

DEPARTMENT OF LABOUR


NO. R. 613

26 APRIL 2019

LABOUR RELATIONS ACT, 1995

**BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING INDUSTRY OF THE
SOUTH WESTERN DISTRICTS: EXTENSION TO NON-PARTIES OF THE MAIN
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 Schedule hereto, with the exclusion of clause 2 thereof which was concluded in the Bargaining Council for the Furniture Manufacturing Industry of the South Western Districts 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 publication of the notice and for the period ending September 2020.



MN OLIPHANT, MP


MINISTER OF LABOUR

DATE: 10/4/2019

UMTHETHO WOBUDLELWANO KWEZABASEBENZI KA-1995

BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING INDUSTRY OF THE SOUTH WESTERN DISTRICTS: UKWELULWA KWESIVUMELWANO SABAQASHI NABASEBENZI ESIYINGQIKITHI NESICHIBIYELAYO SELULELWA KULABO ABANGEYONA INGXEYENYE YASO

Mina, MILDRED NELISIWE OLIPHANT, uNgqongqoshe WezabaSebenzi, ngokwesigaba-32(2) SoMthetho Wobudlelwano KwezabaSebenzi ka-1995, ngazisa ukuthi isVumelwano sabaqashi nabasebenzi esitholakala kwiSheduli yesiNgisi exhunywe lapha, kukhishwa imishawana 2, esenziwa kwi Bargaining Council for the Furniture Manufacturing Industry of the South Western Districts, futhi ngokwesigaba-31 soMthetho Wezobudlelwano KwezabaSebenzi ka-1995 esibopha labo abasenzayo, sizobopha bonke abanye abaqashi nabasebenzi kuleyoMboni kusukela ngoMsombuluko wesibili emva kokushicilelwa kwalesiSaziso futhi kuze kube isikhathi esiphela mhlaka 30 KuMandulo 2020.

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MN OLIPHANT, MP

UNGQONGQOSHE WEZABASEBENZI

USUKU: 10/4/2019.....

SCHEDULE

**BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING INDUSTRY OF THE
SOUTH WESTERN DISTRICTS
MAIN COLLECTIVE AMENDING AGREEMENT**

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

Garden Route Employers' Association

(hereinafter referred to as the "Employers" or the "Employers' Association"), of the one part, and the

National Union of Furniture and Allied Workers 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 of the Southern Western Districts. To amend the Main Collective Agreement published under Government Notice R. 497 dated 18 May 2018.

PART 1

1. SCOPE OF APPLICATION OF AGREEMENT

(1) The terms of this Agreement shall be observed

1.1 by employers and employees in the Furniture Manufacturing Industry as defined in Paragraph A, hereof in the Magisterial Districts of George, Kynsna, Oudtshoorn and Mossel Bay

Paragraph A

"Furniture, Bedding, Upholstery and Curtain Manufacturing Industry" or "Industry" means, without in any way limiting the ordinary meaning of the expression, the industry in which employers and their employees are associated for the manufacture, either in whole or in part, of all types of components of furniture, furniture, bedding, curtains, blinds, upholstery and/or re-upholstery and will, inter alia, include but not be limited to the following:

(a) Furniture

Manufacturing, assembling, repairing, staining, spraying, polishing, re-polishing, wood machining, veneering, woodturning, carving, assembling, painting, spraying, cutting, edging, drilling, wood bending, laminating and/or papering/foiling, of board.

"Board" means any type of wood or wooden or related product or any other substitute material, amongst others being: laminated board, fibre board, chip board, block board, veneer board, pressed board.

Furniture manufacturing will also include the manufacturing, repairing, polishing, assembling, cutting, drilling, edging, re-polishing, staining, spraying either in whole or in part of: pianos, organs, kitchen cupboards, attached wall cupboards, built-in cupboards, free standing cupboards, bars or built-in bar counters, cane, wicker or grass furniture, cabinets including cabinets for musical instruments and radios, wireless or television cabinets, coffins, beehives, educational novelties, draw and draw fronts, doors and cupboard doors irrespective of size, bathroom cupboards, cupboard tops, and furniture for tea-rooms, restaurants, offices, churches, schools, libraries, hotels, other educational institutions, conference centres and theatres:

(b) Bedding

The manufacturing, assembling, repairing, covering, re-covering of: mattress bases, mattresses, box-spring mattresses, foam mattresses, spring mattresses, overlays, bolsters, pillows, cushions for studio couches, spring units, sleeper couches and studio couches.

"Studio Couch" means an article of furniture, which is designed for seating and for conversion into a double bed or two or more beds and of which the frames may also be constructed mainly of metal and the seating and/or sleeping surfaces consist of mattresses and/or cushions.

(c) Upholstery

The upholstering or re-upholstering of any furniture, or item of furniture, bedding, seating, pelmets, mattress bases, foam mattresses and/or cushions and the making of loose covers and/or cushions.

(d) Curtain making

The making, altering, repairing and hanging of curtains and/or blinds made mainly of fabric, wood, cane, wicker, reed or grass.

Curtain making includes window treatment, cutting of rails and rods, fitting of pelmets, curtains, blinds and associated products.

(2) Notwithstanding the provisions of subclause (1), the terms of this Agreement shall apply –

(a) to employees in the Furniture Manufacturing Industry whose wages are prescribed in this Agreement and to all the employers of such employees; and

- (b) to Learners in so far as these provisions are not inconsistent with the provisions on the Skills Development Act, No. 97 of 1998, or any contract entered into or any condition fixed thereunder.

A. Administrative Issues

2. PERIOD OF OPERATION OF AGREEMENT

(1) This Agreement shall come into operation –

- (a) in respect of the parties to this Agreement, on the date of signature until 30 September 2020.
- (b) In respect of non-parties, on such date as fixed by the Minister of Labour in terms of section 32 of the Labour Relations Act, 1995 until 30 September 2020.

B. Terms and Conditions of Employment

3. CLAUSE 38: NEW ENTRANT

Substitute the following for the existing clause 38

- "(1) The minimum wage of a new entrant shall not be less than the wage as at the 1st of October of the previous year. The minimum wage of a new entrant engaged in any or all of the operations specified, shall be as specified in Annexure A of PART III of this Agreement.
- (2) For all new entrants, no benefits except annual leave, sick leave, Council levies and agency shop(where applicable) are payable for the first 12 months."

4. CLAUSE 39. FAMILY RESPONSIBILITY LEAVE

Substitute the following for the existing clause 39

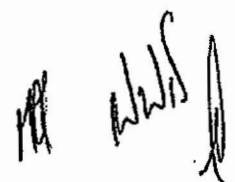
"(1) This clause applies to an employee:-

- (a) who has been in employment with an employer for longer than four (4) months; and

- (b) who is contracted to work for that employer for at least four (4) days a week.
- (2) An employer shall grant an employee, during each annual leave cycle, at the request of the employee, three (3) days paid leave, and two days unpaid leave, which the employee is entitled to take:-
- (a) when the employee's child is born;
 - (b) when the employee's child is sick; or
 - (c) when the employee takes his/her medically certified disabled child to the doctor, no age limit applied to the disabled child;
 - (d) when the employee takes his/her school going child to the doctor, whereby the child is not older than 21 years;
 - (e) when the employee whom takes his/her parent, adoptive parent or parent in law to the doctor;
 - (f) In the event of the death of:-
 - (i) the employee's spouse or life partner; or
 - (ii) the employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling.
- (3) Subject to subclause (5), an employer shall pay an employee for a day's family responsibility leave:-
- (a) the wage the employee would ordinarily have received for work on that day; and
 - (b) on the employee's usual pay day.
- (4) An employee may take family responsibility leave in respect of the whole or a part of the day.
- (5) Before paying an employee for leave taken in terms of this clause, an employer may require reasonable proof of the event contemplated in subclause (1) for which the family responsibility leave was requested.
- (6) An employee's unused entitlement to leave in terms of this clause lapses at the end of the annual leave cycle during which it accrues."

C. Contributions and Deductions

5. CLAUSE 45. HOLIDAYS AND THE HOLIDAY BONUS FUND



Substitute the following for the existing clause 45

- "(1) All public holidays as specified in the Public Holidays Act, 1994, or as may further be declared as such by the President of the Republic of South Africa by Government Gazette, shall be paid public holidays in terms of this Agreement.
- (2) Whenever a public holiday, as defined in subclause (1), falls on a Sunday, the following Monday shall be a public holiday, in terms of section 2 (1) of the Public Holidays Act, 1994.
- (3) (a) Every employer shall grant his employees annual leave of 15 consecutive working days, to commence not before 16 December and not later than 23 December. Provided that the annual shutdown period shall be extended by virtue of the fact that any statutory public holidays falling within this period shall not be included in the said 15 working days: Provided that the employer shall advise the council at least 30 days prior to the date on which such leave is to commence of the date on which his establishment is to close, and if no such notification is received, an establishment shall close on the afternoon of 22 December.
- (b) Annual leave may be split by agreement with the majority, fifty percent plus one, of the employees provided that a minimum of ten consecutive working days be taken during the annual shut down period. The remaining leave days are to be taken before the end of September of the following year.
- (c) No employer shall perform work or require or allow an employee to perform work and no employee shall undertake or perform work, whether for remuneration or not, during the annual leave referred to in clause (3)(a).

Holiday Bonus Fund:

- (4) (a) The fund known as the **SOUTH-WESTERN DISTRICTS FURNITURE HOLIDAY FUND** (hereinafter referred to as the Fund), established in terms of the Agreement published in the Schedule to Government Notice No. 465, dated 1 April 1960, is hereby continued. Every employer shall each week pay into the Fund a sum equal to thirteen per cent (13%) of the actual remuneration, excluding the first ten (10) hours of overtime and bonus payments earned by each

of his employees during that week. When making such payment, the employer shall furnish a statement in the form specified in Annexure G to this Agreement.

- (b) Notwithstanding the provisions of subclause 1(a), the amount of thirteen per cent (13%) may be reduced to six percent (6%) of the remuneration payable to an employee in respect of any week, excluding the first ten (10) hours of overtime and bonus payments earned by each of his employees during that week, during which the employee absents himself from work for any reason whatsoever, other than absence on the instructions or at the request of the employer or for medical reasons with a valid doctor's certificate for more than sixty minutes in one week: Provided that if an employee absents himself from work on account of illness beyond the sixty minute limit, the employer may, as a condition precedent to the payment of the latter amount, require the employee to produce a certificate signed by a medical practitioner stating the nature and duration of the employee's incapacity: Provided further that the contribution of six cent (6%) in respect of illness need not be paid for any period of absence in excess of twenty five (25) ordinary working days in any one year.

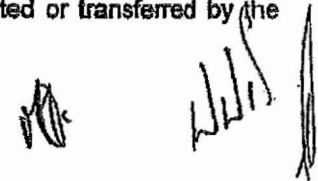
- (c) Notwithstanding the provisions of subclauses (a) and (b) any employee who has worked a full year shall receive, as holiday pay, no less than six per cent (6%) of his wages earned during the year and the employer shall be responsible for making up any deficit should the payment an employee receives from the Council amounts to less than this figure.

- (d) (i) Amounts payable in terms of subclause (a) hereof shall be paid no later than the 15th day of each month following that in respect of which they are due to the Secretary of the Council.
- (ii) Should any amount due in terms of this clause not be received by the Council by the 15th day of the month following the month in respect of which it is payable, the employer shall pay the interest in terms of the applicable rate in terms of the Prescribed Rate of Interest Act on such amount or on such lesser amount as may remain unpaid at the rates prescribed by the Prescribed Rate of the Interest Act, 1975, as amended, calculated from such 15th day until the day on which payment is actually received by the Council:

Provided that the Council shall be entitled in its absolute discretion to waive payment of such interest or part thereof in any individual instance. 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 then also be

liable to forthwith pay all such costs of whatever nature between attorney and client and all such costs and collection commission, and the Council shall be entitled in its absolute discretion to allocate any payment made by the employer firstly by the satisfaction of such costs, collection commission and interest, and thereafter the reduction of the overdue capital amount.

- (e) Amounts payable in terms of subclause (a) hereof shall be paid by the employer in addition to any wage or overtime pay payable to an employee in terms of this Agreement, and shall not be deducted from the wages or overtime pay of such employee.
- (f) The Council shall keep a record of every employee in respect of whom payments are made in terms of subclause (a) hereof to the Fund and the amount paid to the Fund in respect of him.
- (g) The Fund shall be utilised for the purpose of the distribution to the employees of a holiday bonus on the following bases and operating over the following period: Between 8 and 23 December, every employee shall be paid a holiday bonus equal to the amount paid into the Fund in terms of subclause (a) hereof in respect of him during the year ending on the last pay day occurring in October.
- (h) The Council may invest any of the monies belonging to the Fund from time to time on fixed deposit or on call with a bank or registered building society and any interest accruing from such investments shall accrue to the general funds of the Council in consideration of the Council's administration of the Fund.
- (i) Monies due to employees who cannot be traced and who have not claimed payment within a period of two years from the date on which the monies became payable, shall accrue to the general funds of the Council.
- (j) Should the estate of an employer be sequestered or a company, which is an employer, be placed in liquidation, and any monies due by such employer to the Council in terms of subclause (a) hereof in respect of any period of employment, not exceeding 12 months, have not been paid, the employee in respect of whom the money is due shall be entitled, on such sequestration or liquidation, to one and a half day's leave of each month of such period, not exceeding 12 months.
- (k) In the event of the expiry of this Agreement by effluxion of time or cessation for any other cause, the Fund shall be administered by the Council until it is either liquidated or transferred by the

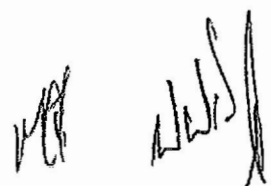


Council to any other fund constituted for a similar purpose to that for which the Fund was established or continued in a subsequent agreement.

- (l) (i) In the event of the dissolution of the Council or in the event of its ceasing to function in terms of section 61 of the Act during any period in which this Agreement is binding, the Council shall, subject to the approval of the Registrar of Labour Relations in terms of the first proviso of the said section of the Act, continue to administer the Fund and the members of such Council at the date on which the Council ceases to function or is dissolved shall be deemed to be members thereof for such purposes: Provided, however, that any vacancies occurring on the Council may be filled by the Registrar from employers and employees in the Furniture Manufacturing Industry of the South Western Districts to ensure an equality of employer and employee representatives and alternates in the membership of the Council. In the event of the Council being unable or unwilling to discharge its duties or a deadlock arising thereon which renders the administration of the Fund impracticable or undesirable in the opinion of the Registrar, he may appoint a trustee or trustees to carry out the duties of such Council, who shall possess all the powers of such Council for that purpose.
- (ii) In the event of there being no Council in existence, the Fund shall upon expiry of the Agreement be liquidated in the manner set forth in paragraph (i) of this clause and if upon such expiry the affairs of the Council have already been wound up and its assets distributed, the balance of the Fund shall be distributed as provided for in section 60 of the Act, as if it formed part of the general funds of the Council.
- (m) Upon liquidation of the Fund, the monies remaining to the credit of the Fund after payment of all claims, including administration and liquidation expenses, shall be paid into the general funds of the Council.
- (n) A public accountant, an auditor, who shall be appointed by the Council and whose remuneration shall be decided on by the Council, shall audit the accounts of the Fund at least once annually and, not later than 30 June of each year, prepare a statement showing:-
- (i) all monies received:-
 - (a) in terms of subclause (a) thereof; and
 - (b) from any other sources; and

so, submit the amounts in terms of this clause week by week so as to reach the Fund not later than the Friday following the pay day of the week in respect of which the amounts are due. An employer to whom the provisions of this paragraph have been applied may, only upon being notified by the Council in writing, revert to the payment of amounts payable in terms of this clause on the monthly basis as provided for in terms of subclause (1).

- (5) Should any amount due in terms of this clause not be received by the Fund by the seventh (7th) day of the month following the month in respect of which it is payable, the employer shall forthwith be liable for and be required to pay interest in terms of the applicable rate as per Government Gazette Number 33182, dated 12 May 2010, Notice Number 397 on such amount or on such lesser amount as may remain unpaid at the rate prescribed by the Pension Fund Act, Act No. 24 of 1956, calculated from such seventh (7th) day until the day upon which the payment is actually received by the Fund: In the event of the Council or Fund 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 then also be liable to forthwith pay all such costs of whatever nature as between attorney and client and all such collection commission and costs, and the Council and or Fund shall be entitled in its absolute discretion to allocate any payment by the employer first to the satisfaction of such costs, collection commission and interest, and thereafter to the reduction of the overdue capital amount.
- (6) The Provident Fund contribution for employees and employers, will be 6.5% based on the actual wage in September 2018, adjusted by the 7% increase for the first full pay week in October 2018. The Provident Fund contribution shall remain at the same rand amount for the duration of this agreement, to the last pay week in September 2020."



- (ii) expenditure incurred under all headings during the 12 months ended 31 October preceding, together with a balance sheet showing the assets and liabilities of the Fund as at that date. True copies of the audited statements and balance sheet, counter signed by the Chairman of the Council, and of the auditor's report thereon shall thereafter lie for inspection at the office of the Council. Certified copies of the statement, balance sheet and auditor's report shall as soon as possible but not later than three months after the close of the period covered thereby, be transmitted by the Council to the Registrar of Labour. "

6. CLAUSE 46. PROVIDENT FUND

Substitute the following for the existing clause 46

- "(1) Subject to clause 20(6) here above every employee whose wages are prescribed in this Agreement shall be member of the Provident Fund of the Furniture Manufacturing Industry of the Western Cape, hereinafter referred to as the "Fund", as published under Government Notice No. R. 76 of 2 February 2007 and as amended from time to time and shall contribute to the Fund in respect of each week of his employment an amount equivalent to a percentage of his normal wage per week as determined by the Council and reflected in Annexure "G" hereto: Provided that no contribution shall be made in respect of any week if the earnings of the member for such week do not exceed two fifths of his wage per week, except in those cases where employees are normally only employed in the industry for two days or less.
- (2) Every employer of employees mentioned in subclause (1) above shall contribute to the Fund in respect of each week a sum equal to the contributions made by each of his employees.
- (3) All amounts payable in terms of subclauses (1) and (2) shall be paid by the employer to the Provident Fund month by month and not later than the seventh (7th) day of each month following that in respect of which they are due.
- (4) An employer who is in arrears with payments in terms of subclause (1) and who fails, after having been warned in writing by the Council, either in the form or a formal letter, email or a compliance order to forward the outstanding amounts shall, upon being notified by the Council in writing to do

PART III

7. Substitute the following for the existing Annexure A

ANNEXURE A**MINIMUM WAGE RATES****NEW WAGE RATES AND FOR NEW ENTRANTS****1. Wage Increases**

Employees employed by employers in the Furniture Manufacturing Industry whose occupations fall under Part II of this Agreement shall receive an increase as follows:

- a) Year One: From the coming into operation of this agreement to the last pay week in September 2019, a seven percent (7%) across the board wage increase on actual wages.
- b) Year two: From the first full pay week in October 2019 to the last pay week in September 2020, a 7% across the board wage increase on actual wages.

2. Minimum Wage for New Entrant Employees

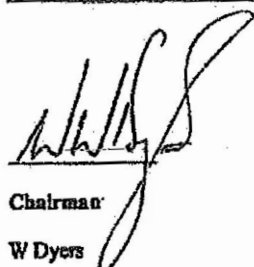
- (a) With reference to PART II of this agreement the wages prescribed hereunder shall apply in accordance with clause 26 of PART I of this Agreement.
- (b) Employees referred to hereunder, engaged in all or any of the operations performed in the Furniture Manufacturing Industry at the date of the coming into operation of this Agreement shall be paid not less than the minimum prescribed hereunder.

3. National Minimum Wage

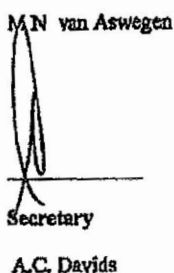
In the event that the National Government implements the national minimum wage or any amendments thereto on or after 1 October 2018 and the wage rates of the employees above in paragraph 2(a) are below the national minimum wage, such rates shall be adjusted to the national minimum wage in accordance with the implementation date of such national minimum wage rates.

**SPECIFIED MINIMUM HOURLY WAGE RATES
FOR NEW ENTRANT EMPLOYEES**

Sectors	Occupation Skills Level	Occupation Skills Level Code		Minimum hourly wage rate effective for New Entrant employees as from the coming into operation of this Agreement
Furniture Manufacturing Industry	Unskilled employees	1		R12.96
	Semi-skilled employees	2		R13.96
	Sander – 1st 6 months	2a		R13.96
	Sander – after 6 months	2b		R16.71
	Scraper	2c		R16.71
	Other Semi-Skilled	2d		R20.67
	Skilled employees	3		R22.21
	Chargehands	4		R23.50
	Foremen & Supervisors	5		R23.50


Chairman
W Diers


Vice-Chairman
M N van Aswegen


Secretary
A.C. Davids