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

hereby agree to amend and extend the Main Collective Agreement published under Government Notice No. R.5766 of 24 January 2025, Government Notice No. R.6036 of 25 March 2025, Government Notice No R.6523 of 22 August 2025, Government Notice No R.6853 of 21 November 2025, Government Notice No R.7330 of 31 March 2026 and Government Notice No R.7652 of 3 July 2026.

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CHAPTER 1

1. SCOPE OF APPLICATION

1.1 The terms of this Agreement shall be observed by employers and employees in the Furniture, Bedding and Upholstery Manufacturing Industry as defined hereunder in the Provinces of Gauteng, North West, Mpumalanga, Limpopo and Free State.

“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 as a complete unit or in part as a component or components, of all types of furniture and bedding as well as upholstery and /or re-upholstery and will, inter alia include the following:

1. **Furniture**

Repairing, staining, spraying, polishing, re-polishing, making loose covers and/or cushions, wood machining, veneering, woodturning, carving, assembling, painting, wood bending and laminating, cutting, edging, drilling and routering. Furniture manufacturing will also include the manufacturing, installation, repairing, polishing, re-polishing, staining, spraying of pianos, organs, movable room/office partitions, kitchen cupboards, kitchen cupboard tops, kitchen cupboard components (irrespective of materials used), attached wall cupboards, built-in cupboards, built-in cupboard components, doors and door frames (the latter doors and door frames exclude doors and door frames manufactured from iron, steel and other metal materials) 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, any other cupboard tops and furniture for tea-rooms, restaurants, offices, churches, schools, libraries, other educational institutions, conference centres, theatres, shop fitting, office fitting and bank fitting, which includes the manufacture and/or fixing of shop fronts, window enclosures, showcases, counters, including point of sales counters, screens, interior fittings and fixtures and any form of shelving, irrespective of the materials used and includes any part of an establishment’s business carrying out the manufacture of furniture as defined above, whether or not that part is discrete or ancillary to any other business of the employer.

2. **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, including the manufacturing of bedding and bed frames, irrespective of the materials used.

"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.

3. **Upholstery**

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

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.

2. PERIOD OF OPERATION OF AGREEMENT

2.1 This Agreement shall, in terms of section 31 of the Act, become binding on the above parties from date of signature until 30 April 2028.

2.2 This Agreement shall be binding on non-party employers and employees on the date as determined by the Minister of Employment and Labour in terms of section 32 of the Act and shall remain in force for the period ending 30 April 2028.

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);
"adoption order" means an adoption order as envisaged in the Children's Act, 2005 (Act No. 38 of 2005);
"adoptive parent" has the meaning assigned to it in section 1 of the Children's Act, 2005 (Act No. 38 of 2005);
"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 monies and maximum holiday bonus monies;
"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 monies and maximum holiday bonus monies;
"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;

"commissioning parent" has the meaning assigned to it in section 1 of the Children's Act, 2005 (Act No. 38 of 2005);

"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 Funeral 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;

"employee" means the same as defined in the Basic Conditions of Employment Act 1997 (Act 75 of 1997)(as amended);

"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;

"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;

"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 monies from establishments for their employees, for holding these monies in reserve and to pay these leave pay monies 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;

"ordinary hours of work" means the maximum number of hours which an establishment ordinarily works per week and normal hours of work has the same meaning;

"pay week" means the period of 7 days which is considered when determining the weekly wage of an employee, based on an hourly rate of pay;

"prospective adoptive parent" means a person who complies with the requirements set out in section 231(2) of the Children's Act, 2005 (Act No. 38 of 2005);

"senior shop steward" means a chairperson or a convenor of shop stewards at an establishment;

"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;

"surrogate motherhood agreement" has the meaning assigned to it in section 1 of the Children's Act, 2005 (Act No. 38 of 2005);

"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;

"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 monies in respect of-

6.1.4.2.1 Leave pay monies;

6.1.4.2.2 Holiday bonus monies;

6.1.4.2.3 Council Levies;

6.1.4.2.4 Provident Fund contributions;

6.1.4.2.5 Death and Funeral Scheme contributions; and

6.1.4.2.6 Dispute Resolution Levy.

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 10th 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: From the first month of registration for a period of 12 consecutive months

During this period the employer shall be exempted from prescribed minimum hourly rates of pay, subject to no employee being paid less than the national minimum hourly rate of pay, Leave Pay Fund contributions, Holiday Bonus Fund contributions, Provident Fund contributions and either of the Sick Benefit Societies contributions, if applicable, as prescribed in **ADDENDUM 1**. 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 fees, levies and contributions shall be payable as prescribed in **ADDENDUM 1**.

(a) Council levies;
(b) Trade union subscriptions (if applicable);
(c) Agency Shop Fees (where applicable);
(d) Death and Funeral Scheme contributions. Refer to clause 7 of **ADDENDUM 1**; and
(e) Dispute Resolution levies.

PHASE TWO: From the first day immediately following the expiry of Phase One for a period of 12 consecutive months

During this period the employee(s) shall be remunerated at their current rates of pay, subject to no employee being paid less than the national minimum hourly rate of pay and wage increments may be negotiated between employer and employee(s). In addition to the fees, levies and contributions 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: From the first day immediately following the expiry of Phase Two for a period of 12 consecutive months

During this period the employee(s) shall be remunerated at not less than 75% of the prevailing minimum hourly rates of pay, as prescribed in **ADDENDUM 2** or **ADDENDUM 3**,

subject to no employee being paid less than the national minimum hourly rate of pay. In addition to the fees, levies and contributions payable in Phases One and Two, the following contributions shall become payable as prescribed in **ADDENDUM 1**:

(a) Provident Fund contributions; and

(b) Standard Death and Funeral Scheme contributions. Refer to clause 6.3 of **ADDENDUM 1**.

PHASE FOUR: From the first day immediately following the expiry of Phase Three

All the provisions of the prevailing Agreement administered by this Council shall become applicable, including the payment of 100% of the minimum hourly rates of pay, subject to no employee being paid less than the national minimum hourly rate of pay, as prescribed in **ADDENDUM 2** or **ADDENDUM 3** and the payment of either of the Sick Benefit Societies contributions, if applicable, 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 hourly rates of pay and all fees, levies and contributions normally payable to this Council, shall come into effect immediately.

8. NEWLY EMPLOYED EMPLOYEE CONCESSION

8.1 The employer may elect to apply the calculations below to determine the wages, levies, contributions and fees payable to any newly employed employee who commences employment with an employer for the first time, subject to clauses 8.2 and 8.3 below, 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.

8.2 As from 29 June 2020 all changes relating to the Newly Employed Employee Concession contributions and year changes, will be applicable to the corresponding year of the new Newly Employed Employee's Concession provisions.

8.3 **Accumulation of Credits** – Upon service termination of the employee, irrespective of the reason, the employer shall grant credit to the employee for time employed under the newly employed employee concession when reemployed by any employer.

8.4 The following fees, levies and contributions shall be payable as prescribed in **ADDENDUM 1, ADDENDUM 2** or **ADDENDUM 3**.

YEAR ONE of employment:

(a) 100% of the prescribed minimum hourly rate of pay for General Workers, subject to no employee being paid less than the national minimum hourly rate of pay;
(b) 85% of the prescribed minimum hourly rates of pay, for all other Occupation Skills Levels of employees, subject to no employee being paid less than the national minimum hourly rate of pay;
(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);
(f) Death and Funeral Scheme contributions (refer to clause 5.2.1 of **ADDENDUM 1**); and
(g) 100% of NEEC Provident Fund contributions (refer to clause 5.3.1 of **ADDENDUM 1**).
(h) 100% of the prescribed Dispute Resolution Levies.

YEAR TWO of employment:

(a) 100% of the prescribed minimum hourly rate of pay for General Workers, subject to no employee being paid less than the national minimum hourly rate of pay;
(b) 90% of the prescribed minimum hourly rates of pay for all other Occupation Skills Levels of employees, subject to no employee being paid less than the national minimum hourly rate of pay;
(c) 100% of the prescribed Council Levies;
(d) 100% of the prescribed Leave Pay Fund contributions;
(e) 100% of either of the Sick Benefit Society contributions, if applicable, as prescribed in **ADDENDUM 1**);
(f) 100% of the required Agency Fee (where applicable);
(g) Death and Funeral Scheme contributions (refer to clause 5.2.1 of **ADDENDUM 1**); and
(h) 100% of the NEEC Provident Fund contributions (refer to clause 5.3.2 of **ADDENDUM 1**).
(i) 100% of the prescribed Dispute Resolution Levies.

YEAR THREE of employment:

(a) 100% of the prescribed minimum hourly rate of pay for all the Occupation Skills Levels of employees, subject to no employee being paid less than the national minimum hourly rate of pay;
(b) 100% of the prescribed Council Levies;
(c) 100% of all prescribed Leave Pay Fund contributions;
(d) 100% of either of the Sick Benefit Society contributions, if applicable, as prescribed in **ADDENDUM 1**);
(e) 100% of the required Agency Fee (where applicable);

(f) Death and Funeral Scheme contributions (refer to clause 5.2.1 of **ADDENDUM 1**); and

(g) 100% of NEEC Provident Fund contributions (refer to clause 5.3.2 of **ADDENDUM 1**.

(h) 100% of the prescribed Dispute Resolution Levies.

YEAR FOUR of employment:

100% of at least the minimum prescribed hourly rates of pay for all the Occupation Skills Levels of employees, subject to no employee being paid less than the national minimum hourly rate of pay as well as 100% of all prescribed fees, levies and contributions shall be 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 –

9.1.1.1 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 15 hours in any one pay week. All employees shall be given at least 24 hours' prior notice of overtime to be worked, provided that employers and employees may agree to work emergency overtime at shorter notice.

In the event that an employer wants to work overtime in excess of 15 hours in any one pay week, prior written permission shall be obtained from the Council by submitting proper written motivation and proper written proof of an agreement between the employer and the employees concerned, acceptable to the Council, to work overtime as follows:

9.3.2.1 Overtime in excess of 15 hours in any one pay week, up to a maximum of 35 hours in any one pay week; or

9.3.2.2 Overtime in excess of 15 hours in any one pay week up to 20 weeks consecutively.

For any overtime to be worked in excess of 35 hours in any one pay week the employer have to apply for exemption to the Independent Exemption Body of the Council.

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 that an official paid public holiday falls during a period in which the employer is already working short time, employees shall be paid their normal ordinary hours of work for that day, irrespective of the short time so implemented.

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 If an establishment closes for a period less than 15 consecutive working days and an employee request to take the remainder of his/her 15 leave days after re-opening, the employer must grant such leave prior to the end of May of the following year and every year thereafter.

9.6.3 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.

9.6.4 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;

9.7.5.2 on the employee's usual pay day; and

9.7.5.3 paid sick leave granted by the establishment must be regarded as ordinary hours worked towards filling and/or completing the establishment's maximum ordinary weekly hours of work.

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 the employer:

9.10.1.1.1 has consulted with the employees concerned; and/or

9.10.1.1.2 has consulted with any shop stewards or employee representatives in the workplace concerned; and

9.10.1.1.3 has extended an invitation to the trade union office and trade union official to attend on the date and time as determined by the employer, to allow the trade union official to attend the consultation, if a trade union is active in the workplace concerned, unless short time is implemented on a specific day for that day only; and

9.10.1.1.4 shall, when short time is worked, distribute the available work amongst the employees in any section.

9.10.1.1.5 where possible, timeously notifies the Council in writing, of such short time.

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.

9.10.1.3 No short time may be called for and implemented, for Mondays and Fridays, where official paid public holidays fall on Tuesdays and/or Thursdays, unless the employer has been working short time prior to such paid public holidays.

9.10.1.4 In the event that an employer works short time for a continuous period of 9 months for reasons excluding electricity outages and water outages the following will apply:

9.10.1.4.1 In the event that the employer's employees do not agree to the employer continue working short time, the employer have to apply for exemption in order to continue working short time for an uninterrupted period. The Council's exemption procedure will apply. If the exemption is not granted the employer may not continue to work short time for 4 consecutive weeks.

9.10.1.5 The employer may schedule lunch breaks to coincide with any short time periods on a day. Leave pay for employees on short time will be calculated as per ADDENDUM 1, clause 1.4.

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 **Standard severance pay and additional severance pay**

9.10.3.1 **Standard severance pay payable to employees**

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, 6 months' or more service shall be regarded as a completed year of service;

9.10.3.2 **Additional severance pay payable to employees**

9.10.3.2.1 From 3 years of employment but less than 10 years of employment – an additional 1 week's normal basic wages calculated on the establishment's ordinary hours of work must be paid as a lump sum;

9.10.3.2.2 From 10 years of employment but less than 15 years of employment – an additional 2 weeks' normal basic wages calculated on the establishment's ordinary hours of work must be paid as a lump sum;

9.10.3.2.3 From 15 years of employment but less than 20 years of employment – an additional 3 weeks' normal basic wages calculated on the establishment's ordinary hours of work must be paid as a lump sum;

9.10.3.2.4 20 years or more of employment – an additional 4 weeks' normal basic wages calculated on the establishment's ordinary hours of work must be paid as a lump sum.

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 shall be entitled to 11 days' paid leave per annum. ONLY 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, 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 at a ratio of not more than 1 representative for every 30 trade union members.

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 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 **Parental leave**

9.14.1 An employee, who is a parent of a child, is entitled to at least 10 (ten) consecutive days parental leave:

9.14.1.1 An employee may commence parental leave on –

9.14.1.1.1 the day that the employee's child is born;

9.14.1.1.2 the date the adoption order is granted; or

9.14.1.1.3 on the date that a child is placed in the care of a prospective adoptive parent by a competent court, pending the finalisation of an adoption order in respect of that child, whichever date occurs first.

9.14.2 An employee must notify an employer in writing, unless the employee is unable to do so, of the date on which the employee intends to –

9.14.2.1 commence parental leave; and

9.14.2.1 return to work after parental leave.

9.14.3 Notification in terms of 9.14.2 above shall be given at least one month before-

9.14.3.1 employee's child is expected to be born; or

9.14.3.2 date referred to in subsection 9.14.1.1.2 or 9.14.1.1.3 ; or

9.14.3.3 if it is not reasonably practicable to do so, as soon as is reasonably practicable.

9.15 **Adoption Leave**

9.15.1 An employee, who is an adoptive parent of a child who is below the age of two, is entitled to –

9.15.1.1 adoption leave of at least 10 (ten) weeks consecutively; or

9.15.1.2 the parental leave referred to above.

9.15.2 An employee may commence adoption leave on –

9.15.2.1 the date the adoption order is granted; or

9.15.2.2 on the date that a child is placed in the care of a prospective adoptive parent by a competent court, pending the finalisation of an adoption order in respect of that child, whichever date occurs first.

9.15.3 An employee must notify an employer in writing, unless the employee is unable to do so, of the date on which the employee intends to –

9.15.3.1 commence adoption leave; and

9.15.3.2 return to work after adoption leave.

9.15.4 Notification in terms of adoption leave above must be given at least one month before –

9.15.4.1 the date the adoption order is granted;

9.15.4.2 on the date that a child is placed in the care of a prospective adoptive parent by a competent court, pending the finalisation of an adoption order in respect of that child, whichever date occurs first; or

9.15.4.3 if it is not reasonably practicable to do so, as soon as is reasonably practicable.

9.15.5 If an adoption order is made in respect of two adoptive parents, one of the adoptive parents may apply for adoption leave and the other adoptive parent may apply for the parental leave referred to above: Provided that the selection of choice must be exercised at the option of the two adoptive parents.

9.15.6 If a competent court orders that a child is placed in the care of two prospective adoptive parents, pending the finalisation of an adoption order in respect of that child, one of the prospective adoptive parents may apply for adoption leave and the other prospective adoptive parent may apply for the parental leave: Provided that the selection of choice must be exercised at the option of the two prospective adoptive parents.

9.16 **Commissioning parental leave**

9.16.1 An employee, who is a commissioning parent in a surrogate motherhood agreement is entitled to –

9.16.1.1 commissioning parental leave of at least 10 (ten) weeks consecutively; or

9.16.1.2 the parental leave referred to above.

9.16.2 An employee may commence commissioning parental leave on the date a child is born as a result of a surrogate motherhood agreement.

9.16.3 An employee must notify an employer in writing, unless the employee is unable to do so, of the date on which the employee intends to –

9.16.3.1 commence commissioning parental leave; and

9.16.3.2 return to work after commissioning parental leave.

9.16.4 Notification of the above must be given at least one month before –

9.16.4.1 a child is expected to be born as a result of a surrogate motherhood agreement; or

9.16.4.2 if it is not reasonably practicable to do so, as soon as is reasonably practicable.

9.16.5 If a surrogate motherhood agreement has two commissioning parents, one of the commissioning parents may apply for commissioning parental leave and the other commissioning parent may apply for the parental leave above: Provided that the selection of choice must be exercised at the option of the two commissioning parents.

9.17 **Study leave**

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

9.17.1 Approval for study leave shall be granted at the employer's discretion, which approval shall not be withheld unreasonably.

9.17.2 Study leave, if granted by the employer, shall be for a maximum of two subjects per annum.

9.17.3 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.

9.17.4 The result of each exam shall be presented by the employee to the employer as soon as it becomes available.

9.17.5 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.

9.18 **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.

9.19 **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.

9.20 **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. (Refer to clause 5.1.2).

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, at the prescribed foremen's rate of pay, observe the provisions of this Agreement in respect of hours of work as well as the payment of the following:

10.6.1 Leave Pay Fund contributions;

10.6.2 Holiday Bonus Fund contributions;

10.6.3 Provident Fund contributions;

10.6.4 Death and Funeral Scheme contributions;

10.6.5 Council levies;

10.6.6 Dispute Resolution levies; and

10.6.7 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 and Dispute Resolution 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 reasonable means; 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 Employment and 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.

10.13.8 In the event of an establishment failing to submit a prescribed return in respect of any month, the Council may make an assessment of the amount due to the Council in terms of the Agreement based on the average number of employees and their respective remuneration rates reflected in the latest monthly return form received from the establishment: Provided that if no monthly return forms have been received by the Council, the Council may make an assessment based on the number of employees furnished by the establishment as reflected on the Council's prescribed registration form of the establishment: Provided that if the establishment did not disclose the number of employees on the prescribed registration form, an assessment will be made based on the evidence obtained by the Council.

10.13.9 In the event that an establishment pays the amount assessed by the Council in terms of clause 10.13.8 and it is found thereafter that the assessment was based on incorrect facts or figures, the Council shall credit the establishment for the amount paid in excess of the amount actually due to the Council and may utilise such credit or portion thereof to defray any enforceable underpayment of previous unpaid amounts to the Council.

10.13.10 In the event that the Council sends an assessment report to the establishment for verification and such establishment fails to submit a written objection within 10 days after receiving the report, the Council may accept such initial report as true and correct.

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 fees, levies and contributions**

10.17.1 All fees, levies and contributions payable in terms of this Agreement shall be paid to the Council monthly by not later than the 10th 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 The Council shall have the right to allocate prescribed employer and employee levies, contributions and fees received on behalf of employees from employers, to the Funds of the employees concerned as the Council deems appropriate from time to time.

10.17.4 In the event that the employer fails to pay the Death and Funeral Scheme (D.F.S.) contributions as prescribed by this Agreement, it shall result in the employee not having cover for D.F.S benefits in which instance the employer shall be liable for the payment of the D.F.S. benefits due to the late employee, as determined by the applicable insurance policy or the rules of the Scheme.

10.18 **Interest payable on outstanding/unpaid fees, levies and contributions**

In the event that any fees, levies and/or contributions become due and payable to the Council by the 10th day of the month following the month to which an amount or any portion of such an amount relates in terms of this Agreement and such amount or any portion of such amount remains outstanding and unpaid, the establishment and/or employer concerned shall be liable to pay interest in accordance with the following provisions:

10.18.1 The interest payable shall be compounded daily on the outstanding/unpaid amount from the 11th of every month in which it is due, until the full amount due has been paid to the Council;

10.18.2 Outstanding/unpaid Provident Fund contributions shall be subject to interest at a rate as prescribed by the **Pension Funds Act, 1956 (Act 24 of 1956)(as amended)**; and

10.18.3 All other outstanding/unpaid fees, levies and contributions shall be subject to interest at a rate as prescribed by the **Prescribed Rate of Interest Act, 1975 (Act 55 of 1975)(as amended)**.

10.19 **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 In the event that the establishment elects to lodge an appeal against the outcome of an application for exemption, such an establishment shall be obliged to lodge its appeal within 30 days after the date of notification from the Council to the Applicant regarding the outcome of such exemption application.

11.2.4 The Exemption Body or the Independent Exemptions Appeal Body shall decide on an application for exemption or appeal and inform the applicant as soon as possible but not later than 30 days of receipt.

11.2.5 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.

11.2.6 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:

11.2.6.1 the full name of the person(s), body or bodies or establishment concerned;

11.2.6.2 the trading name of the employer;

11.2.6.3 the exact provision(s) of this Collective Agreement from which the exemption has been granted or refused;

11.2.6.4 the conditions subject to which the exemption is granted;

11.2.6.5 the period for which the exemption is applicable; and/or

11.2.6.6 the outcome of an appeal.

11.2.7 The Bargaining Council must ensure that:-

11.2.7.1 all notices of exemptions granted or refused and notices of appeal outcomes are issued to the applicants or appellants; and

11.2.7.2 a copy of each exemption granted or refused and a notice of an appeal outcome is retained by the Bargaining Council.

11.2.8 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.

11.2.9 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:

11.2.9.1 **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.

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

11.2.9.2.1 The financial and social implications on the applicants, competitors, employees and the Industry as a whole;

11.2.9.2.2 viability of the continued existence of the establishment;

11.2.9.2.3 the views expressed by the employees and/or the applicants' competitors;

11.2.9.2.4 the views and recommendations submitted by the bargaining council or any other person or body with an interest in the matter;

11.2.9.2.5 the possibility of job losses if the exemption is granted or refused;

11.2.9.2.6 the limitation on any employment opportunities if the exemption is granted or refused;

11.2.9.2.7 any other relevant information that might have an impact on the outcome of either an application or an appeal;

11.2.9.2.8 the applicant's past record (if applicable) of compliance with the provisions of the main agreement and/or exemption certificates;

11.2.9.2.9 any special circumstances that exist or any precedent that might be set;

11.2.9.2.10 the interests of the Industry in relation to unfair competition, centralised collective bargaining as well as the economic stability of the Industry;

11.2.9.2.11 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

11.2.9.2.12 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 employer's business.

11.2.10 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;

11.2.11 no exemption shall be granted for an indefinite period or as a total (blanket) exemption;

11.2.12 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.

11.2.13 No exemption shall be granted for payment of wages less than the national minimum hourly rate of pay.

11.2.14 No exemption shall be granted in respect of any liability to pay fees, levies and/or contributions in terms of a Collective Agreement, where an Arbitration Award was previously handed down requiring payment of that liability.

11.2.15 An Exemption Fee, per employee payable by the employer only, as prescribed in **ADDENDUM 1**, shall be charged to establishments to whom exemptions have been granted in respect of Leave Pay Fund and Holiday Bonus Fund contributions payable to 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 10th day of the month following the month to which it relates, 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 at the commencement of the yearly cycle with a guarantee acceptable to the Council for the total of his assessed maximum annual commitments under this clause may, without in any way limiting his liability towards his employees, be exempted 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 and subject to payment of an Exemption Fee as referred to in clause 11.2.15 above.

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 monies paid out in respect of the Leave Pay Fund monies to all his employees together with payment of monies not paid out.

12.3 Leave Pay Fund monies 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 monies 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 monies between the 7th and the 13th 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 monies on the last working day of the establishment's next annual closure date.

12.6 Leave Pay Fund monies shall be paid to the employee by means of electronic transfer to the employee's bank account or any legal payment method 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 monies 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 monies 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 monies 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 monies 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 monies 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 monies 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 monies is proved successfully by an applicant while the Council is still in existence, it shall remain obliged to pay that Leave Pay monies.

13. HOLIDAY BONUS FUND

13.1 Every employer shall pay over monthly to the Council, on the specified form, by not later than the 10th day of the month following the month to which it relates, in respect of every employee Holiday Bonus Fund monies as prescribed in **ADDENDUM 1**.

13.2 Guarantees submitted in respect of Holiday Bonus Fund:

13.2.1 Every employer who supplies the Council at the commencement of the yearly cycle with a guarantee acceptable to the Council for the total of his assessed maximum annual commitments under this clause may, without in any way limiting his liability towards his employees, be exempted 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 and subject to payment of an Exemption Fee as referred to in clause 11.2.15 above.

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 monies 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 monies paid out in respect of the Holiday Bonus Fund monies to all his employees together with payment of monies not paid out.

13.3 Holiday Bonus Fund monies 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 monies between the 7th and the 13th 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 monies on the last working day of the establishments next annual closure date.

13.6 Holiday Bonus Fund monies shall be paid to the employee by means of electronic transfer to the employee's bank account or any legal payment method 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 monies 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 monies 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 Holiday Bonus Fund monies during December of that year calculated in accordance with the formula reflected in **ADDENDUM 1** of the prevailing Collective Agreement.

13.7.5 Holiday Bonus Fund monies 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 monies 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 monies 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 monies is proved successfully by an applicant while the Council is still in existence, it shall remain obliged to pay that Holiday Bonus Fund monies.

14. REMUNERATION

14.1 **Wages**

No employer shall pay and no employee shall accept wages lower than those prescribed in the Addendums to 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 rates of pay**

All work performed by employees shall be paid for at an hourly rate, which hourly rate shall be determined by dividing the employee's 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 hourly rates of pay as 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 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.

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, alternative deductions for life insurance, 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**

An employer may, at its sole discretion, work time in to a maximum of 3 days per year (January to December), in lieu of normal working time that will be lost, owing to the closure of the establishment for religious holidays, or for any other reason. All employees concerned shall be paid their ordinary rates of pay, provided that the time expected to be lost shall be worked in prior to such closure and provided that an establishment's affected employees, were consulted prior to the working in of time. The payment of wages for the time worked in must be made to the employees concerned during the same pay week, when the time was lost.

14.10 **Payment of night 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 wage increases**

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 Funeral Scheme** (hereinafter referred to as the standard D.F.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.

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 Funeral Scheme** (standard D.F.S.), is to provide for death 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 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).

2.5 It is the objective of the parties to this agreement to apply to the Minister of Employment and 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 Employment and 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 either 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. Contributions payable to either of these Funds, if applicable, are as prescribed in **ADDENDUM 1**.

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.

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

3.3.1 **Existing membership**

An employee who has been a member of either of the Sick Benefit Societies prior to 1 May 2020, is regarded as an existing member and shall from the first full pay week in May 2020, be paid a prescribed medical allowance per week by the employer and the employee shall pay the weekly contributions to the relevant Society, as prescribed in **ADDENDUM 1**.

3.3.2 **New membership – from 29 June 2022**

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 voluntary member of either the Furnmed Sick Benefit Society or the NUFAWSA Sick Benefit Society, subject to the employee qualifying in terms of the applicable fund rules and the employee concerned, paying the prescribed

employee only contributions as reflected in **ADDENDUM** 1, to the relevant Society. If successful, the rules of the Fund concerned shall apply to the member.

3.3.3 **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.

3.3.4 **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.

3.3.5 **Continuation membership**

Employees who were existing 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.

3.3.6 **Termination of membership**

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

3.3.7 **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.

3.3.8 **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 EXISTING LOAN REPAYMENTS TO THE COUNCIL BENEFIT FUNDS/SCHEMES

4.1 Prescribed contributions for the Provident Fund, the Death and Funeral Scheme, Furnmed Sick Benefit Society and the NUFAWSA Sick Benefit Society, if applicable, 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 Existing stipulated loan repayments towards the H.O.S. fund shall be made to the Council in accordance with individual signed loan agreements.

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 Conduct Authority 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/Schemes contributions;

6.1.2 all interest derived from the investment of any monies or assets of the various Funds and Schemes; and

6.1.3 all other monies to which the Funds/Schemes may become entitled.

6.2 All monies 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 monies 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 means of electronic transfer to the employee's bank account or any other legal payment method in favour of the employee.

6.5 All payments from the Funds/Schemes shall be approved by three persons duly authorised by the Council or the Board of Trustees.

6.6 Any monies 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.

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 Conduct Authority 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 Conduct Authority 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 Conduct Authority 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 Conduct Authority 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 Conduct Authority 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 FEES, LEVIES AND CONTRIBUTIONS

12.1 Every employer shall forward monthly the payments for fees, levies and contributions 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 10th 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.

12.3 In the event that the establishment of its own accord elects to amend or replace a particular monthly return or when such establishment is so requested by the Council, such amendment or replacement return shall reach the Council by not later than the last day of the month in which such return was originally required to be submitted.

12.4 In the event that an employer or an establishment omits, fails or neglects to submit to the Council the required monthly returns and/or omits, fails or neglects to timeously deduct and pay over to the Council any due fees, levies and/or contributions, without previously formally being exempted by the Council in this regard, or without previously having supplied the Council with a prescribed and up-to-date acceptable guarantee, such employer or establishment shall be held liable to the full extent of the prevailing Collective Agreement.

13. AMENDMENT TO THE RULES

The Council or Board of Trustees with the approval of the Financial Services Conduct Authority 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 Conduct Authority 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 sub-clause 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 sub-clause 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 3.5 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 fees, levies and contributions 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 fees, levies and contributions.

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.

Forklift Driver – Re-certification

The employer shall pay for the required re-certification of forklift drivers provided that the employee attends the required process / activities.

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

FEES, LEVIES AND CONTRIBUTIONS 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 6.25% 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 paid trade union representative leave days;

1.1.3 paid sick leave days;

1.1.4 paid family responsibility leave days; and

1.1.5 paid study leave days.

1.2 The amount payable for working employers shall be at a rate of 6.25% of a foreman's prescribed minimum hourly rate of pay.

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

1.4 Leave Pay Fund contributions for employees on short time will be calculated as 1 hour leave for every 17 hours worked, provided that no employee will receive less than 14 days paid leave per leave cycle.

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 8.75% 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 0% of the employee's ordinary weekly wages, if the employee has lost more than 60 minutes of the full possible number of ordinary hours that the employee is entitled to be paid for in any specific pay week.

2.2.4 8.75% of a foreman's weekly rate of pay for working employers.

2.2.5 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.

2.2.6 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 (see also paragraph 3.2):

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 calculated on a sliding scale per wage band for all Occupation Skills Levels, as follows:

3.2.1	Wages from: May 2026 – R0 to R1 522-00 p/w May 2027 – R0 to R1 598-00 p/w	5% of normal weekly wages from the employee per week, calculated on the establishment's normal ordinary hours of work per week plus an equal amount from the employer.
3.2.2	Wages from: May 2026 – above R1 522 to R1 902 p/w May 2024 – above R1 598 to R1 997 p/w	5.2% of normal weekly wages from the employee per week, calculated on the establishment's normal ordinary hours of work per week plus an equal amount from the employer.
3.2.3	Wages from: May 2026 – above R1 902 to R2 536 p/w May 2027 – above R1 997 to R2 663 p/w	5.35% of normal weekly wages from the employee per week, calculated on the establishment's normal ordinary hours of work per week plus an equal amount from the employer.
3.2.4	Wages from: May 2026 – above R2 526 p/w May 2027 – above R2 663 p/w	5.5% of normal weekly wages from the employee per week, calculated on the establishment's normal ordinary hours of work per week plus an equal amount from the employer.

3.2.5	Working employers:	11% of a foreman's prescribed weekly wage.

4. SICK BENEFIT SOCIETIES

The current status quo for existing employee Sick Benefit Society employee contributions will apply unless it is decided differently at the respective Sick Benefit Societies. The following Sick Benefit Society contributions are payable:

4.1 FURNMED SICK BENEFIT SOCIETY CONTRIBUTIONS – MEMBERS EMPLOYED PRIOR TO THE 1st FULL PAY WEEK IN MAY 2020 (for all areas EXCLUDING the Free State Province)

4.1.1 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:

4.1.1.1 paid public holidays;

4.1.1.2 trade union representative leave days;

4.1.1.3 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

4.1.1.4 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.

4.1.2	Member:	R62-50 per week payable by the employee and R30-50 per week per employee, payable by the employer as a medical allowance.
4.1.3	Adult dependants:	R48-00 per week payable, per adult dependant, payable by the employee only.
4.1.4	Minor dependants:	R48-00 per week, per minor dependant, payable by the employee only.

4.1.5	Extraordinary dependants:	R108-00 per week, per extraordinary dependant, payable by the employee only.

The medical allowance payable by the employer in clause 4.1.2 above shall only apply to employees who were members of the Furnmed Sick Benefit Society and in the employer's employment, as at the 1st full pay week in May 2020.

4.2 **FURNMED SICK BENEFIT SOCIETY CONTRIBUTIONS – MEMBERS EMPLOYED FROM THE 1ST FULL PAY WEEK IN MAY 2020 AND THEREAFTER (All areas EXCLUDING the Free State Province)**

4.2.1 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:

4.2.1.1 paid public holidays;

4.2.1.2 trade union representative leave days;

4.2.1.3 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

4.2.1.4 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.

4.2.2	Member:	R93-00 per week payable by the employee only.
4.2.3	Adult dependants:	R48-00 per week, per adult dependant, payable by the employee only.
4.2.4	Minor dependants:	R48-00 per week, per minor dependant, payable by the employee only.
4.2.5	Extraordinary dependants:	R108-00 per week, per extraordinary dependant, payable by the employee only.

4.3 **FURNMED SICK BENEFIT SOCIETY CONTRIBUTIONS – MEMBERS EMPLOYED PRIOR TO THE 1ST FULL PAY WEEK IN MAY 2020 (for the Free State Province ONLY)**

4.3.1 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:

4.3.1.1 paid public holidays;

4.3.1.2 trade union representative leave days;

4.3.1.3 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

4.3.1.4 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.

4.3.2	Member:	R43-50 per week payable by the employee and R30-50 per week per employee, payable by the employer as a medical allowance.
4.3.3	Adult dependants:	R48-00 per week, per adult dependant, payable by the employee only.
4.3.4	Minor dependants:	R48-00 per week, per minor dependant, payable by the employee only.
4.3.5	Extraordinary dependants:	R101-00 per week, per extraordinary dependant, payable by the employee only.

The medical allowance payable by the employer in clause 4.3.2 above shall only apply to employees who were members of the Furnmed Sick Benefit Society and in the employer's employment, as at the 1st full pay week in May 2020.

4.4 **FURNMED SICK BENEFIT SOCIETY CONTRIBUTIONS – MEMBERS EMPLOYED FROM THE 1ST FULL PAY WEEK IN MAY 2020 AND THEREAFTER (for the Free State Province ONLY**)

4.4.1 Furnmed Sick Benefit Society contributions shall be payable to the Council at the prescribed rates by 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:

4.4.1.1 paid public holidays;

4.4.1.2 trade union representative leave days;

4.4.1.3 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

4.4.1.4 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.

4.4.2	Member:	R74-00 per week payable by the employee only.
4.4.3	Adult dependants:	R48-00 per week, per adult dependant, payable by the employee only.
4.4.4	Minor dependants:	R48-00 per week, per minor dependant, payable by the employee only.
4.4.5	Extraordinary dependants:	R101-00 per week, per extraordinary dependant, payable by the employee only.

4.5 **NUFAWSA SICK BENEFIT SOCIETY CONTRIBUTIONS – MEMBERS EMPLOYED PRIOR TO THE 1ST FULL PAY WEEK IN MAY 2020 (for all areas INCLUDING the Free State Province)**

4.5.1 NUFAWSA Sick Benefit Society contributions shall be payable to the National Union of Furniture and Allied Workers of South Africa or their nominated administrator 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:

4.5.1.1 paid public holidays;

4.5.1.2 trade union representative leave days;

4.5.1.3 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

4.5.1.4 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.

4.5.2	Member:	R57-50 per week, payable by the employee and R30-50 per week, payable by the employer as a medical allowance.
4.5.3	Member plus 1 dependant:	R69-50 per week, payable by the employee and R30-50 per week, payable by the employer as a medical allowance.
4.5.4	Additional minor dependants: (under the age of 18)	R20-00 per week, per dependant, payable by the employee only.
4.5.5	Extraordinary dependants:	R110-00 per week, per extraordinary dependant, payable by the employee only.

The medical allowance payable by the employer in clause 4.5.2 above shall only apply to employees who were members of the Furnmed Sick Benefit Society and in the employer's employment, as at the 1st full pay week in May 2020.

4.6 **NUFAWSA SICK BENEFIT SOCIETY CONTRIBUTIONS – MEMBERS EMPLOYED FROM THE 1ST FULL PAY WEEK IN MAY 2020 AND THEREAFTER (for all areas INCLUDING the Free State Province)**

4.6.1 NUFAWSA Sick Benefit Society contributions shall be payable to the National Union of Furniture and Allied Workers of South Africa or their

nominated administrator at the prescribed rates by the employee 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:

4.6.1.1 paid public holidays;

4.6.1.2 trade union representative leave days;

4.6.1.3 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

4.6.1.4 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.

4.6.2	Member:	R88-00 per week payable by the employee only.
4.6.3	Member plus 1 dependant:	R100-00 per week, per dependant, payable by the employee only.
4.6.4	Additional minor dependants (under the age of 18)	R20-00 per week, per dependant, payable by the employee only.
4.6.5	Extraordinary dependant:	R110-00 per week, per extraordinary dependant, payable by the employee only.

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

5.1. **YEAR ONE to YEAR THREE:** These **D.F.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 **1 hour or more** 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 paid public holidays;

5.1.2 trade union representative leave days;

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

5.1.4 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 The **D.F.S. contributions** for employees employed under the **Newly Employed Employee Concession (NEEC)** payable to the Council shall amount to the following:

5.2.1	**YEAR ONE to YEAR THREE** of employment	R9-00 per week per employee, payable by the employer ONLY.
5.2.2	**YEAR FOUR** of employment and onwards	R11-40 per week payable by the employee and R11-40 per week payable by the employer (refer to clause 6.3).

5.3 **Provident Fund contributions** for employees employed under the **Newly Employed Employee Concession (NEEC)** payable to the Council shall amount to the following:

5.3.1 **YEAR ONE** of employment

ALL employees 4% of normal weekly wages from the employee per week, calculated on the establishment's normal ordinary hours of work per week, plus an equal amount per week from the employer.

5.3.2 **YEAR TWO** of employment

ALL employees	4% of normal weekly wages from the employee per week, calculated on the establishment's normal ordinary hours of work per week, plus an equal amount per week from the employer.

5.3.3 **YEAR THREE** of employment

ALL employees	4% of normal weekly wages from the employee per week, calculated on the establishment's normal ordinary hours of work per week, plus an equal amount per week from the employer.

5.3.4 **YEAR FOUR** of employment

ALL employees	Provident Fund contributions shall be calculated on a sliding scale per wage band for all Occupation Skills Levels. Refer to clause 3 of **ADDENDUM 1.**

6. STANDARD DEATH AND FUNERAL SCHEME (STANDARD D.F.S.) CONTRIBUTIONS

6.1 Standard Death and Funeral Scheme (D.F.S.) contributions shall be payable to the Council at the prescribed rates by the employer and employee when **1 hour or more** 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:

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 abovementioned contributions shall provide for death and funeral benefits for Industry employees, by means of an insurance premium, if applicable, and the D.F.S. administration costs.

6.3 The **Standard D.F.S. contributions** payable to the Council shall amount to the following:

R11-40 per employee per week as well as an amount of R11-40 per week per employee payable by the employer.

7. DEATH AND FUNERAL SCHEME (D.F.S.) CONTRIBUTIONS IN RESPECT OF THE NEWLY ESTABLISHED SMALL EMPLOYER CONCESSION

7.1 Death and Funeral Scheme (D.F.S.) contributions shall be payable to the Council at the prescribed rates by the employer and employee when **1 hour or more** 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:

7.1.1 paid public holidays;

7.1.2 trade union representative leave days;

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

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.

7.2 The **D.F.S. contributions** for employees employed under the **Newly Established Small Employer Concession (NESEC)**, payable to the Council, shall amount to the following:

PHASE ONE and **PHASE TWO**	**R9-00** per week per employee, payable by the employer ONLY.
PHASE THREE and **PHASE FOUR**	**R11-40** per week payable by the employee and **R11-40** per week per employee payable by the employer (refer to clause 6.3).

8. REGISTRATION FEE

Every employer who registers with this Council shall pay the following applicable registration fee, per establishment upon registration:

0 employees	R500-00
1 – 10 employees	R600-00
11+ employees	R700-00

9. COUNCIL LEVIES

9.1 Council levies shall be payable to the Council at the prescribed rates by the employer and employee when more than **1 hour or more** 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:

9.1.1 paid public holidays;

9.1.2 trade union representative leave days;

9.1.3 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

9.1.4 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.

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

9.2.1 **From the first full pay week of May 2026**
R16-45 per week per employee payable by the employer and R16-45 per week payable by the employee.

9.2.2 Whenever a General Worker or any other employee earns a wage rate of up to and including R30-65 per hour, the employee will be exempted from paying Council Levies for the duration of this Agreement. An employer of such employee shall therefore not deduct and pay over to the Council, the Council Levies for such employee, for the duration of the Agreement.

10. DISPUTE RESOLUTION LEVY

10.1 Dispute Resolution levies shall be payable to the Council at the prescribed rates by the employer and employee when **1 hour or more** 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:

10.1.1 paid public holidays;
10.1.2 trade union representative leave days;
10.1.3 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

10.1.4 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.

10.2 The Dispute Resolution levies payable to the Council shall amount to:

10.2.1 **From the first full pay week of May 2026**
R2-00 per employee per week payable by the employer and **R2-00** per week payable by the employee.

10.2.2 Whenever a General Worker or any other employee earns a wage rate of up to and including R30-65 per hour, the employee will be exempted from paying Dispute Resolution Levies for the duration of this Agreement. An employer of such employee shall therefore not deduct and pay over to the Council, the Dispute Resolution Levies for such employee, for the duration of the Agreement.

ADDENDUM 2

PRESCRIBED ACROSS THE BOARD INCREASES OF ACTUAL HOURLY RATES OF PAY, MINIMUM HOURLY RATES OF PAY AND SUBSISTENCE ALLOWANCE *(for all areas excluding the Free State Province)*

1. **Prescribed across the board increases of actual hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2026** *(for all areas excluding the Free State Province)*:

Sector	Occupation Skills Level	Occupation Skills Level Code	Prescribed across the board increases of actual hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2026 – *(for all areas excluding the Free State Province)*
Furniture, Bedding and Upholstery	**General worker**	05	5.5% increase of actual hourly rate of pay, subject to the offset in clause 1.2 and subject to clause 1.3 below.
	Semi-skilled employee	04	5.5% increase of actual hourly rate of pay, subject to clause 1.3 below.
	Skilled employee	03	5.5% increase of actual hourly rate of pay, subject to clause 1.3 below.
	Chargehand	02	5.5% increase of actual hourly rate of pay, subject to clause 1.3 below.
	Foreman/Supervisor	01	5.5% increase of actual hourly rate of pay, subject to clause 1.3 below.

1.1 In the event that employees who received the across the board wage increases still receive hourly rates of pay less than the minimum hourly rates of pay of their respective occupation skills levels, these employees must receive an additional adjustment of their

hourly rates of pay to be at least that of the minimum prescribed hourly rate of pay for the applicable occupation skills level.

1.2 **General Workers:** The across the board increase from the first full pay week in May 2026 to be offset against the national minimum wage increases when implemented, earlier in 2026, for such general workers.

1.3 **Increase Threshold**

1.3.1 A wage threshold of 40% above any minimum prescribed hourly rate of pay is implemented as from the first full pay week in May 2026, provided that the employee who is already earning a wage above the threshold will only receive the across the board increase minus 1.25%.

1.3.2 In the event that an employee earns above the threshold if the full across the board increase is to be awarded, such employee may not be awarded the full across the board increase, but shall receive an increase up to the threshold or the across the board increase minus 1.25%, whichever is the greater.

2. **Prescribed minimum hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2026** (*for all areas excluding the Free State Province)***:**

Sector	**Occupation Skills Level**	**Occupation Skills Level Code**	**Prescribed minimum hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2026** *(for all areas excluding the Free State Province)*
Furniture, Bedding Upholstery	**General worker**	05	R30-23 per hour As per the National minimum wage rate effective from 1 March 2026
	Semi-skilled employee	04	R32-83 per hour
	Skilled employee	03	R34-10 per hour
	Chargehand	02	R36-79 per hour
	Foreman/Supervisor	01	R36-79 per hour

2.1. In the event that the Government implements any amendments to the national minimum hourly rate of pay and the hourly rates of pay of the employees above are below the national minimum hourly rate of pay, such hourly rates of pay shall be

adjusted to the national minimum hourly rate of pay in accordance with the implementation date of such.

3. **Prescribed across the board increases of actual hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2027** *(for all areas excluding the Free State Province)*:

Sector	**Occupation Skills Level**	**Occupation Skills Level Code**	**Prescribed across the board increases of actual hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2027** *(for all areas excluding the Free State Province)*
Furniture, Bedding and Upholstery	**General worker**	05	5% increase of actual hourly rate of pay, subject to the offset in clause 3.2 and subject to clause 3.3 below.
	Semi-skilled employee	04	5% increase of actual hourly rate of pay, subject to clause 3.3 below.
	Skilled employee	03	5% increase of actual hourly rate of pay, subject to clause 3.3 below.
	Chargehand	02	5% increase of actual hourly rate of pay, subject to clause 3.3 below.
	Foreman/Supervisor	01	5% increase of actual hourly rate of pay, subject to clause 3.3 below.

3.1 In the event that employees who received the across the board wage increases still receive hourly rates of pay less than the minimum hourly rates of pay of their respective occupation skills levels, these employees must receive an additional adjustment of their hourly rates of pay to be at least that of the minimum prescribed hourly rate of pay for the applicable occupation skills level.

3.2 **General Workers:** The across the board increase from the first full pay week in May 2027 to be offset against the national minimum wage increases when implemented, earlier in 2027, for such general workers.

3.3 **Increase Threshold**

3.3.1 A wage threshold of 40% above any minimum prescribed hourly rate of pay is implemented as from the first full pay week in May 2027, provided that the employee who is already earning a wage above the threshold will only receive the across the board increase minus 1%.

3.3.2 In the event that an employee earns above the threshold if the full across the board increase is to be awarded, such employee may not be awarded the full across the board increase, but shall receive an increase up to the threshold or the across the board increase minus 1%, whichever is the greater.

4. **Prescribed minimum hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2027** (*for all areas excluding the Free State Province)***:**

Sector	**Occupation Skills Level**	**Occupation Skills Level Code**	**Prescribed minimum hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2027** *(for all areas excluding the Free State Province)*
Furniture, Bedding Upholstery	**General worker**	05	As per the national minimum wage rate increase
	Semi-skilled employee	04	R34-47 per hour
	Skilled employee	03	R35-81 per hour
	Chargehand	02	R38-63 per hour
	Foreman/Supervisor	01	R38-63 per hour

4.1. In the event that the Government implements any amendments to the national minimum hourly rate of pay and the hourly rates of pay of the employees above are below the national minimum hourly rate of pay, such hourly rates of pay shall be adjusted to the national minimum hourly rate of pay in accordance with the implementation date of such.

5. **Subsistence allowance *(for all areas excluding the Free State Province)***

The following minimum subsistence allowance is payable:

5.1 From 1 May 2026 – R180-00 per night
5.2 From 1 May 2027 – R180-00 per night.

ADDENDUM 3

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

1. **Prescribed across the board increases of actual hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2026** *(for the Free State Province ONLY)*:

Sector	Occupation Skills Level	Occupation Skills Level Code	Prescribed across the board increases of actual hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2026 *(for the Free State Province ONLY)*
Furniture, Bedding and Upholstery	General worker	05	5.5% increase of actual hourly rate of pay, subject to the offset in clause 1.2 and subject to clause 1.3 below.
	Semi-skilled employee	04	5.5% increase of actual hourly wage, subject to clause 1.3 below.
	Skilled employee	03	5.5% increase of actual hourly rate of pay, subject to clause 1.3 below.
	Chargehand	02	5.5% increase of actual hourly rate of pay, subject to clause 1.3 below.
	Foreman/Supervisor	01	5.5% increase of actual hourly rate of pay, subject to clause 1.3 below.

1.1 In the event that employees who received the across the board wage increases still receive hourly rates of pay less than the minimum hourly rates of pay of their respective occupation skills levels, these employees must receive an additional adjustment of their hourly rates of pay to be at least that of the minimum prescribed hourly rate of pay for the applicable occupation skills level.

1.2 **General Workers:** The across the board increase from the first full pay week in May 2026 to be offset against the national minimum wage increases when implemented earlier in 2026, for such general workers.

1.3 **Increase Threshold**

1.3.1 A wage threshold of 40% above any minimum prescribed hourly rate of pay is implemented as from the first full pay week in May 2026, provided that the employee who is already earning a wage above the threshold will only receive the across the board increase minus 1.25%.

1.3.2 In the event that an employee earns above the threshold if the full across the board increase is to be awarded, such employee may not be awarded the full across the board increase, but shall receive an increase up to the threshold or the across the board increase minus 1.25%, whichever is the greater.

2. **Prescribed minimum hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2026** *(for the Free State Province ONLY)***:**

Sector	**Occupation Skills Level**	**Occupation Skills Level Code**	**Prescribed minimum hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2026** *(for the Free State Province ONLY)*
Furniture, Bedding and Upholstery	**General worker**	05	R30-23 per hour As per the national minimum wage rate effective from 1 March 2026
	Semi-skilled employee	04	R31-69 per hour
	Skilled employee	03	R32-57 per hour
	Chargehand	02	R34-92 per hour
	Foreman/Supervisor	01	R34-92 per hour

2.1 In the event that the Government implements any amendments to the national minimum hourly rate of pay and the hourly rates of pay of the employees above are below the national minimum hourly rate of pay, such hourly rates of pay shall be

adjusted to the national minimum hourly rate of pay in accordance with the implementation date of such.

3. **Prescribed across the board increases of actual hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2027** *(for the Free State Province ONLY)*:

Sector	**Occupation Skills Level**	**Occupation Skills Level Code**	**Prescribed across the board increases of actual hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2027** *(for the Free State Province ONLY)*
Furniture, Bedding and Upholstery	General worker	05	5% increase of actual hourly rate of pay, subject to the offset in clause 3.2 and subject to clause 3.3 below.
	Semi-skilled employee	04	5% increase of actual hourly wage, subject to clause 3.3 below.
	Skilled employee	03	5% increase of actual hourly rate of pay, subject to clause 3.3 below.
	Chargehand	02	5% Increase of actual hourly rate of pay, subject to clause 3.3 below.
	Foreman/Supervisor	01	5% increase of actual hourly rate of pay, subject to clause 3.3 below.

3.1 In the event that employees who received the across the board wage increases still receive hourly rates of pay less than the minimum hourly rates of pay of their respective occupation skills levels, these employees must receive an additional adjustment of their hourly rates of pay to be at least that of the minimum prescribed hourly rate of pay for the applicable occupation skills level.

3.2 **General Workers:** The across the board increase from the first full pay week in May 2027 to be offset against the national minimum wage increases when implemented earlier in 2027, for such general workers.

3.3 **Increase Threshold**

3.3.1 A wage threshold of 40% above any minimum prescribed hourly rate of pay is implemented as from the first full pay week in May 2027, provided that the employee who is already earning a wage above the threshold will only receive the across the board increase minus 1%.

3.3.2 In the event that an employee earns above the threshold if the full across the board increase is to be awarded, such employee may not be awarded the full across the board increase, but shall receive an increase up to the threshold or the across the board increase minus 1%, whichever is the greater.

4. **Prescribed minimum hourly rates of pay effective for 52 weeks from the first full pay week in MAY 2027** *(for the Free State Province ONLY)*:

Sector	**Occupation Skills Level**	**Occupation Skills Level Code**	**Prescribed minimum hourly rates of pay from 1 March 2027** *(for the Free State Province ONLY)*
Furniture, Bedding and Upholstery	**General worker**	05	As per the national minimum wage rate increase
	Semi-skilled employee	04	R33-27 per hour
	Skilled employee	03	R34-20 per hour
	Chargehand	02	R36-67 per hour
	Foreman/Supervisor	01	R36-67 per hour

4.1. In the event that the Government implements any amendments to the national minimum hourly rate of pay and the hourly rates of pay of the employees above are below the national minimum hourly rate of pay, such hourly rates of pay shall be adjusted to the national minimum hourly rate of pay in accordance with the implementation date of such.

5. **Subsistence Allowance** *(for the Free State Province Only)*

A minimum subsistence allowance of-

5.1 R160-00 per day is payable, where the employee pays for his own food and accommodation;

5.2 R65-00 per day is payable, where the employer pays for the employee's accommodation only.

ADDENDUM 4

CONSUMER PRICE INDEX (CPI) INDICATORS - ACROSS THE BOARD WAGE INCREASES OF ACTUAL HOURLY RATES OF PAY EFFECTIVE FROM THE FIRST FULL PAY WEEK OF MAY 2026 AND MAY 2027 IN RESPECT OF ADDENDUMS 2 AND 3

Across the board hourly wage rate increases of actual hourly wage rates effective from the first full pay week of May 2026 and May 2027 shall be applicable as reflected above.

If the official CPI rate for the year ending February 2026 and February 2027 is below 3%, the employer party to this Agreement may request to renegotiate the across the board hourly wage rate increases and if it is above 8.5% the trade union parties may request to renegotiate the across the board hourly wage rate increases for the periods effective from the first full pay week of May 2026 and/or the first full pay week of May 2027, provided that such requests must be submitted and reach the other parties by not later than 15 March of the applicable year.

ANNEXURE A

AGREEMENT ON PICKETING

Made and entered into by and between:

_____

(the Employer Association)

and

_____

(the Union)

_____

(the Union)

1. OBJECTIVE

1.1 The picketing rules are intended to regulate the relationship between management and its employees and the union during the course of a legal picket. The parties accept the conventions of collective bargaining and that union members and supporters / employees in the bargaining unit may wish to picket peacefully in support of any protected strike or in opposition to any lockout.

1.2 These rules are intended to facilitate peaceful picketing at company premises in the designated areas indicated before picketing commences and must be followed without exception by all parties. Any indulgence or departure from these rules, which may be granted from time to time, shall be reduced to writing and shall in no way constitute a permanent waiver or amendment of these rules.

1.3 The Union and the Employer ("**the Parties**") expressly agree to the picketing rules contained herein which will find application at all places of business where the Employer operates.

1.4 This agreement will also be binding on any members, employees and/or supporters who seek to exercise any of the rights conferred by Part A of the Labour Relations Act 66 of 1995 ("**LRA**") or any other rights recognised in law.

1.5 The Parties agree to Section 69 of the Labour Relations Act 66 of 1995

("**LRA**") as amended from time to time, including the Code of Good Practice on Picketing as contained in Part B of the LRA.

1.6 These picketing rules shall apply for the duration of any future protected / un-protected industrial action and the Parties agree that where the word picketing or picketer appears, that this will also apply to strike, striker or striking employee.

2. NOTICE: OFFICIALS AND PICKETING

2.1 A convener(s) (appointed by the union) will oversee the picketing. A convener must be a member or an official of the union. This person should, at all times, be in possession of a copy of this signed agreement.

2.2 The union will endeavour to appoint sufficient picketing marshals to monitor and control the pickets. Marshals should have the contact details of the convener, the trade union office and any persons appointed to oversee the picket, in the absence of the convener. The marshals should be clearly identified as marshals. The union shall ensure that the marshals and the shop stewards are aware of applicable law; any agreed picketing provisions and the steps to be taken to ensure that the picket is conducted peacefully.

2.3 Marshals shall, as far as possible, be appointed from amongst the employee representatives of a specific site where the Company operates if picketing takes place at that site's premises.

2.4 The convener (the person nominated by the trade union) or the union must notify the company in writing of an intended picket at any of its premises or sites where the Company performs its work at least 48 hours before such picketing commences.

2.5 The notice should contain the following information:

Commencement of the picket:

Date of intended picketing: _____

Commencement Time: _____

Union(s) involved: _____

_____

Name of union official(s) in charge: _____

_____

Union Tel No: _____

Union Fax No: _____

Name of convener(s) in charge: _____

_____

Tel No: _____

Name of premises or site(s) where picketing is contemplated:

_____

Address of venue (other than a company's premises) where picketing is intended, if any:

_____

2.6 The company and the Association will notify the union of the name and contact details of the company and Association's representative(s) who will be responsible for communication with the convener or the marshals and the employee representatives, at the company should the need arise.

2.7 In the event that any meetings are required between the parties in paragraph 2.5 above, at least two (2) of the employee representatives must be present at the meeting as employee representatives shall remain responsible to:

- ❖ Act as representatives of picketing employees
- ❖ Maintain order amongst picketing employees
- ❖ Assist with communication between company representatives, the union and employees.

3. PICKETING AREAS AND ACCESS

3.1 Access to a company's premises and demarcated picketing areas shall, where necessary, be determined by parties' members at site level before such picketing commences.

3.2 The employer will ensure that toilet facilities and access to drinking water is available to picketing participants at the onset of the picket whether the demarcated picketing area is on or outside the company premises.

3.3 Access to the employer's premises shall be limited to the employees and labour ordinarily employed and/or working at such premises.

3.4 If the only sanitary and or drinking water facilities available are on the Employer's premises, management will control access to the facilities, the latter which will include, but not be limited to, determining the number of participants who may at any one time have access to the premises, the facilities that may be used, as well as the area / pathway that may be accessed. The participants will be obliged to behave in an orderly and lawful manner while using such facilities and will not in any way disrupt any business operations.

3.5 All participants in the picket who enter and leave the premises for the purpose of accessing the abovementioned facilities may be searched. Those who unreasonably refuse to be searched shall not be granted access to the facilities.

4. CONDUCT OF PICKETERS /EMPLOYER

Picketing shall be subject to the following:

4.1 Placards and banners may be carried and chanting, singing, as well as dancing may take place, provided that this does not infringe any law, intimidate any person or interfere with the company's business operations.

4.2 It shall be confined to areas demarcated for such.

4.3 Picketers shall not, whether on or off company premises:

4.3.1 Disrupt or attempt to disrupt ongoing operations of the company, nor hinder, harm or intimidate non-striking employees, other employees or persons associated with the company.

4.3.2 Hinder or damage any company property or machinery or vehicles or that of any supplier or customer of the company.

4.3.3 Hinder or harm or interfere with any vehicle entering or leaving the company's premises or in any other way going about the lawful business of the company on any public or private road.

4.3.4 Hinder, harm, threaten, intimidate or interfere with supplies to customers and neighbours of the company.

4.3.5 Consume, or be in possession of, or be intoxicated by alcohol or other forms of drugs. No intoxicated employee or employee suspected of being intoxicated shall be given access to the premises of the company or operating site.

4.3.6 Carry or be in possession of any form of weapon or potential weapon whilst picketing.

4.3.7 Commit any action that may be unlawful, including but not limited to any action which is, or may be perceived to be violent.

4.4 All picketing employees shall, at all times, be subject to the disciplinary procedures, rules and policy of the company.

4.5 Picketers may be addressed by Union Officials.

4.6 The Employer must:

4.6.1 Receive memoranda when invited to do so by a Union.

4.6.2 Prior to or at the onset of the picketing, liaise with one or more of the participant's available representatives who are designated as the convener, marshals, shop stewards and union officials to ensure compliance with this agreement.

4.7 The Employer may not:

4.7.1 Directly or indirectly hinder the conduct of a lawful picket.

4.7.2 Intimidate, threaten or otherwise undermine any employee's right to participate in the picket.

4.7.3 Take disciplinary action against an employee for participating in a lawful picket.

5. FREEDOM OF ASSOCIATION

5.1 The decision to picket or not, shall be the free and unfettered decision of each employee.

6. IMPLEMENTATION

6.1 The picketing rules shall come into effect after the 48 hour strike notice expires, and from when the strike action in fact commences, whichever occurs first.

6.2 The Parties will each take reasonable and effective steps to ensure full

compliance with this Agreement and furthermore to ensure that there are no acts in breach thereof.

7. ENFORCEMENT OF THIS AGREEMENT

7.1 The parties agree that each will take prompt reasonable and effective steps to ensure the preservation of the letter and spirit of this agreement and that they will act either unilaterally or when called upon to do so, to prevent any acts in breach of this agreement and to act swiftly and decisively to discipline any person who interferes with the orderly conduct of the picket, any peaceful picketing or the conduct of the company's lawful business.

8. DISPUTES

8.1 In the event of a dispute arising over compliance with the terms of this agreement, the marshals appointed in terms of this agreement above and the Union office bearers in charge of the picket shall meet with representatives of the Employer in an endeavour to resolve the dispute, immediately at the site of dispute.

8.2 If the cause for the breach is not removed within a reasonable time, the offended party including any person in control of, or who owns the area from which the Employer or its Client operates, will have the right to approach the CCMA in terms of Section 69(8) of the LRA for determination, or take such other action as may be available to it.

8.3 Nothing in this agreement shall limit the right of either Party to take action in accordance with it in terms of the LRA, or any other relevant law, or to approach the Court urgently or otherwise for appropriate relief including a prayer to suspend the picket or strike due to its non-compliance with this agreement.

9. GENERAL

9.1 No relaxation or indulgence which either party may show to the other shall in any way prejudice or be deemed to be a waiver of the rights in terms of this contract. Such relaxation or indulgence shall also not preclude any party from exercising their rights in terms of this agreement in respect of any continued or future breach.

9.2 It is expressly stated that this agreement comprises the total agreement between the parties and that unless any amendment, addition thereto or consequential cancellation thereof, is not reduced to writing and signed by the relevant parties, it will be deemed to be null and void.

Signed on this _____ day of _____ 202_ at _____ _____

_____ _____ ___

FOR: The Association Witness

_____ _____

FOR: The Union Witness

_____ _____

FOR: The Union Witness

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*The **Signed** Main Collective Agreement and subsequent Amending Agreements are available on our website in the form of Government Gazettes.*