## GOVERNMENT NOTICE

Labour, Department of

*Government Notice*


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GOVERNMENT NOTICE

DEPARTMENT OF LABOUR

No. R. 1139 14 November 2006

BASIC CONDITIONS OF EMPLOYMENT ACT, NO 75 OF 1997

AMENDMENT OF SECTORAL DETERMINATION 1: CONTRACT
CLEANING SECTOR, SOUTH AFRICA

I, Membathisi Mphumzi Shepherd Mdladlana, Minister of Labour, in terms of section 56 (1) of the Basic Conditions of Employment Act, No. 75 of 1997, hereby amend Sectoral Determination 1: Contract Cleaning Sector, South Africa, published under Government Gazette R. 1196 of 16 November 2001 and Gazette R. 1385 of 26 November 2004 in accordance with the schedule hereto and fix 01 December 2006 as the date on which this amendment shall become binding.

M M S MDLADLANA, MP
MINISTER OF LABOUR
SCHEDULE

1. Substitute clause 3 as reflected in Government Notice R. 1385 of 26 November 2004 with the following wage table:

Clause 3

3 Remuneration

(1) An employer shall pay an employee in respect of each hour or part thereof (excluding overtime) worked by an employee on any day other than a paid holiday or a Sunday, not less than the hourly rate in the schedule below:

<table>
<thead>
<tr>
<th>Area A</th>
<th>Area B</th>
<th>Area C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metropolitan Councils: City of Cape Town, Ekurhuleni, City of Johannesburg, City of Tshwane and Nelson Mandela Local Councils: Emfuleni, Merafong, Mogale City, Metsimaholo, Randfontein, Stellenbosch, Westonarea</td>
<td>In KwaZulu-Natal excluding any area covered by a bargaining council agreement</td>
<td>In the rest of the RSA</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Period</th>
<th>Rate per hour</th>
<th>Rate per hour</th>
<th>Period</th>
<th>Rate per hour</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/12/2006 to 30/11/2007</td>
<td>R9,26</td>
<td>Same rates as prescribed by the bargaining council</td>
<td>01/12/2006 to 30/11/2007</td>
<td>R7.40 OR 80% of Area A rate per hour</td>
</tr>
<tr>
<td>01/12/2007 to 30/11/2008</td>
<td>R9.88*</td>
<td>Same rates as prescribed by the bargaining council</td>
<td>01/12/2007 to 30/11/2008</td>
<td>R8.40 OR 85% of Area A rate per hour</td>
</tr>
<tr>
<td>01/12/2008 to 30/11/2009</td>
<td>R10.50**</td>
<td>Same rates as prescribed by the bargaining council</td>
<td>01/12/2008 to 30/11/2009</td>
<td>R9.45 OR 90% of Area A rate per hour</td>
</tr>
</tbody>
</table>

*If CPIX is higher than 6.75% in year two, then the increase on year two will be equal to the CPIX.
**If CPIX is higher than 6.25% in year three, then the increase on year three will be equal to the CPIX.
(2) With the commencement of:

(a) the second year of this determination, if the CPIX is higher than 6.75% at a date contemplated on the wage schedule in clause 3 (1), the minimum rate prescribed for the period 01/12/2006-31/11/2007 should be increased by the CPIX rate,

(b) the third year of this determination, if the CPIX is higher than 6.25% at the date contemplated on the wage schedule in clause 3(1), the minimum rate prescribed for the period 01/12/2007 to 30/11/2008 should be increased by the CPIX rate.

(3) For the purpose of this clause, the CPIX is the CPIX as reported by Statistics South Africa six weeks before the increase becomes effective¹.

2. Substitute clause 3(2)(a) and (b) as reflected in Government Notice R. 1385 of 26 November 2004 with the following:

3(2) An annual bonus will be paid to all employees, during the month of December each year or on termination of employment. This bonus will be calculated as follows-

(a) An employee shall receive an amount equivalent to the employee’s weekly wage as on 1 December 2006;

(b) During the second year of this Determination, an employee shall receive an amount equivalent to two weeks of the employee’s weekly wage as on 1 December 2007;

¹ Defined by Statistics South Africa as the Consumer Price Index excluding interest rates on mortgage bonds for the historical metropolitan and other urban areas.
(c) During the third year of this Determination, an employee shall receive an amount equivalent to three weeks wage of the employee’s weekly wage as on 1 December 2008;

(d) In the event that the employee’s contract of employment ends before December of each year, the employee must receive a prorated share of the bonus for the period of the year that he or she has worked.

(e) The prorated bonus will calculated on:

(i) during the first year of this determination, the number of full calendar months service divided by 12 and multiplied by the employee’s weekly wage for December 2006;

(ii) during the second year of this determination, the number of full calendar months service divided by 12 and multiplied by two times an employee’s weekly wage for December 2007; and

(iii) during the third year of this determination, the number of full calendar months service divided by 12 and multiplied by three times an employee’s weekly wage for December 2008.
3. **Substitute clause 31(4)(b)(i)** as reflected in Government Notice R. 1196 of 16 November 2001 with the following:

31(4)(b)(i) Each Member shall make a monthly Contribution to the Fund throughout his/her service towards his/her retirement benefits at the rate of five point two five (5.25%) percent of the Member's Fund Salary or as amended by the Board of Trustees from time to time.

4. **Substitute clause 31(4)(c)(i)** as reflected in Government Notice R. 1196 of 16 November 2001 with the following:

31(4)(c)(i) The Employer shall make a monthly Contribution in respect of each Member in its service at the rate of five point two five (5.25%) percent of the Member's Fund Salary or as amended by the Board of Trustees from time to time, to be allocated in terms of the Rules.