the first hour of acting, calculated at his/her actual rate plus 20% of the higher scheduled rate, on the proviso that the employee cannot earn above the minimum rate for the higher rated job..
 - Any period of substitution of less than one-half shift in the aggregate in any one week shall not count for payment at the higher rate."
- (4) Subject to the provisions of subclauses (1) to (3), inclusive, no employer shall pay to the employees engaged on any of the classes of work hereinafter specified in the following Wage Schedules wages and/or earnings lower than those stated against such classes and no employee shall accept wages and/or earnings lower than those stated against such classes.

2. ALLOWANCES

Allowances payable subject to the provisions of Part I, Clause 17 of this Agreement:

- (1) Subsistence allowance under Groups A and B
 Grade and Category Subsistence Allowance per day
 Rates A to H and Categories 5 to 1(a) of R65,00
 Section G(d) "Structural Engineering"
- (2) Abnormally dirty work allowance (employees other than employees expressly engaged as cleaners):
 The allowance payable is 60 cents per shift or part thereof plus a further 60 cents where working overtime on abnormally dirty work for four hours or more.
- (3) Height allowance: Eight per cent of the employee's normal hourly rate when working aloft on ships and/or floating vessels.

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3. WAGE TABLES

A. FROM THE COMING INTO OPERATION OF THIS AGREEMENT TO 30 JUNE 2015.

(a) WAGE RATES APPLICABLE TO OPERATIONS SCHEDULED AT RATES A TO H, INCLUDING WATCHMAN'S WORK, THROUGHOUT THIS AGREEMENT

	(To be the greater of calculated in terms of	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)	
	A	В	New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2014	Amount per hour	Minimum hourly wage rates
Class of work	%	Rc	R
Rate A & A1	8.00	4.49	60.57
Rate AA	8.10	4.31	57.57
Rate AA(start)	8.12	4.11	54.77
Rate AB	8.35	4.02	52.14
Rate B	8.59	3.93	49.70
Rate C	8.82	3.87	47.72
Rate D	9.06	3.87	46.60
Rate DD	9.29	3.66	43.07
Rae DDD	9.53	3.57	41.06
Rae E	9.76	3.48	39.10
Rate F	10.00	3.39	37.33
Rate G	10.00	3.22	35.41
Rate H	10.00	3.06	33.67

• 'Rate AA – start' is the rate applicable to employees in the category AA who are in their first six months of continuous employment with the same employer, unless otherwise specified elsewhere in the Agreement.

(b)WAGE RATES APPLICABLE TO VEHICLE DRIVING – EXTERNAL TRANSPORT INCLUDING FORKLIFT DRIVING

	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)		
	A	В	New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2014	Amount per hour	Minimum hourly wage rates
Class of Work	%	Re	R
(Schedule G(a)(iv)			
(1) Forklift driving of power-operated forklift controlled from on board by the operator (job grade F)	10.00	3.39	37.33
(2) Driving of a load-carrying or hauling vehicle which requires a code 08 light motor vehicle licence to be held by the driver (job grade E)	9.76	3.48	39.10
(3) Driving of load-carrying or hauling vehicle which requires a code 10 heavy motor vehicle licence or a code 11 extra heavy motor vehicle licence to be held by the driver (job grade DD).	9.29	3.66	43.07
(4) Driving of a load-carrying or hauling vehicle which requires a code 13 or 14 heavy articulated motor vehicle licence to be held by the driver (job grade C)	8.82	3.87	47.72

Note:

Old Driving Codes and their new K53 Driving Codes Counterparts

The new credit card format driver's licence has the new codes with their descriptions on the back.

The following list represents the old Driving Codes with the new K53 Driving codes:

Code 8 - New code b and EB
 Code 10 - New code C and C1
 Code 14 - New code EC and EC1
 Code 02 - New code A and A1

(c) WAGE RATES WITH SPECIFIC APPLICATION TO THE OPERATIONS LISTED HEREIN

	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B) A B		New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2014	Amount per hour	Minimum hourly wage rates
Class of Work	%	Rc	R
Schedule G Learners			
Rate D Operation 1 First three months of experience (Rate D, less 10%)	9.06	3.48	41.94
Second three months of experience (Rate D, less 5%)	9.06	3.67	44.27
Thereafter Rate D	9.06	3.87	46.60
Provided that — No employee may be engaged upon incentive bonus work during the learnership period; An employer who wished to train an employee for any of the classes of work for which no learnership or probationary period is provided may do so only with the prior approval of the Council, which shall prescribe the conditions under which permission for such employment is granted.			
Vitreous Enamelling			
Operation 1(a) First duster (Rate B)	8.59	3.93	49.70
Operation 1(b) Second duster (Rate D)	9.06	3.87	46.60
Section (d) Structural Engineering Wage Categories Category 5 Category 4 Category 3 Category 2 Category 1 Category 1(a)	8.00 8.67 9.33 10.00 10.00	4.49 4.44 4.12 3.63 3.05 2.52	60.57 55.68 48.27 39.92 33.53 27.76
Note: Special Provisions Limited to Construction Sites covered by Project Labour Agreements. The special provisions and wage rates as set out in Annexure H shall apply.	7		

	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)		
	A	В	New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2014	Amount per hour	Minimum hourly wage rates
Class of Work	%	Rc	R
DIVISION D/4 Rate B Operation 1 First six months of synchronic (Rets F)	10.00	2 20	27.22
First six months of experience (Rate F)	10.00 9.53	3.39 3.57	37.33 41.06
Third six months of experience (Rate D)	9.06	3.87	46.60
Fourth six months of experience (Rate C)	8.82	3.87	47.72
Thereafter Rate B	8.59	3.93	49.70
DIVISION D/12 Learnership periods and rates of pay herefore:			
Rate B – Newcomers			
First two months of experience (Rate DD)	9.29	3.66	43.07
Second two months of experience (Rate D)	9.06	3.87	46.60
Third two months of experience (Rate C)	8.82 8.59	3.87 3.93	47.72 49.70
Therearer Rate B	0.57	3.73	45.70
Rate C – Newcomers			
First two months of experience (Rate DD)	9.29	3.66	43.07 46.60
Second two months of experience (Rate D)	9.06 8.82	3.87 3.87	47.72
Thereares Rate C	0.02	3.07	2
Rate D – Newcomers			40.05
First two months of experience (Rate DD)	9.29 9.06	3.66 3.87	43.07 46.60
THEIGRANG KAIC D	7.00	3.67	40.00
DIVISION D/19			
Section (f)			
Rate A Operation No.1 First year of experience (Rate AA – start)	8.12	4.11	54.77
Second year of experience (Rate AA)	8.10	4.31	57.57
Thereafter Rate A1	8.00	4.49	60.57

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	INCREAS (To be the greater of calculated in terms of	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)	
	A	В	New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2014	Amount per hour	Minimum hourly wage rates
Class of Work	%	Rc	R
DIVISION D/22 Section B			
Operation No.1(Rate D)	9.06	3.87	46.60
Section (c) Operations No.1 to No.5 (Rate D) Operations No.6 to No.8 (Rate DDD) Operations No.9 to No.21 (Rate G) Operations No.22 to No.33 (Rate H)	9.06 9.53 10.00 10.00	3.87 3.57 3.22 3.06	46.60 41.06 35.41 33.67
DIVISION D/23 Training periods: Newcomers to Rate DDD First four months of experience (Rate F) Thereafter Rate DDD	10.00 9.53	3.39 3.57	37.33 41.06
Newcomers to Rate E: First four months of experience (Rate H) Thereafter Rate E	10.00 9.76	3.06 3.48	33.67 39.10
DIVISION D/24 Rate Operation No.1 First three months of experience (Rate D, less 5%)	9.06	3.67	44.27
Thereafter Rate D	9.06	3.87	46.60
DIVISION E/2 Section (b) First twelve months of experience			
Rate AA – start	8.12 8.10 8.00	4.11 4.31 4.49	54.77 57.57 60.57

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(d) WAGE RATES APPLICABLE TO OPERATIONS IN SCHEDULE FONLY

	(To be the greater of calculated in terms of	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)	
	A	В	New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2014	Amount per hour	Minimum weekly wage rates
Class of Work	%	Rc	R
Group Z	8.00	4.49	60.57
Group Y	8.25	3.63	47.63
Group IX	8.50	3.54	45.20
Group VIII	8.75	3.54	44.01
Group VII	9.00	3.52	42.65
Group VI	9.25	3.50	41.36
Group V	9.50	3.47	40.04
Group IV	9.75	3.44	38.72
Group III	10.00	3.45	37.91
Group II	10.00	3.33	36.67
Group I	10.00	3.25	35.71

(e) WAGE RATES APPLICABLE TO APPRENTICES ONLY

	GUARANTEED PERSON (To be the greater of calculated in terms of reflected in Colu	the amounts Column A or	New Minimum
	Increase on actual weekly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2014	week	weekly wage rates
Class of Work	%	R	R
First Year	8.00	88.63	1196.53
Second Year	8.00	97.83	1320.72
Third Year	8.00	116.53	1573.12
Fourth Year	8.00	172.61	2330.29
The hourly rate of all apprentices for the purposes of calculating overtime shall be the weekly wage paid, divided by 40.			

(f) WAGE RATES APPLICABLE TO OPERATIONS IN DIVISION D/7 ONLY

	(To be the greater of calculated in terms of	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)	
	A	В	New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2014	Amount per hour	Minimum hourly wage rates
Class of Work	%	Rc	R
В	8.59	2.55	32.29
С	8.92	2.56	31.29
D	9.37	2.65	30.93
DDD	8.14	2.30	30.57
Е	6.98	1.97	30.21
F	10.00	2.71	29.85
G	10.00	2.58	28.36
Н	10.00	2.30	25.27

A. FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016.

(a) WAGE RATES APPLICABLE TO OPERATIONS SCHEDULED AT RATES A TO H, INCLUDING WATCHMAN'S WORK, THROUGHOUT THIS AGREEMENT

	(To be the greater of calculated in terms of	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B) A B	
	A		
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2015	Amount per hour	Minimum hourly wage rates
Class of work	%	Rc	R
Rate A & A1	7.50	4.54	65.11
Rate AA	7.70	4.43	62.00
Rate AA(start)	7.90	4.33	59.10
Rate AB	8.10	4.22	56.36
Rate B	8.30	4.12	53.82
Rate C	8.50	4.06	51.78
Rate D	8.70	4.05	50.65
Rate DD	8.90	3.83	46.90
Rae DDD	9.10	3.74	44.80
Rae E	9.30	3.64	42.74
Rate F	9.50	3.55	40.88
Rate G	10.00	3.54	38.95
Rate H	10.00	3.37	37.04

^{• &#}x27;Rate AA – start' is the rate applicable to employees in the category AA who are in their first six months of continuous employment with the same employer, unless otherwise specified elsewhere in the Agreement.

(b)WAGE RATES APPLICABLE TO VEHICLE DRIVING – EXTERNAL TRANSPORT INCLUDING FORKLIFT DRIVING

	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B) A B		New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2015	Amount per hour	Minimum hourly wage rates
Class of Work	%	Rc	R
(Schedule G(a)(iv)			
(4) Forklift driving of power-operated forklift controlled from on board by the operator (job grade F)	9.50	3.55	40.88
(5) Driving of a load-carrying or hauling vehicle which requires a code 08 light motor vehicle licence to be held by the driver (job grade E)	9.30	3.64	42.74
(6) Driving of load-carrying or hauling vehicle which requires a code 10 heavy motor vehicle licence or a code 11 extra heavy motor vehicle licence to be held by the driver (job grade DD).	8.90	3.83	46.90
(7) Driving of a load-carrying or hauling vehicle which requires a code 13 or 14 heavy articulated motor vehicle licence to be held by the driver (job grade C)	8.50	4.06	51.78

Note:

Old Driving Codes and their new K53 Driving Codes Counterparts

The new credit card format driver's licence has the new codes with their descriptions on the back.

The following list represents the old Driving Codes with the new K53 Driving codes:

Code 8 - New code b and EB
 Code 10 - New code C and C1
 Code 14 - New code EC and EC1
 Code 02 - New code A and A1

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(c) WAGE RATES WITH SPECIFIC APPLICATION TO THE OPERATIONS LISTED HEREIN

	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B) A B		New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2015	Amount per hour	Minimum hourly wage rates
Class of Work	%	Re	R
Schedule G Learners			
Rate D Operation 1 First three months of experience (Rate D, less 10%)	8.70	3.64	45.58
Second three months of experience (Rate D, less 5%)	8.70	3.85	48.12
Thereafter Rate D	8.70	4.05	50.65
Provided that — No employee may be engaged upon incentive bonus work during the learnership period; An employer who wished to train an employee for any of the classes of work for which no learnership or probationary period is provided may do so only with the prior approval of the Council, which shall prescribe the conditions under which permission for such employment is granted.			
Vitreous Enamelling			
Operation 1(a) First duster (Rate B)	8.30	4.12	53.82
Operation 1(b) Second duster (Rate D)	8.70	4.05	50.65
Section (d) Structural Engineering Wage Categories Category 5 Category 4 Category 3 Category 2 Category 1 Category 1(a)	7.50 8.17 8.83 9.50 10.00 10.00	4.54 4.55 4.26 3.79 3.35 2.78	65.11 60.23 52.53 43.71 36.88 30.54
Note: Special Provisions Limited to Construction Sites covered by Project Labour Agreements. The special provisions and wage rates as set out in Annexure H shall apply.			

	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)		
	Α	В	New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2015	Amount per hour	Minimum hourly wage rates
Class of Work	%	Re	R
DIVISION D/4 Rate B Operation 1 First six months of experience (Rate F) Second six months of experience (Rate DDD) Third six months of experience (Rate D) Fourth six months of experience (Rate C) Thereafter Rate B DIVISION D/12 Learnership periods and rates of pay herefore: Rate B – Newcomers First two months of experience (Rate DD) Second two months of experience (Rate D) Third two months of experience (Rate C) Thereafter Rate B Rate C – Newcomers	9.50	3.55	40.88
	9.10	3.74	44.80
	8.70	4.05	50.65
	8.50	4.06	51.78
	8.30	4.12	53.82
	8.90	3.83	46.90
	8.70	4.05	50.65
	8.50	4.06	51.78
	8.30	4.12	53.82
First two months of experience (Rate DD) Second two months of experience (Rate D) Thereafter Rate C	8.90	3.83	46.90
	8.70	4.05	50.65
	8.50	4.06	51.78
Rate D – Newcomers First two months of experience (Rate DD) Thereafter Rate D	8.90	3.83	46.90
	8.70	4.05	50.65
DIVISION D/19 Section (f) Rate A Operation No.1 First year of experience (Rate AA – start)	7.90	4.33	59.10
	7.70	4.43	62.00
	7.50	4.54	65.11

			
	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)		
	A	В	New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2015	Amount per hour	Minimum hourly wage rates
Class of Work	%	Re	R
DIVISION D/22 Section B Operation No.1(Rate D)	8.70	4.05	50.65
Section (c) Operations No.1 to No.5 (Rate D) Operations No.6 to No.8 (Rate DDD) Operations No.9 to No.21 (Rate G) Operations No.22 to No.33 (Rate H)	8.70 9.10 10.00 10.00	4.05 3.74 3.54 3.37	50.65 44.80 38.95 37.04
DIVISION D/23 Training periods: Newcomers to Rate DDD First four months of experience (Rate F)	9.50 9.10	3.55 3.74	40.88 44.80
Newcomers to Rate E: First four months of experience (Rate H) Thereafter Rate E	10.00 9.30	3.37 3.64	37.04 42.74
DIVISION D/24 Rate Operation No.1 First three months of experience (Rate D, less 5%) Thereafter Rate D	8.70 8.70	3.85 4.05	48.12 50.65
DIVISION E/2 Section (b) First twelve months of experience Rate AA – start	7.90 7.70 7.50	4.33 4.43 4.54	59.10 62.00 65.11

(d) WAGE RATES APPLICABLE TO OPERATIONS IN SCHEDULE FONLY

	(To be the greater of calculated in terms of	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)	
	A	В	New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2015	Amount per hour	Minimum weekly wage rates
Class of Work	%	Rc	R
Group Z	7.50	4.54	65.11
Group Y	7.75	3.69	51.32
Group IX	8.00	3.62	48.80
Group VIII	8.25	3.63	47.64
Group VII	8.50	3.63	46.28
Group VI	8.75	3.62	44.98
Group V	9.00	3.60	43.64
Group IV	9.25	3.58	42.30
Group III	9.50	3.60	41.51
Group II	10.00	3.67	40.34
Group I	10.00	3.57	39.28

(e) WAGE RATES APPLICABLE TO APPRENTICES ONLY

			1
	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)		
	A	В	New
	Percentage Increase on actual weekly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2015	Amount per week	Minimum weekly wage rates
Class of Work	%	R	R
First Year	7.50	89.74	1286.27
Second Year	7.50	99.05	1419.77
Third Year	7.50	117.98	1691.10
Fourth Year	7.50	174.77	2505.06
The hourly rate of all apprentices for the purposes of calculating overtime shall be the weekly wage paid, divided by 40.			

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(b) WAGE RATES APPLICABLE TO OPERATIONS IN DIVISION D/7 ONLY

			
	GUARANTEED PERSON (To be the greater of calculated in terms of reflected in Columbia	New	
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2015	Minimum hourly wage rates	
Class of Work	%	Rc	R
В	7.96	2.57	34.86
С	8.20	2.57	33.86
D	8.52	2.64	33.57
DDD	8.84	2.70	33.27
E	9.17	2.77	32.98
F	9.50	2.84	32.69
G	10.00	2.84	31.20
Н	10.00	2.53	27.80

A. FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017.

(a) WAGE RATES APPLICABLE TO OPERATIONS SCHEDULED AT RATES A TO H, INCLUDING WATCHMAN'S WORK, THROUGHOUT THIS AGREEMENT

	(To be the greater of calculated in terms of	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)		
	A	A B		
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2016	Amount per hour	Minimum hourly wage rates	
Class of work	%	Rc	R	
Rate A & A1	7.00	4.56	69.67	
Rate AA	7.18	4.45	66.45	
Rate AA(start)	7.36	4.35	63.45	
Rate AB	7.54	4.25	60.61	
Rate B	7.72	4.16	57.98	
Rate C	7.90	4.09	55.87	
Rate D	8.80	4.09	54.75	
Rate DD	8.26	3.87	50.79	
Rae DDD	8.44	3.78	48.58	
Rae E	8.62	3.68	46.41	
Rate F	8.80	3.60	44.48	
Rate G	9.00	3.51	42.46	
Rate H	10.00	3.70	40.74	

^{• &#}x27;Rate AA – start' is the rate applicable to employees in the category AA who are in their first six months of continuous employment with the same employer, unless otherwise specified elsewhere in the Agreement.

(b)WAGE RATES APPLICABLE TO VEHICLE DRIVING – EXTERNAL TRANSPORT INCLUDING FORKLIFT DRIVING

	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)		
	A B		New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2016	Amount per hour	Minimum hourly wage rates
Class of Work	%	Rc	R
(Schedule G(a)(iv)			
(8) Forklift driving of power-operated forklift controlled from on board by the operator (job grade F)	8.80	3.60	44.48
(9) Driving of a load-carrying or hauling vehicle which requires a code 08 light motor vehicle licence to be held by the driver (job grade E)	8.62	3.68	46.42
(10) Driving of load-carrying or hauling vehicle which requires a code 10 heavy motor vehicle licence or a code 11 extra heavy motor vehicle licence to be held by the driver (job grade DD).	8.26	3.87	50.77
(11) Driving of a load-carrying or hauling vehicle which requires a code 13 or 14 heavy articulated motor vehicle licence to be held by the driver (job grade C)	7.90	4.09	55.87

Note:

Old Driving Codes and their new K53 Driving Codes Counterparts

The new credit card format driver's licence has the new codes with their descriptions on the back.

The following list represents the old Driving Codes with the new K53 Driving codes:

Code 8 - New code b and EB
 Code 10 - New code C and C1
 Code 14 - New code EC and EC1
 Code 02 - New code A and A1

(c) WAGE RATES WITH SPECIFIC APPLICATION TO THE OPERATIONS LISTED HEREIN

	GUARANTEED P. INCREAS (To be the greater of calculated in terms of reflected in Col	SE the amounts Column A or		
	A	В	New	
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2016	Amount per hour	Minimum hourly wage rates	
Class of Work	%	Rc	R	
Schedule G Learners				
Rate D Operation 1 First three months of experience (Rate D, less 10%)	8.80	3.69	49.27	
Second three months of experience (Rate D, less 5%)	8.80	3.90	52.02	
Thereafter Rate D	8.80	4.09	54.75	
Provided that – No employee may be engaged upon incentive bonus work during the learnership period; An employer who wished to train an employee for any of the classes of work for which no learnership or probationary period is provided may do so only with the prior approval of the Council, which shall prescribe the conditions under which permission for such employment is granted. Vitreous Enamelling				
Operation 1(a) First duster (Rate B)	7.72	4.16	57.98	
Operation 1(b) Second duster (Rate D)	8.08	4.09	54.75	
Section (d) Structural Engineering Wage Categories Category 5 Category 4 Category 3 Category 2 Category 1 Category 1 Note:	7.00 7.60 8.20 8.80 9.00 10.00	4.56 4.58 4.31 3.85 3.32 3.05	69.67 64.81 56.84 47.56 40.20 33.59	
Special Provisions Limited to Construction Sites covered by Project Labour Agreements. The special provisions and wage rates as set out in Annexure H shall apply.				' ,
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	INCREAS (To be the greater of calculated in terms of	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)		
,	A	В	New	
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2016	Amount per hour	Minimum hourly wage rates	
Class of Work	%	Rc	R	
DIVISION D/4 Rate B Operation 1				
First six months of experience (Rate F) Second six months of experience (Rate DDD) Third six months of experience (Rate D)	8.80 8.44 8.08	3.60 3.78 4.09	44.48 48.58 54.75	
Fourth six months of experience (Rate C) Thereafter Rate B	7.90 7.72	4.09 4.16	55.87 57.98	
DIVISION D/12 Learnership periods and rates of pay herefore:				
Rate B – Newcomers				
First two months of experience (Rate DD) Second two months of experience (Rate D) Third two months of experience (Rate C) Thereafter Rate B	8.26 8.08 7.90 7.72	3.87 4.09 4.09 4.16	50.79 54.75 57.87 57.98	
Rate C – Newcomers				
First two months of experience (Rate DD)	8.26 8.08 7.90	3.87 4.09 4.09	50.79 54.75 55.87	
Rate D - Newcomers First two months of experience (Rate DD) Thereafter Rate D	8.26 8.08	3.87 4.09	50.79 54.75	
DIVISION D/19 Section (f) Rate A Operation No.1				
First year of experience (Rate AA – start) Second year of experience (Rate AA) Thereafter Rate A1	7.36 7.18 7.00	4.35 4.45 4.56	63.45 66.45 69.67	

	INCREAS (To be the greater of calculated in terms of	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)		
	A	В	New	
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2016	Amount per hour	Minimum hourly wage rates	
Class of Work	%	Re	R	
DIVISION D/22 Section B Operation No.1(Rate D)	8.08	4.09 4.09	54.75 54.75	
Operations No.6 to No.8 (Rate DDD) Operations No.9 to No.21 (Rate G) Operations No.22 to No.33 (Rate H)	8.44	3.78	48.58	
	9.00	3.51	42.46	
	10.00	3.70	40.74	
DIVISION D/23 Training periods: Newcomers to Rate DDD First four months of experience (Rate F) Thereafter Rate DDD	8.08	3.60	44.48	
	8.44	3.78	48.58	
Newcomers to Rate E: First four months of experience (Rate H) Thereafter Rate E	10.00	3.70	40.74	
	8.62	3.68	46.41	
DIVISION D/24 Rate Operation No. I First three months of experience (Rate D, less 5%) Thereafter Rate D	8.80	3.90	52.02	
	8.80	4.09	54.75	
DIVISION E/2 Section (b) First twelve months of experience Rate AA – start	7.36	4.35	63.45	
	7.18	4.45	66.45	
	7.00	4.56	6967	

(d) WAGE RATES APPLICABLE TO OPERATIONS IN SCHEDULE FONLY

	GUARANTEED PERSON (To be the greater of calculated in terms of reflected in Colu		
	A	В	New
	Percentage Increase on actual hourly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2016	Amount per hour	Minimum weekly wage rates
Class of Work	%	Rc	R
Group Z	7.00	4.56	69.67
Group Y	7.23	3.71	55.03
Group IX	7.45	3.64	52.44
Group VIII	7.68	3.66	51.30
Group VII	7.90	3.66	49.94
Group VI	8.13	3.66	48.64
Group V	8.35	3.64	47.29
Group IV	8.58	3.63	45.93
Group III	8.80	3.65	45.16
Group II	9.00	3.63	43.97
Group I	10.00	3.93	43.21

(e) WAGE RATES APPLICABLE TO APPRENTICES ONLY

	GUARANTEED PERSONAL INCREASE (To be the greater of the amounts calculated in terms of Column A or reflected in Column B)		
	A	В	New
	Percentage Increase on actual weekly rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2016	Amount per week	Minimum weekly wage rates
Class of Work	%	R	R
First Year	7.00	90.04	1376.31
Second Year	7.00	99.38	1519.15
Third Year	7.00	118.38	1809.48
Fourth Year	7.00	175.35	2680.41
The hourly rate of all apprentices for the purposes of calculating overtime shall be the weekly wage paid, divided by 40.			

(g) WAGE RATES APPLICABLE TO OPERATIONS IN DIVISION D/7 ONLY

	(To be the greater of calculated in terms of reflected in Colu-A		
	rate of pay, excluding allowances, of which the employee was in receipt on 30 June 2016	hour	hourly wage rates
Class of Work	%	Rc	R
В	7.46	2.60	37.46
С	7.90	2.67	36.53
D	8.40	2.82	36.39
DDD	8.40	2.79	36.06
Е	8.40	2.77	35.75
F	8.80	2.88	35.57
G	9.00	2.81	34.01
Н	10.00	2.78	30.58

17. SCHEDULE G(A) GENERAL

- (1) Insert the following new job description:
 - "70. Operating a single headed oxyacetylene and/or gas profiling machine and/or water and/or other medium used."
- **(2)** Insert the following new job description at Rate E:
 - "6. Winch assembly build and repair."

Insert the following new subsection 5:

- (3) Section (d): Structural Engineering
- "5. Scaffolding

Where supervision is not specified for an operation, then general supervision by a category 5 employee will apply.

	CATEGORY 4		CATEGORY 3		CATEGOTY 2		CATEGORY 1
4.S.1	Erect tower according to design	3.S.1	Under the supervision of a Cat 4 employee category	2.S.1	Under the supervision of a Cat 3 employee	1.S.1	Identify scaffold components
4.S.2	Erect scaffolding according to design	3.S.2	Erect tower	2.S.2	Preparing scaffolding foundation	1.S.2	Identifying defective equipment
4.S.3	Erect multi span bridge scaffolding with beams	3.S.3	Erect scaffolding	2.S.3	Preparing scaffolding components for the scaffolder	1.5.3	Handling scaffolding equipment
4.S.4	Erect trusses out with tube and fittings	3.S.4	Erect mobile tower	2.5.4	Stacking equipment on scaffolding	1.S.4	Carrying scaffolding components
4.S.5	Erect drop scaffolding	3.S.5	Erect bridge scaffolding with beams	2.\$.5	Passing up and/or lowering of scaffolding components on scaffolding	1.S.5	Manual loading and/or offloading of scaffolding components
4.S.6	Erect cantilevered drop scaffolding	3.S.6	Erect basic cantilever	2.S.6	Moving scaffold boards to the various levels	1.S.6	Passing up and/or lowering of scaffolding components
				44	All was	r k	1 St

		Т	T	T		1	T
4.S.7	Erect pedestrian gantry	3.S.7	Erect basic drop scaffolding	2.\$.7	Assist scaffolder to install and remove components under supervision	1.S.7	Storage of scaffolding components
4.S.8	Erect protection barrier	3.S.8	Erect basic protection barrier	2.S.8	Install cantilever brackets		
4.S.9	Erect roof saddle	3.S.9	Erect staircase tower	2.S.9	Securing of scaffold boards		
4.S.10	Erect lifting gantry	3.S.10	Erect basic buttress	2.S.10	Operating hand operated hoist		
4.S.11	Erect tube and fitting	3.S.11	Erect circular scaffolding				
4.S.12	Erect tube and fitting drop scaffolding	3.S.12	Erect basic rubble chute	·			
4.S.13	Erect seated stand	3.S.13	Erect basic barrow ramp				
4.S.14	Erect stage platform	3.S.14	Erect barricading				
4.S.15	Erect pedestrian walkway and bridge	3.S.15	Erect edge protection				
4.S.16	Erect temporary roof	3.S.16	Erect storage rack for scaffolding equipment				
4.S.17	Erect sheeted scaffold	3.S.17		s and fixir	ngs to install scaffoldi	ng ties, e	xcluding drilling
4.S.18	Erect loading bay	3.S.18					
4.S.19	Erect loading tower	3.S.19					
4.S.20	Erect barrow ramp	3.S.20					
4.S.21	Erect all types of scaffolding	3.S.21					
4.S.22	Perform alterations whereby critical members are being removed and/or replaced						

18. ANNEXURE B: FIVE GRADE JOB AND WAGE STRUCTURE

Substitute the following for item 8:

A. FROM THE COMING INTO OPERATION OF THIS AGREEMENT TO 30 JUNE 2015

"8. For those establishments that have implemented or intend to implement the new job and wage system, the following minimum wage shall apply for the new five-grade structure. For those establishments that have implemented the five-grade job and wage structure, the following increases shall apply on the same terms as set out in clause 1 of Part II of this Agreement.

The actual wage structure, including the benchmark figure for artisans, shall be agreed at company level depending upon the nature of multi-skilling, multi-tasking broad banding and employee flexibility agreed between the affected employer and trade union(s).

Grade	Current Minimum	Increase on Actuals	Increase on	New Minimum
	Wage Rate	and Scheduled Wage	Scheduled Wage	Wage Rates
		Rates	Rate	·
5	56.08	8.00	4.49	60.56
4	48.29	8.00	3.86	52.15
3	41.58	8.00	3.33	44.91
2	35.81	8.00	2.86	38.67
1	30.85	8.00	2.47	33.32

Note:

These amounts will be increased in line with the increases to be agreed in the 2015/2016 and subsequent annual Main Agreement negotiations.

The new five-grade wage structure will be phased-in in equal increments, over a maximum period of five years.

B. FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016

Substitute the following for item 8:

"8. For those establishments that have implemented or intend to implement the new job and wage system, the following minimum wage shall apply for the new five-grade structure. For those establishments that have implemented the five-grade job and wage structure, the following increases shall apply on the same terms as set out in clause 1 of Part II of this Agreement.

The actual wage structure, including the benchmark figure for artisans, shall be agreed at company level depending upon the nature of multi-skilling, multi-tasking broad banding and employee flexibility agreed between the affected employer and trade union(s).

Grade	Current Minimum	Increase on Actuals	Increase on	New Minimum
1	Wage Rate	and Scheduled Wage	Scheduled Wage	Wage Rates
		Rates	Rate	
5	60.57	7.50	4.54	65.10
4	52.15	7.50	3.91	56.06
3	44.91	7.50	3.37	48.28
2	38.67	7.50	2.90	41.57
1	33.32	7.50	2.50	35.82
		Whichever is the greate	er personal increase	

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Note:

These amounts will be increased in line with the increases to be agreed in the 2016/2017 and subsequent annual Main Agreement negotiations.

The new five-grade wage structure will be phased-in in equal increments, over a maximum period of five years.

C. FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017

"8. For those establishments that have implemented or intend to implement the new job and wage system, the following minimum wage shall apply for the new five-grade structure. For those establishments that have implemented the five-grade job and wage structure, the following increases shall apply on the same terms as set out in clause 1 of Part II of this Agreement.

The actual wage structure, including the benchmark figure for artisans, shall be agreed at company level depending upon the nature of multi-skilling, multi-tasking broad banding and employee flexibility agreed between the affected employer and trade union(s).

Grade	Current Minimum	Increase on Actuals	Increase on	New Minimum
	Wage Rate	and Scheduled Wage	Scheduled Wage	Wage Rates
		Rates	Rate	
5	65.11	7.00	4.56	69.66
4	56.06	7.00	3.92	59.98
3	48.28	7.00	3.38	51.66
2	41.57	7.00	2.91	44.48
1	35.82	7.00	2.51	38.33
		Whichever is the greate	er personal increase	

Note:

These amounts will be increased in line with the increases to be agreed in the 2017/2018 and subsequent annual Main Agreement negotiations.

The new five-grade wage structure will be phased-in in equal increments, over a maximum period of five years.

19. ANNEXURE G: ATTENDANCE OF WORKER REPRESENTATIVES ON NATIONAL AND REGIONAL BARGAINING COUNCIL COMMITTEES

Substitute the following for the existing Annexure:

- The employer and trade union parties agree that it is important that workers representatives, appointed by the unions to serve on the Bargaining Council National and Regional Committees, should participate at that level.
- To this end the trade unions will by 31 January of each year, notify the Council Secretary in writing of the names and contact details of the union worker representatives appointed to serve on these National and Regional Committees.
- The Council will maintain a register of these union representatives.
- The Council will, during February each year, notify the companies concerned of the appointment of their employees onto the specific Bargaining Council Committee/s and of the scheduled meeting dates of the committee/s for the year ahead.
- Where the company is unable, for operational or other valid reasons to accept the absence of the employee on the dates concerned it shall immediately communicate with the Council in order that the problem be addressed. The Council Secretary may call upon a senior trade union official and employer representatives to assist in attempting to achieve an amicable resolution of the problem, including meeting with the employer in order to address the specific problems identified.
- Absence from the workplace to attend each scheduled meeting must be based on reasonable prior notice of the meeting to the employer supported by the presentation of the Agenda of the Meeting by the worker representative.
- An employee who is an office bearer of a party trade union, is entitled to take reasonable leave during working hours for the purposes of performing the functions of that office.
- The party trade union and the employer may agree to the number of days of leave, the number of paid leave and the conditions attached to any leave.
- A trade union representative will be entitled to a minimum of 10 days leave per annum for purposes of performing his/her duties.
- This provision constitutes a minimum floor of rights any current rights at plant level exceeding these will remain
 in force..
- As far as it is practicably possible to do so, the trade unions will endeavor to ensure that employers are not
 unnecessarily prejudiced by the obligations of any one shop steward being unnecessarily burdened with
 representational and/or trustee duties resulting in unreasonable absences from work.
- The representative's traveling and accommodation expenses will be borne by the Council.

20. ANNEXURE H: SPECIAL PROVISIONS RELATED TO CONSTRUCTION SITES COVERED BY A PROJECT LABOUR AGREEMENT (PLA)

Substitute the following for item 1.8:

A. FROM THE COMING INTO OPERATION OF THIS AGREEMENT TO 30 JUNE 2015

"1.8 Any person who is able to demonstrate that he/she has obtained previous knowledge and skills of working on a construction site, and is able to perform work in a higher grade, and subject to such work being available may not be employed in Grade (a), Grade 1 and Grade 2 and on the rates herein unless the employee elects otherwise. The period that an employee may be remunerated on Grade 1(a) and 2(a) rates will be the subject of a PLA, but shall not be longer than 4 months.

Grade	Current minimum wage rate	Increase on actual and scheduled wage rate	Increase on scheduled wage rate	Minimum wage rate R C
5	56.08	8.00	4.49	60.57
4	51.20	8.50	4.35	55.55
3	44.04	9.00	3.96	48.00
2	36.16	9.50	3.44	39.60
2(a)	29.91	10.00	2.99	32.90
1	18.66	Rate 1 and 1(a) to be align	ed with the wage rate appl	icable to the general
1(a)	16.93	worker rate in the bargain		

Whichever is the greater personal increase

B. FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016

Substitute the following for item 1.8:

"1.8 Any person who is able to demonstrate that he/she has obtained previous knowledge and skills of working on a construction site, and is able to perform work in a higher grade, and subject to such work being available may not be employed in Grade (a), Grade 1 and Grade 2 and on the rates herein unless the employee elects otherwise. The period that an employee may be remunerated on Grade 1(a) and 2(a) rates will be the subject of a PLA, but shall not be longer than 4 months.

Grade	Current minimum	Increase on actual and	Increase on scheduled	Minimum wage rate
	wage rate	scheduled wage rate	wage rate	R C
5	60.57	7.50	4.54	65.10
4	55.55	8.00	4.44	59.99
3	48.00	8.50	4.08	52.08
2	39.60	9.00	3.56	43.16
2(a)	32.90	9.50	3.13	36.03
1	20.53	Rate 1 and 1(a) to be align	ed with the wage rate app	licable to the general
1(a)	18.62	worker rate in the bargain	ing council for the civil en	gineering industry.

Whichever is the greater personal increase

C. FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017

Substitute the following for item 1.8:

"1.8 Any person who is able to demonstrate that he/she has obtained previous knowledge and skills of working on a construction site, and is able to perform work in a higher grade, and subject to such work being available may not be employed in Grade (a), Grade 1 and Grade 2 and on the rates herein unless the employee elects otherwise. The period that an employee may be remunerated on Grade 1(a) and 2(a) rates will be the subject of a PLA, but shall not be longer than 4 months.

Grade	Current minimum wage rate	Increase on actual and scheduled wage rate	Increase on scheduled wage rate	Minimum wage rate R C
5	65.11	7.00	4.56	69.67
4	59.99	7.45	4.47	64.46
3	52.08	7.90	4.11	56.19
2	43.16	8.35	3.60	46.76
2(a)	36.03	8.80	3.17	39.20
1	22.58	Rate 1 and 1(a) to be align	ed with the wage rate app	olicable to the general
1(a)	20.48	worker rate in the bargain		

Whichever is the greater personal increase

21. ANNEXURE J. FUTURE OF COLLECTIVE BARGAINING

The parties have considered the effectiveness of Section 37 of the MA and agreed that the viability and sustainability of the collective bargaining structures and processes is under threat from two key socio-economic forces. These forces are the enhanced requirement for increased company competitiveness in the context of deindustrialisation through the globalization of manufactured goods and the urgent need to address the social living conditions of employees in the context of enhanced labour market instability, and environment made worse by both inequality and poor social service delivery.

The parties believe that in order to develop company competitiveness to deliver long term job security and human dignity in employment and living conditions, the parties need to urgently review the architecture of collective bargaining in the engineering, metals and related broader automotive supply chain industries.

To this end the parties agree to review collective bargaining in a consultative process with the parties to MEIBC, MIBCO, NTMIBC and ANBF on the following, non-exclusive, list of items:

- 1. Levels of bargaining and what to bargain at which level, including scheduled and actual rates and the bargaining cycle and processes.
- 2. A rational value chain based bargaining systems covering the metal, engineering, motor component and assembly industry.
- 3. Socio-economic issues as they impact on employees' rights to humane living conditions.
- 4. Productivity and performance issues as they impact on the employer competitiveness.
- 5. Exemption processes and procedures.

It is agreed by the parties that the purpose of this engagement process is to find consensus over a three year period of discussions to design and implement an entirely new collective bargaining dispensation for the said industries for implementation in 1 July 2017. This new dispensation must be founded on promoting enhanced employee benefits and human dignity aligned through structures and processes that facilitate a growing and competitive manufacturing sector.

The composition of the Collective Bargaining Dispensation Forum (CBDF) will be agreed to between the parties. The CBDF will invite relevant government department representatives on matters requiring government support as the parties deem appropriate.

Meetings of the Collective Bargaining Forum (CBDF) will be convened by the MEIBC and will take place in the Industry Policy Forum structure, not later than three months after the finalization of the Main Agreement negotiation.

The parties will determine their own work program, schedule and timetable provided that the parties commit to engage with all other affected parties to have the new collective bargaining dispensation agreed for implementation by the time of the expiry of this agreement.

22. ANNEXURE K: NATIONAL EXEMPTIONS POLICY

Insert the following new Annexure:

METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL NATIONAL EXEMPTIONS POLICY

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METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL

EXEMPTIONS POLICY

1. Introduction

- 1.1 The purpose of this document is to set out the policies which will apply to the consideration of applications for exemptions.
- 1.2 Each Regional Council should determine the appropriate level at which exemption decisions will be made and may choose to implement one of the following approaches in this regard:
 - 1.2.1 Determine the specific types of exemption applications which the Regional Office may deal with and those which must be referred to the Regional Council for decision; or
 - 1.2.2 Determine that all exemption applications must be dealt with by the Regional Council or an appointed sub-committee of the Regional Council.
- 1.3 Exemptions shall be dealt with within 45 days of receipt thereof.
- 1.4 Where the Regional Office is given the authority to deal with a specific exemption application and an appeal is lodged against the Office's decision then this appeal must be referred to the Independent Exemptions Appeal Board.
- 1.5 An appeal lodged against a decision by the Regional Council must be referred to the Independent Exemptions Appeal Board for final decision.
- 1.6 Exemption applications must be considered on the basis of criteria established by the Management Committee in order to ensure consistency in the granting or refusing of exemption applications and in accordance with the provisions of Clause 23 of the Main Agreement.
- 1.7 Regional Councils wishing to apply other criteria to address specific regional situations must make specific recommendations in this regard to the Management Committee to obtain approval prior to implementing the desired criteria.
- 1.8 Reasons for granting or refusing an application shall be recorded and retained by the Regional Office. The applicant must on request be supplied with reasons for refusal of an application for exemption.

1.9 The Council may withdraw the exemption at its discretion.

2. Fundamental Principles

The following are fundamental principles which are legal obligations imposed on the Council by its Agreements and which will also be applied by the Independent Exemptions Appeal Board (IEAB).

- 2.1 All applications must be in writing and fully motivated, and sent to the Regional Office of the Council for the area in which the applicant is located, for consideration by the Council. Supporting documentation and details of consultations shall be submitted in accordance with the requirements as set out in the Application form.
- 2.2 In scrutinising an application for exemption, the Council will consider the views expressed by the employer and the workforce, together with any other representations received in relation to that application.
- 2.3 The exemption shall not contain terms that would have an unreasonably detrimental effect on the fair, equitable and uniform application of the Main Agreement in the Industry.
- 2.4 Wage and wage related exemptions should not generally be granted beyond the expiration of the agreement provided that the Council may at its discretion and on good cause shown agree to a longer period (but not an indefinite period)
- 2.5 The employer must consult with the work force, through a trade union representative or, where no trade union is involved, with the work force itself, and must include the views expressed by the work force in the application.
 - 2.5.1 Where the views of the work force differ from that of the employer, the reasons for the views expressed must be submitted with the application.
 - 2.5.2 Where an agreement between the employer and the workforce is reached, the signed written agreement must accompany the application.
- 2.6 The authority of the Council is to consider applications for exemption. In the event of an appeal against the decision of the Council, the Secretary will on receipt of the appeal submit it to the IEAB for consideration and finalisation.

2.7 Retrospectivity

Applications for exemption involving monetary issues may not be granted retrospectively.

2.8 <u>Urgent applications</u>

- 2.8.1 In cases of urgent applications, details may be faxed, e-mailed or delivered to the Council in the region where the applicant is located.
- 2.8.2 The Council or Chairperson and Vice Chairperson and Regional Manager will consider the application, make a decision and communicate that decision to the applicant without delay.

The decision will be ratified and minuted at the next meeting of the Council.

2.8.3 The applicant is expected to put forward a substantive explanation as to the urgency of the application.

CRITERIA FOR EXEMPTION

3. <u>Small Business Exemption Policy</u>

Exemptions in this category will be granted for a period not exceeding 36 months. The exemption shall be in respect of the entire Main Agreement or in respect of specified clauses of the Main Agreement but shall not apply to any other collective agreement of the Council.

The Council will consider applications on merit taking into account one or more of the following factors:

- 3.1 That the business is not a subsidiary of another company;
- 3.2 It employs no more than ten *scheduled employees;
 *(A scheduled employee is an employee engaged in production related activities and whose job is contained in Part II of the Main Agreement)
- 3.3 It has been operating for a period of less than three years;
- 3.4 It is able to show that such an exemption will enable it to retain existing jobs or create additional jobs in the firm. This particular factor must be covered in the motivation:
- 3.5 The financial situation of the business;

4. Struggling Business Exemptions

- 4.1 Application for exemption or deferment of implementation from specified provisions of the Main Agreement will be dealt with after giving consideration to the following:
 - 4.1.1 clear evidence of financial difficulties including:
 - 4.1.1.1 the most recent set of annual financial statements and auditor's report signed by the auditor (or accounting officer in the case of CC's);
 - 4.1.1.2 management accounts covering the period from the date of the above financial statements to two months prior to the date of application;
- 4.1.2 An explanation of the difficulties being faced by the company.

The exemption will be valid for a period of one year and any extension will require re-application.

5. Application for deferral of compliance with an agreement:

- 5.1 Application for exemption for deferral of compliance with one or more of the following:
 - The guaranteed personal increases;
 - The lump sum wage adjustment;
 - Payment of Leave Enhancement Pay;

must be accompanied by -

- 5.1.1 A detailed motivation for the application.
 - 5.1.2 An indication of the date by which full compliance is expected which must not be later than the expiry of the agreement in question.
 - 5.1.3 The written agreement where an agreement between the employer, registered trade union and the workforce is reached.

6. <u>Labour Broker Package Rate Exemptions</u>

- 6.1 The Council may at any time after prior notification, withdraw the exemption either wholly or in part, or amend the conditions under which the exemption was issued, or amend the conditions of employment and other matters regulated under the exemption.
- 6.2 The exemption shall apply only in respect of workers supplied to clients by the labour broker within the meaning of the provisions dealing with labour broking in the Labour Relations Act, No. 66 of 1995.
- 6.3 The exemption shall apply only in respect of a worker with whom the labour broker has entered into a written site contract of employment in the same form as the contract incorporated herein (Refer Annexure 2) and only for the duration of the mentioned site contract.
- 6.4 Any matter not dealt with in the mentioned contract, whether through mere omission by one or both the parties to the contract or for whatever other reason, shall not be regulated by the exemption but shall be regulated in terms of the relevant provision dealing with the matter in the industrial agreements.
- 6.5 The exemption shall only apply if the labour broker has complied and continues to comply with the registration requirements prescribed in Clause 20(3) "Outwork, Temporary Employment Services and Limited Duration Contracts" of the Main Agreement applicable in the Industry.

F.E.P. 2

- 6.6 A signed copy of the prescribed contract entered into shall be made available to the worker concerned, on the worker's request, or his representative's request and a copy thereof shall be retained in the employer's filing system.
- 6.7 The worker shall be paid a minimum package rate per hour consisting of:
 - i) An amount of not less than the prescribed minimum hourly rate in the Main Agreement for his class of work to which shall be added an amount in respect of each of the following items. The amount shall be calculated using the percentages of the actual basic wage rate as given below.
 - ii) Overtime (<u>based on the table annexed hereto as Annexure 1</u> and to be determined in terms of the overtime requirements of each separate site/project).

iii) Leave pay : 6.4% of the actual basic wage rate
 iv) Leave enhancement pay : 8.3% of the actual basic wage rate
 v) Public holiday : 5.1% of the actual basic wage rate
 vi) Sick leave : 4.3% of the actual basic wage rate
 vii) Family responsibility leave : 1.28% of the actual basic wage rate.

- 6.8 The labour broker shall be liable for and pay over to the Council in respect of each worker an amount per hour (which is <u>limited to the maximum working hours per week</u> as per the Main Agreement) consisting of:
 - i) A contribution to the Industry Retirement Funds of 13.2 per cent of the employee's pensionable remuneration. (See note below).
 - ii) A Council administration contribution of R1.18 per week or part thereof per employee, subject to the condition that if the total amount payable in respect of the Council administration contributions is less than the minimum monthly payment required from each employer in terms of the Council's Registration and Administration Expenses Agreement, the labour broker shall make up the difference and forward the total amount to the Council.

NOTE: For the purpose of this exemption pensionable remuneration is defined as being the employees actual <u>total</u> remuneration excluding only overtime pay, leave enhancement pay and allowances.

Pensionable remuneration therefore includes, in addition to the actual basic rate of pay, payment for sick leave, family responsibility leave, annual leave, public holidays and all bonuses other than the leave enhancement pay. This definition is consistent with the definition in the Industry Fund Agreements

- 6.9 The provisions of the respective industrial agreements regulating payment and application of contributions in respect of Provident Fund, and the administration expenses of the Council shall, in so far as they are not inconsistent with the provisions of this Agreement, apply in respect of the contributions payable in terms of subclause 6.8 of this exemption and shall prescribe the times of payment, the addresses at which payment must be made, and the payment of interest on late payments.
- 6.10 Provident fund contributions shall be accompanied by a form prescribed from time to time by the Council wherein shall be specified the full amount payable and in respect of each worker:
 - i) His/her full name;
 - ii) His/her identity number;
 - iii) the period in respect of which the contributions are being made;
 - iv) the amount of contributions;
 - v) the classification of the workers work.
- 6.11 Council administration contributions shall be accompanied by a form prescribed from time to time by the Council wherein shall be specified:
 - i) the period in respect of which contributions are being made;
 - ii) the number of employees in respect of whom contributions are being made;
 - iii) the full amount payable.
- 6.12 The exemption shall be granted for the period of the limited duration contract entered into with the employee or for a period determined by the Council whichever is the earlier.

7. Labour Broker Fund Exemptions

7.1 Definition

Construction site is defined as:

- (a) an area, excluding a manufacturing environment, where a structure (which
 may be, but is not limited to, a building, ship, plant, pipe line, or tower) is
 being erected or built; and/or
- (b) an area where refurbishment of, or alterations to, an existing structure, plant etc. (as defined in 7.1(a) above) is being carried out; and/or

- (c) an area where a plant is temporarily shut down for the purpose of overhaul, maintenance, alteration, upgrading etc.
- 7.2 All labour brokers employees engaged on "construction site" (as defined above) must receive death and disability insurance cover throughout the period of employment.
- 7.3 All labour brokers employees engaged on construction sites, whose contract/s with labour brokers together extend for a continuous period of twelve months or longer, must join, and contribute to, the Industry provident fund.
- 7.3 Irrespective of the length of their contract/s, all labour broker employees, engaged on construction sites, must be given the option of joining the Industry provident fund:
 - (a) the said employee must be given the option in writing, setting out the consequence, in respect of their wage, of joining or of not joining the Industry provident fund;
 - (b) the said employee must exercise his/her option and clearly indicate this in writing;
 - (c) should the said employee elect not to join the Industry provident fund, his/her wage must be increased by the employer contribution of 3%, which would have been paid to the fund less applicable administrative and death or disability insurance costs.
- 7.5 All labour broker employees, engaged on construction sites, and who are members of the Industry provident fund, must be given the option of withdrawing from the fund once his/her contract expires:

Such a labour broker employee should be entitled to the value of their own contributions plus those of the employer, less applicable administrative and death or disability insurance costs.

7.6 Exemptions

All labour brokers wishing to follow the procedure set out in Clauses 7.1 to 7.5 above, will be required to request exemption from the existing MEIBC retirement funding requirements:

- (a) such exemption shall be granted for an indefinite period, until withdrawn by the MEIBC.
- (b) in order to retain their exemption, individual labour brokers must have:

F.E

- (i) a review of the degree of their adherence to the requirements of this proposal, completed by an independent auditor on a six monthly basis (January to June and July to December);
- (ii) a satisfactory report (as detailed in Annexure 3) on the results of this review submitted by the auditor directly to the MEIBC, within two months of the above period ending.

8. Pension, Provident and Sick Pay Fund Exemptions

The criteria for determining exemptions from industry benefit funds are as follows:

- 8.1 Total contributions must be at least equal to those required in terms of the industry Fund Agreement.
- 8.2 Contribution holidays are to be specifically excluded from proposed rules of Defined Benefit Funds.
- 8.3 Overall benefit package must be on the whole not less favourable than the benefits provided by MIPF/EIPF and Sick Pay Fund with particular emphasis on the following:
 - 8.3.1 Proportion of employer net contributions paid out on withdrawal;
 - 8.3.2 The right to transfer actuarial reserve to EIPF/MIPF on withdrawal;
 - 8.3.3 Cover for death and disability;
 - 8.3.4 In the case of Defined Benefit funds the basis on which the pension is calculated:
 - 8.3.5 In the case of the Provident and Defined Contribution funds, the net percentage of the employers' and employees' salary actually credited to the fund after allowing for deduction of administration fees and the cost of insured benefits.
- 8.3.6 There must be no waiting period for membership of the fund.
- 8.4 Funds' representatives are to be given the opportunity to address management and the workforce prior to exemption being considered.
- 8.5 The majority of the employees must support the application for exemption and the remainder will be required to follow the majority decision. Exemption will only be given in respect of <u>all</u> employees in order to avoid selective membership to the disadvantage of the Industry funds.

- 8.6 Where the employees are members of a party trade union, the trade union must support the application.
- 8.7 The exemption must stipulate that it may be withdrawn should circumstances warrant it.
- 8.8 Employees are to be represented on the Board of Trustees of the domestic fund by representatives elected by them.
- 8.9 Benefits may not be reduced.
- 8.10 Full details will be submitted to the Fund Administrators (MIBFA) and a recommendation obtained.

9. Exemptions from payment of interest

- 9.1 Applications for exemption from payment of interest levied on payment of fund contributions which are in arrears must be submitted to the Regional Council for consideration.
- 9.2 Applications will be considered by the Regional Council Committee.
- 9.3 Applications must be accompanied by the reasons as to why the payment of funds is in arrears.

10. Ship Building and/or Ship Repair Work

Employment in terms of a contract of employment that specifies that employment is for the duration or portion thereof of a specific contract secured by the employer to carry out repairs on a particular vessel.

Ship Building and Ship Repair Exemption

- 1. An employer engaged in ship, oil rig and related vessel building and/or repair activities, whether undertaken on ships, oil rigs or related vessels, in a ship-yard, or in an establishment not situated in the shipyard but directly related to and directly associated with such activities, may apply to the bargaining council for exemption to apply the bargaining council's package rate exemption or any other form of wage exemption to employees engaged on Limited Duration Contract of employment that specify that employment is for the duration or portion thereof of a specific contract secured by the employer to build or to carry out repairs on a particular vessel, ship or oil rig.
- 2. The provisions of clause 1 shall be limited in its application to employees engaged in ship building and/or repair activities only and shall not apply to employees engaged in a workshop on Main Agreement activities.

- 3. Any employee engaged on a LDC in a workshop on Main Agreement activities who is subsequently re-deployed to undertake ship building and/or repair activities in terms of a new LDC may be so employed on a package rate exemption or any form of wage exemption as applied for by the employer whilst so employed in these activities.
- 4. The parties engaged in a ship building or ship repair project may choose to enter into a Project Labour Agreement (PLA) or equivalent agreement regulating specific conditions applicable to the project in terms of the provisions of Annexure H of the Main Agreement or apply for exemption to apply the visions of the Annexure.
- 5. In the event of inclement weather being of such serious nature as to prevent any ship building or repair work being undertaken anytime during the first four hours of work, then that work should continue under cover. Where this is not practically possible, then four hours' wages will be paid to the employees concerned.
- 6. Subject to 7 below, employees engaged on limited duration contracts of employment during their first consecutive 12 months' employment with the same employer are not required to contribute to the Industry's benefit funds. Under these circumstances, the employer is required to provide death and disability cover through the industry's benefit funds to these employees. Where these employees have been in the continuous employ of the same employer for more than 12 months then they must participate in the industry's benefit funds.
- 7. The abovementioned contribution arrangement shall not apply where an employee chooses to participate in the industry's pension or provident fund during his or her first 12 month's employment with the same employer.

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ANNEXURE 1

APPLICATION FOR EXEMPTION QUESTIONNAIRE

[Section 23 of the Council's Main Agreement]

DAII	E OF THIS APPLICATION
PAR	T 1. REGISTRATION DETAILS:
1. 1.	Council Registration Number
1. 2.	Date the firm was Registered with the Council
1. 3.	Name of firm
1. 4.	Address of firm
1. 5.	TelephoneNumber Fax Number
1. 6.	E-mail Address
1. 7.	Contact person
1. 8.	Name of Employer Organization
1. 9.	Activities of firm
PART	2. LABOUR DETAILS:
2. 1.	Total Number of Employees
2. 2.	Total Number of Scheduled Employees
2. 3.	Name/s of Trade Union/s involved
2. 4.	Are Main Agreement Rates for 2006/2007 – 2007/2008 being paid? [Yes] [No]
2. 5.	If No, please specify the % of the Rates presently being paid

[page two]

PART 3. EXEMPTION DETAILS:

3. 1.	Specify Exemption applied for
3. 2.	Are any Director/s – Member/s – partner/s – owners/s of the firm a Shareholder in
	any other Business? If yes please specify
3. 3.	Specify by ticking, whether the Exemption will affect [Workshop] [Site] [al
	Employees].
3. 4.	Have Trade Union/s been consulted? [Yes] [No] [NA].
3. 5.	Date of consultation/s
3. 6.	Did Trade Union/s support the Application? [Yes] [No] [NA]. If not, why?
3. 7.	Have affected employees been consulted? [Yes] [No].
3. 8.	Did affected Employees support the Application? [Yes] [No]. (If not, attach reasons
	thereto)
3. 9.	Has the following been attached to this Application?
3. 9. 1	I. Minutes of Meetings with Employees and Trade Union? [Yes] [No]
3. 9. 2	2. Name & signatures of Trade Union Official/s and employees who attended the
	meeting? [Yes] [No]

[page three]

- 3. 11. Has the firm during the past 12 months had to institute (please tick) [short time] [lay off] [retrenchment] Please supply details (eg: specify date/s period/s and number of employees affected......
- 3.13. <u>Audited Financial Statements for the financial year</u> and <u>Auditors Report</u> together with <u>Balance Sheets and Income Statements</u> for the three months immediately prior to the application
- 3. 14. MOTIVATION: an explanation of the difficulties being faced by the firm. Please attach to the Exemption Application Questionnaire. If no Motivation is attached to the Application, the request will not be considered.
- 3. 15. BUSINESS PLAN: give dates amounts percentages and the period it will take for the firm to comply with the latest Main Agreement Minimum Rates of Pay, having regard for annual increases effective from 01 July. Please attach to the Exemption Application Questionnaire. If no Business Plan is attached to the Application, the request will not be considered.

PLEASE NOTE:

1. All relevant documentation pertaining to the Application <u>MUST</u> be attached in order to ensure an expeditious reply. If any Section of this document is NOT completed or any document/s is not attached, the Council will not consider the Application.

[page four]

2. The details reflected in this document have been provided by the employer or person so designated as true and correct to the best of their knowledge at the date of this Application. It is understood that all information contained in this document is subject to verification if required. Any information found to have been incorrect would result in immediate disqualification of the Application.

SIGNED			
DATE		******	
PLEASE PRINT	NAME		
DESIGNATION			

[page five]

APPLICATION FOR EXEMPTION FROM METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL

We:	
1	
2	
being the duly appointed Employees Repres Management of:	sentatives, do hereby confirm that the
discussed and consulted with all employees the necessity for the Application for Exemption	•
The employees unanimously accepted and a the Application and as a result, requested e initialing to give effect thereto:	•
Signed	Signed
Designation	Designation
Date	Date

[page six]

Employee / Trade Union Acknowledgment of this application

We the undersigned do hereby confirm, as required by Part 3 (3.4) above, that we have been consulted about the employers need to submit this application. We are aware of the need to submit in writing reasons for objecting to this exemption application. Attached as annexure to this application.

SIGNED ON BEHALF OF THE EMPLOYEES	DATE	
EMPLOYEE REPRESENTATIVE		
PLEASE PRINT NAME CLEARLY	DESIGNATION	
SIGNED ON BEHALF OF TRADE UNION	DATE	
ordinate of the second of	SAIL	
PLEASE PRINT NAME CLEARLY	DESIGNATION	

[page seven]

APPLICATION FOR EXEMPTION FROM THE METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL

We, the employees of
We fully understand the reasons for and the effect an Application will have on us as well as the firm.
We unanimously support this Application and agree with its contents.
Signed at
SIGNATURES OF EMPLOYEES

ANNEXURE 2

APPLICATION FOR THE PACKAGE RATE EXEMPTION

NAME OF FIRM :	DATE:
POSTAL ADDRESS:	
PHYSICAL ADDRESS:	
TELEPHONE NO.:	FAX NO.:
COUNCIL ACC. NUMBER :	APPLICANT:

PARTICULARS OF SITE FOR WHICH EXEMPTION IS REQUIRED

Client Name	Client Address		Physical Location of Site	
Tel No :-				
Type of Site (mark "X")	Shutdown	Ship Rep	air	Construction
Duration of Contract				
Number of Employees				
Type of work to be done				

DECLARATION BY APPLICANT

I, the above mentioned applicant, do hereby declare that I fully understand the following conditions which apply to the issuing of the Package Rate Exemption.

- 1. A separate application must be completed for each site.
- 2. No application for a Package Rate Exemption will be considered for any workshop or manufacturing establishment
- 3. The Package Rate method of payment may not be applied in such establishment mentioned in two (2) above.
- 4. The Council may withdraw the exemption at any time and non-compliance with all the conditions contained in the Package Rate Exemption will render the entire exemption null and void.

SIGNED:		DATE:
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MEIBC-LBAF2/02/08/2004

ANNEXURE "A"

CONDITIONS OF EXEMPTION FOR A TEMPORARY EMPLOYMENT SERVICE. (T.E.S.)

{Labour Broker - Package Rate Exemption}

Applicable to the site located at Sasol – Secunda on the hereinafter conditions from all the provisions in the industrial agreements applicable in the Metal and Engineering Industries Bargaining Council in so far as they are not inconsistent with the matters regulated under this licence of exemption.

CONDITIONS ON WHICH THIS EXEMPTION IS GRANTED

- A) The Council may at any time after prior notification, withdraw the exemption either wholly or in part, or amend the conditions under which the exemption was issued. or amend the conditions of employment and other matters regulated under the exemption.
- B) The exemption shall apply only in respect of workers supplied to clients by the T.E.S. within the meaning of Section 198 of the Labour Relations Act, No 66 of 1995.
- C) The exemption shall apply only in respect of a worker with whom the T.E.S. has entered into a written site contract in the same form as the contract incorporated herein and only for the duration of the mentioned site contract.
- D) Any matter not dealt with in the mentioned contract, whether through mere omission by one or both the parties to the contract or for whatever other reason shall not be regulated by the exemption but shall be regulated in terms of the relevant provision dealing with the matter in the applicable industrial agreement.
- E) The exemption shall only apply if the T.E.S. has complied and continues to comply with the registration requirements prescribed in clause 20(3) of the Main Agreement applicable in the Industry
- F) Employers who have been granted a "Package-rate" exemption in terms of which all employee entitlements are incorporated into a single, comprehensive hourly wage may only apply this to employees engaged on work on construction sites. Such exemptions may NOT be applied in workshops, manufacturing or production establishments
- G) A signed copy of the prescribed contract entered into shall be given to the worker concerned, and the original copy thereof shall be retained by the employer.

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MEIBC-LBCE6/16/08/2005 AMENDED22/08/2005

1. MATTERS REGULATED UNDER THIS LICENCE OF EXEMPTION

- A) The worker shall be paid a minimum package rate per hour consisting of :
 - i) an amount of not less than the prescribed minimum hourly rate in the Main Agreement for his class of work to which shall be added an amount in respect of each of the following items which amount shall not be less than the per centum of the actual basic wage rate as given below

ii) Leave pay 6.4% of the actual basic wage rate
iii) Leave Enhancement pay 8.33% of the actual basic wage rate
iv) Public Holiday 5.13% of the actual basic wage rate
v) Sick leave 4.27% of the actual basic wage rate
vi) Family Responsibility leave 1,28% of the actual basic wage rate

- vii) Where option B of the Provident Fund is pursued 3 % of the actual basic wage
- viii) Overtime and payment for work on Sundays to be paid as follows:
- (a) overtime on a normal working day is paid at time plus one half
- (b) Where a five day week is normally worked, time worked on Saturdays is paid at time plus one half
- (c) Payment for work on Sundays is paid at <u>double time</u> and for the purpose of this calculation the hours worked are deemed to be <u>at least</u> the hours of a normal shift regardless of the hours actually worked
- (d) Hours worked on a public holiday which falls on a day which is an ordinary working day shall be paid as follows: payment in addition to the ordinary hours for that shift, shall be at one and one third for such hours worked up to the normal hours of that shift, thereafter at two and a half times the ordinary hourly rate
- (e) Hours worked on a public holiday which is not an ordinary working day for the employee shall be payable on the same basis as (d) above.
- (f) Contributions to the funds as administered by the Metal and Engineering Bargaining Council:
 - i) A contribution to the Council's Provident fund of 13.2 per centum of the employees pensionable remuneration; (See note below)
 - ii) A Council administration contribution total of R2.36 per week, per employee, subject to the condition that if the total amount payable in respect of the Council administration contributions is less than R118.00 per month the T.E.S. shall make up the amount of a minimum contribution of R118.00 and forward that amount to the Council.
 - iii) A contribution total of 82 cent per week, per employee to the dispute resolution levy.

"A2" MEIBC-LBCE6/16/08/2005 AMENDED22/08/2005

iv) A contribution of one (1) per centum of the employees weekly wage, calculated on the "Basic Rate per hour" is payable to the Collective Bargaining Levy if the employee is not a member of a Trade Union that is a party to the MEIBC and a contribution of R150.00 per month is payable by the T.E.S. if the T.E.S. is not a member of an employer organisation that is a party to the MEIBC.

For the purposes of this exemption pensionable remuneration is defined as being the employees actual <u>total</u> remuneration excluding overtime pay, leave enhancement pay and any allowances.

<u>Pensionable remuneration</u> therefore includes, in addition to the actual basic rate of pay, payment for sick leave, annual leave, public holidays and family responsibility leave.

- B) Provident fund contributions shall be accompanied by a form prescribed from time to time by the Council wherein shall be specified the full contribution in respect of each worker. Each worker shall be identified by:
 - i) his full name;
 - ii) his identity number;
 - iii) the period in respect of which the contributions are being made;
 - iv) the amount of the contributions:
 - C) Council administration and dispute levy contributions shall be accompanied by a form prescribed from time to time by the Council wherein shall be specified:
 - i) the period in respect of which contributions are being made,
 - ii) the number of employees in respect of whom contributions are being made;

"A3"

MEIBC-LBCE616/08/2005 AMENDED22/08/2005

ANNEXURE "C"

LABOUR BROKING CONTRACT PRESCRIBED IN TERMS OF THE EXEMPTION GRANTED BY THE METAL AND ENGINEERING INDUSTRIES

BARGAINING COUNCIL

TO Messrs.	·					
Entered into	ON(DATE) between					
	LABOUR BROKER (T.E.S.)					
on the one h	and					
and						
Identity num	ber					
THE EMPLOYEE						
Of (address)						
on the other						
on the other	DATE:					
THE PARTIE	ES RECORD THEIR AGREEMENT ON THE FOLLOWING:					
1.	Actual basic hourly wage rate Rh					
2.	Occupation					
3.	Main Agreement job category					
	"C1"					

AMENDED22/08/2005

- 4. The Labour Broker supplies the client with proof:
 - a) that he has been allocated a registration number by the Director-General of the Department of Labour in pursuance of the application of the provisions of the Unemployment Act 30 of 1966,
 - b) that he has been allocated a registration number allocated by Compensation Commissioner in pursuance of the application of the provisions of the Compensation for Occupational Injuries and Diseases Act, 1993;
 - c) that he has been issued a registration number by the Council in pursuance of the Council's Registration and Administration Expenses Agreement
- 5. The Employer conducts business as a Temporary Employment Services (T.E.S)
- 6. The employer seeks to employ the employee who seeks to be employed by the employer for a limited duration relative to the specific work.
- 7. The employer hereby employs the employee for completion of the specific work subject to the terms and conditions of this contract.

The Contract of Employment is entered into in accordance with the provisions of Section 35 and Annexure "A" of the Main Agreement and shall commence on to

The employer may employ the employee for a specified limited contract period in terms of a limited duration contract of employment as provided below on the following specified categories of work.

Any expression used in these provisions which are defined in the Main Agreement, shall have the same meaning as in the Main Agreement, and any reference to the Main Agreement shall include any amendments to the Main Agreement; further unless inconsistent with the context -

8.1 "Construction Site" means

- 8.1.1 an area where a structure including but not limited to a building, a ship, a plant, a pipeline, and a tower is being erected or built; and / or
- 8.1.2 an area where refurbishment of, or alterations to, an existing structure as is referred in 8.1.1 above is being carried out; and / or

"C2"

MEIBC-LBCEC6/16/08/2005 AMENDED22/08/2005

- 8.1.3 an area where a structure as is referred to in 8.1.1 above is temporarily shut down for the purpose of overhaul, maintenance, alteration upgrading etc; and / or
- 8.1.4 a shipyard where refurbishing, repair, overhaul and maintenance of ships is being carried out.
- 9. This agreement shall endure from the commencement date referred to in clause (8) and on completion of the work relative to that specified work in clause (8), this contract shall automatically terminate.
 - 9.1 The remaining conditions of employment, not expressly detailed here, shall be the existing Employer policies, rules and regulations, as well as the general conditions of employment contained in the Main Agreement for the Metal and Engineering Industries Bargaining Council subject to the limitation set out in (9.4) below.
 - 9.2 On completion of this contract as detailed in clause (8) above, this contract shall automatically terminate. Such terminations shall not be construed as being retrenchment nor redundancy, but shall be the completion of the contract. No enquiry is required, nor is notice of termination of employment required to be given when this contract terminates through fluctuation of time.
 - 9.3 In the event of a conflict between the provision of this contract and the existing employer policy rules and regulations and the general conditions of employment as may prevail from time to time, the provisions of this contract shall prevail provided that in neither event shall the employee be employed on terms less favourable that the general conditions of employment as contained in the Main Agreement.
 - 9.4 The parties undertake to be bound by the terms and conditions of employment as laid down in the Main Agreement, from time to time, of the Metal and Engineering Industries Bargaining Council and any complementary terms and conditions of the Company, which include the disciplinary code and procedure of the Company.
 - 9.5 The employee shall observe all material times the company's standing orders, on health, safety and security, as they are in force from time to time.
- 10. Remuneration payable to the employees shall consist of a package rate per hour made up as follows:

Amount per moun	Amount	per hour
-----------------	--------	----------

I) An actual basic wage rate of

R.....

(Note: The basic rate shall not be less than the prescribed minimum for the applicable class of work specifies in the Main Agreement)

"C3"

MEIBC-LBCEC6/16/08/2005 AMENDED22/08/2005

	II)	The following allowance per hour, which shall not be less than the per centum of the basic wage rate as indicated hereunder:				
	a)	Leave pay	(6.4%)	R		
	b)	Leave enhancement pay	(8.33%)	R		
	c)	Public holidays	(5.13%)	R		
	d)	Sick leave	(4.27%)	R		
	e)	Family responsibility leave	(1.28%)	R		
	f)	Provident fund Option B	(3%)	R		
		Total of allowance	%	R		
		Total value of package Rate		R		
g) Please refer to example as indicated in annexure 1 (pages 4 – 6)						
I am D	Ouly a	Conditions of employment, inc expressly regulated in this con of the Council uthorised to sign this for and on	tract shall be regulate			
Makesakasaka	PRI	NT NAME	SIGNATUR	SIGNATURE {Rep of T.E.S}		
SIGNA	ATUR	E OF EMPLOYEE				
WITN	ESSE	<u>S</u>				
PLACI	E:					
DATE	:					
Receiv	ved co	ppy of contract.				
SIGNA	ATURI	E OF EMPLOYEE				
PLEA	SE I	NOTE: PAGES "C1 - C4"]	O BE INITIALED	BY BOTH PARTIES		
				"C4"		

Amended by Alan

METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL

INDEPENDENT EXEMPTIONS APPEAL BOARD

GUIDELINES IN RESPECT OF THE CONSIDERATION OF EXEMPTIONS AND EXEMPTION APPEALS

- a) Proper completion of the application form and in particular:
 - Clear details of the exemption requested.
 - A proper motivation
 - A costing of the likely savings that will result if the exemption is granted
 - A business plan with an estimated timeframe within which the business will be able to resume paying the prescribed wages.

b) Financial statements

It is essential that the applicants submit the financial statements as requested in the application form i.e.

- The full set of the latest available <u>audited</u> statements (in the case of close corporations, the statements signed by the accounting officer) and management accounts for the period from the date of the last audited statements to two months prior to the date of the application.
- The external auditor's review report must also be submitted.

The auditor should also be requested to indicate the following in his report:

- The financial impact of the exemption applied for (i.e. if the exemption is in respect of leave enhancement pay and the applicant firm has say, 83 employees the financial impact would be +83 x 4000 = R332000).
- He should <u>not</u> make a recommendation, but should merely give "general comments".

c) Consultations

Consultations with the workforce are of particular importance.

Basically the Board wants to know:

- What is representation of trade unions.
- Were <u>all</u> the employees / trade unions consulted; and
- Did they <u>support</u> or <u>not support</u> the application.

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The schedule attached to the application form must be completed in full.

d) The <u>reasons</u> for the Regional Council declining the exemption must be minuted.

Note: If a Committee member has a direct interest in the exemption, he should <u>recuse</u> himself when the matter is considered.

- e) Advising the parties:
 - In your letter advising the employer that the exemption has been declined you should cite the <u>reasons</u> and incorporate the following paragraph:

"You have the right to appeal against the decision of the Regional Council Committee. The appeal must be submitted to this office within 14 days of date of receipt of this letter and must clearly set out your grounds for appeal.

It is important to note that all representative trade unions should also be advised of the decision (c.c. the letter).

There is nothing preventing a representative trade union from appealing against the <u>granting</u> of an exemption (again setting out grounds for appeal).

/LK 16/08/06

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WET THE

CONSTITUTION

THE INDEPENDENT EXEMPTIONS APPEAL BOARD FOR THE METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL

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- 2. Application of Constitution

3.

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PART 1: INTRODUCTORY PROVISIONS

1. Purpose of Constitution

The purpose of this Constitution is to govern the procedures of the Independent Exemptions Appeal Board ("the Board"), established by the Metal and Engineering Industries Bargaining Council ("the Council"), in terms of Section 32(3)(e) of the Labour Relations Act and Clause 23 of the Main Agreement and to ensure that the Board operates in an orderly and transparent manner.

2. Application of Constitution

This Constitution applies to all *exemption appeals*¹ except to the extent that a collective agreement sets out a different procedure for the hearing of *exemption appeals* in respect of an application to be exempt from any provision of that particular collective agreement.

3. Nature of appeal

- 3.1 An exemption appeal may be lodged by any affected party in respect of the whole or part of a decision of an exemption committee of Council.
- 3.2 Except in exceptional circumstances, an appeal lodged with the Board is considered on the papers filed by all *interested parties*.
- 3.3 An *exemption appeal* is a re-consideration of the merits of the original exemption application.

4. Criteria on appeal

- 4.1 In considering an appeal the Board must take into account
 - 4.1.1 the criteria set out in clause 23(2) of the Main Agreement of the Council;
 - 4.1.2 any criteria established or approved by the management committee of the Council in terms of the national exemptions policy of Council.²
- 4.2 In addition the Board must consider
 - 4.2.1 the financial hardship of the applicant for exemption;
 - 4.2.2 the potential impact an exemption may have on the collective bargaining process;

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¹ Terms that appear in italic are terms defined in clause 21 of this Constitution.

- 4.2.3 whether alternatives to exemption were considered or implemented;
- 4.2.4 the need to avoid retrenchments:
- 4.2.5 any other factors relevant to the particular exemption application.

PART 2: THE BOARD

5. Purpose of Board

- 5.1 The purpose of the Board is to hear and decide all appeals against exemptions-
 - 5.1.1 brought by parties to the Council;
 - 5.1.2 brought by non-parties to the Council.
 - 5.1.3 This will include a refusal by the Council to grant an exemption or a withdrawal of an exemption.

6. Composition of Board

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- 6.1 The Council must appoint to the Board, on such terms and conditions they deem
 - fit. The Board will comprise:
 - 6.1.1 three permanent members;

Board members hold office until -

- 6.1.2 three alternate members.
 - 6.2.1 they resign on three months' written notice to the Council; or
 - 6.2.2 the Council resolves to terminate their membership of the Board.

7. Chairperson of the Board

- 7.1 The Board shall elect one of the permanent Board members as chairperson of the Board.
- 7.2 If the chairperson is not present at a meeting of the Board, the other Board members present must elect a chairperson for that meeting.

8. Conduct of members of Board

- 8.1 Members of the Board -
 - 8.1.1 must be independent and impartial and perform the functions of office in good faith;

8.1.2 must recuse themselves from any appeal hearing, if they have a direct financial interest or any other conflict of interest in the subject matter of the appeal.

9. Quorum

- 9.1 Subject to sub-clauses 9.2 and 9.3, two members of the Board form a quorum for any meeting of the Board.
- 9.2 If only two members are present at a meeting and they cannot reach consensus on any issue to be determined, the appeal must be postponed to a further meeting of the Board and that further meeting must be attended by three Board members.
- 9.3 If an application to lead oral evidence or to present oral submissions is granted, the appeal must be heard by a meeting attended by three members of the Board.

10. Decisions of Board

- 10.1 A decision of a quorate meeting of the Board is a decision of the Board.
- 10.2 A decision agreed and confirmed in writing by three members of the Board, is as valid as a decision adopted at a duly convened meeting of the Board.
- 10.3 A decision of the Board must be signed by the Chairman.
- 10.4 Proceedings of the meetings of the Board shall be minuted by the Council secretariat. Such minutes shall be confirmed at the next meeting of the Board and signed by the Chairman.

11. Meetings of Board

- 11.1 Unless otherwise provided for in this clause, the chairperson of the Board must determine the date and time for Board meetings, in consultation with the Council.
- 11.2 The Board must meet -
 - 11.2.1 at least once a month, unless there are no appeals to be considered; or
 - 11.2.2 when requested to do so by the Council or by the chairperson and vicechairperson of the Council, on the basis of the urgency of an appeal.
- 11.3 If a meeting of the Board does not finalise an appeal, the meeting may be postponed to a date and time agreed by the Board.

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12. Convenor of the Board

- 12.1 The Chief Executive Officer of the Council shall appoint an employee of the Council as convenor of the Board.
- 12.2 The *convenor* may participate in Board meetings but may not vote.
- 12.3 The *convenor* is responsible for
 - 12.3.1 giving Board members notice of meetings;
 - 12.3.2 keeping minutes of Board meetings;
 - 12.3.3 tape-recording Board meetings, if required to do so by the Board;
 - 12.3.4 carrying out any other duties imposed by this Constitution or required of the convenor by the Board or the Council.
- 12.4 The Chief Executive Officer of the Council may delegate any of the convenor's functions to any other employee of the Council.

PART 3: APPEAL PROCEDURES

13. Lodging an appeal

- An appeal against a decision or part of a decision of an exemption committee must be lodged with the *convenor* of the Board no later than fourteen days after the party appealing the decision has received a copy of the decision in writing.
- 13.2 The notice of an appeal must -
 - 13.2.1 set out the name and contact details of the party lodging the appeal;
 - 13.2.2 provide a summary of the grounds for the appeal;
 - 13.2.3 identify the collective agreement to which the exemption application relates:
 - 13.2.4 identify the *exemption committee* that heard the initial application and provide the date of the relevant exemption committee's meeting.
- 13.3 The following documents must be attached to a notice of appeal
 - 13.3.1 a copy of the decision of the *exemption committee* and the reasons for that decision;
 - 13.3.2 a copy of the original exemption application;
 - 13.3.3 copies of any notices, letters, affidavits or other documents handed to the exemption committee by any interested party;

- 13.3.4 minutes of the relevant exemption committee meeting or, if required a transcript of the relevant exemption committee meeting, if that meeting was tape-recorded, and
- 13.4 If any of the documents referred to in clause 13.3 are not in the possession of the party lodging the appeal, the notice of appeal must
 - 13.4.1 specify which documents should be attached but are not attached;
 - 13.4.2 set out why the documents are not in the possession of the party lodging the appeal.
- The appellant may attach to its notice of appeal written submissions on any issue raised by the appeal.

14. Duty of convenor on receipt of appeal

- 14.1 On receipt of a notice of appeal the convenor must
 - 14.1.1 confirm that the appeal is an appeal to be determined by the Board;
 - 14.1.2 ensure that service on interested parties if required has been effected;
 - 14.1.3 ensure that all relevant documentation is attached;
- 14.2 If the convenor is of the view that the appeal is not one to be determined by the Board, the convenor must return the appeal to the relevant Regional Council together with an explanation as to how the matter should be dealt with.

15. Incomplete applications

If an appeal application is incomplete in any respect, the *convenor* must notify the party that lodged the appeal and give that party a further seven days from date of notification to file the additional information.

16. Answering submissions by other interested parties

Other *interested parties* may file written submissions on the appeal with the *convenor*, within seven days of receiving a copy of the notice of appeal.

17. New evidence

- 17.1 An *interested party* may apply to the Board to lead new evidence on appeal.
- 17.2 New evidence may relate to facts or events that took place before or after the date of the initial exemption application.
- 17.3 An application to lead new evidence must -
 - 17.3.1 be on affidavit:
 - 17.3.2 show that the evidence sought to be lead is material and relevant to the issue on appeal;
- 17.4 The Board may -
 - 17.4.1 refuse the application for the leading of new evidence;
 - 17.4.2 grant the application for the leading of new evidence in whole or part and
 - (a) consider the evidence itself;
 - (b) remit the appeal to the relevant *exemption committee* with an instruction for the committee to consider the new evidence and reconsider its decision in the light of that evidence.
- 17.5 If the Board decides to consider the evidence itself, and the evidence is not documentary evidence, it must direct whether the evidence should be presented orally or on affidavit.
- 17.6 If oral evidence is lead, all *interested parties* must be given an opportunity to
 - 17.6.1 cross-examine any person giving evidence;
 - 17.6.2 lead their own witnesses to refute any evidence lead.
- 17.7 If the Board directs that evidence must be on affidavit
 - 17.7.1 the relevant affidavits must be filed with the *convenor* within seven days of the Board's decision to allow the evidence to be lead;
 - 17.7.2 other *interested parties* may file answering affidavits within seven days of receiving an affidavit containing new evidence;
 - 17.7.3 the party that filed the affidavit containing new evidence may, within seven days of receiving any answering affidavit, file
 - (a) a replying affidavit;
 - (b) supplementary submissions;

- 17.7.4 other interested parties may file supplementary submissions
 - (a) within seven days of receiving any supplementary submissions or replying affidavits;
 - (b) if no supplementary submissions or replying affidavits are filed, within seven days of the filing of any answering affidavit; or
 - (c) if no answering affidavits are filed, within seven days of receiving the affidavit containing new evidence.

18. Condonation

- 18.1 The Board may, on good cause shown, condone the late filing of any documents.
- 18.2 An application for condonation must be on affidavit.

19. Oral submissions

- 19.1 Subject to sub-clause 18.2, the Board decides appeals based on the papers filed.
- 19.2 Any *interested party* may apply to the Board for an opportunity to present oral submissions.
- 19.3 In deciding whether to allow oral submissions, the Board must take into account -
 - 19.3.1 the complexity of the matter;
 - 19.3.2 the comparative abilities of the parties to present their submissions in writing;
 - 19.3.3 the interests of justice.
- 19.4 If an application for oral submissions is granted, the *convenor* must notify all *interested parties* and all *interested parties* must be given an equal opportunity to make oral submissions.
- 19.5 The Board may limit the time allocated to each party for oral submissions.

20. Board meetings open to public

- 20.1 Board meetings that hear oral evidence or oral submissions may be open to the public at the discretion of the Board.
- 20.2 The Board may meet behind closed doors if the Board is meeting to deliberate on any matter.

21. Finding and reasons for decision

- 21.1 Within two weeks of a meeting of the Board where an appeal has been considered, the Board must provide the *convenor* with a written decision on the appeal and with brief reasons for that decision.
- 21.2 The *convenor* must circulate the Board's decision and reasons to all *interested* parties.

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Definitions

Unless the context indicates th-at another meaning is intended –

- "appellant" means the body lodging an exemption appeal;
- "convenor" means an employee of the Council tasked with convening meetings of the Board;
- "exemption appeal" means an appeal from a decision of an exemption committee concerning an application for exemption from a collective agreement of the Council, and includes an appeal from a decision -
 - (i) granting an exemption;
 - (ii) refusing an exemption; and
 - (iii) withdrawing an exemption;
- "exemption committee" means any committee of the Council authorise with hearing and deciding exemption applications;
- "interested party" means any party that made or opposed an exemption application, and, depending on the context, may include the appellant;
- "members of the Board" means permanent and alternate members of the Board.

Signed at Johannesburg, for and on behalf of the parties, this 29 July 2014

Seifsa on behalf of its Associations:

Association of Electrical Cable Manufacturers of South

- Africa
- 2. Association of Metal Service Centres of South Africa
- 3. Constructional Engineering Association (South Africa)
- 4. Eastern Cape Engineering and Allied Industries Association (ECEAIA)
- 5. Electrical Engineering and Allied Industries' Association
- 6. Electrical Manufacturers' Association of South Africa (EMASA)
- 7. Gate and Fence Association
- 8. Hand Tool Manufacturers' Association (HATMA)
- 9. KwaZulu-Natal Engineering Industries' Association
- 10. Lift Engineering Association of South Africa
- 11. Light Engineering Industries' Association of South Africa

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- 12. Non-ferrous Metal Industries' Association of South
- 13. Pressure Vessel Manufacturers' Association of South Africa
- 14. Refrigeration and Air Conditioning Manufacturers' and Suppliers' Association
- 15. South African Electro-Plating Industries' Association
- 16. South African Engineers' and Founders' Association
- 17. South African Fastener Manufacturers' Association (SAFMA)
- 18. South African Refrigeration and Air Conditioning Contractors' Association (SARACCA)
- 19. South African Post Tensioning Association (SAPTA)
- 20. South African Pump Manufacturers' Association
- 21. South African Reinforced Concrete Engineers' Association (SARCEA)

22. South African Valve and Actuator Manufacturers' Association (SAVAMA)

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