


DEPARTMENT OF LABOUR

NO. 1522

09 DECEMBER 2016

LABOUR RELATIONS ACT, 1995**BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING INDUSTRY
KWAZULU NATAL: 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 section 32(3)(b) and (c) as well as 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 **Bargaining Council for the Furniture Manufacturing Industry KwaZulu Natal**, 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 2021**.


MINISTER OF LABOUR

SCHEDULE**BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING
INDUSTRY, KWAZULU-NATAL****MAIN COLLECTIVE AMENDING AGREEMENT**

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

**KwaZulu-Natal Furniture Manufacturers' Association and
Allied Business Association**
(hereinafter referred to as the "employers" or the "employers' organisation") of the
one part

and the

National Union of Furniture & Allied Workers' Union of South Africa
(hereinafter referred to as the "employees" or "the trade union") of the other part,
being the parties to the Bargaining Council for the Furniture Manufacturing Industry,
KwaZulu-Natal

To amend the Main Collective Agreement Part 2, Annexure A published under Government Notice R.945 dated 02 October 2015, renewed by Government Notice R.450 dated 29 July 2016 and amended by Government Notice R. 1027 dated 16 September 2016.

PART 1**1. SCOPE OF APPLICATION**

1. The terms of this Agreement shall be observed in the Furniture Manufacturing Industry, KwaZulu-Natal –
 - (a) by all employers who are members of the employers organisations and by all employees who are members of the trade union, and who are engaged and employed therein;

- (b) in the Magisterial Districts of Camperdown, Chatsworth, Durban, Inanda, Lower Tugela, Pietermaritzburg, Pinetown, Mount Currie and the Municipal Area of Mandini.
2. Notwithstanding the provisions of sub-clause (1), the provisions of this Collective Agreement shall –
- (a) only apply in respect of employees for whom minimum wages are prescribed in this Agreement and employers of such employees;
 - (b) apply to learners in so far as they are not inconsistent with the provisions of the Skills Development Act, 1998, or any contracts entered into or any conditions fixed thereunder;
 - (c) not apply to professional, technical, administrative, sales and office staff: Provided that such employees are in receipt of regular remuneration in excess of the maximum rate prescribed in Annexure A of this Agreement, plus R35.00 ;
 - (d) not apply to managers, sub-managers, foremen and supervisory staff if such employees are in receipt of regular remuneration of not less than R98,301.31 per annum or, R115,644.72 per annum where the employer of such employee does not provide or maintain a registered retirement fund and a registered medical aid fund. These limits shall be increased from year to year by the same percentages as the increases granted to employees earning the highest rate set out in Annexure A of this Agreement;
- (3) Notwithstanding the provisions of sub-clauses (1) and (2), employers who carry on not more than one business within the scope of application of this Agreement and who employs less than five employees at all times in or in connection with such business, will be entitled to the following phasing-in concessions: Provided that their employees consent to it, in writing in the prescribed form:

PHASE ONE: First Two Years from Commencement

During this period, the employer will be exempt from Annexure A.

Any pro-rata holiday pay benefits accrued by employees during the first two years from the commencement, must be paid by the employer in terms of the Basic Conditions of Employment Act, 1997 as amended, when due.

PHASE TWO: Third Year from Commencement

During this period, employees must be remunerated at not less than 60% of the rate of pay as prescribed in Annexure A provided that the employer complies with the following:

Any pro-rata holiday pay benefits accrued by employees during the third year of commencement, must be paid by the employer in terms of the Basic Conditions of Employment Act, 1997, when due.

PHASE THREE: Fourth Year from Commencement

During this period, employees must be remunerated at not less than 75% of the rate of pay as prescribed in Annexure A.

In addition, the following contributions shall come into effect:

- (a) Clause 13 - Holidays and Holiday Fund.

PHASE FOUR: Fifth Year from Commencement

During this period, employees must be remunerated at not less than 90% of the rate of pay as prescribed in Annexure A.

In addition the following contributions shall come into effect :

- (a) Clause 13 - Holidays and Holiday Fund.
- (b) Provident Fund and Mortality Benefit contributions as prescribed in that Collective Agreement as amended and extended from time to time.

PHASE FIVE: From Sixth Year Onwards

All provisions of the Main Collective and Provident Fund and Mortality Benefit Association Collective Agreements as well as Annexure A, as amended and extended from time to time shall apply.

- (4) The provisions of Sub-Clause (3) above shall not apply where an employer has more than four employees in his employ at the date of coming into operation of this Agreement, and subsequently reduces this number of employees to fewer than five.
- (5) Phasing In Provision: For new employees in existing establishments other than those as identified under Sub-clause 1(3) excluding employees falling within the Scope of Annexures B and C.

A two year phasing in provision for new employees shall apply after coming into operation of this Agreement ; as follows :

- (a) Provident Fund - exempted.
- (b) Leave pay to be paid for 16 days only, directly to the employee.
- (c) Mortality Fund contributions of 0.50 cents per employer and 0.50 cents per employee per week to be paid monthly towards the Mortality Benefit Association as per Chapter III of the Natal Furniture Workers' Mortality Benefit Association as it appears in Government Gazette No. 34463 dated 22 July 2011, published under Regulation No. R 589 read with correction notice under Gazette No 34511, Regulation No. 642 dated 12 August 2011, including any successor thereof,
- (d) Full compliance with the provisions towards the Holiday Fund, Provident Fund and Natal Furniture Workers' Sick Benefit Society Collective Agreements, from the third year onwards.

2. PERIOD OF OPERATION OF AGREEMENT

- 2.1 This Agreement shall be binding on the Parties to this Agreement as from 01 July 2016 until 30 June 2021
- 2.2 This Agreement shall come into operation in respect of non-parties on such date as the Minister of Labour extends the Agreement to non-parties and shall remain in force ending 30 June 2021.

PART 2**ANNEXURE A****CLAUSE 1 SCOPE OF APPLICATION**

1. This part of the Agreement applies to the Magisterial Districts of Camperdown, Chatsworth, Durban, Inanda, Pietermaritzburg, Pinetown and Mount Currie.

CLAUSE 2 PERIOD OF OPERATION

1. This part of the Agreement is effective from the coming into operation of this Agreement until 30 June 2018.

CLAUSE 3. COUNCIL EXPENSES

Add the word "weekly" after the word "deduct" as it appears in the existing text, in the first line of paragraph (1).

CLAUSE 4 WAGE INCREASE

Substitute the following for the existing sub-clause 1(b)

- "(b) Party Shops : A wage increase of 7.5% per week across the board on **actual** wages paid for all employees, effective from 01st July 2017 for the period ending 30th June 2018."

Substitute the following for the existing sub-clause 2(b)

- "(b) Non Party Shops : A wage increase of 7.5% per week across the board on **actual** wages paid from 1st July 2017 for the period ending 30 June 2018, subject to the following condition."

CLAUSE 7 DEATH AND DISABILITY SCHEME

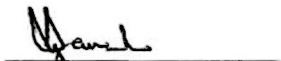
Substitute the following for the existing sub-clause (3) Contributions

- "1. Total monthly premium per employer shall be R40.67 of which the employee shall pay 50% and the employer shall add a like amount."

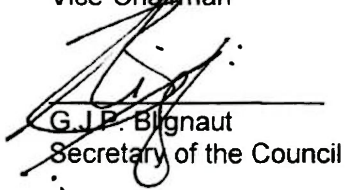
Signed at Durban on this 26th day of September 2016.



A. Khan
Chairperson



S. Govender
Vice-Chairman



G.J.P. Bignaut
Secretary of the Council