



21st October 2021

Circular : 09/2021

TO: ALL EMPLOYERS AND EMPLOYEES

The Parties to the Council have extended the Main Collective Agreement to Non-Party Employers for 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 20 months.
- 1.2. The first year of the period is from 25 October 2021 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.

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 25th October 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.

Yours faithfully

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


A. C. DAVIDS
Secretary