
BARGAINING COUNCIL FOR THE FURNITURE MANUFACTURING INDUSTRY OF THE WESTERN CAPE

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LR2/6/6/32

26 May 2011

No. 05/11

NOTICE

TO: ALL EMPLOYERS & EMPLOYEES

**AMENDMENT TO THE COLLECTIVE AGREEMENT OF THE
BARGAINING COUNCIL FOR THE FURNITURE
MANUFACTURING INDUSTRY OF THE WESTERN CAPE**

WAGE NEGOTIATIONS

Duly mandated the Parties to the Council concluded a two year agreement in 2010. Refer to Council's notice Ref. No. 05/10 dated 2 June 2010.

1. PERIOD OF AGREEMENT

- i) The first period of the two year agreement ends on the 30th June 2011.
- ii) The second period is from the 1st July 2011 to 30th June 2012.

2. WAGE INCREASE : PART II OF MAIN AGREEMENT

- i) A wage increase of seven (7%) per cent on actual wages is effective from the 1st July 2011.

3. NUFAWSA MEDICAL ILL-HEALTH FUND

- i) **1st July 2011 to 31st December 2011 – R25.00**
The NUFAWSA III Health Benefit Fund contribution is payable by the employer for NUFAWSA members only and is to be increased by five rand (R5) per week to a total of twenty five rand (R25) per week from the first pay week in July 2011 to 31st December 2011.
- ii) **1st January 2012 onwards – R30.00**
The NUFAWSA III Health Benefit Fund contribution is to be increased from Twenty Five Rand (R25.00) by a further Five Rand (R5.00) per week per NUFAWSA member to a total of Thirty Rand (R30.00) from the first pay week in January 2012 onwards.
- iii) The payment of contributions for the NUFAWSA Medical III Health Benefit Fund is to be made on a monthly basis by the Employer over to the Bargaining Council along with all other required contributions with the exception of the employees NUFAWSA member contribution.
- iv) NUFAWSA is to make available to the Cape Furniture Manufacturers' Association (C.F.M.A.) the quarterly management accounts of the NUFAWSA Medical III Health Benefit Fund and NUFAWSA shall invite a representative of the Cape Furniture Manufacturers' Association (C.F.M.A.) to attend such quarterly meetings of the NUFAWSA Medical III Health Benefit Fund.

4. EMPLOYEE CONCESSION

To stimulate employment and to assist in alleviating the distress of the Industry the following phases will apply to any **newly engaged permanent employee** who commences employment with an employer for the first time after 1 July 2010.

NOTE:- This concession excludes Fixed Term or Contract Employees.

During the months of September to December which is the traditional busy season for the Industry an Employer may make application for an exemption.

i) **PHASE 1 (Year One)**

- a) 100% of the prescribed minimum weekly wage rate for the Unskilled category
- b) 85% of the prescribed minimum weekly wage rate for other categories
- c) 100% of Council Levies
- d) 100% of Leave/ Holiday and Bonus Pay
- e) 50% of an employee's Trade Union contributions payable by the Employer to the applicable Trade Union party to this agreement.

ii) **PHASE 2. (Year Two)**

- a) 100% of the prescribed minimum weekly wage rate for the Unskilled category
- b) 90% of the prescribed minimum weekly wage rate for other categories
- c) 100% of Council Levies
- d) 100% of Leave/ Holiday and Bonus Pay
- e) 50% of an employee's Trade Union contributions payable by the Employer to the applicable Trade Union party to this agreement.

iii) **PHASE 3. (Year Three)**

- a) 100% of the prescribed minimum weekly wage rate for the Unskilled category
- b) 100% of the prescribed minimum weekly wage rate for other categories
- c) 100% of Council Levies
- d) 100% of Leave/ Holiday and Bonus Pay
- e) 50% of an employee's Trade Union contributions payable by the Employer to the applicable Trade Union party to this agreement.
- f) 100% of Nufawsa Medical III Health Benefit Fund contribution.

After the completion of Phase Three all prescribed wage rates and wage increases, Council Levies, Holiday and Bonus Fund, Provident Fund, Nufawsa Medical III- Health Benefit Fund and any other contributions will be immediately applicable.

5. COUNCIL LEVY

With effect from the first pay week in July 2011 the Council levy is to be increased by fifty cents to three rand (R3) per week, payable by both the employer and the employee.



**T.O. MILES
SECRETARY**