

**NATIONAL BARGAINING COUNCIL
FOR THE
CLOTHING MANUFACTURING INDUSTRY**

KwaZULU-NATAL CHAMBER

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16 October 2009

TO: ALL PARTY & NON-PARTY EMPLOYERS SUBJECT TO PARTS C OF THE COUNCIL'S NATIONAL MAIN COLLECTIVE AGREEMENT (CLOTHING, GARMENT KNITTING, HOSIERY & MILLINERY SECTORS 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 2009 ROUND OF NEGOTIATIONS

METRO AREAS ONLY

(i.e. those establishments situated within the Magisterial Districts of Chatsworth, Durban, Inanda, Lower Tudela, Pietermaritzburg and Pinetown)

This circular summarises the outcome of the Industry negotiations. The Parties to the National Bargaining Council have concluded an agreement that becomes effective from 1 September 2009. The details of the negotiated settlement in respect of the Kwazulu-Natal Metro Region(Part C of the Councils National Main Collective Agreement) are as follows:-

1. Wage increases for the period commencing 1 September 2009

The increase to total labour cost shall be 7% for each of the job categories with effect from 1st September 2009. (The increase shall be back dated to 1st September 2009, and back pay will be due). The new wage schedules incorporating the new wage rates after the 2009/2010 agreed increases are attached. Please note that there are two sets of rates, one applicable to those companies which have registered a productivity agreement with the Bargaining Council, and another applicable to those companies which have not registered a productivity agreement with the Bargaining Council.

2. Absenteeism

The "Managing Absenteeism: Memorandum of Understanding" (MOU) entered into between the CCA and SACTWU on the 14 June 2007 shall become applicable nationally.

The following shall apply:

- 2.1. the process shall focus on all those companies where agreed absenteeism is more than 10%
- 2.2. the process shall be facilitated by the CCMA and the parties shall use their best endeavours to secure resources from the Bargaining Council, the CTFL Seta and other sources to support this process

3. Unilateral Implementation

These companies which have prior to 29 September 2009 implemented a wage increase at plant level should, in addition to the increases that they have implemented, increase their employer council levies by an amount equal to the rand equivalent of 2% of their wage cost with effect from 1 September 2009, unless they join an employer's association party to the Bargaining Council within two months from effective date of this agreement. Companies on the South Coast of KZN which have implemented an across the board wage increase of no less than R45.00 per week prior to 20 September 2009, are excluded from this provision.

4. Working in Arrangements

Employees shall be permitted to work in the time lost due to strike action at normal rates of pay, provided that this is agreed to at plant level and further provided that where agreed such employees shall be offered a loan equal to between one week and two weeks wages, deductible from their wages in equal weekly amounts over a 10 week period.

5. Productivity

The Bargaining Council shall establish a dedicated productivity unit to promote productivity issues in the industry, as a part of the NBC's value added services.

The Bargaining Council shall commission a feasibility study for the establishment of a training institute, similar to the previous Clothing Industry Training Board, (CITB), to be operated under the auspices of the Bargaining Council, as part of the NBC's value-added services.

6. NBC Employer Levy

The employer levy percentage used to calculate the rand value of the levy shall be increased from 0.25% to 0.35% of a qualified machinist rate of pay.

7. Non-Compliance

The Main Agreement shall be amended so as to clearly permit the trade union to institute non-compliance proceedings against any non-compliant companies within the industry, including the right to strike. Outsourcing to non-compliant companies shall not be permitted.

The parties shall enter into an agreement with all Provincial and Local Governments which shall have the effect that their outsourcing from the industry shall include a requirement to only source from companies which hold a valid Certificate of Compliance from the Bargaining Council.

Yours sincerely ,



Paul Wild
Regional Secretary