

25 August 2011

Circular to the Industry

**Re: Application Guidelines to the Main Collective Agreement published in
Government Gazette No. 34294 of 20 May 2011**

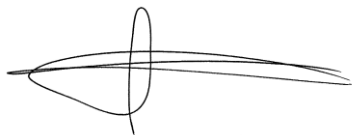
1. The purpose of this Circular is to provide further guidelines with regards to the application of the leave pay and holiday pay fund contributions to the Council.
2. Holiday pay bonus will consist of a guaranteed 13th cheque to be paid in December of every year at 4.33 weeks of annual earnings prorated in the first year of service.
3. Every employer shall pay contributions to the holiday pay bonus fund, in respect of every employee employed by him/her during the preceding month, calculated at 36,08% of the normal basic weekly wage.
4. Leave provision and contribution percentage to the leave fund
 - Employees with less than 5 years completed continuous service shall be entitled to 21 consecutive days leave and an employer to contribute 25% of the employee's normal basic weekly wage;
 - Employees with 5 years completed continuous service but with less than 10 years shall be entitled to 23 consecutive days leave and an employer shall contribute 28.34% of the employee's normal basic weekly wage;
 - Employees with 10 years and above completed continuous service shall be entitled to 26 consecutive days leave and an employer shall contribute 33.3% of the employee's normal basic weekly wage.
5. The calculation of holiday pay bonus and leave pay contributions is no longer linked to 252 shifts. Upon the **Promulgation** of the **Simplified Main Collective**

Agreement, the sick and absence leave will not be linked to 252 shifts.

6. The above contributions shall be payable to the Council in the prescribed manner irrespective of the number of days an employee has worked during a specific month. An employer will be entitled to submit a claim against a portion of contributions of an employee, on a monthly basis, as a result of the employee's unauthorised absence. The claim may be submitted as per the claim form attached to the monthly return.
7. Please note that with effect of coming into operation of the Simplified Main Collective Agreement, employers will be required to submit monthly returns on the Council's On-Line System. In view of the aforementioned employers who are not as yet registered are requested to register on the On-Line System and to submit their October 2011 monthly returns on-line. To register visit www.nbcrfi.org.za and click on the Online Returns link on the home page where you can then register as a user.

Any questions in the above regard may be referred to your local designated agent.

Yours sincerely

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke.

Joe Letswalo
National Secretary