

DEPARTMENT OF LABOUR

NO. R. 1045

30 OCTOBER 2015

LABOUR RELATIONS ACT, 1995

**NATIONAL BARGAINING COUNCIL OF THE LEATHER INDUSTRY OF SOUTH
AFRICA: EXTENSION TO NON-PARTIES OF THE TANNING 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.

Pro for aid
MINISTER OF LABOUR
14/10/2015

SCHEDULE**NATIONAL BARGAINING COUNCIL OF THE LEATHER
INDUSTRY OF SOUTH AFRICA****COLLECTIVE AGREEMENT: TANNING SECTION**

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

South African Tanning Employers' Organisation (SATEO)

(hereafter referred to as the "employers" or the "employers'
organisation")

and the

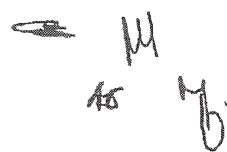
Southern African Clothing and Textile Workers' Union (SACTWU)

and

National Union of Leather and Allied Workers (NULAW)

(hereafter referred to as the "employees" or the "trade unions")

being parties to the National Bargaining Council of the Leather Industry of South Africa, to extend and amend the Agreement published under Government Notices No R.1318 of 6 November 1998 as further amended, renewed and re-enacted under Government Notices Nos. R.287 of 12 March 1999, R.1017 of 27 August 1999, R.47 of 28 January 2000, R.555 of 9 June 2000, R.128 of 9 February 2001, R.389 of 18 May 2001, R.823 of 7 September 2001, R.1230 of 30 November 2001, R.693 of 17 May 2002, R.1531 of 13 December 2002, R.714 of 6 June 2003, R.1357 of 3 October 2003, R.748 of 25 June 2004, R.592 of 24 June 2005, R.593 of 24 June 2005, R.335 of 13 April 2006, R.631 of 30 June 2006, R.1269 of 15 December 2006, R.513 of 22 June 2007, R.1068 of 16 November 2007, R.1038 of 3 October 2008, R.474 of 8 May 2009, R.1184 of 18 December 2009, R.1191 of 17 December 2010, R.523 of 24 June 2011, R.886 of 28 October 2011, R.886 of 2 November 2012, R.770 of 18 October 2013 and R.789 of 17 October 2014.

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1. SCOPE OF APPLICATION OF AGREEMENT

- (1) The terms of this agreement will be observed in the tanning 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, Ka Ngwana and Kwa Ndebele;
 - (b) by all employers who are members of the employers' organisation, and by all employees who are members of the trade unions, and who are engaged or employed in the said section of the industry.
- (2) The terms of this Agreement will apply only to employees for whom wages are prescribed in terms of this agreement, and to employers of such employees.
- (3) The terms of this agreement will not apply to non parties in respect of clauses 1 (1)(b) and 2 (1).

2. DATE AND PERIOD OF OPERATION

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

3. CLAUSE 3: DEFINITIONS

Replace the following definitions for "**General Worker**" and "**General Worker entry level**"

"**General Worker**" means an employee employed on unskilled, manual work including all types of cleaning, carrying, loading or unloading of vehicles, making of beverages, assisting on delivery vehicles, collection/delivery of mail and messages, marking of packages and bales, effluent disposal, feeding hides or skins on to conveyors or transporters, and the physical handling of hides and skins in all departments. Provided that a person which is so employed prior to 1 July 2006 and leaves the Industry after 1 July 2015 for reason of a retrenchment, shall on return to the Industry be employed at a rate no less than that of a General Worker provided in Schedule 1 to this Agreement.

"**General Worker entry level**" means a person who was employed after 1 July 2006 in a position of a general worker as defined.

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4. CLAUSE 7 : REMUNERATION**7.1 Wages and Wage Rates**

Substitute the following for subclause (1):

An employer will pay an employee at least the wages prescribed in terms of Schedule 1 for the operation performed by the employee

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		Rate Per Hour
1	Lime/Tan Yard, Shaving, Splitting, Dyeing, Drying and Finishing Section Rates:	
	Band A1 employees engaged in:	
	ROUNDING	36.01
	SPLITTING	44.55
	Band A2 employees engaged in:	
	SHAVING	38.17
	Band B employees engaged in:	
	COLOUR MATCHING	33.65
	GLAZING	33.65
	HAND SPRAYING	35.54
	HAND TIPPING	33.65
	PILOT PLANT OPERATING	35.54
	POLISHING	33.65
	Band C employees engaged in:	
	ASSISTING SPLITTER	33.16
	BRUSHING	33.16
	BUFFING	33.16
	CHEMICAL WEIGHING	33.16
	COLOUR MIXING	33.16
	CURTAIN COATING	33.16
	CONDITIONING	30.99
	DRUM OPERATING	30.99
	DRY CLEANING MACHINE	30.99
	EMBOSSING/PRINTING	33.16
	FLESHING (HAND OR MACHINE)	33.16
	HIDE STAMPING	31.34
	HYDRAULIC PRESS	33.16
	MEASURING	33.16
	PADDING	33.16
	PASTING	33.16
	ROLLER COATING	33.16
	ROTOR PRESS	33.16
	ROTOR SPRAYING	33.16
	SAMMYING	33.16
	SETTING	33.16
	SOLE ROLLING	33.16
	STAKING	33.16
	TRIMMING AFTER SHAVING	30.99
	VACUUM DRYING	33.16

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	Band D employees engaged in:	
	FLESH TRIMMING	30.55
	GENERAL WORKERS..... (on operations as defined in definition of General Worker)	30.55
	HANG DRYING	30.55
	MILLING	30.55
	SUBSTANCE CHECKING	30.55
	TOGGLING	30.55
	Band E Employees	
	General Worker Entry Level as defined in Definition of General Worker, Entry Level	24.81
	Learners employed on operations specified in Bands A1, A2, B and C will be paid on the following basis:	
	First six months of experience	80% of prescribed wage
	Second six months of experience	90% of prescribed wage
2	Quality examining and/or Sorting rates:	
	Band A1 employees engaged as a:	
	FINAL SORTER.....	36.01
	WET BLUE SORTER.....	36.01
	Band B employees engaged as a:	
	CRUST SORTER.....	33.65
	Band C employees engaged as a:	
	SPLIT SORTER.....	33.16
3	Fellmongering Section Rates:	
	Band B Employees engaged in –	
	PICKLE SORTING	33.65
	Band C Employees engaged in –	
	BREAK FLESHING	33.16
	FINAL FLESHING	33.16
	PICKLE DRUM OPERATING	30.99
	SULPHIDE PAINTING	30.99
	Band D Employees engaged in –	
	BREAK FLESHING ASSISTANT	30.55
	COUNTING AND PACKING	30.55
	DRUM CLOSING	30.55
	HAND WOOL PULLING	30.55
	MACHINE WOOL PULLING	30.55
	PADDLE OPERATING	30.55
	WOOL BALING / PACKING	30.55
	WOOL DRYING	30.55
	WOOL PICKING	30.55
	WOOL WASHING	30.55

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	Band E Employees General Workers entry level as defined in Definition of General Worker, entry level	24.81
	Learners employed on operations as specified in Bands B and C will be paid on the following basis:	
	First six months of experience	80% of prescribed wage
	Second six months of experience	90% of prescribed wage
4	Wool-Skin Processing and Operations not elsewhere Specified rates:	
	Band C employees engaged in –	
	CARDING	31.71
	COMBING	31.71
	CUTTING TO PATTERNS	31.20
	IRONING	31.71
	SHEARING	31.71
	STITCHING BY MACHINE	32.30
5	Cutting Section Rates:	
	Band A1 employees engaged in:	
	CUTTER 1	38.75
	FINAL INSPECTING	36.01
	Band A2 employees engaged in:	
	HAND CUTTING	36.01
	Band B employees engaged in:	
	COMPONENT SPLITTING	32.74
	CUTTER 2	35.54
	HIDE MARKING	35.54
	Band C employees engaged in:	
	COMPONENT PACKING	31.34
	LAMINATING	31.34
	LAYING OUT	31.34
	PERFORATING	31.34
	STAMPING (PIECE MARKING)	31.34
	TEMPLATE CONTROL	31.34

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		<u>Rate Per Hour</u>
6	Band D employees engaged in –	
	General Workers on operations as defined in the Definition Of "General Worker"	30.55
	Learners employed on operations as specified in Bands A1, A2, B and C will be paid on the following basis:	
	First six months of experience	80% of prescribed wage
	Second six months of experience	90% of prescribed wage
	Band E Employees	
	General Workers Entry Level as defined in Definition of General Worker, entry level	24.81
	The following wage rates will be paid to employees other than those referred to in 1, 2, 3, 4 and 5:	
	Band A2 employees engaged as a:	
	Motor Vehicle Delivery Driver..... (Code C Licence or higher)	35.51
	Band B employees engaged as a:	
	Despatch Clerk	32.49
	Handyman	31.87
	Motor Vehicle General Driver	33.20
	(Code C1 Licence or lower)	
	Spray Gun Mechanic	35.54
	Storeman and/or Warehouseman	32.49
	Tractor Driver	33.20
	Band C employees engaged as a:	
	Boiler Attendant	31.34
	Forklift Driver	33.16
	Security Guard	31.34
	Store Assistant and/or Warehouseman Assistant	31.34
	Band D employees engaged as a:	
	Nylon Replacer	30.55

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7.2 Overtime Rates

Insert the following as sub-clause 7.2(1)(c)(viii)

"Family responsibility leave"

7.3 Holiday Bonus

Substitute the following for subclause (1):

- (1) An employer will pay every employee who has completed twelve (12) months employment a holiday bonus. Employees employed in the automotive tanning industry will be paid a holiday bonus equal to fifteen (15) days basic wage. Employees employed in the non-automotive tanning industry will be paid a holiday bonus equal to fourteen (14) days basic wage. In the event of an employee not utilising his/her sick leave entitlement in terms of clause 6.5(2), he/she will be entitled to an additional bonus calculated as follows:
- (a) an additional two days' wages in respect of the first five (5) days of sick leave not taken; and
 - (b) a further three days in respect of an employee not utilising the balance of his/her sick leave entitlement (five (5) days).

5. CLAUSE 17: AGENCY SHOP AGREEMENT

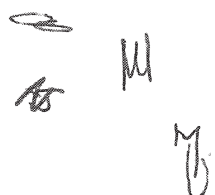
Substitute the following for subclause (6):

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

6. CLAUSE 12: EXEMPTIONS

Replace clause 12 with the following:

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

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ANNEXURE B

EXEMPTION AND EXEMPTION APPEAL POLICY AND PROCEDURE1. **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

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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 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



- 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

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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.

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- 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 IN **DURBAN** ON THIS **22nd** DAY OF **JULY 2015**


M OOSTHUIZEN, Member of the Council

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V MEMBINKOSI, Member of the Council

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A BENJAMIN, Member of the Council

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S NAIDOO, General Secretary of the Council

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