

## INDUSTRIAL CHEMICAL SECTOR

### SUMMARY OF SUBSTANTIVE CONDITIONS OF EMPLOYMENT

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#### SCOPE OF AGREEMENT:

The negotiated substantive conditions of employment, as detailed hereunder, are applicable to all employees in the bargaining units as defined in existing company agreements of, or as applied in practice by, the participating companies. It may also apply to those companies who were not part of the negotiation process but who may subsequently agree to be covered by the agreed terms. Such companies should reach agreement with the relevant unions prior to implementation of the terms of this agreement.

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#### PART A: NEGOTIATED ISSUES

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##### 1. MINIMUM WAGE

The current minimum monthly basic wage of R8 388.74 will be increased to R8 892.06 on 1 July 2022.

For the period 1 July 2023 to 30 June 2024, the minimum wage will be increased by the average CPI plus 1.0% improvement factor, (Average CPI will be the average of the Headline CPI for the 12 months May 2022 to April 2023.) The increase will be subject to a floor (minimum) of a 4% increase and a ceiling (maximum) of a 7.5% increase.

##### 2. ANNUAL BONUS

2.1 Equivalent to 4,33 weeks of actual basic wage.

2.2 Will be pro-rated on termination of contracts of employment for reasons of retrenchment, ill health, retirement or death in service.

### **3. LEAVE:**

#### **3.1 Annual Leave**

All employees are entitled to a minimum of 20 working days annual leave.

Employees employed in continuous shift operations and who are working 42 hours per week are entitled to a minimum of 23 working days annual leave. This entitlement to additional leave for continuous shift workers will not apply to those shift workers who are already compensated for working 42 hours by the payment of overtime, the granting of additional leave or other arrangements agreed to at plant level.

#### **3.2 Maternity Leave**

3.2.1 Female employees will be entitled to six (6) month's maternity leave of which four months will be paid at 45% of the employee's normal basic wage and two (2) months which will be unpaid.

3.2.2. The employment of employees proceeding on maternity leave will be guaranteed at conditions no less favourable than those enjoyed before maternity leave commenced.

3.2.3 Pregnant female employees will be entitled to 3 days leave for ante natal check-ups during the period of pregnancy. The leave may be taken in parts of a day for visits to the doctor or clinic prior to the birth of the child.

#### **3.3 Stillborn/Miscarriage Leave**

In the event of this occurring during the last trimester of pregnancy, six (6) weeks leave paid at 50% of the employees' normal basic rate will be granted from the date of the miscarriage.

#### **3.4 Paternity and Child Care Leave**

Employees will be entitled to three (3) working days paid paternity and childcare leave per annum. This forms part of Family Responsibility Leave as per the Basic Conditions of Employment Act, 1997.

Employees will also be entitled to child care leave in the case of the spouse being ill and unable to care for their child or children (w.e.f. 1 July 2002).

### **3.5 Compassionate Leave**

3.5.1 Employees will be entitled to five (5) working days paid leave per occasion in the event of the death of members of their immediate family, namely spouse, parents, children, brother, sister, legally adopted children and adoptive parents, parents-in-law, grandparents and grandchildren.

3.5.2 In order to qualify for compassionate leave employees will be required to provide a death certificate in support of their application.

### **3.6 Sick Leave**

3.6.1 *Base Chemical, Speciality Chemicals and Explosives:*

Sick leave will be granted on a basis of thirty (30) working days over a three (3) year cycle. Sick leave not used during the cycle, up to a maximum of thirty (30) working days, will be accrued for use in the event of serious prolonged illness.

3.6.2 *Fertilizers:*

Sick leave will be granted on a basis of twelve working days (12) per annum over a three (3) year cycle. Sick leave not used during the cycle, up to a maximum of 36 working days, will be accrued for use in the event of serious prolonged illness.

3.6.3 *Surface Coatings:*

Sick leave will be granted on a basis of thirty (30) working days over a three (3) year cycle. Sick leave not used during the cycle, up to a maximum of fifteen (15) working days, will be accrued for use in the event of serious prolonged illness.

### **3.7 Traditional Healers**

Whereas employers have indicated that they cannot recognise traditional healers until such time as a statutory authority, whose responsibilities will include the maintenance of professional/ethical standards, is established, they do recognise that some employees may elect to be treated by them in place of registered medical practitioners.

Following from the above and with the understanding that Government is currently involved in a process aimed at addressing this issue, employers may consider, subject to normal business demand and local leave arrangements, any requests by employees to visit traditional healers for treatment purposes. (with effect from 1 July 2002).

### **3.8 Public Holidays**

Employees will be entitled to those public holidays covered by the Public Holidays Act and payment for work on those days will be as per the Basic Conditions of Employment Act 1997 (as amended).

## **4. ALLOWANCES**

### **4.1 Shift Allowance**

Minimum non-pensionable shift allowance of 12% of actual basic wage on night shift (with effect from 1 July 2002) and 10% on other shifts unless agreed differently at plant level.

Night shift is defined as the shift that is worked over the midnight hour.

### **4.2 Nightwork Transport Assistance**

Whereas the parties agree in principle that employers should assist, in cash or kind, employees engaged in night work where no transportation is available, details of how this will be effected will be discussed at company/plant level.

### **4.3 Standby Allowance**

Standby allowance shall be equivalent to five (5) % of an employee's basic wage for the standby period.

#### **4.4 Call out allowance**

Overtime payments to employees, who qualify for payment when called out will be calculated at a minimum of 4 hours overtime for the first call-out. Additional call-outs on the same day will be remunerated at actual hours worked at the applicable overtime rate.

### **5. HOURS OF WORK**

5.1 The parties agreed to a reduction in working hours without loss of pay from 42 (as agreed in 1999) to 40 hours per week with effect from 3 October 2005 (unless an earlier implementation date is agreed to at plant level.)

5.2(i) Continuous shift operations (defined as the employer operates 24 hours a day, seven days a week all year round) will remain at 42 hours per week with the proviso that an additional 3 (three) days leave, on the minimum of 20 (twenty) days, will be granted to continuous shift workers per annum.

5.2(ii) The agreement regarding additional leave, for continuous shift workers, will not apply to those employers who are already working a 40-hour week and are compensating their continuous shift workers for working 42 hours by either overtime payment, granting additional leave or other arrangements agreed to at plant level.

5.3 Working hours is defined as “the time spent between starting and finishing times, by an employee, at a defined workplace during which she/he is available to be engaged in the work of the employer within legislated parameters.”

### **6. LABOUR BROKERS:**

The parties agree that employers party to the agreement will refrain from engaging labour brokers who abuse or who are violating the fundamental rights of workers as per applicable labour legislation and agreements concluded at sector and/or company/plant level in respect of labour brokers.

Parties will engage at company/plant level with proviso that either party may exercise their legal right in terms of dispute resolution mechanism should there be any disagreement.