

# NATIONAL BARGAINING COUNCIL

## FOR THE

# CLOTHING MANUFACTURING INDUSTRY

KwaZulu-Natal Chamber

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Telephone Enquiries : Labour Affairs Department

30 July 2004

TO: ALL EMPLOYERS SUBJECT TO THE MAIN COLLECTIVE AGREEMENT FOR THE "METRO" AREAS ONLY OF THE KWAZULU-NATAL 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

Chatsworth, Durban, Inanda, Lower Tugela, Pietermaritzburg and Pinetown)

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 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 Agreement will be submitted to the Minister of Labour with a request that it be extended to Non-Parties. The total labour cost increase is being applied fully to wages. Details of the negotiated settlement in respect of the KwaZulu-Natal collective agreements are as follows:-

**1. Wage Increase**

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, **rounded** to the nearest 5 cents, are recorded on the accompanying schedule.

**2. Contributions to this Regional Chamber's Provident- & Sick Benefit Funds**

**2.1 Sick Benefit Fund**

Employees' and the Employer's contributions to the Sick Benefit Fund remain unaltered at 1,5% and 1,75% respectively as reflected in the accompanying schedule.

**3.2 Provident Fund**

**Employer Contribution Rate:**

The Employer's contribution rate to the Provident Fund remains unaltered at 7,0%.

**Employee Contribution Rate:**

Employees' contribution rate to the Provident Fund remains unaltered at 6,0%.

**3. Trade Union Deductions**

The Trade Union subscription rate for its members remains at 1% of the member's basic wage rate with a **minimum** of R4,20 per week and a **maximum** of R7,35 per week.

#### **4. Compliance**

For information purposes, the Parties to the Council have agreed to adopt a set of measures within ninety days, intended to promote compliance with the minimum rates of pay and other conditions of employment applicable in the Industry. In the event of the Parties to the Council being unable to reach consensus on the measures to be adopted or within the period stipulated, the measures shall be determined by an arbitrator.

#### **5. Non-Metro Areas (all areas of KZN other than the six Magisterial Districts listed in the bolded heading of this circular)**

For your information the recently concluded Industry negotiations provide for a total labour cost increase for non-metro areas ranging from between 5,62% and 7,51%.

#### **6. NBC WEBSITE ([www.nbc.org.za](http://www.nbc.org.za))**

The Council's website on the Internet is currently under construction. However, people who have access to the Internet can already view and download the Main & Provident Fund Collective Agreements of the various "metro" areas which are in the form of consolidated agreements i.e. the originally published agreements but updated as per any subsequent published amendment. This notice will also be added to the Council's website.

A schedule indicating the contributions and deductions due with effect from 1 July 2004 is forwarded herewith.

Should you have any queries please contact the **Labour Affairs Department** on **(031) 301 2558**.

Yours faithfully

**BRETT WALKER**

**LABOUR AFFAIRS MANAGER**

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