

DEPARTMENT OF EMPLOYMENT AND LABOUR

NO. R. 7044

30 January 2026

LABOUR RELATIONS ACT, 1995

**NATIONAL BARGAINING COUNCIL OF THE LEATHER INDUSTRY OF SOUTH AFRICA:
EXTENSION TO NON-PARTIES OF THE SUPPLEMENTARY SICK BENEFIT FUND
COLLECTIVE AGREEMENT**

I, **NOMAKHOSAZANA METH**, Minister of Employment and Labour, hereby in terms of section 32(2) of the Labour Relations Act, 1995, declare that the Collective Agreement which appears in the Schedule hereto, which was concluded in the **National Bargaining Council of the Leather Industry of South Africa**, and is binding in terms of section 31 of the Labour Relations Act, 1995, on the parties which concluded the Agreement, shall be binding on the other employers and employees in that Industry with effect from the second Monday after the date of publication of this notice and for the period ending 31 May 2028.



MS N METH, MP**MINISTER OF EMPLOYMENT AND LABOUR****DATE:** 14 January 2026

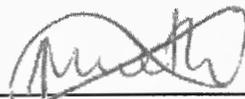
UMNYANGO WEZEMISEBENZI NEZABASEBENZI

R.

USUKU:

UMTHETHO WOBUDLELWANO KWEZABASEBENZI KA 1995**UMKHANDLU KAZWELONKE WOKUXOXISANA PHAKATHI KWABAQASHI NABASEBENZI
BEMBONI YEZIKHUMBA: UKWELULWA KWESIVUMELWANO SABAQASHI NABASEBENZI
BESIGABA SE SUPPLEMENTARY SICK BENEFIT FUND, SELULELWA KULABO
ABANGEYONA INGXENYE YESIVUMELWANO**

Mina, **NOMAKHOSAZANA METH**, onguNgqongqoshe Wezemisebenzi NezabaSebenzi, ngokwesigaba-32(2) soMthetho Wobudlelwano KwezabaSebenzi ka-1995, ngazisa ukuthi isiVumelwano sabaqashi nabasebenzi esitholakala kwiSheduli yesiNgisi exhunywe lapha, esenziwa **kuMkhandlu KaZwelonke Wokuxoxisana phakathi kwabaQashi Nabasebenzi Embonini Yezikhumba**, futhi ngokwesigaba 31 soMthetho Wobudlelwano kwezabaSebenzi, ka 1995 esibopha labo abasenzayo, sizobopha bonke abanye abaqashi nabasebenzi kuleyoMboni, kusukela ngoMsombuluko wesibili emva kosuku lokushicilelwa kwalesiSaziso kuze kube isikhathi esiphela mhlaka 31 kuNhlaba 2028.

**MS N METH, MP****UNGGONGQOSHE WEZEMISEBENZI NEZABASEBENZI****USUKU:** 14 January 2026

SCHEDULE**NATIONAL BARGAINING COUNCIL OF THE
LEATHER INDUSTRY OF SOUTH AFRICA****SUPPLEMENTARY SICK BENEFIT FUND****AGREEMENT**

in accordance with the provisions of the Labour Relations Act,
1995, made and entered into by and between the -

- (a) **Southern African Footwear and Leather Industries
Association (SAFLIA);**

(hereinafter referred to as the "employers" or the "employers'
organisations") of the one part, and the

- (b) **National Union of Leather and Allied Workers
(N.U.L.A.W);**

- (c) **Southern African Clothing and Textile Workers' Union
(SACTWU)**

(hereinafter referred to as the "employees" or the "trade unions") of
the other part, being parties to the National Bargaining Council of
the Leather Industry of South Africa.

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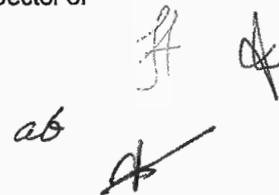
1. PREAMBLE

This agreement formalises the contributions paid by members of SAFLIA with regards to the Supplementary Sick Fund Agreement concluded in 2004.

2. SCOPE OF APPLICATION OF AGREEMENT

The terms of this Agreement shall be observed in the Leather Industry -

- (i) by all employers who are members of the employers' organisation employing members of the party trade unions and by all employees who are members of the trade unions who are engaged and employed in the Footwear Sector of the Leather Industry respectively.

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- (ii) Notwithstanding the provisions of subclause (2)(i), the terms of this Agreement shall not apply to non-parties in respect of Clauses 2(i), 3(i) and 3(ii).

3. DATE AND PERIOD OF OPERATION

- (i) This Agreement shall come into operation for parties on 1 July 2025 or the date of signature of the agreement whichever date is later.
- (ii) This Agreement will amend the current status or practice referred to in the Preamble (Clause 1) and all previous agreements and will come into operation upon signature of the collective agreement for 2025.
- (iii) This agreement will come into operation for non-parties on such date as the Minister of Labour extends the agreement to them, and will thereafter remain in force for the period until 31 May 2028.

4. DEFINITIONS

All expressions used in this Agreement which are defined in the Labour Relations Act, 1995, shall have the same meaning as in that Act; and unless the contrary intention is indicated, words importing the masculine gender shall include the feminine. Further, unless inconsistent with the context -

“Council” means the National Bargaining Council of the Leather Industry of South Africa;

“Footwear Sector” means that part of the Leather Industry in which employers and employees are associated for the manufacture and/or partial manufacture, and/or finishing of partially manufactured, and/or of components, and/or assembling of components of all types of footwear, excluding bespoke footwear.

“industry” or “leather industry” means the industry in which employers and employees are associated for one or more of the following purposes:

- (1) The manufacture and/or partial manufacture, and/or finishing of partially manufacture and/or components

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(2) and/or assembling of components of:

- (a) footwear, excluding bespoke made footwear;
"member" means a person who is a member of the National Union of Leather and Allied Workers (N.U.L.A.W) and Southern African Clothing and Textile Workers Union (SACTWU) and who is employed in the Footwear Sector of the Leather Industry.

"Member" shall mean an employee who is a member of either N.U.L.A.W or SACTWU and who is employed in the Footwear Sector of the Leather Industry.

"N.U.L.A.W" means the National Union of Leather and Allied Workers.

"SACTWU" means the Southern African Clothing and Textile Workers Union.

"SAFLIA" means the Southern African Footwear and Leather Industries Association.

"Basic wage" means the weekly wage as prescribed in Column A of Annexures D, D1 & D2 of the Footwear Sector Collective Agreement.

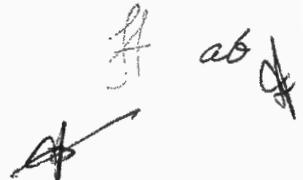
5. OBJECTIVE OF THE FUNDS

The objects of the Funds shall be:-

The trade unions shall provide to its members additional benefits to those benefits provided by the Leather Industry Sick Benefit Fund in terms of the Sick Benefit Fund Agreement, as well as social benefits as determined by the Trade Unions from time to time.

6. CONTRIBUTIONS

- (1) Employers who employ members of N.U.L.A.W and/or SACTWU are required to pay the contributions as stipulated below
- (i) 0.9% of **members** basic wage.
 - (ii) For new employers contributing towards the Supplementary Sick Fund;
 - a. For the period 1 July 2025 to 31 December



2025, an amount of 0.45% of **members** basic wage.

b. As from, 1 January 2026, 0.9% of **members** basic wage.

- (2) The employer shall forward separate payments for the amounts due to N.U.L.A.W and SACTWU to the General Secretary of the Council, P O Box 3959, North End, Gqeberha, 6056 or at any other such address the Council may decide from time to time, by no later than the fifteenth (15th) day of the following month.
- (3) The employer will deposit monies due in terms of sub-clause (2) into a banking account administered by the Council.
- (4) The General Secretary will, at the end of each month, pay to N.U.L.A.W and SACTWU, the amounts received for the preceding month in proportion to the amounts received on their behalf.
- (5) When transmitting payments in terms of sub-clause (2), the employer will submit to the General Secretary a list of the members of N.U.L.A.W and SACTWU to which the contributions relate.
- (6) The list submitted in terms of sub-clause (5) must reflect the following:
 - (i) Name, surname and work number of the trade union member;
 - (ii) Weekly wage of the trade union member;

7. ADMINISTRATION

- (1) The *Council* is responsible for the administration and enforcement of this Agreement and may appoint one or more agents to monitor and enforce compliance with this Agreement. It shall be the duty of every employer to permit such persons to enter his establishment and institute such enquiries and to examine such documents, books, wage records and pay envelopes and to question such individuals as may be necessary for the purpose of

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ascertaining whether the provisions of this Agreement are being observed.

- (2) The *Council* may issue guidelines to employers and employees regarding the implementation of this Agreement.
- (3) Bargaining Council Agents
The Council must appoint agents to assist in giving effect to this agreement. An employer must give such agents access to his establishment and permit them to examine such documents, books, wage records, pay envelopes and to question such individuals as may be required to establish whether this agreement is complied with.

8. DISPUTE RESOLUTION

- (1) The Secretary of the Council may at any time require a Designated Agent to monitor compliance with the provisions of this Agreement.
- (2) Any person may lodge a complaint or refer a dispute about the interpretation, application or enforcement of this Agreement to the Secretary of the Council for resolution in terms of this Agreement.
- (3) The Secretary of the Council may require a designated agent to investigate the complaint or dispute.
- (4) The designated agent shall investigate the facts surrounding the dispute and if the agent has reason to believe that a collective agreement has been breached, the agent may endeavour to secure compliance with the agreement through conciliation.
- (5) The designated agent must submit a written report to the Secretary on the investigation, the steps taken to secure compliance and the outcome of those steps.
- (6) If in the course of performing a designated agent's duties, an agent discovers what appears to be a breach of the Agreement, the agent:
 - (a) may investigate the alleged breach;

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- (b) may endeavour to secure compliance with the Agreement; and
 - (c) must submit a report to the Secretary on the investigation, the steps taken to secure compliance and the outcome of those steps.
- (7) On receipt of the report, the Secretary may:
- (a) require the designated agent to make further investigations;
 - (b) if further conciliation is indicated, appoint a conciliator from the Council's panel of conciliators;
 - (c) refer the dispute for conciliation to the Disputes Committee of the Council;
 - (d) issue a compliance order; or
 - (e) refer the dispute to arbitration in terms of this Agreement.
- (8) If a conciliator is appointed or the dispute is referred to the Disputes Committee, the Secretary must decide the date time and venue of the conciliation meeting and must serve notices of these particulars on the parties to the dispute.
- (9) Where a dispute is referred to conciliation, the conciliator or disputes committee must attempt to resolve the dispute within a period of 30 days or within an extended period as agreed by the parties to the dispute.
- (10) Where a dispute is not resolved after a conciliation meeting, or after 30 days, or after any extended period as agreed between the parties, the Council must issue a certificate stating that the dispute was not resolved.
- (11) Where the Act requires a dispute to be resolved through Arbitration and a certificate has been issued in terms of (10), any party may request the Council to appoint an arbitrator to resolve the dispute. Such request must be made within 30 days of the date of the certificate issued in terms of (10). The parties to the dispute may agree to extend this period or the arbitrator may condone a late referral on good cause shown.
- (12) If a compliance order is issued, that order must be served on the party allegedly in breach of the Agreement.

- (13) The party on whom the order is served may object in writing. The objection must be served on the Council within 14 days service of the order.
- (14) If a party objects, the Secretary may take any of the steps referred to in sub-clause (7) except the issue of another compliance order.
- (15) If a party fails to object, the Secretary may, at any time, apply to have the order made an arbitration award.
- (16) If the dispute is referred to arbitration, the Secretary must appoint an arbitrator from the Council's panel of arbitrators. Arbitrators serving on the panel shall be appointed to arbitrate matters on a rotational basis, unless the parties to the dispute agree on an Arbitrator from the panel, with the next available Arbitrator being appointed should any panel member(s) not be available in terms of such rotation.
- (17) The Secretary, in consultation with the arbitrator, must decide the date, time and venue of the arbitration hearing.
- (18) The Secretary must serve notices of the date, time and venue of the arbitration on:
 - (a) the parties to the dispute;
 - (b) any person who may have a legal interest in the outcome of the arbitration.
- (19) Unless this agreement provides otherwise, the Arbitrator must resolve the dispute through arbitration.
- (20) The arbitrator must conduct the arbitration in a manner that the arbitrator considers appropriate in order to determine the dispute fairly and quickly, but must deal with the substantial merits of the dispute with the minimum of legal formalities.
- (21) Subject to the arbitrator's discretion as to the appropriate form of the proceedings, a party to the dispute, including the Council, may give evidence, call witnesses, question witnesses of any other party, and address concluding arguments to the arbitrator.
- (22) The arbitrator may suspend the arbitration proceedings and attempt to resolve the dispute through conciliation if the Council and the parties to the dispute consent to this.

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- (23) In any arbitration proceedings, a party to the dispute may appear in person or be represented by a legal practitioner, a co-employee or by a member, office-bearer or official of that party's trade union or employers' organisation and, if the party is a juristic person, by a director or employee.
- (24) If the party who referred the dispute to the Council fails to appear in person or to be represented at the arbitration proceedings, the arbitrator may dismiss the matter.
- (25) If a party, other than the party who referred the dispute to the Council, fails to appear in person or be represented at the arbitration proceedings, the arbitrator may-
- (a) continue with the arbitration proceedings in the absence of that party; or
 - (b) adjourn the arbitration proceedings to a later date.
- (26) The Secretary may refer disputes to expedited arbitration if the Secretary is satisfied that-
- (a) a compliance order has been issued and the party on whom the order has been issued has not objected to the order;
 - (b) the dispute is capable of being determined by written evidence only;
 - (c) the dispute is only about the interpretation of the Agreement; or
 - (d) the parties to the dispute agree.
- (27) Notwithstanding the provisions of sub-clause (23), the arbitrator may determine the dispute and make the compliance order an award without hearing oral evidence if the arbitrator is satisfied that-
- (a) the parties have been properly served; and
 - (b) it is appropriate in the circumstances to do so.
- (28) Within 14 days of the conclusion of the arbitration proceedings -
- (a) the arbitrator must issue an arbitration award with reasons, signed by the arbitrator; and
 - (b) the Council must serve a copy of that award on each party to the dispute.
- (29) On good cause shown, the Secretary of the Council may

- extend the period in which the arbitration award and the reasons are to be served and filed.
- (30) The arbitrator may make any appropriate award, including an order for costs, that gives effect to the collective agreement.
- (31) An arbitrator may at his or her own initiative or as a result of an application by an affected party, vary or rescind an award-
- (a) erroneously sought or made in the absence of any party affected by the award;
 - (b) in which there is ambiguity, or an obvious error or omission, but only to the extent of that ambiguity, error or omission; or
 - (c) granted as a result of a mistake common to the parties to the proceedings.
- (32) The Secretary of the Council may apply to make the arbitration award an order of the Labour Court under section 158(1) of the Labour Relations Act.
- (33) The provisions of this dispute procedure stand in addition to any other legal remedy through which the Council may enforce a collective agreement or recover any money due.
- (34) (a) If the Arbitrator finds that any party has failed to comply with any provision of the collective agreement which is binding on that party, the Arbitrator may, in addition to any other appropriate order, impose a penalty.
- (b) The maximum penalty that the Arbitrator may be impose-
- (i) for a failure to comply with a provision of the collective agreement not involving a failure to pay and non-payment the penalty determined in terms of Table One;

**TABLE ONE:
MAXIMUM PERMISSIBLE PENALTY NOT INVOLVING AN UNDERPAYMENT**

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No previous failure to comply	R300 per employee or incident in respect of whom/which the failure to comply occurs i.e. daily, weekly, fortnightly, monthly or otherwise as the case may be.
A previous failure to comply in respect of the same provision	R600 per employee or incident in respect of whom/which the failure to comply occurs. i.e. daily, weekly, fortnightly, monthly or otherwise as the case may be.
A previous failure to comply within the previous 12 months or two previous failures to comply in respect of the same provision within three years	R900 per employee or incident in respect of whom/which the failure to comply occurs. i.e. daily, weekly, fortnightly, monthly or otherwise as the case may be.
Three previous failures to comply in respect of the same provision within three years	R1200 per employee or incident in respect of whom/which the failure to comply occurs. i.e. daily, weekly, fortnightly, monthly or otherwise as the case may be.
Four previous failures to comply in respect of the same provision within three years	R1500 per employee or incident in respect of whom/which the failure to comply occurs. i.e. daily, weekly, fortnightly, monthly or otherwise as the case may be.

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TABLE TWO
MAXIMUM PERMISSIBLE PENALTY INVOLVING AN UNDERPAYMENT

No previous failure to comply	25% of the amount due, including any interest owing on the amount at the date of the order
A previous failure to comply in respect of the same provision within three years	50% of the amount due, including any interest owing on the amount at the date of the order
A previous failure to comply in respect of the same provision within a year, or two previous failures to comply in respect of the same provision within three years	75% of the amount due, including any interest owing on the amount at the date of the order
Three previous failures to comply in respect of the same provision within three years	100% of the amount due, including any interest owing on the amount at the date of the order
Four or more previous failures to comply in respect of the same provision within three years	200% of the amount due, including any interest owing on the amount at the date of the order

9. DISSOLUTION AND TERMINATION

The agreement will automatically dissolve and terminate if:

- (i) The 3 tier system as per Sector Classification in the Footwear Sector dissolve
- (ii) Any amendment to this agreement is only valid in writing by an agreement between the parties

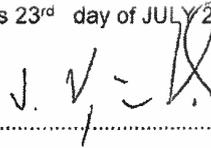
10. EXEMPTIONS

Exemption and Exemption Appeal shall be observed in terms of provisions made in Annexure A.

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Signed by the Parties at DURBAN this 23rd day of JULY 2025

Jirka Vymetal



On behalf of SAFLIA

Ashley Benjamin



On behalf of N.U.L.A.W

Fachmy Abrahams



On behalf of SACTWU