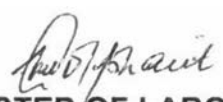

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF LABOUR**NO. R. 37****22 JANUARY 2016****LABOUR RELATIONS ACT, 1995****FURNITURE BARGAINING COUNCIL: EXTENSION TO NON-PARTIES OF
THE MAIN COLLECTIVE AMENDING AGREEMENT**

I, **MILDRED NELISIWE OLIPHANT**, Minister of Labour, hereby in terms of section 32(2) read with 32(5) and section 32(8) of the Labour Relations Act, 1995, declare that the collective agreement which appears in the Schedule hereto, which was concluded in the Furniture Bargaining Council and is binding in terms of section 31 of the Labour Relations Act, 1995, on the parties which concluded the agreement, shall be binding on the other employers and employees in that Industry, with effect from the second Monday after the date of publication of this Notice and for the period ending 30 June 2016.


MINISTER OF LABOUR
04/01/2016

SCHEDULE**FURNITURE BARGAINING COUNCIL****AMENDMENT OF MAIN COLLECTIVE AGREEMENT**

In accordance with the provisions of the Labour Relations Act 1995 (Act No 66 of 1995), made and entered into by and between the

Furniture, Bedding and Upholstery Manufacturers' Association for the Greater Northern Region

(hereinafter referred to as the "employers" or the "employers' organisation"), of the one part,
and the

National Union of Furniture and Allied Workers of South Africa

and

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

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

being parties to the Furniture Bargaining Council hereby agree to amend and extend the Collective Agreement published under Government Notice No. R.903 of 14 November 2014.



CHAPTER 1

CLAUSE 1: SCOPE OF APPLICATION

- 1.1 The terms of this Agreement shall be observed in the Furniture, Bedding and Upholstery Manufacturing Industry-
- 1.1.1 by all employers who are members of the party employers' organisation, which is party to this Agreement and by all employees who are members of the party trade unions, which are party to this Agreement, and who are engaged or employed in the Furniture, Bedding and Upholstery Manufacturing Industry, respectively;
- 1.1.2 in the Provinces of Gauteng, North West, Mpumalanga, Limpopo and Free State.
- 1.2 Notwithstanding the provisions of clause 1.1 the provisions of this Agreement shall-
- 1.2.1 apply only to employees for whom wages are prescribed in this Agreement and to the employers of such employees; and
- 1.2.2 apply to learners under the Skills Development Act, 1998, or any contracts entered into or any conditions fixed thereunder.
- 1.3 The following provisions shall not apply to non-parties: Clauses 1.1.1 and 2 of Chapter 1.

CLAUSE 2: PERIOD OF OPERATION OF AGREEMENT

This Agreement shall, in terms of section 31 of the Act, become binding on the above parties on 1 July 2015 and for non-parties on such date as may be determined by the Minister of Labour in terms of section 32 of the Act and shall remain in force for the period ending 30 June 2016.



K.T.C

3. TABLE OF CONTENTS

Insert the following ADDENDUM 4 after ADDENDUM 3 in the Table of Contents:

"ADDENDUM 4

1. **ACROSS THE BOARD WAGE INCREASES EFFECTIVE FOR THE PERIOD 1 JULY 2015 TO 30 JULY 2016 IN RESPECT OF ADDENDUMS 2 AND 3.....**
2. **MINIMUM WEEKLY WAGE RATE INCREASES WITH EFFECT FROM THE COMING INTO OPERATION OF THIS AGREEMENT TO JUNE 2016 IN RESPECT OF ADDENDUMS 2 AND 3....."**

4. CLAUSE 8: NEWLY EMPLOYED EMPLOYEE CONCESSION

- (1) Number the first clause and substitute the following for the clause:

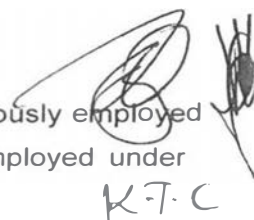
"8.1 Any employer may elect to apply the calculations below to determine the wages, levies, contributions and fees payable to any newly employed employee who commences employment with an employer for the first time, provided that the establishment concerned is not in Phase 1, Phase 2 or Phase 3 of a Newly Established Small Employer Concession as reflect in clause 7 above."

- (2) Insert the following new clause 8.2:

"8.2 If an employer elects to apply the newly employed employee concession, and such an employee's employment is terminated and the same employee is re-employed after 3 months, the employer may re-employ such employee on the same newly employed, employee concession, provided that credit is given by the employer to the employee for the time which the employee previously worked for the same employer under this concession."

- (3) Insert the following new clause 8.3:

"8.3 In the event of an employee being re-employed who was previously employed without this concession, such an employee may not be re-employed under



this newly employed employee concession unless the termination of employment was as a result of operational requirements and the employer can provide proof to this effect.

5. CLAUSE 10: GENERAL

- (1) Insert the following new clause 10.13.8:

“10.13.8 In the event of an establishment failing to submit a prescribed return in respect of any month, the Council may make an assessment of the amount due to the Council in terms of the Agreement based on the average number of employees and their respective remuneration rates reflected in the latest monthly return form received from the establishment: Provided that if no monthly return forms have been received by the Council, the Council may make an assessment based on the number of employees furnished by the establishment as reflected on the Council’s prescribed registration form of the establishment: Provided that if the establishment did not disclose the number of employees on the prescribed registration form, an assessment will be made based on the evidence obtained by the Council.”.

- (2) Insert the following new clause 10.13.9:

“In the event that an establishment pays the amount assessed by the Council in terms of clause 10.13.8 and it is found thereafter that the assessment was based on incorrect facts or figures, the Council shall credit the establishment for the amount paid in excess of the amount actually due to the Council and may utilise such credit or portion thereof to defray any enforceable underpayment of previous unpaid amounts to the Council.”.

- (3) Substitute the following for clause 10.17.4:

“10.17.4 The Council shall have the right to allocate prescribed employer and employee levies, contributions and fees received on behalf of employees from employers, to the Funds of the employees concerned as the Council deems appropriate from time to time.”.



6. CLAUSE 11: EXEMPTIONS

Substitute the following for clause 11:

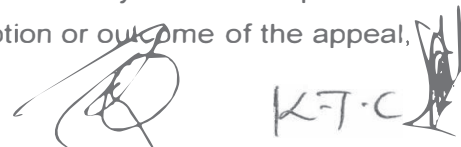
"11.1 Exemptions Body and Independent Exemptions Appeal Body

An exemptions body and an Independent Exemptions Appeal Body is hereby established to consider all applications for exemptions from the provisions of this Agreement and to hear and decide, as soon as possible and according to the prescribed criteria, any appeal against-

- 11.1.1 the Bargaining Council's refusal of a party's or non-party's application for an exemption from the provisions of this Collective Agreement; and
- 11.1.2 the withdrawal of an exemption by the Bargaining Council.

11.2 Administration

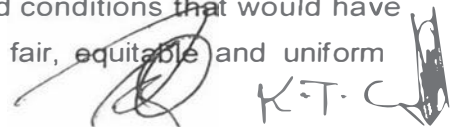
- 11.2.1 Any person, establishment or body bound by this Collective Agreement may apply for an exemption from any of the provisions of this Agreement.
- 11.2.2 An application for exemption shall be in writing on the Bargaining Council's prescribed application form obtainable from the Council's offices, fully motivated and served on the Bargaining Council. The Applicant for Exemption or the Appellant, depending on the nature of the process, shall satisfy the Body concerned that a proper application or appeal has been served on the appropriate body.
- 11.2.3 The Exemption Body or the Independent Exemptions Appeal Body shall decide on an application for exemption or appeal and inform the applicant as soon as possible but not later than 30 days of receipt.
- 11.2.4 Whenever an employer applies for an exemption he or she shall consult with the affected workforce through their trade union representatives or, where there are no trade union representatives, with the affected workforce itself as to the need for the exemption and its effect on the affected employees and shall include in the application written proof of matters discussed during such consultation and written proof of the views expressed by the affected workforce during the consultation in this regard as well as the signed confirmation of all individually affected employees.
- 11.2.5 The Bargaining Council shall issue to every person, establishment or body to whom an exemption has been granted or for whom an appeal has been considered by either the Exemptions Body or the Independent Exemptions Appeal Body, a notice of exemption or outcome of the appeal, setting out the following:

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- 11.2.4.1 the full name of the person(s), body or bodies or establishment concerned;
 - 11.2.4.2 the trading name of the employer;
 - 11.2.4.3 the exact provision(s) of this Collective Agreement from which the exemption has been granted or refused;
 - 11.2.4.4 the conditions subject to which the exemption is granted;
 - 11.2.4.5 the period for which the exemption is applicable; and/or
 - 11.2.4.6 the outcome of an appeal.
- 11.2.6 The Bargaining Council must ensure that:-
- 11.2.5.1 all notices of exemptions granted or refused and notices of appeal outcomes are issued to the applicants or appellants; and
 - 11.2.5.2 a copy of each exemption granted or refused and a notice of an appeal outcome is retained by the Bargaining Council.
- 11.2.7 The Bargaining Council may, on good cause shown, give the holder of an exemption 30 days' notice of its intention to apply to the Independent Exemptions Appeal Body for the withdrawal of a particular exemption.
- 11.2.8 The following processes and criteria shall be considered with regard to an application for exemption from the provisions of any collective agreement concluded in the Bargaining Council or the application for the withdrawal of an exemption previously granted or when any appeal against a decision of the Council is considered:
- 11.2.8.1 **Processes:** Any employer, employee, trade union or employer's association may at any point in time apply for an exemption from any of the provisions of this Collective Agreement. The applicant is required to complete and submit in writing with the relevant office of the Council, a fully and properly completed prescribed application for exemption form, accompanied by all relevant supporting documentation.
 - 11.2.8.2 **Criteria:** The Exemptions Body and/or the Independent Exemptions Appeal Body shall, without limiting its own considerations, *inter alia* consider the following criteria to wit:

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- 11.2.8.2.1 The financial and social implications on the applicants, competitors, employees and the Industry as a whole;
 - 11.2.8.2.2 viability of the continued existence of the establishment;
 - 11.2.8.2.3 the views expressed by the employees and/or the applicants' competitors;
 - 11.2.8.2.4 the views and recommendations submitted by the bargaining council or any other person or body with an interest in the matter;
 - 11.2.8.2.5 the possibility of job losses if the exemption is granted or refused;
 - 11.2.8.2.6 the limitation on any employment opportunities if the exemption is granted or refused;
 - 11.2.8.2.7 any other relevant information that might have an impact on the outcome of either an application or an appeal;
 - 11.2.8.2.8 the applicant's past record (if applicable) of compliance with the provisions of the main agreement and/or exemption certificates;
 - 11.2.8.2.9 any special circumstances that exist or any precedent that might be set;
 - 11.2.8.2.10 the interests of the Industry in relation to unfair competition, centralised collective bargaining as well as the economic stability of the Industry;
 - 11.2.8.2.11 the interests of the employees with regards to exploitation, job preservation, sound conditions of employment, potential financial benefits, health and safety and the possible infringement of basic rights; and
 - 11.2.8.2.12 the interests of the employer with regards to its financial stability, the impact on productivity, its future relationship with employees and recognised trade union operational requirements and the viability of the employers business.
- 11.2.9 an exemption should not contain terms and conditions that would have an unreasonably detrimental effect on the fair, equitable and uniform



K.T.C.

application in the Industry of any collective agreement concluded in the Bargaining Council;

11.2.10 no exemption shall be granted for an indefinite period or as a total (blanket) exemption;

11.2.11 no exemption should be granted retrospectively for any liabilities incurred by an employer in terms of this agreement, such as levies and/or contributions, which became payable by the employer to the Council prior to the date on which the application for such an exemption was received by the Council"

7. CLAUSE 14: REMUNERATION

Substitute clause 14.1 with the following:

"14.1 Wages

No employer shall pay and no employee shall accept wages lower than those prescribed in Addendum 2 or Addendum 3 or Addendum 4 of this Agreement."

ADDENDUM 1

CONTRIBUTIONS, LEVIES AND REGISTRATION FEE PAYABLE TO THE COUNCIL

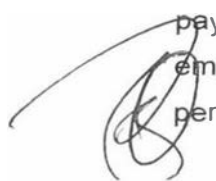

8. CLAUSE 5: SICK BENEFIT SOCIETIES

(1) Substitute the following for clause 5.1.2:

"5.1.2 Member earning less than R500-00 per week	R50-00 per week payable by the employee and R60-50 per week payable by the employer."
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(2) Insert new clause 5.1.3 and renumber following clauses accordingly:

"5.1.3 Member earning R500-00 per week or more	R57-50 per week payable by the employee and R60-50 per week payable by
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the employer.”.

- (3) Substitute the following for clause 5.2.2:

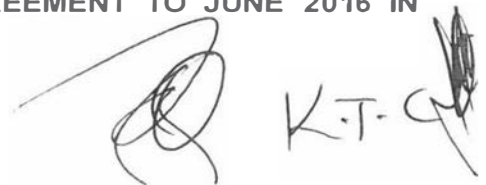
“5.2.2 Member earning less than R500-00 per week R32-50 per week payable by the employee and R71-00 per week payable by the employer.”.

- (4) Insert new clause 5.2.3 and renumber following clauses accordingly:

“5.2.3 Member earning R500 per week or more R40-00 per week payable by the employee and R71-00 per week payable by the employer.”.


8. Insert a heading “ADDENDUM 4” after clause 3.2 of ADDENDUM 3.
9. Insert a clause number for the clause **ACROSS THE BOARD WAGE INCREASES EFFECTIVE FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016 IN RESPECT OF ADDENDUMS 2 AND 3** as Gazetted on 14 November 2014, in Notice No R. 903 of Government Gazette 38205:
- “1. **ACROSS THE BOARD WAGE INCREASES EFFECTIVE FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016 IN RESPECT OF ADDENDUMS 2 AND 3**”.
10. Add the following clause after the existing clause with the heading “Across the board wage increases effective for the period 1 July 2015 to 30 June 2016 in respect of Addendums 2 and 3 as Gazetted on 14 November 2014 in Notice No R.903 of Government Gazette 38205:

- “2. **MINIMUM WEEKLY WAGE RATE INCREASES WITH EFFECT FROM THE COMING INTO OPERATION OF THIS AGREEMENT TO JUNE 2016 IN RESPECT OF ADDENDUMS 2 AND 3**



Minimum weekly wage rate increases for general workers shall be 10% and minimum weekly wage rate increases for all other occupational skills levels shall be 8.2% for the period ending 30 June 2016.”.

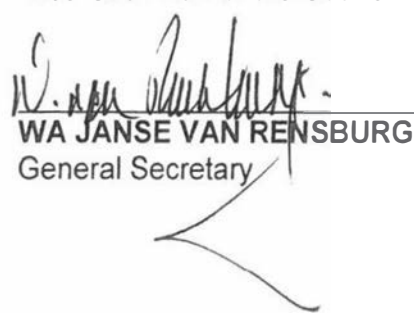
Agreement signed at Johannesburg on this 21st day of July 2015..



L DIRKSEN
Chairman of the Council



★ CRAUKE
Vice-Chairman of the Council



WA JANSE VAN RENSBURG
General Secretary