

DEPARTMENT OF EMPLOYMENT AND LABOUR

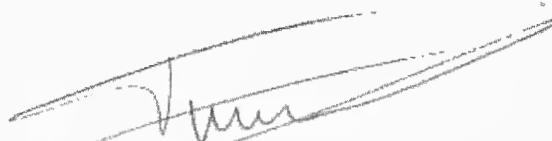
NO. R. 3666

14 July 2023

LABOUR RELATIONS ACT, 1995

**BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING
INDUSTRY KWAZULU NATAL: EXTENSION TO NON-PARTIES OF THE
MAIN COLLECTIVE AMENDING AGREEMENT**

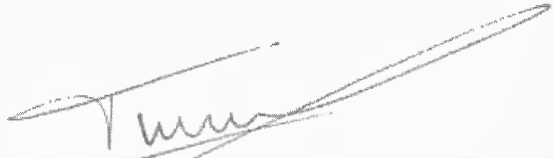
I, **THEMBELANI WALTERMADE NXESI**, Minister of Employment and Labour, hereby in terms of section 32(2) of the Labour Relations Act, 1995, declare that the Collective Agreement which appears in the Schedule hereto, which was concluded in the **Bargaining Council for the Furniture Manufacturing Industry 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 publication of this Notice and shall remain in force until the 30 June 2027.



MR TW NXESI, MP
MINISTER OF EMPLOYMENT AND LABOUR
DATE: 30/06/2023

UMNYANGO WEZEMISEBENZI NEZABASEBENZI**UMTHETHO WOBUDLELWANO KWEZABASEBENZI KA-1995****BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING
INDUSTRY KWAZULU NATAL: UKWELULELWA KWESIVUMELWANO
PHAKATHI KWABAQASHI NABASEBENZI ESIYINGQIKITHI SELULELWA
KULABO ABANGEYONA INGXYENYE YESIVUMELWANO**

Mina, **THEMBELANI WALTERMADE NXESI**, onguNgqongqoshe Wezemisebenzi neZabasebenzi, ngokwesigaba 32(2) soMthetho Wobudlelwano Kwezabasebenzi ka-1995, ngazisa ukuthi isiVumelwano sabaqashi nabasebenzi esitholakala kwiSheduli yesiNgisi exhunywe lapha, esenziwa kwi **Bargaining Council for the Furniture Manufacturing Industry KwaZulu Natal**, ngokwesigaba 31 soMthetho Wobudlelwano Kwezabasebenzi, ka 1995 esibopha labo abasenzayo, sizobopha bonke abanye abaqashi nabasebenzi kuleyoMboni, kusukela ngomSombuluko wesibili emuva kokushicilelwa kwalesisaziso kuze kube isikhathi esiphela ngomhlaka 30 kuNhlangulana 2027


MNUMZANE TW NXESI, MP
UNGQONGQOSHE WEZEMISEBENZI NEZABASEBENZI
USUKU: 30th Dec 2023

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 by and 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 and Allied Workers' of South Africa

(hereinafter referred to as the "employees" or the "trade unions") of the other part, being
the parties to the Bargaining Council for the Furniture Manufacturing Industry, KwaZulu-
Natal to extend, amend the Agreement published under Government Notices No. R. 427
of 15 March 2019, R.601 of 15 October 2021, R.411 of 9 July 2021 and R. 1778 of 2
May 2023.

PART 1**1. SCOPE OF APPLICATION**

1. The terms of this Agreement shall be observed in the Furniture Manufacturing Industry, as
defined hereunder, in KwaZulu-Natal in the Magisterial Districts of Camperdown,
Chatsworth, Durban, Inanda, Municipal Area of KwaDukuza also referred to as Ilembe or
Lower Tugela, Pietermaritzburg, Pinetown, Mount Currie and the Municipal Area of
Mandini also referred to as Isithebe.

"Furniture Manufacturing Industry": means without in any way limiting the ordinary
meaning of the expression, the manufacture of furniture either in whole or in part of all
types of furniture irrespective of the materials used and shall include the following:

- 1 -

↓ AD

(a) Furniture:

Assembling of all items and / or components of furniture, repairing, spraying, polishing, re-polishing, wood machining, veneering, woodturning, carving, painting, staining, wood bending and laminating, the making of and / or repairing of frames, loose covers and / or cushions. Furniture manufacturing shall also include hotel, tea room or restaurant furniture, office, church, school, bar and theatre furniture, cabinets for musical instruments and radio cabinets. The veneering, laminating, papering and / or wrap of all types of doors, large or small, including the manufacturing of all items or components, whether or not such items are intended to be free standing, built in and / or affixed to a building as listed in (i) to (vii) below :

- (i) dressers, cupboards, units for the housing of sinks and appliances, grocery cupboards, shelves, pigeon holes, worktops, tables, chairs, benches and pelmets ;
- (ii) multi purpose cabinets which can be used either singly or in combination with each other for various purposes, including kitchen dressers, kitchen cupboards and fittings including cupboards and / or cabinets in any other part of a building ;
- (iii) headboards and pedestals for beds, wardrobes and wall units ;
- (iv) other cabinets and cupboards, benches, tables, chairs, benches for laboratories, shops, offices or banks ;
- (v) counters, shelves and cupboards for use in bars, hotels, shops, offices or banks.
- (vi) the assembly of and fitting in any building of any type of furniture ;
- (vii) the repairing or remedying in any building of any type of furniture ;

(b) Bedding :

The manufacture and / or processes involved in the manufacture of bedding, including all types of mattresses, spring mattresses, overlays, pillows, bolsters, spring units, bed spring unit mattresses and studio couches, which is designed for seating and / or conversion into a bed and of which the frame is constructed



mainly of metal and the seating and / or sleeping surface consists of a mattress and / or cushion.

(c) Upholstery :

The upholstering and / or re-upholstering of all types of furniture, or item of furniture, bedding, pelmets and mattress bases.

(d) Curtain Making :

The making, altering, repairing and / or fitting of curtains, rails, rods and pelmets.

(e) Cane Furniture :

The manufacturing of furniture made principally of wicker, cane and / or grass.

(f) Ancillary Items :

The manufacture in a factory, building and / or elsewhere in conjunction with items specified under (a) to (e) products of which wood constitutes the main component, which shall include plywood, veneer boards, chip board, laminated board, block board and / or any similar product for use in ;

- (i). the erection, completion, renovation, repair, maintenance or alteration of permanent finish of buildings or structures, including but not limited to mouldings, skirting boards, panelling, shelving, banisters, partitioning and shall include doors and door frames, windows and window frames.

- (g)** Manufacturing of metal furniture, metal bedsteads and furniture manufactured wholly from plastic materials, shall be excluded.

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 R132,870.44 per annum or, R156,312.93 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 Part 2 Annexure A of this Agreement and who employs less than five employees at all times in or in connection such business, shall 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 shall comply with the NMW in terms of Wages. The employer shall be exempt from all the other provisions as contained under Annexure A, except for the provisions of Clause 6 under Part 2 of Annexure A, provided that :

Any pro-rata holiday pay benefits accrued by employees during the first two years from 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 as per the NMW applicable, 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 as amended when due, including compliance under Part 2 of Annexure A.

Phase Three : Fourth year from Commencement.

During this period, employees must be remunerated as per the NMW applicable, provided that the employer complies with Clause 6, Part 2 of Annexure A.

In addition, the following contributions shall come into effect :

Clause 15 – Holidays and Holiday Fund read with Part 2 Schedule A Clause 5 Holiday Fund.

Phase Four : Fifth year from Commencement.

During this period, employees must be remunerated as per the NMW applicable, provided that the employer complies with the following :

- (a) Clause 15 Holidays and Holiday Fund, read with Part 2 Schedule A, Clause 6 Holiday Fund.
- (b) Provident Fund and Mortality Benefit contributions as prescribed under that Collective Agreement as amended and extended from time to time.

Phase Five : Sixth year onwards.

All provisions of the Main Collective, Provident Fund and Mortality Benefit Association Collective Agreements which includes Part 2 Annexure A as amended and extended from time to time shall apply.

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. **New Employees** :

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 in relation to employers and employees falling under the Scope of Part 2 Schedule A, 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

- 1 This Agreement shall be binding on the Parties to this Agreement as from 01 July 2023 and if for non parties this Agreement comes into effect after 01 July 2023 then the implementation date of this Agreement shall be from the date as determined by the Minister of Employment and Labour.
- 2 The Agreement shall remain in force for the period ending 30 June 2027.

PART 2

ANNEXURE A

- 3. Replace Annexure A with the following:

"ANNEXURE A

1. SCOPE OF APPLICATION

- 6 -



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

2. PERIOD OF OPERATION

- (1) This part of the Agreement is effective from the coming into operation of this Agreement until 30 June 2025.

3. WAGE LEVELS

- 3.1. Wage rates shall be based on hourly rate of pay for the duration of this Agreement.
- 3.2. The wage levels of wage categories referred to in Part 1 Clause 10 of this Agreement, shall apply as per Table A in the first full pay week of coming into operation of this Agreement.
- 3.3. The wage levels as per Table A to be increased by the same percentage increase applied to the national minimum wage.

Table A :

Occupational Skills Level	First full pay week in July 2023 for parties and for non-parties if the Agreement comes into effect after the First full pay week in 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister	First full pay week in July 2024
Unskilled	As per National Minimum Wage	As per National Minimum Wage
Semi Skilled	R27-07 per hr	R28-70 per hr
Skilled	R28-60 per hr	R30-31 per hr
Chargehand/ Foreman/ Supervisor	R30-83 per hr	R32-68 per hr

4. WAGE INCREASE

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- 4.1. **Party Shops** : Subject to the provisions of Sub-Clause 4.3 and 4.4, all categories of employees to receive a 6,5% wage increase on actual wages paid as from the 1 July 2023.
- 4.2. For those employees whom received the awarded National Minimum Wage increase, a topping up to their wages will be increased by the percentage differential between the across the board increase and the National Minimum wage increase, from the **1 July 2023**.
- 4.3. **Non-Party Shops** : All categories of employees to receive an increase of 6,5% on actual wages paid from **1 July 2023 or if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister.**
- 4.4. For those employees whom received the awarded National Minimum Wage increase, a topping up to their wages will be increased by the percentage differential between the across the board increase and the National Minimum wage increase, from the **1 July 2023 or if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister.**
- 4.5. The wage increases as per Sub-Clause 4.1. to 4.4. above, shall be subject to re-negotiations for the affected period as follows :
- (a) In the event that the CPI rate be below 3,9% or above 9% the Parties to this Agreement shall meet to re-negotiate the wage increase relating to the period affected.
- 4.6. Wage increase per category as from the first **July 2024** are as follows:-
- 4.7. **All** categories of employees to receive a 6% wage increase on actual wages paid as from the 1 July 2024.

5. HOLIDAY FUND

Holiday Fund in line with Clause 15 in Part 1 of this Agreement shall be calculated as follows:

- (1) 12.5% of the employees' remuneration : Provided that –
- (a) the first and last working week of each calendar year shall be calculated at the actual number of ordinary hours worked in the establishment ; and

- (i) during the first week of commencement of employment, Holiday Fund shall be calculated in the same manner as in (i) above;
 - (ii) in the event that an employee has worked 44 hours and more in any one week, Holiday Fund shall be calculated on the actual ordinary as well as overtime hours worked ; and
 - (iii) where an employee is working in an establishment that works as ordinary hours, less than 44 hours a week, Holiday Fund shall be calculated as if such employee had worked 44 hours in any one week ;
 - (iv) if an employee has worked up to half an hour less than the aforesaid hours, Holiday Fund shall be calculated at 44 hours ; and
 - (v) in the case of a casual employee, the employer shall pay him upon termination of employment, leave pay calculated at 12,5 per cent of the wages earned by him ; and
 - (vi) in the case of a working partner, director or member, Holiday Fund shall be calculated at 12,5 per cent of the highest prescribed rate in Part 2 Annexure A to this Agreement.
- (b) 10% of the employees' remuneration if he has worked less than 43,5 hours in any one week.
- (c) 7.5% of the employees' remuneration if he has worked less than 40 hours in any one week.
- (2) In the event that an employee is off due to illness, Holiday Fund shall be calculated as prescribed in Part 2, Annexure A of this Agreement ; Provided that –
- (a) a valid sick certificate is produced ; and
 - (b) days off sick have not exceeded 30 days in any one year commencing in January and ending in December of each year.
- (3) In the event that a paid public holiday falls within a normal working week, Holiday Fund shall be calculated in accordance with sub-clause (1) (a) above.
- (4) All amounts payable in terms of Holiday Fund, shall be paid by the employer.
- (5) Payments shall be made month by month and not later than the 10th day of each month following.
- (6) All payments in respect of Holiday Fund, shall be made to the Secretary of the Council for deposit into the Furniture Manufacturing Industry, KwaZulu-Natal Holiday Fund.
- (7) Any payment in terms of Sub-Clause 6 above, shall be in the prescribed form as specified by the Council from time to time.

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- (8) Arrear payments : An employer that is in arrears with his Holiday Fund payments and who, after being warned in writing by the Council, fails to forward such outstanding amounts within seven days of the date such notice was issued, shall by further notification submit the amounts payable in terms of this clause weekly, subject to the following :
- (a) The weekly amounts to reach the Secretary of the Council no later than the Friday following the pay day of the week in terms of which the amounts are due.
 - (b) The payment submitted in respect of the last pay day of each calendar month, shall be accompanied by the statement as referred to under sub-clause (7) above.
 - (c) An employer to whom the provisions of this sub-clause has been applied, may only revert to monthly payments after being duly notified by the Council in writing.
 - (d) Interest : Should any amount due in terms of this Clause not be received by the Secretary of the Council by the 15th day of the month following in which the monies are payable, the employer shall pay interest on such amount or on the lesser amount as remains unpaid, calculated at :
 - (i). 2% per month ; or
 - (ii) at the prevailing prime overdraft rate of First National Bank, whichever rate is the higher, per month or part thereof from the 15th day until the day upon which payment is actually received.
- (9) The Council shall be entitled in its absolute discretion to waive payment of such interest or part thereof.
- (10) Holiday Fund payable in terms of this Clause shall be paid by the employer in addition to any remuneration payable to an employee in terms of this Agreement and shall not be deducted from the remuneration of such employee.
- (11) The Council shall retain a record of each employee of whom payments are made to the Holiday Fund in terms of this Clause, as well as the amount paid on his behalf.
- (12) Holiday Fund shall be distributed to employees as follows :
- (a) Distribution shall not commence earlier than the first Monday in December ; and
 - (b) shall be completed by the 15th day of December, the amount shall be ;
 - (i) the amount contributed by the employer in respect of such employee during the year ending on the last pay day in September of each year.
 - (ii) the validation slip issued to employees, shall reflect the leave pay and bonus portion separately.



- (iii) Employees who are absent on the first day after the payment of leave pay or bonuses in the month of December, prior to the annual shut-down, without a valid sick certificate, shall be paid his leave pay and / or bonus on the last day before going on annual leave from the following year onwards, provided that the employer forward a list of names and benefit numbers to the Secretary of the Council by no later than the month of August of each year.
- (13) Learners : If a learner receives holiday pay in terms of this Clause, less than the remuneration he would have received had the establishment not closed and he had worked the ordinary hours of work during the leave period, the employer shall pay him in addition an amount equal to the difference between holiday pay received and the amount he would have earned had he worked.
- (14) Unclaimed Holiday Fund_ : in the event that Holiday Fund monies remain unclaimed, the following shall apply :
- (a) if unclaimed for a period of 2 years from date it became payable, such unclaimed monies shall ;
- (i) accrue to the general fund of the Council : Provided that the Council shall be liable for payment from the general fund of any Holiday Fund monies claimed during a further period of 3 years after accrual to the General Fund ;
- (15) The Holiday Fund shall be administered by the Council ; and
- (a) All expenses incurred in connection with such administration shall form a charge against the Council.
- (b) All monies paid to the Holiday Fund shall be deposited in a bank account to be opened in the name of the Fund.
- (c) Payments from the Holiday Fund be either by ;
- (i) cheque drawn on the Funds' account and duly signed by two persons as authorised by the Council's Constitution ; or
- (ii) by electronic transfer.
- (d) Monies contributed to the Holiday Fund may be invested in ;
- (i) Fixed deposit ;
- (ii) on call with a registered commercial bank.
- (e) Interest accruing from such investment shall be credited to the general fund of the Council.
- (16) Audit : The Council shall appoint a public accountant for the purpose of ;
- (1) auditing the accounts of the Holiday Fund : Such audit shall-
- (a) commence as soon as possible after 30 June of each year ; the Secretary of the Council shall –



- (b) prepare an account of income and expenses of the Fund for the preceding 12 months as well as a statement reflecting the Funds' assets and liabilities ; which
- (c) shall be audited by the public accountant ; and
- (d) signed by the Secretary and Chairperson of the Council.
- (e) copies of the signed accounts and any management reports shall thereafter lie for inspection at the offices of the Council.
- (f) copies of the said accounts together with any management report shall be forwarded to the Registrar of Labour Relations as contemplated by Section 54 of the Act.

6. COUNCIL EXPENSES.

- (1) Every employer shall deduct a Council Levy in the amount of R6.22 from the period of operation of this Agreement to 30 June 2024 and shall add a like amount and pay the total sum to the Secretary of the Council in the prescribed form over to the Secretary of the Council by no later than the 10th day of each month following.
- (2) The Council shall be entitled to recover from an employer all monies in respect of legal fees and expenses incurred in the recovery of any monies due in terms of this Agreement, but not paid over to the Council at the appropriate attorney and client scale.
- (3) Every employer shall deduct a Council Levy in the amount of R6.60 from the first July 2024 to 30 June 2025 and shall add a like amount and pay the total sum to the Secretary of the Council in the prescribed form over to the Secretary of the Council by no later than the 10th day of each month following.
- (4) The Council levy to be increased annually by the same wage increase detailed in 4.1.

7. DEATH AND DISABILITY SCHEME

- (1) A Death and Disability Scheme for all employees within the Scope of Application of this Part of the Agreement is hereby established.
- (2) Service provider for the duration of this Agreement shall be the Fedgroup.
- (3) Contributions :
 - (a) Employer R20.34 per month.
 - (b) Employee R20.33 per month.



(4) Benefits :

- (a) All benefits are up to the age of 60.
- (b) Life cover is equal to once annual income capped at a maximum of R12 000.00
- (c) Capital disability cover equal to once annual income capped at a maximum of R12 000.00
- (d) The Funeral cover for members is as follows :

Insured Amount

Employee	R15 000.00
Spouse	R15 000.00
Child (15 to 24 years old)	R15 000.00
Child (6 to 14 years old)	R7 500.00
Child (0 to 5 years old)	R3 750.00
Stillborn	R3 750.00

(5) Payment of Death and Disability :

All payments of the Death and Disability Scheme shall be as follows :

- (1) Payments shall be made month by month and not later than the 10th day of each month following.
- (2) All payments in respect of the Death and disability Scheme, shall be made towards the Secretary of the Council for payment to the Fedsure Group.
- (3) Any payment in terms of Sub-clause (2) above, shall be in the prescribed form as specified by the Council from time to time.
- (4) The employer shall pay both the employer and employee Death and Disability Scheme contributions in cases where an employee is on unpaid sick leave for a period of up to six (6) months, on condition that the employee has contributed to the Death and Disability Scheme for at least twelve (12) months prior to going off on unpaid sick leave.
- (5) Arrear payments : An employer that is in arrears with the payment of the Death and Disability Scheme and who, after being warned by the Council in writing, fails to forward such outstanding amounts within seven days of the date such notice was issued, shall by further notification, submit the amounts payable in terms of this clause, weekly, subject to the provisions of Clause 5, Sub-clauses (8) and (9), read with changes to the context thereof.

8. PROVIDENT FUND

- (1) Provident Fund contributions to be calculated at the hourly rate of pay on the date of coming into operation of this agreement as per Annexure A as it appears in the Provident Fund and Mortality Benefit Association Collective Agreement, dated 30 September 2016 and renewed under Gazette No. 40312 Regulation No. 1187, for the duration of this wage Agreement."

ANNEXURE B

4. Replace Annexure B with the following:

"ANNEXURE B

1. SCOPE OF APPLICATION

1. This part of the Agreement applies to the Municipal Area of Kwadakuza, also referred to as Ilembe and / or Lower Tugela.

2. PERIOD OF OPERATION

- 1 This Agreement shall be binding on the Parties as from 1 July 2023 until 30 June 2027
- 2 This agreement shall come into operation in respect of non-parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this Annexure B will be from the date as determined by the Minister for the period ending 30 June 2027.

3. WAGE INCREASE

- 3.1. Period 1 July 2023 for parties and for non-parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister until 30 June 2027:

- 3.2** As from the 1 July 2023 for parties and non-parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister, the following wage increases shall apply :

(a)

Across the Board wage increase of 5,5% on actual wages as from the 1 July 2023 for parties and for non-parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister.

For those employees whom received the awarded National Minimum Wage increase, a topping up to their wages will be increased by the percentage differential between the across the board increase and the National Minimum wage increase, from the 1 July 2023 for parties and for non-parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister.

Year 2 – Percentage Increase

Across the Board wage increase of 5,5% on actual wages as from the 1 July 2024. For those employees whom received the awarded National Minimum Wage increase, a topping up to their wages will be increased by the percentage differential between the across the board increase and the National Minimum wage increase, from the 1 July 2024.

Year 3 – Percentage Increase

Across the Board wage increase of 5,5% on actual wages as from the 1 July 2025. For those employees whom received the awarded National Minimum Wage increase, a topping up to their wages will be increased by the percentage differential between the across the board increase and the National Minimum wage increase, from the 1 July 2025.

Year 4 – Percentage Increase

Across the Board wage increase of 5,5% on actual wages as from the 1 July 2026. For those employees whom received the awarded National Minimum Wage increase, a topping up to their wages will be increased by the percentage differential between the across the board increase and the National Minimum wage increase, from the 1 July 2026.

4. MINIMUM WEEKLY WAGE RATES

4.1. From 1 July 2023 for parties and for non parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister until 30 June 2027:

Entry Level -	As per National Minimum Wage
Level 4 -	As per National Minimum Wage
Level 3 -	As per National Minimum Wage
Level 2 -	As per National Minimum Wage
Level 1 -	As per National Minimum Wage

5. LEAVE PAY

5.1. The employer to pay 15 working days leave pay calculated as per daily rate at shut down in December of each year directly to the employee and subject to 6.1

6. YEAR-END BONUS

6.1. It is agreed to implement an incentive scheme as follows:

Year 1 – 1 week

Year 2 – 1 week

Year 3 - 1 week

Year 4 – 1 week

The 1 week is in addition to the 15 working days leave pay.

The incentive scheme shall be operated as follows:

- The 1 week bonus shall be pro-rata for employees joining during the year;
- Absenteeism will be the only basis and proxy used as a measurement in the incentive scheme;
- Absenteeism will be measured from 1 September of each year to factory closure;
- Employees will earn 1 week's additional wage for 100% attendance;
- In the event of absence due to illness the employee will not be deemed to be absent in the following cases:
 - o The employee produces a certificate:

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- signed by a registered medical practitioner;
- issued by the clinic confirming dates of collection of chronic medication;
- A certificate issued by the clinic and accepted on a medical basis by the Employer;

In line with the practice of the metro area, the 15 working days leave pay to be paid over to the Bargaining Council on a monthly basis from 1 January 2024, for payment to employees.

The 1 week incentive bonus shall be paid directly to employees at year end.

7. COUNCIL EXPENSES

7.1. The Employer shall pay the Council a levy of R5.80 per employee per week from the 1 July 2023 for parties and for non-parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister.

The Employer to deduct an amount of R4.20 from each employee from 1 July 2023 for parties and for non-parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision will be from the date as determined by the Minister and to pay a total amount of R10.00 per employee per week monthly over to the Council in the prescribed form, by no later the 10th of each month following.

7.2 The Council shall be entitled to recover from an employer all monies in respect of legal fees as well as other expenses incurred in the recovery of all monies due not paid over to the Secretary of the Council at the appropriate attorney client scale in terms of this Agreement.

7.3 Every employer shall deduct a Council Levy from each employee as follows:

From 1 July 2024 – R4.45 per week

From 1 July 2025 – R4-70 per week

From 1 July 2026 – R4-95 per week

and pay the total sum to the Secretary of the Council in the prescribed form by no later than the 10th day of each month.

7.4 Every employer shall pay a Council Levy as follows:

From 1 July 2024 – R6-10 per week

From 1 July 2025 – R6-45 per week

From 1 July 2026 – R6-80 per week

and pay the total sum to the Secretary of the Council in the prescribed form by no later than the 10th day of each month.

7.5 The Council levy to be increased annually by the across the board wage increase.

8. PROVIDENT FUND

8. The Provident fund employee and employer contribution is agreed to be phased in and accumulated as follows:

8.1 Year 1 – 1,81% of actual wages

8.2 Year 2 – 3,62% of actual wages

8.3 Year 3 – 5,43% of actual wages

8.4 Year 4 – 7,25% of actual wages

The phase-in is applicable to employee and employer contributions towards the retirement fund and will result that employees contribute 7,25% and employers contribute 7,25% at the commencement of year 4.

The "New employees" clause shall apply to the first three months of employment only and the phase-in of the Provident fund shall be implemented from month four.

9. DEATH AND DISABILITY SCHEME

(1) A Death and Disability Scheme for all employees within the Scope of Application of this Part of the Agreement is hereby established.

(2) Service provider for the duration of this Agreement shall be the Fedgroup.

(3) Contributions :

(a) Employer R20.34 per month.

(b) Employee R20.33 per month.

(4) Benefits :

(a) All benefits are up to the age of 60.

(b) Life cover is equal to once annual income capped at a maximum of R12 000.00

(c) Capital disability cover equal to once annual income capped at a maximum of R12 000.00

(d) The Funeral cover for members is as follows :

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Insured Amount

Employee	R15 000.00
Spouse	R15 000.00
Child (15 to 24 years old)	R15 000.00
Child (6 to 14 years old)	R7 500.00
Child (0 to 5 years old)	R3 750.00
Stillborn	R3 750.00

(5) Payment of Death and Disability :

All payments of the Death and Disability Scheme shall be as follows :

- (1) Payments shall be made month by month and not later than the 10th day of each month following.
- (2) All payments in respect of the Death and disability Scheme, shall be made towards the Secretary of the Council for payment to the Fedsure Group.
- (3) Any payment in terms of Sub-clause (2) above, shall be in the prescribed form as specified by the Council from time to time.
- (4) The employer shall pay both the employer and employee Death and Disability Scheme contributions in cases where an employee is on unpaid sick leave for a period of up to six (6) months, on condition that the employee has contributed to the Death and Disability Scheme for at least twelve (12) months prior to going off on unpaid sick leave.
- (5) Arrear payments : An employer that is in arrears with the payment of the Death and Disability Scheme and who, after being warned by the Council in writing, fails to forward such outstanding amounts within seven days of the date such notice was issued, shall by further notification, submit the amounts payable in terms of this clause, weekly, subject to the provisions of Clause 5, Sub-clauses (8) and (9), read with changes to the context thereof."

ANNEXURE C

5. Replace Annexure C with the following:

ANNEXURE C**1. SCOPE OF APPLICATION.**

- (1) This part of the Agreement applies in the Municipal Area of Mandini also referred as Isithebe.

2. PERIOD OF OPERATION

- (1) This part of the Agreement is effective from the coming into operation of this Agreement until 30 June 2027.

3. LEAVE PAY

- (1) The employer to pay 15 working days leave pay calculated as per the daily rate at shut down in December each year, directly to the employees subject to clause 6.

4. TRADE UNION SUBSCRIPTIONS

- (1) As per Clause 36 of Part 1 of this Agreement shall apply.

5. EXPENSES OF THE COUNCIL

- (1) The employer shall pay a Council levy in the amount of R9.00 per employee per week with no deduction from the wages of the employees paying towards the expenses of the Council.
- (2) The employer to pay the total amount for each employee over to the Secretary of the Council in the specified form, by no later than the 10th day of each month following.

6. BONUS

- (1) It is agreed to implement an incentive scheme as follows:

Year 1 – 1,59% of actual wages

Year 2 – 3,18% of actual wages

Year 3 - 4,77% of actual wages

Year 4 – 6,375% of actual wages

The incentive scheme shall be operated as follows:

- Absenteeism will be the only basis and proxy used as a measurement in the incentive scheme;

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- Absenteeism will be measured from the 1 September of each year to factory closure;
- Employees shall forfeit 1 week's incentive bonus for 1 day of unauthorized absence, limited to 1 week forfeit per month ;
- In the event of absence due to illness the employee will not be deemed to be absent in the following cases:
 - o Inform/his/her supervisor that he/she will be absent for the day due to illness;
 - o The employee produces a medical certificate on return to work;
 - o Scheduled clinic visits for chronic conditions must be arranged with HR;

In line with the practice of the metro area, the 15 working days leave pay and incentive portion to be paid over to the Bargaining Council on a monthly basis, for payment to employees as follows:

Year 1 – 7,715% of actual wages

Year 2 – 9,305% of actual wages

Year 3 – 10,895% of actual wages

Year 4 – 12,50% of actual wages

The forfeited incentive portion shall be refunded to the Employer.

7. SICK LEAVE

- (1) As per Clause 30 of Part 1 of this Agreement shall apply.

8. SHORT TIME

- (1) As per Clause 9 of Part 1 of this Agreement shall apply.

9. MINIMUM WEEKLY WAGE RATE

- (1) The following minimum weekly wage rates per level shall apply with effect from coming into operation of this Agreement until 30 June 2027.

Entry Level	-	no entry level
Level 4 Unskilled	-	National minimum wage
Level 3 Semi-Skilled	-	National minimum wage
Level 2 Skilled	-	National minimum wage

Level 1 Chargehand

-

National minimum wage

- (2) In the event that the Government implements the national minimum hourly rate of pay or any amendments during the duration of this Agreement in terms of the National Minimum Wage Act and the hourly rates of pay of the employees above are below the national minimum hourly rate of pay, such hourly rates of pay shall be adjusted to the national minimum hourly rate of pay in accordance with the implementation date of such national minimum hourly rate of pay in terms of the National Minimum Wage Act.

10. WAGE INCREASE

Period 1 July 2023 for parties until 30 June 2027 and for non-parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister. until 30 June 2027:

- 1 As from the 1 July 2023 for parties and for non-parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister., the following wage increases shall apply :

(a)

Across the Board wage increase of **4%** on actual wages as from the **1 July 2023 for parties and for non-parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister.**

For those employees whom did not benefit from the National Minimum Wage increase, will be awarded with an increase of **4%**, from the **1 July 2023 for parties and for non-parties if the Agreement comes into effect after 1 July 2023 then the implementation date of this provision/clause will be from the date as determined by the Minister.**

Year 2 – Percentage Increase

Across the Board wage increase of **4%** on actual wages as from the **1 July 2024.**

For those employees whom received the awarded National Minimum Wage increase, a topping up to their wages will be increased by the percentage differential between the across the board increase and the National Minimum wage increase, from the **1 July 2024.**

Year 3 – Percentage Increase

Across the Board wage increase of **4%** on actual wages as from the **1 July 2025.**

For those employees whom received the awarded National Minimum Wage increase, a topping up to their wages will be increased by the percentage

differential between the across the board increase and the National Minimum wage increase, from the **1 July 2025**.

Year 4 – Percentage Increase

Across the Board wage increase of **4%** on actual wages as from the **1 July 2026**. For those employees whom received the awarded National Minimum Wage increase, a topping up to their wages will be increased by the percentage differential between the across the board increase and the National Minimum wage increase, from the **1 July 2026**.

11. PROVIDENT FUND

11 The Provident fund employee and employer contribution is agreed to be phased in and accumulated as follows:

- 11.1 Year 1 – 1,81% of actual wages
- 11.2 Year 2 – 3,62% of actual wages
- 11.3 Year 3 – 5,43% of actual wages
- 11.4 Year 4 – 7,25% of actual wages

The phase-in is applicable to employee and employer contributions towards the retirement fund and will result that employees contribute 7,25% and employers contribute 7,25% at the commencement of year 4.

The “New employees” clause shall not apply to the phase in of the Provident Fund.

12. DEATH AND DISABILITY SCHEME

- (1) A Death and Disability Scheme for all employees within the Scope of Application of this Part of the Agreement is hereby established.
- (2) Service provider for the duration of this Agreement shall be the Fedgroup.
- (3) Contributions :
 - (a) Employer R20.34 per month.
 - (b) Employee R20.33 per month.
- (4) Benefits :
 - (a) All benefits are up to the age of 60.
 - (b) Life cover is equal to once annual income capped at a maximum of R12 000.00
 - (c) Capital disability cover equal to once annual income capped at a maximum of R12 000.00
 - (d) The Funeral cover for members is as follows :
Insured Amount

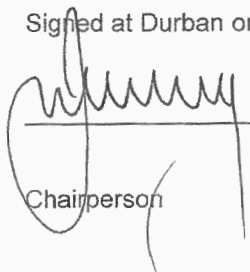
Employee	R15 000.00
Spouse	R15 000.00
Child (15 to 24 years old)	R15 000.00
Child (6 to 14 years old)	R7 500.00
Child (0 to 5 years old)	R3 750.00
Stillborn	R3 750.00

(5) Payment of Death and Disability :

All payments of the Death and Disability Scheme shall be as follows :

- (1) Payments shall be made month by month and not later than the 10th day of each month following.
 - (2) All payments in respect of the Death and disability Scheme, shall be made towards the Secretary of the Council for payment to the Fedsure Group.
 - (3) Any payment in terms of Sub-clause (2) above, shall be in the prescribed form as specified by the Council from time to time.
 - (4) The employer shall pay both the employer and employee Death and Disability Scheme contributions in cases where an employee is on unpaid sick leave for a period of up to six (6) months, on condition that the employee has contributed to the Death and Disability Scheme for at least twelve (12) months prior to going off on unpaid sick leave.
- (5) Arrear payments : An employer that is in arrears with the payment of the Death and Disability Scheme and who, after being warned by the Council in writing, fails to forward such outstanding amounts within seven days of the date such notice was issued, shall by further notification, submit the amounts payable in terms of this clause, weekly, subject to the provisions of Clause 5, Sub-clauses (8) and (9), read with changes to the context thereof."

Signed at Durban on this 22nd day of June 2023.


Chairperson



Vice-Chairperson

A.C Davids
Secretary of the Council

[Handwritten initials]