



FURNITURE BARGAINING COUNCIL

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CIRCULAR 06/11

TO ALL EMPLOYERS AND EMPLOYEES (Falling under the Free State Provincial Office)

Sir/Madam

INDUSTRY'S COLLECTIVE AGREEMENT – ANNUAL WEEKLY WAGE INCREASES – 1 JULY 2011

Please be advised that in terms of the industry's current collective agreement, minimum weekly wage increases effective from 1 July 2011 shall be determined according to predetermined criteria.

The applicable predetermined criteria, as per the industry's current collective agreement reads as follows:

"Minimum weekly wage increases effective 1 July 2011 shall be 7% of actual weekly wages for the period ending 30 June 2012, provided the CPI rate (Consumer Price Index Rate) for the year ending May 2011 is not below 3% or above 6%. If the official CPI rate for the year ending May 2011 is below 3% or above 6%, the Parties to the agreement shall meet to negotiate wage increases for the period 1 July 2011 to 30 June 2012."

The official recorded CPI rate for the year ending May 2011 is 4.6% and as such, all employees in the industry must, based on the above criteria, be afforded minimum weekly wage increases of not less than 7% of their actual weekly wage rates, as from Friday, 1 July 2011.

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

NB: Notwithstanding that employees working in the Furniture, Bedding & Upholstery Manufacturing Sector may be receiving weekly wages, which are in excess of the minimum weekly wage rates for the work performed by them, such employees nevertheless qualify for **at least** minimum weekly wage increases effective from **Friday, 1 July 2011**, as listed hereunder:-

Occupation Skills Level	Occupation Skills Level Code	Minimum Weekly Wage Increases Applicable as from 1 July 2011	Minimum Weekly Wage Rates Applicable as from 1 July 2011
General Worker	05	7.0% of actual weekly wages	R428-00
Semi-skilled Employee	04	7.0% of actual weekly wages	R494-26
Skilled Employee	03	7.0% of actual weekly wages	R649-77
Chargehand	02	7.0% of actual weekly wages	R697-06
Foreman/Supervisor	01	7.0% of actual weekly wages	R697-06

Increase of Actual Weekly Wages

Increase of employees' actual weekly wage rates are to be calculated as follows:

Employees' current hourly rates of pay plus 7.0%

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

NB: Notwithstanding that employees working in the Curtain Manufacturing Sector may be receiving weekly wages, which are in excess of the prescribed minimum weekly wage rates for the work performed by them, such employees nevertheless qualify for **at least** minimum weekly wage increases effective from **Friday, 1 July 2011**, as listed hereunder:-

Occupation Skills Level	Occupation Skills Level Code	Minimum Weekly Wage Increases Applicable as from 1 July 2011	Minimum Weekly Wage Rates Applicable as from 1 July 2011
General Worker	05	7.0% of actual weekly wages	R404-11
Semi-skilled Employee	04	7.0% of actual weekly wages	R470-72
Skilled Employee	03	7.0% of actual weekly wages	R618-83
Chargehand	02	7.0% of actual weekly wages	R663-87
Foreman/Supervisor	01	7.0% of actual weekly wages	R663-87

Increase of Actual Weekly Wages

Increase of employees' actual weekly wage rates are to be calculated as follows:

Employees' current hourly rates of pay plus 7.0%

2. 2010 Allowance

The 1 % allowance which was payable to employees as from 1 January 2011 will no longer be applicable as from 1 July 2011.

NB: All other unamended 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. Please contact the Council's Agents or Council's Inspectorate Department ONLY should you require any additional information regarding this Circular.

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