

IN THIS NEWSFLASH:

1. INNOVATIVE ASSISTANCE TO INDUSTRY
2. RETIREMENT FUND PREMIUM HOLIDAY
3. WAGE INCREASES 2020/2021

1. INNOVATIVE ASSISTANCE TO INDUSTRY

The BIBC is very proud to announce that we are able to significantly assist both employers and employees in the building industry. In this regard, the parties to Council have again illustrated their commitment to fulfil their mandate to ensure that our industry thrives and is resilient in the face of uncertainty.

2. RETIREMENT FUND PREMIUM HOLIDAY

In terms of our current Collective Agreement, employers contribute 8% of the basic daily wage towards the Retirement Fund (RF) and employees contribute 7.5% of the basic daily wage.

Shortly after the first lockdown was announced in March 2020, the Board of Trustees of the Building Industry Retirement Fund applied for a premium holiday on behalf of the industry. The Financial Sector Conduct Authority (FSCA) has now approved the rule amendments that allow the BIBC to assist as follows:

- a. Employees will enjoy a RF premium holiday extending from 01 November 2020 to 30 April 2021 (i.e. Weeks 1 to 22);
- b. Employers who are up to date with benefit purchases until 31 October 2020 (week 53), will only pay 1% towards the disability and funeral benefit portion of the contribution from 01 November 2020 to 30 April 2021. This means a 7% reduction in the employer contribution towards RF.

3. WAGE INCREASES 2020/2021

The RF premium holiday completely offsets a freeze on wage increases for the first 6 months of the 2020/2021 benefit year, as agreed to by the parties to Council. This means that both employees and employers benefit considerably with more cash in hand for the 6 months starting 01 November 2020.

CONCLUSION

The parties to Council are confident that through this innovative solution, our industry will recover some of the losses incurred during COVID-19. The new wage schedules for 2020/2021 will be amended accordingly to outline the different first and second 6-month periods. These will be published on our website by the end of this week.

Grateful thanks for the hard work and spirit in which parties engaged with this challenge go to:

- The Board of Trustees of the Building Industry Retirement and Provident Funds
- SIMEKA [RF Consulting Partner]
- Employer Associations: MBA WC and MBA Boland
- Trade Unions: BWAUSA and NUM
- All individuals who worked tirelessly to prepare the application and liaise with the FSCA.

PEARL PUGIN [SECRETARY]

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