

NATIONAL BARGAINING COUNCIL FOR THE CLOTHING MANUFACTURING INDUSTRY

Tel: (021) 460 4020
Fax: (021) 460 4191
www.nbc.org.za

7th FLOOR, INDUSTRIA HOUSE, 350 VICTORIA ROAD, SALT RIVER, 7925

All correspondence to be addressed to:
P O BOX 1142
WOODSTOCK
7915

EASTERN CAPE
Chamber House
22 Grahamstown Road
North End 6001
P O Box 3220
North End, P. E. 6056
Tel: 041 487 1874
Fax: 041 487 1761

KWAZULU-NATAL
127/129 Gale Street
Umbilo
Durban 4001
P O Box 18354
Dalbridge 4014
Tel: 031 362 0700
Fax: 031 307 6716

REGIONAL CHAMBERS:

NORTHERN
1ST Floor, Garment Centre
148 Kerk Street
Johannesburg 2001
P O Box 5101
Johannesburg 2000
Tel: 011 402 2737
Fax: 011 402 7375

WESTERN CAPE
Industria House
350 Victoria Road
Salt River 7925
P O Box 1142
Woodstock 7915
Tel: 021 460 4000
Fax: 021 447 0628

CIRCULAR NO. [NBC/03/2008](#)

Telephone Enquiries: Labour Affairs Department

22 July 2008

TO : ALL CLOTHING AND GARMENT KNITTING ESTABLISHMENTS (INCLUDING HOSIERY AND MILLINERY) IN THE REPUBLIC OF SOUTH AFRICA (other than those employers and employees who are subject to the scope of those Parts of the Council's National Main Collective Agreement covering the various "metro" areas) i.e. ALL Employers subject to Part I the Council's National Main Collective Agreement for the **Non-Metro Areas**

Dear Sir/Madam

INFORMATION CIRCULAR TO THE INDUSTRY FOLLOWING THE 2008 ROUND OF INDUSTRY NEGOTIATIONS

NON-METRO AREAS

Further to the Council's Circular [NBC/2008/2](#) of [19 March 2008](#), this circular summarises the outcome of the Industry negotiations. The Parties to the National Bargaining Council have concluded a Collective Agreement in terms of which the total labour cost increase for the Non-Metro Areas with effect from 1 September 2008 is set out in this information circular, for companies' information purposes.

Details of the negotiated settlement in respect of the Non-Metro Areas (Part I of the Council's National Main Collective Agreement) are as follows:

1. New Wage Rates and Wage Increases for the period commencing 1 September 2008

The current wage rates must be increased from 1 September 2008 to reflect a wage increase as follows:

- (a) In the Magisterial Districts of Camperdown, uMzinto, Paarl, Stellenbosch & Uitenhage: 11.61% for the general worker job category and 10.15% for all other job categories; and
- (b) In all other non-metro areas: 14.24% for the general worker job category and 12.71% for all other job categories.

2. New Ceiling Wage Rates

The new ceiling rates are as follows:

Area	Period commencing 1 September 2008		
	ANNUAL	MONTHLY	WEEKLY
Magisterial Districts of Camperdown, uMzinto, Paarl, Stellenbosch and Uitenhage	R63 462.00	R5 288.50	R1 220.50
All other Areas	R51 870.00	R4 322.50	R997. 50

3. **Bargaining Council Levy**

The Bargaining Council Levy payable by both the **employer** and **employee** per week has been converted to a percentage-based formula, as follows:

(a) In the Magisterial Districts of Camperdown, uMzinto, Paarl, Stellenbosch and Uitenhage

The employer and employee NBC levy contribution has been converted to a percentage-based contribution. In future and unless the parties agree otherwise, this levy will be based on 0.303% of a qualified machinist's weekly rate of pay. This levy continues to be paid on a weekly basis.

(b) For all other areas

The employer and employee NBC levy contribution has been converted to a percentage-based contribution. In future and unless the parties agree otherwise, this levy will be based on 0.37% of a qualified machinist's weekly rate of pay. This levy continues to be paid on a weekly basis.

4. **SACTWU HIV/AIDS Project**

The HIV/AIDS contribution payable by the Employer has been increased by **10.15%** (the lowest of the total labour cost increases) from 30 cents to **33 cents** per employee per week.

5. **Schedule of deductions and contributions**

A revised schedule of weekly deductions and contributions is enclosed. Please note that, for the provident fund contributions, the schedule prescribes the minimum employer and employee contributions. There are companies where contributions levels are historically higher and these should not be reduced to the minimum levels explained in the deductions schedule. The Main Agreement specifies that where there are conditions of employment which are better than the minima, then such better conditions shall remain in force and effect unless otherwise agreed or determined through lawful permissible means.

FURTHER ISSUES ON WHICH AGREEMENT WAS REACHED

6. **Extension of current gazetted agreements to non-Parties**

The Minister will be requested to amend the current gazetted agreements to take into account the outcomes of this year's negotiations.

7. **HIV/AIDS**

A Code of Good Practice on Key Aspects of HIV/AIDS and Employment has been adopted and shall be policy in the industry. A copy of the document shall be provided to all establishments in due course, but is immediately available on the bargaining council's website.

8. **Qualifying Periods**

The qualifying period for the machinist job category will be reduced to 18 months, for those areas where it is currently more than 18 months.

For those other job categories where the qualifying period is 24 months or more, the qualifying period shall be reduced by 2 months.

9. Contract Employees

- 9.1 Those contract employees with 12 months' or more employment with the same employer shall be converted into permanent employees.
- 9.2 All contract employees shall be entitled to receive a pro-rata share of all statutory payments due to permanent employees.
- 9.3 All contract employees who are in employ as at the end of November each year shall be entitled to full payment for all public holidays which fall during the annual shutdown period.
- 9.4 Employees who have completed a learnership shall not be placed on a further contract period after the completion of such a learnership, but shall be employed as a permanent fulltime employee.
- 9.5 Where there are more beneficial arrangements (other than those set out in sub-clauses 9.1 to 9.4 above) governing the employment of contract workers, such provisions shall remain effective.

10. Shop Stewards rights and facilities

Access to email and internet facilities for shop stewards will be encouraged, provided that such access is during shop stewards' own time and dealt with in a manner that is not disruptive to production.

All other existing provisions on shop stewards rights and facilities shall remain in force and effect.

11. Night Shift Allowance

Should the union so opt, the night shift allowance for garment knitting- and embroidery sector employees shall be increased, provided that such an increase shall form part of the total labour cost increase agreed to in this agreement. **The union has not opted to do so, and there will accordingly be no change to the night shift allowances.**

12. Industry Protection Fund

The parties have agreed that an Industry Protection Fund be established, funded through a 10c per week per employee contribution, contributed by the employer and the employee respectively. For this year, this will not yet be introduced as a deduction from the employee's wages or as a separate contribution by the employer.

13. Other Conditions

All other previously agreed terms and conditions not specifically varied by the provisions of this Agreement shall remain in force and effect, unless agreed otherwise through collective bargaining between the parties, at NBC level.

14. NBC Website (www.nbc.org.za)

The Council's website on the Internet is constantly being updated. Those who have access to the Internet can view and download the Main & Provident Fund Collective Agreements of the various "metro" areas and the Council's Non-Metro Agreement. These are in the form of consolidated agreements i.e. the original published agreements, updated for subsequent **published** amendments. This notice will also be added to the Council's website.

15. Scope of this Circular

Part I of the Council's National Main Collective Agreement for the Non-Metro Areas covers **ALL** areas of the Republic of South Africa, excluding those areas or magisterial districts covered by the scope of the collective agreements for the Council's various "metro" areas, i.e. the **whole** of the Republic of South Africa **EX**cluding the following:

- (i) In the Province of the Eastern Cape -
 - (aa) Port Elizabeth, including that portion of Hankey which, prior to the publication of Government

(bb) Notice No. 1515 of 4 October 1963, fell within the Magisterial District of Port Elizabeth, including that portion which was transferred by the publication of Government Notice No. 1687 of 5 September 1975 to Uitenhage and excluding that portion of Hankey which was transferred by Government Notice No. 1974 of 26 September 1980 to Port Elizabeth; and East London, including that portion which was transferred to Mdantsane by Government Notice No. 1481 of 27 August 1971, excluding those portions of the Ciskei that were transferred to East London by Government Notice No. 1877 of 4 September 1981 and Government Notice No. 1079 of 10 June 1988 and including that portion that was transferred to Ciskei by Government Notice No. 2354 of 5 October 1990.

(ii) In the Province of Kwazulu-Natal -

The Magisterial Districts of Chatsworth, Durban, Inanda, Lower Tugela, Pietermaritzburg and Pinetown;

(iii) In the Province of the Free State -

The Magisterial Districts of Bloemfontein, Frankfort, Kroonstad, Parys and Vredefort;

(iv) In the Province of the Northern Cape -

The Magisterial District of Kimberley;

(v) In the Province of Gauteng, but only in as much as in respect of garment knitting establishments which fall within the scope of application of the Main Collective Agreement for the Northern Region (Knitting) is concerned –

The Magisterial Districts of Alberton, Benoni, Germiston, Johannesburg and Roodepoort as well as only those portions of the City of Tswane, including only those portions of the Southern Pretoria Metropolitan Substructure, the Central Pretoria Metropolitan Substructure and the Northern Pretoria Metropolitan Substructure established in terms of the Premier of the Province of PWV Proclamation No 38 of 1994 published in Provincial Gazette Extraordinary No 5064 of 8 December 1994 as amended by the Premier's Notice No 43 of 1995 published in Provincial Gazette Extraordinary No 66 of 1 September 1995, which previously made up the 'municipal area of Pretoria' as such existed immediately prior to the establishment of the Transitional Metropolitan Council with Transitional Metropolitan Substructures in respect of the Greater Pretoria Metropolitan Area published under aforementioned Proclamation No 38 of 1994;"

(vi) As far as the scope of application of the Main Collective Agreement for the Northern Region (Clothing) and Fund Collective Agreement for the Northern Region is concerned:

The Province of the Transvaal, as it existed prior to the coming into operation of the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993), but only in respect of clothing establishments which fall within the scope of application of the Main Collective Agreement for the Northern Region (Clothing) and the Fund Collective Agreement for the Northern Region;

(vii) In the Province of the Western Cape -

The Magisterial Districts of Bellville, George, Goodwood, Malmesbury (including that portion from which the Magisterial District of Moorreesburg was constituted on 29 November 1985 by Government Notice 2649), Simon's Town, Somerset West, Strand, The Cape, Worcester and Wynberg, including those portions of the Magisterial Districts of Bellville, Goodwood, Simon's Town and Wynberg that were used to create the Magisterial District of Mitchell's Plain on 2 March 1992.

Any enquiries from employers who are members of any Parties to the Council should be directed to their Association. In the case of non-party establishments, enquiries should be directed to the relevant Labour Affairs Department as follows:

	Chamber Name	Street & Postal Address	Tel.	Fax
Eastern Cape Province	Cape Chamber (Eastern Cape Sub-Chamber) Regional Secretary: Thembe Heugh thembeheugh@telkomsa.net	Chamber House 22 Grahamstown Road North End 6001 P O Box 3220 North End, Port Elizabeth 6056	041 487 1874	041 487 1761
Provinces of the Free State, Gauteng,	Northern Chamber	1 st Floor, Garment Centre 148 Kerk Street	011 402 2737	011 402 7375

	Chamber Name	Street & Postal Address	Tel.	Fax
<p>Limpopo, Mpumalanga, North West and the 13 x Magisterial Districts of Barkly West, Gordonia, Hartswater, Hay, Herbert, Hopetown, Kenhardt, Kimberley, Kuruman, Phillipstown, Postmasburg, Prieska and Warrenton, falling within the northern half of the Northern Cape Province.</p>	<p>Labour Affairs Manager: Ezra Buloze</p> <p>ezra@bcouncil.co.za</p> <p>-----</p> <p>Bloemfontein Branch Office (branch of the Northern Chamber) Regional Inspector: Frans Lubbe frans4@mweb.co.za</p> <p>-----</p> <p>PHUTHADITJHABA, QWA-QWA (Branch Office of the Northern Chamber)</p> <p>Admin Assistant: Evodia Qokweni</p> <p>evodiag@mweb.co.za</p>	<p>Johannesburg 2001</p> <p>P O Box 5101 Johannesburg 2000</p> <p>-----</p> <p>Ground Floor, Tourism Centre, Willows Park Road, WILLOWS, Bloemfontein P O Box 20272 WILLOWS Bloemfontein 9320</p> <p>-----</p> <p>Office 112 New Naledi Mall Mampoi Street PHUTHADITJHABA 9866</p>	<p>-----</p> <p>051 447 0197</p> <p>-----</p> <p>-----</p> <p>058 713 3561</p> <p>-----</p>	<p>-----</p> <p>051 447 0059</p> <p>-----</p> <p>-----</p> <p>058 713 3596</p> <p>-----</p>
KwaZulu-Natal Province	<p>KwaZulu-Natal Chamber</p> <p>Labour Affairs Manager: Brett Walker</p> <p>brett.kzn@nbc.org.za</p> <p>-----</p> <p>Ladysmith Branch Office (branch of the KZN Chamber): Contact person: Colleen Mlambo</p> <p>newcas.kzn@mweb.co.za</p>	<p>127/129 Gale Street Umbilo Durban 4001</p> <p>P O Box 18354 Dalbridge 4014</p> <p>-----</p> <p>Shop 11, 26 King Street Ladysmith 3370</p>	<p>031 362 0700</p> <p>-----</p> <p>-----</p> <p>036 635 3144</p> <p>-----</p>	<p>031 307 6716</p> <p>-----</p> <p>-----</p> <p>036 635 3145</p> <p>-----</p>
<p>Western Cape Province and the 13 x Magisterial Districts of Britstown, Calvinia, Carnarvon, Colesberg, De Aar, Fraserburg, Hanover, Namaqualand, Noupoot, Richmond, Sutherland, Victoria West and Williston, falling within the southern half of the Northern Cape Province.</p>	<p>Cape Chamber (Western Cape Sub-Chamber)</p> <p>Labour Affairs Manager: Joseph Williams</p> <p>jwilliams@cibc.co.za</p>	<p>Industria House 350 Victoria Road Salt River 7925</p> <p>P O Box 1142 Woodstock 7915</p>	<p>021 460 4000</p>	<p>021 447 3776</p>

Yours faithfully

S D NDUNA
GENERAL SECRETARY