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#### GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

#### **DEPARTMENT OF EMPLOYMENT AND LABOUR**

NO. R. 5680

13 December 2024

#### **LABOUR RELATIONS ACT, 1995**

BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING INDUSTRY KWAZULU NATAL: EXTENSION TO NON-PARTIES OF THE MAIN COLLECTIVE AMENDING AGREEMENT

I, NOMAKHOSAZANA METH, Minister of Employment and Labour, hereby in terms of section 32(2) of the Labour Relations Act, 1995, declare that the Collective Agreement which appears in the Schedule hereto, which was concluded in the Bargaining Council for the Furniture Manufacturing Industry KwaZulu Natal, and is binding in terms of section 31 of the Labour Relations Act, 1995, on the parties which concluded the Agreement, shall be binding on the other employers and employees in that Industry with effect from the Second Monday after publication of this Notice and shall remain in force until the 30 June 2027.

MS N METH, MP

MINISTER OF EMPLOYMENT AND LABOUR

DATE: 3 November 2024

#### UMNYANGO WEZEMISEBEBNZI NEZABASEBENZI

#### **UMTHETHO WOBUDLELWANO KWEZABASEBENZI KA-1995**

# BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING INDUSTRY KWAZULU NATAL: UKWELULELWA KWESIVUMELWANO PHAKATHI KWABAQASHI NABASEBENZI ESIYINGQIKITHI SELULELWA KULABO ABANGEYONA INGXENYE YESIVUMELWANO

Mina, NOMAKHOSAZANA METH, onguNgqongqoshe Wezemisebenzi Wobudlelwano soMthetho ngokwesigaba 32(2) neZabasebenzi, ngazisa ukuthi isiVumelwano sabaqashi KwezabaSebenzi ka-1995, nabasebenzi esitholakala kwiSheduli yesiNgisi exhunywe lapha, esenziwa kwi Bargaining Council for the Furniture Manufacturing Industry Wobudlelwano soMthetho 31 ngokwesigaba KwaZulu Natal, KwezabaSebenzi, ka 1995 esibopha labo abasenzayo, sizobopha bonke abanye abaqashi nabasebenzi kuleyoMboni, kusukela ngomSombuluko wesibili emuva kokushicilelwa kwalesisaziso kuze kube isikhathi esiphela ngomhlaka 30 kuNhlangulana 2027.

UNKOSIKAZI N METH, MP

UNGQONGQOSHE WEZEMISEBENZI NEZABASEBENZI

USUKU. 3 November 2024

#### **SCHEDULE**

### BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING INDUSTRY, KWAZULU-NATAL

#### MAIN COLLECTIVE AMENDING AGREEMENT

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

## KwaZulu-Natal Furniture Manufacturers' Association and Allied Business Association

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

#### and the

#### National Union of Furniture and Allied Workers' of South Africa

(hereinafter referred to as the "employees" or the "trade unions") of the other part, being the parties to the Bargaining Council for the Furniture Manufacturing Industry, KwaZulu-Natal to extend, amend the Agreement published under Government Notices No. R. 427 of 15 March 2019, R.411 of 9 July 2021, R. 1778 of 2 May 2023 and R. 3666 of 14 July2023

#### PART 1

#### 1. SCOPE OF APPLICATION

The terms of this Agreement shall be observed in the Furniture Manufacturing Industry, as defined hereunder, in KwaZulu-Natal in the Magisterial Districts of Camperdown, Chatsworth, Durban, Inanda, Municipal Area of KwaDakuza also referred to as Ilembe or Lower Tugela, Pietermaritzburg, Pinetown, Mount Currie and the Municipal Area of Mandini also referred to as Isithebe.

"Furniture Manufacturing Industry": means without in any way limiting the ordinary meaning of the expression, the manufacture of furniture either in whole or in part of all types of furniture irrespective of the materials used and shall include the following:

#### (a) Furniture:

Assembling of all items and / or components of furniture, repairing, spraying, polishing, repolishing, wood machining, veneering, woodturning, carving, painting, staining, wood bending and laminating, the making of and / or repairing of frames, loose covers and / or cushions. Furniture manufacturing shall also include hotel, tea room or restaurant furniture, office, church, school, bar and theatre furniture, cabinets for musical instruments and radio cabinets. The veneering, laminating, papering and / or wrap of all types of doors, large or small, including the manufacturing of all items or components, whether or not such items are intended to be free standing, built in and / or affixed to a building as listed in (i) to (vii) below:

- dressers, cupboards, units for the housing of sinks and appliances, grocery cupboards, shelves, pigeon holes, worktops, tables, chairs, benches and pelmets;
- (ii) multi purpose cabinets which can be used either singly or in combination with each other for various purposes, including kitchen dressers, kitchen cupboards and fittings including cupboards and / or cabinets in any other part of a building;
- (iii) headboards and pedestals for beds, wardrobes and wall units;
- (iv) other cabinets and cupboards, benches, tables, chairs, benches for laboratories, shops, offices or banks;
- (v) counters, shelves and cupboards for use in bars, hotels, shops, offices or banks.
- (vi) the assembly of and fitting in any building of any type of furniture;
- (vii) the repairing or remedying in any building of any type of furniture;
- (b) Bedding:

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The manufacture and / or processes involved in the manufacture of bedding, including all types of mattresses, spring mattresses, overlays, pillows, bolsters, spring units, bed spring unit mattresses and studio couches, which is designed for seating and / or conversion into a bed and of which the frame is constructed mainly of metal and the seating and / or sleeping surface consists of a mattress and / or cushion.

#### (c) Upholstery:

The upholstering and / or re-upholstering of all types of furniture, or item of furniture, bedding, pelmets and mattress bases.

#### (d) Curtain Making:

The making, altering, repairing and / or fitting of curtains, rails, rods and pelmets.

#### (e) Cane Furniture:

The manufacturing of furniture made principally of wicker, cane and / or grass.

#### (f) Ancillary Items:

The manufacture in a factory, building and / or elsewhere in conjunction with items specified under (a) to (e) products of which wood constitutes the main component, which shall include plywood, veneer boards, chip board, laminated board, block board and / or any similar product for use in;

- (i). the erection, completion, renovation, repair, maintenance or alteration of permanent finish of buildings or structures, including but not limited to mouldings, skirting boards, panelling, shelving, banisters, partitioning and shall include doors and door frames, windows and window frames.
- (g) Manufacturing of metal furniture, metal bedsteads and furniture manufactured wholly from plastic materials, shall be excluded.
- Notwithstanding the provisions of sub-clause (1), the provisions of this Collective
   Agreement shall –



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- only apply in respect of employees for whom minimum wages are prescribed in this Agreement and employers of such employees;
- (b) apply to learners in so far as they are not inconsistent with the provisions of the Skills Development Act, 1998, or any contracts entered into or any conditions fixed thereunder;
- (c) not apply to professional, technical, administrative, sales and office staff: Provided that such employees are in receipt of regular remuneration in excess of the maximum rate prescribed in Annexure A of this Agreement, plus R35.00;
- (d) not apply to managers, sub-managers, foremen and supervisory staff if such employees are in receipt of regular remuneration of not less than R132,870.44 per annum or, R156,312.93 per annum where the employer of such employee does not provide or maintain a registered retirement fund and a registered medical aid fund. These limits shall be increased from year to year by the same percentages as the increases granted to employees earning the highest rate set out in Annexure A of this Agreement;
- (3) Notwithstanding the provisions of sub-clauses (1) and (2), employers who carry on not more than one business within the scope of application of Part 2 Annexure A of this Agreement and who employs less than five employees at all times in or in connection such business, shall be entitled to the following phasing-in concessions: Provided that their employees consent to it, in writing in the prescribed form:

Phase One: First two years from Commencement.

During this period, the employer shall comply with the NMW in terms of Wages. The employer shall be exempt from all the other provisions as contained under Annexure A, except for the provisions of Clause 6 under Part 2 of Annexure A, provided that:

Any pro-rata holiday pay benefits accrued by employees during the first two years from commencement, must be paid by the employer in terms of the Basic Conditions of Employment Act, 1997 as amended, when due.

Phase Two: Third year from Commencement.

During this period, employees must be remunerated as per the NMW applicable, provided that the employer complies with the following:

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Any pro-rata holiday pay benefits accrued by employees during the third year of commencement, must be paid by the employer in terms of the Basic Conditions of Employment Act 1997 as amended when due, including compliance under Part 2 of Annexure A.

Phase Three: Fourth year from Commencement.

During this period, employees must be remunerated as per the NMW applicable, provided that the employer complies with Clause 6, Part 2 of Annexure A.

In addition, the following contributions shall come into effect:

Clause 15 – Holidays and Holiday Fund read with Part 2 Schedule A Clause 5 Holiday Fund.

**Phase Four:** Fifth year from Commencement.

During this period, employees must be remunerated as per the NMW applicable, provided that the employer complies with the following :

- (a) Clause 15 Holidays and Holiday Fund, read with Part 2 Schedule A, Clause 6 Holiday Fund.
- (b) Provident Fund and Mortality Benefit contributions as prescribed under that Collective Agreement as amended and extended from time to time.

Phase Five: Sixth year onwards.

All provisions of the Main Collective, Provident Fund and Mortality Benefit Association Collective Agreements which includes Part 2 Annexure A as amended and extended from time to time shall apply.

The provisions of Sub-Clause (3) above shall not apply where an employer has more than four employees in his employ at the date of coming into operation of this Agreement, and subsequently reduces this number of employees to fewer than five.

#### 5. New Employees:

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Phasing In Provision: For new employees in existing establishments other than those as identified under Sub-clause 1(3) excluding employees falling within the Scope of Annexures B and C.

A two year phasing in provision for new employees shall apply after coming into operation of this Agreement in relation to employers and employees falling under the Scope of Part 2 Schedule A, as follows:

- (a) Provident Fund exempted.
- (b) Leave pay to be paid for 16 days only, directly to the employee.
- (c) Mortality Fund contributions of 0.50 cents per employer and 0.50 cents per employee per week to be paid monthly towards the Mortality Benefit Association as per Chapter III of the Natal Furniture Workers' Mortality Benefit Association as it appears in Government Gazette No. 34463 dated 22 July 2011, published under Regulation No. R 589 read with correction notice under Gazette No 34511, Regulation No. 642 dated 12 August 2011, including any successor thereof,
- (d) Full compliance with the provisions towards the Holiday Fund, Provident Fund and Natal Furniture Workers' Sick Benefit Society Collective Agreements, from the third year onwards.

#### 2. PERIOD OF OPERATION OF AGREEMENT

- This Agreement shall be binding on the Parties from date of signature to this
  Agreement and for non parties this Agreement comes into effect from the date as
  determined by the Minister of Employment and Labour.
- 2. The Agreement shall remain in force for the period ending 30 June 2027.

#### 3. FORMER CLAUSE 3 DEFINITIONS

Replace the definition of casual as follows

"casual" means an employee engaged for periods of less than 30 hours in any one week, for the purpose of loading and unloading vehicles, stacking timber and cleaning premises only. In the event that the NMW is applicable, an employee employed under this provision shall be paid NMW per hour worked.

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#### PART 2

#### **ANNEXURE B**

4 Replace Annexure B clause 5 with the following:

#### 5. ANNUAL LEAVE PAY

- 5.1. The employer to pay 15 working days annual leave pay calculated as per daily rate to the Bargaining Council.
- 5.2. Annual leave days granted during the year is unpaid.
- 5.3. Employees joining during the year accrue pro-rata annual leave.

#### 6. YEAR-END BONUS

5 Replace Annexure B clause 6 with the following:

6.1 It is agreed to implement an incentive scheme as follows:

Year 1 - 1 week

Year 2 - 1 week

Year 3 - 1 week

Year 4 - 1 week

The 1 week is in addition to the 15 working days leave pay.

The incentive scheme shall be operated as follows:

- The 1 week bonus shall be pro-rata for employees joining during the year;
- Absenteeism will be the only basis and proxy used as a measurement in the incentive scheme;
- Absenteeism will be measured from 1 September of each year to factory closure;
- Employees will earn 1 week's additional wage for 100% attendance;
- In the event of absence due to illness the employee will not be deemed to be absent in the following cases:
  - o The employee produces a certificate:
    - signed by a registered medical practitioner;
    - issued by the clinic confirming dates of collection of chronic medication;
  - A certificate issued by the clinic and accepted on a medical basis by the Employer;

The 1 week incentive bonus shall be paid directly to employees at year end.

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#### **ANNEXURE C**

6 Replace Annexure C clause 3 with the following:

#### 3. ANNUAL LEAVE PAY

- (1) The employer to pay 15 working days annual leave pay calculated as per daily rate to the Bargaining Council.
- (2) Annual leave days granted during the year is unpaid.
- (3) Employees joining during the year accrue pro-rata annual leave.

#### 6. BONUS

- 7 Replace Annexure C clause 6 with the following:
- (1) It is agreed to implement an incentive scheme as follows:

Year 1 - 1,59% of actual wages

Year 2 - 3,18% of actual wages

Year 3 - 4,77% of actual wages

Year 4 - 6,375% of actual wages

The incentive scheme shall be operated as follows:

- Absenteeism will be the only basis and proxy used as a measurement in the incentive scheme;
- Absenteeism will be measured from the 1 September of each year to factory closure;
- Employees shall forfeit 1 week's incentive bonus for 1 day of unauthorized absence, limited to 1 week forfeit per month;
- In the event of absence due to illness the employee will not be deemed to be absent in the following cases:
  - Inform/his/her supervisor that he/she will be absent for the day due to illness;
  - o The employee produces a medical certificate on return to work;
  - Scheduled clinic visits for chronic conditions must be arranged with HR;

The 1 week incentive bonus shall be paid directly to employees at year end.

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Signed at Durban on this 25 day of July 2024.

Chairperson

Vice-Chairperson

A.C Davids Secretary of the Council

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