

11th August 2021**Circular : 05/2021****TO: ALL EMPLOYERS AND EMPLOYEES**

Duly mandated, the Trade Union and the Employers Association have concluded their annual wage negotiations for 2021/2023 in respect of the Municipal Area of Kwadakuza, also referred to as Ilembe and/or Lower Tugela.

1. PERIOD OF AGREEMENT

- 1.1. The agreement is valid for a period of 23 months.
- 1.2. The first year of the period is from date of signature to the 30th June 2022 and the second year of the period of the agreement is from 1 July 2022 to the 30th June 2023.
- 1.3. This agreement is effective from the first full pay week 11th August 2021.

2. WAGE INCREASES**2.1. Year 1 – Percentage Increase**

- 2.1.1. An Across the Board (ATB) wage increase of 5.2% on actual wages.
- 2.1.2. For those employees who received a National Minimum Wage increase during the calendar year 2021, their wages will be increased with the difference between the ATB and the increase that was awarded during March 2021.
- 2.1.3. The prescribed minimum wage rates for the Unskilled level employees to be aligned with the NMW, all other skills levels' prescribed minimum wage rates to be increased with 4.48%.

3. RETRENCHMENT

- 3.1. For those employees having been dismissed for operational requirements and whom have a service more than 10 (ten) up to and including 20 (twenty) years, will receive an additional 1 (one) weeks' severance pay in addition to a retrenchment allowance equal to one weeks' normal wages for every completed year of service.
- 3.2. For those employees having been dismissed for operational requirements and whom have a service of more than 20 (twenty) years, will receive an additional 2 (two) weeks' severance pay in addition to a retrenchment allowance equal to one weeks' normal wages for every completed year of service.

4. COUNCIL LEVY**4.1. Year 1 – Council levies**

- 4.1.1. Council levies of R4-50 per week payable by the Employer and R3-50 per week payable by the Employee to be implemented from the first full pay week after the 11th August 2021.

5. PRESCRIBED MINIMUM WAGE RATES

- 5.1. The prescribed minimum wage rates will increase annually with whatever the NMW increase is that is as awarded by government during the NMW review.



6. OCCUPATIONAL JOB LEVELS


6.1. The occupational job level exercise that was embarked upon will be finalized with the intention of potential implementation from the 1st July 2022.

The following table may be implemented:

Occupation Skills Level	From the date of implementation
Unskilled Employees	As per NMW
Semi-skilled Employees	R23-48 per hour
Skilled Employees	R25-10 per hour
Chargehands / Foreman / Supervisors	R27-07 per hour

Yours faithfully

**BARGAINING COUNCIL FOR THE FURNITURE
MANUFACTURING INDUSTRY, KWAZULU-NATAL**



A. C. DAVIDS
Secretary