



FURNITURE BARGAINING COUNCIL

5th Floor ♦ Sondagskoolgebou ♦ 154B Maitland Street ♦ Bloemfontein
Correspondence to be addressed to: THE PROVINCIAL MANAGER ♦ Post Office Box 3914 ♦ Bloemfontein ♦ 9300
Telephone (051) 447-1807 ♦ Facsimile (051) 447-2554 ♦ e-mail freestate@furnbed.co.za ♦ Website www.furnbed.co.za

CIRCULAR 09/08

TO ALL EMPLOYERS AND EMPLOYEES IN THE FREE STATE PROVINCE

Sir/Madam

AMENDMENTS TO THE INDUSTRY'S COLLECTIVE AGREEMENT

Please be advised that at the Industry's Annual Wage Negotiations this year, it was agreed that the Industry's Collective Agreement be amended. The amendments to the Industry's Collective Agreement have been published under Government Notice No. R.966 in Regulation Gazette No. 8960 of Government Gazette No. 31404 of 12 September 2008, which becomes applicable to **all employers and employees** in the industry as from **Monday, 22 September 2008**.

1a. **Minimum Weekly Wage Increases and Minimum Weekly Wage Rates – Furniture, Bedding & Upholstery Manufacturing Sector**

NB: Notwithstanding that an employee working in the Furniture, Bedding & Upholstery Sector may be receiving a weekly wage, which is already in excess of the minimum weekly wage rate for the work performed by him/her, such an employee nevertheless qualifies for at least the minimum weekly wage increase effective from **Monday, 22 September 2008**, as listed hereunder:-

Occupation Skills Level	Occupation Skills Level Code	Minimum Weekly Wage Increases Applicable as from 22 September 2008	Minimum Weekly Wage Rates Applicable as from 22 September 2008
Unskilled Employee / General Worker	05	8.0% of actual weekly wages	R400-00
Semi-skilled Employee	04	8.0% of actual weekly wages	R494-26
Skilled Employee	03	8.0% of actual weekly wages	R649-77
Chargehand	02	8.0% of actual weekly wages	R697-06
Foreman/Supervisor	01	8.0% of actual weekly wages	R697-06

Increase of Actual Weekly Wages

Increase of actual weekly wages shall be calculated as follows:

Employee's current hourly rate of pay plus 8.0%

1b. **Minimum Weekly Wage Increases and Minimum Weekly Wage Rates – Curtain Manufacturing Sector**

NB: Notwithstanding that an employee working in the Curtain Manufacturing Sector may be receiving a weekly wage, which is already in excess of the minimum weekly wage rate for the work performed by him/her, such an employee nevertheless qualifies for at least the minimum weekly wage increase effective from **Monday, 22 September 2008**, as listed hereunder:-

Occupation Skills Level	Occupation Skills Level Code	Minimum Weekly Wage Increases Applicable as from 22 September 2008	Minimum Weekly Wage Rates Applicable as from 22 September 2008
Unskilled Employee / General Worker	05	8.0% of actual weekly wages	R377-67
Semi-skilled Employee	04	8.0% of actual weekly wages	R470-72
Skilled Employee	03	8.0% of actual weekly wages	R618-83
Chargehand	02	8.0% of actual weekly wages	R663-87
Foreman/Supervisor	01	8.0% of actual weekly wages	R663-87

Increase of Actual Weekly Wages

Increase of actual weekly wages shall be calculated as follows:

Employee's current hourly rate of pay plus 8.0%

2. **Leave Pay Fund Contributions and Holiday Bonus Fund Contributions**

As from all establishment's **first (1st)** pay weeks in **October 2008**, all employees qualify for separate leave pay benefits and separate holiday bonus benefits, which must be calculated as follows:

2a) **Leave Pay Fund Contributions**

Leave pay fund contributions are only payable by the employer and shall be calculated at **five percent (5%)** of the wages earned by the employee for all ordinary hours worked by the employee and on all the hours which would ordinarily have been worked by the employee on paid public holidays, paid sick leave days, paid study leave days, paid family responsibility leave days and paid trade union representative leave days.

NB: No leave pay fund contributions are payable on wages which are payable for overtime worked and allowances which are payable.

2b) **Holiday Bonus Fund Contributions**

Holiday bonus fund contributions are only payable by the employer and shall be calculated on the wages earned by the employee for all ordinary hours worked by the employee and on all the hours which would ordinarily have been worked by the employee on paid public holidays, paid sick leave days, paid study leave days, paid family responsibility leave days and paid trade union representative leave days and shall be determined as follows:

- **Ten percent (10%)** of the employees ordinary weekly wages if the employee has lost twenty (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.
- **Five percent (5%)** of the employee's ordinary weekly wages if the employee has lost between twenty one (21) minutes and sixty (60) minutes of the full possible number of ordinary hours that the employee is entitled to be paid for in any specific pay week.
- No holiday bonus fund contributions are payable by the employer when an employee has lost more than sixty (60) minutes of the full possible number of ordinary hours that the employee is entitled to be paid for in any specific pay week.

NB: No holiday bonus fund contributions are payable on wages which are payable for overtime worked and allowances which are payable.

Wage Envelopes/Payslips

Employers must ensure that their employees' wage envelopes/payslips reflect both leave pay earnings and holiday bonus earnings.

Monthly Return Forms

New monthly return form books are being printed by the Council, which will provide for leave pay benefits and all other contributions and council levies which are payable to the Council. These new monthly return form books will be available for distribution to the industry's employers by mid October 2008. Employers who require these new monthly return form books, should request their area agent for these books, which will be delivered to them or posted to them before the end of October 2008.

Employers who make use of their own monthly return forms, must ensure that their monthly return forms are amended to provide for leave pay fund contributions as from October 2008.

3. Additional Provident Fund Contributions

[Payable only when more than sixteen (16) hours wages per week have been paid]

Employer additional provident fund contributions are to be **increased** by **R7-50 per week** and employee additional provident fund contributions are to be **decreased** by **R7-50 per week** as from all establishment's **first (1st)** pay weeks in **October 2008**.

The following employer and employee additional provident fund contributions are payable to the Council for all employees who are **not** Furnmed Sick Benefit Society members or NUFAWSA Sick Benefit Society members as from **October 2008**:

Employer Additional Provident Fund Contributions	Employee Additional Provident Fund Contributions	Total Additional Provident Fund Contributions
R71-00 per week	R10-00 per week	R81-00 per week

4. Furnmed Sick Benefit Society Contributions

Employer Furnmed Sick Benefit Society contributions are to be **increased** by **R7-50 per week** and employee Furnmed Sick Benefit Society contributions are to be **decreased** by **R7-50 per week** as from all establishment's **first (1st)** pay weeks in **October 2008**.

The following employer and employee Furnmed Sick Benefit Society contributions are payable to the Council for all Furnmed Sick Benefit Society members and their registered dependents as from **October 2008**:

	Employer Furnmed Sick Benefit Society Contributions	Employee Furnmed Sick Benefit Society Contributions	Total Furnmed Sick Benefit Society Contributions
Member	R71-00 per week	R10-00 per week	R81-00 per week
Per Adult Dependand	R 0-00 per week	R30-00 per week	R30-00 per week
Per Child Dependand	R 0-00 per week	R30-00 per week	R30-00 per week
Per Extra-ordinary Dependand	R 0-00 per week	R81-00 per week	R81-00 per week

5. **NUFAWSA Sick Benefit Society Contributions**

[Payable only when more than sixteen (16) hours wages per week have been paid]

Employer NUFWSA Sick Benefit Society contributions are to be **increased** by **R7-50 per week** and employee NUFWSA Sick Benefit Society contributions are to be **decreased** by **R7-50 per week** as from either an establishment's **first (1st)** pay week in **July 2008** or an establishment's **first (1st)** pay week in **October 2008**.

All employers who **are** members of the Furniture, Bedding and Upholstery Manufacturing Association – **FBUMA** and the Curtain Makers and Allied Products Association – **CMAPA**, must have as from their establishment's **first (1st)** pay week in **July 2008** effected the following changes to the contributions payable to the NUFWSA Sick Benefit Society, for all NUFWSA members employed by them:

All employers who **are not** members of the Furniture, Bedding and Upholstery Manufacturing Association – **FBUMA** and the Curtain Makers and Allied Products Association – **CMAPA**, must as from their establishment's **first (1st)** pay week in **October 2008** effect the following changes to the contributions payable to the NUFWSA Sick Benefit Society, for all NUFWSA members employed by them:

	Employer NUFWSA Sick Benefit Society Contributions	Employee NUFWSA Sick Benefit Society Contributions	Total NUFWSA Sick Benefit Society Contributions
Member + 1 to 3 Dependants	R71-00 per week	R10-00 per week	R81-00 per week
4 th & 5 th Dependants	R 0-00 per week	R12-50 per week	R12-50 per week
6 and more Dependants	R 0-00 per week	R92-00 per week	R92-00 per week
Per Extra-ordinary Dependant	R 0-00 per week	R92-00 per week	R92-00 per week

NB: The Council is not the administrator of the NUFWSA Sick Benefit Society and all contributions which are payable for NUFWSA Sick Benefit Society members must be forwarded to **Prosperity Health**.

Prosperity Health's contact details and postal addresses are as follows:

Telephone Number : (011) 375 3000
Fax Number : (011) 375 3299
Email Address : info@z.a.prosperityhealth.co.za
Postal Address : Private Bag X 2, Weltevredenpark, 1715

6. **Council Levies**

[Payable only when more than (16) sixteen hours wages per week have been paid]

As from all establishment's **first (1st)** pay weeks in **October 2008**, the following employer and employee Council levies are payable to the Council.

Employer Council Levy	Employee Council Levy	Total Council Levy
R5-30 per week	R5-30 per week	R10-60 per week

7. **Occupation Title – Unskilled Employee**

The occupation title of an **Unskilled Employee** is to be changed as from **22 September 2008** to that of a **General Worker**.

8. **Shop Stewards Leave – Loss of Earnings - Council Meetings**

Employers may now claim from the Council for the loss of earnings of shop stewards who are required to attend official Council Meetings during normal working hours.

9. **Annual Closure Dates – 2008/2009**

The Parties will determine the matter of annual closure dates for 2008/2009 by no later than the end of **October 2008** and employers and employees in the Industry will be notified of these closure dates once they have been determined.

NB: All other provisions of the Industry's current Collective Agreement remain applicable, together with these amendments.

Kindly ensure that all provisions of this Circular are complied with. Do not hesitate to contact the Agents of this Council should you require any additional information. Please do not contact any junior staff members of the Council.

A COPY OF THIS CIRCULAR MUST BE DISPLAYED ON YOUR ESTABLISHMENT'S NOTICE BOARD

19 July 2008