

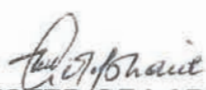
DEPARTMENT OF LABOUR

NO. 1027

16 SEPTEMBER 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
31/08/2016

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.

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.
- (6) The terms of this Agreement shall not apply to non-parties in respect of clauses 1(1) (a), 2 and 37 of Part 1, Annexure A (2) and (4) (1) of Part 2, Annexure B (2)(1) of Part 2, Annexure C (2)(1) of Part 2.

2. PERIOD OF OPERATION OF AGREEMENT

This Agreement shall be binding on the Parties to this Agreement as from 01 July 2016 and 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.

3 CLAUSE 32. MATERNITY LEAVE

Substitute clause 32 with the following:

- (1) Any female employee going on confinement shall be entitled to :
 - (a) Unpaid leave for a period not exceeding 6 months ; and
 - (b) leave in terms of (a) above shall be with a guarantee of re-employment after the said period on the same terms and conditions of employment as at the date on which the maternity leave was granted.

- (2) The employee shall before, but no later than on the expiry date of the six month period notify the employer whether or not employment will recommence.
- (3) Proof of confinement shall be submitted to the employer in the form of :
 - (a) birth certificate ; or
 - (b) medical certificate ; or
 - (c) any other appropriate documents relating to confinement.
- (4) The employer may extend the six month guarantee period upon receipt of a valid medical certificate from a medical practitioner advising the employee not to return to work for medical reasons.
- (5) The employer shall be permitted to employ a temporary employee on a fixed term contract of employment for the period of absence of the employee granted maternity leave in terms of this Clause on condition that:-
 - (a) all the provisions of the Agreement under administration by the Council shall apply ; and
 - (b) the employer may, subject to any reason recognised in law, terminate the contract of employment.

4 CLAUSE 37. MEMBERSHIP SUBSCRIPTIONS- KZNFMA

Substitute clause 37 with the following:

- (1) Every employer who is a member of the KwaZulu-Natal Furniture Manufacturers' Association , shall pay subscriptions six-monthly in respect of membership and calculated in accordance with a schedule supplied to it by the said Association, based on the number of persons in his employ as at close of business in December and June annually.
- (2) The amount of subscriptions so calculated, shall be paid by the employer to the Secretary of the Council as soon as possible after January and July, respectively each year.

PART 2

ANNEXURE A

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.

5. CLAUSE 2. PERIOD OF OPERATION

- 1 This part of the Agreement is binding on the Parties from 1 July 2016 and for non parties with effect from the coming into operation of this Agreement until 30 June 2018.

6. Clause 3 WAGE LEVELS

Substitute the following for clause 3:

- (1) The wage levels of the wage categories referred to in Part 1 Clause 10 of this Agreement shall be as follows :
- (2) Wage levels from the date of coming into operation of the agreement follows :

Level	Job Grade	Period 01 July 2016 for parties and for non parties with effect from the coming into operation of this Agreement to 30 June 2017	Period 01 July 2017 to 30 June 2018
Level 1	Chargehand / Foreman	R793.06	Nil increase
Level 2	Skilled	R735.18	Nil increase
Level 3	Semi-Skilled	R684.23	Nil increase
Level 4	Unskilled	R571.45	R628.60*

7. Clause 4 WAGE INCREASES

Substitute the following for clause 4:

- (1) (a) Party Shops : A wage increase of 8% per week across the board on actual wages paid for all employees, effective from 01st July 2016 for the period ending 30th June 2017.
(b) Party Shops : A wage increase of 8% per week across the board on actual wages paid for all employees, effective from 01st July 2017 for the period ending 30th June 2018.
- (2) (a) Non Party Shops : A wage increase of 8% per week across the board on actual wages paid from the date of coming into operation of the Agreement for the period ending 30 June 2017 ,
(b) Non Party Shops : A wage increase of 8% 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

*An actual wage increase not being below the minimum wage as set out under clause 3 after such increase. In the event that an employees' wage is below the newly defined minimum wage, an additional increase shall be granted bringing the employee to the new minimum wage.

8. Clause 6 COUNCIL EXPENSES.

Substitute the following for clause 6:

- (1) Every employer shall deduct a Council Levy in the amount of R4.50 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.

9. Clause 7 DEATH AND DISABILITY SCHEME

Insert new Clause 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 R10.17 per week.

(b) Employee R10.17 per week.

(4) Benefits :

(a) All benefits are up to the age of 65.

(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 :

<u>Insured</u>	<u>Amount</u>
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) 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.

ANNEXURE B

1. SCOPE OF APPLICATION

1. This part of the Agreement applies to the Magisterial district of Lower Tugela also referred to as Ilembe.

10 CLAUSE 2. PERIOD OF OPERATION

1. The Agreement shall be binding on the Parties as from 01 July 2016 and shall come into operation for non parties with effect from coming into operation of this Agreement until 30 June 2018.

11 Clause 3. WAGE INCREASE

Substitute the following for clause 3:

1. The wage increases are as follows :

- 1.1. Period 01 July 2016 for parties and for non parties with effect from the coming into operation of this agreement to 30 June 2017:

A wage increase of 10% across the board applicable to all categories of wages.

- 1.2. Period 01 July 2017 to 30 June 2018 :

A wage increase of 10% across the board applicable to all categories of

wages.

12 Clause 4. MINIMUM WEEKLY WAGE RATES

Substitute the following for clause 4:

1. Period 01 July 2016 for parties and for non parties with effect from the coming into operation of this agreement to 30 June 2017 :

Entry Level	-	R290.40
Level 4	-	R377.59
Level 3	-	R498.28
Level 2	-	R535.37
Level 1	-	R577.53

2. Period 1 July 2017 to 30 June 2018 :

Entry Level	-	R319.44
Level 4	-	R415.35
Level 3	-	R548.11
Level 2	-	R588.90
Level 1	-	R635.28

13 Clause 6. BONUS

Substitute the following for clause 6:

1. Year-end bonus to be paid to employees in December of each year at shut down as follows :

- 1.1 Employees must be employed for longer than 12 months so as to enable them to qualify for a bonus.
- 1.2. Employees who are absent for 12 days or less, shall be entitled to a bonus equal to one weeks' wages.

- 1.3. Employees subject to the provisions of sub-clause 1.1 shall be entitled to a bonus equal to one weeks' wages, provided that such employee shall have nil absenteeism from 01 August to shut-down.

14 Clause 7. COUNCIL EXPENSES

Substitute the following for clause 7:

1. The employer shall pay the Council a levy of R3.50 per employee per week. The employer to deduct an amount of R2.70 from each employee and to pay the total amount of R6.20 per employee per week, monthly over to the council in the prescribed form by no later than 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 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,

ANNEXURE C

CLAUSE 1. SCOPE OF APPLICATION.

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

15 CLAUSE 2. PERIOD OF OPERATION

- (1) This part of the Agreement shall be binding on the Parties as from 01 July 2016 and shall come into operation for non-parties with effect from the coming into operation of this Agreement until 30 June 2018.

16 Clause 5. EXPENSES OF THE COUNCIL

Substitute the following for clause 5:

- (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.
- (3) The Council shall be entitled to recover from an employer all monies in respect of legal fees and 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,

17 CLAUSE 9. MINIMUM WEEKLY WAGE RATE

Substitute the following for clause 9:

- (1) The following minimum weekly wage rates per level, shall apply with effect from the coming into operation of this Agreement until 30 June 2017.

Entry Level	-	No entry level
Level 4 Unskilled	-	R310.00
Level 3 Semi-skilled	-	R341.00
Level 2 Skilled	-	R375.00
Level 1 Chargehand/Foreman	-	No minimum wage prescribed

- (2) Wage rates for the period 01 July 2017 to 30 June 2018.

Entry Level	-	No entry level
Level 4 Unskilled	-	R340.00
Level 3 Semi-skilled	-	R374.00
Level 2 Skilled	-	R411.00
Level 1 Chargehand/Foreman	-	No minimum wage prescribed

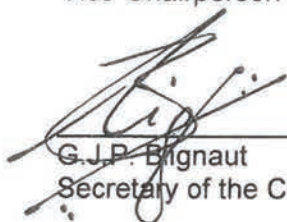
Signed at Durban on this 31st day of May 2016



R. Tarr
Chairperson



S. Govender
Vice-Chairperson



G.J.P. Brignaut
Secretary of the Council