

NATIONAL BARGAINING COUNCIL

FOR THE

CLOTHING MANUFACTURING INDUSTRY

Cape Chamber

(Eastern Cape Sub-Chamber)

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Circular No BC/---/04

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TO: ALL EMPLOYERS SUBJECT TO THE MAIN COLLECTIVE AGREEMENT FOR THE "METRO" AREAS OF THE EASTERN CAPE SUB-CHAMBER OF THE NATIONAL BARGAINING COUNCIL FOR THE CLOTHING MANUFACTURING INDUSTRY

Dear Sir / Madam

INFORMATION CIRCULAR TO THE INDUSTRY FOLLOWING THE 2004 ROUND OF SUBSTANTIVE NEGOTIATIONS

METRO AREAS ONLY

(i.e. those establishments situated within the Magisterial Districts of East London, Hankey (portion), Mdantsane (portion), Port Elizabeth and Uitenhage (portion))

Resulting from the Industry negotiations referred to in National Bargaining Council Circular No BC/02/2004 dated 15 March 04, the Parties to the National Bargaining Council concluded a Substantive Collective Agreement on 21 July 04 in terms of which the total labour cost increase for all "Metro" regions amounts to 5% with effect from 1 July 2004. This will now be submitted to the Minister of Labour with a request for it to be extended to Non-Parties. Details of the negotiated settlement in respect of the above-mentioned Eastern Cape collective agreement are as follows –

1. New Wage Rates and Across-the-Board Increases for the period 1 July 2004 to 30 June 2005

The new "gazetted" wage rates from 1 July 2004 to 30 June 2005, which reflect an across-the-board increase of 5% on all grades are recorded on the accompanying schedule under the column "Wage per week from 1 July 04".

2. Contributions to this Regional Chamber's Provident- & Medical Aid

2.1 Provident Fund

The Provident Fund contribution rate for employers and employees remains unaltered, as follows: -

Qualified Machinists' earnings and above: Employer: 6,79% Employee: 3,60%

Earnings below Qualified Machinists' rate: Employer: 6,99% Employee: 3,80%

2.2 Medical Aid (Prime Cure)

The Employer contribution increases by 65 cents from R10,21 to **R10,86** whilst Prime Cure's new Employee contribution rate decreases by 65 cents from R18,54 to **R17,89**.

3. Schedule of Deductions

A schedule of weekly deductions and contributions accompanies this circular.

4. Trade Union Deductions

