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INCORPORATION NUMBER LR2/6/6/128

TO ALL EMPLOYERS AND EMPLOYEES IN THE ELECTRICAL CONTRACTING INDUSTRY NEW WAGE RATES AND DEDUCTIONS – KWAZULU-NATAL REGION

Dear Sir/Madam

Please be advised that the Minister of Labour has signed the amended main collective agreement which includes the new wage rates. The agreement is binding on all employers and employees who are members of the employers' organisation and trade union respectively; and in terms of Section 32(2) of the Labour Relations Act, 1995, the Minister has also extended the agreement to all other employers and employees engaged in the Electrical Industry.

There have been no compulsory wage increases since 1 February 2010. These have now been increased by 9% for all categories of employees earning the prescribed minimum wage rates, and a 8% increase on the actual wages for all scheduled employees earning in excess of the prescribed minimum rates. The agreement will be published on the 14 September 2012 and the effective date of implementation of these new wage rates is **MONDAY**, **17 SEPTEMBER 2012**.

IMPORTANT NOTE: The guaranteed minimum wage increases referred to above shall be subject to the provision that any increases granted by employers' on or after 1 February 2011 may be off-set against any wage increases granted since that date.

PENSION, PROVIDENT AND SICK BENEFIT PAY CONTRIBUTIONS

The pension, provident and sick pay fund subscriptions, which are calculated in terms of the new wage rates, will only be effective from **01 OCTOBER 2012**.

Please refer to the attached wage and fund contribution schedule for your area.

COUNCIL LEVY INCREASES

Please be advised that the Council levy will be increased from 0.7% to 0.8% of the minimum prescribed weekly wage, based on 44 hour week. Employee will contribute 0.4% and the employer will also contribute 0.4%. The effective date of these increases will be from **01 October 2012** and are payable as part of the monthly Council funds and levies contributions.

ALLOWANCES

Clause 1(2) of Part II of the former agreement referring to the stand-by allowance has been increased to a minimum of R54.14 per stand-by shift. (Previously it was R49.67 per stand-by shift) and is effective from the 17th September 2012.

Yours faithfully

Kiren Jugdeo Senior Agent