

**SCHEDULE**

**FURNITURE BARGAINING COUNCIL**

**MAIN COLLECTIVE AGREEMENT**

In accordance with the provisions of the Labour Relations Act 1995 (Act No 66 of 1995)(as amended), made and entered into by and between the

**Furniture, Bedding & Upholstery Manufacturers' Association for the Greater Northern Region**

(hereinafter referred to as the “employers” or the “employers’ organisations”), of the one part,

and the

**National Union of Furniture and Allied Workers of South Africa**

and

**Chemical, Energy, Paper, Printing, Wood and Allied Workers Union (CEPPWAWU)**

(hereinafter referred to as the “employees” or the “trade unions”), of the other part being parties to the Furniture Bargaining Council

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## CHAPTER 1

### 1. SCOPE OF APPLICATION

- 1.1 The terms of this Agreement shall be observed in the Furniture, Bedding and Upholstery Manufacturing Industry-
- 1.1.1 by all employers who are members of the party employers' organisation, which is party to this Agreement and by all employees who are members of the party trade unions, which are party to this Agreement, and who are engaged or employed in the Furniture, Bedding and Upholstery Manufacturing Industry, respectively;
- 1.1.2 in the Provinces of Gauteng, North West, Mpumalanga, Limpopo and Free State.
- 1.2 Notwithstanding the provisions of clause 1.1 the provisions of this Agreement-
- 1.2.1 apply only to employees for whom wages are prescribed in this Agreement and to the employers of such employees; and
- 1.2.2 apply to learners under the Skills Development Act, 1998, or any contracts entered into or any conditions fixed thereunder.
- 1.3 The following provisions shall not apply to non-parties: Clauses 1.1.1, and 2 of Chapter 1.

### 2. PERIOD OF OPERATION OF AGREEMENT

This Agreement shall, in terms of section 31 of the Act, become binding on the above parties on 1 July 2014 and for non-parties on such a date as may be determined by the Minister of Labour in terms of section 32 of the Act and shall remain in force for the period ending 30 June 2016.

### 3. INDUSTRIAL ACTION

No person bound by the provisions of this Collective Agreement shall engage in or participate in a strike or lockout or any conduct in furtherance of a strike or lockout in respect of any matter regulated by this Agreement.

#### 4. DEFINITIONS

Any expression used under this Agreement which are defined in the Labour Relations Act, 1995, shall have the same meaning as in that Act and any reference to an Act shall include any amendments to such Act, and unless the contrary intention appears, words importing the masculine gender shall also include the feminine gender and vice versa; further, unless inconsistent with the context-

“**Act**” means the Labour Relations Act, 1995 (Act 66 of 1995)(as amended);

“**assistant despatch clerk**” means an employee who assists the despatch clerk, and who is under his direct supervision;

“**assistant storeman**” means an employee who assists the storeman, and who is under his direct supervision;

“**auditor**” means an auditor registered under the Public Accountant's and Auditor's Act, 1991 (Act 80 of 1991);

“**caretaker**” means an employee who is resident on the factory premises and who is responsible for any one or more of the following duties:

- (a) care of contents on the premises;
- (b) care and cleaning of the premises;
- (c) supervision of cleaning staff;

“**casual driver of motor vehicle**” means an employee who is employed as a driver of a motor vehicle by the same employer for not more than 3 days in any one month, to be remunerated daily for 9 hours at no less than the applicable minimum hourly rate for drivers, plus full leave pay moneys and maximum holiday bonus moneys;

“**casual employee**” means an employee who is employed by the same employer for not more than 3 days in any one month, to be remunerated at the applicable hourly rate for the occupation skills level of work performed plus full leave pay moneys and maximum holiday bonus moneys;

“**chargehand**” means an employee who customarily and regularly directs, subject to the instructions of management, the work of general workers while he may also be engaged in the production of furniture and/or upholstery and/or bedding in the capacity of a general worker;

“**Collective Agreement**” means any current agreement for the Furniture, Bedding and Upholstery Manufacturing Industry in which wages are prescribed, or in the absence of such an agreement, the last wage agreement published for the Industry in terms of the Act;

“**compulsory retirement age**” for an employee in the Industry is the age of 65 years;

“**contributions**” means the amount of money payable to the funds of the Council as determined from time to time;

“**Council**” means the Furniture Bargaining Council registered in terms of the Act;

“**dependant**”, in relation to a member and for the purposes of the-

- (a) *Provident Fund* means-  
persons accepted by the Fund as being dependants in accordance with the rules of the Fund; and the
- (b) *Sick Benefit Society* means-  
persons accepted by the Society as being dependants in accordance with the rules of the Society; and the
- (c) *Death and Disability Scheme* means-  
persons accepted by the Scheme as being dependants/beneficiaries in accordance with the rules of the Scheme;

“**despatch clerk**” means an employee who is wholly or mainly engaged in the despatch or the packing or receiving of goods for transport or delivery and who may attend to or supervise the checking, mass-measuring, packing, marking, addressing or despatching thereof;

“**driver**” means an employee who is engaged in driving a motor vehicle, and for the purposes of this definition the expression “driving a motor vehicle” includes all periods of driving, any time spent by a driver on work connected with the vehicle or the load and all periods during which he is obliged to remain at his post in readiness to drive;



“**driver’s logbook**” means a book provided by his employer (if required) to be completed in duplicate;

“**emergency services**” means any work which, owing to causes such as fire, storm, accident, act of violence or theft, must be done without delay, and any work necessary for the transportation of machinery to prevent any serious dislocation in the Industry;

“**establishment**” means any premises where furniture, bedding and upholstery manufacturing takes place;

“**experience**” means the total length of all periods of employment which an employee (in the occupation in which he is engaged) has had in any industry;

“**foreman**” and/or “**supervisor**” means an employee who is employed in a supervisory capacity and who, in the execution of his duties, which shall be related to the Furniture, Bedding and Upholstery Manufacturing Industry-

- (a) manages the manufacturing activities of a whole establishment or a department or subdivision thereof as his primary duty; and/or
- (b) customarily and regularly directs the work of other employees; and/or
- (c) has the authority to engage or dismiss employees, or make suggestions as to the same, or as to promotions or demotions of employees; and/or
- (d) customarily and/or regularly exercises discretionary powers; and
- (e) is paid a wage of not less than that prescribed for the highest-paid employee in this Agreement whether this be weekly or monthly; and
- (f) is paid in full, whether or not he completes the number of hours of work specified in this Agreement, subject thereto that a foreman/supervisor shall not be entitled to payment for hours of work lost owing to short time being worked, stay-aways and absence from his workplace without prior permission,

but excludes employees who are engaged in costing, designing, buying, planning, organising, directing and/or controlling the duties of foreman and/or supervisor: Provided that in the absence of foremen and/or supervisors, the aforesaid excluded employees shall be deemed to be the foremen or supervisors;

**“Furniture, Bedding and Upholstery Manufacturing Industry”** or “Industry” means, without in any way limiting the ordinary meaning of the expression, the industry in which employers and their employees are associated for the manufacture, either in whole or in part, of all types of furniture and bedding as well as upholstery and/or re-upholstery and will, inter alia, include the following:

(a) **Furniture**

Repairing, staining, spraying, polishing, re-polishing, making loose covers and/or cushions, wood machining, veneering, woodturning, carving, assembling, painting, wood bending and laminating. Furniture manufacturing will also include the manufacturing, repairing, polishing, re-polishing, staining, spraying of pianos, organs, movable room/office partitions, kitchen cupboards, attached wall cupboards, built-in cupboards, free standing bars or built-in bar counters, cane, wicker or grass furniture, cabinets including cabinets for musical instruments and radios, wireless or television cabinets, bathroom cupboards, cupboard tops and furniture for tea-rooms, restaurants, offices, churches, schools, libraries, other educational institutions, conference centres and theatres but excluding the manufacturing of furniture made mainly of metal and/or plastic materials.

(b) **Bedding**

The manufacturing, repairing, covering, re-covering of mattress bases, mattresses, spring mattresses, overlays, bolsters, pillows, cushions for studio couches, spring units, box-spring mattresses and studio couches but excluding the manufacturing of bedding made mainly of metal and/or plastic materials.

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

(c) **Upholstery**

The upholstering or re-upholstering of any furniture, or item of furniture, bedding, pelmets and mattress bases.

**“Holiday Bonus”** means a work attendance bonus payable by the establishment for its employees, which is determined by the level of work attendance of the individual employee;

“**Holiday Bonus Fund**” means the Fund established by the Council for the purposes of receiving holiday bonus moneys from establishments for their employees, for holding these holiday bonus moneys in reserve and to pay these holiday bonus moneys to the employees when due;

“**large size employer**” means an employer who employs in excess of 20 employees;

“**leave pay**” means that portion of the employee’s remuneration payable by the establishment for the employee for the purpose of remunerating the employee for any period which the employee is on annual leave as prescribed by the prevailing Collective Agreement;

“**Leave Pay Fund**” means the Fund established by the Council for the purposes of receiving leave pay moneys from establishments for their employees, for holding these moneys in reserve and to pay these leave pay moneys to the employees when due;

“**medium size employer**” means an employer who employs between 11 and 20 employees;

“**micro size employer**” means an employer who employs less than 4 employees;

“**new establishment**” means a business in the scope of this Agreement, which has not conducted manufacturing activities for a period of more than 6 months;

“**pay week**” means the period of 7 days which is considered when determining the weekly wage of an employee;

“**small size employer**” means an employer who employs between 4 and 10 employees;

“**substantive issues**” means all issues relating to cost and affecting the wage packages of employees or their remuneration;

“**temporary employment service or labour broker**” means a service provided by any person who, for reward, procures for or provides to a client other persons who -

- (a) render services to, or perform work for, the client; and
- (b) who are remunerated by the temporary employment service, or labour broker and in which such persons are employees of the temporary employment service or a labour broker and the temporary employment service or a labour broker is such persons’ employer;

**“trade union representative or shop steward”** means a person who is a registered member of any of the trade unions which are parties to this Agreement and who has been elected as such by the employees at any particular establishment;

**“wage”** means the remuneration payable in money to an employee as prescribed in this Agreement, or where an employer regularly pays to an employee an amount higher than the prescribed amount such higher amount;

**“watchman”** means an employee who is employed by an employer registered with or liable for registration with the Council to guard premises or other immovable property;

**“weekly paid employee”** means an employee who is remunerated weekly;

**“working employer”** means any person, including a partner in a partnership or a director in a company or a member of a close corporation, who performs any of the classes of work of which wages are prescribed in this Agreement.

## **5. PROHIBITION OF TWO-TIER BARGAINING AND THRESHOLD - TRADE UNION ORGANISATIONAL RIGHTS**

### **5.1 Prohibition of two-tier bargaining**

5.1.1 The Bargaining Council shall be the exclusive forum for the negotiation and conclusion of all agreements on substantive issues between employers' organisations and their members, on the one hand, and employees or trade unions and their members on the other hand.

5.1.2 Non-substantive conditions of employment over and above existing ones in the prevailing Main Collective Agreement, e.g. bonuses or incentive schemes that are directly related to profit or productivity, or both, may be negotiated by employee representatives or representative trade unions at establishment level and/or plant level.

In the event of a deadlock in negotiations between the parties in this category of issues, the provisions of the Council's prevailing Main Collective Agreement may be invoked.

- 5.1.3 No trade union, employee, employers' organisation or employer may call a strike, lock-out or attempt in any way to seek, to induce or to compel negotiations on the issues referred to in clause 5.1.1 at any level other than at the Bargaining Council level.
- 5.1.4 Any establishment or plant level agreement between an employer who is a member of a party employers' organisation and a party trade union which contains provisions that are inconsistent with this Agreement-
- 5.1.4.1 must be regarded by the parties to the establishment or plant level agreement as having been amended to create consistency with this clause; and
- 5.1.4.2 any provisions of the establishment or plant level agreement will not be binding to the extent that those provisions are inconsistent with this clause.

## **5.2 Threshold – Trade Union Organisational Rights**

The terms of this Agreement and the application thereof shall be subject to the following in respect of trade union organisational rights threshold:

Any trade union duly registered in terms of section 96 of the Labour Relations Act and that can prove by means of reasonable identification, membership of employees in the Industry that it has a membership of at least 15% of the total number of employees in the Industry, shall be recognised as a sufficiently representative trade union entitled to exercise the rights set out in sections 12, 13 and 15 of the Labour Relations Act. As soon as sufficient representativeness has been proved to the parties, such sufficiently representative trade union shall be entitled to be treated for organisational purposes on an equal and fair footing with the other trade unions who are already members of the Bargaining Council.

## **6. REGISTRATION OF EMPLOYERS AND EMPLOYEES**

### **6.1 Employers**

- 6.1.1 Every employer shall within one month from the date on which this Agreement comes into operation, if he has not already done so pursuant to any previous agreement, and every employer entering the Industry after that date shall within

one month of commencement of operations by him, forward to the General Secretary of the Council a completed registration form in the form specified by the Council from time to time and a registration fee as prescribed in Addendum 1 of this Agreement.

**Note:** This registration form is obtainable from the Council.

- 6.1.2 Whenever there is any change in the details submitted in terms of clause 6.1, the employer shall resubmit a completed registration form, as specified, to the Council within 14 days of such change.
- 6.1.3 An employer who intends to cease being an employer shall notify the Council, in writing, at least 14 days prior to the date on which he intends such cessation.
- 6.1.4 Any employer in the Industry shall, when required to do so by the Council, within seven days of that request, lodge with the Council a cash amount or guarantee acceptable to the Council, to cover the payment in respect of his employees as follows:
  - 6.1.4.1 One week's wages;
  - 6.1.4.2 13 weeks' levies, contributions and/or moneys in respect of-
    - 6.1.4.2.1 Leave pay moneys;
    - 6.1.4.2.2 Holiday bonus moneys;
    - 6.1.4.2.3 Council Levies;
    - 6.1.4.2.4 Provident Fund contributions and additional Provident Fund contributions;

Provided that the minimum guarantee shall be for an amount of R500.

- 6.1.5 Where the cash amount or guarantee lodged by an employer is insufficient to cover the payment of wages, levies and contributions referred to above, the employer shall, on demand by the Council, increase the cash amount or guarantee to an amount sufficient to cover such payment. An employer shall be permitted to reduce the amount of his cash amount or guarantee. When a reduction of any cash amount or guarantee is granted it shall be implemented at intervals of no less than six months.

- 6.1.6 The Council shall be entitled to utilise any cash amount or guarantee lodged by an employer with the Council to pay any amount which may be due to the Council by such employer in respect of levies and contributions or to pay any wages which may be due to any one or more employees of such employer, where the Council is satisfied that such wages are due and payable to the employees concerned by the employer involved. The total claim in respect of any one or more employees shall not exceed the total of the cash amount or guarantee lodged with the Council. The amount any employee is entitled to claim as wages shall not exceed that portion of the cash amount or guarantee lodged with the Council which represents wages.
- 6.1.7 Every employer shall keep employee records as specified by the Basic Conditions of Employment Act, 1997 (Act 75 of 1997).
- 6.1.8 Every employer shall comply with the relevant legislation relating to factories and/or workrooms.

## 6.2 **Employees**

Every employer shall register all his employees, except casual employees, with the Council as from the first day of their employment. The registration of employees are effected by entering each employee's personal and remuneration details as prescribed by the Council, on the Council's prescribed monthly return form. This monthly return form, shall be submitted to the Council monthly, by not later than the 10<sup>th</sup> day of the month following the month to which it relates.

## **7. NEWLY ESTABLISHED SMALL EMPLOYER CONCESSION**

Newly established establishments who employ no more than a total of 10 employees (including employees involved in activities other than furniture, bedding and upholstery manufacturing activities e.g. administration, sales, marketing, etc), may apply for the following phasing in concession, provided that their employees agree thereto. The establishment concerned shall then be prohibited from making use of a Newly Employed Employee Concession for any of its employees as per clause 8 hereunder until the expiry date of Phase 3 of the Newly Established Small Employer Concession or the cancellation of the establishment's Newly Established Small Employer Concession:

**PHASE ONE: First year of registration until the end of the first September following registration**

During this period the employer shall be exempted from prescribed minimum wages, Leave Pay Fund contributions payable to the Council, Holiday Bonus Fund contributions, Provident Fund, Additional Provident Fund or Sick Benefit Society contributions. Employees may be remunerated at their current rates of pay and wage increments may be negotiated between employer and employee(s).

All other provisions of the Agreement shall remain applicable, including the following:

Any accumulated leave-pay benefits accrued by the employees prior to October of the first year of registration must be paid out by the employee's employer to the employee in terms of the Basic Conditions of Employment Act, 1997 (Act 75 of 1997)(as amended), when due. The following moneys shall be payable as prescribed in **Addendum 1**:

- (a) Council levies;
- (b) Trade union subscriptions (if applicable); and
- (c) Agency Shop Fees (where applicable).

**PHASE TWO: October of the second year of registration to the end of September of the following year**

During this period the employee(s) shall be remunerated at their current rates of pay and wage increments may be negotiated between employer and employee(s). In addition to the levies, contributions and fees payable to the Council in Phase One, the following contributions shall become payable to the Council as prescribed in **Addendum 1**:

- (a) Leave Pay Fund contributions; and
- (b) Holiday Bonus Fund contributions.

**PHASE THREE: October of the third year of registration to the end of September of the following year**

During this period the employee(s) shall be remunerated at not less than 75% of the prevailing minimum weekly wage rates as prescribed in **Addendum 2** or **Addendum 3**. In addition to the levies, contributions and fees payable in Phases One and Two, the following contributions shall become payable as prescribed in **Addendum 1**:

Provident Fund contributions.



**PHASE FOUR: As from October of the fourth year of registration**

All the provisions of the prevailing Agreement administered by this Council shall become applicable, including the payment of at least a 100% of minimum weekly wages as prescribed in **Addendum 2** or **Addendum 3** and the payment of Additional Provident Fund contributions or Sick Benefit Society contributions as prescribed in **Addendum 1**.

In the event of an establishment employing in excess of 10 employees at any time, all the provisions of the prevailing Agreement, including wages at no less than 100% of the prevailing minimum prescribed weekly wage rates and all levies, contributions and fees normally payable to this Council, shall come into effect immediately.

**8. NEWLY EMPLOYED EMPLOYEE CONCESSION**

Any employer may elect to apply the following calculations to determine the wages, levies, contributions and fees payable to any newly employed employee who commences employment with an employer or at a workplace for the first time, provided that the establishment concerned is not in Phase 1, Phase 2 or Phase 3 of a Newly Established Small Employer Concession as reflected in clause 7 above:

**YEAR ONE of employment:**

- (a) 100% of the prescribed minimum weekly wage rates for General Workers;
- (b) 85% of the prescribed minimum weekly wage rates for all other Occupation Skills Levels of employees;
- (c) 100% of the prescribed Council Levies;
- (d) 100% of the prescribed Leave Pay Fund contributions;
- (e) 100% of the required Agency Fee (where applicable); and
- (f) R5-23 per week per employee, payable by the employer only for specific Death and Disability benefits which are exclusively applicable to newly employed employees

**YEAR TWO of employment:**

- (a) 100% of the prescribed minimum weekly wage rates for General Workers;
- (b) 90% of the prescribed minimum weekly wage rates for all other Occupation Skills Levels of employees;
- (c) 100% of the prescribed Council Levies;
- (d) 100% of the prescribed Leave Pay Fund contributions;
- (e) 100% of the prescribed employer and employee contributions to the same value as Furnmed Select Type Sick Benefit Society benefit option for employees who earn

R811-93 (escalating in accordance with the average of the annual across the board wage increases) per week or less OR Additional Provident Fund contributions to the same value from the employer and the employee. Employees who earn in excess of the aforementioned amount shall pay the value of the Furnmed Standard Type Sick Benefit Society contributions OR Additional Provident Fund contributions to the same value from the employer and the employee;

- (f) 100% of the required Agency Fee (where applicable); and
- (g) R10-46 per week per employee, only payable by the employer for specific Death and Disability benefits, which are exclusively applicable to newly employed employees.

**YEAR THREE of employment:**

- (a) 100% of the prescribed minimum weekly wage rates for all the Occupation Skills Levels of employees;
- (b) 100% of the prescribed Council Levies;
- (c) 100% of all prescribed Leave Pay Fund contributions;
- (d) 100% of the prescribed employer and employee contributions to the same value as Furnmed Select Type Sick Benefit Society benefit option for employees who earn R811-93 (escalating in accordance with the average of the annual across the board wage increases) per week or less OR Additional Provident Fund contributions to the same value from the employer and the employee. Employees who earn in excess of the aforementioned amount shall pay the value of the Furnmed Standard Type Sick Benefit Society contributions OR Additional Provident Fund contributions to the same value from the employer and the employee;
- (e) 100% of the required Agency Fee (where applicable); and
- (f) R10-46 per week per employee, only payable by the employer for specific Death and Disability benefits, which are exclusively applicable to newly employed employees.

**YEAR FOUR of employment:**

- (a) 100% of the prescribed minimum weekly wage rates for all the Occupation Skills Levels of employees;
- (b) 100% of the prescribed Council Levies;
- (c) 100% of all prescribed Leave Pay Fund contributions;
- (d) 100% of the prescribed employer and employee contributions to the same value as Furnmed Select Type Sick Benefit Society benefit option for employees who earn R811-93 (escalating in accordance with the average of the annual across the board wage increases) per week or less OR Additional Provident Fund contributions to the same value from the employer and the employee. Employees who earn in excess of the aforementioned amount shall pay the value of the Furnmed Standard Type Sick Benefit

Society contributions OR Additional Provident Fund contributions to the same value from the employer and the employee;

- (e) 100% of the required Agency Fee (where applicable); and;
- (f) A Provident Fund contribution of 3% of the employees normal weekly wages per week, calculated on the establishment's normal ordinary hours of work, plus an equal amount from the employer, subject to the standard Death and Disability Scheme contributions being diverted from these Provident Fund contributions; and
- (g) 50% of the prescribed Holiday Bonus Fund contributions.

### **YEAR FIVE of employment**

Full prescribed fees, levies and contributions are payable to the Council by all employers and all employees.

## **9. TERMS OF EMPLOYMENT**

### **9.1 Ordinary hours of work**

9.1.1 Save as is otherwise provided for in this Agreement, no employer shall require or permit an employee –

8.1.1.1 to work for more than 44 hours, excluding meal intervals, in any one week;

9.1.1.2 to work for more than 9 hours, excluding meal intervals, on any one day.

9.1.2 All hours of work on any day, exclusive of meal intervals, shall be consecutive.

### **9.2 Intervals**

An employer shall grant to each of his employees -

9.2.1 a rest interval of 10 minutes as nearly as practicable in the middle of each morning and afternoon work-period, which shall be regarded as part of ordinary hours of work;

9.2.2 a lunch interval of between 30 minutes and 60 minutes after a continuous period of work of not more than 5 hours, which shall not be regarded as part of ordinary hours of work.

### 9.3 Overtime

- 9.3.1 All time worked in excess of an establishment's ordinary number of hours of work in a week shall be regarded as overtime.
- 9.3.2 An employer may request an employee to work overtime. This request shall not unreasonably be rejected and the employee shall not be permitted to work overtime in excess of 10 hours in any one pay week. All employees shall be given at least 24 hours' prior notice of overtime to be worked. For overtime to be worked in excess of 10 hours in any pay week, prior permission shall be obtained from the Council with proper written motivation.
- 9.3.3 An employee shall not be entitled to payment for overtime unless he has completed the weekly ordinary number of hours of his establishment, unless the time lost is owing to illness for which he must produce a medical certificate on the day he resumes work.
- 9.3.4 In order to calculate overtime-
- 9.3.4.1 Paid sick leave;
  - 9.3.4.2 Paid public holidays;
  - 9.3.4.3 Paid study leave;
  - 9.3.4.4 Paid family responsibility leave; and
  - 9.3.4.5 Paid trade union representative leave are to be considered as paid ordinary hours of work.
- 9.3.5 Motor vehicle drivers and their crew shall not be required or permitted to work overtime-
- 9.3.5.1 in excess of 15 hours per day, which includes ordinary hours of work, overtime hours, lunch intervals and tea intervals; and
  - 9.3.5.2 40 hours in any one week from Monday to Saturday.
- 9.3.6 All motor vehicle drivers and motor vehicle crew shall receive overtime payment equal to 1.5 x their ordinary hourly rate of pay and 2 x their ordinary hourly rate of pay on Sundays, irrespective of the overtime hours worked by such drivers and crew.

#### 9.4 **Shift work**

- 9.4.1 No normal shift shall exceed nine hours per day or 44 hours per week.
- 9.4.2 Not less than six hours shall elapse between successive shifts of an employee.
- 9.4.3 Where an employee's ordinary shift or part of it is worked on a public holiday, the employee concerned shall be remunerated for such shift as follows:
- 9.4.3.1 If the major portion of such shift is worked on a public holiday, the entire shift shall be deemed to have been worked on such day and the employee shall be remunerated for work on a public holiday;
- 9.4.3.2 if the lesser portion of such shift is worked on such day, the entire shift shall be deemed to have been worked on a weekday, and the employee shall be remunerated at his ordinary rate of remuneration.
- 9.4.4 Time worked by an employee after the completion of his normal shift shall be regarded as overtime and be paid for in accordance with the prescribed rates provided that the establishment's weekly ordinary hours of work have been exceeded.

#### 9.5 **Public Holidays**

- 9.5.1 All public holidays proclaimed in terms of the Public Holidays Act, 1994 (Act 36 of 1994), shall be recognised as paid public holidays, except where a public holiday falls on a day which is not a normal working day.
- 9.5.2 In the event of the services of an employee being terminated by an employer seven working days or less prior to Good Friday the employee shall be entitled to the payment of wages for Good Friday and Family Day.
- 9.5.3 In the event of the services of an employee being terminated by an employer seven working days or less prior to the annual closing date in terms of this Agreement, the employee shall be entitled to payment of wages for all the public holidays during the annual closure.
- 9.5.4 In the event of a paid public holiday, occurring during any period of short time being worked at an establishment, an employee shall only be entitled to the

payment of wages for the time which he would ordinarily have been required to work, during such short time.

## 9.6 **Annual closure**

- 9.6.1 Annual closure shall be for a period of 15 consecutive working days between 1 December of each year and 31 January of the following year or as otherwise prescribed by the Council from time to time.
- 9.6.2 During any period of annual closure, no employer shall require or permit an employee to perform work and no employee shall undertake work, whether for remuneration, reward or not.
- 9.6.3 If the annual closure dates are prescribed by the Council, any establishment may apply to the Council in writing on the prescribed application form for exemption from the prescribed annual closure dates, if the establishment believes that extraordinary circumstances exist that may warrant the granting of an exemption. Such an application for exemption must be supported by not less than 75% of the establishment's employees who are covered by the scope of this Agreement.

## 9.7 **Paid sick leave and proof of incapacity**

- 9.7.1 "Sick leave cycle" means a period of thirty six (36) months' employment with the same employer immediately following:
- 9.7.1.1 an employee's commencement of employment; or
  - 9.7.1.2 the completion of that employee's prior sick-leave cycle.
- 9.7.2 Paid sick leave is limited to 10 working days for every 12 months of employment and to 30 working days for every sick-leave cycle.
- 9.7.3 Notwithstanding the provisions of clause 9.7.2, during the first six months of employment, an employee's entitlement to sick leave may be limited by an employer to one day's paid sick leave for every 26 days worked.
- 9.7.4 During an employee's first sick-leave cycle, an employer may reduce the employee's entitlement to sick leave in terms of clause 9.7.2 by the number of days' sick leave taken in terms of clause 9.7.3.

- 9.7.5 An employer must pay an employee for a days' sick leave-
- 9.7.5.1 the wage the employee would ordinarily have received for work on that day; and
  - 9.7.5.2 on the employee's usual pay day.
- 9.7.6 An employee who is absent from his workplace due to incapacity for the first three individual days in a sick-leave cycle shall be paid sick leave irrespective of whether such an employee produces a medical certificate or not. An employee may be required to present a medical certificate to his employer in order to qualify for the payment of sick leave from the fourth individual day that he is absent from his workplace owing to incapacity in each sick-leave cycle.
- 9.7.7 The medical certificate shall reflect the nature and period of the employee's incapacity and shall be issued and signed by a medical practitioner, traditional healer or any other person who is certified to diagnose and treat patients and who is registered with a professional council established by an Act of Parliament.
- 9.7.8 If it is not reasonably practicable for an employee who lives on an employer's premises to obtain a medical certificate, the employer may not withhold payment in terms of clause 9.7.6 unless the employer provides reasonable assistance to the employee to obtain the necessary medical certificate.

## 9.8 Termination of employment

### 9.8.1 Notice periods

The notice periods applicable to both employers and employees in the Industry will be as follows:

- 9.8.1.1 During two month probationary period - one hour's notice.
- 9.8.1.2 Up to one year's employment (probationary period included) - one week's notice.
- 9.8.1.3 More than one year of employment (probationary period included) - two weeks' notice.

These notice periods are applicable provided that this shall not affect the right of an employer or employee to terminate a contract of service without any notice for any cause recognised by law as sufficient.

9.8.2 An employer and employee may agree in writing to provide for a longer period of notice, and failure to comply with such arrangement shall be a contravention of this clause.

9.8.3 An employer or employee may terminate a contract of employment without notice by paying to the employee or paying or forfeiting to the employer, as the case may be, in lieu of notice, an amount equal to not less than wages for one hour, one week or two weeks, as the case may be, or for such longer period as may be agreed upon by the employer and his employee.

9.8.4 The notice referred to above shall not run concurrently with any period of annual leave or to the extent of six weeks' absence owing to illness in any one year.

## 9.9 **Absenteeism**

No employee may absent himself from his work during the hours in which the establishment is open without the express permission of his employer except on account of illness and/or injuries or for causes beyond the control of such employee. An employee shall, within 24 hours of his failure to report for work, cause his employer to be notified thereof in the most expeditious manner available.

## 9.10 **Short time, dismissals based on operational requirements and severance pay**

### 9.10.1 **Short Time**

9.10.1.1 When, by reason of slackness of trade, shortage of raw materials or a general breakdown of plant or machinery caused by accident or other unforeseen emergency, an employer is unable to employ his employees for the number of ordinary hours of work per week usually worked in his establishment, the employer may, subject to the provisions of this clause, employ his employees on short time during, but not exceeding, the period of such slackness of trade, shortage of raw materials or general breakdown of plant or machinery: Provided that, where practically possible, notice regarding the implementation of short time shall be given to the trade union representative in writing prior to the date on which



short time becomes effective. When short time is worked, the work available shall be distributed among the employees in any section.

9.10.1.2 An employee who on any day reports for duty at the usual starting time of the establishment and for whom no work is available, or for whom work becomes unavailable during the course of the day, shall be paid in respect of such day an amount of not less than 4 hours' wages, unless he was notified by his employer previously that his services would not be required on the day in question.

9.10.2 **Dismissals based on operational requirements**

When an employer contemplates dismissing one or more employees for reasons based on operational requirements, subject thereto that short time of less than 35 hours per week had been worked over a continuous period of at least one week, the employer shall comply with the Labour Relations Act, 1995 (Act 66 of 1995), as well as the Basic Conditions of Employment Act, 1997 (Act 75 of 1997), insofar as this Agreement is silent on those issues which are covered by the aforementioned Acts.

9.10.3 **Severance pay**

Severance pay of one week's normal remuneration for each completed year of service is payable: Provided that during the first year and last year of service, 10 months' or more service shall be regarded as a completed year of service.

9.11 **Trade union representative leave**

9.11.1 For the purpose of attending training courses and/or seminars and/or meetings arranged by the trade unions which are parties to this Agreement, trade union representatives shall be entitled to 7 days' paid leave per annum and senior trade union representatives to 10 days' paid leave per annum. For the purpose of attending official meetings of the Bargaining Council, trade union representatives shall be entitled to additional leave for which the Council shall reimburse the trade union representative's establishment for the actual loss of working hours by the trade union representative, which shall be paid to the trade union representative by the establishment together with his normal weekly wages as if the trade union representative worked on the day he attended an official meeting of the Bargaining Council, with effect from the date

of the coming into operation of this Agreement, subject to the following conditions:

- 9.11.1.1 The leave cycle shall commence on 1 July of each year. Leave not taken by a senior trade union representative and/or trade union representative shall accrue to the newly elected senior trade union representative and/or trade union representative during any one leave cycle. Leave will not be cumulative or be transferable from one employer to another.
- 9.11.1.2 The trade union shall make the training course and/or seminar content and/or agenda of meetings available to the employer at least seven days in advance.
- 9.11.1.3 Prior arrangements shall be made by the trade union with an employer for the release of key personnel. Not more than 50% of elected senior trade union representatives and/or trade union representatives at any particular establishment shall attend the training course and/or seminar and/or meeting on any particular day.
- 9.11.1.4 The number of trade union representatives elected at any particular establishment shall be in the ratio of not more than 1 representative for every 30 employees.
- 9.11.1.5 The names of the senior trade union representatives and/or trade union representatives elected shall be conveyed to the employer by the senior trade union representative, in writing, immediately after their names are known.
- 9.11.1.6 The trade union shall furnish the employer with written proof that the training course and/or seminar and/or meeting for which purpose the paid leave was granted was attended by the particular senior trade union representatives and/or trade union representatives.

## 9.12 Maternity leave

9.12.1 Any female employee going on confinement shall be entitled to maternity leave for a period not exceeding six months with a guarantee of reemployment after the aforementioned period on the same terms and conditions of employment as at the date on which the maternity leave was granted, subject to the following conditions:

9.12.1.1 The employee on confinement shall before or on the expiry date of the six-month period notify her employer whether or not she will recommence employment.

9.12.1.2 Proof of the confinement shall be submitted to the employer on the employee's return to work in the form of a birth certificate or death certificate, in the case of a still birth, or medical certificate in the case of a miscarriage.

9.12.1.3 The employer may extend the six-month guarantee period upon receipt of a valid medical certificate from a registered medical practitioner advising the employee not to return to work for medical reasons.

9.12.1.4 The employer shall be permitted to employ a temporary employee in the same category as the employee who has been granted maternity leave on a temporary contract agreement for the period of absence of the employee who has been granted maternity leave.

9.12.1.5 During the period referred to above, all the provisions of the agreements administered by the Council shall apply to the temporary employee.

9.12.1.6 During the contract period the employer may, subject to the Code of Good Practice contained in Schedule 8 of the Act, or for any other reason recognised in law, terminate the contract of temporary employment prior to the contract's expiry date.

9.12.1.7 Any female employee going on confinement shall notify her employer 16 weeks prior to the date of such confinement.

### 9.13 **Family responsibility leave**

- 9.13.1 An employee who has been employed with an employer for longer than 4 months shall be entitled to 3 days' paid leave per annum at full pay, on submission of the necessary proof, when the employee's child is born or when a child is sick. Upon the death of the employee's spouse, life partner, parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling, the employee shall be entitled to a further 2 days paid leave per annum at full pay, on submission of the necessary proof.
- 9.13.2 An employee's unused entitlement to leave in terms of this clause lapses annually and may not be accrued.

### 9.14 **Study leave**

Study leave may be granted by employers only to permanent, full-time employees subject to the following conditions:

- 9.14.1 Approval for study leave shall be granted at the employer's discretion, which approval shall not be withheld unreasonably.
- 9.14.2 Study leave, if granted by the employer, shall be for a maximum of two subjects per annum.
- 9.14.3 Study leave, if granted by the employer, shall be limited to two days of paid study leave per subject, namely the last working day prior to the date of the exam and on the day of the exam.
- 9.14.4 The result of each exam shall be presented by the employee to the employer as soon as it becomes available.
- 9.14.5 If an employee fails a subject, the leave granted to the employee for that subject shall be refunded by the employee to the employer at a rate of one day's pay per failed subject.

### 9.15 **Fixed term contract of employment**

Any employer who intends to employ an employee for a fixed term shall enter into a written fixed term contract of employment with such an employee.

9.16 **Indefinite-period contract of employment**

Any employer who intends to employ an employee for an indefinite period of employment shall enter into a written indefinite-period contract of employment with such an employee.

9.17 **Certificate of service**

Every employer shall issue an employee with a certificate of service on termination of the employee's contract of employment. Such certificate shall comply with the provisions of the Basic Conditions of Employment Act, 1997 (Act 75 of 1997) (as amended).

## 10. GENERAL

10.1 **Work under an incentive scheme**

10.1.1 Any employer who wishes to introduce an incentive scheme shall set up a joint committee consisting of representatives from management and the establishment's employees which, after consultation with the trade unions which are party to this Agreement whose members are involved, may agree upon the terms of any such scheme.

10.1.2 The terms of any such incentive scheme and any subsequent alteration thereto which may have been agreed upon by the committee shall be reduced to writing and be signed by the members of the committee and shall not be varied by the committee or terminated by either party unless the party wishing to vary or terminate the scheme has, in writing, given the other party such notice as may be agreed upon by the parties when entering into such a scheme.

10.2 **Temporary employment services and/or labour brokers**

10.2.1 The temporary employment service and/or labour broker and the employer shall, jointly and severally, be liable if the temporary employment service and/or labour broker, in respect of any of its employees, contravenes any of the provisions of the Agreement.

10.2.2 A temporary employment service and/or labour broker who supplies labour shall remunerate all occupation skills levels of employees as prescribed in **Addendum 2** or **Addendum 3** of this Collective Agreement. All the provisions of this Collective Agreement shall mutatis mutandis apply.

### 10.3 **Outwork**

10.3.1 No employer shall require or allow any of his employees to undertake work in the Industry anywhere other than in his establishment except when such work is in completion of an order placed with such an employer in premises owned or occupied by the person for whom the work is undertaken.

10.3.2 No employee engaged in the Industry shall solicit or take orders for or undertake any work in connection with the Industry on his own account for sale or on behalf of any other person or establishment, whether for remuneration, reward or not, while in the employ of an employer in the Industry.

10.3.3 No employer who is a member of an employers' organisation that is party to this Agreement shall give out work in connection with the Industry, either in whole or in part, other than to an establishment which has been accepted as a member of the employers' organisation which is a party to this Agreement, and which is registered with the Bargaining Council.

### 10.4 **Provision of tools**

Work benches, clamps, handscrews, gluepots and all brushes shall be provided by the employer. The employer shall at his expense insure against loss or destruction by fire or as a result of burglary of the premises the tools of his employees normally used by them. Every employee shall be obliged to submit, when required, an inventory of the tools in his possession and shall further submit such information as may be required from time to time by the insurers in respect of the said tools, and shall keep his tools locked in a toolbox.

### 10.5 **Employment of children and forced labour**

No establishment shall employ any person in contravention of Chapter 6 of the Basic Conditions of Employment Act, 1997 (Act 75 of 1997).

### 10.6 **Working employers**

All working employers shall observe the provisions of this Agreement in respect of hours of work, payment of Leave Pay Fund contributions and payment of Holiday Bonus Fund contributions at the prescribed foremen's rate of pay, payment of Provident Fund contributions, additional Provident Fund contributions, payment of Council levies and payment of wages for public holidays.

### 10.7 **Prohibited employment**

Notwithstanding anything to the contrary in this Agreement, no provision which prohibits the engagement or employment of an employee on any class of work or on any conditions shall be deemed to relieve the employer from paying the remuneration and observing conditions which he would have had to pay or observe had such engagement or employment not been prohibited.

### 10.8 **Employment of trade union members**

No person shall be prohibited from working in the Industry, because of his trade union affiliation or non-affiliation.

### 10.9 **Trade union representatives on the Council and committees of a national character in the Industry**

Every employer shall grant to any of his employees who are representatives on the Council, or on committees of the trade unions who are party to the Council, every reasonable facility to attend to their duties in connection with meetings held by these bodies.

### 10.10 **Subscriptions to trade unions**

Every employer shall deduct from the wages of those of his employees who are members of a trade union party to the Agreement, union subscriptions in terms of their constitutions and pay such union subscriptions to the concerned union as prescribed by the trade union concerned.

### 10.11 **Council levies**

10.11.1 For the purpose of assisting the Council to meet its expenses, every employer and every employee in the Industry shall pay to the Council an amount as prescribed in **Addendum 1** of this Agreement.

10.11.2 Every employer and every employee in the Industry shall pay to the Council a dispute resolution levy as prescribed in **Addendum 1** of this Agreement, for the maintenance of a dispute resolution system as required by the Act.

### 10.12 **Exhibition of Agreement and notices**

10.12.1 Every employer on whom the Collective Agreement is binding shall keep a copy of the Collective Agreement available in the workplace at all times.

10.12.2 Every employer shall display in his establishment in a place readily accessible to his employees a notice of the official hours of work specifying the starting and finishing time of work for each day of the week, the meal interval, and the forenoon and afternoon tea intervals.

### 10.13 **Administration and enforcement of Agreement**

10.13.1 The Council shall be the body responsible for the administration and enforcement of this Agreement, and may issue expressions of opinion and rulings not inconsistent with the provisions hereof for the guidance of employers and employees in the Industry.

10.13.2 Despite any other provisions of this Agreement, the Council may appoint one or more persons and may request the Minister of Labour to appoint such persons as designated agents in terms of Section 33 (1) of the Act to promote, monitor and enforce compliance with this Agreement.

10.13.3 In the event of non-compliance with this Agreement, designated agents may secure compliance by –

10.13.3.1 investigating complaints;

10.13.3.2 conducting inspections;

10.13.3.3 issuing compliance orders ; or

10.13.3.4 adopting any other means the Council may have approved of ;  
and

10.13.3.5 performing any other functions which is conferred or imposed on the designated agents by the Council.

10.13.4 In the event that non-compliance prevails after the issuing of a compliance order in terms of sub-clause 10.13.3.3 above, the designated agents may be required to:

10.13.4.1 submit a report to the General Secretary of the Council or any other person so designated by him, specifying that compliance has not been achieved.

10.13.5 Upon receipt of such a report, the General Secretary of the Council or any other person so designated by him, shall –



10.13.5.1 Appoint an arbitrator from the Council's panel of arbitrators to conciliate and/or arbitrate the matter; or

10.13.5.2 take such steps as may be deemed necessary to give effect to any agreement reached after the compliance order was issued in resolving the matter.

10.13.5.3 A conciliator and arbitrator appointed in terms of this Clause shall have all the powers assigned to them as contemplated by the Act, including but not limited to the charges and penalties as further contemplated by Section 33A of the Act read with the applicable Regulations.

10.13.6 The General Secretary or person so designated by him may make application to have the arbitration award or settlement agreement, whichever applies, certified as an order of the Labour Court.

10.13.7 A designated agent appointed by the Minister of Labour under Section 33 (1) of the Act, shall in addition to the powers referred to in this Clause, have the powers as assigned to designated agents as set out in the Act in general and in Schedule 10 and Section 142 of the Act, read with the changes required by the context.

#### 10.14 **Provisions declared ultra vires**

Should any provisions of this Agreement be declared ultra vires by any competent court of law, the remaining provisions of this Agreement shall be deemed to be the Agreement and shall remain in operation for the unexpired period of this Agreement.

#### 10.15 **Protective clothing**

Every employer shall supply protective clothing to each employee as specified in terms of the Occupational Health and Safety Act, 1993, which shall remain the property of the employer but, when such clothing is delivered to the employee concerned, he shall become responsible for the cleaning and maintenance of the protective clothing.

#### 10.16 **Compulsory retirement age**

Any employee in the Industry shall retire at the age of 65 years, unless otherwise agreed by between the employer and employee.

## 10.17 **Late/non-payment and allocation of contributions, moneys and levies**

- 10.17.1 All levies, moneys and contributions payable in terms of this Agreement shall be paid to the Council monthly by not later than the 10<sup>th</sup> day of the month following the month to which they relate.
- 10.17.2 An employer who is in arrears with any payments, having been warned in writing by the Council to forward the outstanding amounts within seven days of the date of such warning, may be required by the Council to pay the amounts weekly on such terms and conditions as determined by the Council from time to time.
- 10.17.3 Should any amount due to the Council not be received by the Council by the tenth day of the month following the month to which they relate, the employer shall pay interest on such amount or on such lesser amount as remains unpaid, calculated at the rate of 15% per annum or part thereof from such tenth day until the day upon which payment is actually received by the Council.
- 10.17.4 The Council shall have the right to allocate contributions, moneys and levies received on behalf of employees from employers, to the Funds of the employees concerned as the Council deems appropriate from time to time.

## 10.18 **Audit and accounting**

The Council shall ensure that proper books of account and records are kept in respect of each of the Funds administered by it, and that an annual audit of each of the Funds is performed in accordance with the provisions of the Act and the Council's Constitution.

## **11. EXEMPTIONS**

### 11.1 **Exemptions Body and Independent Exemptions Appeal Body**

An exemptions body and an Independent Exemptions Appeal Body is hereby established to consider all applications for exemptions from the provisions of this Agreement and to hear and decide, as soon as possible and according to the prescribed criteria, any appeal against-

- 11.1.1 the Bargaining Council's refusal of a party's or non-party's application for an exemption from the provisions of this Collective Agreement; and
- 11.1.2 the withdrawal of an exemption by the Bargaining Council.

## 11.2 Administration

- 11.2.1 Any person, establishment or body bound by this Collective Agreement may apply for an exemption from any of the provisions of this Agreement.
- 11.2.2 An application for exemption shall be in writing on the Bargaining Council's prescribed application form obtainable from the Council's offices, fully motivated and served on the Bargaining Council. The Applicant or the Appellant, depending on the nature of the process, shall satisfy the Body concerned that a proper application or appeal has been served on the appropriate body.
- 11.2.3 Whenever an employer applies for an exemption he or she shall consult with the affected workforce through their trade union representatives or, where there are no trade union representatives, with the affected workforce itself as to the need for the exemption and its effect on the affected employees and shall include in the application written proof of matters discussed during such consultation and written proof of the views expressed by the affected workforce during the consultation in this regard as well as the signed confirmation of all individually affected employees.
- 11.2.4 The Bargaining Council shall issue to every person, establishment or body to whom an exemption has been granted or for whom an appeal has been considered by either the Exemptions Body or the Independent Exemptions Appeal Body, a notice of exemption or outcome of the appeal, setting out the following:
- 11.2.4.1 the full name of the person(s), body or bodies or establishment concerned;
  - 11.2.4.2 the trading name of the employer;
  - 11.2.4.3 the exact provision(s) of this Collective Agreement from which the exemption has been granted or refused;
  - 11.2.4.4 the conditions subject to which the exemption is granted;
  - 11.2.4.5 the period for which the exemption is applicable; and/or
  - 11.2.4.6 the outcome of an appeal.

- 11.2.5 The Bargaining Council must ensure that:-
- 11.2.5.1 all notices of exemptions granted or refused and notices of appeal outcomes are issued to the applicants or appellants; and
- 11.2.5.2 a copy of each exemption granted or refused and a notice of an appeal outcome is retained by the Bargaining Council.
- 11.2.6 The Bargaining Council may, on good cause shown, give the holder of an exemption 30 days' notice of its intention to apply to the Independent Exemptions Appeal Body for the withdrawal of a particular exemption.
- 11.2.7 The following processes and criteria shall be considered with regard to an application for exemption from the provisions of any collective agreement concluded in the Bargaining Council or the application for the withdrawal of an exemption previously granted or when any appeal against a decision of the Council is considered:

**Processes:** Any employer, employee, trade union or employer's association may at any point in time apply for an exemption from any of the provisions of this Collective Agreement. The applicant is required to complete and submit in writing with the relevant office of the Council, a fully and properly completed prescribed application for exemption form, accompanied by all relevant supporting documentation.

**Criteria:** The Council and/or the Independent Exemptions Appeal Body shall, without limiting its own considerations, *inter alia* consider the following criteria to wit:

- The financial and social implications on the applicants, competitors, employees and the Industry as a whole;
- viability of the continued existence of the establishment;
- the views expressed by the employees and/or the applicants' competitors;
- the views and recommendations submitted by the bargaining council or any other person or body with an interest in the matter.
- the possibility of job losses if the exemption is granted or refused;
- the limitation on any employment opportunities if the exemption is granted or refused;
- any other relevant information that might have an impact on the outcome of either an application or an appeal;

- the applicant's past record (if applicable) of compliance with the provisions of the main agreement and/or exemption certificates.
  - any special circumstances that exist or any precedent that might be set;
  - the interests of the Industry in relation to unfair competition, centralised collective bargaining as well as the economic stability of the Industry;
  - the interests of the employees with regards to exploitation, job preservation, sound conditions of employment, potential financial benefits, health and safety and the possible infringement of basic rights; and
  - the interests of the employer with regards to its financial stability, the impact on productivity, its future relationship with employees and recognised trade union operational requirements and the viability of the employers business.
- 11.2.8 an exemption should not contain terms and conditions that would have an unreasonably detrimental effect on the fair, equitable and uniform application in the Industry of any collective agreement concluded in the Bargaining Council;
- 11.2.9 no exemption shall be granted for an indefinite period or as a total (blanket) exemption;
- 11.2.10 no exemption should be granted retrospectively for any liabilities incurred by an employer in terms of this agreement, such as levies and/or contributions, which became payable by the employer to the Council prior to the date on which the application for such an exemption was received by the Council.

## 12. LEAVE PAY FUND

- 12.1 Every employer shall pay over monthly to the Council, on the specified form, by not later than the tenth day of the following month concerned in respect of every employee Leave Pay Fund contributions as prescribed in **ADDENDUM 1**.
- 12.2 Guarantees submitted in respect of Leave Pay Fund contributions:
- 12.2.1 Every employer who supplies the Council with an acceptable guarantee for the total of his estimated maximum annual commitments under this clause shall, without in any way limiting his liability towards his employees, be granted an exemption from making payment to the Council in the manner specified: provided that the exemption shall be subject to such terms and conditions made applicable thereto by the Council from time to time.

- 12.2.2 Every employer shall submit a monthly statement as specified in clause 12.1 above in respect of all his employees. Should the services of any employee be terminated during the month, a statement as prescribed together with the amount due in respect of Leave pay Fund contributions for the period employed between October of the current year and September the following year shall be submitted to the Council. Should the services of no employees be terminated during the month, the Council shall be notified on the specified form.
- 12.2.3 The employer shall submit to the Council not later than 10 November of each year a statement in the form prescribed reflecting all particulars of all employees who are in the employ of the employer as at 30 September who are to be paid by him in terms of this clause.
- 12.2.4 By not later than 23 December of each year, the employer shall submit to the Council a statement as prescribed reflecting the actual moneys paid out in respect of the Leave Pay Fund moneys to all his employees together with payment of moneys not paid out.
- 12.3 Leave Pay Fund moneys shall be paid by the employer to his employees between 7 December and 13 December of each year, failing which the employer shall pay a penalty equal to 1 month's interest of 15% per annum to the Council on the amount paid late to his employees.
- 12.4 Leave Pay moneys received by the Council shall be paid by the Council to employees whose contracts of employment have been terminated during the course of a contribution year, within 2 months after such termination date.
- 12.5 If an employee receives his Leave Pay Fund moneys between the 7<sup>th</sup> and the 13<sup>th</sup> of December and the employee is absent from his workplace immediately after payment has been received with no valid medical certificate, the specific employee will only be entitled to be paid his Leave Pay Fund moneys on the last working day of the establishment's next annual closure date.
- 12.6 Leave Pay Fund moneys shall be paid to the employee by means of electronic transfer to the employee's bank account or by Council cheque drawn in favour of the employee.

## 12.7 Administration of the Fund

- 12.7.1 The Leave Pay Fund shall be administered by the Council and all expenses incurred in connection with the administration of the Leave Pay Fund shall form a charge against the Council.
- 12.7.2 All moneys paid to the Leave Pay Fund shall be invested as provided for in terms of section 53 (5) of the Act and any interest accruing from such investment shall accrue to the general funds of the Council in consideration of the Council's administration of the Fund. The Council shall keep a record of each employee in respect of whom payments are made in terms of this clause and the amount paid to the employee.
- 12.7.3 The Leave Pay Fund shall be paid to employees concerned to serve as Leave Pay. Each employee shall be paid Leave Pay moneys equal to the amount deposited into the Leave Pay Fund in respect of him during the year ending on the last pay week of September each year.
- 12.7.4 Any employee employed continuously during the year from the first pay week in October of the previous year to the last pay week in September of the current year shall receive Leave Pay moneys during December of that year of not less than two weeks' normal wages. Any shortfall shall be paid to the employees by the employer.
- 12.7.5 Leave Pay moneys which remains unclaimed for a period of two years from the date on which they become payable shall accrue to the general funds of the Council: Provided that the Council shall be liable for payment from the Council's general funds of any Leave Pay moneys due and claimed during a further period of three years after such accrual to the Council's general funds. Should the Council be dissolved within any or either of the periods mentioned herein, such moneys shall finally accrue to the general funds of the Council three months after the date of such dissolution. However, if any claim for Leave Pay moneys is proved successfully by an applicant while the Council is still in existence, it shall remain obliged to pay that Leave Pay moneys.

### 13. HOLIDAY BONUS FUND

- 13.1 Every employer shall pay over monthly to the Council, on the specified form, by not later than the tenth day of the following month concerned in respect of every employee Holiday Bonus Fund moneys as prescribed in Addendum 1.
- 13.2 Guarantees submitted in respect of Holiday Bonus Fund:
- 13.2.1 Every employer who supplies the Council with an acceptable guarantee for the total of his estimated maximum annual commitments under this clause shall, without in any way limiting his liability towards his employees, be granted an exemption from making payment to the Council in the manner specified: provided that the exemption shall be subject to such terms and conditions made applicable thereto by the Council from time to time.
- 13.2.2 Every employer shall submit a monthly statement as specified in clause 13.1 above in respect of all his employees. Should the services of any employee be terminated during the month, a statement as prescribed together with the amount due in respect of Holiday Bonus Fund moneys for the period employed between October of the current year and September the following year shall be submitted to the Council. Should the services of no employees be terminated during the month, the Council shall be notified on the specified form.
- 13.2.3 The employer shall submit to the Council not later than 10 November of each year a statement in the form prescribed reflecting all particulars of all employees who are in the employ of the employer as at 30 September who are to be paid by him in terms of this clause.
- 13.2.4 By not later than 23 December of each year, the employer shall submit to the Council a statement as prescribed reflecting the actual moneys paid out in respect of the Holiday Bonus Fund moneys to all his employees together with payment of moneys not paid out.
- 13.3 Holiday Bonus Fund moneys shall be paid by the employer to his employees between 7 December and 13 December of each year, failing which the employer shall pay a penalty equal to 1 month's interest of 15% per annum to the Council on the amount paid late to his employees.



- 13.4 Holiday Bonus Fund contributions received by the Council shall be paid by the Council to employees whose contracts of employment have been terminated during the course of a contribution year, within 2 months after such termination date.
- 13.5 If an employee receives his Holiday Bonus Fund moneys between the 7<sup>th</sup> and the 13<sup>th</sup> of December and the employee is absent from his workplace immediately after payment has been received with no valid medical certificate, the specific employee will only be entitled to be paid his Holiday Bonus Fund moneys on the last working day of the establishments next annual closure date.
- 13.6 Holiday Bonus Fund moneys shall be paid to the employee by means of electronic transfer to the employee's bank account or by Council cheque drawn in favour of the employee.
- 13.7 **Administration of the Fund**
- 13.7.1 The Holiday Bonus Fund shall be administered by the Council and all expenses incurred in connection with the administration of the Holiday Bonus Fund shall form a charge against the Council.
- 13.7.2 All moneys paid to the Holiday Bonus Fund shall be invested as provided for in terms of section 53 (5) of the Act and any interest accruing from such investment shall accrue to the general funds of the Council in consideration of the Council's administration of the Fund. The Council shall keep a record of each employee in respect of whom payments are made in terms of this clause and the amount paid to the employee.
- 13.7.3 The Holiday Bonus Fund moneys shall be paid to employees concerned to serve as a holiday bonus on the following basis: Each employee shall be paid a holiday bonus equal to the amount deposited into the Holiday Bonus Fund in respect of him during the year ending on the last pay week of September each year.
- 13.7.4 Any employee employed continuously during the year from the first pay week in October of the previous year to the last pay week in September of the current year shall receive a Holiday Bonus Fund moneys during December of that year calculated in accordance with the formula reflected in Schedule 1 of the prevailing Collective Agreement.

13.7.5 Holiday Bonus Fund moneys which remain unclaimed for a period of two years from the date on which they become payable shall accrue to the general funds of the Council: Provided that the Council shall be liable for payment from the Council's general funds of any Holiday Bonus Fund moneys due and claimed during a further period of three years after such accrual to the Council's general funds. Should the Council be dissolved within either of the periods mentioned herein, such moneys shall finally accrue to the general funds of the Council three months after the date of such dissolution. However, if any claim for Holiday Bonus Fund moneys is proved successfully by an applicant while the Council is still in existence, it shall remain obliged to pay that Holiday Bonus Fund moneys.

## 14. REMUNERATION

### 14.1 Wages

No employer shall pay and no employee shall accept wages lower than those prescribed in Addendum 2 or Addendum 3 of this Agreement.

### 14.2 Set-off of wages

14.2.1 No employee shall, while in the employ of an employer, give to, and no such employer shall receive from such employee, any gift, bonus, loan guarantee or refund either in cash or in kind which will in effect amount to a set-off of the wages which must in terms of this Agreement be paid to such employee.

14.2.2 No employee shall be required as part of his contract of service to board or lodge with his employer, or at any place nominated by his employer, or to purchase any goods or hire property from his employer.

### 14.3 Hourly rate

All work performed by employees shall be paid for at an hourly rate, which hourly rate shall be determined by dividing the actual weekly wage by 44 or by such lesser hours ordinarily worked by the establishment.

### 14.4 Basis of payment

Notwithstanding anything to the contrary contained in this Agreement, payment for all work done shall be at not less than the rates of wages prescribed for the actual occupation skills level of the operation or operations performed.

#### 14.5 **Employees engaged in more than one occupation skills level**

An employee who is employed during any one day on work for which different wage rates are prescribed shall be paid for all the hours worked on such day at the higher or highest wages prescribed for such work.

#### 14.6 **Wage payment procedure**

Employers may elect to pay wages by means of electronic transfer to employees' bank accounts or by means of cash only. Wages paid in cash shall be paid directly to the employee.

14.6.1 The following provisions shall be applicable to the electronic transfer of wages:

14.6.1.1 Wages shall be deposited into employees' bank accounts on pay day each week.

14.6.1.2 Employees shall be handed pay slips every pay day which shall reflect the name and address of the employer and the name of the employee. Pay slips shall also reflect the amount of money deposited into the employee's bank account and how such an amount was arrived at.

14.6.2 The following provisions shall be applicable to the cash payment of wages:

Wages shall be paid to employees on pay day each week. All cash shall be handed to employees in sealed envelopes endorsed with the name and address of the employer and the name of the employee, and shall contain a statement reflecting the amount of money contained therein and how such amount was arrived at.

General Provisions:

14.6.3 The pay day of every establishment shall be on Friday each week. Where Friday is a non-working day, the pay day shall be the last working day preceding that Friday.

14.6.4 No premium for the training of an employee shall be charged or accepted by the employer: Provided that this clause shall not apply to training schemes for which the employer is legally required to contribute.

14.6.5 No wage deductions of any kind shall be made from the amount due to an employee other than for the following:

14.6.5.1 Any deduction for which an employer is legally or by order of any competent court required or permitted to make;

14.6.5.2 with the written consent of the employee, deductions for life assurance, medical schemes or pension funds/provident funds;

14.6.5.3 deductions for contributions or subscriptions of the employees' trade union(s);

14.6.5.4 deductions in terms of this Agreement or any other agreement administered by the Council.

#### 14.7 **Remuneration for overtime and work on a Sunday**

14.7.1 All time worked in excess of the ordinary weekly working hours of the establishment, other than time worked on a Sunday, up to and not exceeding 10 hours per week, shall be regarded as overtime and an employee shall be paid for such work at a rate of one and a half times his hourly rate for such hours.

14.7.2 For all overtime worked exceeding 10 hours per week and all time worked on a Sunday, an employee shall be remunerated at a rate of double his hourly rate for such hours.

14.7.3 Any time worked on a Sunday may not be used to make up for ordinary time lost.

#### 14.8 **Remuneration for work on public holidays**

Any employee who works on a paid public holiday shall be remunerated for the hours worked on that day at his normal rate of pay in addition to the hours paid for that paid public holiday and shall further be paid an allowance of 33% of his hourly rate of pay for all those hours worked on such a day.

#### 14.9 **Remuneration for time worked in**

For any time worked in, by agreement between an employer and an employee, in lieu of normal working time that will be lost owing to the closure of the factory owing to religious holidays, or any other reason, an employee shall be paid his ordinary rate of pay,

provided that the time expected to be lost shall be worked in during the two weeks prior to such closure.

**14.10 Payment of shift allowance**

A night shift allowance, which will provide for meal and transport costs, is payable to an employee where the employee is employed between 18:00 and 06:00 at the following rates of pay:

**14.10.1 Employee employed prior to 1 July 2012**

The employer shall pay the employee his ordinary rate of pay, plus a 17.5% night shift allowance.

**14.10.2 Employee employed as from 1 July 2012**

The employer shall pay the employee his ordinary rate of pay, plus a 13% night shift allowance.

**14.11 Set-off against annual weekly wage increase**

Should a performance agreement be concluded at an establishment, such a performance agreement may be used as a set-off against annual wage increases, subject to union approval and/or notification to the Council.

**14.12 Subsistence allowance**

An employer shall, in addition to any other remuneration due, pay his employee who, on any journey undertaken in the performance of his duties, is absent from his place of residence and his employer's establishment for any period extending over one or more nights, a subsistence allowance of not less than that prescribed in Addendum 2 or Addendum 3 of this Agreement.

## **CHAPTER 2**

### **COUNCIL BENEFIT FUNDS/SCHEMES**

#### **1. ESTABLISHMENT AND CONTINUATION OF COUNCIL BENEFIT FUNDS/SCHEMES**

The following Funds/Schemes are hereby established and/or continued:

- 1.1 The Furniture Bargaining Council Provident Fund** (hereinafter referred to as the Provident Fund), established and amalgamated in terms of the Agreements published

under Government Notices Nos. R. 44 of 13 January 1961, R. 495 of 24 March 1961 and R. 3043 of 4 January 1991, as amended and extended, is continued and administered in accordance with the Pension Funds Act, 1956 (Act 24 of 1956)(as amended), as well as the prevailing Collective Agreement of the Furniture Bargaining Council.

- 1.2 **The Furniture Bargaining Council Death and Disability Scheme** (hereinafter referred to as the standard D.D.S.), established in terms of the Agreement published under Government Notice No. R. 1866 of 3 July 1992, as amended and extended, is continued in accordance with the provisions of Chapter 2 and the Labour Relations Act, 1995 (Act 66 of 1995)(as amended).
- 1.3 **The Furniture Bargaining Council Sick Benefit Society** (hereinafter split into two subdivided Funds to wit, Furnmed Sick Benefit Society and NUFAWSA Sick Benefit Society), established and amalgamated in terms of the Agreements published under Government Notices Nos. R. 44 of 13 January 1961, R. 495 of 24 March 1961 and R. 3043 of 4 January 1991, as amended and extended, is continued in accordance with the provisions of Chapter 2 and the labour Relations Act. 1995 (Act 66 of 1995)(as amended) and is hereby continued as the following two Sick Benefit Societies herein referred to as the Furnmed Sick Benefit Society and the NUFAWSA Sick Benefit Society. The Parties and Trustees to the Furnmed Sick Benefit Society are FBUMA and CEPPWAWU and the Parties and Trustees to the NUFAWSA Sick Benefit Society are FBUMA and NUFAWSA.
- 1.4 **The Home Ownership Scheme** (hereinafter referred to as the H.O.S.), established in terms of an initial separate agreement between the Parties to the Council in 1994, is herein continued in accordance with the provisions of the National Credit Act, 2005 (Act 34 of 2005)(as amended) as well as the provisions of Chapter 2 of this Collective Agreement.
- 1.5 **The Emergency, Trauma, Disaster and Education Fund** (hereinafter referred to as the E.T.D.E. Fund), established in terms of an initial separate agreement between the Parties to the Council in 1994, is herein continued in accordance with the provisions of the National Credit Act, 2005 (Act 34 of 2005)(as amended) as well as the provisions of Chapter 2 of this Collective Agreement.

## 2. OBJECTIVES OF THE COUNCIL BENEFIT FUNDS/SCHEMES

- 2.1 The objective of the **Furniture Bargaining Council Provident Fund** (the Provident Fund), is to provide for retirement benefits to participating members of the furniture, bedding and upholstery industry;

- 2.2 The objective of the **Furniture Bargaining Council Death and Disability Scheme** (standard D.D.S.), is to provide for death, disability and funeral benefits to participating members of the furniture, bedding and upholstery industry, as well as for funeral benefits to the dependants of the main participating members;
- 2.3 The objective of the **Furniture Bargaining Council Sick Benefit Society** (hereinafter split into two subdivided Funds to wit, Furnmed Sick Benefit Society and NUFAWSA Sick Benefit Society), is to provide for prescribed medical benefits to participating members of the furniture, bedding and upholstery industry, as well as for their registered dependants;
- 2.4 The objective of the **Home Ownership Scheme** (H.O.S.), is to provide for home loan facilities for qualifying members of the furniture, bedding and upholstery industry, to purchase, improve, renovate, repair and/or maintain existing or new housing;
- 2.5 The objective of the **Emergency, Trauma, Disaster and Education Fund** (E.T.D.E. Fund), is to provide for loan facilities for qualifying members of the furniture, bedding and upholstery industry, to assist members with loans for emergencies, trauma, disasters and/or education.
- 2.6 Any benefit payable upon the death of a member, shall be subject to the provisions of section 37C of the Pension Funds Act, 1956 (Act 24 of 1956).
- 2.7 It is the objective of the parties to this agreement to apply to the Minister of Labour to extend the Council benefit funds/schemes to non-parties in terms of the LRA. This will be done in order to make available the same industry benefits to non-parties.

### **3. MEMBERSHIP OF THE COUNCIL BENEFIT FUNDS/SCHEMES**

- 3.1 Membership of the Council benefit funds/schemes shall be compulsory for all party employees who are employed by party employers and for all non-party employees who are employed by non-party employers when this agreement is extended to non-party employees and employers in terms of section 32 of the LRA by the Minister of Labour.

To obtain membership of the Council benefit funds/schemes, these employees and employers must fall within the registered scope of this Council and this Collective Agreement must prescribe their wages.

Membership of the Furnmed Sick Benefit Society or the NUFAWSA Sick Benefit Society may be obtained by qualifying in terms of the applicable Fund's rules and by electing to become a member. In the latter instances, all the contributions shall by default initially be made to the Additional Provident Fund to the same value of the Furnmed Sick Benefit Society in terms of clauses 4.2.1 and 4.2.2 of Addendum 1, unless the employee qualifies in terms of the applicable rules of the Furnmed Sick Benefit Society or the NUFAWSA Sick Benefit Society and the same employee elects in writing to the Council, to become a member of any one of the Sick Benefit Societies.

3.2 Membership of the Council's Benefit Funds/Schemes shall:

- 3.2.1 consist of all employees, other than casual employees, in the Industry for whom wages are prescribed in this Collective Agreement; and
- 3.2.2 subject to the approval of the Council, Board of Trustees or Committee(s), be granted to such other persons whom are directly employed in the Industry and who wish to become voluntary members of either the Furnmed Sick Benefit Society or the NUFAWSA Sick Benefit Society and in respect of whom their employers have agreed to make the contributions prescribed in Addendum 1 and subject to the rules of those two individual funds.
- 3.2.3 Membership shall cease when a member leaves the Industry or in the event of death or permanent disability of a member.
- 3.2.4 Special provisions applicable to members who were formerly members of the Transvaal Furniture Workers' Mortality Association and the Transvaal Bedding Workers' Mortality Benefit Association and the former Transvaal Furniture Workers' Burial Society and the Transvaal Workers' Burial Society and who retired from the Industry owing to old age or ill health or who reached the age of 65 years on or before 1 October 1988 shall be entitled to benefits as prescribed in the former Mortality Association and Burial Society Agreements.
- 3.2.5 Membership of the Fund/Scheme shall not cease due to a member or employee attaining the age of 65, or where the inability of the member or employee to work is due to ill health, temporary disability or owing to short time.



### 3.3 Membership of Furnmed Sick Benefit Society and NUFAWSA Sick Benefit Society:

#### 3.3.1 **Ordinary membership**

Any employee employed by an employer within the registered scope of this Council, for whom wages are prescribed in the Collective Agreement, may apply to become a member of either the Furnmed Sick Benefit Society or the NUFAWSA Sick Benefit Society, subject to the employee qualifying and both the employer and employee concerned, paying the prescribed contributions which are applicable to the relevant Society. If successful, the rules of the Fund concerned shall apply to the member.

#### 3.3.2 **Voluntary membership**

Employees who are employed in the Industry for whom wages are not prescribed in this Agreement may be admitted as voluntary members of the Furnmed Sick Benefit Society or NUFAWSA Sick Benefit Society in terms of the relevant Society's rules.

#### 3.3.3 **Continuation membership**

Employees who were ordinary or voluntary members of the Furnmed Sick Benefit Society or NUFAWSA Sick Benefit Society immediately prior to permanent retirement from the Industry owing to old age (65 years or more) or to permanent disability as substantiated by a medical certificate(s), or dependant widows/widowers of deceased continuation members may be admitted as continuation members of the Furnmed Sick Benefit Society or NUFAWSA Sick Benefit Society depending on the original Society's membership.

#### 3.3.4 **Termination of membership**

Membership of both the Societies shall terminate within one month of a member leaving the Industry.

#### 3.3.5 **Reserves of the Furnmed Sick Benefit Society and NUFAWSA Sick Benefit Society**

If at any time the reserves of the Furnmed Sick Benefit Society or Nufawsa Sick Benefit Society drop below the average of one month's contributions, the payment of benefits shall cease and shall not be resumed until the reserves of the Societies exceed the aggregate of two months' contributions.

### 3.3.6 **Right of recourse**

If it is established that a member has ceased to be a member of the Furnmed Sick Benefit Society or Nufawsa Sick Benefit Society, and the Society has in error or contractually paid for any medical expenses incurred by such member and/or his registered dependants, the Fund trustees shall have the right to deduct the amount(s) from the member's Provident Fund contributions and transfer the amount(s) due to the relevant Society.

## **4. CONTRIBUTIONS AND LOAN REPAYMENTS TO THE COUNCIL BENEFIT FUNDS/SCHEMES AND THE ADDITIONAL PROVIDENT FUND**

- 4.1 Prescribed contributions for the Provident Fund, Additional Provident Fund, Furnmed Sick Benefit Society and the NUFAWSA Sick Benefit Society, shall be deducted weekly from the employee's wages and a prescribed contribution from the employer shall together be paid to the Council or any other prescribed organisation or body, as per the values stipulated in Addendum 1.
- 4.2 Stipulated loan repayments towards the H.O.S. and the E.T.D.E. fund shall be made to the Council in accordance with individual signed loan agreements.
- 4.3 A weekly amount shall be deducted from the employee's contributions to the Provident Fund and a weekly amount from the employer's contributions to the Provident fund and shall be diverted to the standard D.D.S. The standard D.D.S. may make provision for insurance premiums and administration costs.

## **5. ADMINISTRATION OF THE COUNCIL BENEFIT FUNDS/SCHEMES**

- 5.1 The Council and/or Board of Trustees and/or Committee(s) referred to in this chapter shall have the right to appoint administrators, consultants and/or advisors for their Funds/Schemes.
- 5.2 The Council or Board of Trustees of the Funds/Schemes shall consist of 50% delegates or trustees nominated by the trade union/s concerned and of 50% delegates or trustees nominated by the employers' association/s concerned. Designated alternates may stand in for absent trustees.
- 5.3 The Funds/Schemes may be administered by the office of the Council or an external administrator partly or in toto in terms of a service level agreement. The provisions of the Council's Constitution relating to the election of a chairman and vice-chairman, their period of

office and the calling and conducting of meetings of the Council and the right of alternates to stand in for representatives, shall mutatis mutandis apply in the case of a committee.

- 5.4 The Funds/Schemes shall be administered in accordance with rules specified for this purpose either by the Council or by a Board of Trustees with the approval of the Financial Services Board where necessary and such rules shall not be inconsistent with the provisions of any Collective Agreement, the Act, or any other law and shall, *inter alia*, specify –
- 5.4.1 the Funds/Schemes benefits and the expected qualifications attached thereto;
  - 5.4.2 the procedure for lodging and payment of claims and/or benefits; or
  - 5.4.3 any other matters which the Council or the Board of Trustees may decide.
- 5.5 The Council shall appoint a General Secretary who may appoint other staff as deemed necessary for the proper administration of the Funds/Schemes.
- 5.6 In the event of an appointed committee being unable to perform its duties for any reason, the Council shall perform the committee's duties and exercise its powers.
- 5.7 Any disputes concerning the interpretation, meaning, application or intention of any of the provisions of this Agreement or concerning the administration of the Funds/Schemes which an appointed committee is unable to settle, shall be referred to the Council or Board of Trustees for a final and binding decision.
- 5.8 No members of the Council or the Board of Trustees or members of the committees, the General Secretary, officers and employees of the Funds/Schemes shall be liable for the debts and liabilities of the Funds/Schemes.
- 5.9 No members of the Council or Board of Trustees or members of the committees, the General Secretary and officers and employees of the Funds/Schemes shall be held responsible for any act which may result in loss to the Funds, where such act was done in good faith, and they are hereby indemnified by the Funds/Schemes against all losses and expenses incurred by them in or about the bona fide discharge of their duties.
- 5.10 No members of the Council or Board of Trustees or members of the committees, the General Secretary and officers and employees of the Funds/Schemes shall be held responsible for any contributions deducted and any contributions due and payable by any employer not paid over to the Funds/Schemes upon sequestration or liquidation of such establishment or employer's estate or at all.

- 5.11 All expenses incurred in connection with the administration of the Funds/Schemes concerned shall be charged against the Funds/Schemes and/or recovered by way of administration fees.

## **6. OPERATION OF THE COUNCIL BENEFIT FUNDS/SCHEMES**

- 6.1 The Funds/Schemes shall consist of –
- 6.1.1 all the Fund/Scheme contributions including Additional Provident Fund contributions paid to the Provident Fund;
  - 6.1.2 all interest derived from the investment of any moneys or assets of the various Funds and Schemes; and
  - 6.1.3 all other moneys to which the Funds/Schemes may become entitled.
- 6.2 All moneys accruing to the Funds/Schemes shall be deposited to the credit of the particular Funds/Schemes in a separate account with a registered bank within three working days after receipt thereof.
- 6.3 The moneys of the Funds/Schemes shall be used for payment of benefits, administration costs and expenditures in accordance with the rules of the various Funds/Schemes.
- 6.4 When benefits or loans granted become payable, the amount due from the Funds/Schemes shall be paid to beneficiaries or successful applicants by cheque, electronic transfer or cash.
- 6.5 All cheque payments from the Funds/Schemes shall be signed by three persons duly authorised by the Council or the Board of Trustees.
- 6.6 Any moneys not required to meet current payment of benefits, administration costs and expenditures shall be invested only in terms of section 53(5) of the Act.
- 6.7 All employees and all employers in the Industry, including working employers shall contribute towards Additional Provident Fund by default, unless they qualify and elect in writing to become members and contribute to either the Furnmed Sick Benefit Society or the NUFAWSA Sick Benefit Society.

## 7. AUDITING OF THE COUNCIL BENEFIT FUNDS/SCHEMES

- 7.1 Auditors as defined in the Act shall be appointed by the Council or the Board of Trustees and shall audit the accounts of the Funds/Schemes at least annually. The auditors shall, by not later than 30 June of each year and within six months after the end of each financial year, prepare financial statements.
- 7.2 The financial statements shall be prepared and audited to the standards of generally accepted accounting practice, principles and procedures and prepared to represent the fair presentation of financial records in accordance with international financial reporting standards and shall comprise of:
- the books and records of the Council's income, expenditure, assets and liabilities;
  - the statement of income and expenditure and a balance sheet;
  - the statement of the financial position as at the financial year end;
  - the statement of surplus or deficit and other comprehensive income;
  - the statement of changes in equity;
  - the statement of cash flow for the financial year;
  - the summary of significant financial policies and other explanatory financial notes; and
  - the fair reflection that the Furniture Bargaining Council has complied with those provisions of its Constitution, relating to financial matters.
- 7.3 The audited financial statements of the Funds/Schemes shall thereafter lie for inspection at the office of the Council and copies thereof, duly certified by the auditor and countersigned by the Chairman of the Council or the Board of Trustees, together with any report made by the auditor thereon, shall be lodged with the Registrar of Labour Relations and/or the Financial Services Board as the case may be, no later than by the end of June every year, following the period covered by such financial statements.
- 7.4 In the event of any Council Funds/Schemes being administered by an outsourced administrator other than the Council's office either whole or in part, as a result of a decision by the Council, Board of Trustees, or Committee(s), such administrator shall be obliged to comply with clause 7.3 above and *inter alia* submit the Funds'/Schemes' audited financial statements to the Council, on or before the end of June every year, following the period covered by such financial statements.

## **8. EXPIRY OF THE COLLECTIVE AGREEMENT**

- 8.1 Upon the expiry of this Collective Agreement or any extension thereof, the Council or trustees in office at the time, or the trustee or trustees appointed by the Registrar of Labour Relations or the Financial Services Board as the case may be, shall continue to administer the Funds/Schemes for a period of at least two years in order to pay out benefits due to the beneficiaries and, subject to the approval of the Registrar of Labour Relations or the Financial Services Board as the case may be. Any money standing to the credit of the Funds/Schemes, after the said period of at least two years shall remain in the various relevant funds, until liquidation thereof.
- 8.2 If upon expiry of the said period of at least two years, the affairs of the Council and/or the Funds/Schemes have already been wound up and its assets distributed, the balance of the funds shall be distributed and liquidated in terms of the rules of the various Fund/Schemes, the provisions of the council's Constitution, the council's last collective agreements and any applicable legislation at the time.

## **9. LIQUIDATION OF THE COUNCIL BENEFIT FUNDS/SCHEMES**

- 9.1 Upon the expiry of this Agreement or any extension thereof and, in the event of no subsequent agreement being negotiated for the purpose of continuing the operations of the Funds/Schemes within two years from the expiry of this Agreement or any extension thereof, the Funds/Schemes shall be liquidated and distributed in terms of the rules of the various Funds/Schemes, the provisions of the council's Constitution, the council's last collective agreements and any applicable legislation at the time.
- 9.2 In the event of the Council in office at the time being unable to administer and/or liquidate any of the Funds/Schemes in terms of this clause, and/or being unable or unwilling to discharge its duties, or a deadlock arising thereon which renders the administration of the Funds/Schemes impracticable or undesirable in the opinion of the Registrar of Labour Relations or the Financial Services Board as the case may be, the latter may appoint a trustee or trustees to carry out the duties of the Council or the Board of Trustees and such trustee or trustees shall possess all the powers of the Council or the Board of Trustees for such purposes.
- 9.3 In the event of the dissolution of the Council or the Board of Trustees or in the event of them ceasing to function during any period in which this Agreement is binding in terms

of the Act, the Funds/Schemes shall continue to be administered by the office of the Council at the time.

- 9.4 Subject to the provisions of clauses 9.1 and 9.2 hereof, upon the expiry of the Agreement, the Funds/Schemes shall be liquidated in terms of clause 8 and/or 9 of this Chapter by the Council or Board of Trustees in office at the time or the trustee or trustees appointed by the Registrar of Labour Relations or the Financial Services Board as the case may be.

## **10. BENEFITS INALIENABLE**

- 10.1 The benefits provided for by the Funds/Schemes referred to in this chapter shall not be transferable and any member who attempts to assign, transfer, pledge or hypothecate his rights may forthwith cease to be entitled to any benefits whatsoever, and membership of the Funds/Schemes in respect of members and their dependants may be terminated by the Council or Board of Trustees: Provided that a member's Provident Fund benefits may, with the approval of the Board of Trustees and the Financial Services Board as the case may be, be transferred to another registered, recognised provident/pension fund.
- 10.2 No benefit or right to any benefit shall be capable of being ceded, transferred, assigned or otherwise made over, or pledged or hypothecated. No contributions made by a member or on his behalf shall be liable to be attached or be subject to any form of execution under a judgement or order of a court of law except in terms of section 37D of the Pension Funds Act, 1956 (Act 24 of 1956)(as amended).

## **11. WITHHOLDING OF BENEFITS**

The Council and/or Board of Trustees and/or Committee(s) may refuse and/or withhold any or all benefits from any member and/or his dependants who in its opinion, have acted in a manner calculated to or reasonably likely to harm the interests of the Funds/Schemes or their members: Provided that such members shall be given the opportunity of submitting an appeal to an independent body against the decision of the Council or the Board of Trustees or Committee(s), whose decision shall be final and binding.

## **12. PAYMENT OF CONTRIBUTIONS, LEVIES AND FEES**

- 12.1 Every employer shall forward monthly the payments for contributions, levies, fees prescribed in Addendum 1 to this Agreement and elsewhere in the Agreement, together with return(s) in the manner specified by the Council from time to time, to reach the

Council by not later than the 10<sup>th</sup> day of the month following the month during which the employee's deductions were required to be made. Interest on late payment will be charged at a rate of 15% per annum. The return(s) shall be certified by the employer or his authorised representative as being true and correct.

- 12.2 If, in any particular month, no employees are employed and the employer is not a working employer, a NIL return, duly signed by the employer or his authorised representative, shall be submitted to the Council.

### **13. AMENDMENT TO THE RULES**

The Council or Board of Trustees with the approval of the Financial Services Board shall have the power to prescribe, alter and amend the Funds'/Schemes' rules and to make, amend and alter the rules governing the administration of the funds. Such rules or any amendments thereof shall not be inconsistent with the provisions of any collective agreement entered into between the parties or the provisions of any legislation. A copy of the rules and any amendments thereof shall be transmitted to the Registrar of Labour Relations and/or the Financial Services Board as the case may be.

## **CHAPTER 3**

### **NEGOTIATING PROCEDURES AND DISPUTE SETTLEMENT PROCEDURES**

#### **1. Preamble**

The procedures set out in this Agreement shall be adopted to deal with all disputes arising within the Council's scope.

#### **2 Procedure for the negotiation of collective agreements**

- 2.1 Any party of the Bargaining Council may introduce proposals for the conclusion or amendment of a collective agreement in the Bargaining Council.
- 2.2 The proposals must be submitted at least 2 months prior to the effective date of the amendments concerned. The proposals must be submitted to the General Secretary in writing and must identify the other parties to the proposed agreement.
- 2.3 Within seven days of submission of the proposals, the General Secretary must serve copies of the proposals on the other parties to the council.



2.4 Within 21 days of submission of the proposals or at any other time that all the parties agree to, the General Secretary must call a special meeting of the executive committee to consider the proposals and to decide on a process for negotiating the proposals, including-

2.4.1 the introduction of counter-proposals;

2.4.2 whether the negotiations should be concluded by the Bargaining Council, the executive committee or any other committee appointed by the Bargaining Council;

2.4.3 the possible appointment of a mediator to facilitate the negotiations; and

2.4.4 the timetable for the negotiations.

2.5 If no negotiation process is agreed upon-

2.5.1 the General Secretary must appoint a mediator to facilitate negotiations if it was so agreed upon and to conclude a collective agreement;

2.5.2 the Bargaining Council must meet at least twice within 30 days of the meeting to negotiate on the proposals and any counter proposals, unless a collective agreement has been concluded;

2.5.3 the mediator must facilitate the negotiations at those meetings and facilitate the negotiations for the conclusion of a collective agreement, unless otherwise agreed to by the parties.

2.6 If no collective agreement is concluded in the course of this process or the procedure contemplated in this clause-

2.6.1 any of the parties or both the parties to the Bargaining Council may-

2.6.1.1 refer a dispute to arbitration as contemplated in clause 3 of this Chapter; or

2.6.1.2 resort to a strike or a lock-out that conforms with the provisions of the Act; or

2.6.2 any party to the dispute whose members are engaged in essential services may request that the dispute in respect of the employers and the employees engaged in those services be resolved through arbitration as contemplated in clause 3 of this Chapter.

2.7 In the circumstances contemplated in subclause 2.6.1.1, the General Secretary must appoint any independent arbitrator, including any panellist, to arbitrate the dispute.

2.8 If the parties to a dispute disagree on an arbitrator for their dispute, the General Secretary shall appoint any other arbitrator to arbitrate the dispute referred to the General Secretary in terms of this Council's Collective Agreement.

2.9 During a strike or lock-out as contemplated in subclause 2.6.1.2, the parties to the dispute must attend every meeting convened by a conciliator, mediator and/or arbitrator to resolve the dispute.

2.10 If any party to the dispute fails to attend without any good cause shown, the members of that party-

2.10.1 if they participate in a strike, will forfeit the protection they would have enjoyed in terms of the Act;

2.10.2 if they are engaged in a lock-out, will forfeit the protection they would have enjoyed in terms of the Act.

### 3. **Disputes between parties to the bargaining council**

Any dispute arising between the parties to the Bargaining Council other than disputes referred to in clauses 2 and 4 of Chapter 3, shall be subject to arbitration and shall be dealt with as follows:

3.1 The party or parties who claim that a dispute exists must refer the dispute in writing to the General Secretary of the Bargaining Council within 30 calendar days from the date the dispute arose.

3.2 The written referral must reflect the following information:

3.2.1 the details of the party or parties referring the dispute;

- 3.2.2 the details of the party or parties with whom the referring party is in dispute;
  - 3.2.3 the nature of the dispute;
  - 3.2.4 the date the dispute arose;
  - 3.2.5 the outcome the referring party requires.
- 3.3 The referral must reach the General Secretary of the Bargaining Council together with proof from the party or parties who refer the dispute satisfying the General Secretary that a copy of the referral has been served on all other parties to the dispute.
- 3.4 The General Secretary shall appoint an independent arbitrator, which may include a panellist, within 14 calendar days of receiving the written referral and proof that a copy of the referral has been served on all other parties to the dispute.
- 3.5 The arbitrator may conciliate and/or arbitrate the dispute in terms of the Act as if it were one of those disputes referred to in the Act and must hand down either a settlement in the case of a conciliation or a ruling in the case of an arbitration, within seven calendar days of the conciliation or arbitration been finalised.
- 3.6 The settlement or ruling as referred to in clause 3.10 above shall be final and binding on the parties to the dispute.
- 3.7 The total cost to the above-mentioned process shall be paid by the Council's General Fund.
- 3.8 The process as described in this clause may be deviated from only if a future collective agreement determines a different process or by agreement between the parties to the dispute.

#### 4. **All other disputes**

- 4.1 All other disputes excluding the disputes referred to in clauses 2 and 3 above, must be referred to this Bargaining Council and shall be subjected to conciliation and/or arbitration and shall be dealt with in terms of the Act and the prevailing rules of the CCMA, on condition that such disputes fall within the scope of this Bargaining Council. Such disputes shall be dealt with as follows:

- 
- 4.1.1 The party or parties who claim that a dispute exists must refer the dispute in writing to the Bargaining Council in accordance with the provisions of the Act and the rules of the CCMA.
  - 4.1.2 The party referring the dispute must complete the referral on the prescribed referral form of the Bargaining Council.
  - 4.2 The referral must reach the Bargaining Council together with proof from the party or parties who refer the dispute satisfying the Bargaining Council that a copy of the referral has been served on all other parties to the dispute.
  - 4.3 The General Secretary or any delegated official shall refer the dispute to a member of the Council's panel of conciliators and/or arbitrators after receiving the written referral and proof that a copy of the referral has been served on all other parties to the dispute.
  - 4.4 The arbitrator may conciliate and/or arbitrate the dispute in terms of the Act and the rules of the CCMA and must attempt to hand down either a settlement in the case of a conciliation or a ruling in the case of an arbitration.
  - 4.5 A Council panellist may be appointed to both the conciliation and arbitration panels and a panellist shall be eligible for reappointment if the Council so wish, unless he or she has indicated otherwise in writing to the General Secretary.
  - 4.6 A fund shall be established by the Bargaining Council to meet the expenses incurred during this dispute resolution process.
  - 4.7 The fund referred to above may be funded by-
    - 4.7.1 Regularly applying for subsidies to the governing body of the CCMA as prescribed;
    - 4.7.2 the Council charging fees for performing any of these functions for which it is accredited and which functions it is allowed to perform in terms of the Act;
    - 4.7.3 instituting a dispute resolution levy which will be payable by the employers and employees in the Industry.

- 4.8 All expenses incurred through the dispute resolution process shall be paid by the fund referred to in clause 4.6.
- 4.9 The provisions of clause 4 of Chapter 2 of this Agreement regarding financial control of funds shall apply to this fund.

## 5. **General**

- 5.1 Functions to be performed by the Council in terms of this Agreement shall be performed by the General Secretary. The General Secretary may delegate any of his functions and responsibilities.
- 5.2 Expenses incurred through conciliation and/or arbitration proceedings may be charged in any manner, but at a reasonable rate to be determined by the Council. A commissioner who presides in any conciliation or arbitration proceedings at this Council is hereby empowered to impose any fee, fine or penalty allowed or prescribed either by the Act, the CCMA rules or as such commissioner may reasonably deem fit.
- 5.3 The Council shall establish and maintain panels of arbitrators and conciliators to carry out the arbitration and conciliation functions in terms of this Agreement. The Council may at any stage decide to remove a person from a panel for whatever reason it considers appropriate including, but not limited to, incapacity or misconduct. Any other independent accredited conciliator or arbitrator may be used if good cause can be shown.
- 5.4 Any notice or service required in terms of this Agreement may be given by telefax, hand delivery, registered post, telegram or telex.
- 5.5 The Council may be a party to a dispute which is processed in terms of this Agreement.
- 5.6 Expressions and phrases in this Collective Agreement, unless the context otherwise indicates, have the same meaning as those defined in the Labour Relations Act, 1995.

5.7 ***Referral of disputes***

All disputes which may be referred to a bargaining council in terms of the Act, and which fall within this Council's registered scope, shall be referred to this Council in accordance with the Act and the rules of the CCMA.

5.8 ***Lodging of complaints***

All complaints with regard to the non-compliance of this Agreement shall be lodged with this Council. The Council shall investigate all such complaints and may take whatever steps it deems necessary to resolve such complaints. In this regard, without limiting the powers of the Council or the powers of agents/designated agents of the Council, the powers specifically reflected in Sections 33 and 33A of the Act shall be utilised to resolve such complaints in the most amicable way. This may include the conciliation and/or arbitration procedures in terms of the Act and the rules of the CCMA.

5.9 ***Compliance orders***

Without limiting the powers of the Council, the Council may issue compliance orders, which call upon an establishment, a person or party to act in accordance with or comply in a specific manner and within a specific time period with the provisions of this Collective Agreement.

5.10 ***Appointment of an independent agency***

In the event of an accredited agency being appointed as contemplated in clause 5.3 above to conciliate or arbitrate any of the disputes of the Council for whatever reason, such disputes shall nevertheless be conducted in accordance with this Agreement.

5.11 ***Recovery of collection commission***

In the event of the Council appointing attorneys and/or agents in relation to the enforcement and collection of any moneys owing to the Council in terms of this agreement then, over and above any amounts due to the Council, the party liable for such amounts will also be liable for any commissions and other expenses payable by the Council relating to the recovery of such moneys.

## CHAPTER 4

### OCCUPATION SKILLS LEVELS - FURNITURE, BEDDING AND UPHOLSTERY SECTOR

#### 1. **General worker**

Work at this level is of a manual and/or repetitive nature. Minimum skill is required and limited discretion and limited judgement applies. The employee will work under direct supervision.

***Nature of work performed:***

All types of manual labour of a repetitive nature.

***Some job titles:***

Truck assistant, cleaner, machine feeder, packer, stacker, sand paperer, operating a filling machine, securing mattress panels to springs, tea persons, other non-production operations, etc.

#### 2. **Semi-skilled employee**

Employees at this level will have limited skills training and are required to exercise limited discretion in performing tasks.

Employees work under direct supervision.

They will have a basic understanding of work flow and sectional output, meeting required quality standards.

***Nature of work performed:***

- Setting up and/or operating continuous processing machines.
- Clerical staff e.g. storeman, despatch clerk, etc

***Some job titles:***

Spray painting, silk screening, upholstering basic furniture e.g. occasional chairs, dining room/kitchen chairs, studio couches, repetitive welding in a jig, sandblasting, drivers, assemblers, etc.

### 3. **Skilled employee**

Employees at this level either have a recognised tertiary qualification or have gained competence through experience.

The employee is required to exercise a considerable degree of discretion and will be able to read technical drawings where necessary.

The employee must accept responsibility for meeting production outputs at an acceptable quality level.

#### ***Qualifications and nature of work performed:***

- All artisans who obtained a recognised artisan qualification.
- Technical staff who obtained a recognised technical qualification equivalent to at least M + 3.
- Using a computer to construct working drawings and production schedules.

### 4. **Chargehand**

Employees at this level will have a broad knowledge of the discipline that they supervise. They may be working chargehands or supervisory chargehands. They must be competent and trained in people management skills and will be responsible for outputs in the section within acceptable parameters. These employees will be supervisors of only general workers.

They will be required to exercise analytical skills with a relevant high level of decision making.

### 5. **Foreman/Supervisor**

Employees at this level will have experience in more than one discipline with competency in people management skills (e.g. motivation, discipline, safety and security, etc.)

They will be able to work from complex drawings and will be able to interpret and apply technical skills. They will be versed in on the job training. Employees at this level will regularly meet output targets maintaining an acceptable quality standard.



## ADDENDUM 1

### CONTRIBUTIONS, LEVIES AND REGISTRATION FEE PAYABLE TO THE COUNCIL

#### 1. LEAVE PAY FUND CONTRIBUTIONS

- 1.1 Leave Pay Fund contributions shall only be payable by the employer to the Council and are calculated at a rate of 6% of the ordinary hours worked by the employee and on the hours which would ordinarily have been worked by the employee on:
  - 1.1.1 paid public holidays;
  - 1.1.2 trade union representative leave days;
  - 1.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and
  - 1.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.
- 1.2 The amount payable for working employers shall be at a rate of 6% of a foreman's prescribed minimum weekly wage.
- 1.3 No Leave Pay Fund contributions are payable on wages which are payable for overtime wages, hours worked on a Sunday, allowances and on wages which are payable for study leave days.

#### 2. HOLIDAY BONUS FUND CONTRIBUTIONS

- 2.1 Holiday Bonus Fund contributions shall only be payable by the employer to the Council and are calculated at the prescribed rates when more than **20 hours'** wages per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:
  - 2.1.1 paid public holidays;

- 2.1.2 trade union representative leave days;
  - 2.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and
  - 2.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.
- 2.2 The Holiday Bonus Fund contributions payable to the Council shall be determined as follows:
- 2.2.1 9% of the employee's ordinary weekly wages if the employee has lost 20 minutes or less of the full possible number of ordinary hours that the employee is entitled to be paid for in any specific pay week.
  - 2.2.2 5% of the employee's ordinary weekly wages if the employee has lost between 21 minutes and 60 minutes of the full possible number of ordinary hours that the employee is entitled to be paid for in any specific pay week.
  - 2.2.3 9% of a foreman's prescribed minimum weekly wage for working employers.
  - 2.2.4 No Holiday Bonus Fund contributions are payable on wages which are payable for overtime wages, hours worked on a Sunday, allowances and on wages which are payable for study leave days.
  - 2.2.5 An employee shall be entitled to holiday bonus fund contributions at the prescribed rate for a full day if he has reported to his place of work when required to be present by the employer, on any day when that establishment is working **short time**.

### 3. PROVIDENT FUND CONTRIBUTIONS

3.1 Provident Fund contributions shall be payable to the Council at the prescribed rates by the employer and employee when more than **20 hours'** wages per week are payable to an employee. To determine the number of the hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

3.1.1 paid public holidays;

3.1.2 trade union representative leave days;

3.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and

3.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.

3.2 The Provident Fund contributions payable to the Council shall be determined as follows for:

3.2.1 ***Employees in the Industry:*** 6% of normal weekly wages from the employee per week, calculated on the establishment's normal ordinary hours of work plus an equal amount from the employer.

3.2.2 ***Working employers:*** 12% of a foreman's prescribed weekly wage.

### 4. ADDITIONAL PROVIDENT FUND CONTRIBUTIONS

4.1 Additional Provident Fund contributions shall be payable to the Council at the prescribed rates by the employer and employee when more than **20 hours'** wages per week are payable to an employee. To determine the number of the hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

- 4.1.1 paid public holidays;
  - 4.1.2 trade union representative leave days;
  - 4.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and
  - 4.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.
- 4.2 All employees and all employers, including working employers who do not qualify for membership of either the Furnmed Sick Benefit Society or the NUFAWSA Sick Benefit Society, shall pay additional Provident fund contributions equal to the Furnmed Sick Benefit Society's member contributions:
- 4.2.1 **Additional Provident Fund contributions payable (for all areas excluding the Free State Province)**
    - 4.2.1.1 Employees in Industry - refer to clause 5.1.2 below.
    - 4.2.1.2 Employers in Industry - refer to clause 5.1.2 below.
    - 4.2.1.3 Working employers in Industry - refer to clause 5.1.5 below.
  - 4.2.2 **Additional Provident Fund contributions payable (for the Free State Province ONLY)**
    - 4.2.2.1 Employees in Industry - refer to clause 5.2.2 below.
    - 4.2.2.2 Employers in Industry - refer to clause 5.2.2 below.
    - 4.2.2.3 Working employers in Industry - refer to clause 5.2.5 below.

## 5. SICK BENEFIT SOCIETIES

### 5.1 FURNMED SICK BENEFIT SOCIETY – STANDARD TYPE BENEFIT OPTION (for all areas excluding the Free State Province)

5.1.1 Furnmed Sick Benefit Society contributions shall be payable to the Council at the prescribed rates by the employer and employee when more than **20 hours'** wages per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

5.1.1.1 paid public holidays;

5.1.1.2 trade union representative leave days;

5.1.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and

5.1.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.

5.1.2 Member: R42-50 per week payable by the employee and R60-50 per week payable by the employer.

5.1.3 Adult dependants: R45-00 per week payable, per adult dependant, payable by the employee only.

5.1.4 Minor dependants: R45-00 per week, per minor dependant, payable by the employee only.

5.1.5 Extraordinary dependants: R103-00 per week, per extraordinary dependant, payable by the employee only.

**5.2 FURNMED SICK BENEFIT SOCIETY – STANDARD TYPE BENEFIT OPTION  
(for the Free State Province ONLY)**

5.2.1 Furnmed Sick Benefit Society contributions shall be payable to the Council at the prescribed rates by the employer and employee when more than **20 hours'** wages per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

5.2.1.1 paid public holidays;

5.2.1.2 trade union representative leave days;

5.2.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and

5.2.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.

5.2.2 Member: R25-00 per week payable by the employee and R71-00 per week payable by the employer.

5.2.3 Adult dependants: R45-00 per week payable, per adult dependant, payable by the employee only.

5.2.4 Minor dependants: R45-00 per week, per minor dependant, payable by the employee only.

5.2.5 Extraordinary dependants: R96-00 per week, per extraordinary dependant, payable by the employee only.

**5.3 FURNMED SICK BENEFIT SOCIETY – SELECT TYPE BENEFIT OPTION (for all areas excluding Free State Province)**

5.3.1 Furnmed Sick Benefit Society contributions shall be payable to the Council for all newly employed employees who earn R811-93 (escalating in accordance with the average of the annual across the board wage increases) or less per week and who are eligible for membership of the Furnmed Sick Benefit Society and shall be payable only when more than **20 hours'** wages per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

5.3.1.1 paid public holidays;

5.3.1.2 trade union representative leave days;

5.3.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and

5.3.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.

5.3.2 The Furnmed Sick Benefit Society contributions payable to the Council shall be determined as follows for:

Member: R30-00 per week payable by the employee and R48-73 per week payable by the employer.

#### 5.4 **FURNMED SICK BENEFIT SOCIETY – SELECT TYPE BENEFIT OPTION (for the Free State Province ONLY)**

5.4.1 Furnmed Sick Benefit Society contributions shall be payable to the Council for all newly employed employees who earn R811-93 (escalating in accordance with the average of the annual across the board wage increases) or less per week and who are eligible for membership of the Furnmed Sick Benefit Society and shall be payable only when more than **20 hours'** wages per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

5.4.1.1 paid public holidays;

5.4.1.2 trade union representative leave days;

5.4.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and

5.4.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.

5.4.2 The Furnmed Sick Benefit Society contributions payable to the Council shall be determined as follows for:

Member: R15-00 per week payable by the employee and R54-00 per week payable by the employer.



## 5.5 NUFAWSA SICK BENEFIT SOCIETY – STANDARD TYPE BENEFIT OPTION (for all areas excluding the Free State Province)

NUFAWSA Sick Benefit Society contributions shall be payable to the Council at the prescribed rates by the employer and employee when more than **20 hours'** wages per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

5.5.1 NUFAWSA Sick Benefit Society contributions shall be payable to the Council for all newly employed employees who earn R700-00 or less per week and who are eligible for membership of the NUFAWSA Sick Benefit Society and shall be payable only when more than **20 hours'** wages per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

5.5.1.1 paid public holidays;

5.5.1.2 trade union representative leave days;

5.5.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and

5.5.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.

5.5.2 Member plus 1 to 3 dependants: R62-50 per week payable by the employee and R60-50 per week payable by the employer.

5.5.3 4<sup>th</sup> and more dependants: R12-50 per week, per dependant, payable by the employee only.

5.5.4 Extraordinary dependants: R92-00 per week, per extraordinary dependant, payable by the employee only.

**5.6 NUFAWSA SICK BENEFIT SOCIETY – STANDARD TYPE BENEFIT OPTION (FOR the Free State Province ONLY)**

5.6.1 NUFAWSA Sick Benefit Society contributions shall be payable to the Council at the prescribed rates by the employer and employee when more than **20 hours'** wages per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

5.6.1.1 paid public holidays;

5.6.1.2 trade union representative leave days;

5.6.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and

5.6.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.

5.6.2 Member plus 1 to 3 dependants: R17-50 per week payable by the employee and R71-00 per week payable by the employer.

5.6.3 4<sup>th</sup> and more dependants: R12-50 per week, per dependant, payable by the employee only.

5.6.4 Extraordinary dependants: R92-00 per week, per extraordinary dependant, payable by the employee only.

5.7 **NUFAWSA SICK BENEFIT SOCIETY – SELECT TYPE BENEFIT OPTION (for all areas excluding the Free State Province)**

5.7.1 NUFAWSA Sick Benefit Society contributions shall be payable to the Council for all newly employed employees who earn R811-93 (escalating in accordance with the average of the annual across the board wage increases) or less per week and who are eligible for membership of the NUFAWSA Sick Benefit Society and shall be payable only when more than **20 hours'** wages per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

5.7.1.1 paid public holidays;

5.7.1.2 trade union representative leave days;

5.7.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and

5.7.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.

5.7.2 The NUFAWSA Sick Benefit Society contributions shall be determined as follows for:

Member: R30-00 per week payable by the employee and R48-73 per week payable by the employer.

## 5.8 NUFAWSA SICK BENEFIT SOCIETY – SELECT TYPE BENEFIT OPTION (for the Free State Province ONLY)

5.8.1 NUFAWSA Sick Benefit Society contributions shall be payable to the Council for all newly employed employees who earn R811-93 (escalating in accordance with the average of the annual across the board wage increases) or less per week and who are eligible for membership of the NUFAWSA Sick Benefit Society and shall be payable only when more than **20 hours'** wages per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

5.8.1.1 paid public holidays;

5.8.1.2 trade union representative leave days;

5.8.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and

5.8.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.

5.8.2 The NUFAWSA Sick Benefit Society contributions shall be determined as follows for:

Member:	R15-00 per week payable by the employee and R54-00 per week payable by the employer.
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5.9 Increases in employer and/or employee contributions payable to the Furnmed Sick Benefit Society and the NUFAWSA Sick Benefit Society shall be negotiated annually.

## 6. COUNCIL LEVIES

6.1 Council levies shall be payable to the Council at the prescribed rates by the employer and employee when more than **10 hours'** wages per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

6.1.1 paid public holidays;

6.1.2 trade union representative leave days;

6.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and

6.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.

6.2 The Council levies payable to the Council shall amount to:

6.2.1 **From the date of coming into operation of this Agreement until 30 June 2015**

R7-40 per week payable by the employer and R7-40 per week payable by the employee.

6.2.2 **From the first pay week in July 2015**

R8-00 per week payable by the employer and R8-00 per week payable by the employee

## 7. REGISTRATION FEE

Every employer who registers with this Council shall pay a registration fee of R500-00 per establishment upon registration.

8. **DEATH AND DISABILITY SCHEME (D.D.S.) CONTRIBUTIONS AND PROVIDENT FUND CONTRIBUTIONS IN RESPECT OF THE NEWLY EMPLOYED EMPLOYEE CONCESSION**

8.1 **YEAR ONE to YEAR THREE:** These D.D.S. contributions are exclusively applicable to newly employed employees from year one to year three of employment and shall be payable to the Council at the prescribed rates by the employer only when more than **15 hours' wages** per week are payable to an employee. To determine the number of hours worked by the employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

8.1.1 paid public holidays;

8.1.2 trade union representative leave days;

8.1.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and

8.1.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.

8.2 The D.D.S. contributions for newly employed employees payable only by the employer to the Council amount to the following:

8.2.1 YEAR ONE of employment R5-23 per week per employee, payable by the employer only

8.2.2 YEAR TWO of employment R10-46 per week per employee, payable by the employer only

8.2.3 YEAR THREE of employment R10-46 per week per employee, payable by the employer only.

8.3 **YEAR FOUR and YEAR FIVE:** Provident Fund contributions as per clauses 8.4.1 and 8.4.2 hereunder, shall be payable to the Council at the prescribed rates by the employer and the employee when more than **20 hours' wages** per week are payable to an employee. To determine the number of hours worked by the

employee, the calculation must include the ordinary hours worked by the employee as well as the hours which would ordinarily have been worked by the employee on:

- 8.3.1 paid public holidays;
  - 8.3.2 trade union representative leave days;
  - 8.3.3 the first 3 days per annum of paid sick leave days on condition that an acceptable medical certificate is presented by the employee to his employer and that such sick leave days do not fall on a Monday or a Friday or on the day before or after a public holiday; and
  - 8.3.4 family responsibility leave days for the first 2 days only which are related to the death of an employee's spouse, life partner, employee's parent, adoptive parent, grandparent, child, adopted child, grandchild or sibling and upon submission of the relevant death certificate by the employee to his employer.
- 8.4 The Provident Fund contributions for newly employed employees payable by the employer and the employee to the Council amount to the following:
- 8.4.1 YEAR FOUR of employment      Provident Fund contributions applicable for the **Newly Employed Employee Concession** of 3% of normal weekly wages from the employee per week, calculated on the establishment's normal ordinary hours of work, plus an equal amount from the employer, subject to the standard Death and Disability Scheme contributions being diverted from these Provident Fund contributions.
  - 8.4.2 YEAR FIVE of employment and onwards      Provident Fund contributions applicable for the **Newly Employed Employee Concession** of 6% of normal weekly wages from the employee per week, calculated on the establishment's normal ordinary hours of work, plus an equal amount from the employer, subject to the standard

Death and Disability Scheme contributions being diverted from these Provident Fund contributions.

**9. STANDARD DEATH AND DISABILITY SCHEME (STANDARD D.D.S.) CONTRIBUTIONS**

- 9.1 The contributions for the standard D.D.S. shall be diverted from the employee's weekly prescribed Provident Fund contributions as well as from the employer's weekly prescribed Provident Fund contributions;
- 9.2 The abovementioned contributions for the standard D.D.S. shall provide for funeral, death and disability benefits for Industry employees, by means of an insurance premium, if applicable, and the D.D.S. administration costs;
- 9.3 An amount of R12-75 per employee per week as well as an amount of R12-75 per employer per week shall be diverted from their Provident Fund contributions for the purposes of this Scheme.



## ADDENDUM 2

### PRESCRIBED ACROSS THE BOARD INCREASES OF ACTUAL WEEKLY WAGE RATES, MINIMUM WEEKLY WAGE RATE INCREASES, MINIMUM WEEKLY WAGE RATES AND SUBSISTENCE ALLOWANCE (for all areas excluding the Free State Province)

1. Prescribed across the board increases of actual weekly wage rates:

Sector	Occupation Skills Level	Occupation Skills Level Code	Across the board increases of actual weekly wage rates effective for parties as from the 1 <sup>st</sup> pay week in July 2014 and for non-parties on such date as may be determined by the Minister of Labour
Furniture, Bedding and Upholstery	General Worker	05	8.2% of actual weekly wages
	Semi-skilled employee	04	8.2% of actual weekly wages
	Skilled employee	03	8.2% of actual weekly wages
	Chargehand	02	8.2% of actual weekly wages
	Foreman/Supervisor	01	8.2% of actual weekly wages

## 2. Prescribed minimum weekly wage rate increases and minimum weekly wage rates:

Sector	Occupation Skills Level	Occupation Skills Level Code	Minimum weekly wage rate increases effective for parties as from the 1 <sup>st</sup> pay week in July 2014 and for non-parties on such date as may be determined by the Minister of Labour	Minimum weekly wage rates effective for parties as from the 1 <sup>st</sup> pay week in July 2014 and for non-parties on such date as may be determined by the Minister of Labour
<b>Furniture, Bedding and Upholstery</b>	<b>General Worker</b>	05	10% of minimum weekly wages	R430-00 + R43-00 = <b>R473-00</b>
	<b>Semi-skilled employee</b>	04	8.2% of minimum weekly wages	R633-55 + R51-95 = <b>R685-50</b>
	<b>Skilled employee</b>	03	8.2% of minimum weekly wages	R680-72 + 55-82 = <b>R736-54</b>
	<b>Chargehand</b>	02	8.2% of minimum weekly wages	R734-32 + R60-21 = <b>R794-53</b>
	<b>Foreman/Supervisor</b>	01	8.2% of minimum weekly wages	R734-32 + R60-21 = <b>R794-53</b>

3. **Subsistence allowance**

A minimum subsistence allowance of R45-00 per night is payable.

### ADDENDUM 3

**PRESCRIBED ACROSS THE BOARD INCREASES OF ACTUAL WEEKLY WAGE RATE OF  
ACTUAL WEEKLY WAGE RATES, MINIMUM WEEKLY WAGE RATE  
INCREASES, MINIMUM WEEKLY WAGE RATES AND SUBSISTENCE  
ALLOWANCE (for the Free State Province ONLY)**

1. Prescribed across the board increases of actual weekly wage rates:

Sector	Occupation Skills Level	Occupation Skills Level Code	Across the board increases of actual weekly wage rates effective for parties as from the 1 <sup>st</sup> pay week in July 2014 and for non-parties on such date as may be determined by the Minister of Labour
<b>Furniture, Bedding and Upholstery</b>	<b>General Worker</b>	05	8.2% of actual weekly wages
	<b>Semi-skilled employee</b>	04	8.2% of actual weekly wages
	<b>Skilled employee</b>	03	8.2% of actual weekly wages
	<b>Chargehand</b>	02	8.2% of actual weekly wages
	<b>Foreman/Supervisor</b>	01	8.2% of actual weekly wages

2. Prescribed minimum weekly wage rate increases and minimum weekly wage rates:

Sector	Occupation Skills Level	Occupation Skills Level Code	Minimum weekly wage rate increases effective for parties as from the 1 <sup>st</sup> pay week in July 2014 and for non-parties on such date as may be determined by the Minister of Labour	Minimum weekly wage rates effective for parties as from the 1 <sup>st</sup> pay week in July 2014 and for non-parties on such date as may be determined by the Minister of Labour
Furniture, Bedding and Upholstery	General Worker	05	10% of minimum weekly wages	R430-00 + R43-00 = <b>R473-00</b>
	Semi-skilled employee	04	8.2% of minimum weekly wages	R494-26 + R40-53 = <b>R534-79</b>
	Skilled employee	03	8.2% of minimum weekly wages	R649-77 + 53-28 = <b>R703-05</b>
	Chargehand	02	8.2% of minimum weekly wages	R697-06 + R57-16 = <b>R754-22</b>
	Foreman/Supervisor	01	8.2% of minimum weekly wages	R697-06 + R57-16 = <b>R754-22</b>

3. **Subsistence allowance**

A minimum subsistence allowance of-

- 3.1 R160-00 per day is payable, where the employee pays for his own food and accommodation;
- 3.2 R65-00 per day is payable, where the employer pays for the employee's accommodation only.

**ACROSS THE BOARD WAGE INCREASES EFFECTIVE FOR THE PERIOD 1 JULY 2015 TO 30  
JUNE 2016 IN RESPECT OF ADDENDUMS 2 AND 3**

Across the board increases of actual weekly wage rates effective from the first pay week of July 2015 shall be 8.2% of actual weekly wages, provided that the CPI rate for the year ending April 2015 is not below 3.5% or above 9.2%. If the official CPI rate for the year ending April 2015 is below 3.5% or above 9.2% the parties to the Council shall meet to renegotiate the across the board increases of actual weekly wage rates, for the period 1 July 2015 to 30 June 2016.

Agreement signed at Johannesburg on this 17<sup>th</sup> day of June 2014.

**L DIRKSEN**  
Chairman of the Council

**K CHAUKE**  
Vice-Chairman of the Council

**WA JANSE VAN RENSBURG**  
General Secretary