

DEPARTMENT OF LABOUR

NO. R. 1044

30 OCTOBER 2015

LABOUR RELATIONS ACT, 1995

NATIONAL BARGAINING COUNCIL OF THE LEATHER INDUSTRY OF SOUTH AFRICA: EXTENSION TO NON-PARTIES OF THE GENERAL GOODS AND HANDBAG SECTION COLLECTIVE AMENDING AGREEMENT

I, **MILDRED NELISIWE OLIPHANT**, Minister of Labour, hereby in terms of section 32(2) of the Labour Relations Act, 1995, declare that the Collective Agreement which appears in the Schedule hereto, which was concluded in the **National Bargaining Council of the Leather Industry of South Africa** and is binding in terms of section 31 of the Labour Relations Act, 1995, on the parties which concluded the agreement, shall be binding on the other employers and employees in that Industry, with effect from the second Monday after date of publication of this notice and for the period ending 30 June 2016.


MINISTER OF LABOUR
14/10/2015

SCHEDULE

NATIONAL BARGAINING COUNCIL OF THE LEATHER
INDUSTRY OF SOUTH AFRICAGENERAL GOODS AND HANDBAG SECTOR
COLLECTIVE AGREEMENT

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

(a) **Association of South African Manufacturers of Luggage, Handbags
and General Goods**

(Hereinafter referred to as the "employers" or the "employer
organisation") of the one part, and the

(b) **National Union of Leather and Allied Workers**

and

(c) **Southern African Clothing and Textile Workers' Union**

(Hereinafter referred to as the "employees" or the "trade unions") of
the other part,

being the parties to the National Bargaining Council of the Leather
Industry of South Africa, to amend the Agreement for the General Goods
and Handbag Sector, published under Government Notices No. R.1193 of
17 December 2010, R.524 of 24 June 2011, R.1018 of 7 December 2011,
R.885 of 2 November 2012, R.771 of 18 October 2013 and R.790 of 17
October 2014.

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1. CLAUSE 1 - SCOPE OF APPLICATION OF AGREEMENT

- (1) The terms of this agreement shall be observed in the General Goods and Handbag Section of the Leather Industry:
 - (a) in the Republic of South Africa, which includes the former Republic of Transkei, the former Republic of Bophuthatswana, the former Republic of Venda and the former Republic of Ciskei, as well as the former self-governing territories of KwaZulu, Qwa-Qwa, Lebowa, Gazankulu, KaNgwana and KwaNdebele;
 - (b) by all employers who are members of the employer organisation, and by all employees who are members of the trade unions who are engaged or employed in the General Goods and Handbag sectors of the Leather Industry respectively.
- (2) Notwithstanding the provisions of subclause (1), the terms of this agreement shall apply only to employees for whom wages are prescribed in Annexure C to the agreement, and to the employers of such employees.
- (3) The terms of this agreement shall not apply to non-parties in respect of Clauses 1(1)(b) and 2(1).

2. CLAUSE 2 - DATE AND PERIOD OF OPERATION

- (1) This agreement shall come into operation for the parties on 1 July 2015 and remain in force for the period ending 30 June 2016.
- (2) This agreement shall come into operation for non-parties on such date as the Minister of Labour extends the agreement to non-parties, and shall remain in force for the period ending 30 June 2016.

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3. CLAUSE 28: AGENCY SHOP AGREEMENT

Substitute the following for Sub-Clause (6)

- (6) The agency fee shall be equal to 1% (one percent) of the employee's basic weekly wage up to a maximum amount of R14.75.

4. ANNEXURE C WAGES

Substitute the following for Annexure "C"

"Nothing in this agreement shall operate to reduce any time wage at present being paid which is more favourable to an employee than that laid down in this agreement for such employee while he remains in the service of the same employer."

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ANNEXURE C**WAGE RATES**

	Column A Per Week	Column B Per Week
(A) The following wage rates shall be paid to employees engaged in the General Goods and Handbag Section of the Industry:		
(i) Foreman (Grade C1)	1632.23	1795.45
(ii) Chargehand (Grade B2)	1240.16	1364.18
(iii) Despatch Clerk (Grade A3)	1044.34	1148.77
(iv) Driver of a motor vehicle authorised to carry or haul a payload of:		
(a) Under 2722 Kg (Grade B1)	1082.41	1190.65
(b) Over 2722 Kg (Grade B2)	1240.16	1364.18
(v) General Worker (Grade A1)	807.74	888.51
(vi) Night Watchman (Grade A2)	878.72	966.59
(vii) Packer (Grade A1)	807.74	888.51
(viii) Storeman (Grade A3)	1044.34	1148.77
(B) The following wage rates shall be paid to qualified employees engaged in the manufacture of Travelling Requisites, Saddlery, Harnesses, Braces, Personal Goods and Handbags:		
(i) Grade A1	807.74	888.51
(ii) Grade A2	878.72	966.59
(iii) Grade A3	1044.34	1148.77
(iv) Grade B1	1082.41	1190.65
(v) Grade B2	1240.16	1364.18
(vi) Grade B3	1357.93	1493.72

	Column A Per Week	Column B Per Week
(C) The following wage rates shall be paid to qualified employees engaged in the manufacture of balls in the Magisterial Districts of Bellville, Goodwood and Durban and Cricket and Hockey Balls in the Magisterial District of Wynberg:		
(i) Grade A1	807.74	888.51
(ii) Grade A2	878.72	966.59
(iii) Grade A3	1044.34	1148.77
(iv) Grade B1	1082.41	1190.65
(v) Grade B2	1240.16	1364.18
(vi) Grade B3	1357.93	1493.72
(D) The following wage rates shall be paid to Learners, other than those referred to in subclause (A):		
During the first six months of experience	654.80	720.28
During the second six months of experience	781.69	859.86

2. PROPORTION AND RATIO OF EMPLOYEES

(1) Travelling requisites -

- (a) Not less than one foreman shall be employed in every establishment.
- (b) In each of the wage categories listed in paragraphs (i), (ii), (iii), (iv), (v) and (vi) of subclause (c) not more than one learner may be employed for every qualified employee employed in that category.

(2) Saddlery -

- (a) not less than one foreman shall be employed in every establishment.
- (b) In each of the wage categories listed in paragraphs (ii), (iii), (iv), (v), and (vi) of subclause (C), not more than one learner may be employed for every qualified employee employed in that category.

(3) Harness -

- (a) Not less than one foreman shall be employed in each establishment
- (b) For each employee receiving a wage of not less than R888.51 per week during the period ending 30 June 2016, not more than one employee may be employed at a wage less than R888.51 per week during the period ending 30 June 2015: Provided that general workers shall not be taken into

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consideration when determining the number of such employees that may be employed.

(4) Braces -

For each employee receiving a wage of not less than R888.51 per week during the period ending 30 June 2016, not more than one employee may be employed at a wage of less than R888.51 per week during the period ending 30 June 2016: Provided that general workers shall not be taken into consideration when determining the number of such employees that may be employed.

(5) Personal Goods -

For each employee receiving a wage of not less than R888.51 per week during the period ending 30 June 2016, not more than one employee may be employed at a wage of less than R888.51 per week during the period ending 30 June 2016: Provided that general workers shall not be taken into consideration when determining the number of such employees that may be employed.

(6) Handbags -

(a) Not less than one foreman shall be employed in each establishment.

(b) The number of learners employed in each establishment shall not exceed three such employees to every two qualified employees employed in such establishment.

(c) Notwithstanding the provisions of subclause (1), the following departmental ratios shall be observed.

(i) Cutting Department - Not more than three learner cutters shall be employed to every two qualified cutters employed in each establishment.

(ii) Machining Department - Not more than three learner machinists shall be employed to every two qualified machinists employed in each establishment.

(iii) Handbag Framing Department - Not more than three learner handbag framers shall be employed to every two qualified handbag framers employed in each establishment.

6. CLAUSE 23: EXEMPTIONS

Replace clause 23 with the following:

"Exemptions and exemption appeals shall be followed in terms of provisions made in Annexure E"



ANNEXURE E**EXEMPTION AND EXEMPTION APPEAL POLICY AND PROCEDURE****1. BACKGROUND**

Section 32(3)(dA) of the Labour Relations Act (the "Act") requires that a Bargaining Council have an effective procedure to deal with applications by non-parties for exemptions from the provisions of its collective agreements.

Accordingly an exemption and exemption appeal policy & procedure in respect of the National Bargaining Council of the Leather Industry of S.A (hereafter referred to as the "Council") for both party and non-party is established and maintained in terms hereof.

2. DEFINITIONS

'Act' means the Labour Relations Act, 1995 (Act 66 Of 1995) as amended

"Agent" means a designated agent of the National Bargaining Council of the Leather Industry of South Africa

"Agreements" means collective agreements concluded in the National Bargaining Council of the Leather Industry of South Africa

"Applicant" means a party or non-party employer conducting a business under the jurisdiction of the Council and who applies for an exemption or appeals against a decision of the Exemptions Committee in terms of this procedure.

"Bargaining Council or Council" means the National Bargaining Council of the Leather Industry of South Africa

"Day" means any day other than a Saturday, Sunday or public holiday, and when any particular number of days is prescribed for the doing of any act, the number of days must be calculated by excluding the first day and including the last day;

'Exemptions Committee' means the National Exemptions Committee or any other sub-committee delegated by the National Exemptions Committee to perform all or part of its functions

"Exemption Criteria" means the exemption criteria contained in the collective agreements of the National Bargaining Council of the Leather Industry of South Africa

"General Secretary" means the General Secretary of the Council

3. EXEMPTIONS AND EXEMPTION APPEALS

3.1 EXEMPTIONS: An Applicant may apply to the Bargaining Council for exemption from the provisions of collective agreements concluded in the Bargaining Council.

3.1.1 The Council must consider applications for exemptions within 30 days of receipt of a valid application.

3.2 EXEMPTION APPEALS: An Applicant who is aggrieved by the Exemption Committee's decision has the right to appeal to the Independent Exemptions Appeal Body appointed by the Council.

3.2.1 The Independent Appeal Body will hear and decide appeals as soon as possible and not later than 30 days after a valid appeal is lodged

3.2.2 A decision of the Independent Exemption Appeal Body shall be final.

4. EXEMPTIONS COMMITTEE

4.1 Establishment & Composition of the Exemptions Committee:

The Council shall establish a National Exemptions Committee consisting of eight (8) members four (4) of whom are appointed by the employer organisations party to the Council and four (4) appointed by the trade unions party to the Council. The employer organizations are for the time being each entitled to one member, with the most representative being entitled to appoint an additional member. The trade unions to the Council are for the time being entitled to entitled to a minimum of one member each with the remaining two positions being filled by the unions' based on their representativeness in the COUNCIL.

4.2 Exemption Committee Meetings

4.2.1 A quorum for the meetings shall be the attendance of at least two party employer members and at least two party trade union members.

4.2.2 Exemption Committee meetings shall be held on an ad-hoc basis in the province in which the applicant conducts business subject to the decision of the Exemptions Committee.

5. THE EXEMPTIONS MANDATE

5.1 The Exemptions Committee is mandated by the Council to consider all party and non-party applications for exemption from the collective agreements concluded in the Bargaining Council.

5.2 The Exemptions Committee may delegate any of its functions or duties to a District Committee or any other committee of the Council as the case may be.

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- 5.3 The Exemptions Committee will consider and determine applications for exemption in a manner it considers appropriate to determine the application fairly and quickly, which may be limited to a consideration of written motivations or the hearing of oral submissions as the case may be.
- 5.4 The Exemptions Committee, when considering an application for exemption must take into account the exemption criteria.
- 5.5 The Exemptions Committee shall have the power to approve, refuse, partly approve or withdraw an application for exemption
- 5.6 The Exemptions Committee, on not approving an application or part thereof or withdrawing an exemption must provide the Applicant with written reasons for its decision.

6. EXEMPTIONS

6.1 APPLICATION PROCESS

- 6.1.1 Applications for exemption from the provisions of a collective agreement must be made in writing on the prescribed application form, and lodged with the local office of the Council.
- 6.1.2 Applications must be motivated and supported by relevant documents, data, audited financial statements (where applicable) and other relevant financial information.
- 6.1.3 Applications that impact employees terms and conditions of employment must be accompanied by written proof that employees and/or their representatives/trade unions have been consulted and furthermore be accompanied by a record of their support or not of the application.
- 6.1.4 Applications must indicate the period for which the exemption is sought.

6.2 EXEMPTION PROCEDURE

- 6.2.1 The Council must open and maintain a register for each application which records the following:
 - 6.2.1.1 date of receipt of application
 - 6.2.1.2 reference number
 - 6.2.1.3 name of applicant
 - 6.2.1.4 brief description of exemption application
 - 6.2.1.5 name of the Agreement and the clause/s from which exemption is sought
 - 6.2.1.6 date of validation of exemption application
 - 6.2.1.7 date of exemption hearing

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- 6.2.2 Upon receipt of an application, the date received must be recorded in the register
- 6.2.3 The agent of the relevant District Office shall on receipt of an application scrutinise the application to ensure that the application is complete and valid.
- 6.2.4 Should the agent find the application to be incomplete, the agent shall send written communication to the applicant advising of this and what is required to complete the application
- 6.2.5 After the agent is satisfied that the application is complete, the application shall be considered valid and the agent shall record the date of validation accordingly.
- 6.2.6 Within five days from date of validation the agent shall verify the employer's consultation with the employees/trade union and report in writing whether the employees / trade union support or oppose the application.
- 6.2.7 Within seven days of receipt of the agent's report on the consultation process, the General Secretary shall arrange a date, time and venue for the hearing of the application.
- 6.2.8 The set down date for the hearing must not be later than 30 days of the validation of the application by the Agent.
- 6.2.9 The General Secretary shall notify the applicant in writing of the date, time and venue of the hearing.
- 6.2.10 In the event that the applicant does not attend the hearing, the Exemptions Committee will consider the application on the written application and supporting documents.
- 6.2.11 The General Secretary must within fourteen days of the exemption being granted advise the applicant of such decision in writing and issue a Licence of Exemption setting out the following:
 - 6.2.11.1 The full names of the Applicant.
 - 6.2.11.2 The provisions of the collective agreement from which the exemption has been granted.
 - 6.2.11.3 The conditions subject to which the exemption is granted.
 - 6.2.11.4 The period which the exemption will operate clearly stating The commencement and expiring dates.
- 6.2.12 Where the Committee does not approve an Application or part thereof or when deciding to withdraw an Exemption, the General Secretary must advise the applicant in writing within fourteen days of



the date of such decision and provide the Applicant with reasons therefor.

7. EXEMPTION APPEALS

7.1 Establishment of an Independent Appeal Body

- 7.1.1 In terms of section 32(3)(e) of the Act, the Council creates and maintains an Independent Exemptions Appeal Body to hear and decide appeals against an Exemptions Committee's refusal or partial refusal to grant an exemption or its withdrawal or partial withdrawal of an exemption.
- 7.1.2 An Independent Appeal Body must be appointed by the Council and may consist of one or more persons, as determined by the Council
- 7.1.3 No representative, office-bearer or official of a trade union or employers' organisation party to the Council may be a member of the Independent Exemptions Appeal Body.

7.2 APPLICATION PROCESS & PROCEDURE

- 7.2.1 An Applicant aggrieved by an Exemptions Committee's decision shall within **30 days** of being notified of the Exemptions Committee's decision have the right to appeal to the Independent Exemptions Appeal Body.
- 7.2.2 Should the appellant show good cause, the Independent Appeal Body may condone a late appeal.
- 7.2.3 A valid notice of appeal must be in writing clearly setting out the grounds on which the appeal is based and be accompanied by relevant supporting documentation.
- 7.2.4 Upon receipt of an appeal application, the General Secretary shall forward the appeal application together with the original application for exemption and supporting documents to the Independent Appeal Body for a decision
- 7.2.5 The General Secretary in consultation with the Independent Appeal Body will arrange a date, time and venue for the appeal hearing. The date of the hearing shall not be later than 30 days from which a valid appeal was filed with the Council.



- 7.2.6 The Independent Appeal Body shall hear and determine appeals in any manner it considers appropriate to determine the application fairly and quickly.
- 7.2.7 The Independent Appeal Body shall render a decision within fourteen days from the last date of the appeal hearing
- 7.2.8 Should the Independent Appeal Body reverse a decision of the Exemptions Committee, the Council must issue the applicant with a licence of exemption accordingly
- 7.2.9 The Independent Appeal Body has discretion to order against the appellant payment of all costs incurred by the Council in arranging and conducting the appeal in the event of it upholding the decision of the Exemptions Committee

8. EXEMPTION CRITERIA

The Exemptions Committee and Independent Appeal Body must when considering an exemption application/appeal, take into account the following criteria:

- (a) any written and/or verbal substantiation provided by the applicant;
- (b) fairness to the employer, its employees and other employers and the employees in the industry;
- (c) whether an exemption, if granted, would undermine this Agreement or the collective bargaining process;
- (d) whether it will make a material difference to the viability of a new business, or a business previously outside the jurisdiction of the Council;
- (e) unexpected economic hardship occurring during the currency of the Agreement, and job creation and/or loss thereof.
- (f) the infringement of basic conditions of employment rights;
- (g) the fact that a competitive advantage might be created by the exemption;
- (h) comparable benefits or provisions where applicable;
- (i) the applicant's compliance with other statutory requirements such as the Occupational Injuries and Diseases Act or Unemployment Insurance; or
- (j) any other factor which is considered appropriate.




SIGNED BY THE PARTIES AT **DURBAN** ON THIS THE **22nd** DAY OF **JULY 2015**.

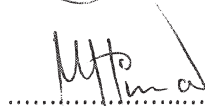
S ESSON, Member of the Council


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V MEMBINKOSI, Member of the Council


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S NAIDOO, General Secretary of
the Bargaining Council


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