

2022-2024 SUBSTANTIVE AGREEMENT

ENTERED INTO BETWEEN THE

**APPAREL AND TEXTILE ASSOCIATION OF SOUTH AFRICA
(‘ATASA’)**

**SOUTH AFRICAN APPAREL ASSOCIATION
(‘SAAA’);**

**SOUTH AFRICAN CLOTHING MANUFACTURERS’ ASSOCIATION
(‘SACMA’);**

AND THE

**SOUTHERN AFRICAN CLOTHING AND TEXTILE WORKERS’ UNION
(‘SACTWU’ or ‘the union’)**

(hereinafter referred to as “the parties”)

Handwritten signatures and initials:
All
A. B. 123
A. B. C. D. E.
all

1. PREAMBLE

- 1.1. The terms set out herein constitute full and final agreement between the parties, for the 2022-2024 rounds of substantive wage negotiations.
- 1.2. This document constitutes a single agreement and shall be referred to as "the 2022-2024 Substantive Agreement" and/or "this agreement".
- 1.3. The parties agree to be bound by the provisions of this preamble to this agreement, which forms a substantive part of this agreement.

2. SCOPE AND EFFECTIVE DATE

- 2.1 This Agreement shall bind the parties and their members, and notwithstanding the provisions of clause 2.4 below, shall remain effective beyond its expiry date or until the parties agree otherwise. The parties record that they may agree in future to negotiate other than on an annual basis. In this regard, it is recorded that the parties have agreed to a two-year agreement for the purpose of this agreement with the next round of substantive negotiations to be scheduled to commence during the year 2024.
- 2.2 The scope of this Agreement shall cover all clothing and garment knitting operations including hosiery and millinery within the geographic scope of the areas covered by the National Bargaining Council for the Clothing Manufacturing Industry.
- 2.3 The provisions contained in this agreement, once adopted by the National Bargaining Council, will be submitted to the Department of Labour for extension to cover all non-parties and non-signatory party employer associations within the geographic scope of the areas covered by the National Bargaining Council for the Clothing Manufacturing Industry.
- 2.4 The effective date of implementation of this Agreement is 1 September 2022 and the duration of this Agreement will be for a 24 month period, from 1 September 2022 until 31 August 2024, but further subject to sub-clause 2.5 below.
- 2.5 The Main Agreement as amended by this year's round of negotiations shall, subject to Ministerial approval, remain gazetted and extended to non-parties for a further period of six years with effect from 1 September 2022, subject to the annual negotiations provisions currently enshrined in the 'Frequency of Negotiations' clause of the current gazetted Main Agreement and as further varied by the last sentence of sub-clause 2.1 above.

3. INCREASE TO TOTAL LABOUR COST

The following increases shall be applicable to all current employees (inclusive of those employees who re-join the industry after less than 3 years absence from the industry):

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3.1 Metro, Non-metro and Cape Country areas:

- 3.1.1 Metro:** The increase to total labour cost shall be 7% for each of the job categories prescribed for these areas, with effect from 1 September 2022.
- 3.1.2 Non-Metro:** The increase to total labour cost shall be 7% for each of the job categories prescribed for these areas, with effect from 1 September 2022.
- 3.1.3** A further total labour cost increase of CPI plus 1% shall become applicable with effect from 1st September 2023, provided that in the event of CPI plus 1% resulting in the total labour cost increase being less than the rand value increase for 2022, the adjustment shall be the rand equivalent of the 2022 total labour cost increase. Should the CPI plus 1% for the second year 2023, exceed this, the parties shall renegotiate the total labour cost quantum.
- 3.1.4** For the purpose of sub-clause 3.1.3 above, the CPI shall refer to the CPI figure to be the year on year values as at June 2023 as determined by Stats SA.

3.2 It is agreed that the traditional rounding-off principle shall apply, effective 1 September 2022 and 1 September 2023 respectively (rounded to the nearest 50c in the case of the Free State/Northern Cape and the Western Cape, the nearest 10c in respect of the Northern Areas and the nearest 5 cents in respect of KwaZulu-Natal), and the nearest 50c for all the other areas.

3.3 The wage rates in the magisterial districts of Frankfurt, Parys and Vrededorp shall be adjusted upwards by the rand amount applicable in the magisterial districts of Bloemfontein, Kimberley and Kroonstad area.

4. PROVIDENT FUND – NON-METRO

The current Non-Metro employer provident fund prescribed contribution shall be increased by 0,25% effective 1 February 2023 and a further 0,25% effective 1 February 2024, in addition to clause 3.1.2 above.

5. PAYMENT FOR PUBLIC HOLIDAYS FALLING ON A SATURDAY – NON-METRO

Employers in the non-metro areas shall pay employees for public holidays that fall on a Saturday.

6. SHORT TIME PROVISION

Prior to the introduction of short-time, consultation with the Trade Union for the following regions shall be encouraged:

- Part B - Free State/Northern Cape Region
- Part C - KwaZulu-Natal Region
- Part D - Northern Region (Clothing)
- Part E - Northern Region (Knitting)
- Part I - Non-Metro Region

The provision for short-time, as it currently appears in the Main Agreement for the Parts not listed above, remains unaltered.

7. OTHER CONDITIONS

- 7.1 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.
- 7.2 The parties have accepted that the terms agreed to are hereby formalised in this final written Agreement concluded and signed under the auspices of the NBC, subject to ratification by their respective members.

SIGNED at DURBAN this 7 day of SEPTEMBER 2022



for APPAREL & TEXTILE ASSOCIATION OF SOUTH AFRICA who hereby warrants that he/she is duly authorised to sign this agreement

AS WITNESSES



- 1  _____
- 2  _____

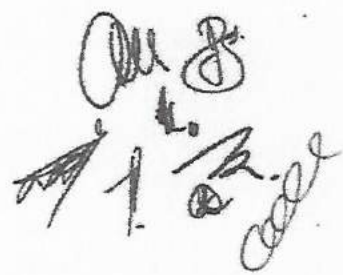
SIGNED at CAPE TOWN this 6TH day of SEPTEMBER 2022



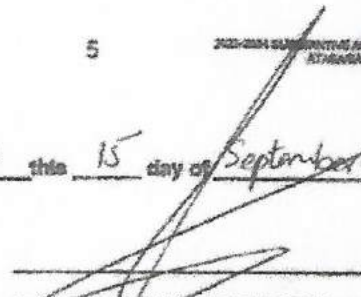
for SOUTH AFRICAN APPAREL ASSOCIATION who hereby warrants that he/she is duly authorised to sign this agreement

AS WITNESSES


- 1  _____
- 2  _____




SIGNED at Port Elizabeth this 15 day of September 2022



for SOUTH AFRICAN CLOTHING
MANUFACTURERS' ASSOCIATION
who hereby warrants that he/she is
duly authorised to sign this agreement

AS WITNESSES

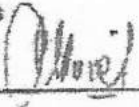
1 



SIGNED at SHEP RIVER this 6th day of SEPTEMBER 2022


for SOUTHERN AFRICAN CLOTHING AND
TEXTILE WORKERS' UNION
who hereby warrants that he/she is
duly authorised to sign this agreement

AS WITNESSES

1 

2 