

SCHEDULE

FURNITURE BARGAINING COUNCIL

COLLECTIVE BARGAINING FEE COLLECTIVE AGREEMENT

In accordance with the provisions of the Labour Relations Act, 1995 (Act 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’ organisation”), 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 the
parties to the Furniture Bargaining Council

hereby agree to extend the Collective Bargaining Fee Agreement published under Government Notice No. 20 of 20 January 2017 and Government Notice No. 644 of 7 July 2017 read with Correction Notice published under Government Notice No. 752 of 28 July 2017 and Government Notice No. 496 of 18 May 2018.

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CHAPTER 1

1. SCOPE OF APPLICATION

- 1.1 The terms of this Agreement shall be observed in the Furniture, Bedding and Upholstery Manufacturing Industry-
- 1.1.1 by all employers who are members of the party employers' organisation, which is party to this Agreement and by all employees who are members of the party trade unions, which are party to this Agreement and the Council's Main Collective Agreement, and who are engaged or employed in the Furniture, Bedding and Upholstery Manufacturing Industry, respectively;
- 1.1.2 in the Provinces of Gauteng, North West, Mpumalanga, Limpopo and Free State.

- 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 the Council's Main Collective 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

This Agreement shall, in terms of section 31 of the Act, become binding on the above parties on 1 July 2018 as determined by the Minister of Labour in terms of section 32 of the Act and shall remain in force for the period ending 30 June 2019.

3. TERMS AND CONDITIONS

A separate Collective Bargaining Fee Agreement is hereby agreed to and the provisions of the Labour Relations Act, 1995 (Act 66 of 1995)(as amended)(hereinafter referred to as the Act), where applicable, shall apply to this Agreement. The object of this Agreement is to ensure that all employees and employers in the scope of the Council who receive the benefits of collective bargaining contribute towards its costs.

This Agreement shall be subject to the respective parties being representative, as required by section 25 of the Act, of employees or employers who are covered by the Main Collective Agreement of the Furniture Bargaining Council as verified by the Department of Labour from time to time. Accordingly, the application of this agreement to either of the parties shall be subject to that party being representative.

4. DEFINITIONS

Any expressions used in 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);

“**Collective Bargaining Fee**” means the fee set out in clause 5 of this Agreement;

“**Council**” means the Furniture Bargaining Council;

“**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. 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, 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 and theatres but excluding the manufacturing of furniture made mainly of metal and/or plastic materials.

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, but excluding the manufacturing of bedding made mainly of metal and/or plastic materials.

“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.

5. **COLLECTIVE BARGAINING FEE**

- 5.1 A Collective Bargaining Fee is payable by an employer who is not a member of the representative employers' organisation known as the Furniture, Bedding & Upholstery Manufacturers' Association for the Greater Northern Region, although such an employer is eligible for membership thereof but is not compelled to be a member thereof.
- 5.2 For the purposes of this agreement, "representative employers' organisation" means a registered employers' organisation whose members employ the majority of employees in the furniture, bedding and upholstery manufacturing industry in the scope of the Council.
- 5.3 This Collective Bargaining Fee Agreement is binding on all employers who are not members of the representative employers' organisation, being the non-party employers in the furniture, bedding and upholstery manufacturing industry and in the scope of the Council's Main Agreement.
- 5.4 The prescribed Collective Bargaining Fee shall be equivalent to or less than the amount of the prevailing membership fees payable by the employer members of the Furniture, Bedding & Upholstery Manufacturers' Association for the Greater Northern Region to the same association.
- 5.5 The prescribed Collective Bargaining Fee payable by employers who are not members of the employers' organisation known as Furniture, Bedding & Upholstery Manufacturers' Association for the Greater Northern Region, who is a party to this Agreement, shall be as follows:

5.5.1 Monthly membership Fees (for all areas excluding the Free State Province)

Number of employees employed	Monthly membership fees (for all areas excluding the Free State Province)
0-15	R307-80
16-50	R433-20
51-100	R615-60
101-200	R912-00
201+	R1 140-00

5.5.2 Monthly membership Fees (for the Free State Province ONLY)

Number of employees employed	Monthly membership fees (for the Free State Province ONLY)
0-15	R114-00
16-50	R205-20
51-100	R273-60
101+	R433-20

- 5.6 Every non-party employer shall together with the Collective Bargaining Fee also submit to the Secretary of the Council, at the same time, a monthly return form reflecting the amount of the Collective Bargaining Fee due on the return form as specified by the Council from time to time.
- 5.7 The Secretary of the Council shall deposit all moneys received as Collective Bargaining Fees in terms of clause 5.5 into a bank account of the Council.
- 5.8 The prescribed Collective Bargaining Fee must be paid by the employers as identified in clause 5.3 to the Council by the 10th day of each month following the month in which it became due and the same Collective Bargaining Fee must be paid

by the Council monthly to the Furniture, Bedding & Upholstery Manufacturers' Association for the Greater Northern Region.

- 5.9 The Secretary of the Council shall transfer all moneys received as Collective Bargaining Fees into a separate bank account administered by the party employers' organisation.
- 5.10 Despite sub-clause 5.9, a conscientious objector may request the Council in writing to pay his Collective Bargaining Fees into a fund administered by the Department of Labour.
- 5.11 No Collective Bargaining Fee may be:
- 5.11.1 paid to a political party as an affiliation fee; or
 - 5.11.2 contributed in cash or kind to a political party or a person standing for election to any political office; or
 - 5.11.3 used for any expenditure that does not advance or protect collective bargaining and the socio-economic interests of employers in the scope of the Furniture Bargaining Council.
- 5.12 The provisions of sections 98 and 100 (b) and (c) of the Act apply, read with the changes required by the context, to the separate account referred to in sub-clause 5.9.
- 5.13 Any person may inspect the auditor's report, in so far as it relates to an account referred to in sub-clause 5.9.
- 5.14 The Registrar must provide a certified copy of, or an extract from, any of the documents referred to in clause 5 to any person who has paid the prescribed fees.
- 5.15 If an employer or an employers' organisation or any interested person or organisation alleges that the representative employer's organisation is no longer a representative employers' organisation as envisaged in sub-clause 5.2 it must give the employers' organisation written notice of the allegation, and must allow the employers' organisation 90 days from the date of the notice to prove that it is a representative employers' organisation.

- 5.16 If, within the 90-day period, the representative employers' organisation fails to prove that it is a representative employers' organisation, the employer or employers' organisation or interested person or organisation making the allegation, must give the employers' organisation which claims to be representative notice of its intention to request the Minister of Labour to withdraw the extension of this agreement to non-parties.
- 5.17 If the extension of this agreement to non-parties is withdrawn by the Minister of Labour for any reason, the provisions of sub-clauses 5.8 and 5.9 shall apply until all the Collective Bargaining Fees due up until the date of the withdrawal of this Agreement have been received and paid out in accordance with sub-clauses 5.8 and 5.9.

6. UNPAID COLLECTIVE BARGAINING FEES

- 6.1 Should any amounts due to the Council in terms of this agreement not be received by the Council by the 10th day of the month following the month in respect of which the amounts are payable, the employer shall forthwith be liable for and be required to pay interest on such amounts or on such lesser amounts that remain unpaid at a rate which does not exceed the maximum rate as prescribed by the Prescribed Rate of Interest Act, 1975 (Act 55 of 1975)(as amended), calculated from the 11th day of the month until the day upon which the payment is actually received by the Council. The Council shall be entitled at its absolute discretion to waive payment of such interest or part thereof in any individual instance.
- 6.2 In the event of the Council incurring any costs or becoming obliged to pay any collection costs and commission by reason of the failure of the employer to make any payment on or before the applicable due date, the employer shall then also be liable to forthwith pay all such collection costs and commission to the Council and the Council shall be entitled in its absolute discretion to allocate any payment received from such an employer firstly to such costs, collection commission and interest, and thereafter to the reduction of the unpaid Collective Bargaining Fees.
- 6.3 Disputes about the interpretation, application or enforcement of this agreement shall be resolved in accordance with the Dispute Resolution Procedure prescribed in the Furniture Bargaining Council's Main Collective Agreement.

7. EXEMPTIONS AND APPEALS

7.1 Exemptions Body and Independent Exemptions Appeal Body

An Exemptions Body and an Independent Exemptions Appeal Body is hereby established to hear and decide according to the prescribed criteria, all applications for exemptions from the provisions of this Collective Agreement and any appeal against-

7.1.1 the Bargaining Council's refusal of a party's or non-party's application for an exemption from the provisions of this Collective Agreement; or

7.1.2 the withdrawal of an exemption previously granted by the Bargaining Council.

7.2 Administration

7.2.1 Any natural person, establishment or other legal entity bound by this Collective Agreement may apply for an exemption from any of the provisions of this Collective Agreement or may lodge an appeal against-

7.2.1.1 the Bargaining Council's refusal of a party's or non-party's application for an exemption from the provisions of this Collective Agreement; or

7.2.1.2 the withdrawal of an exemption previously granted by the Bargaining Council.

7.2.2 An application for exemption or the lodging of an appeal shall be in writing. The application for exemption shall be completed on the Bargaining Council's prescribed application form obtainable from the Council's offices, fully motivated and served on the Bargaining Council with supporting documentation. An appeal shall be lodged with full motivation, heads of argument and with supporting documentation. The Applicant or the Appellant, depending on the nature of the process, shall satisfy the Body concerned that a proper application for exemption or appeal has been lodged with the appropriate body.

- 7.2.3 Whenever an employer, establishment or other legal entity applies for an exemption he, she or it 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.
- 7.2.4 The Bargaining Council shall issue a notice of the outcome to the applicant of an exemption or to the appellant who lodged an appeal, setting out the following:
- 7.2.4.1 the full name of the applicant or appellant concerned;
 - 7.2.4.2 the trading name of the applicant or appellant;
 - 7.2.4.3 the exact provision(s) of this Collective Agreement from which the exemption or appeal has been granted or refused;
 - 7.2.4.3 the conditions subject to which the exemption or appeal is granted;
 - 7.2.4.4 the period for which the exemption or appeal is applicable; and/or
 - 7.2.4.5 the outcome of the exemption or the appeal.
- 7.2.5 The Bargaining Council must ensure that:-
- 7.2.5.1 all notices relating to an exemption or an appeal must be served on the applicants or appellants personally; and
 - 7.2.5.2 a copy of each notice relating to an exemption or an appeal must be kept on file by the Bargaining Council.
- 7.2.6 The Exemptions Body or the Independent Exemptions Appeal Body shall hear and decide all applications for exemptions or appeals lodged and shall notify the applicant or the appellant of the outcome thereof as soon as possible, but not later than 30 days from the date that the Council received the application for exemption or the appeal documentation.

- 7.2.7 The Bargaining Council may, on good cause shown, give the holder of an exemption 30 days' notice of its intention to apply to the Exemptions Body for the withdrawal of a particular exemption.
- 7.2.8 The following processes and criteria shall inter alia be considered when contemplating an application for exemption from the provisions of this Collective Agreement or an appeal lodged against the outcome of an exemption application or an application for the withdrawal of an exemption previously granted or when any appeal against a decision of the Council is considered:
- 7.2.8.1 **Processes:** Any employer, employee, trade union or employer's association or representative of the latter may at any point in time apply for an exemption from any of the provisions of this Collective Agreement or lodge an appeal against such outcome. 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. An appellant is required to submit a fully motivated written appeal with the relevant office of the Council, with heads of argument and supporting documentation.
- 7.2.8.2 **Criteria:** The Exemptions Body and/or the Independent Exemptions Appeal Body shall, without limiting its powers and authority, *inter alia* consider the following criteria to wit:
- 7.2.8.2.1 The financial and social implications on the applicants, appellants, competitors, employees and the Industry as a whole;
- 7.2.8.2.2 viability of the continued existence of the establishment;
- 7.2.8.2.3 the views expressed by the employees and/or the applicants, appellants and competitors;

- 7.2.8.2.4 the views and recommendations submitted by the bargaining council or any other person or body with an interest in the matter.
 - 7.2.8.2.5 the possibility of job losses if the exemption or appeal is granted or refused;
 - 7.2.8.2.6 the limitation on any employment opportunities if the exemption or appeal is granted or refused;
 - 7.2.8.2.7 any other relevant information that might have an impact on the outcome of either the exemption or the appeal;
 - 7.2.8.2.8 the applicant's or appellant's past record (if applicable) of compliance with the provisions of this Collective Agreement and/or certificates regarding exemptions or appeals.
 - 7.2.8.2.9 any special circumstances that may exist or any precedent that might be set;
 - 7.2.8.2.10 the interests of the Industry in relation to unfair competition, centralised collective bargaining as well as the economic stability of the Industry;
 - 7.2.8.2.11 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
 - 7.2.8.2.12 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.
- 7.2.8.3 the outcome of an exemption application or an appeal 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;

- 7.2.8.4 no exemption or appeal outcome shall be granted for an indefinite period or as a total (blanket) exemption or appeal;
- 7.2.8.5 no exemption or appeal outcome 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 or an appeal was received by the Council.

Agreement signed at Johannesburg on this 20th day of March 2018.

L DIRKSEN

Chairman of the Council

K CHAUKE

Vice-Chairman of the Council

WA JANSE VAN RENSBURG

General Secretary