


DEPARTMENT OF LABOUR
NOTICE 406 OF 2016
LABOUR RELATIONS ACT, 1995

METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL:
RENEWAL OF PERIOD OF OPERATION OF THE PENSION FUND
COLLECTIVE AGREEMENT

I, MILDRED NELISIWE OLIPHANT, Minister of Labour, hereby, in terms of section 32(6)(a)(ii)(b), read with section 32(5)(d) of the Labour Relations Act, 1995, declare the provisions of Government Notice R 596 of 3 August 2012 to be effective for a further period with effect from the date of publication of this notice and for the period ending 30 April 2018.


MINISTER OF LABOUR
01/07/2016

SCHEDULE

**METAL AND ENGINEERING INDUSTRIES BARGAINING COUNCIL
CONSOLIDATED ENGINEERING INDUSTRIES' PENSION FUND AGREEMENT**

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

Association of Electric Cable Manufacturers of South Africa
 Association of Metal Service Centres
 Cape Engineers' and Founders' Association
 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
 Ferro Alloy Producers Association
 Gate and Fence Association
 Hand Tool Manufacturers' Association (HATMA)
 KwaZulu Natal Engineering Industries' Association
 Iron and Steel Producers' Association of South Africa
 Lift Engineering Association of South Africa
 Light Engineering Industries' Association of South Africa
 Non-Ferrous Metal Industries' Association of South Africa
 Plumbers and Engineers Brassware Manufacturers Association
 Pressure Equipment Manufacturers' Association of South Africa
 Refrigeration and Air-Conditioning Manufacturers' and Suppliers' Association
 South African Electro-Plating Industries Association
 South African Post Tensioning Association
 South African Reinforced Concrete Engineers Association
 South African Refrigeration and Air-Conditioning Contractors' Association (SARACCA)
 South African Engineers & Founders Association
 South African Fasteners Manufacturers Association
 South African Pump Manufacturers' Association
 South African Valve and Actuator Manufacturers' Association (SAVAMA)
 National Employers Association of South Africa (NEASA)

(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)
 Solidariteit/Solidarity
 UASA-The Union
 National Union of Metalworkers' of South Africa (NUMSA)
 South African Equity Workers' Association

(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.

1. SCOPE OF APPLICATION OF AGREEMENT

Handwritten signatures and initials of the parties to the agreement, including a large signature on the left and several smaller ones on the right, some with dates like '2/12'.

- (1) The terms of this Agreement shall apply to and be observed
- (a) in the Iron, Steel, Engineering, Metallurgical Industries throughout the Republic of South Africa;
 - (b) by all employers and scheduled employees in the Iron, Steel, Engineering and Metallurgical Industries who are members of the employers' organisations and the trade unions, respectively and
 - (c) by all employers and all scheduled employees in the Iron, Steel, Engineering and Metallurgical Industries who are not members of the employers' organisations and the trade unions
- (2) The terms of this Agreement shall not apply to an employer and his employee who are governed by and fall within the scope of application of the Metal Industries Provident Fund Agreement.
- (3) The terms of this Agreement shall not apply to any employee who on 29 July 1957 was or thereafter became a participant in and member of any fund providing provident and/or pension benefits, which was in existence on the said date (and in which the employer of that employee was on the said date a participant) or to the employer of that employee, during such period only as such fund continues to operate and both employer and employee are participants therein: Provided that a fund which provides solely for payment of benefits on death shall not be deemed to be a pension or provident fund for the purposes of this Agreement.
- (4) Where employers and employees participate in domestic schemes providing provident and/or pension benefits as referred to in subsection (3) above, which at the date of coming into operation of this Agreement do not provide for percentage contributions which, in total, are at least as much as the percentages, in total, specified in clause 5 of this Agreement, a period of six weeks shall be allowed to enable compliance with this requirement, subject to any such amendment being retroactive to the date of coming into operation of this Agreement.
- (5) Clauses 1(1)(b), 2 and 7.1 of this Agreement shall not apply to employers and employees who are not members of the employers' organisations and trade unions, respectively.

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 section 32 of the Labour Relations Act, 1995, **as amended** and shall remain in force until **30 April 2021**

3. DEFINITIONS

Any expression used in this Agreement that is defined in the Labour Relations Act, 1995, **as amended** shall have the same meaning as in that Act, and any reference to an Act shall include any amendments to such Act; further, unless inconsistent with the context-

"**agreement**" means a collective agreement as defined in the Labour Relations Act, 1995, **as amended** operative in the Iron, Steel, Engineering and Metallurgical Industries, and includes any agreement as defined in the said Act if such agreement has expired but was operative at the date of coming into operation of this Agreement or became operative after the date of coming into operation of this Agreement;

3

"apprentice" means an employee serving under a written contract of apprenticeship registered or deemed to have been registered under the Manpower Training Act, 1981, and includes a minor employed on probation in terms of this Act or a trainee in terms of Atrami Agreement as well as a learner in terms of Chapter IV of the Skills Development Act, 1998;

"contribution increase program" means the employee and employer contributions payable as stipulated in the Approved Rules of the Fund

"conversion date" means the date on which the Fund converts from defined benefits to defined contribution principles which is currently 1 April 2012.

"Council" means the Metal and Engineering Industries Bargaining Council, registered in terms of section 29 of the Act;

"scheduled employee" means an employee, including an apprentice, whose minimum rate of pay is scheduled in any collective agreement as above defined in the Iron, Steel, Engineering and Metallurgical Industries

"establishment" means any premises wherein or whereon the industries, or part thereof, as herein defined, is carried on;

"implementation date" means 1 July 2012, the date mutually agreed to by the parties on which the contribution increase program commenced.

"Management Committee" means the Management Committee of the Council appointed in terms of its constitution;

"Fund" means the Engineering Industries, Pension Fund (previously known as the Metal Industries Group Life and Provident Fund, established on 28 August 1957);

"Iron, Steel, Engineering and Metallurgical industry" means

- (a) The production of iron and/or steel;
- (b) The production of alloys and/or the processing and/or recovery and/or refining of metals (other than precious metals) and/or alloys from dross and/or scrap and/or residues;
- (c) The general engineering and manufacturing engineering and metallurgical industries;
- (d) The building and/or alteration and/or repair of boats and/or ships including the scraping, chipping or scaling and/or painting of their hulls and general woodwork undertaken in connection with ship repairs;
- (e) The electrical engineering industry;
- (f) The lift and escalator industry;
- (g) The plastics industry and
- (h) The iron, steel and metallurgical industry as defined in paragraph (a) to (g) above shall include the activities of Temporary Employment Service as defined in the section 198(1) of the Labour Relations Act, 66 of 1995 as amended ("the LRA"), who for reward procure for or provide to a client whose undertaking falls within the registered scope of the Metal and Engineering Industries Bargaining Council any persons (employees as defined in section 198(2) of the LRA) to render services or to perform work in such undertaking.

For the purpose hereof –

- (a) "General Engineering and Manufacturing Engineering and Metallurgical Industries" means the industries concerned with the maintenance, fabrication, erection or assembly,

construction, alteration, replacement or repair of any machine, vehicle (other than a motor vehicle) or article consisting mainly of metal (other than precious metal) or parts or components thereof and structural metal work, including steel reinforcement work, and the manufacture of metal goods principally from iron and/or steel and/or other metals (other than precious metals) and/or alloys and the finishing of metal goods, but does not include the Motor Industry.

"Precious Metals" means the precious metals gold, silver, platinum and/or palladium and/or any alloy containing the said precious metals or any of these in such proportion with any other metals to be the greater part in value of such alloy.

(b) "Electrical Engineering Industry" shall consist of –

- (i) The manufacture and/or assembly from component parts of electrical equipment in the Republic of South Africa, namely, generators, motors, convertors, switch and control gear (including relays, contactors, electrical instruments and equipment associated therewith), electrical lighting, heating, cooking, refrigeration and cooling equipment transformers, furnace equipment, signaling equipment, radio or electronic equipment including monitors, and other equipment utilising the principles used in the operation of radio and electronic equipment, the latter equipment to include, but not to be limited to, television, and further, incandescent lamps and electric cables and domestic electrical appliances, and shall also include the manufacture of component parts of the aforementioned equipment.
 - (ii) subject to clause (iii) hereunder, the installation; maintenance, repair and service of the equipment referred to in paragraph (i) above in the Province of Transvaal and Natal but does not include the activities of electrical contracting industry;
 - (iii) The installation, maintenance, repair and service of television sets and monitors within the Republic of South Africa, excluding the installation, maintenance, repair and service in the Province of the Cape of Good Hope, and excluding in respect of the whole of the Republic of South Africa, the installation, maintenance, repair and service of monitors primarily intended for use in accounting and/or data processing and/or business procedures.
- (c) "Electrical Contracting Industry" means the design, preparation (other than manufacture for sale) and erection of electrical installations forming an integral and permanent portion of buildings and the repair and/or maintenance of such installations including any cable jointing and electrical wiring associated therewith;
- (d) "Lift and Escalator Industry" means the manufacture and/or assembly and/or installation and/or repair of electrical lifts and escalators;
- (e) "Plastics Industry" means the industry concerned with the conversion of thermoplastic and/or thermosetting polymers, including the compounding or recycling thereof, or the manufacture of articles or parts wholly or mainly made of such polymers into rigid, semi-rigid or flexible form, whether blown, moulded, extruded, cast, injected, formed, calendered, coated, compression moulded or rotational moulded, including in-house printing on such plastics by the manufacturers, and all operations incidental to these activities;
- (f) "Plastics" means any one of the group of materials which consist of or contains as an essential ingredient an organic substance of a large molecular mass and which, while solid in the finished state, at some stage in its manufacture has been or can be forced,

5

i.e. cast, calendered, extruded or moulded into various shape by flow, usually through the application, singly or together, of heat and pressure including the recycling or compounding thereof, but only where such compounding and/or recycling is as a result of the conversion for manufacture by the same employer, but shall exclude all extrusions into mono-and multi-filament fibres and other activities falling under the scope of the National Textile Bargaining Council;

- (g) "Machine" means any appliance irrespective of the material of which it is made, but does not include an agricultural tractor;
- (h) "Metal Goods" does not include agricultural tractor;
- (i) "Motor Industry" means, -
 - (aa) assembling, erecting, testing, remanufacturing, repairing, adjusting, overhauling, wiring, upholstering, spraying, painting and/or reconditioning carried on in connection with—
 - (i) chassis and/or bodies of motor vehicles;
 - (ii) internal combustion engines and transmission components of motor vehicles;
 - (iii) the electrical equipment connected with motor vehicles, including radios;
 - (ab) automotive engineering;
 - (ac) repairing, vulcanising and/or retreading tyres;
 - (ad) repairing, servicing and/or reconditioning batteries for motor vehicles;
 - (ae) the business of parking and/or storing motor vehicles;
 - (af) the business conducted by filling and/or servicing stations;
 - (ag) the business carried on mainly or exclusively for the sale of motor vehicles or motor vehicle parts and/or spares and/or accessories (whether new or used) pertaining thereto, whether or not such sale is conducted from premises which are attached to a portion of an establishment wherein is conducted the assembly of or repairs to motor vehicles;
 - (ah) the business of motor graveyards;
 - (ai) the business of assembly establishments;
 - (aj) the business of manufacturing establishments wherein are fabricated motor vehicle parts and/or spares and/or accessories and/or components thereof;
 - (ak) vehicle body building.

For the purposes of this definition—

"Automotive engineering" means the reconditioning of internal combustion engines or parts thereof for use in motor vehicles in establishments mainly or exclusively so engaged, whether such establishment is engaged in the dismantling and repair of motor vehicles or not;

"motor vehicle" means any wheeled conveyance propelled by electrical or mechanical power (other than steam) and designed for haulage and/or for the transportation of persons and/or goods and/or loads, including trailers and caravans, but shall not include any equipment designed to run on fixed tracks, trailers designed to transport loads of 20 tons or over, or aircraft;

6

"vehicle body building" means any or all of the following activities carried on in a Vehicle Body Building establishment –

- (i) the construction, repair or renovation of cabs and/or bodies and/or any superstructure for any type of vehicle;
- (ii) the manufacture or repair of component parts for cabs and/or bodies and/or any superstructure, and the assembling, adjusting and installation of parts in cabs or bodies or on the superstructure of vehicles;
- (iii) fixing cabs and/or bodies and/or any superstructure to the chassis of any type of vehicle;
- (iv) coating and/or decorating cabs and/or bodies and/or any superstructure with any preservative or decorative substance;
- (v) equipping, furnishing and finishing off the interior of cabs and/or bodies and/or superstructures;
- (vi) the building of trailers, but not including the manufacture of wheels or axles therefor; and
- (vii) all operations incidental to or consequent upon the activities referred to in paragraphs (i), (ii), (iii), (iv), (v) and (vi) .

For the purposes of this definition, "vehicle" does not include an aircraft, and "Motor Industry" as defined above shall not include the following:

- (i) The manufacture of motor vehicle parts and/or accessories and/or spares and/or components in establishments laid out for and normally producing metal and/or plastic goods of a different character on a substantial scale;
- (ii) the assembling, erecting, testing, repairing, adjusting, overhauling, wiring, spraying, painting and/or reconditioning of agricultural tractors, except where carried on in establishments rendering similar service in respect of motor cars, motor lorries, or motor trucks;
- (iii) the manufacture and/or maintenance and/or repair of—
 - (aa) civil and mechanical engineering equipment and/or parts thereof, whether or not mounted on wheels;
 - (bb) agricultural equipment or parts thereof; or
 - (cc) equipment designed for use in factories and/or workshops.

Provided that for the purposes of (aa), (bb) and (cc) above, "equipment" shall not be taken to mean motorcars, motor lorries and/or motor trucks and ;

(dd) motor vehicle or other vehicle bodies and/or superstructures and/or parts or components thereof made of steel plate of 3,175 mm thickness or thicker, when carried on in establishments laid out for and normally engaged in the manufacture and/or maintenance and/or repair of civil and/or mechanical engineering equipment on a substantial scale;

The above mentioned interests shall not include the undertakings, industries, trades or occupations in respect of which the Transnet Building Council has been registered on 2 October 1991. The latter Council has been registered in respect of the undertakings, industries, trades or occupations of Transnet Limited known as Spoornet, South African Airways, Autonet, Portnet, Transtel, Transwerk, Promat, Protekon or any other business, undertaking, industry, trade, occupation, unit, department or section of Transnet Limited in

7

the Republic of South Africa, as these undertakings, industries, trades or occupations were constituted on 2 October 1991.

"law" includes the common law;

"Main Agreement" means the Agreement published under Government Notice No. R. 404 of 31 March 1998 or any succeeding agreement and includes any amendment, re-enactment or extension thereof, and further includes the Main Agreement during any period that it is expired;

"pensionable remuneration" means the actual wages payable to an employee by the employer each week in respect of the ordinary hours worked by such employee in the shifts of the establishment concerned during such week, including monies payable in terms of any agreement or under any law, but excluding amounts paid in respect of overtime, shift and other allowances and holiday leave bonuses, but including amounts paid in respect of overtime hours worked to make up lost ordinary hours, and for the purposes of this definition-

- (a) in the case of a monthly-paid employee, his pensionable remuneration shall be the amount determined as above, converted on the basis that one month equals 4 1/3 weeks;
- (b) "shift" means that period of work ordinarily worked by an employee in any period of 24 hours;

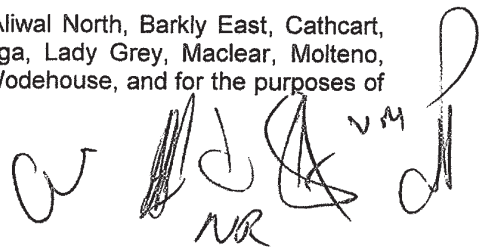
"Precious metals" means the precious metals gold, silver, platinum and/or palladium and/or any alloy containing the said precious metals, or any of these in such proportion with any other metals as to be the greater part in value of such alloy;

"Permanent Disability Scheme" means the Permanent Disability Scheme constituted to organise and provide permanent disability benefits for the employees of employers in the group of industries known as the Iron, Steel, Engineering and Metallurgical Industries in the Republic of South Africa and such other industry/industries in the Republic as may from time to time be admitted to participate in the Scheme by the Board of Management in terms of the constitution of the Scheme;

"regional committee" means any council appointed as such by the Council in terms of its constitution;

"Region A" means the Magisterial Districts of Beaufort West, Bellville, Bredasdorp, Caledon, Calvinia, Carnarvon, Clanwilliam, Ceres, Fraserburg, George, Goodwood, Heidelberg (CP), Hermanus, Hopefield (CP), Knysna, Kuils River, Ladismith (CP), Laingsburg, Malmesbury, Mitchells Plain, Montagu, Moorreesburg, Mossel Bay, Namaqualand, Paarl, Piketberg, Prince Albert, Riverdale, Robertson, Simonstown, Somerset West, Stellenbosch, Strand, Sutherland, Swellendam, The Cape, Tulbagh, Vanrhynsdorp, Victoria West, Vredenburg, Vredendal, Wellington, Williston, Worcester and Wynberg, and for the purposes of these particular areas the address of the Regional Council shall be: Metal and Engineering Industries Bargaining Council (Cape Regional Council), P.O. Box 6096, Roggebaai, 8012; or Room 507, Pearl Assurance House, Heerengracht, Foreshore, Cape Town, 8001;

"Region B" means the Magisterial Districts of Albert, Aliwal North, Barkly East, Cathcart, East London, Elliot, Indwe, King William's Town, Komga, Lady Grey, Maclear, Molteno, Queenstown, Sterkstroom, Stutterheim, Tarkastad and Wodehouse, and for the purposes of



these particular areas the address of the Regional Council shall be: Metal and Engineering Industries Bargaining Council (Border Regional Council), P.O. Box 13162, Vincent, 5217; or First Floor, 12 St Georges Road, Southemwond, 5201;

"Region C" means the Province of Natal, and for the purposes of this particular area the address of the Regional Council shall be: Metal and Engineering Industries Bargaining Council (KwaZulu Natal Region), P O Box 5900, Durban, 4000, or 14th Floor, Mercury House, 320 Smith Street, Durban, 4001.

"Region D" means the Magisterial Districts of Aberdeen, Adelaide, Albany, Alexandria, Bathurst, Bedford, Calitzdorp, Colesberg, Cradock, Fort Beaufort, Graaft-Reinet, Hankey, Hanover, Hotmeyr, Humansdorp, Jansenville, Joubertina, Kirkwood, Middelburg (CP), Murraysburg, Noupoot, Oudtshoorn, Pearston, Port Elizabeth, Richmond (CP), Somerset East, Steytlerville, Steynsburg, Uniondale, Uitenhage, Venterstad and Willowmore, and for the purposes of these particular areas the address of the Regional Council shall be: Metal and Engineering Industries Bargaining Council (Midlands Regional Council), P.O Box 12848, Centrahill, 6006, or First Floor, 30 Pearson Street, Central, Port Elizabeth, 6001;

"Region E" means the Province of the Transvaal, excluding the Magisterial Districts of Bloemhof, Christiana, Coligny, Delareyville, Klerksdorp, Lichtenburg, Potchefstroom, Schweizer-Reneke, Ventersdorp and Wolmaransstad, and for the purposes of this particular area the address of the Regional Council shall be: Metal and Engineering Industries Bargaining Council (Gauteng Region), P.O Box 3998, Johannesburg, 2000 or Union Corporation Building, 1st Floor, 77 Marshall Street, Johannesburg, 2001".

"Region F" means the Province of the Orange Free State, and includes the Magisterial Districts of Bloemhof, Christiana, Coligny, Delareyville, Klerksdorp, Lichtenburg, Potchefstroom, Schweizer-Reneke, Ventersdorp and Wolmaransstad, in the Province of the Transvaal, and the Magisterial Districts of Barkly West, Britstown, De Aar, Douglas, Gordonia, Griekwastad, Hartswater, Hopetown, Kenhardt, Kimberley, Kuruman, Postmasburg, Philipstown, Prieska, Vryburg and Warrenton, in the Province of the Cape of Good Hope and for the purposes of this particular area the address of the Regional Council shall be: Metal and Engineering Industries Bargaining Council (Orange Free State and Northern Cape Regional Council), P.O. Box 95, Welkom, 9460, or 136 Constantia Road, Dagbreek, Welkom, 9459;

"Scheme" means the Permanent Disability Scheme as referred to above.

"Surplus Agreement" means the agreement approved by the Financial Services Board (FSB) on 30 November 2011, to distribute surpluses in the Fund.

3A. CONTINUATION OF THE FUND

- (1) The Engineering Industries' Pension Fund (hereinafter referred to as the "Fund), originally established on 28 August 1957 in terms of Government Notice R. 1087 of 19 July 1957 as the Metal Industries Group Life and Provident Fund, is hereby continued.
- (2) The Fund shall consist of-
 - (a) all monies and assets standing to the credit of the fund as at the date of coming into operation of this Agreement;
 - (b) all contributions paid by employers and members in accordance with clause 5 of this Agreement;

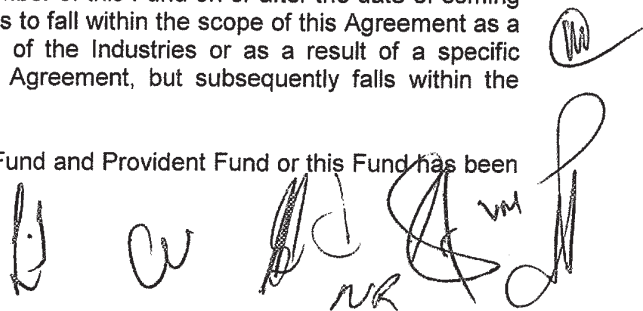
- (c) all investment income derived from the investment of any monies of the Fund; and
 - (d) any other monies to which the Fund may become entitled.
- (3) The parties agreed to ensure that the Surplus Agreement of the Fund is implemented in consultation with the Fund and that the terms of this Agreement are consistent with the Surplus Agreement".

4. MEMBERSHIP

- (1) Each employee who becomes an employee falling within the scope of this Agreement on or after the date of coming into operation of this Agreement shall, subject to subclause (4) (b) below, be required to choose either to become a member of this Fund or a member of the Metal Industries' Provident Fund. Such choice shall be made on the date on which he becomes an employee falling within the scope of this Agreement. Membership of the relevant Fund shall commence on that date.
- (2) If an employee to whom subclause (1) applies does not exercise his choice either to become a member of this Fund or a member of the Metal industries Provident Fund on the date on which he shall be required to become a member of either this Fund or the Metal Industries Provident Fund, he shall automatically become a member of one of these Funds, depending on his wages, as follows:
 - (a) Employees earning in excess of the amount stipulated in the Main Agreement as the minimum wage of an employee in job category DDD, shall be deemed to be members of this Fund.
 - (b) All other employees shall be deemed to be members of the Metal Industries Provident Fund:

Provided that where the Main Agreement has expired, the last reference shall be to the most recently expired Main Agreement.

- (3) An employee to whom subclause (1) and/or subclause (2) applies shall be entitled for a period of three months from the date on which he becomes an employee falling within the scope of this Agreement to withdraw from membership of this Fund in order to become a member of the other Fund. In such case, membership of the Fund to which the employee transfers shall be made retrospective to the date on which contributions commenced to this Fund, and the benefits earned in the name of the employee concerned shall be transferred to the Fund chosen in terms hereof. There shall be no refund of contributions to either the employee or employer. The right of an employee to transfer membership in terms of this subclause shall terminate on the expiry of the above three-month period.
- (4) If an employee who has become a member of this Fund on or after the date of coming into operation of this Agreement ceases to fall within the scope of this Agreement as a result of his ceasing to be in service of the Industries or as a result of a specific exemption under subclause 8 of this Agreement, but subsequently falls within the scope of this Agreement, then-
 - (a) if his benefit under the Pension Fund and Provident Fund or this Fund has been



paid out, he shall have the choice provided for in subclause (1);

- (b) if his benefit under the Pension and Provident Fund or this Fund has not been paid out, he shall not have the choice provided for in subclause (1), but shall automatically become a member of the Fund of which he was previously a member.
- (5) If an employee terminated his membership of this Fund or the Metal Industries Group Pension Fund before 1 May 1991 and subsequently falls within the scope of this Agreement or the Metal Industries Provident Fund Agreement, then regardless of whether or not his benefits under the above funds have been paid out, he shall have the choice provided for in subclause (1).
- (6) The provisions of subclauses (2) and (3) shall also apply to an employee referred to in subclauses (4) (a) and (5).
- (7) Except as provided in this clause, an employee who remains in service in the Industries and continues to fall within the scope of the Agreement may not withdraw from membership of this Fund unless specifically exempted under clause 8 of this Agreement.

5. CONTRIBUTIONS

- (1) Contributions, as hereinafter provided for, shall be made by employees and employers as from the date of coming into operation of this Agreement.
- (2) Contributions in respect of the Engineering Industries Pension Fund and the Metal and Engineering Industries Permanent Disability Scheme (hereinafter referred to as the 'Scheme'):
- (a) The employer shall each week deduct from the pensionable remuneration of each of his employees as follows:

As gazetted on 3 August 2012, in Notice No R. 596 of the Government Gazette 35553	
Years	Employee contribution
1 July 2015	7%
2016	7,10%
2017	7,20%
2018	7,30%
2019	7,40%
2020	7,50%
Thereafter	7,50%

- (b) Contributions calculated in accordance with the provisions of paragraph (a) may, at the discretion of the employer, be deducted from the earnings of any other employees who request in writing to become members of this Fund: Provided that the membership provisions under clause 4 shall *mutatis mutandis* apply to such employees.
- (c) The employer shall pay to the Fund a percentage of pensionable remuneration as follows:

As gazetted on 3 August 2012, in Notice No R. 596 of the Government Gazette 35553	
Years	Employer contribution
1 July 2015	7%
2016	7,10%
2017	7,20%
2018	7,30%
2019	7,40%
2020	7,50%
2021	7,60%
2022	7,70%
2023	7,90%
2024	8,10%
2025	8,30%
2026	8,50%
2027	8,70%
2028	8,90%
2029	9,10%
2030	9,30%
2031	9,50%
2032	9,70%
2033	9,90%
2034	10,10%
2035	10,30%
2036	10,50%
Thereafter	10,50%

- (d) The employee deductions and employer payments shall be made from the implementation date. During the contribution increase program, the Fund will pay an additional amount from the surplus reserve to a total contribution of 18%. If the Fund is unable to pay the difference between 18% and the employee deductions and employer deductions at any time during the Contribution Increase Program, the employee deductions and employer payments will be set at the level reached at the last anniversary of increases, in terms of the Contribution Increase Program.
- (e) The employer and employee contribution shall be apportioned as follows:
- (i) An amount in the sole discretion of the Board equal to a specified percentage of the pensionable remuneration (as set out in (a) and (c) above) of each of the employees concerned shall be paid to the Scheme; and
 - (ii) From the amounts in (a) and (c) above, the amount required to meet the cost of disability benefits and from (c) above the cost of death benefits and such administration and other expenses as may be determined by the Board shall be applied for this purpose.
 - (iii) The balance shall be the employee's and employer's contribution to

the Fund for retirement benefits.

- (3) No deductions shall be made or contributions paid in respect of periods of absence on unpaid leave, and absences owing to sickness, injury on duty and military service where no payment is due to the employee by the employer in terms of an agreement or under any law.
- (4) (a) Every employer in regions A, B, C, D, E and F shall forward the total amount payable each month in terms of subclause (2), together with a statement in such form as may be prescribed from time to time, to reach the Council at its **MIBFA Bargaining Council Collection Unit**, Second Floor, Metal Industries House, 42 Anderson Street, Johannesburg, 2001 by no later than close of business on the 7th day of the subsequent month.
- (c) The employer uses the postal service, a courier service or any other means of delivery or transfer at the employer's own risk. The relevant postal address is P O Box 61474, Marshalltown, 2107. A facility for direct bank-to-bank transfer of funds is also available. Enquiries may be directed to the Funds Contribution Manager at the above address or telephone (011) 870-2000.
- (5) Notwithstanding the provisions of this clause, failure on the part of the employer to make the deduction of employees' contributions which he is required to make shall not absolve the employer from having to submit the total amount of the employees' contributions and his own contributions to the Council.
- (6) All contributions received by the Council shall be paid to the Engineering Industries' Pension Fund and the Scheme, respectively, within seven days of receipt of such monies by the Council.
- (7)(a) If any amount that falls due in terms of this clause is not received in full by the Council by the 7th day of the month following the month for which the amount is payable, then the employer shall be liable to pay interest in accordance with the following provisions:
 - (i) The interest payable shall accrue on the balance of the amount outstanding from time to time from the 1st day until the full amount is received by the Council.
 - (ii) The interest shall accrue at the effective rate and terms as prescribed by the Act and regulation to the Act.
 - (iii) In addition to the provisions of section 2(2) of the Act, all the other provisions of the Act that are relevant for the purpose of calculating any interest payable by the employer in terms of this subclause shall *mutatis mutandis* apply for these purposes."
- (b) For the purposes of this subclause, 'the Act' means the Pension Funds Act 24 of 1956, and its supporting regulations as amended from time to time".
- (8) In the event of the Council incurring any costs or becoming obliged to pay any collection commission by reason of the failure of the employer to make any payment on or before the due date, the employer shall be liable to pay forthwith all such costs of whatever nature as between attorney and client and all such collection commission.

6. ADMINISTRATION

- (1) The Fund and the Scheme shall be administered in accordance with the Rules of the Fund and the Rules of the Scheme. Such Rules shall not be inconsistent with this Agreement or the provisions of the Pension Funds Act 24 of 1956, **as amended** and a copy of the Rules and amendments thereto shall be lodged with the Registrar of Pension Funds and the Registrar of Labour Relations.
- (2) In the event of the dissolution of the Council or in the event of its ceasing to function during the currency of this Agreement, the Boards of Management appointed in terms of the constitutions of the Fund and the Scheme shall take over the functions of the Council in respect of this Agreement, and if for any reason the Boards of Management should be unable or unwilling to perform such duties, the Registrar of Pension Funds may appoint trustees to perform the Council's functions. The Boards of Management or trustees so appointed shall have all the powers vested in the Council for the purposes of this Agreement. Payment (if any) for the services of the trustees shall be borne by the Fund and the Scheme, as the case may be.

7. AGENTS

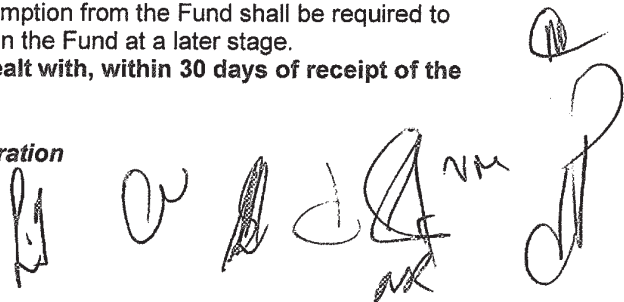
- (1) The Council shall appoint one or more specified persons as agents to assist in giving effect to the terms of this Agreement.
- (2) The council shall apply to the Minister to appoint a designated agent. For the purpose of enforcing or monitoring compliance with this Agreement, as the case may be, a designated agent of the Council shall have the right to enter and inspect premises, examine records and question the employer and/or his employees in any manner that he deems appropriate: Provided that such rights shall be exercised only as is reasonably required for the purpose of enforcement of, or monitoring compliance with, the Agreement.
- (3) After each inspection of an employer's records and operations the agent shall prepare a report for the attention of the employer, worker representatives and, in the case of an individual complainant, the complainant concerned, confirming the date and time of the inspection and, if any contraventions of the Agreement were identified, a summary of the contraventions and the action that management is required to take to rectify the contraventions. Any disclosure of information shall comply with the provisions of the Labour Relations Act, 1995.
- (4) A designated Agent shall have the powers set out in sections 33 and 33A of the Act and in Schedule 10 of the Act.

8. EXEMPTIONS

1. *General*

- (a) Any person bound by this Agreement may apply for exemption.
- (b) The authority of the Council to consider and make recommendations on the granting of exemptions (excluding the hearing of appeals) is delegated to the Metal Industries Benefit Fund Administrators (MIBFA).
- (c) An employer who has obtained an exemption from the Fund shall be required to apply in writing, should he wish to rejoin the Fund at a later stage.
- (d) **Exemptions and appeals shall be dealt with, within 30 days of receipt of the exemption or appeal application.**

2. *Fundamental principles for consideration*

A collection of handwritten signatures and initials in black ink, located below the text of section 2. The signatures are of various styles, some appearing to be initials and others more full names, though they are not legible.

- 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.
- (a) In scrutinising an application for exemption MIBFA will consider the views expressed by the employer and the workforce, together with any other representations received in relation to that application.
 - (b) The employer must consult with the workforce, through a trade union representative or, where no trade union is involved, with the workforce itself, and must include the views expressed by the workforce in the application. Where the views of the workforce differ from that of the employer, the reasons for the views expressed must be submitted with the application. Where an agreement between the employer and the workforce is reached, the signed written agreement must accompany the application.
 - (c) The exemption shall not contain terms that would have an unreasonably detrimental effect on the fair, equitable and uniform application of this Agreement in the Industry.
 - (d) An application for exemption shall not be considered if the contents of the application are covered by an arbitration award binding the applicant.

3. *Urgent applications*

- (a) In cases of urgent applications, details may be faxed or delivered to the Council in the region where the applicant is located.
- (b) MIBFA will consider the application, make a recommendation and communicate that recommendation to the Council without delay.
- (c) The applicant is expected to put forward a substantive explanation as to the urgency of the application.

4. *Process*

- (a) The Council shall issue to every person to whom exemption has been granted an exemption licence, setting out the following:
 - (i) the full name of the person or enterprise concerned;
 - (ii) the provisions of this Agreement from which the exemption has been granted;
 - (iii) the conditions subject to which exemption is granted;
 - (iv) the period of the exemption;
 - (v) the date from which the exemption shall operate; and
 - (vi) the area in which the exemption applies.
- (b) The Council shall ensure that –
 - (i) all exemption licences issued are numbered consecutively;
 - (ii) an original copy of each licence is retained by the Council;
 - (iii) a copy of the exemption licence is sent to the applicant.
- (c) Unless otherwise specified in the licence of exemption, any exemption from this Agreement shall be valid only in the region of the Council in which the application was made.
- (d) The Council may withdraw the exemption at its discretion.

5. *Appeals*

- (a) An independent body, referred to as the Independent Exemptions Appeal Board (the Board), is hereby appointed and shall consider any appeal against an exemption granted or refused by the Council, or a withdrawal of an exemption.

15

- (b) The Council Secretary will on receipt of an appeal against a decision to refuse the granting of an exemption submit it to the Independent Exemptions Appeal Board for consideration and finalisation.
- (c) In considering an appeal the Board shall consider the recommendations of the Council, any further submissions by the employer and the workforce or their respective employee organisations or trade unions and shall take into account the criteria set out in clause 2 above and also any other representations received in relation to the application.
- (d) Should the appeal be granted a licence of exemption shall be issued in terms of subclause (4)(a) and (b) above and shall be subject to subclauses (4)(c) and (d)."

9. RESOLUTION OF DISPUTES

Any dispute about the interpretation, application, or enforcement of this Agreement shall be referred to the Council and shall be dealt with in accordance with the provisions contained in the Metal and Engineering Industries Bargaining Council Dispute Resolution Agreement, published under Government Notice No. R.836 in Government Gazette 29122 dated 18 August 2006, as amended from time to time.

10. EXHIBITION OF AGREEMENT

Every employer shall affix and keep affixed in some conspicuous place upon his premises, a copy of this Agreement in the form prescribed by the regulations under the Act, in legible characters.

11. TERMINATION OF EMPLOYMENT OF MEMBERS

On termination of employment of a member, his employer shall complete the details on a form as prescribed in the **Annexure A** to this Agreement and hand it to the member.

Supplies of the prescribed forms are available from the regional councils.

The employer shall be required to maintain a permanent record of the permanent home address of the member.

ANNEXURE A

ENGINEERING INDUSTRIES PENSION FUND

(Form to be completed by employer and handed to members of the Engineering Industries Pension Fund on termination of employment)

Member's Rights to Benefits

1. A lump sum benefit on retirement at the age of 65 or later, or on early retirement from the age of 55 up to 65.
2. A permanent disability benefit owing to permanent disability / incapacity in terms of the rules of the Pension Fund and rules of the Permanent disability Scheme.
3. *Death benefits:* A lump sum benefit as if the member had retired on date of death

PLUS a lump sum of three years' salary on -

- (i) Death in service of a contributing member before the age of 65;
- (ii) Death before the age of 65 where death occurs within six weeks of ceasing employment, if ex-member was unemployed for such period and had been a member of the Fund for a consecutive period of not less than two years prior to such unemployment;
- (iii) Death before the age of 65 where death occurs within six months of ceasing employment owing to sickness or a works accident, and ex-member was unemployed owing to such sickness or work accident until the date of death.

Note: The lump sum of three years' salary is reduced if the member or ex-member first joined the fund after the age of 55. The benefit is then based on the period of membership.

- 4. A lump sum benefit on retrenchment / redundancy, before the age of 65, as if the member had retired on date of retrenchment / redundancy. The fund will aim to pay the benefit within six weeks after cessation of service in the industries: Provided that the member has not returned to employment in the industries within that period.
- 6. A lump sum on ceasing service in the industries for reasons other than in (1) to (4) above. The lump sum is a refund of the member's own contributions, PLUS interest, PLUS a share of the employer's contributions, less costs, according to length of continuous service, and is payable not less than eight weeks after the cessation of service in the industries.

To be completed by the employer:

- (i) Name of employee (surname first)
- (ii) Identity Ref. No:..... Works No:.....
- (iii) Period of service (from) to
- (iv) Reasons for termination of employment:
 - Retrenchment
 - Redundancy
 - Resignation
 - Permanent disability / incapacity
 - Other
- (v) In cases of retrenchment, state name and regional council and date on which notification of retrenchment was given under clause 35 of the Main Agreement:

Regional Council
Date

- (vi) The appropriate form for benefits has been handed to the employee.

Date

For and on behalf of the employer

Notes:

- (i) Claim forms for the various benefits are available from regional councils or from the offices of the Engineering Industries Pension Fund.
- (ii) It should be ensured that the employee has been handed his membership card of the fund and any brochures or other information relating to the Fund.
- (iii) The employer is required to maintain a permanent record of the permanent address (i.e. home address) of each employee.

12. MEMBERS' BENEFITS

Members will be entitled to retirement, death, disability, resignation and retrenchment benefits in terms of the Rules of the Fund.

Enquiries should be directed to the offices of the Metal Industries Benefit Funds Administrators at telephone (011) 870-2000.

Thus signed at Johannesburg, for and on behalf of the parties on 8 December 2015

Seifsa on behalf of its Associations L. TRENTINI

Name

Assoc of Electric Cable Manufacturers of SA
 Association of Metal Service Centres
 Cape Engineers and Founders Association
 Constructional Engineers Association
 Electrical Engineering and Allied Industries Association
 Electrical Manufacturers Association of South Africa
 Ferro Alloy Producers' Association
 Gate & Fence Manufacturers Association
 Hand Tool Manufacturers Association of South Africa
 Iron and Steel Producers Association of South Africa
 Kwa Zulu Natal Engineering Industries Association
 Lift Engineering Association of South Africa
 Light Engineering Industries Association
 Non-Ferrous Metal Industries Association of South Africa
 Plumbers Engineers and Brassware Manufacturers Association
 Port Elizabeth Engineers Association
 Pressure Equipment Manufacturers' Association
 Refrigeration & Air Conditioning Man & Suppliers Association
 SA Post Tensioning Association
 SA Reinforced Concrete Engineers Association
 SARACCA
 South African Electroplating Industries Association
 South African Engineers & Founders Association
 South African Fasteners Manufacturers Association

18

South African Pump Manufacturers Association
 South African Valve and Actuator Manufacturers Association

Neasa

.....
 Name

Numsa

.....
 Name

Solidarity

.....
 Name

Mewusa

.....
 Name

Uasa

.....
 Name

Saewa

.....
 Name

CEPPWAWU

.....
 Name

General Secretary

.....
 TITU LANI MTHYANE