WERKSMANS
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EMPLOYMENT

Update: The National Textile Bargaining Council

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The National Textile Bargaining Council ("Bargaining Council") concluded a 'COVID-19 lock-down collective agreement' in response to the Covid-19 pandemic ("Agreement"). The Agreement has been extended to non-parties in terms of section 32(2) of the Labour Relations Act 66 of 1995 ("LRA"). This means that every party within the scope covered by the Bargaining Council, regardless of whether they are a party to the Agreement or not, will be bound by the Agreement. The extension of the Agreement is effective from 7 April 2020 until 28 February 2022. The Agreement has previously been binding on members of the Bargaining Council since 26 March 2020 as well as certain additional stipulated parties. This is the second bargaining council that has concluded such an agreement, following suit of the Bargaining Council for the Clothing Manufacturing Industry.

The Agreement provides that should funds be received from the UIF for purposes of the Agreement it shall constitute workers' funds and shall be used towards funding the shortfall of any income during the lock-down period. The UIF Funds are "solely and exclusively intended to provide a wage subsidy for qualifying employees during a lock-down period declared by government and during which no wage payments from the execution of work is due and/or receivable.

The Agreement guarantees employees who qualify (which employees shall include monthly paid employees in the bargaining unit, provided that payments be effected during the week of April 2020) for a wage subsidy as follows:

(a) Week 1 (ending Sunday 29 March 2020): (i) deferred wages payable by the employer, for work performed during the week preceding the lock-down with (ii) the balance made up from worker funds received from the UIF, for that portion of the lock-down week for which no wage is due;

(b) Week 2: (ending Sunday 5 April 2020): a full week's wage, payable by the employer;

(c) Week 3 (ending Sunday 12 April 2020): a full week's wage, payable from worker funds received from the UIF;

(d) Week 4 (ending Sunday 19 April 2020): (i) payable from worker funds received from the UIF for that part of this week when the lock-down is still in effect as declared by the President on 23 March 2020 plus (ii) payable by the employer for that part of the week for work performed and which does not form part of the lock-down period;

(e) The employers agree to pay the public holiday payments due to workers for 10 April 2020 and 13 April 2020 respectively. Payment will be made during the applicable pay week.

The payments mentioned in (a) to (e) currently does not address the payments for salaried staff. This matter is being referred to a rapid response team for resolution.

Normal statutory deductions, deductions prescribed by the Bargaining Council's main agreement and employer contributions shall remain applicable for all payments mention in (a) to (e) above. Similarly, employer contributions to statutory obligations and those prescribed by the Bargaining Council's main agreement shall continue to be executed.

A full copy of the Agreement can be accessed here. Please do not hesitate to contact us should you have any further queries.



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