

DEPARTMENT OF LABOUR

NO. 386

29 MARCH 2018

LABOUR RELATIONS ACT, 1995

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

I, **MILDRED NELISIWE OLIPHANT**, Minister of Labour, hereby in terms of section 32(2) of the Labour Relations Act, 1995, declare that the Collective Agreement which appears in the Schedule hereto, with the exclusion of clause 2 thereof which was concluded in the **Bargaining Council for the Furniture Manufacturing Industry of the Western Cape** and is binding in terms of section 31 of the Labour Relations Act, 1995, on the parties which concluded the agreement, shall be binding on the other employers and employees in that Industry with effect from the Second Monday after publication of the notice and for the period ending 30 June 2018.


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MN OLIPHANT, MP

MINISTER OF LABOUR

DATE: 13/03/2018

UMTHETHO WOBUDLELWANO KWEZABASEBENZI KA-1995**BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING
INDUSTRY OF THE WESTERN CAPE: UKWELULWA
KWESIVUMELWANO SABAQASHI NABASEBENZI ESIYINGQIKITHI
FUTHI ESICHIBIYELAYO SELULELWA KULABO ABANGEYONA
INGXENYE YASO**

Mina, **MILDRED NELISIWE OLIPHANT**, uNgqongqoshe WezabaSebenzi, ngokwesigaba-32(2) soMthetho Wobudlelwano WezabaSebenzi ka-1995, ngazisa ukuthi isiVumelwano sabaqashi nabasebenzi esitholakala kwiSheduli yesiNgisi exhunywe lapha, kukhishwa imishwana 2 esenziwa kwi **Bargaining Council for the Furniture Manufacturing Industry of the Western Cape**, futhi ngokwesigaba-31 soMthetho Wezobudlelwano KwezabaSebenzi ka-1995 esibopha labo abasenzayo, sizobopha bonke abanye abaqashi nabasebenzi kuleyoMboni kusukela ngoMsombuluko wesibili emva kokushicilelwa kwalesiSaziso futhi kuze kube isikhathi esiphela mhlaka 30 kuNhlangulana 2018.



MN OLIPHANT, MP

UNGQONGQOSHE WEZABASEBENZI

USUKU: -----

13/03/2018

SCHEDULE**BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING
INDUSTRY OF THE WESTERN CAPE****MAIN COLLECTIVE AMENDING AGREEMENT**

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

Cape Furniture Manufacturers' Association

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

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

(hereinafter referred to as the "Employees" or the "trade union") of the
other part,

being the parties to the Bargaining Council for the Furniture Manufacturing
Industry of the Western Cape.

DIVISION OF AGREEMENT

This Agreement is divided into three parts as follows:

PART I

Substitute the Division of Agreement

A – Administrative issues

Clause 1	-	Scope of application of Agreement
Clause 2	-	Period of operation of Agreement
Clause 3	-	Definitions
Clause 4	-	Exemptions
Clause 5	-	Registration of Employers
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Clause 11	-	Agents
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Clause 17	-	Payment of remuneration
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Clause 19	-	Forenoon and afternoon intervals
Clause 20	-	Abatement of wages
Clause 21	-	Termination of employment
Clause 22	-	Night shift work
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Clause 30	-	Time off work to attend further training or further education courses
Clause 31	-	Shutdown period
Clause 32	-	Annual Leave
Clause 33	-	Short Time
Clause 34	-	New Industry Entrant Employee contributions grace period
Clause 35	-	Fixed term contracts of employment
Clause 36	-	Abscondment

C – Contributions and deductions

Clause 37	-	Expenses of the Council – Council Levy
Clause 38	-	Holidays and Holiday and Bonus Fund
Clause 39	-	Subsistence allowance
Clause 40	-	Trade Union contributions
Clause 41	-	Levies payable by Employers who are members of the Employers' Association
Clause 42	-	Provident Fund contributions
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PART II

Clause 44	-	Wages increase
Clause 45	-	Fines

PART III

Annexure A	-	Job Grading and minimum wages
Annexure B	-	Monthly statement to be submitted in terms of clause 12
Annexure C	-	Hours of work notice required under clause 17(6)

Annexure	D	-	Registration as an Employer Form to be submitted in terms of clause 6
Annexure	E	-	Weekly return of Employees to be submitted in terms of clause 14
Annexure	F	-	Dispute Resolution Procedure in terms of clause 15
Annexure	G	-	Public Holidays in terms of clause 31
Annexure	H	-	Provident Fund percentage contributions

PART I

A – Administrative issues

1. SCOPE OF APPLICATION OF AGREEMENT

- (1) The terms of this Agreement shall be observed in the Furniture, Bedding, Upholstery and Curtain Manufacturing Industry as defined hereunder in the Provinces of Western cape and Northern Cape excluding the Magisterial Districts of George, Kynsna, Oudshoorn, Mossel Bay and Plettenberg Bay:

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

- (a) Furniture
Manufacturing, assembling, repairing, staining, spraying, polishing, re-polishing, making loose covers and/or cushions, wood machining, veneering, woodturning, carving, assembling, painting, spraying, cutting, edging, drilling, wood bending, laminating and/or papering/foiling, of board.

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

Furniture manufacturing will also include the manufacturing, repairing, polishing, assembling, cutting, drilling, edging, re-polishing, staining, spraying either in whole or in part of: pianos, organs, kitchen cupboards, attached wall cupboards, built-in cupboards, free standing cupboards, bars or built-in bar counters, cane, wicker or grass furniture, cabinets including cabinets for musical instruments and radios,

wireless or television cabinets, coffins, draw and draw fronts, doors and cupboard doors irrespective of size, bathroom cupboards, cupboard tops and furniture for tea-rooms, restaurants, offices, churches, schools, libraries, hotels, other educational institutions, conference centres and theatres.

(b) Bedding

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

"Studio Couch" means an article of furniture, which is designed for seating and for conversion into a double bed or two or more beds and of which the frames 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, seating, pelmets, mattress bases, foam mattresses and/or cushions.

(d) Curtain making

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

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

(2) Notwithstanding the provisions of sub-clause (1), the terms of this Agreement shall:-

- (a) apply to all employees for whom minimum wages are prescribed in this Agreement and to employers of such employees.
- (b) apply to Learners in so far as the terms are not inconsistent with the Skills Development Act, 97 of 1998, or any contract entered into or any condition fixed under the Skills Development Act, 97 of 1998.

2. PERIOD OF OPERATION OF AGREEMENT

This Agreement shall come into operation:-

- (1) (a) In respect of parties to this agreement, on the date of signature;

- (b) in respect of non-parties, on such date as fixed by the Minister of Labour in terms of section 32 of the Act.
- (2) This Agreement shall remain in force for the period ending 30 June 2018.

3. CLAUSE 5. REGISTRATION OF EMPLOYERS

Substitute clause 5(1) with the following:

- "(1) Every Employer on whom this Agreement is binding and who has not already done so in terms of a previous agreement shall, within one month of the date on which this Agreement becomes binding on him:-
- (a) forward to the Secretary of the Council a duly completed registration form in the form specified in Annexure D to this Agreement, together with the documents specified in such Annexure.

Note - This Annexure is obtainable on from the Secretary of the Council, at 7 Maritz Street, Bellville, or P.O. Box 1529, Sanlamhof, 7532, or by emailing correspondence@furniture.org.za or from the Council's website at www.furniture.org.za.

4. CLAUSE 12. MONTHLY STATEMENT

Substitute clause 12(1) with the following:

- "(1) All payments to be made to the Council in terms of clauses 37, 38, 41, 42, 43 and 44 of this Agreement shall be accompanied by a statement in the form prescribed in Annexure B to this Agreement.
- (a) Such statement is to be submitted by no later than the seventh (7th) day of each month following in respect of which it is due."

B - Terms and Conditions of Employment

5. CLAUSE 26. SEVERANCE PAY

1. Substitute clause 26(1) with the following:

- "(1) On the termination of an Employee's contract of employment as a result of any of the following: -
- (a) retrenchment;
- (b) short time;
- (c) redundancy.

Such Employee shall receive from his Employer severance pay. For the purpose of calculating severance pay, service of ten months or more shall be deemed as a full year's service for the first year only. Thereafter severance pay shall be calculated on the basis of one week's wage plus, an additional week's wage per completed year of service."

2. Substitute clause 26(2) with the following:

"(2) The severance pay payable by the Employer to the Employee pursuant to sub-clause (1) above shall be the sum of: -

- (a) one week's wages: plus thereafter
- (b) one additional week's wages for each completed year of service: plus thereafter
- (c) In recognition of long service the following payable in addition to the above:-
 - (i) 5 to 10 years service - one additional week's wage
 - (ii) 10 to 15 years service - two additional week's wages
 - (iii) 15 to 20 years service - three additional week's wages,
 - (iv) 20 years service and more - four additional week's wages"

6. CLAUSE 29. TRADE UNION REPRESENTATIVES

1. Substitute clause 29(5) with the following:

"(5) Shop Steward Training - For the purpose of attending training courses and/or training seminars arranged by the trade union which is a party to this Agreement, all shop stewards shall be entitled to three days paid leave per annum with effect from the date of the coming into operation of this Agreement, subject to the following conditions: -

- (a) The cycle of shop steward leave shall commence on 1 January of each year. Leave not taken by a shop steward and/or senior shop steward shall accrue to a newly elected shop steward and/or senior shop steward during any one-leave cycle. Shop Steward leave shall not be cumulative nor be transferable from one Employer to another or from one year to another.
- (b) Shop stewards' leave shall be taken only during the first eight calendar months of the year.
- (c) The trade union shall make the training course and/or training seminar content available to the Employer at least seven days in advance.
- (d) Prior arrangements shall be made by the trade union with an Employer for the release of the senior shop steward and/or shop stewards. Not more than 50 percent of elected senior shop stewards and/or shop stewards at any particular Employer's firm shall attend the training course and/or training seminar on any particular day.

- (e) A senior shop steward and/or shop stewards from any one Employer's firm shall not be required to attend a training course and/or training seminar on/over consecutive days.
- (f) The trade union shall furnish the Employer with written proof that the training course and/or training seminar, for which purpose the paid leave was granted, was attended by the particular senior shop steward and/or shop stewards."

2. Insert the following new clause 29(6):

- "(6) Shop Steward attending trade union meetings - For the purpose of Shop Stewards attending trade union meetings which trade union is a party to this Agreement, all shop stewards shall be entitled to three days paid leave per annum with effect from the date of the coming into operation of this Agreement, subject to the following conditions:-
- (a) Sub-clause 5(a) and (b).
 - (b) Prior arrangements shall be made by the trade union with an Employer for the release of the senior shop steward and/or shop stewards. Not more than 50 percent of elected senior shop stewards and/or shop stewards at any particular Employer's firm shall attend the trade union meeting on any particular day.
 - (c) The party trade union must notify the employer in writing at least three (3) working days prior to the meeting that time off work for a Shop Steward is required.
 - (d) An employer shall not unreasonably withhold such permission."

7. CLAUSE 36. ABSCONDMENT

Insert new clause 36 and renumber all the preceding clauses accordingly

"36. ABSCONDMENT

- (1) An employee shall be regarded as having absconded from his employer's service after a period of absence of five consecutive working days without notification to his employer of his whereabouts.
Provided that the employer attempts to contact the employee at their last known home address in writing and consults with the worker representative."

C – Contributions and deductions

8. CLAUSE 37. EXPENSES OF THE COUNCIL

Substitute new clause 37(1) with the following:

- "(1) For the purpose of meeting the expenses of the Council, every Employer shall deduct from the wage of each of his Employees for whom a wage is paid:-
- (a) R7.10 per pay week from the period of operation of this agreement to 30 June 2018. "

9. CLAUSE 38. HOLIDAYS AND HOLIDAY AND BONUS FUND

1. Substitute new clause 38(3) with the following:

- "(3) (a) Every Employer shall grant his Employees annual leave of fifteen (15) consecutive paid working days, unless an agreement has been reached with the majority of the employees in terms of clause (32)(i) where annual leave may be split.
- (b) An employee's annual leave, as per sub-clause 3(a) here above, shall be extended by virtue of the fact that any public holiday, as per sub-clause (1) here above, falling within this period shall not be included in the said fifteen (15) working annual leave days.
- (c) The payment of any public holiday falling within an employee's annual leave must be paid to such an employee along with their last wage by normal closing time on their last working day prior to commencing their annual leave and in accordance with sub-clause (19) here above.
- (d) Notwithstanding sub-clause (3)(c) here above, an employer may, with the consent of the employee embarking on annual leave, make payment for any public holiday falling within the employee's annual leave, on the first pay day following the date upon which the employee's said annual leave ends. "

2. Substitute new clause 38(5) with the following:

- "(5) Holiday and Bonus Fund Contributions for Employers who have previously not been registered with the Council and for Employers who continued to pay the Holiday and Bonus Fund in accordance with the collective agreement published in Government gazette R6810 number 21187 dated 19 May 2000.
- (a) As at the date of signature of the agreement or at a date as set by Minister of Labour for non-parties, no employer is to reduce the percentage utilised for calculating their employees' holiday and bonus fund unless it is in accordance with this collective agreement.
- (b) The following holiday and bonus fund provisions apply: -
- (i) Every employer shall pay in respect of every employee a holiday and bonus fund amount calculated on the employee's wages for the actual normal time worked in any pay week and on the hours an employee would ordinarily have worked on a paid public holiday, trade union representative leave days and on the first five days of paid sick leave on condition a medical certificate

is provided and on condition that such sick leave days do not fall on a Monday or a Friday or on a day before or after a public holiday.

Holiday and Bonus Fund contributions are payable for Family Responsibility Leave for the first two days only that are related to the death of an employee's spouse, life partner, parent, adopted parent, grand parent, child, legally adopted child, or sibling and upon presentation of the relevant death certificate by the employee to their employer.

For the purpose of calculating an employee's Holiday and Bonus Fund benefit, and time not worked by an employee due to being placed on short time by their employer in terms of clause 33 of the Council's Collective Agreement, shall be deemed as hours worked and are thus to be included in the employee's weekly working hours as if the employee had worked such time.

- (ii) The Holiday and Bonus Fund contribution rates shall be payable to the Council and calculated as follows:-
- (iii) Fifteen percent (15%) of an employee's actual normal time weekly wage if the employee has lost twenty minutes or less of the Company's ordinary/normal weekly working hours.
- (iv) Eleven percent (11%) of an employee's actual normal time weekly wage if the employee has lost between twenty one and sixty minutes of the Company's ordinary/normal weekly working hours.
- (v) Seven point Five percent (7.5%) of an employee's actual normal time weekly wage if the employee has lost more than sixty minutes of the Company's ordinary/normal weekly working hours.
- (vi) No Holiday and Bonus Fund contributions are payable for the first 15 hours of overtime worked per week, hours worked on a Sunday, any allowances and on wages payable for study leave.
However Holiday and Bonus Fund contributions shall be payable on any annual leave days taken outside of the shut down period.
- (vii) On application an exemption from the above provisions may be granted should a Company have a more favourable attendance bonus scheme.
- (v) All amounts payable in terms of this sub-clause shall be paid by the employer to the Secretary of the Council month by month, and not later than the 15th day of each month following that in respect of which they are due, as per sub-clause (4)(a) here above."

PART II**10. CLAUSE 44. WAGE INCREASE**

Substitute new clause 44 with the following:

- "(1) Employees employed in the Furniture, Bedding, Upholstery and Curtain Manufacturing Industry are to receive the following wage increases:
- (A) Wage Increase – Foreman, Supervisors, Change-hands, Skilled and Semi-Skilled Categories
- (i) For the above mentioned categories of Employees a seven point five percent (7.5%) across the board wage increase on actual wages is to be applied as follows:-
- (a) – With effect from the coming into operation of this agreement until 30 June 2018
- (ii) A wage increase of seven point five (7.5%) percent to be applied to employees actual wages with effect from the coming into operation of this agreement until 30 June 2018 .
- (a) Should the Consumer Price Index (CPI) for April 2017, as published in May 2017 by Statistics South Africa, be below three point five (3.5%) or above nine point two nine percent (9.29%) the Parties will renegotiate wages only.
- (B) Wage Increase – Unskilled Category
- (i) With effect from the coming into operation of this Agreement until 30 June 2018:
- (a) A wage increase of seven point five percent (7.5%) to be applied to employees actual wages with effect from the coming into operation of this Agreement until 30 June 2018
- (b) Should the Consumer Price Index (CPI) for April 2017, as published in May 2017 by Statistics South Africa, be below three point five percent (3.5%) or above nine point two nine percent (9.29%) the Parties will renegotiate wages only.
- (C) Prescribed Minimum – Unskilled Category

- (i) The Unskilled Category minimum weekly wage rate with effect from the coming into operation of this Agreement shall be Five Hundred and Sixty Nine Rand and Sixty Seven Cents (R569.67) which equates to an hourly rate of Twelve Rand and Ninety Five Cents (R12.95) per hour.
- (ii) The Unskilled Category minimum weekly wage rate from the coming into operation of this agreement until 30 June 2018 shall be Six Hundred and Twenty Six Rand and Sixty Four Cents (R626.64) which equates to an hourly rate of Fourteen Rand and Twenty Four Cents (R14.24) or hour."

PART III

11 ANNEXURE A

JOB GRADING AND MINIMUM WAGES RATES

Substitute Part III Annexure A(B) with the following:

"B. SPECIFIED MINIMUM WEEKLY WAGE RATES FOR NEW EMPLOYEES

Sectors	Occupation Skills Level	Occupation Skills Level Code	Minimum weekly wage rate with effect from the coming into operation of this Agreement for New Entrant employees
Furniture, Bedding, Curtaining and Upholstery	Unskilled employees	05	R626,64pw
	Semi-skilled employees	04	R857,14pw
	Skilled employees	03	R920,96pw
	Chargehands	02	R993,47pw
	Foremen & Supervisors	01	R993,47pw

Note: The prescribed minimum **weekly wage** for a new entrant employee into the Furniture Manufacturing Industry is stipulated as a minimum **weekly wage**.

This means that a worker who meets the new entrant criteria in an establishment and whose normal working week is a 44 hour week and a worker who meets the new entrant criteria in an establishment whose normal working week is a 40 hour week must receive at least the prescribed minimum wage for the relevant occupation skill level category. "



W. Dyers
Chairperson



J. Claassen
Vice - Chairperson



A. Davids
Secretary