

**HAIRDRESSING AND COSMETOLOGY
SERVICES BARGAINING COUNCIL**

(semi national)

**hci SICK PAY FUND
COLLECTIVE AGREEMENT**

**in accordance with the provisions of
the Labour Relations Act No. 66 of 1995,
as amended**

Certified a true copy,

**JULIAN WOOD
Secretary of the Fund
21st November 2006**

P O Box 1963, Roodepoort, 1725
Tel: (011) 760 1685

hci SICK PAY FUND COLLECTIVE AGREEMENT

**in accordance with the provisions of the Labour Relations Act,
No. 66 of 1995, as amended**

ENTERED INTO BETWEEN THE :
**Employers' Organisation for Hairdressing, Cosmetology & Beauty
(EOHCB)**
("the employers' organisation")

AND THE :

**Afro Hair & Beauty Employers' Association of South Africa
(AHBEASA)**
("the employers' organisation")

AND THE :
**United Association of South Africa
(UASA)**
("the trade union")

WHO ARE PARTIES TO THE :
Hairdressing and Cosmetology Services
**BARGAINING COUNCIL
(semi national) (HCSBC)**
("the council")

IN THE :
Hairdressing and Cosmetology Services Industry
("the industry")

TO ESTABLISH A :

SICK PAY FUND AGREEMENT

**TO REGULATE the Terms and Conditions of Membership
of the hci SICK PAY FUND**

1. SCOPE OF APPLICATION OF AGREEMENT

1.1 The terms of this Agreement must be observed in the industry:

1.1.1 by all employers who are members of the employers' organisation and by all employees who are members of the trade union:

1.1.2 in the following areas:

1.1.2.1 "area 1" which means the Provincial Districts of Gauteng (excluding Pretoria, Wonderboom & Cullinan);

1.1.2.2 "area 2" which means the Magisterial Districts of Klerksdorp and Potchefstroom;

1.1.2.3 "area 3" which means the Magisterial District of East London and Port Alfred;

1.1.2.4 "area 4" which means the Magisterial Districts of Port Elizabeth and Uitenhage and Humansdorp; and

1.1.2.5 "area 5" which means the Provincial Districts of the Province of the Free State and Kimberley.

2. PERIOD OF OPERATION OF AGREEMENT

This Agreement comes into operation on the date of signature by the parties, and remains in force until withdrawn.

3. DEFINITIONS

All expressions used in this Agreement, which are defined in the Labour Relations Act No. 66 of 1995, as amended, and in the Main Collective Agreement, have the meanings assigned to them in that Act and those Collective Agreements; and any reference to an Act includes any amendments to that Act, and unless the contrary intention appears, words importing the singular or plural include the other, words importing the masculine gender include the female and vice versa; headings are for ease of reference only; further, unless inconsistent with the context:

"Main Collective Agreement" means the Agreement in which wages and other terms and conditions of employment are prescribed for employees in the industry in the area for which the council has been registered;

"Rules of the Fund" means the Rules of the hci Sick Pay Fund.

4. CONSTITUTION AND CONTINUATION OF THE FUND

4.1 The Fund now known as the hci Sick Pay Fund and established by the Hairdressing and Cosmetology Services Bargaining Council (formerly known as the Industrial Council for the Hairdressing Trade) under Government Notice R.2255 of 15 December 1970, hereby continues. The hci Sick Pay Fund is a fund of the council established under the Labour Relations Act of 1956, extended by the Labour Relations Act No. 66 of 1995, as amended. It is governed by the Act, the constitution of the bargaining council, and this Agreement. It is exempt from registration under the Insurance Act and the Friendly Societies Act.

4.2 The Fund consists of the assets standing to its credit at the date of coming into operation of this Agreement, contributions as prescribed in this Agreement and the interest or dividends on investments.

5. OBJECTS OF THE FUND

The objects of the Fund are determined by the Rules of Fund, which may be amended from time to time, to establish, organise and provide sick pay benefits for employers and employees in the industry, and for this purpose may enter into arrangements and contracts with insurance companies or other companies, corporations or organisations engaged in providing similar benefits.

6. MEMBERSHIP

6.1 All employers who are natural persons, whether or not working employers, are obliged to belong to the Fund. The term "employer" includes any person who is a member of a close corporation, or a director or shareholder of a company, which is an employer in the industry, or a trustee or beneficiary of a trading trust.

6.2 All employees are obliged to belong to the Fund.

- 6.3 Despite clauses 6.1 and 6.2 the Management Committee may refuse to admit any person to membership of the Fund, or on application made, or of its own volition, exempt any person from membership of the Fund. In doing so the Management Committee must take into account the Rules of the Fund. If in the opinion of the Management Committee it would not be in the interests of the Fund to admit a proposed member to membership, or that it would be desirable to exempt an existing or proposed member from membership on account of the age or state of health of the applicant, or because of the conduct of the applicant in relation to the Fund, it may act accordingly.
- 6.4 Despite clauses 6.1 and 6.2 the Management Committee may admit any person to membership of the Fund subject to such conditions as it may deem appropriate having regard to the Rules of the Fund, and the age and state of health of the applicant or any dependant of the Applicant.
- 6.5 The formalities for registration as a member of a scheme are those that may be prescribed by the Rules of the Fund from time to time.

7. TERMINATION OF MEMBERSHIP

The Management Committee has the right to terminate the membership of a member for any reason it deems appropriate, with the changes required by context.

8. CONTRIBUTIONS

- 8.1 From the wage of each employee who has not been excluded or exempted from membership of the Fund the employer must, as from the date of coming into operation of this Agreement, deduct each month, including any month during which an employee is on paid leave, contributions to the Fund at the rate of one per cent of the wage for that employee as prescribed in the Main Collective Agreement.
- 8.2 To the amount deducted in terms of clause 8.1 the employer must add contributions to the Fund for each employee at the rate of one half of one per cent of the wage for that employee as prescribed in the Main Collective Agreement.
- 8.3 Each employer who has not been excluded or exempted from membership of the Fund under the provisions of this Agreement must, as from the date of coming into operation of this Agreement, contribute each month, including any month during which such employer is on ordinary or sick leave, contributions to the Fund, at the rate of one and one half per cent of the wage specified for a qualified hairdresser who is the holder of a COTT Certificate.
- 8.4 The employer is obliged to remit the total sum for each month, being:
- 8.4.1 the amount deducted from the employee in terms of clause 8.1, plus the amount added by the employer in terms of clause 8.2; and
- 8.4.2 the employer's contributions in terms of clause 8.3,
- to the Bargaining Council, together with a statement in the form of "Annexure A" to the Main Collective Agreement by the prescribed day as specified in the Main Collective Agreement.
- 8.5 Members admitted in terms of clause 6.4 must pay employer and employee contributions on the same scale as the contributions payable by employees in the industry.

hci Sick Pay Fund Agreement (Revised November 2006)

- 8.6 If any amount due in terms of this agreement is not paid over to the Council on the date due the employer must pay interest thereon calculated at the prevailing prime rate, plus 2% per annum from due date to date of payment. The Fund is entitled in its absolute discretion to waive the payment of such interest or part thereof.
- 8.7 The contributions collected by the Council in terms of this agreement shall be paid over to the Fund within 7 days after receipt thereof.

9. BENEFITS

- 9.1 Subject to the terms, conditions, provisions and requirements of the Rules of the Fund, a member is entitled to benefits in respect of any one benefit cycle (i.e. from 1st April to 31st March of the next year). The annual benefits and the limits thereon, to which members of the Fund are entitled by virtue of their membership, are those prescribed from time to time by the Rules of the Fund.
- 9.2 The provisions of clause 17 of the Main Collective Agreement apply to this Agreement with the changes required by context.

10. GENERAL PROVISIONS

The Rules of the hci Sick Pay Fund do not provide for general provisions.

SIGNED at ROODEPOORT this 21st day of NOVEMBER 2006 :

1. BY THE EMPLOYEE PARTY TO THIS AGREEMENT:

PAUL BESTER
(CHAIRMAN of the Fund)
An Official of UASA
(the Trade Union)

MANIE de KOCK
An Official of UASA National

2. BY THE EMPLOYER PARTIES TO THIS AGREEMENT :

DAVID THOMAS
Vice-CHAIR of the Fund
(An Official of EOHCB)

SONTO KHOBA
(President – AHBEASA National)
(An Official of AHBEASA)