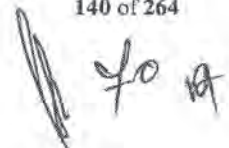


(2) **Pro-rata Annual leave payment:** Upon termination of employment an employee shall receive payment in lieu of leave calculated as follows:

- (a) One day's pay in respect of each completed month of employment calculated from 15 December of the previous year or from the date of engagement, whichever is the shorter period:
- (b) An employer shall not set off against such days of paid leave any days of paid leave granted such employee in excess of the number of day's paid leave he was required to pay the employee in terms of this subclause.

(3) **Paid public holidays:**

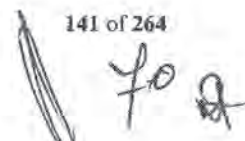
- (a) In addition to the paid public holidays normally falling within the period of annual leave, i.e. Christmas Day, Day of Goodwill and New Year's Day, each employee shall be entitled to and be granted leave on full pay on Human Rights Day, Good Friday, Family Day, Freedom Day, Workers' Day, Youth Day, National Women's Day, Heritage Day and Day of Reconciliation, subject to the provisions of clause 11 (4).
- (b) Where an employee's employment terminates immediately before any of the paid public holidays referred to in subclause (2) (a), he shall be



entitled to payment for such public holidays, provided they fall within an extended period.

- (c) The extended period is calculated as one working day in respect of each completed month of employment (calculated from the day on which the employee last became entitled to leave or from date of engagement, whichever is the shorter period) shall be added to the date on which the employee's employment terminates
- (d) If any paid public holidays falls within such added period it shall be paid for provided that:
  - (i) where the employment of an employee is terminated by his employer at any time during December of any year for reasons other than dismissal without notice for any good cause recognised by law as sufficient, as referred to in clause 18(1)(a), such employee shall be paid in accordance with the rate determined in clause 11 (4) in respect of each of the public holidays referred to in subclause (1)(a) which falls after the date of termination of employment;
  - (ii) where an employee gives notice to his employer of his intention to terminate employment at any time during December of any year, such employee shall not be entitled to payment in respect of

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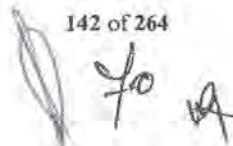


the paid public holidays mentioned in subclause (1) (a) unless such paid public holidays fall within an extended period calculated in the manner set out herein.

In the event of a paid holiday falling upon a Sunday, it shall be observed the following day.

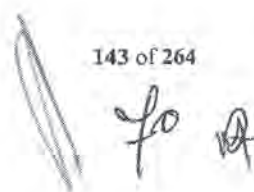
- (4) **Payment for leave:** The employer shall pay his employee to whom leave is granted in terms of subclause (1), his pay in respect of leave not later than the last working day before the commencement of the said period.

- (a) Any amount paid to an employee in terms of subclause (1) or (2) shall be calculated at the rate of pay which the employee was receiving immediately prior to the date upon which the leave became due or his employment terminated, as the case may be;
- (b) Whenever an employee is paid on a basis other than in accordance with the time actually worked by him, his ordinary rate of pay shall, for the purposes of this clause, be calculated as though he were paid by the hour and shall be ascertained at any date by dividing his total wage during the three months immediately preceding that date, or during the total period of his employment by the employer concerned, whichever is the shorter, by the number of hours worked during the period in respect of which such wage was paid.

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- (5) For the purposes of this clause, employment shall be deemed to commence from:
- (a) the date on which the employee entered the employer's service; or
  - (b) the date on which an employee who has, in accordance with the previous Agreement, been granted leave of absence on full pay, became entitled to such leave in terms of such Agreement, whichever may be the later.
  - (c) Short-time shall not be deducted by an employer when computing the period of employment qualifying for annual leave in terms of subclause (1).
- (6) Where an employee has absented himself from work for any reason, other than that referred to in subclause (9), such period of absence shall not be considered as employment in terms of subclause (1).
- (7) **Deductions from leave pay:** Only deductions as contemplated in clause 5(4) (c) and (h) are allowed from the Annual leave payment due to an employee;
- (a) Deductions in respect of Provident Fund

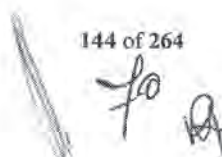


(8) **Annual leave at periods other than the specified leave period:** An employer may make mutual arrangements with his:

- (a) clerks, factory shop assistants, maintenance staff and watchmen or caretakers to take their annual leave at a period other than between 15 December and the ensuing 14 January, and in that event such employees shall be entitled to not less than three consecutive weeks' leave to be granted not later than within that period up to and including Good Friday of the year immediately succeeding the year of employment to which it relates;

('Maintenance staff' means employees who are engaged in making repairs or adjustments to machinery or equipment, including the installation of such machinery or equipment, and who may effect cleaning, repairs or renovations to buildings, fixtures and fittings.);

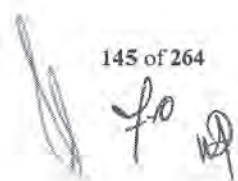
- (b) employees engaged in making samples, to take not more than 10 days' annual leave at a period other than between 15 December and the ensuing 14 January, and in that event such employees shall be entitled to not less than two consecutive weeks' leave, or such lesser period of leave as might be due to the employees concerned, to be granted not later than within that period up to and including Good Friday of the Year immediately succeeding the year of employment to which it relates;



- (c) Provided that in the case of employees making samples, an employer shall be permitted to work 10 employees, or a minimum of 5 per cent of his labour force, whichever is the greater;
- (d) employees, by agreement, to allow for two consecutive weeks' leave, inclusive of public holidays, to be taken in the period December to January each year, with the balance to be taken before the end of June of the following year: Provided that the terms of any such agreement reached by an employer with his employees shall be referred to the Regional Chamber for record purposes.

**(9) Leave and notice not to be concurrent:**

- (a) Notice of termination of a contract of employment given by an employer shall -
  - (i) not be given during any period of leave to which the employee is entitled in terms of this part of the Agreement; and
  - (ii) not run concurrently with any period of leave to which the employee is entitled in terms of this part of the Agreement.
- (b) Nothing in this section affects the right –



- (i) of a dismissed employee to dispute the lawfulness or fairness of the dismissal in terms of Chapter VIII of the Act, or any other law; and
  - (ii) of an employer or an employee to terminate a contract of employment without notice for any cause recognised by law.
- (c) **Payment instead of notice:** Instead of giving an employee notice, an employer may pay the employee the remuneration the employee would have received, calculated in accordance with this part of the Agreement, if the employee had worked during the notice period.
- (10) **Any period** during which an employee:
- (a) is on leave in terms of subclause (1); or
  - (b) is absent on military service, not exceeding four months, undergone in that year; or
  - (c) is absent from work on the instructions or at the request of the employer; or
  - (d) is absent from work owing to illness or by reason of the fact that no female shall work in an establishment and no employer shall require or permit any female to work in his establishment during the period



commencing four weeks prior to the expected date of her confinement and ending eight weeks after birth (if the child is stillborn or dies before the expiration of eight weeks after birth, shall be deemed to be employment for the purposes of subclauses (1) and (2): Provided that:

- (i) the provisions of paragraph (d) shall not apply in respect of any period of absence owing to illness of more than three consecutive days, if the employee, not being an employee referred to in proviso
- (ii) fails, after a request for such certificate by the employer, to submit to the employer a certificate by a medical practitioner that he was prevented by illness from doing his work, or in respect of that part of any total period of absence during any 12 months of employment which is in excess of 30 days;
- (iii) an employee whose employer is required in terms of any Act of Parliament to provide for the care and treatment of such employee when sick or injured, shall not be required to submit a certificate by a medical practitioner in respect of any period of absence referred to in proviso (i).

(11) **Advance notice of annual leave period:** At least one calendar month's notice of the actual date of the end of the year leave period shall be given by the employer by exhibition of an appropriate notice in the factory in a conspicuous place readily accessible to his employees.

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(12) **Extension of annual leave period:** An employer shall not be entitled to extend the period of annual leave referred to in subclause (1) without the prior permission of the Regional Chamber which may impose such conditions as it may deem fit.

(13) This clause shall not apply to a casual employee.

18. In clause 16(4), insert the following expression between "consecutive pay weeks" and "Provided that":

" , as well as absence without pay for three or more days in any pay week and transfers in occupation and wage of employees in respect of that week:".

19. In sub-clause 22(2)(a), substitute the new expression "R2,66 per week." for the existing expression "an amount of R2,47 per week.".

20. In sub-clause 22(2)(b), substitute the new expression "R4,26 per week" for the existing expression "R3,96 per week".

21. In clause 23, insert the following new subclause (3):

"(3) Payment of shop stewards for attending bargaining council or related meetings -

Any day or part thereof used for attending bargaining council or related meetings shall not be debited from normal shop stewards time off for trade union activities. Payment for such days or hours shall be the responsibility of the relevant regional chamber of the NBC."

22. In clause 24(4)(d), delete the following expression, " , but only after obtaining the necessary written authorisation".

23. In clause 25, substitute the existing expression for the following new expression,

**"25: SUBCONTRACTING AND DISCLOSURE OF EMPLOYERS' PATTERNS ETC".**

24. In clause 25, insert the following new subclause (6) and (7):

"(6) (a) No employer ("the subcontracting party") may subcontract any work that falls under the definition of "Clothing Industry" in clause 3 of this Agreement, to another person who is subject to this Agreement or any other Council agreement regulating terms and conditions of employment and/or benefits ("the subcontractor"), unless both the subcontracting party and the subcontractor are complying employers.

- (b) Regardless of whether or not clause 25(6)(a) has been complied with, the subcontracting party and the subcontractor are jointly and severally

liable if the subcontractor, in respect of any of this employees, contravenes:

- (i) this Agreement or any other Council agreement regulating terms and conditions of employment and/or benefits;
- (ii) a binding arbitration award that regulated or relates to terms and conditions of employment;
- (iii) Or the Basic Conditions of Employment Act, No 75 of 1997, as amended from time to time.

(7) The parties shall enter into agreements with all Provincial and Local governments which shall have the effect that their sourcing from the Industry shall include a requirement to only source from companies which hold a valid Certificate of Compliance from the bargaining council."

25. In clause 26(3), substitute the existing expression for the following new expression **"One copy of this Collective Agreement, Clause 26 of which shall represent the Rules of the said Fund,"**.

26. In clause 26(4)(a), insert the following new expression:

"Group 5 In the case of an employee earning R2307,70 per week **in excess of the ceiling rate** specified in clause 1 (2) (b), but is **but continue to contribute to the fund:**

Without dependants: R74,17



With dependants: R92,30

Group 6 In the case of an employee earning R2307,70 per week **in excess of the ceiling rate** specified in clause 1 (2) (b), but is **Exempted Into** the fund:

Without dependants: R79,14

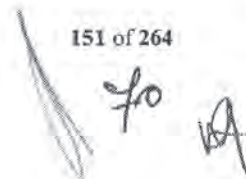
With dependants: R97,30"

27. In clause 26(4)(b), substitute the new expression "R11,04" for the existing expression "R10,26" in Group 1 and the new expression "R13,17" for the existing expression "R12,24" in Group 2 and the new expression "R14,37" for the existing expression "R13,35" in Group 3 and the new expression "R24,53" for the existing expression "R22,80" in Group 4, respectively.

28. In clause 26(4)(b), insert the following new expression:

"Group 5 In the case of a contributor earning R2307,70 per week **in excess of the ceiling rate** specified in clause 1 (2) (b), **but continue to contribute to the fund: R24,53;**

Group 6 In the case of an employee earning R2307,70 per week **in excess of the ceiling rate** specified in clause 1 (2) (b), **but is Exempted Into the fund: R24,53."**



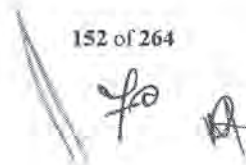
29. In clause 26(13)(g)(vi)(aa) and (ab), delete the following wording "of the Fund".
30. In clause 26(13)(g)(vi)(ab), insert the following new expression "medical" before the expression "professional".
31. In clause 26(13)(g)(vi)(ab), delete the following wording:

"staff of the Fund. In such cases, the Medical Officer or other professional staff of the Fund shall endorse the certificate with the appropriate wording determined by the Management Committee of the Fund.

Provided further that a principal member parent who presents a certificate for a child which has been issued by a Public Funded Hospital shall be eligible for benefits under this arrangement only in instances where the Fund's own professional staff have confirmed the diagnosis and requirements in terms of this provision.

For purposes hereof, a Public Funded Hospital shall mean any of those larger State Hospitals which usually provide a 24-hour service.


Provided also that employees in the Industry who fall within the jurisdiction of the Regional Chamber and who have been exempted from contributing to the Fund shall be entitled to attend a Health Care Fund facility of the Fund for purposes of obtaining the required certification in respect of an ill dependent child. Such an



arrangement however, shall, not entitle the employee or his dependents to any medical attention"

32. In clause 27(3), substitute the new expression "41 cents per week" for the existing expression "38 cents per week".
33. In clause 27(4), substitute the new expression "61 cents per week" for the existing expression "57 cents per week".
34. In clause 28(2)(f), substitute the existing expression for the following new expression "The notice of sequestration, winding up, transfer, abandonment, acquisition or commencement shall be by means of a written statement setting forth full particulars of the change, sequestration, winding up, transfer, abandonment, acquisition or commencement, as the case may be.".
35. In clause 33, substitute the existing subclause (4) and (5) with the following new subclauses:
  - "(4) In addition to the leave granted in (3) above, shop stewards shall be eligible for and have access to further paid leave to attend to trade union duties. This additional leave shall be calculated at six days per annum per shop steward and the head shop steward shall be eligible to an additional 1 (one) day paid time off.
  - (5) At each establishment, this additional leave shall be pooled and the shop stewards shall be entitled to use the additional leave so pooled to attend to

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trade union duties in any manner that the trade union deems fit. Provided, that in establishments employing five or fewer employees, the trade union shall give the employer ten days' written notice of the activity for which it seeks time off in terms of this clause."

36. In clause 35, substitute the existing subclause (2), with the following new subclauses:

"(2) Family Responsibility Leave

Is presently an allowance of 3 days on full pay per year, and if the employee does not utilize the family responsibility leave during any 1 year, then any part of the allowance remaining at the end of the year is forfeited and it not carried over to the next year.

- (a) Family responsibility leave is available only to employees who have been in employment with the same employer for longer than 4 months, and
  - (b) who work more than 4 days per week for that the employer.
- (3) Family responsibility leave may be used when the employee's child is born, when the employee's child is sick, or upon the death of the employee's souse or life partner, or the employee's parent, adoptive parent, grandparent, adopted child, grandchild or sibling.

- (4) An employee is entitled to take family responsibility leave as a ½ day, if that is all that is required. The employer is entitled to ask for proof of the event for which the family responsibility leave is sought, such as a medical certificate or death certificate. Family responsibility leave may not be claimed for any reason other than the reasons stated above."

37. In clause 37, substitute the existing sub-clause 37(8), with the following new sub-clause 37(8):

**"(8) Compliance Promotion**

- (1) All current non-compliant companies which meet a minimum of 80% of the party-to-party negotiated wage rate for current employees, shall be regarded as level B compliant, subject to sub-clause 2 below.
- (2) All companies described in 8.1 above shall achieve 100% wage compliance within a period of 18 months from 1 September 2012, in 6 monthly equal increments, failing which full compliance enforcement including the execution of writs shall apply to them.
- (3) The arrears of non-compliant companies shall be ring-fenced in a 'suspense account' at 100% of the verified arrears value and a written time-bound repayment plan agreed with the bargaining council. They should also sign a legally enforceable acknowledgement of debt.

- (4) The current policy that allows for a maximum of 6-months as a repayment period for arrears shall be amended, to allow for a maximum eighteen (18) months repayment period with effect from 1 November 2012.
- (5) The arrears will become payable in full should the employer become non-compliant, or default on the repayment plan at any time in future, unless otherwise agreed by the parties.
- (6) At every future meeting of the National Bargaining Council, each party shall make one practical concrete suggestion on how to further promote compliance in the industry.
- (7) The National Bargaining Council General Secretary shall have unfettered authority to serve any writ of execution upon any employer who fails to become compliant in terms of the new compliance provisions envisaged in this agreement, unless the parties agree otherwise.
- (8) Nothing in clause 4 or clause 5 of this agreement shall have the effect of downward migration of conditions of employment for any current employee.



(9) The Trade Union shall have the unfettered right to embark on industrial action against any company which fails to implement the terms of this agreement."

38. In clause 38(5), substitute the new expression "27 cents per week" for the existing expression "25 cents per week".

39. In clause 39(3), substitute the new expression "48 cents per week" for the existing expression "45 cents per week".

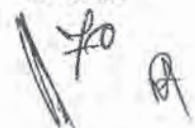
40. In clause 40, substitute the existing expression "Cape Clothing Association" or "CCA" wherever it appears in clause 40, for the following new expression "South African Apparel Association" or "SAAA", wherever it appears in clause 40.

41. In clause 41(1), substitute the new expression "31 August 2018" for the existing expression "31 August 2017" and the new expression "1 September 2017" for the existing expression "1 September 2016".

42. In clause 44(3), substitute the existing subclause (3)(b) and (c), for the following new subclause (3)(b), (c) and (d):

"(b) pay such monies to the Regional Secretary of the Regional Chamber within fourteen days of month-end in which the deductions fall due in the form an manner specified by the Regional Chamber.

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(c) The Regional Chamber shall forward the amounts to the Secretary of the union, together with such analyses of the amounts as are received from employers by not later than the end of the month in which the fees were received.

(d) deduct the agency fee from the wages of an employee without the employee's authorisation as provided for in section 25(4) of the Act."

43. In clause 45, delete sub-clause (2) and renumber subclause (3) to read "(2)"

44. Insert new clause 51:

**"51. INCENTIVISED WAGE NATIONAL FRAMEWORK AGREEMENT**

Contained in Annexure E."

45. Insert the following new Annexure E:

**"ANNEXURE E**

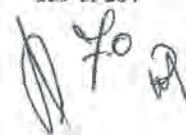
**INCENTIVISED WAGE NATIONAL FRAMEWORK AGREEMENT**

Subject to the terms of the 2014/2016 main substantive agreement to which this annexure is attached taking precedence of interpretation, the following provisions of the incentivised wage national framework agreement shall be applicable:

**1. Introduction and Key Principles**

- 1.1 This Framework Agreement is intended to be of an enabling nature and to provide for maximum flexibility for plant level incentive schemes to be concluded on a unique and case-by-case basis. This does not preclude companies from sharing information and implementing similar incentive schemes should that be desirable.
- 1.2 The overall objective of the incentivised wage dispensation is to improve company level productivity and competitiveness.
- 1.3 The incentivised wage scheme(s) will operate in addition to current company production (or related) incentive schemes. It shall not replace current schemes already in operation at plant level, unless this is expressly agreed to at plant level.
- 1.4 The guaranteed wage rate shall be supplemented with an incentivised wage component which shall allow new employees to earn up to 100% or more of the gazetted rate, provided the employee(s) meets the required performance standards as contained in the plant level incentive scheme. This incentive shall be applicable to all new employees engaged under the incentivised wage provisions and employed after 1st September 2012, once a national framework agreement covering governing the incentive portion has been agreed.

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- 1.5 Incentive Schemes should be as simple as possible, both to comprehend and to administer.

## **2. Employee Protection**

- 2.1 The incentive scheme(s) at plant level shall not be used as a disciplinary tool or measure. The schemes shall operate separate and distinct from company disciplinary procedures and management disciplinary measures.
- 2.2 Events outside the control of the company shall not prejudice employees provided that the principle of earnings for time worked and earnings for performance achieved shall apply, subject to the relevant provisions of the Main Agreement.
- 2.3 The provisions of clause 2.2 above shall also apply in respect of protected strike action and shop stewards' authorised time off.

## **3. Plant Level Incentive Schemes**

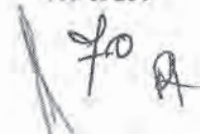
- 3.1 The proposed incentive schemes contemplated herein shall be drafted by management, then consulted on with the shop stewards and thereafter forwarded to the trade union for its consideration. It then needs to be finally agreed between the parties and upon agreement, must be implemented in consultation with shop stewards at plant level.

- 3.2 Incentive schemes shall not operate to give effect to any downward variation of employment standards or conditions of employment as provided for in the bargaining council's Main Agreement.
- 3.3 The provisions of all incentive schemes shall be reduced to writing, signed by management as well as the relevant branch, regional or national union official and submitted to the Bargaining Council for registration, within one week of its conclusion.
- 3.4 Incentive schemes shall be time bound and reviewed at the end of the agreed period of its operation.
- 3.5 The panel of experts to be appointed by the parties may also be consulted at the expense of the party concerned to provide guidance and offer advice in respect of the design and operation of any plant level incentive scheme.

#### 4. Deadlock-Breaking Mechanism

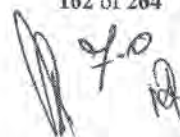
- 4.1 A panel of experts shall be appointed by the parties to the 2014/16 Substantive Agreement. Such appointees shall be knowledgeable in the field of clothing production and objective evaluation performance management- and reward systems.
- 4.2 The panel of experts shall be fairly spread across the registered scope of the bargaining council, wherever possible.

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- 4.3 As provided for in clause 4.16 of the 2014/2016 Substantive Agreement, the deadlock breaking mechanism for the implementation of the incentive component at plant level shall in the first instance consist of a facilitation process by a member or members drawn from the panel of experts.
- 4.4 If the matter under consideration is not resolved as per sub-clause 4.3 above, the panellist(s) involved shall submit an advisory award to the leadership of the relevant employer and the trade union for their consideration.
- 4.5 Should the affected parties not agree to the advisory award recommendations and are unable to resolve their disagreements, the deadlock breaking mechanism shall be either binding interest arbitration by agreement, or any other deadlock breaking mechanism as agreed between the affected parties.
- 4.6 The provisions of sub- clauses 4.3 and 4.4 above shall also apply in respect of any dead-lock regarding the review of plant level incentive schemes as contemplated in clause 3.4 above.
- 4.7 Should the parties be unable to finalise agreement on the deadlock breaking mechanism for the national framework agreement by the time of signature of the main substantive agreement (envisaged for 15 September 2014), the parties agree to provide for a final extended opportunity to finalise this

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matter within two (2) weeks from the date of signing this agreement, failing which the provision of sub-clause 4.14 above will become effective.

## 5. **Dispute Resolution**

5.1 Should any dispute arise at plant level relating to the interpretation and/or application of any provision of an incentive scheme under this Framework Agreement, the dispute resolution provisions of the bargaining council constitution and/or Main Agreement shall apply.

5.2 Any referral of a dispute as contemplated in terms of sub-clause 5.1 above shall be conciliated and/or arbitrated by a member of the panel of experts, unless otherwise agreed between the disputing parties.

## 6. **Reporting and Administration**

6.1 Companies participating in this dispensation shall be required to report on a six monthly basis to the bargaining council in respect of the staff contemplated in clause 1.4 above.

6.2 Such report shall cover at least the following matters:

- Number of employees on scheme
- Trends in overall employment in the company
- Single or multi-factor productivity (OR OTHER) improvements

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- Average earnings of those in the scheme as a percentage of the full guaranteed bargaining council agreement rates

6.3 The trade union shall be entitled to all information related to a plant level incentive scheme.

## **7. Qualification and Commencement of Plant Level Consultation**

Companies who qualify under the provisions of clause 4 of the 2014/2016 Substantive Agreement and who decide to utilise it, shall have 2 full calendar months ("the prescribed period") to conclude plant level incentive arrangements, time effective as follows:

For companies which have not yet employed employees on the incentivised wage scheme: from the date of employment of any employee employed in terms of the provisions of clause of the 2014/2016 agreement or from the date of notice to the trade union of intention to employ (whichever occurs first), and

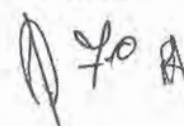
For all other companies: with effect from 15 September 2014, unless a longer period is agreed by the trade union."

## **9. PART G (PROVISIONS FOR THE WESTERN CAPE REGION (COUNTRY AREAS))**



1. In clause 1(2)(b), substitute the new expression "R89 442.00 per annum" for the existing expression "R83 124.00 per annum".
2. In clause 1(4), substitute the new Table of Contents, for the existing Table of Contents:

CLAUSE NO.	DESCRIPTION
1.	SCOPE OF APPLICATION OF THIS PART OF THE AGREEMENT .....
2.	PERIOD OF OPERATION OF THIS PART OF THE AGREEMENT .....
3.	DEFINITIONS .....
4.	WAGES.....
5.	PAYMENT OF WAGES.....
6.	TIME RECORDS.....
7.	WAGE INCENTIVES, PIECE-WORK AND TASK-WORK .....
8.	PROPORTION OR RATIO OF EMPLOYEES .....
9.	ORDINARY HOURS OF WORK, MEAL INTERVALS AND REST INTERVALS .....
10.	OVERTIME .....
11.	PAYMENT FOR OVERTIME AND WORK ON SATURDAYS, SUNDAYS AND PUBLIC HOLIDAYS .....
12.	SHORT-TIME .....
13.	PROVISION OF TEA AND OTHER BEVERAGES .....
14.	CLOSED SHOP .....
15.	ANNUAL LEAVE AND PAID PUBLIC HOLIDAYS .....
16.	ENGAGEMENTS, TERMINATIONS, ABSENCES FROM WORK AND TRANSFERS IN OCCUPATION .....
17.	RECORD CARDS AND AGREEMENT .....
18.	TERMINATION OF EMPLOYMENT .....
19.	EXEMPTIONS.....
20.	SEATING ACCOMMODATION .....
21.	TOOLS AND MATERIALS .....
22.	EXPENSES OF THE COUNCIL AND REGIONAL CHAMBER .....
23.	TRADE UNION REPRESENTATIVES ON THE REGIONAL CHAMBER .....
24.	POWERS OF DESIGNATED AGENTS WHEN ATTEMPTING TO RESOLVE DISPUTES AND SECURE COMPLIANCE OF AND IN TERMS OF THIS PART OF THE AGREEMENT .....
25.	SUBCONTRACTING AND DISCLOSURE OF EMPLOYERS' PATTERNS ETC. ....
26.	CLOTHING INDUSTRY HEALTH CARE FUND .....
27.	TRADE UNION SUBSCRIPTIONS.....
28.	REGISTRATION OF EMPLOYERS.....
29.	WAGE GUARANTEE .....
30.	MATERNITY LEAVE .....





31.	NEGOTIATION OF PROCEDURES AT INDIVIDUAL ESTABLISHMENTS .....
32.	ACCESS .....
33.	SHOP STEWARDS .....
34.	RETRENCHMENT BENEFITS .....
35.	PATERNITY AND FAMILY RESPONSIBILITY LEAVE .....
36.	PROCEDURE TO ENFORCE COMPLIANCE WITH THIS PART OF THE AGREEMENT ....
37.	DISPUTE PROCEDURE .....
38.	INDUSTRY PROTECTION FUND .....
39.	TRADE UNION CAPACITY BUILDING FUND .....
40.	COLLECTIVE BARGAINING/DISPUTE RESOLUTION LEVY .....
41.	FREQUENCY OF NEGOTIATIONS AND INDUSTRIAL ACTION .....
42.	ATYPICAL WORK, OUTSOURCING AND SUBCONTRACTING .....
43.	EMPLOYMENT OF CERTAIN PERSONS PROHIBITED .....
44.	TRADE UNION AGENCY SHOP .....
45.	PRODUCTIVITY (Annexure B) .....
46.	HIV/AIDS (Annexure A) .....
47.	CONTRACT EMPLOYEES (Annexure D) .....
48.	WORKING IN ARRANGEMENTS .....
49.	JOINT AND SEVERAL LIABILITY FOR COMPLIANT COMPANIES OUTSOURCING AND/OR SUBCONTRACTING TO NON-COMPLIANT COMPANIES .....
50.	PROVIDENT FUND CONTRIBUTIONS .....
51.	INCENTIVISED WAGE NATIONAL FRAMEWORK AGREEMENT (Annexure E) .....

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3. In clause 3, substitute the existing definition with the following new definition:

““Level B Compliance” means an employer who;

- (i) Is paying between 80% and 100% of the gazette wage rates,
- (ii) has registered with the Council and has registered all permanent and contract employees with the Council,
- (iii) has given effect to all Collective Agreements of the Council which are applicable to it in each of its establishments, or
- (iv) has received exemption from any Collective Agreement to the extent of such exemption,

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- (v) have entered into a Payment Plan and is conforming to the terms thereof,
- (vi) have applied for and has been approved by the Council as Level B complaint;"

4. Subject to the provisions of this part of the Agreement, the minimum wages that shall be paid to and accepted by the undermentioned classes of employees shall be as follows:

DESCRIPTION		Group A (i.e. employees on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%	Group B (i.e. employees NOT on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%
		R	R	R	R
<b>Part A - Cutting Department</b>					
Head Cutter		1 712.50	1 370.00	1720.00	1376.00
Pattern Maker:					
(a)	Qualified	1 712.50	1 370.00	1720.00	1376.00
(b)	Learner				
	First year				
	First six months of experience	1 031.00	825.00	1036.50	829.00
	Second six months of experience	1 120.50	896.50	1125.50	900.50
	Second year				
	First six months of experience	1 214.50	971.50	1220.00	976.00
	Second six months of experience	1 308.50	1 047.00	1313.50	1051.00
	Third year				
	First four months of experience	1 411.00	1 129.00	1416.00	1133.00
	Thereafter, the wage specified in (a), i.e.	1 712.50	1 370.00	1720.00	1376.00
Pattern Grader					
(a)	Qualified	1 415.00	1 132.00	1421.00	1137.00
(b)	Learner				
	First year				
	First six months of experience	972.00	777.50	976.00	781.00
	Second six months of experience	1 031.00	825.00	1036.50	829.00
	Second year				
	First six months of experience	1 087.50	870.00	1092.00	873.50
	Second six months of experience	1 147.50	918.00	1153.00	922.50
	Third year				
	First six months of experience	1 214.50	971.50	1220.00	976.00

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DESCRIPTION		Group A (i.e. employees on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivise d Scheme effective 1 September 2017 = 80%	Group B (i.e. employees NOT on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivise d Scheme effective 1 September 2017 = 80%
		R	R	R	R
	Next four months of experience	1 280.00	1 024.00	1284.50	1027.50
	Thereafter, the wage specified in (a), i.e.	1 415.00	1 132.00	1421.00	1137.00
	Cutter, lay-maker:				
(a)	Qualified	1 367.50	1 094.00	1374.50	1099.50
(b)	Learner				
	First year				
	First six months of experience	891.50	713.00	894.00	715.00
	Second six months of experience	968.00	774.50	972.00	777.50
	Second year				
	First six months of experience	1 046.00	837.00	1048.00	838.50
	Second six months of experience	1 127.00	901.50	1132.50	906.00
	Third year				
	First six months of experience	1 222.00	977.50	1226.50	981.00
	Next four months of experience	1 367.50	1 094.00	1374.50	1099.50
	Interlining cutter, trimmer, leather cutter and tie cutter				
(a)	Qualified	1 036.00	829.00	1038.50	831.00
(b)	Learner				
	First year				
	First six months of experience	814.50	651.50	816.00	653.00
	Second six months of experience	850.50	680.50	852.50	682.00
	Second year				
	First six months of experience	889.00	711.00	892.50	714.00
	Second six months of experience	926.50	741.00	928.50	743.00
	Third year				
	First four months of experience	966.00	773.00	968.50	775.00
	Thereafter, the wage specified in (a) i.e.	1 036.00	829.00	1038.50	831.00
(c)	If advanced to learner cutter:				
	First six months from date of advancement	1 107.00	885.50	1111.50	889.00
	Second six months from date of advancement	1 222.00	977.50	1226.50	981.00
	Thereafter, the wage specified for a qualified cutter, i.e.	1 367.50	1 094.00	1374.50	1099.50
	Layer-up:				
(a)	Qualified	908.50	727.00	911.00	729.00
	First year				
	First six months of experience	794.00	635.00	797.00	637.50
	Second six months of experience	814.50	651.50	816.00	653.00
	Second year				
	First six months of experience	841.50	673.00	843.50	675.00
	Thereafter, the wage specified in (a), i.e.	908.50	727.00	911.00	729.00
(b)	If advanced to learner cutter:				
	First six months from date of advancement	908.50	727.00	911.00	729.00
	Second six months from date of advancement	1 046.00	837.00	1048.00	838.50



DESCRIPTION		Group A (i.e. employees on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivise d Scheme effective 1 September 2017 = 80%	Group B (i.e. employees NOT on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivise d Scheme effective 1 September 2017 = 80%
		R	R	R	R
	Third six months from date of advancement	1 127.00	901.50	1132.50	906.00
	Fourth six months from date of advancement	1 222.00	977.50	1226.50	981.00
	Thereafter, the wage specified for a qualified cutter, i.e.	1 367.50	1 094.00	1374.50	1099.50
Clicker:					
(a)	Qualified	1 063.00	850.50	1066.00	853.00
(b)	Learner				
	First year of experience	833.50	667.00	835.00	668.00
	Second year of experience	926.50	741.00	928.50	743.00
	Thereafter, the wage specified in (a), i.e.	1 063.00	850.50	1066.00	853.00
Tracer:					
(a)	Qualified	1 006.50	805.00	1009.50	807.50
(b)	Learner				
	First year				
	First six months of experience	833.50	667.00	835.00	668.00
	Second six months of experience	879.00	703.00	882.00	705.50
	Second year				
	First six months of experience	921.50	737.00	926.50	741.00
	Thereafter, the wage specified in (a), i.e.	1 006.50	805.00	1009.50	807.50
Part B - Factory Operatives					
Clothing machine mechanic:					
(a)	Qualified	1 712.50	1 370.00	1720.00	1376.00
(b)	Learner				
	First year				
	First six months of experience	1 031.00	825.00	1036.50	829.00
	Second six months of experience	1 120.50	896.50	1125.50	900.50
	Second year				
	First six months of experience	1 214.50	971.50	1220.00	976.00
	Second six months of experience	1 308.50	1 047.00	1313.50	1051.00
	Third year				
	First six months of experience	1 411.00	1 129.00	1416.00	1133.00
	Next four months of experience	1 513.00	1 210.50	1518.00	1214.50
	Thereafter, the wage specified in (a), i.e.	1 712.50	1 370.00	1720.00	1376.00
Grade A employee:					
(a)	Qualified	1 120.50	896.50	1125.50	900.50
(b)	Learner				
	First year				
	First six months of experience	836.50	669.00	841.00	673.00
	Second six months of experience	887.50	710.00	891.50	713.00
	Second year				
	First six months of experience	934.00	747.00	937.00	749.50
	Second six months of experience	981.00	785.00	985.00	788.00

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DESCRIPTION		Group A (i.e. employees on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%	Group B (i.e. employees NOT on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%
		R	R	R	R
	Third year				
	First four months of experience	1 036.00	829.00	1038.50	831.00
	Thereafter, the wage specified in (a), i.e.	1 120.50	896.50	1125.50	900.50
Grade B employee:					
(a)	Qualified	949.50	759.50	962.00	769.50
(b)	Learner				
	First year				
	First six months of experience	836.50	669.00	836.50	669.00
	Second six months of experience	864.00	691.00	866.50	693.00
	Second year				
	First six months of experience	891.00	713.00	896.00	717.00
	Thereafter, the wage specified in (a), i.e.	949.50	759.50	962.00	769.50
(c)	If advanced to Grade A employee:				
	First six months from date of advancement	949.50	759.50	962.00	769.50
	Second six months from date of advancement	956.00	765.00	968.00	774.50
	Third six months from date of advancement	997.50	798.00	1014.00	811.00
	Thereafter, the wage specified for a qualified Grade A employee, i.e.	1 110.50	888.50	1103.00	882.50
Grade C employee:					
(a)	Qualified	887.50	710.00	891.50	713.00
(b)	Learner				
	First year				
	First six months of experience	811.50	649.00	813.50	651.00
	Second six months of experience	832.50	666.00	834.00	667.00
	Thereafter, the wage specified in (a), i.e.	887.50	710.00	891.50	713.00
(c)	If advanced to Grade B employee:				
	First six months from date of advancement	887.50	710.00	891.50	713.00
	Second six months from date of advancement	894.00	715.00	897.50	718.00
	Thereafter, the wage specified for a qualified Grade B employee, i.e.	972.00	777.50	976.00	781.00
Underpresser, blocker:					
(a)	Qualified	894.00	715.00	897.50	718.00
(b)	Learner				
	First year				
	First six months of experience	794.00	635.00	797.00	637.50
	Second six months of experience	814.50	651.50	816.00	653.00
	Second year				
	First six months of experience	841.50	673.00	843.50	675.00
	Second six months of experience	894.00	715.00	897.50	718.00



DESCRIPTION		Group A (i.e. employees on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%	Group B (i.e. employees NOT on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%
		R	R	R	R
(c)	If advanced to learner presser:				
	First six months from date of advancement	894.00	715.00	897.50	718.00
	Second six months from date of advancement	1 036.00	829.00	1038.50	831.00
	Thereafter, the wage specified for a qualified Grade A employee, i.e.	1 120.50	896.50	1125.50	900.50
Part C - Clerical employees					
Clerk					
(a)	Qualified	1 222.00	977.50	1226.50	981.00
(b)	Learner				
	First year of experience	938.50	751.00	943.00	754.50
	Second year of experience	1 012.00	809.50	1017.50	814.00
	Third year				
	First six months of experience	1 089.00	871.00	1095.00	876.00
	Thereafter, the wage specified in (a), i.e.	1 222.00	977.50	1226.50	981.00
Factory Clerk					
(a)	Qualified	953.00	762.50	956.50	765.00
(b)	Learner				
	First year of experience	793.00	634.50	794.50	635.50
	Second year of experience	834.00	667.00	836.50	669.00
	Third year				
	First six months of experience	885.00	708.00	887.50	710.00
	Thereafter, the wage specified in (a), i.e.	953.00	762.50	956.50	765.00
Part D - General					
Boiler attendant		911.00	729.00	913.50	731.00
Despatch packer		935.50	748.50	938.50	751.00
General Worker		883.50	707.00	892.50	714.00
Labourer		894.00	715.00	897.50	718.00
Motor vehicle driver of a vehicle, the unladen mass of which, together with the unladen mass of any trailer or trailers drawn by such vehicle is as follows -					
(a)	under 2 720 kg	972.50	778.00	976.50	781.00
(b)	2 720 kg and over	1 087.50	870.00	1092.00	873.50
Supervisor, quality controller and instructor		1 147.50	918.00	1153.00	922.50
Traveller's driver		972.50	778.00	976.50	781.00
Watchman or caretaker, whose ordinary hours of work are -					
(a)	less than 60 hours per week	1 002.50	802.00	1007.00	805.50
(b)	60 hours per week	1 046.00	837.00	1048.00	838.50



DESCRIPTION	Group A (i.e. employees on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%	Group B (i.e. employees NOT on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%
	R	R	R	R
NB: All employers who employed staff on 2011/2012 New Entry Wage Dispensation, must with the coming into effect of this Agreement, Increase the Weekly Wage for those employees by the agreed Wage Increase of 7.6% Across-the-Board.				

5. In clause 4, delete subclause 4(2).
6. In clause 4, renumber sub-clause (3) to read "(2)".
7. In clause 4, substitute the following new sub-clause (2), for the existing sub-clause (2):

**"(2) Incentivised Wage Rates**

The following incentivised wage rates provisions, applicable to new employees only:

Commencing 1 September 2016, all employees will on the scheme shall, in year two, progress from 80% to 90% of their respective gazette wages and in year three to 100% of their wage.

This means that:

**Employees employed before 1 September 2016**

- Must be increased to 90% as of 1 September 2017.
- Until year 3 the incentive will still operate as described below just with a new floor/minimum earning level.
- In year 3, i.e. 1 September 2018, all employees are to move up to 100%.

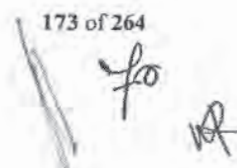
**Employees employed after 1 September 2016**

- will be on 80% in year one;
- on their anniversary date they will move to 90%;
- Then in year 3 on their anniversary date they will move to 100%.

Subject to the following provisions:

- 2.1 New employees are those persons with no previous working experience in the industry and shall include those persons with previous work experience but who have not been employed in the industry for a minimum period of 3 years, unless the applicant employee agrees otherwise with his/her prospective employer.
- 2.2 The guaranteed wage rate as specified in sub-clause 2.1 above shall be supplemented with an incentivised wage component which shall

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allow new employees to earn up to 100% or more of the gazetted rate, provided the employee(s) meets the required performance standards as contained in the plant level incentive scheme. This incentive shall be applicable to all new employees engaged under the incentivised wage provisions and employed after 1 September 2012, once a national framework agreement governing the incentive portion has been agreed.

2.3 The provisions of clause 4 of this agreement are only applicable to companies which are registered with the National Bargaining Council for the Clothing Manufacturing Industry of South Africa, subject further to sub-clause 2.4 below.

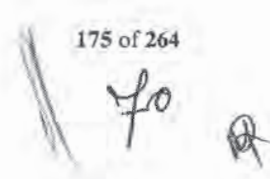
2.4 The provisions of clause 4 of this agreement are only applicable to those current compliant companies which were in existence and operational as at 1 June 2011. It is not applicable to those companies who are members of an employer association which has not signed this agreement and/or not to companies which have not implemented the wage increases envisaged in this agreement.

The parties will explore further mechanisms which will protect current companies and current employees in the event of it being agreed that this provision be extended to new companies which enter the industry for the first time.

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- 2.5 All other provisions of the industry's Main Agreement shall be applicable to new employees.
- 2.6 The closed shop shall be applicable to all new employees.
- 2.7 Employers shall not embark on retrenchment exercises, where the intent of such retrenchment is to re-employ employees at the rates specified in sub-clause 2.1 above.
- 2.8 Employers will ensure that short time arrangements are at all times fairly and equitably distributed across a workplace's employees in all job categories affected by short time arrangements.
- 2.9 Qualified employees shall be employed at the qualified rate, subject to sub-clause 2.2.
- 2.10 Current employees employed in terms of the new entry rate provision envisaged in the 2011/2012 party-to-party agreement and who were so employed prior to 1 September 2012 shall by exemption be ring-fenced on those rates plus all the subsequent annual increases due, and subject to the companies at which they are employed meeting the compliant employment growth targets as set out in the 2011/2012 wage agreement.

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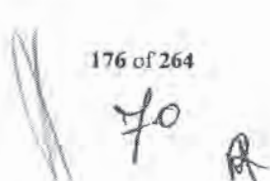
2.11 Effective 1<sup>st</sup> September 2012, all retrenched employees will, within a period of 12 months of having been retrenched, be given preferential employment in the same job category at the same wage rate which was applicable at the date of the employee's retrenchment or any higher wage rate which may have been gazetted and become applicable to the affected employee's job category after such date of retrenchment.

2.12 The parties have negotiated a national framework agreement at national bargaining council level, to give enabling effect to the plant level incentivised wage component as contemplated in sub-clause 2.3 of this agreement. Companies who qualify for the provisions of clause 4 of this agreement and who wish to implement it shall have a 2 months period to conclude plant-level incentive arrangements in terms of the provisions of the national framework agreement, which national framework agreement is attached as Annexure E hereto.

2.13 The deadlock breaking mechanism for the national framework agreement is either binding interest arbitration or, at the end of the prescribed period, the entire 80% dispensation falls away, unless other forms of deadlock breaking mechanisms are agreed between the parties.

2.14 Should the 80% dispensation fall away in consequence of the provision in sub-clause 2.13 above, new employees employed on the incentive

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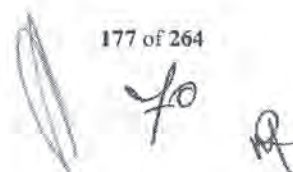
wage provisions should be paid 100% of the applicable agreement rate.

2.15 The deadlock breaking mechanism for operationalising the incentive component at plant level shall consist firstly of a facilitation process by a panel of experts jointly appointed by the employer and trade union parties to this agreement and if not resolved, by an advisory award by the panel, unless other forms of deadlock breaking mechanisms are agreed to between the parties."

8. In clause 4(7), substitute the existing expression for the following new expression:

"An employee who is **transferred** from one occupation to another for which wages are prescribed in this part of the Agreement, either with the same employer or if commencing service with another employer, shall be paid the wages prescribed in respect of the **experience** such an employee has had in the Industry, irrespective of the occupation in which such experience has been obtained, unless otherwise approved by the Regional Chamber."

9. In clause 4(13) substitute the year "2017" for the year "2016".
10. In clause 4, renumber subclause (4),(5),(6),(7),(8),(9),(10),(11),(12) and (13) to read "(3),(4),(5),(6),(7),(8),(9),(10),(11) and (12)".

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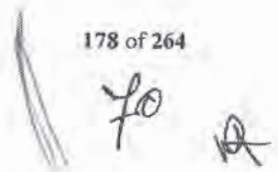
11. In clause 5 (1) and (2), substitute the existing subclause (1) for the new subclause (1) and (2):

"(1) Nothing in this part of the Agreement shall operate to **reduce the wage** which was being paid immediately prior to or at the date of the commencement of this part of the Agreement, whilst such employee is employed by the same employer.

- (2) The provisions of this subclause shall also apply in the case of any employee whose services are **terminated** by such employer subsequent to the date of commencement of this part of the Agreement and who is re-engaged by such employer.

For the purposes hereof, 'Agreement' shall include any amendment thereto."

12. In clause 5, renumber the existing subclauses "(2), (3), (4), (5), (6), (7), (8) and (9)" to read "(3), (4), (5), (6), (7), (8), (9) and (10)".
13. In clause 5(10), substitute the existing expression "(8)", for the following new expression "(9)".
14. In clause 11(2), delete subclause (2)(f).
15. In clause 11(3), substitute the existing subclause (3) with the following new subclause (3):



**“(3) Sunday work:** No work shall be performed on a Sunday without the permission of the Regional Chamber and a twilight shift worker may not be required to work on a Sunday.

(a) Whenever an employee, other than a normal shift worker, is required or permitted to work on a Sunday, his employer shall:

(ii) Pay the employee if he so works, for a period not exceeding four hours, not less than the ordinary wage payable in respect of the period ordinarily worked by him on a weekday; or

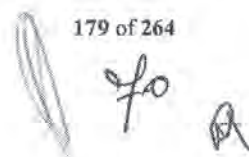
(ii) Pay the employee if he so works for a period exceeding four hours, wages, at a rate of not less than double his ordinary rate of pay, in respect of the total period worked on such Sunday, or the wage which is not less than double the ordinary wage payable in respect of the period ordinarily worked by him on a weekday, whichever is the greater; or”

16. In clause 15, substitute the existing clause 15, for the following new clause 15:

**“15: ANNUAL LEAVE AND PAID PUBLIC HOLIDAYS**

(1) **Annual leave:** Subject to the provisions of subclause (7), every employee shall between 15 December of each year and 14 January of the following year be granted at least three consecutive weeks' and one working day's annual leave and shall, in respect of such leave, be paid as follows:

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(a) in the case of an employee who on the latest day on which he can commence leave has completed at least one year's continuous employment with his employer:

(i) 15 ordinary working days at full wage;

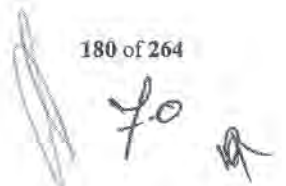
(ii) Christmas Day, Day of Goodwill and New Year's Day as paid public holidays in accordance with clause 11 (4) of the Agreement;

(iii) when Day of Reconciliation falls within the period of annual leave it shall in accordance with clause 11 (4) of the Agreement also be observed as a paid public holiday thus extending the annual leave period by one day;

no employee referred to in this subclause shall be paid less than three weeks' wages as annual leave pay.

(b) in the case of an employee who on the date of closing of the establishment for the specified annual leave period has not completed one year's continuous employment with his employer and whose employment has not been terminated:

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- (i) for each completed month of employment in that year an amount equal to one day's pay; plus
  - (ii) for any of the following public holidays falling within the period during which the establishment is closed for the annual holiday period: Day of Reconciliation, Christmas Day, Day of Goodwill and New Year's Day, the amount set out in clause 11 (4) in respect of each such holiday.
- (2) **Pro-rata Annual leave payment:** Upon termination of employment an employee shall receive payment in lieu of leave calculated as follows:
- (a) One day's pay in respect of each completed month of employment calculated from 15 December of the previous year or from the date of engagement, whichever is the shorter period:
  - (b) An employer shall not set off against such days of paid leave any days of paid leave granted such employee in excess of the number of day's paid leave he was required to pay the employee in terms of this subclause.
- (3) **Paid public holidays:**
- (a) In addition to the paid public holidays normally falling within the period of annual leave, i.e. Christmas Day, Day of Goodwill and New Year's

Day, each employee shall be entitled to and be granted leave on full pay on Human Rights Day, Good Friday, Family Day, Freedom Day, Workers' Day, Youth Day, National Women's Day, Heritage Day and Day of Reconciliation, subject to the provisions of clause 11 (4).

- (b) Where an employee's employment terminates immediately before any of the paid public holidays referred to in subclause (2) (a), he shall be entitled to payment for such public holidays, provided they fall within an extended period.
- (c) The extended period is calculated as one working day in respect of each completed month of employment (calculated from the day on which the employee last became entitled to leave or from date of engagement, whichever is the shorter period) shall be added to the date on which the employee's employment terminates
- (d) If any paid public holidays falls within such added period it shall be paid for provided that:
  - (i) where the employment of an employee is terminated by his employer at any time during December of any year for reasons other than dismissal without notice for any good cause recognised by law as sufficient, as referred to in clause 18(1)(a), such employee shall be paid in accordance with the rate

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determined in clause 11 (4) in respect of each of the public holidays referred to in subclause (1)(a) which falls after the date of termination of employment;

- (ii) where an employee gives notice to his employer of his intention to terminate employment at any time during December of any year, such employee shall not be entitled to payment in respect of the paid public holidays mentioned in subclause (1) (a) unless such paid public holidays fall within an extended period calculated in the manner set out herein.

In the event of a paid holiday falling upon a Sunday, it shall be observed the following day.

- (4) **Payment for leave:** The employer shall pay his employee to whom leave is granted in terms of subclause (1), his pay in respect of leave not later than the last working day before the commencement of the said period.

- (a) Any amount paid to an employee in terms of subclause (1) or (2) shall be calculated at the rate of pay which the employee was receiving immediately prior to the date upon which the leave became due or his employment terminated, as the case may be;



- (b) Whenever an employee is paid on a basis other than in accordance with the time actually worked by him, his ordinary rate of pay shall, for the purposes of this clause, be calculated as though he were paid by the hour and shall be ascertained at any date by dividing his total wage during the three months immediately preceding that date, or during the total period of his employment by the employer concerned, whichever is the shorter, by the number of hours worked during the period in respect of which such wage was paid.
- (5) For the purposes of this clause, employment shall be deemed to commence from:
- (a) the date on which the employee entered the employer's service; or
  - (b) the date on which an employee who has, in accordance with the previous Agreement, been granted leave of absence on full pay, became entitled to such leave in terms of such Agreement, whichever may be the later.
  - (c) Short-time shall not be deducted by an employer when computing the period of employment qualifying for annual leave in terms of subclause (1).

(6) Where an employee has absented himself from work for any reason, other than that referred to in subclause (9), such period of absence shall not be considered as employment in terms of subclause (1).

(7) **Deductions from leave pay:** Only deductions as contemplated in clause 5(4) (c) and (h) are allowed from the Annual leave payment due to an employee;

(a) Deductions in respect of Provident Fund

(8) **Annual leave at periods other than the specified leave period:** An employer may make mutual arrangements with his:

(a) clerks, factory shop assistants, maintenance staff and watchmen or caretakers to take their annual leave at a period other than between 15 December and the ensuing 14 January, and in that event such employees shall be entitled to not less than three consecutive weeks' leave to be granted not later than within that period up to and including Good Friday of the year immediately succeeding the year of employment to which it relates;

('Maintenance staff' means employees who are engaged in making repairs or adjustments to machinery or equipment, including the installation of such machinery or equipment, and who may effect cleaning, repairs or renovations to buildings, fixtures and fittings.);

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- (b) employees engaged in making samples, to take not more than 10 days' annual leave at a period other than between 15 December and the ensuing 14 January, and in that event such employees shall be entitled to not less than two consecutive weeks' leave, or such lesser period of leave as might be due to the employees concerned, to be granted not later than within that period up to and including Good Friday of the Year immediately succeeding the year of employment to which it relates;
  - (c) Provided that in the case of employees making samples, an employer shall be permitted to work 10 employees, or a minimum of 5 per cent of his labour force, whichever is the greater;
  - (d) employees, by agreement, to allow for two consecutive weeks' leave, inclusive of public holidays, to be taken in the period December to January each year, with the balance to be taken before the end of June of the following year: Provided that the terms of any such agreement reached by an employer with his employees shall be referred to the Regional Chamber for record purposes.
- (9) **Leave and notice not to be concurrent:**
- (a) Notice of termination of a contract of employment given by an employer shall -



- (1) not be given during any period of leave to which the employee is entitled in terms of this part of the Agreement; and
- (ii) not run concurrently with any period of leave to which the employee is entitled in terms of this part of the Agreement.

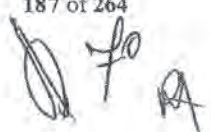
(b) Nothing in this section affects the right –

- (i) of a dismissed employee to dispute the lawfulness or fairness of the dismissal in terms of Chapter VIII of the Act, or any other law; and
- (ii) of an employer or an employee to terminate a contract of employment without notice for any cause recognised by law.

(c) Payment instead of notice: Instead of giving an employee notice, an employer may pay the employee the remuneration the employee would have received, calculated in accordance with this part of the Agreement, if the employee had worked during the notice period.

(10) **Any period** during which an employee:

- (a) is on leave in terms of subclause (1); or

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- (b) is absent on military service, not exceeding four months, undergone in that year; or
- (c) is absent from work on the instructions or at the request of the employer; or
- (d) is absent from work owing to illness or by reason of the fact that no female shall work in an establishment and no employer shall require or permit any female to work in his establishment during the period commencing four weeks prior to the expected date of her confinement and ending eight weeks after birth (if the child is stillborn or dies before the expiration of eight weeks after birth, shall be deemed to be employment for the purposes of subclauses (1) and (2): Provided that:
  - (i) the provisions of paragraph (d) shall not apply in respect of any period of absence owing to illness of more than three consecutive days, if the employee, - not being an employee referred to in proviso
  - (ii) fails, after a request for such certificate by the employer, to submit to the employer a certificate by a medical practitioner that he was prevented by illness from doing his work, or in respect of that part of any total period of absence during any 12 months of employment which is in excess of 30 days;
  - (iii) an employee whose employer is required in terms of any Act of Parliament to provide for the care and treatment of such

employee when sick or injured, shall not be required to submit a certificate by a medical practitioner in respect of any period of absence referred to in proviso (i).

(11) **Advance notice of annual leave period:** At least one calendar month's notice of the actual date of the end of the year leave period shall be given by the employer by exhibition of an appropriate notice in the factory in a conspicuous place readily accessible to his employees.

(12) **Extension of annual leave period:** An employer shall not be entitled to extend the period of annual leave referred to in subclause (1) without the prior permission of the Regional Chamber which may impose such conditions as it may deem fit.

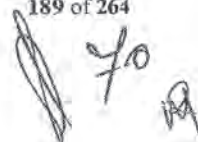
(13) This clause shall not apply to a casual employee.

17. In clause 16(4), insert the following expression between "consecutive pay weeks" and "Provided that":

", as well as absence without pay for three or more days in any pay week and transfers in occupation and wage of employees in respect of that week:".

18. In sub-clause 22(2)(a), substitute the new expression "R2,76 per week." for the existing expression "an amount of R2,56 per week.".

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19. In sub-clause 22(2)(b), substitute the new expression "R4,46 per week" for the existing expression "R4,14 per week".

20. In clause 23, insert the following new subclause (3):

"(3) Payment of shop stewards for attending bargaining council or related meetings -

Any day or part thereof used for attending bargaining council or related meetings shall not be debited from normal shop stewards time off for trade union activities. Payment for such days or hours shall be the responsibility of the relevant regional chamber of the NBC."

21. In clause 24(4)(d), delete the following expression, ", but only after obtaining the necessary written authorisation".

22. In clause 25, substitute the existing expression for the following new expression,

**"25: SUBCONTRACTING AND DISCLOSURE OF EMPLOYERS' PATTERNS ETC".**

23. In clause 25, insert the following new subclause (6) and (7):

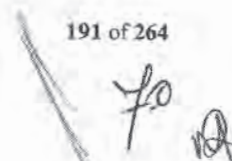
"(6) (a) No employer ("the subcontracting party") may subcontract any work that falls under the definition of "Clothing Industry" in clause 3 of this

Agreement, to another person who is subject to this Agreement or any other Council agreement regulating terms and conditions of employment and/or benefits ("the subcontractor"), unless both the subcontracting party and the subcontractor are complying employers.

(b) Regardless of whether or not clause 25(6)(a) has been complied with, the subcontracting party and the subcontractor are jointly and severally liable if the subcontractor, in respect of any of this employees, contravenes:

- (i) this Agreement or any other Council agreement regulating terms and conditions of employment and/or benefits;
- (ii) a binding arbitration award that regulated or relates to terms and conditions of employment;
- (iii) Or the Basic Conditions of Employment Act, No 75 of 1997, as amended from time to time.

(7) The parties shall enter into agreements with all Provincial and Local governments which shall have the effect that their sourcing from the Industry shall include a requirement to only source from companies which hold a valid Certificate of Compliance from the bargaining council."



24. In clause 26(3), substitute the existing expression for the following new expression **"One copy of this Collective Agreement, Clause 26 of which shall represent the Rules of the said Fund,"**
25. In clause 26(13)(g)(vi)(aa) and (ab), delete the following wording "of the Fund",
26. In clause 26(13)(g)(vi)(ab), insert the following new expression "medical" before the expression "professional".
27. In clause 26(13)(g)(vi)(ab), delete the following wording:

"staff of the Fund. In such cases, the Medical Officer or other professional staff of the Fund shall endorse the certificate with the appropriate wording determined by the Management Committee of the Fund.

Provided further that a principal member parent who presents a certificate for a child which has been issued by a Public Funded Hospital shall be eligible for benefits under this arrangement only in instances where the Fund's own professional staff have confirmed the diagnosis and requirements in terms of this provision.

For purposes hereof, a Public Funded Hospital shall mean any of those larger State Hospitals which usually provide a 24-hour service.

Provided also that employees in the Industry who fall within the jurisdiction of the Regional Chamber and who have been exempted from contributing to the Fund



- shall be entitled to attend a Health Care Fund facility of the Fund for purposes of obtaining the required certification in respect of an ill dependent child. Such an arrangement however, shall, not entitle the employee or his dependents to any medical attention"
28. In clause 27(3), substitute the new expression "40 cents per week" for the existing expression "37 cents per week".
29. In clause 27(4), substitute the new expression "61 cents per week" for the existing expression "57 cents per week".
30. In clause 28(2)(f), substitute the existing expression for the following new expression "The notice of sequestration, winding up, transfer, abandonment, acquisition or commencement shall be by means of a written statement setting forth full particulars of the change, sequestration, winding up, transfer, abandonment, acquisition or commencement, as the case may be,".
31. In clause 33, substitute the existing subclause (4) and (5) with the following new subclauses:
- "(4) In addition to the leave granted in (3) above, shop stewards shall be eligible for and have access to further paid leave to attend to trade union duties. This additional leave shall be calculated at six days per annum per shop steward and the head shop steward shall be eligible to an additional 1 (one) day paid time off.

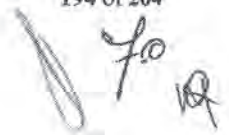
- (5) At each establishment, this additional leave shall be pooled and the shop stewards shall be entitled to use the additional leave so pooled to attend to trade union duties in any manner that the trade union deems fit. Provided, that in establishments employing five or fewer employees, the trade union shall give the employer ten days' written notice of the activity for which it seeks time off in terms of this clause."

32. In clause 35, substitute the existing subclause (2), with the following new subclauses:

"(2) Family Responsibility Leave

Is presently an allowance of 3 days on full pay per year, and if the employee does not utilize the family responsibility leave during any 1 year, then any part of the allowance remaining at the end of the year is forfeited and it not carried over to the next year.

- (a) Family responsibility leave is available only to employees who have been in employment with the same employer for longer than 4 months, and
- (b) who work more than 4 days per week for that the employer.
- (3) Family responsibility leave may be used when the employee's child is born, when the employee's child is sick, or upon the death of the employee's



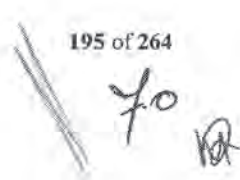
souse or life partner, or the employee's parent, adoptive parent, grandparent, adopted child, grandchild or sibling.

- (4) An employee is entitled to take family responsibility leave as a ½ day, if that is all that is required. The employer is entitled to ask for proof of the event for which the family responsibility leave is sought, such as a medical certificate or death certificate. Family responsibility leave may not be claimed for any reason other than the reasons stated above."
33. In clause 37, substitute the existing sub-clause 37(8), with the following new sub-clause 37(8):

**"(8) Compliance Promotion**

- (1) All current non-compliant companies which meet a minimum of 80% of the party-to-party negotiated wage rate for current employees, shall be regarded as level B compliant, subject to sub-clause 2 below.
- (2) All companies described in 8.1 above shall achieve 100% wage compliance within a period of 18 months from 1 September 2012, in 6 monthly equal increments, failing which full compliance enforcement including the execution of writs shall apply to them.
- (3) The arrears of non-compliant companies shall be ring-fenced in a 'suspense account' at 100% of the verified arrears value and a written

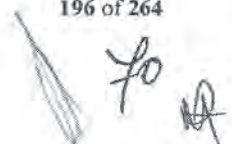
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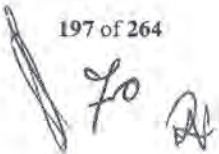


time-bound repayment plan agreed with the bargaining council. They should also sign a legally enforceable acknowledgement of debt.

- (4) The current policy that allows for a maximum of 6-months as a repayment period for arrears shall be amended, to allow for a maximum eighteen (18) months repayment period with effect from 1 November 2012.
- (5) The arrears will become payable in full should the employer become non-compliant, or default on the repayment plan at any time in future, unless otherwise agreed by the parties.
- (6) At every future meeting of the National Bargaining Council, each party shall make one practical concrete suggestion on how to further promote compliance in the industry.
- (7) The National Bargaining Council General Secretary shall have unfettered authority to serve any writ of execution upon any employer who fails to become compliant in terms of the new compliance provisions envisaged in this agreement, unless the parties agree otherwise.
- (8) Nothing in clause 4 or clause 5 of this agreement shall have the effect of downward migration of conditions of employment for any current employee.

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- (9) The Trade Union shall have the unfettered right to embark on industrial action against any company which fails to implement the terms of this agreement."
34. In clause 38(5), substitute the new expression "27 cents per week" for the existing expression "25 cents per week".
35. In clause 39(3), substitute the new expression "53 cents per week" for the existing expression "49 cents per week".
36. In clause 40, substitute the existing expression "Cape Clothing Association" or "CCA" wherever it appears in clause 40, for the following new expression "South African Apparel Association" or "SAAA", wherever it appears in clause 40.
37. In clause 41(1), substitute the new expression "31 August 2018" for the existing expression "31 August 2017" and the new expression "1 September 2017" for the existing expression "1 September 2016".
38. In clause 44(3), substitute the existing subclause (3)(b) and (c), for the following new subclause (3)(b), (c) and (d):
- "(b) pay such monies to the Regional Secretary of the Regional Chamber within fourteen days of month-end in which the deductions fall due in the form an manner specified by the Regional Chamber.

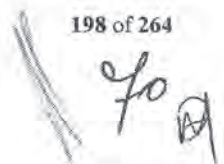
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- (c) The Regional Chamber shall forward the amounts to the Secretary of the union, together with such analyses of the amounts as are received from employers by not later than the end of the month in which the fees were received.
- (d) deduct the agency fee from the wages of an employee without the employee's authorisation as provided for in section 25(4) of the Act."
39. In clause 45, delete sub-clause (2) and renumber subclause (3) to read "(2)".
40. Insert new clause 51:
- "51. INCENTIVISED WAGE NATIONAL FRAMEWORK AGREEMENT**
- Contained in Annexure E."
41. Insert the following new Annexure E:

**"ANNEXURE E**

**INCENTIVISED WAGE NATIONAL FRAMEWORK AGREEMENT**

Subject to the terms of the 2014/2016 main substantive agreement to which this annexure is attached taking precedence of interpretation, the following provisions of the incentivised wage national framework agreement shall be applicable:





## 1. Introduction and Key Principles

- 1.1 This Framework Agreement is intended to be of an enabling nature and to provide for maximum flexibility for plant level incentive schemes to be concluded on a unique and case-by-case basis. This does not preclude companies from sharing information and implementing similar incentive schemes should that be desirable.
- 1.2 The overall objective of the incentivised wage dispensation is to improve company level productivity and competitiveness.
- 1.3 The incentivised wage scheme(s) will operate in addition to current company production (or related) incentive schemes. It shall not replace current schemes already in operation at plant level, unless this is expressly agreed to at plant level.
- 1.4 The guaranteed wage rate shall be supplemented with an incentivised wage component which shall allow new employees to earn up to 100% or more of the gazetted rate, provided the employee(s) meets the required performance standards as contained in the plant level incentive scheme. This incentive shall be applicable to all new employees engaged under the incentivised wage provisions and employed after 1st September 2012, once a national framework agreement covering governing the incentive portion has been agreed.

- 1.5 Incentive Schemes should be as simple as possible, both to comprehend and to administer.

## **2. Employee Protection**

- 2.1 The incentive scheme(s) at plant level shall not be used as a disciplinary tool or measure. The schemes shall operate separate and distinct from company disciplinary procedures and management disciplinary measures.
- 2.2 Events outside the control of the company shall not prejudice employees provided that the principle of earnings for time worked and earnings for performance achieved shall apply, subject to the relevant provisions of the Main Agreement.
- 2.3 The provisions of clause 2.2 above shall also apply in respect of protected strike action and shop stewards' authorised time off.

## **3. Plant Level Incentive Schemes**

- 3.1 The proposed incentive schemes contemplated herein shall be drafted by management, then consulted on with the shop stewards and thereafter forwarded to the trade union for its consideration. It then needs to be finally agreed between the parties and upon agreement, must be implemented in consultation with shop stewards at plant level.

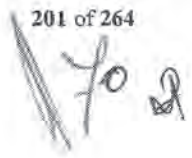


- 3.2 Incentive schemes shall not operate to give effect to any downward variation of employment standards or conditions of employment as provided for in the bargaining council's Main Agreement.
- 3.3 The provisions of all incentive schemes shall be reduced to writing, signed by management as well as the relevant branch, regional or national union official and submitted to the Bargaining Council for registration, within one week of its conclusion.
- 3.4 Incentive schemes shall be time bound and reviewed at the end of the agreed period of its operation.
- 3.5 The panel of experts to be appointed by the parties may also be consulted at the expense of the party concerned to provide guidance and offer advice in respect of the design and operation of any plant level incentive scheme.

#### **4. Deadlock-Breaking Mechanism**

- 4.1 A panel of experts shall be appointed by the parties to the 2014/16 Substantive Agreement. Such appointees shall be knowledgeable in the field of clothing production and objective evaluation performance management- and reward systems.
- 4.2 The panel of experts shall be fairly spread across the registered scope of the bargaining council, wherever possible.

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- 4.3 As provided for in clause 4.16 of the 2014/2016 Substantive Agreement, the deadlock breaking mechanism for the implementation of the incentive component at plant level shall in the first instance consist of a facilitation process by a member or members drawn from the panel of experts.
- 4.4 If the matter under consideration is not resolved as per sub-clause 4.3 above, the panellist(s) involved shall submit an advisory award to the leadership of the relevant employer and the trade union for their consideration.
- 4.5 Should the affected parties not agree to the advisory award recommendations and are unable to resolve their disagreements, the deadlock breaking mechanism shall be either binding interest arbitration by agreement, or any other deadlock breaking mechanism as agreed between the affected parties.
- 4.6 The provisions of sub- clauses 4.3 and 4.4 above shall also apply in respect of any dead-lock regarding the review of plant level incentive schemes as contemplated in clause 3.4 above.
- 4.7 Should the parties be unable to finalise agreement on the deadlock breaking mechanism for the national framework agreement by the time of signature of the main substantive agreement (envisaged for 15 September 2014), the parties agree to provide for a final extended opportunity to finalise this

matter within two (2) weeks from the date of signing this agreement, failing which the provision of sub-clause 4.14 above will become effective.

## 5. Dispute Resolution

5.1 Should any dispute arise at plant level relating to the interpretation and/or application of any provision of an incentive scheme under this Framework Agreement, the dispute resolution provisions of the bargaining council constitution and/or Main Agreement shall apply.

5.2 Any referral of a dispute as contemplated in terms of sub-clause 5.1 above shall be conciliated and/or arbitrated by a member of the panel of experts, unless otherwise agreed between the disputing parties.

## 6. Reporting and Administration

6.1 Companies participating in this dispensation shall be required to report on a six monthly basis to the bargaining council in respect of the staff contemplated in clause 1.4 above.

6.2 Such report shall cover at least the following matters:

- Number of employees on scheme
- Trends in overall employment in the company
- Single or multi-factor productivity (OR OTHER) improvements

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- Average earnings of those in the scheme as a percentage of the full guaranteed bargaining council agreement rates

6.3 The trade union shall be entitled to all information related to a plant level incentive scheme.

## 7. Qualification and Commencement of Plant Level Consultation

Companies who qualify under the provisions of clause 4 of the 2014/2016 Substantive Agreement and who decide to utilise it, shall have 2 full calendar months ("the prescribed period") to conclude plant level incentive arrangements, time effective as follows:

For companies which have not yet employed employees on the incentivised wage scheme: from the date of employment of any employee employed in terms of the provisions of clause of the 2014/2016 agreement or from the date of notice to the trade union of intention to employ (whichever occurs first), and

For all other companies: with effect from 15 September 2014, unless a longer period is agreed by the trade union."



**10. PART H (PROVISIONS FOR THE WESTERN CAPE REGION (KNITTING))**

1. In clause 1(4), substitute the new Table of Contents, for the existing Table of Contents:

CLAUSE NO.	DESCRIPTION
1.	SCOPE OF APPLICATION OF THIS PART OF THE AGREEMENT .....
2.	PERIOD OF OPERATION OF THIS PART OF THE AGREEMENT .....
3.	DEFINITIONS .....
4.	WAGES .....
5.	PAYMENT OF WAGES.....
6.	TIME RECORDS.....
7.	WAGE INCENTIVES, PIECE-WORK AND TASK-WORK .....
8.	PROPORTION OR RATIO OF EMPLOYEES .....
9.	ORDINARY HOURS OF WORK, MEAL INTERVALS AND REST INTERVALS .....
10.	OVERTIME .....
11.	PAYMENT FOR OVERTIME AND WORK ON SATURDAYS, SUNDAYS AND PUBLIC HOLIDAYS .....
12.	SHORT-TIME.....
13.	PROVISION OF TEA AND OTHER BEVERAGES.....
14.	CLOSED SHOP .....
15.	ANNUAL LEAVE AND PAID PUBLIC HOLIDAYS.....
16.	ENGAGEMENTS, TERMINATIONS, ABSENCES FROM WORK AND TRANSFERS IN OCCUPATION .....
17.	RECORD CARDS AND AGREEMENT .....
18.	TERMINATION OF EMPLOYMENT .....
19.	EXEMPTIONS .....
20.	SEATING ACCOMMODATION .....
21.	TOOLS AND MATERIALS .....
22.	EXPENSES OF THE COUNCIL AND REGIONAL CHAMBER.....
23.	TRADE UNION REPRESENTATIVES ON THE REGIONAL CHAMBER .....
24.	POWERS OF DESIGNATED AGENTS WHEN ATTEMPTING TO RESOLVE DISPUTES AND SECURE COMPLIANCE OF AND IN TERMS OF THIS PART OF THE AGREEMENT .....
25.	SUBCONTRACTING AND DISCLOSURE OF EMPLOYERS' PATTERNS ETC.....
26.	CLOTHING INDUSTRY HEALTH CARE FUND .....
27.	TRADE UNION SUBSCRIPTIONS .....
28.	REGISTRATION OF EMPLOYERS .....
29.	WAGE GUARANTEE .....
30.	MATERNITY LEAVE .....
31.	NEGOTIATION OF PROCEDURES AT INDIVIDUAL ESTABLISHMENTS .....
32.	ACCESS .....



33.	SHOP STEWARDS.....
34.	RETRENCHMENT BENEFITS.....
35.	PATERNITY AND FAMILY RESPONSIBILITY LEAVE .....
36.	PROCEDURE TO ENFORCE COMPLIANCE WITH THIS PART OF THE AGREEMENT ..
37.	DISPUTE PROCEDURE .....
38.	INDUSTRY PROTECTION FUND.....
39.	TRADE UNION CAPACITY BUILDING FUND .....
40.	COLLECTIVE BARGAINING/DISPUTE RESOLUTION LEVY .....
41.	FREQUENCY OF NEGOTIATIONS AND INDUSTRIAL ACTION .....
42.	ATYPICAL WORK, OUTSOURCING AND SUBCONTRACTING.....
43.	EMPLOYMENT OF CERTAIN PERSONS PROHIBITED .....
44.	TRADE UNION AGENCY SHOP .....
45.	PRODUCTIVITY (Annexure B).....
46.	HIV/AIDS (Annexure A).....
47.	CONTRACT EMPLOYEES (Annexure D) .....
48.	WORKING IN ARRANGEMENTS .....
49.	JOINT AND SEVERAL LIABILITY FOR COMPLIANT COMPANIES OUTSOURCING AND/OR SUBCONTRACTING TO NON-COMPLIANT COMPANIES .....
50.	PROVIDENT FUND CONTRIBUTIONS .....
51.	INCENTIVISED WAGE NATIONAL FRAMEWORK AGREEMENT (Annexure E) .....

2. In clause 3, substitute the existing definition with the following new definition:

“**Level B Compliance**” means an employer who;

- (i) Is paying between 80% and 100% of the gazette wage rates,
- (ii) has registered with the Council and has registered all permanent and contract employees with the Council,
- (iii) has given effect to all Collective Agreements of the Council which are applicable to it in each of its establishments, or
- (iv) has received exemption from any Collective Agreement to the extent of such exemption,
- (v) have entered into a Payment Plan and is conforming to the terms thereof,

(vi) have applied for and has been approved by the Council as Level B complaint;"

3. In clause 4(1)(a), substitute the existing wage schedule with the following new wage schedule (for clothing establishments):

DESCRIPTION		Group A (i.e. employees on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%	Group B (i.e. employees NOT on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%
		R	R	R	R
<b>Part A - Cutting Department</b>					
Pattern Maker:					
(a)	Qualified	2 263.50	1 811.00	2 273.00	1 818.50
(b)	Learner				
	First year				
	First six months of experience	1 268.00	1 014.50	1 272.50	1 018.00
	Second six months of experience	1 400.50	1 120.50	1 404.50	1 123.50
	Second year				
	First six months of experience	1 531.50	1 225.00	1 538.50	1 231.00
	Second six months of experience	1 672.00	1 337.50	1 680.50	1 344.50
	Third year				
	First six months of experience	1 824.00	1 459.00	1 831.50	1 465.00
	Next four months of experience	1 968.50	1 575.00	1 977.50	1 582.00
	Thereafter, the wage specified in (a), i.e.	2 263.50	1 811.00	2 273.00	1 818.50
Pattern Grader					
(a)	Qualified	1 826.00	1 461.00	1 833.00	1 466.50
(b)	Learner				
	First year				
	First six months of experience	1 191.50	953.00	1 198.50	959.00
	Second six months of experience	1 268.00	1 014.50	1 272.50	1 018.00
	Second year				
	First six months of experience	1 342.50	1 074.00	1 350.00	1 080.00
	Second six months of experience	1 438.50	1 151.00	1 445.00	1 156.00
	Third year				
	First six months of experience	1 531.50	1 225.00	1 538.50	1 231.00
	Next four months of experience	1 630.00	1 304.00	1 638.50	1 311.00
	Thereafter, the wage specified in (a), i.e.	1 826.00	1 461.00	1 833.00	1 466.50
Football Jersey Cutter					
(a)	Qualified	1 269.50	1 015.50	1 275.00	1 020.00
(b)	Learner				
	First year				
	First six months of experience	953.00	762.50	956.50	765.00

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DESCRIPTION		Group A (i.e. employees on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%	Group B (i.e. employees NOT on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%
		R	R	R	R
	Second six months of experience	1 010.00	808.00	1014.00	811.00
	Second year				
	First six months of experience	1 063.00	850.50	1068.00	854.50
	Second six months of experience	1 119.00	895.00	1125.00	900.00
	Third year				
	First four months of experience	1 174.50	939.50	1179.00	943.00
	Thereafter, the wage specified in (a), i.e.	1 269.50	1 015.50	1275.00	1020.00
	Layer-up				
(a)	Qualified	1 094.50	875.50	1098.50	879.00
(b)	Learner				
	First year				
	First six months of experience	921.50	737.00	925.00	740.00
	Second six months of experience	953.00	762.50	956.50	765.00
	Second year				
	First six months of experience	995.50	796.50	1000.50	800.50
	Thereafter, the wage specified in (a), i.e.	1 094.50	875.50	1098.50	879.00
	<b>Part B - Factory Operatives</b>				
	Grade A employee:				
(a)	Qualified	1 400.50	1 120.50	1404.50	1123.50
(b)	Learner				
	First year				
	First six months of experience	985.00	788.00	989.00	791.00
	Second six months of experience	1 062.00	849.50	1066.00	853.00
	Second year				
	First six months of experience	1 134.50	907.50	1138.50	911.00
	Second six months of experience	1 191.50	953.00	1198.50	959.00
	Third year				
	First four months of experience	1 269.50	1 015.50	1275.00	1020.00
	Thereafter, the wage specified in (a), i.e.	1 400.50	1 120.50	1404.50	1123.50
	Grade B employee:				
(a)	Qualified	1 196.50	957.00	1201.00	961.00
(b)	Learner				
	First year				
	First six months of experience	970.00	776.00	975.50	780.50
	Second six months of experience	1 021.50	817.00	1025.50	820.50
	Second year				
	First six months of experience	1 073.00	858.50	1077.00	861.50
	Thereafter, the wage specified in (a), i.e.	1 196.50	957.00	1201.00	961.00
(c)	If advanced to Grade A employee:				
	First six months from date of advancement	1 196.50	957.00	1201.00	961.00
	Second six months from date of advancement	1 231.50	985.00	1237.00	989.50
	Third six months from date of advancement	1 269.50	1 015.50	1275.00	1020.00



DESCRIPTION		Group A (i.e. employees on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%	Group B (i.e. employees NOT on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%
		R	R	R	R
	Thereafter, the wage specified for a qualified Grade A employee, i.e.	1 400.50	1 120.50	1404.50	1123.50
Grade C employee:					
(a)	Qualified	1 062.00	849.50	1066.00	853.00
(b)	Learner				
	First year				
	First six months of experience	951.00	761.00	955.50	764.50
	Second six months of experience	978.00	782.50	983.00	786.50
	Thereafter, the wage specified in (a), i.e.	1 062.00	849.50	1066.00	853.00
(c)	If advanced to Grade B employee:				
	First six months from date of advancement	1 062.00	849.50	1066.00	853.00
	Next six months from date of advancement	1 073.00	858.50	1077.00	861.50
	Thereafter, the wage specified for a qualified Grade B employee, i.e.	1 196.50	957.00	1201.00	961.00
<b>Part C - Clerical employees</b>					
Clerk					
(a)	Qualified	1 541.00	1 233.00	1549.00	1239.00
(b)	Learner				
	First year	1 137.50	910.00	1141.50	913.00
	Second year	1 236.50	989.00	1242.00	993.50
	Third year				
	First four months of experience	1 351.00	1 081.00	1357.00	1085.50
	Thereafter, the wage specified in (a), i.e.	1 541.00	1 233.00	1549.00	1239.00
Factory Clerk					
(a)	Qualified	1 156.50	925.00	1163.00	930.50
(b)	Learner				
	First year	921.50	737.00	925.00	740.00
	Second year	981.50	785.00	986.00	789.00
	Third year				
	First four months of experience	1 062.00	849.50	1066.00	853.00
	Thereafter, the wage specified in (a), i.e.	1 156.50	925.00	1163.00	930.50
<b>Part D - General</b>					
Boiler attendant		1 098.00	878.50	1103.50	883.00
Despatch packer		1 134.50	907.50	1138.50	911.00
General Worker		1 062.00	849.50	1066.00	853.00
Labourer		1 073.00	858.50	1077.00	861.50
Motor vehicle driver of a vehicle, the unladen mass of which, together with the unladen mass of any trailer or trailers drawn by such vehicle -					
(a)	does not exceed 1 360 kg	1 134.50	907.50	1138.50	911.00
(b)	exceeds 1 360 but not 2 720 kg	1 177.50	942.00	1182.50	946.00
(c)	exceeds 2 720 kg	1 342.50	1 074.00	1350.00	1080.00

DESCRIPTION		Group A (i.e. employees on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%	Group B (i.e. employees NOT on the 0.5% Productivity Incentive Scheme) from 1 Sep 2017 to 31 Aug 2018	New employees on Incentivised Scheme effective 1 September 2017 = 80%
		R	R	R	R
	Supervisor, quality controller and instructor	1 438.50	1 151.00	1445.00	1156.00
	Traveller's driver	1 177.50	942.00	1182.50	946.00
Watchman or caretaker, whose ordinary hours of work are -					
(a)	less than 60 hours per week	1 223.50	979.00	1229.50	983.50
(b)	60 hours per week	1 284.00	1 027.00	1290.50	1032.50
<b>NB: All employers who employed staff on 2011/2012 New Entry Wage Dispensation, must with the coming into effect of this Agreement, Increase the Weekly Wage for those employees by the agreed Wage Increase of 7.6% Across-the-Board.</b>					

4. In clause 4, delete subclause 4(2).
5. In clause 4, renumber sub-clause (3) to read "(2)".
6. In clause 4, substitute the following new sub-clause (2), for the existing sub-clause (2)

**"(2) Incentivised Wage Rates**

The following incentivised wage rates provisions, applicable to new employees only:



Commencing 1 September 2016, all employees will on the scheme shall, in year two, progress from 80% to 90% of their respective gazette wages and in year three to 100% of their wage.

This means that:

**Employees employed before 1 September 2016**

- Must be increased to 90% as of 1 September 2017.
- Until year 3 the incentive will still operate as described below just with a new floor/minimum earning level.
- In year 3, i.e. 1 September 2018, all employees are to move up to 100%.

**Employees employed after 1 September 2016**

- will be on 80% in year one;
- on their anniversary date they will move to 90%;
- Then in year 3 on their anniversary date they will move to 100%.

Subject to the following provisions:

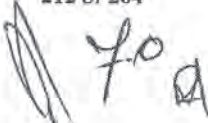
- 2.1 New employees are those persons with no previous working experience in the industry and shall include those persons with previous work experience but who have not been employed in the

industry for a minimum period of 3 years, unless the applicant employee agrees otherwise with his/her prospective employer.

2.2 The guaranteed wage rate as specified in sub-clause 2.1 above shall be supplemented with an incentivised wage component which shall allow new employees to earn up to 100% or more of the gazetted rate, provided the employee(s) meets the required performance standards as contained in the plant level incentive scheme. This incentive shall be applicable to all new employees engaged under the incentivised wage provisions and employed after 1 September 2012, once a national framework agreement governing the incentive portion has been agreed.

2.3 The provisions of clause 4 of this agreement are only applicable to companies which are registered with the National Bargaining Council for the Clothing Manufacturing Industry of South Africa, subject further to sub-clause 2.4 below.

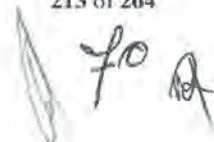
2.4 The provisions of clause 4 of this agreement are only applicable to those current compliant companies which were in existence and operational as at 1 June 2011. It is not applicable to those companies who are members of an employer association which has not signed this agreement and/or not to companies which have not implemented the wage increases envisaged in this agreement.

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The parties will explore further mechanisms which will protect current companies and current employees in the event of it being agreed that this provision be extended to new companies which enter the industry for the first time.

- 2.5 All other provisions of the industry's Main Agreement shall be applicable to new employees.
- 2.6 The closed shop shall be applicable to all new employees.
- 2.7 Employers shall not embark on retrenchment exercises, where the intent of such retrenchment is to re-employ employees at the rates specified in sub-clause 2.1 above.
- 2.8 Employers will ensure that short time arrangements are at all times fairly and equitably distributed across a workplace's employees in all job categories affected by short time arrangements.
- 2.9 Qualified employees shall be employed at the qualified rate, subject to sub-clause 2.2.
- 2.10 Current employees employed in terms of the new entry rate provision envisaged in the 2011/2012 party-to-party agreement and who were so employed prior to 1 September 2012 shall by exemption be ring-fenced on those rates plus all the subsequent annual increases due, and

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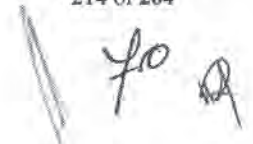


subject to the companies at which they are employed meeting the compliant employment growth targets as set out in the 2011/2012 wage agreement.

2.11 Effective 1<sup>st</sup> September 2012, all retrenched employees will, within a period of 12 months of having been retrenched, be given preferential employment in the same job category at the same wage rate which was applicable at the date of the employee's retrenchment or any higher wage rate which may have been gazetted and become applicable to the affected employee's job category after such date of retrenchment.

2.12 The parties have negotiated a national framework agreement at national bargaining council level, to give enabling effect to the plant level incentivised wage component as contemplated in sub-clause 2.3 of this agreement. Companies who qualify for the provisions of clause 4 of this agreement and who wish to implement it shall have a 2 months period to conclude plant-level incentive arrangements in terms of the provisions of the national framework agreement, which national framework agreement is attached as Annexure E hereto.

2.13 The deadlock breaking mechanism for the national framework agreement is either binding interest arbitration or, at the end of the prescribed period, the entire 80% dispensation falls away, unless other

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forms of deadlock breaking mechanisms are agreed between the parties.

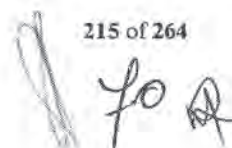
2.14 Should the 80% dispensation fall away in consequence of the provision in sub-clause 2.13 above, new employees employed on the incentive wage provisions should be paid 100% of the applicable agreement rate.

2.15 The deadlock breaking mechanism for operationalising the incentive component at plant level shall consist firstly of a facilitation process by a panel of experts jointly appointed by the employer and trade union parties to this agreement and if not resolved, by an advisory award by the panel, unless other forms of deadlock breaking mechanisms are agreed to between the parties."

8. In clause 4(7), substitute the existing expression for the following new expression:

"An employee who is **transferred** from one occupation to another for which wages are prescribed in this part of the Agreement, either with the same employer or if commencing service with another employer, shall be paid the wages prescribed in respect of the **experience** such an employee has had in the Industry, irrespective of the occupation in which such experience has been obtained, unless otherwise approved by the Regional Chamber."

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9. In clause 4(13) substitute the year "2017" for the year "2016".
10. In clause 4, renumber subclause (4),(5),(6),(7),(8),(9),(10),(11),(12),(13) and (14) to read "(3),(4),(5),(6),(7),(8),(9),(10),(11),(12) and (13)".
11. In clause 5 (1) and (2), substitute the existing subclause (1) for the new subclause (1) and (2):  
  
"(1) Nothing in this part of the Agreement shall operate to **reduce the wage** which was being paid immediately prior to or at the date of the commencement of this part of the Agreement, whilst such employee is employed by the same employer.  
  
(2) The provisions of this subclause shall also apply in the case of any employee whose services are **terminated** by such employer subsequent to the date of commencement of this part of the Agreement and who is re-engaged by such employer.  
  
For the purposes hereof, 'Agreement' shall include any amendment thereto."
12. In clause 5, renumber the existing subclauses "(2), (3), (4), (5), (6), (7), (8) and (9)" to read "(3), (4), (5), (6), (7), (8), (9) and (10)".
13. In clause 5(10), substitute the existing expression "(8)", for the following new expression "(9)".



14. In clause 11(2), delete subclause (2)(f).
15. In clause 11(3), substitute the existing subclause (3) with the following new subclause (3):

**"(3) Sunday work:** No work shall be performed on a Sunday without the permission of the Regional Chamber and a twilight shift worker may not be required to work on a Sunday.

(a) Whenever an employee, other than a normal shift worker, is required or permitted to work on a Sunday, his employer shall:

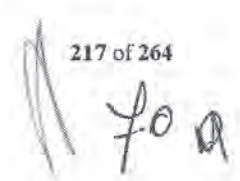
(i) Pay the employee if he so works, for a period not exceeding four hours, not less than the ordinary wage payable in respect of the period ordinarily worked by him on a weekday; or

(ii) Pay the employee if he so works for a period exceeding four hours, wages, at a rate of not less than double his ordinary rate of pay, in respect of the total period worked on such Sunday, or the wage which is not less than double the ordinary wage payable in respect of the period ordinarily worked by him on a weekday, whichever is the greater; or"

16. In clause 15, substitute the existing clause 15, for the following new clause 15:

**"15: ANNUAL LEAVE AND PAID PUBLIC HOLIDAYS**

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(1) **Annual leave:** Subject to the provisions of subclause (7), every employee shall between 15 December of each year and 14 January of the following year be granted at least three consecutive weeks' and one working day's annual leave and shall, in respect of such leave, be paid as follows:

(a) in the case of an employee who on the latest day on which he can commence leave has completed at least one year's continuous employment with his employer:

(i) 15 ordinary working days at full wage;

(ii) Christmas Day, Day of Goodwill and New Year's Day as paid public holidays in accordance with clause 11 (4) of the Agreement;

(iii) when Day of Reconciliation falls within the period of annual leave it shall in accordance with clause 11 (4) of the Agreement also be observed as a paid public holiday thus extending the annual leave period by one day;

no employee referred to in this subclause shall be paid less than three weeks' wages as annual leave pay.

(b) in the case of an employee who on the date of closing of the establishment for the specified annual leave period has not completed

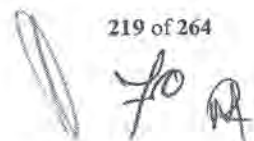
one year's continuous employment with his employer and whose employment has not been terminated:

- (i) for each completed month of employment in that year an amount equal to one day's pay; plus
- (ii) for any of the following public holidays falling within the period during which the establishment is closed for the annual holiday period: Day of Reconciliation, Christmas Day, Day of Goodwill and New Year's Day, the amount set out in clause 11 (4) in respect of each such holiday.

(2) **Pro-rata Annual leave payment:** Upon termination of employment an employee shall receive payment in lieu of leave calculated as follows:

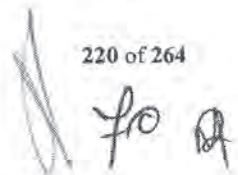
- (a) One day's pay in respect of each completed month of employment calculated from 15 December of the previous year or from the date of engagement, whichever is the shorter period:
- (b) An employer shall not set off against such days of paid leave any days of paid leave granted such employee in excess of the number of day's paid leave he was required to pay the employee in terms of this subclause.

(3) **Paid public holidays:**

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- (a) In addition to the paid public holidays normally falling within the period of annual leave, i.e. Christmas Day, Day of Goodwill and New Year's Day, each employee shall be entitled to and be granted leave on full pay on Human Rights Day, Good Friday, Family Day, Freedom Day, Workers' Day, Youth Day, National Women's Day, Heritage Day and Day of Reconciliation, subject to the provisions of clause 11 (4).
- (b) Where an employee's employment terminates immediately before any of the paid public holidays referred to in subclause (2) (a), he shall be entitled to payment for such public holidays, provided they fall within an extended period.
- (c) The extended period is calculated as one working day in respect of each completed month of employment (calculated from the day on which the employee last became entitled to leave or from date of engagement, whichever is the shorter period) shall be added to the date on which the employee's employment terminates
- (d) If any paid public holidays falls within such added period it shall be paid for provided that:
  - (i) where the employment of an employee is terminated by his employer at any time during December of any year for reasons

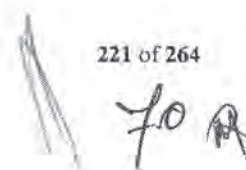


other than dismissal without notice for any good cause recognised by law as sufficient, as referred to in clause 18(1)(a), such employee shall be paid in accordance with the rate determined in clause 11 (4) in respect of each of the public holidays referred to in subclause (1)(a) which falls after the date of termination of employment;

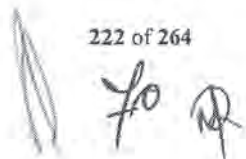
- (ii) where an employee gives notice to his employer of his intention to terminate employment at any time during December of any year, such employee shall not be entitled to payment in respect of the paid public holidays mentioned in subclause (1) (a) unless such paid public holidays fall within an extended period calculated in the manner set out herein.

In the event of a paid holiday falling upon a Sunday, it shall be observed the following day.

- (4) **Payment for leave:** The employer shall pay his employee to whom leave is granted in terms of subclause (1), his pay in respect of leave not later than the last working day before the commencement of the said period.
  - (a) Any amount paid to an employee in terms of subclause (1) or (2) shall be calculated at the rate of pay which the employee was receiving immediately prior to the date upon which the leave became due or his employment terminated, as the case may be;



- (b) Whenever an employee is paid on a basis other than in accordance with the time actually worked by him, his ordinary rate of pay shall, for the purposes of this clause, be calculated as though he were paid by the hour and shall be ascertained at any date by dividing his total wage during the three months immediately preceding that date, or during the total period of his employment by the employer concerned, whichever is the shorter, by the number of hours worked during the period in respect of which such wage was paid.
- (5) For the purposes of this clause, employment shall be deemed to commence from:
- (a) the date on which the employee entered the employer's service; or
- (b) the date on which an employee who has, in accordance with the previous Agreement, been granted leave of absence on full pay, became entitled to such leave in terms of such Agreement, whichever may be the later.
- (c) Short-time shall not be deducted by an employer when computing the period of employment qualifying for annual leave in terms of subclause (1).





(6) Where an employee has absented himself from work for any reason, other than that referred to in subclause (9), such period of absence shall not be considered as employment in terms of subclause (1).

(7) **Deductions from leave pay:** Only deductions as contemplated in clause 5(4) (c) and (h) are allowed from the Annual leave payment due to an employee;

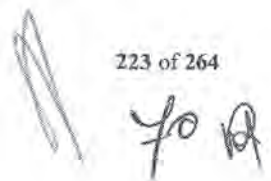
(a) Deductions in respect of Provident Fund

(8) **Annual leave at periods other than the specified leave period:** An employer may make mutual arrangements with his:

(a) clerks, factory shop assistants, maintenance staff and watchmen or caretakers to take their annual leave at a period other than between 15 December and the ensuing 14 January, and in that event such employees shall be entitled to not less than three consecutive weeks' leave to be granted not later than within that period up to and including Good Friday of the year immediately succeeding the year of employment to which it relates;

('Maintenance staff' means employees who are engaged in making repairs or adjustments to machinery or equipment, including the installation of such machinery or equipment, and who may effect cleaning, repairs or renovations to buildings, fixtures and fittings.);

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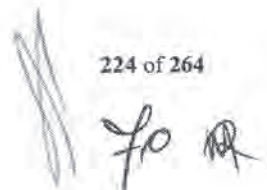


- (b) employees engaged in making samples, to take not more than 10 days' annual leave at a period other than between 15 December and the ensuing 14 January, and in that event such employees shall be entitled to not less than two consecutive weeks' leave, or such lesser period of leave as might be due to the employees concerned, to be granted not later than within that period up to and including Good Friday of the Year immediately succeeding the year of employment to which it relates;
- (c) Provided that in the case of employees making samples, an employer shall be permitted to work 10 employees, or a minimum of 5 per cent of his labour force, whichever is the greater;
- (d) employees, by agreement, to allow for two consecutive weeks' leave, inclusive of public holidays, to be taken in the period December to January each year, with the balance to be taken before the end of June of the following year: Provided that the terms of any such agreement reached by an employer with his employees shall be referred to the Regional Chamber for record purposes.

(9) **Leave and notice not to be concurrent:**

- (a) Notice of termination of a contract of employment given by an employer shall -

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- (i) not be given during any period of leave to which the employee is entitled in terms of this part of the Agreement; and
- (ii) not run concurrently with any period of leave to which the employee is entitled in terms of this part of the Agreement.

(b) Nothing in this section affects the right –

- (i) of a dismissed employee to dispute the lawfulness or fairness of the dismissal in terms of Chapter VIII of the Act, or any other law; and
- (ii) of an employer or an employee to terminate a contract of employment without notice for any cause recognised by law.

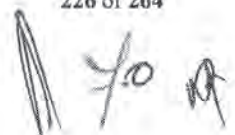
(c) Payment instead of notice: Instead of giving an employee notice, an employer may pay the employee the remuneration the employee would have received, calculated in accordance with this part of the Agreement, if the employee had worked during the notice period.

(10) **Any period** during which an employee:

- (a) is on leave in terms of subclause (1); or



- (b) is absent on military service, not exceeding four months, undergone in that year; or
- (c) is absent from work on the instructions or at the request of the employer; or
- (d) is absent from work owing to illness or by reason of the fact that no female shall work in an establishment and no employer shall require or permit any female to work in his establishment during the period commencing four weeks prior to the expected date of her confinement and ending eight weeks after birth (if the child is stillborn or dies before the expiration of eight weeks after birth, shall be deemed to be employment for the purposes of subclauses (1) and (2): Provided that:
  - (i) the provisions of paragraph (d) shall not apply in respect of any period of absence owing to illness of more than three consecutive days, if the employee, not being an employee referred to in proviso
  - (ii) fails, after a request for such certificate by the employer, to submit to the employer a certificate by a medical practitioner that he was prevented by illness from doing his work, or in respect of that part of any total period of absence during any 12 months of employment which is in excess of 30 days;
  - (iii) an employee whose employer is required in terms of any Act of Parliament to provide for the care and treatment of such



employee when sick or injured, shall not be required to submit a certificate by a medical practitioner in respect of any period of absence referred to in proviso (i).

(11) **Advance notice of annual leave period:** At least one calendar month's notice of the actual date of the end of the year leave period shall be given by the employer by exhibition of an appropriate notice in the factory in a conspicuous place readily accessible to his employees.

(12) **Extension of annual leave period:** An employer shall not be entitled to extend the period of annual leave referred to in subclause (1) without the prior permission of the Regional Chamber which may impose such conditions as it may deem fit.

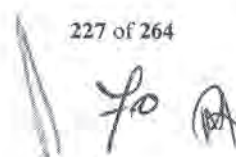
(13) This clause shall not apply to a casual employee.

17. In clause 16(4), insert the following expression between "consecutive pay weeks" and "Provided that":

" , as well as absence without pay for three or more days in any pay week and transfers in occupation and wage of employees in respect of that week: ".

18. In sub-clause 22(2)(a), substitute the new expression "R2,66 per week." for the existing expression "an amount of R2,47 per week."

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19. In sub-clause 22(2)(b), substitute the new expression "R4,26 per week" for the existing expression "R3,96 per week".

20. In clause 23, insert the following new subclause (3):

"(3) Payment of shop stewards for attending bargaining council or related meetings -

Any day or part thereof used for attending bargaining council or related meetings shall not be debited from normal shop stewards time off for trade union activities. Payment for such days or hours shall be the responsibility of the relevant regional chamber of the NBC."

21. In clause 24(4)(d), delete the following expression, ", but only after obtaining the necessary written authorisation".

22. In clause 25, substitute the existing expression for the following new expression,

**"25: SUBCONTRACTING AND DISCLOSURE OF EMPLOYERS' PATTERNS ETC".**

23. In clause 25, insert the following new subclause (6) and (7):

"(6) (a) No employer ("the subcontracting party") may subcontract any work that falls under the definition of "Clothing Industry" in clause 3 of this

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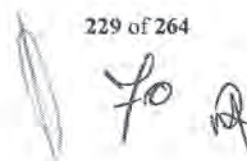


Agreement, to another person who is subject to this Agreement or any other Council agreement regulating terms and conditions of employment and/or benefits ("the subcontractor"), unless both the subcontracting party and the subcontractor are complying employers.

(b) Regardless of whether or not clause 25(6)(a) has been complied with, the subcontracting party and the subcontractor are jointly and severally liable if the subcontractor, in respect of any of this employees, contravenes:

- (i) this Agreement or any other Council agreement regulating terms and conditions of employment and/or benefits;
- (ii) a binding arbitration award that regulated or relates to terms and conditions of employment;
- (iii) Or the Basic Conditions of Employment Act, No 75 of 1997, as amended from time to time

(7) The parties shall enter into agreements with all Provincial and Local governments which shall have the effect that their sourcing from the Industry shall include a requirement to only source from companies which hold a valid Certificate of Compliance from the bargaining council."



24. In clause 26(3), substitute the existing expression for the following new expression **"One copy of this Collective Agreement, Clause 26 of which shall represent the Rules of the said Fund,"**.

25. In clause 26(4)(a), insert the following new expression:

"Group 5 In the case of an employee earning R2307,70 per week **in excess of the ceiling rate** specified in clause 1 (2) (b), but is **but continue to contribute to the fund:**

Without dependants: R74,17

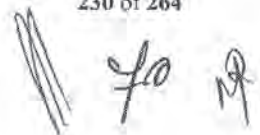
With dependants: R92,30

Group 6 In the case of an employee earning R2307,70 per week **in excess of the ceiling rate** specified in clause 1 (2) (b), but is **Exempted Into the fund:**

Without dependants: R79,14

With dependants: R97,30"

26. In clause 26(4)(b), substitute the new expression "R11,04" for the existing expression "R10,26" in Group 1 and the new expression "R13,17" for the existing expression "R12,24" in Group 2 and the new expression "R14,37" for the existing



expression "R13,35" in Group 3 and the new expression "R24,53" for the existing expression "R22,80" in Group 4, respectively.

27. In clause 26(4)(b), insert the following new expression:

"Group 5 In the case of a contributor earning R2307,70 per week **in excess of the ceiling rate** specified in clause 1 (2) (b), **but continue to contribute to the fund: R24,53;**

Group 6 In the case of an employee earning R2307,70 per week **in excess of the ceiling rate** specified in clause 1 (2) (b), **but is Exempted Into the fund: R24,53."**

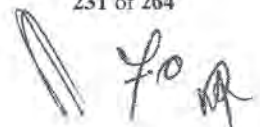
28. In clause 26(13)(g)(vi)(aa) and (ab), delete the following wording "of the Fund".

29. In clause 26(13)(g)(vi)(ab), insert the following new expression "medical" before the expression "professional".

30. In clause 26(13)(g)(vi)(ab), delete the following wording:

"staff of the Fund. In such cases, the Medical Officer or other professional staff of the Fund shall endorse the certificate with the appropriate wording determined by the Management Committee of the Fund.

Provided further that a principal member parent who presents a certificate for a child which has been issued by a Public Funded Hospital shall be eligible for benefits under this arrangement only in instances where the Fund's own





**CONTINUES ON PAGE 258 - PART 3**



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**PART 3 OF 3**

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professional staff have confirmed the diagnosis and requirements in terms of this provision.

For purposes hereof, a Public Funded Hospital shall mean any of those larger State Hospitals which usually provide a 24-hour service.

Provided also that employees in the Industry who fall within the jurisdiction of the Regional Chamber and who have been exempted from contributing to the Fund shall be entitled to attend a Health Care Fund facility of the Fund for purposes of obtaining the required certification in respect of an ill dependent child. Such an arrangement however, shall, not entitle the employee or his dependents to any medical attention"

31. In clause 27(3), substitute the new expression "41 cents per week" for the existing expression "38 cents per week".
32. In clause 27(4), substitute the new expression "61 cents per week" for the existing expression "57 cents per week".
33. In clause 28(2)(f), substitute the existing expression for the following new expression "The notice of sequestration, winding up, transfer, abandonment, acquisition or commencement shall be by means of a written statement setting forth full particulars of the change, sequestration, winding up, transfer, abandonment, acquisition or commencement, as the case may be."





34. In clause 33, substitute the existing subclause (4) and (5) with the following new subclauses:

"(4) In addition to the leave granted in (3) above, shop stewards shall be eligible for and have access to further paid leave to attend to trade union duties. This additional leave shall be calculated at six days per annum per shop steward and the head shop steward shall be eligible to an additional 1 (one) day paid time off.

(5) At each establishment, this additional leave shall be pooled and the shop stewards shall be entitled to use the additional leave so pooled to attend to trade union duties in any manner that the trade union deems fit. Provided, that in establishments employing five or fewer employees, the trade union shall give the employer ten days' written notice of the activity for which it seeks time off in terms of this clause."

35. In clause 35, substitute the existing subclause (2), with the following new subclauses:

"(2) Family Responsibility Leave

Is presently an allowance of 3 days on full pay per year, and if the employee does not utilize the family responsibility leave during any 1 year, then any part of the allowance remaining at the end of the year is forfeited and it not carried over to the next year.

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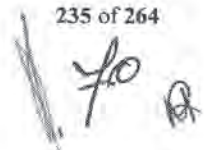


- (a) Family responsibility leave is available only to employees who have been in employment with the same employer for longer than 4 months, and
  - (b) who work more than 4 days per week for that the employer.
- (3) Family responsibility leave may be used when the employee's child is born, when the employee's child is sick, or upon the death of the employee's souse or life partner, or the employee's parent, adoptive parent, grandparent, adopted child, grandchild or sibling.
- (4) An employee is entitled to take family responsibility leave as a ½ day, if that is all that is required. The employer is entitled to ask for proof of the event for which the family responsibility leave is sought, such as a medical certificate or death certificate. Family responsibility leave may not be claimed for any reason other than the reasons stated above."
36. In clause 37, substitute the existing sub-clause 37(8), with the following new sub-clause 37(8):

**"(8) Compliance Promotion**

- (1) All current non-compliant companies which meet a minimum of 80% of the party-to-party negotiated wage rate for current employees, shall be regarded as level B compliant, subject to sub-clause 2 below.

- (2) All companies described in 8.1 above shall achieve 100% wage compliance within a period of 18 months from 1 September 2012, in 6 monthly equal increments, failing which full compliance enforcement including the execution of writs shall apply to them.
- (3) The arrears of non-compliant companies shall be ring-fenced in a 'suspense account' at 100% of the verified arrears value and a written time-bound repayment plan agreed with the bargaining council. They should also sign a legally enforceable acknowledgement of debt.
- (4) The current policy that allows for a maximum of 6-months as a repayment period for arrears shall be amended, to allow for a maximum eighteen (18) months repayment period with effect from 1 November 2012.
- (5) The arrears will become payable in full should the employer become non-compliant, or default on the repayment plan at any time in future, unless otherwise agreed by the parties.
- (6) At every future meeting of the National Bargaining Council, each party shall make one practical concrete suggestion on how to further promote compliance in the industry.
- (7) The National Bargaining Council General Secretary shall have unfettered authority to serve any writ of execution upon any employer





who fails to become compliant in terms of the new compliance provisions envisaged in this agreement, unless the parties agree otherwise.

(8) Nothing in clause 4 or clause 5 of this agreement shall have the effect of downward migration of conditions of employment for any current employee.

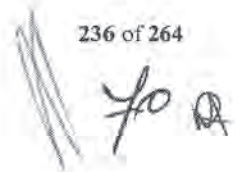
(9) The Trade Union shall have the unfettered right to embark on industrial action against any company which fails to implement the terms of this agreement."

37. In clause 38(5), substitute the new expression "27 cents per week" for the existing expression "25 cents per week".

38. In clause 39(3), substitute the new expression "48 cents per week" for the existing expression "45 cents per week"

39. In clause 40, substitute the existing expression "Cape Clothing Association" or "CCA" wherever it appears in clause 40, for the following new expression "South African Apparel Association" or "SAAA", wherever it appears in clause 40.

40. In clause 41(1), substitute the new expression "31 August 2018" for the existing expression "31 August 2017" and the new expression "1 September 2017" for the existing expression "1 September 2016".



41. In clause 44(3), substitute the existing subclause (3)(b) and (c), for the following new subclause (3)(b), (c) and (d):

"(b) pay such monies to the Regional Secretary of the Regional Chamber within fourteen days of month-end in which the deductions fall due in the form and manner specified by the Regional Chamber.

(c) The Regional Chamber shall forward the amounts to the Secretary of the union, together with such analyses of the amounts as are received from employers by not later than the end of the month in which the fees were received.

(d) deduct the agency fee from the wages of an employee without the employee's authorisation as provided for in section 25(4) of the Act."

42. In clause 45, delete sub-clause (2) and renumber subclause (3) to read "(2)".

43. Insert new clause 51:

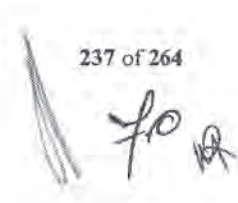
**"51. INCENTIVISED WAGE NATIONAL FRAMEWORK AGREEMENT**

Contained in Annexure E."

44. Insert the following new Annexure E:

**"ANNEXURE E**

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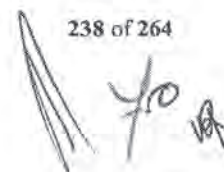


### **INCENTIVISED WAGE NATIONAL FRAMEWORK AGREEMENT**

Subject to the terms of the 2014/2016 main substantive agreement to which this annexure is attached taking precedence of interpretation, the following provisions of the incentivised wage national framework agreement shall be applicable:

#### **1. Introduction and Key Principles**

- 1.1 This Framework Agreement is intended to be of an enabling nature and to provide for maximum flexibility for plant level incentive schemes to be concluded on a unique and case-by-case basis. This does not preclude companies from sharing information and implementing similar incentive schemes should that be desirable.
- 1.2 The overall objective of the incentivised wage dispensation is to improve company level productivity and competitiveness.
- 1.3 The incentivised wage scheme(s) will operate in addition to current company production (or related) incentive schemes. It shall not replace current schemes already in operation at plant level, unless this is expressly agreed to at plant level.
- 1.4 The guaranteed wage rate shall be supplemented with an incentivised wage component which shall allow new employees to earn up to 100% or more of

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the gazetted rate, provided the employee(s) meets the required performance standards as contained in the plant level incentive scheme. This incentive shall be applicable to all new employees engaged under the incentivised wage provisions and employed after 1st September 2012, once a national framework agreement covering governing the incentive portion has been agreed.

- 1.5 Incentive Schemes should be as simple as possible, both to comprehend and to administer.

## **2. Employee Protection**

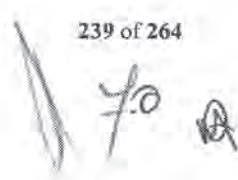
- 2.1 The incentive scheme(s) at plant level shall not be used as a disciplinary tool or measure. The schemes shall operate separate and distinct from company disciplinary procedures and management disciplinary measures.

- 2.2 Events outside the control of the company shall not prejudice employees provided that the principle of earnings for time worked and earnings for performance achieved shall apply, subject to the relevant provisions of the Main Agreement.

- 2.3 The provisions of clause 2.2 above shall also apply in respect of protected strike action and shop stewards' authorised time off.

## **3. Plant Level Incentive Schemes**

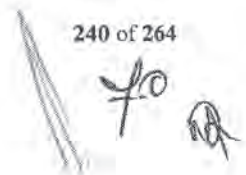
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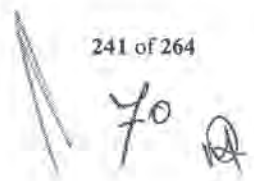
- 3.1 The proposed incentive schemes contemplated herein shall be drafted by management, then consulted on with the shop stewards and thereafter forwarded to the trade union for its consideration. It then needs to be finally agreed between the parties and upon agreement, must be implemented in consultation with shop stewards at plant level.
- 3.2 Incentive schemes shall not operate to give effect to any downward variation of employment standards or conditions of employment as provided for in the bargaining council's Main Agreement.
- 3.3 The provisions of all incentive schemes shall be reduced to writing, signed by management as well as the relevant branch, regional or national union official and submitted to the Bargaining Council for registration, within one week of its conclusion.
- 3.4 Incentive schemes shall be time bound and reviewed at the end of the agreed period of its operation.
- 3.5 The panel of experts to be appointed by the parties may also be consulted at the expense of the party concerned to provide guidance and offer advice in respect of the design and operation of any plant level incentive scheme.

#### 4. Deadlock-Breaking Mechanism

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- 4.1 A panel of experts shall be appointed by the parties to the 2014/16 Substantive Agreement. Such appointees shall be knowledgeable in the field of clothing production and objective evaluation performance management- and reward systems.
- 4.2 The panel of experts shall be fairly spread across the registered scope of the bargaining council, wherever possible.
- 4.3 As provided for in clause 4.16 of the 2014/2016 Substantive Agreement, the deadlock breaking mechanism for the implementation of the incentive component at plant level shall in the first instance consist of a facilitation process by a member or members drawn from the panel of experts.
- 4.4 If the matter under consideration is not resolved as per sub-clause 4.3 above, the panellist(s) involved shall submit an advisory award to the leadership of the relevant employer and the trade union for their consideration.
- 4.5 Should the affected parties not agree to the advisory award recommendations and are unable to resolve their disagreements, the deadlock breaking mechanism shall be either binding interest arbitration by agreement, or any other deadlock breaking mechanism as agreed between the affected parties.

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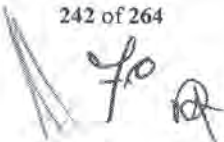
- 4.6 The provisions of sub- clauses 4.3 and 4.4 above shall also apply in respect of any dead-lock regarding the review of plant level incentive schemes as contemplated in clause 3.4 above.
- 4.7 Should the parties be unable to finalise agreement on the deadlock breaking mechanism for the national framework agreement by the time of signature of the main substantive agreement (envisaged for 15 September 2014), the parties agree to provide for a final extended opportunity to finalise this matter within two (2) weeks from the date of signing this agreement, failing which the provision of sub-clause 4.14 above will become effective.

## 5. **Dispute Resolution**

- 5.1 Should any dispute arise at plant level relating to the interpretation and/or application of any provision of an incentive scheme under this Framework Agreement, the dispute resolution provisions of the bargaining council constitution and/or Main Agreement shall apply.
- 5.2 Any referral of a dispute as contemplated in terms of sub-clause 5.1 above shall be conciliated and/or arbitrated by a member of the panel of experts, unless otherwise agreed between the disputing parties.

## 6. **Reporting and Administration**

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6.1 Companies participating in this dispensation shall be required to report on a six monthly basis to the bargaining council in respect of the staff contemplated in clause 1.4 above.

6.2 Such report shall cover at least the following matters:

- Number of employees on scheme
- Trends in overall employment in the company
- Single or multi-factor productivity (OR OTHER) improvements
- Average earnings of those in the scheme as a percentage of the full guaranteed bargaining council agreement rates

6.3 The trade union shall be entitled to all information related to a plant level incentive scheme.

## 7. Qualification and Commencement of Plant Level Consultation

Companies who qualify under the provisions of clause 4 of the 2014/2016 Substantive Agreement and who decide to utilise it, shall have 2 full calendar months ("the prescribed period") to conclude plant level incentive arrangements, time effective as follows:

For companies which have not yet employed employees on the incentivised wage scheme; from the date of employment of any employee employed in terms of the provisions of clause of the 2014/2016 agreement or from the date of notice to the trade union of intention to employ (whichever occurs first), and

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For all other companies: with effect from 15 September 2014, unless a longer period is agreed by the trade union."

## 11. PART I (PROVISIONS FOR THE NON-METRO AREAS)

1. In clause 1(5), substitute the new Table of Contents, for the existing Table of Contents:

CLAUSE NO.	DESCRIPTION
1.	SCOPE OF APPLICATION OF THIS PART OF THE AGREEMENT .....
2.	PERIOD OF OPERATION OF THIS PART OF THE AGREEMENT .....
3.	DEFINITIONS .....
4.	REMUNERATION .....
5.	PAYMENT OF REMUNERATION .....
6.	INFORMATION CONCERNING REMUNERATION .....
7.	DEDUCTIONS AND OTHER MATTERS CONCERNING REMUNERATION .....
8.	HOURS OF WORK AND OVERTIME .....
9.	NIGHT WORK .....
10.	COMPRESSED WORKING WEEK .....
11.	AVERAGING HOURS OF WORK .....
12.	PAYMENT FOR WORK ON A SUNDAY .....
13.	PUBLIC HOLIDAYS .....
14.	ANNUAL LEAVE .....
15.	SICK LEAVE .....
16.	MATERNITY LEAVE .....
17.	FAMILY RESPONSIBILITY LEAVE .....
18.	PIECE-WORK .....
19.	COMMISSION WORK .....
20.	PROHIBITION OF EMPLOYMENT .....
21.	TERMINATION OF CONTRACT OF EMPLOYMENT .....
22.	SEVERANCE PAY .....
23.	CERTIFICATE OF SERVICE .....
24.	UNIFORMS, OVERALLS AND PROTECTIVE CLOTHING .....
25.	ATTENDANCE REGISTER .....
26.	WRITTEN PARTICULARS OF EMPLOYMENT .....
27.	LOG BOOK .....

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28.	KEEPING THIS PART OF THE AGREEMENT .....
29.	REGISTRATION OF EMPLOYERS .....
30.	REGISTRATION OF EMPLOYEES .....
31.	EXEMPTIONS .....
32.	COUNCIL FUNDS .....
33.	AGENTS .....
34.	DISPUTE PROCEDURE .....
35.	TRADE UNION ACCESS TO WORKPLACE .....
36.	DEDUCTION/PAYMENT OF TRADE UNION SUBSCRIPTIONS OR LEVIES .....
37.	TRADE UNION'S REPRESENTATIVES ON THE COUNCIL .....
38.	DISPUTES IN REGARD TO ORGANISATIONAL RIGHTS .....
39.	TERMS AND CONDITIONS MORE FAVOURABLE .....
40.	FREQUENCY OF NEGOTIATIONS AND INDUSTRIAL ACTION .....
41.	ATYPICAL WORK, OUTSOURCING AND SUBCONTRACTING .....
42.	PROVIDENT FUND CONTRIBUTIONS .....
43.	INDUSTRY PROTECTION FUND (Annexure C) .....
44.	HIV/AIDS (Annexure A) .....
45.	CONTRACT EMPLOYEES (Annexure D) .....
46.	CLOSED SHOP .....
47.	WORKING IN ARRANGEMENTS .....
48.	JOINT AND SEVERAL LIABILITY FOR COMPLIANT COMPANIES OUTSOURCING AND/OR SUBCONTRACTING TO NON-COMPLIANT COMPANIES .....
49.	INCENTIVISED WAGE NATIONAL FRAMEWORK AGREEMENT (Annexure E) .....

2. In clause 3, substitute the existing definition with the following new definition:

“**Level B Compliance**” means an employer who;

- (i) Is paying between 80% and 100% of the gazette wage rates,
- (ii) has registered with the Council and has registered all permanent and contract employees with the Council,
- (iii) has given effect to all Collective Agreements of the Council which are applicable to it in each of its establishments, or
- (iv) has received exemption from any Collective Agreement to the extent of such exemption,
- (v) have entered into a Payment Plan and is conforming to the terms thereof,

(vi) have applied for and has been approved by the Council as Level B complaint;"

3. In clause 4(1), substitute the existing wage schedule with the following new wage schedule:

Category / Occupation		In the Magisterial Districts of Camperdown, uMzinto, Paarl, Stellenbosch and Uitenhage (Non-Metro A)		All Other Areas (Non-Metro B)	
		Wage rate per week from 01 Sep 2017 to 31 Aug 2018	New Employees on Incentivised Scheme Effective 1 September 2017 = 80%	Wage rate per week from 01 Sep 2017 to 31 Aug 2018	New Employees on Incentivised Scheme Effective 1 September 2017 = 80%
<b>Category A</b>					
	0 - 6 months	842.00	673.50	814.00	651.00
	Thereafter	900.50	720.50	849.50	679.50
<b>Category B</b>					
	0 - 6 months	840.50	672.50	824.00	659.00
	7 - 12 months	880.00	704.00	848.50	679.00
	13 - 18 months	921.50	737.00	872.00	697.50
	Thereafter	975.50	780.50	902.00	721.50
<b>Category C</b>					
	0 - 6 months	869.00	695.00	828.50	663.00
	7 - 12 months	956.00	765.00	878.50	703.00
	13 - 18 months	1 043.50	835.00	930.00	744.00
	19 - 22 months	1 128.50	903.00	985.50	788.50
	Thereafter	1 215.00	972.00	1 041.50	833.00
<b>Category D</b>					
	0 - 6 months	869.00	695.00	828.50	663.00
	7 - 12 months	933.00	746.50	866.00	693.00
	13 - 18 months	1 019.00	815.00	904.00	723.00
	19 - 22 months	1 061.00	849.00	942.00	753.50
	Thereafter	1 195.50	956.50	1 029.00	823.00
<b>Category E</b>					
	0 - 6 months	912.00	729.50	854.00	683.00
	7 - 12 months	1 013.50	811.00	914.50	731.50

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Category / Occupation		In the Magisterial Districts of Camperdown, uMzinto, Paarl, Stellenbosch and Uitenhage (Non-Metro A)		All Other Areas (Non-Metro B)	
		Wage rate per week from 01 Sep 2017 to 31 Aug 2018	New Employees on Incentivised Scheme Effective 1 September 2017 = 80%	Wage rate per week from 01 Sep 2017 to 31 Aug 2018	New Employees on Incentivised Scheme Effective 1 September 2017 = 80%
	13 - 18 months	1 130.00	904.00	986.50	789.00
	19 - 22 months	1 244.50	995.50	1 062.00	849.50
	Thereafter	1 369.50	1 095.50	1 140.50	912.50
<b>Band Knife Cutter</b>					
	0 - 6 months	835.00	668.00	808.50	647.00
	7 - 12 months	900.50	720.50	846.50	677.00
	13 - 18 months	963.00	770.50	884.00	707.00
	19 - 22 months	1 031.00	825.00	923.50	739.00
	Thereafter	1 135.00	908.00	991.00	793.00
<b>Clerical</b>					
	0 - 6 months	856.50	685.00	821.00	657.00
	7 - 12 months	937.50	750.00	869.50	695.50
	13 - 18 months	1 003.50	803.00	908.00	726.50
	Thereafter	1 153.00	922.50	1 000.50	800.50
<b>Assistant Head Cutter</b>		1 329.00	1 063.00	1 115.50	892.50
<b>Head Cutter</b>		1 604.50	1 283.50	1 293.50	1035.00
<b>Foreperson</b>		1 439.00	1 151.00	1 217.50	974.00
<b>Watchperson</b>		1 000.00	800.00	905.00	724.00
<b>Driver 1 (454kg)</b>		953.00	762.50	877.50	702.00
<b>Driver 2 (454 - 2722kg)</b>		1 020.00	816.00	917.50	734.00
<b>Driver 3 (2722 - 4540kg)</b>		1 152.00	921.50	1 000.00	800.00
<b>Driver 4 (4540kg)</b>		1 344.00	1 075.00	1 125.50	900.50
NB: All employers who employed staff on 2011/2012 New Entry Wage Dispensation, must with the coming into effect of this Agreement, Increase the Weekly Wage for those employees by the agreed Wage Increase of 7.6% in Non-Metro A and Non-Metro B.					

4. In clause 4, delete subclause 4(3).

5. In clause 4, renumber sub-clause (4) to read "(3)".

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6. In clause 4, substitute the following new sub-clause (3), for the existing sub-clause (3):

**"(3) Incentivised Wage Rates**

The following incentivised wage rates provisions, applicable to new employees only:

Commencing 1 September 2016, all employees will on the scheme shall, in year two, progress from 80% to 90% of their respective gazette wages and in year three to 100% of their wage.

This means that:

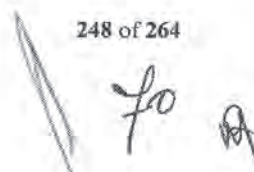
**Employees employed before 1 September 2016**

- Must be increased to 90% as of 1 September 2017.
- Until year 3 the incentive will still operate as described below just with a new floor/minimum earning level.
- In year 3, i.e. 1 September 2018, all employees are to move up to 100%.

**Employees employed after 1 September 2016**

- will be on 80% in year one;
- on their anniversary date they will move to 90%;
- Then in year 3 on their anniversary date they will move to 100%.

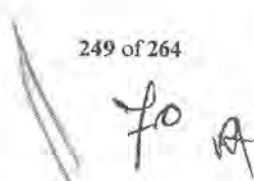
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Subject to the following provisions:

- 3.1 New employees are those persons with no previous working experience in the industry and shall include those persons with previous work experience but who have not been employed in the industry for a minimum period of 3 years, unless the applicant employee agrees otherwise with his/her prospective employer.
- 3.2 The guaranteed wage rate as specified in sub-clause 3.1 above shall be supplemented with an incentivised wage component which shall allow new employees to earn up to 100% or more of the gazetted rate, provided the employee(s) meets the required performance standards as contained in the plant level incentive scheme. This incentive shall be applicable to all new employees engaged under the incentivised wage provisions and employed after 1 September 2012, once a national framework agreement governing the incentive portion has been agreed.
- 3.3 The provisions of clause 4 of this agreement are only applicable to companies which are registered with the National Bargaining Council for the Clothing Manufacturing Industry of South Africa, subject further to sub-clause 3.4 below.

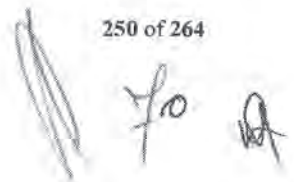
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- 3.4 The provisions of clause 4 of this agreement are only applicable to those current compliant companies which were in existence and operational as at 1 June 2011. It is not applicable to those companies who are members of an employer association which has not signed this agreement and/or not to companies which have not implemented the wage increases envisaged in this agreement.

The parties will explore further mechanisms which will protect current companies and current employees in the event of it being agreed that this provision be extended to new companies which enter the industry for the first time.

- 3.5 All other provisions of the industry's Main Agreement shall be applicable to new employees.
- 3.6 The closed shop shall be applicable to all new employees.
- 3.7 Employers shall not embark on retrenchment exercises, where the intent of such retrenchment is to re-employ employees at the rates specified in sub-clause 3.1 above.
- 3.8 Employers will ensure that short time arrangements are at all times fairly and equitably distributed across a workplace's employees in all job categories affected by short time arrangements.

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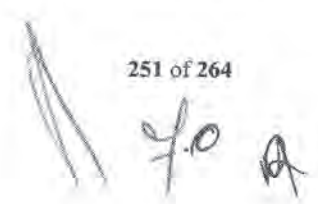
3.9 Qualified employees shall be employed at the qualified rate, subject to sub-clause 3.2.

3.10 Current employees employed in terms of the new entry rate provision envisaged in the 2011/2012 party-to-party agreement and who were so employed prior to 1 September 2012 shall by exemption be ring-fenced on those rates plus all the subsequent annual increases due, and subject to the companies at which they are employed meeting the compliant employment growth targets as set out in the 2011/2012 wage agreement.

3.11 Effective 1<sup>st</sup> September 2012, all retrenched employees will, within a period of 12 months of having been retrenched, be given preferential employment in the same job category at the same wage rate which was applicable at the date of the employee's retrenchment or any higher wage rate which may have been gazetted and become applicable to the affected employee's job category after such date of retrenchment.

3.12 The parties have negotiated a national framework agreement at national bargaining council level, to give enabling effect to the plant level incentivised wage component as contemplated in sub-clause 3.3 of this agreement. Companies who qualify for the provisions of clause 4 of this agreement and who wish to implement it shall have a 2 months period to conclude plant-level incentive arrangements in terms

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of the provisions of the national framework agreement, which national framework agreement is attached as Annexure E hereto.

3.13 The deadlock breaking mechanism for the national framework agreement is either binding interest arbitration or, at the end of the prescribed period, the entire 80% dispensation falls away, unless other forms of deadlock breaking mechanisms are agreed between the parties.

3.14 Should the 80% dispensation fall away in consequence of the provision in sub-clause 3.13 above, new employees employed on the incentive wage provisions should be paid 100% of the applicable agreement rate.

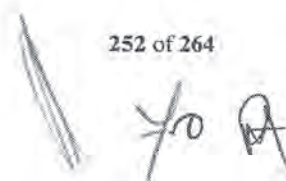
3.15 The deadlock breaking mechanism for operationalising the incentive component at plant level shall consist firstly of a facilitation process by a panel of experts jointly appointed by the employer and trade union parties to this agreement and if not resolved, by an advisory award by the panel, unless other forms of deadlock breaking mechanisms are agreed to between the parties."

7. In the new clause 4(9), substitute the year "2017" for the year "2016".

8. In sub-clause 32 (2), substitute the following new table for the existing table:

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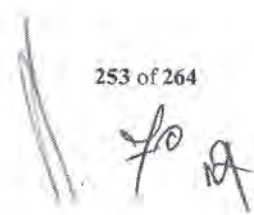
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Employees	Employers
<p>Payable by THE EMPLOYEE by means of a deduction from an employee's wages:</p> <p>Calculated at 0,37% of a qualified machinist's rate of pay in "other areas" as defined in the attached wage schedule (This equates to R3,34 with effect from 1<sup>st</sup> September 2017)</p>	<p>Payable by THE EMPLOYER:</p> <p>Calculated at 0,47% of a qualified machinist's rate of pay in "other areas" as defined in the attached wage schedule (This equates to R4,24 with effect from 1<sup>st</sup> September 2017)</p>

9. In clause 34, substitute the existing sub-clause 34(8), with the following new sub-clause 34(8):

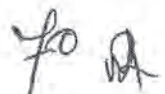
**“(8) Compliance Promotion**

- (1) All current non-compliant companies which meet a minimum of 80% of the party-to-party negotiated wage rate for current employees, shall be regarded as level B compliant, subject to sub-clause 2 below.
- (2) All companies described in 8.1 above shall achieve 100% wage compliance within a period of 18 months from 1 September 2012, in 6 monthly equal increments, failing which full compliance enforcement including the execution of writs shall apply to them.





- (3) The arrears of non-compliant companies shall be ring-fenced in a 'suspense account' at 100% of the verified arrears value and a written time-bound repayment plan agreed with the bargaining council. They should also sign a legally enforceable acknowledgement of debt.
- (4) The current policy that allows for a maximum of 6-months as a repayment period for arrears shall be amended, to allow for a maximum eighteen (18) months repayment period with effect from 1 November 2012.
- (5) The arrears will become payable in full should the employer become non-compliant, or default on the repayment plan at any time in future, unless otherwise agreed by the parties.
- (6) At every future meeting of the National Bargaining Council, each party shall make one practical concrete suggestion on how to further promote compliance in the industry.
- (7) The National Bargaining Council General Secretary shall have unfettered authority to serve any writ of execution upon any employer who fails to become compliant in terms of the new compliance provisions envisaged in this agreement, unless the parties agree otherwise.



- (8) Nothing in clause 4 or clause 5 of this agreement shall have the effect of downward migration of conditions of employment for any current employee.
- (9) The Trade Union shall have the unfettered right to embark on industrial action against any company which fails to implement the terms of this agreement."
10. In clause 36(6)(a), substitute the new expression "54 cents" for the existing expression "50 cents".
11. In clause 40(1), substitute the new expression "31 August 2018" for the existing expression "31 August 2017" and the new expression "1 September 2017" for the existing expression "1 September 2016".
12. In clause 43(5), substitute the new expression "17 cents" for the existing expression "16 cents".
13. Insert new clause 49:

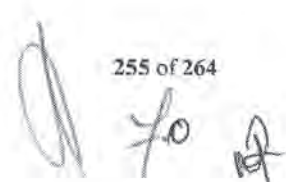
**"49. INCENTIVISED WAGE NATIONAL FRAMEWORK AGREEMENT**

Contained in Annexure E."

14. Insert the following new Annexure E:

**"ANNEXURE E**

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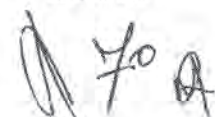
### **INCENTIVISED WAGE NATIONAL FRAMEWORK AGREEMENT**

Subject to the terms of the 2014/2016 main substantive agreement to which this annexure is attached taking precedence of interpretation, the following provisions of the incentivised wage national framework agreement shall be applicable:

#### **1. Introduction and Key Principles**

- 1.1 This Framework Agreement is intended to be of an enabling nature and to provide for maximum flexibility for plant level incentive schemes to be concluded on a unique and case-by-case basis. This does not preclude companies from sharing information and implementing similar incentive schemes should that be desirable.
- 1.2 The overall objective of the incentivised wage dispensation is to improve company level productivity and competitiveness.
- 1.3 The incentivised wage scheme(s) will operate in addition to current company production (or related) incentive schemes. It shall not replace current schemes already in operation at plant level, unless this is expressly agreed to at plant level.
- 1.4 The guaranteed wage rate shall be supplemented with an incentivised wage component which shall allow new employees to earn up to 100% or more of the gazetted rate, provided the employee(s) meets the required performance

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standards as contained in the plant level incentive scheme. This incentive shall be applicable to all new employees engaged under the incentivised wage provisions and employed after 1st September 2012, once a national framework agreement covering governing the incentive portion has been agreed.

- 1.5 Incentive Schemes should be as simple as possible, both to comprehend and to administer.

## 2. Employee Protection

- 2.1 The incentive scheme(s) at plant level shall not be used as a disciplinary tool or measure. The schemes shall operate separate and distinct from company disciplinary procedures and management disciplinary measures.
- 2.2 Events outside the control of the company shall not prejudice employees provided that the principle of earnings for time worked and earnings for performance achieved shall apply, subject to the relevant provisions of the Main Agreement.
- 2.3 The provisions of clause 2.2 above shall also apply in respect of protected strike action and shop stewards' authorised time off.

## 3. Plant Level Incentive Schemes

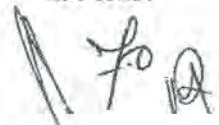
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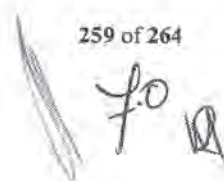
- 3.1 The proposed incentive schemes contemplated herein shall be drafted by management, then consulted on with the shop stewards and thereafter forwarded to the trade union for its consideration. It then needs to be finally agreed between the parties and upon agreement, must be implemented in consultation with shop stewards at plant level.
- 3.2 Incentive schemes shall not operate to give effect to any downward variation of employment standards or conditions of employment as provided for in the bargaining council's Main Agreement.
- 3.3 The provisions of all incentive schemes shall be reduced to writing, signed by management as well as the relevant branch, regional or national union official and submitted to the Bargaining Council for registration, within one week of its conclusion.
- 3.4 Incentive schemes shall be time bound and reviewed at the end of the agreed period of its operation.
- 3.5 The panel of experts to be appointed by the parties may also be consulted at the expense of the party concerned to provide guidance and offer advice in respect of the design and operation of any plant level incentive scheme.

#### 4. Deadlock-Breaking Mechanism

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- 4.1 A panel of experts shall be appointed by the parties to the 2014/16 Substantive Agreement. Such appointees shall be knowledgeable in the field of clothing production and objective evaluation performance management- and reward systems.
- 4.2 The panel of experts shall be fairly spread across the registered scope of the bargaining council, wherever possible.
- 4.3 As provided for in clause 4.16 of the 2014/2016 Substantive Agreement, the deadlock breaking mechanism for the implementation of the incentive component at plant level shall in the first instance consist of a facilitation process by a member or members drawn from the panel of experts.
- 4.4 If the matter under consideration is not resolved as per sub-clause 4.3 above, the panellist(s) involved shall submit an advisory award to the leadership of the relevant employer and the trade union for their consideration.
- 4.5 Should the affected parties not agree to the advisory award recommendations and are unable to resolve their disagreements, the deadlock breaking mechanism shall be either binding interest arbitration by agreement, or any other deadlock breaking mechanism as agreed between the affected parties.

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4.6 The provisions of sub- clauses 4.3 and 4.4 above shall also apply in respect of any dead-lock regarding the review of plant level incentive schemes as contemplated in clause 3.4 above.

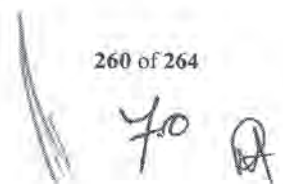
4.7 Should the parties be unable to finalise agreement on the deadlock breaking mechanism for the national framework agreement by the time of signature of the main substantive agreement (envisaged for 15 September 2014), the parties agree to provide for a final extended opportunity to finalise this matter within two (2) weeks from the date of signing this agreement, failing which the provision of sub-clause 4.14 above will become effective.

## 5. **Dispute Resolution**

5.1 Should any dispute arise at plant level relating to the interpretation and/or application of any provision of an incentive scheme under this Framework Agreement, the dispute resolution provisions of the bargaining council constitution and/or Main Agreement shall apply.

5.2 Any referral of a dispute as contemplated in terms of sub-clause 5.1 above shall be conciliated and/or arbitrated by a member of the panel of experts, unless otherwise agreed between the disputing parties.

## 6. **Reporting and Administration**

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6.1 Companies participating in this dispensation shall be required to report on a six monthly basis to the bargaining council in respect of the staff contemplated in clause 1.4 above.

6.2 Such report shall cover at least the following matters:

- Number of employees on scheme
- Trends in overall employment in the company
- Single or multi-factor productivity (OR OTHER) improvements
- Average earnings of those in the scheme as a percentage of the full guaranteed bargaining council agreement rates

6.3 The trade union shall be entitled to all information related to a plant level incentive scheme.

## 7. Qualification and Commencement of Plant Level Consultation

Companies who qualify under the provisions of clause 4 of the 2014/2016 Substantive Agreement and who decide to utilise it, shall have 2 full calendar months ("the prescribed period") to conclude plant level incentive arrangements, time effective as follows:

For companies which have not yet employed employees on the incentivised wage scheme: from the date of employment of any employee employed in terms of the provisions of clause of the 2014/2016 agreement or from the date of notice to the trade union of intention to employ (whichever occurs first), and

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For all other companies: with effect from 15 September 2014, unless a longer period is agreed by the trade union."

## 12. COLLECTIVE FUND AGREEMENT FOR THE NORTHERN REGION

1. In clause 3, insert the following new definition:

**"monthly wage"** means the weekly wage multiplied by four and a third;"

2. In clause 4(1)(a), substitute the new expression "R2,64", for the expression "R2,45".
3. In clause 4(1)(b), substitute the new expression "R2,85", for the expression "R2,65".
4. In clause 5A(2) (b), substitute the new expression "R24,74" for the existing expression "R22,99".
5. In clause 5B(2) (b), substitute the new expression "R24,74" for the existing expression "R22,99".
6. In clause 6(5), substitute the new expression "19 cents" for the existing expression "18 cents".
7. In clause 7A(2)(b), substitute the new expression "R11,48" for the existing expression "R10,67".

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8. In clause 7B(2)(b), substitute the new expression "R11,48" for the existing expression "R10,67".
9. In clause 16(1), substitute the new expression "41 cents" for the existing expression "38 cents".
10. In clause 16(2), substitute the new expression "61 cents" for the existing expression "57 cents".

### 13. PROVIDENT FUND AGREEMENT FOR THE WESTERN CAPE

1. In clause 3, insert the following new definition:

"**monthly wage**" means the weekly wage multiplied by four and a third;"

2. In clause 15(4)(d), delete the following expression, ", but only after obtaining the necessary written authorisation".

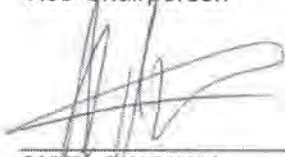
Signed at CAPE TOWN on behalf of the Parties this **15TH** day of JANUARY 2018.

  
\_\_\_\_\_  
**FREDA OOSTHYSEN**  
Chairperson

  
\_\_\_\_\_  
**MARTHIE RAPHAEL**


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Vice-Chairperson



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**SICELE NDUNA**  
General Secretary



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