



22 February 2023

NO. 02/23

NOTICE

TO: ALL EMPLOYERS AND EMPLOYEES

WAGE AGREEMENT CONCLUDED

This Notice 02/23 is to be read in conjunction with the National Minimum Wage Notice 01/23 which sets out the National Minimum Wage Rates to be implemented with effect from the 1st March 2023.

PERIOD OF AGREEMENT

The agreement is for a period of 24 months commencing the 1st full pay week in April 2023 to the last pay week in March 2025.

The following is applicable from the **FIRST FULL PAY WEEK IN APRIL 2023** to the **LAST FULL PAY WEEK IN MARCH 2024**.

1. WAGE INCREASE

1.1 Wage increase per category as from the first full pay week in **April 2023** are as follows:-

Hourly wage rates	Percentage increase agreed
To and including R47.00	6.5%
Between R47.01 – R70.00	5.5%
Above R70,01	5%

The increases agreed upon for implementation April 2024 will be communicated later.

2. PRESCRIBED MINIMUM WAGE RATES

Sectors	Occupation Skills Level	Occupation Skills Level Code	First full pay week in APRIL 2023
Furniture, Bedding, Curtaining and Upholstery	Unskilled Employees	05	R25.42 per hour
	Semi-skilled Employees	04	R26.50 per hour
	Skilled Employees	03	R28.47 per hour
	Chargehands	02	R28.47 per hour
	Foremen & Supervisors	01	R30.70 per hour

3. SCOPE OF APPLICATION OF AGREEMENT

3.1. The terms of this Agreement shall be observed in the Furniture, Bedding, Upholstery and Curtain Manufacturing Industry as defined in the main collective agreement in the Provinces of the Western Cape and the Northern Cape, excluding the Magisterial Districts of George, Knysna, Mossel Bay, Oudtshoorn and Plettenberg Bay, and shall further be divided into Area "A" and Area "B".

3.2. Definitions

AREA "A" – Atlantis, Bellville, Cape Town, Goodwood, Kuils River, Malmesbury, Mitchells Plain, Paarl, Simon's Town, Stellenbosch, Somerset West, Strand, Wellington, Worcester and Wynberg.

AREA "B" – Beaufort West, Bergriver, Breede Valley, Cape Agulhas, Cederberg, Hessequa, Kannaland, Laingsburg, Langeberg, Matzikama, Swartland, Saldanha Bay, Oversstrand, Prince Albert, Swellendam, Theewaterskloof and Witzenberg.

3.3. FEES, LEVIES, AND CONTRIBUTIONS PAYABLE TO THE COUNCIL IN AREA "A"

Employers are to fully comply with all statutory contributions and deductions as set out in the Main Collective Agreement.

3.4. FEES, LEVIES, AND CONTRIBUTIONS PAYABLE TO THE COUNCIL IN AREA "B"

Employers are required to register with the Council and are required to pay Council Levies. Employees are to be paid no less than the prescribed minimum hourly rates of pay per category.

The Employer shall be exempted, for the duration of the Agreement, from the following contributions:

- 3.4.1 Leave Pay Fund contributions,
- 3.4.2 Holiday Bonus Fund contributions,
- 3.4.3 Provident Fund contributions,
- 3.4.4 Bargaining Levy,
- 3.4.5 Agency Fee Contributions, and
- 3.4.6 Medical Ill Health Benefit.

5. CONTRIBUTION CONCESSIONS

- 5.1 New entrants shall only be eligible for contributions after six (6) consecutive months of continued employment with the exception of Council levies.
- 5.2 For a new entrant, engaged within three (3) months of the implementation of a new agreement, no wage increase is due provided that such employees are earning at the same level or above the minimum rate contained in the collective agreement.
- 5.3 For all learnerships, only council levies are payable and are applicable for the duration of the learnership.
- 5.4 Employees employed on fixed-term contracts are exempt from all contributions for a maximum period of 6 months with the exception of council levies payable in terms of clause 41.

6. SUBSISTENCE ALLOWANCE

- 6.1. Whenever an Employee is precluded from returning to his/her normal place of residence for a night's rest, he/she shall be paid, in addition to his ordinary remuneration, a subsistence allowance of not less than: -
 - 6.1.1. where it is necessary for the Employee to obtain a bed: R120,00; or
 - 6.1.2. where it is necessary for the Employee to obtain an evening meal and a bed: R300,00.
- 6.2. This payment must be made prior to or on the day of the journey to be undertaken.

7. EMPLOYEES ENGAGED IN MORE THAN ONE OCCUPATION SKILLS LEVEL

7.1. An employee who, during the course of any one day, is employed in work for which different hourly rates of pay are prescribed, shall be paid for all the hours worked on such day at the higher or highest hourly rate of pay prescribed for such work. Unless there is a written and signed agreement in place setting out terms under which the employee is being trained.

8. HOLIDAY BONUS / HOLIDAY BONUS FUND / LEAVE PAY FUND

8.1. Definitions

“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 monies from establishments for their employees, for holding these holiday bonus monies in reserve and to pay these holiday bonus monies to the employees when due;

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

8.2 An alternative bonus scheme may be entered into at plant-level on the condition that the bonus scheme is more favourable in terms of potential earnings and is reduced to writing and signed by majority of employees.

8.3 In the event that a plant-level bonus scheme is in place, only Leave Pay Fund contributions shall be payable by the employer to the Council and shall be calculated at a rate of 7.5% of the ordinary hours worked by the employee and on the hours which an employee would ordinarily worked on:

8.3.1 paid public holidays;

8.3.2 paid trade union representative leave days;

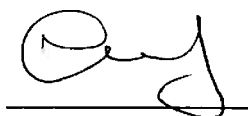
8.3.3 paid sick leave days;

8.3.4 paid family responsibility leave; and

8.3.5 paid study leave.

8.3.6 No Leave Pay Fund contributions are payable on wages which are payable for overtime wages, hours worked on a Sunday and allowances.

Yours faithfully

A handwritten signature in black ink, appearing to be 'N.U. Abrahams', written over a horizontal line.

N.U. ABRAHAMS

SECRETARY