



**CIRBF COLLECTIVE AGREEMENT**  
(Construction Industry Retirement Benefit  
Fund)

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## **SCHEDULE**

### **CONSTRUCTION INDUSTRY RETIREMENT BENEFIT FUND COLLECTIVE AGREEMENT FOR THE CIVIL ENGINEERING INDUSTRY**

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

**Consolidated Employers Organisation (CEO)**

**South African Forum of Civil Engineering Contractors (SAFCEC)**

(Hereinafter referred to as the 'employer' or the "employers' organisation"), of the one part,

and the

**Building Construction and Allied Workers Union (BCAWU)**

**National Union of Mine Workers (NUM)**

(Hereinafter referred to as the 'employees' or the 'trade unions'), of the other part, being the parties to the Bargaining Council for the Civil Engineering Industry.

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#### **1. SCOPE OF APPLICATION OF AGREEMENT**

1.1 The terms of this Agreement shall apply to and be observed-

- (a) throughout the Republic of South Africa; and
- (b) by all employers and employees in the Civil Engineering Industry who are members of the employers' organisations and the trade unions, respectively.

1.2. All the employers who do not have a retirement benefit fund in favour of their employees in place, shall by publication of this agreement join the Construction Industry Retirement Benefit Fund.

1.3. The rules of the retirement benefit fund referred to in this Agreement shall require that employers and employees contribute equally in respect of each employee's membership of the retirement benefit fund. Provided that a fund which provides solely for payment of benefits on death and disability shall not be deemed to be a pension or provident fund for the purposes of this Agreement

- 1.4 Notwithstanding the above, clause 1.2 will not apply to employers contributing to an existing Retirement Benefit Fund, registered in terms of the Pension Fund Act of 1956, which was fully operational before the publication of this agreement.
- 1.5 This agreement is binding in terms of Section 31 of the Labour Relations Act, 66 of 1995, on the parties which concluded the Conditions of Employment Collective Agreement and shall become binding on the other employers and employees in the industry upon extension by the Honorable Minister of Labour in terms of Section 32, from a date determined by the Minister.

## **2. PERIOD OF OPERATION OF AGREEMENT**

This Agreement shall come into operation on such date as may be fixed by the Minister of Labour in terms of section 32 of the Labour Relations Act, 1995, and shall remain in force until 31 August 2023.

## **3. DEFINITIONS**

Any expression used in this Agreement which is defined in the Labour Relations Act 66 of 1995, shall have the same meaning as in that Act, and any reference to an Act shall include any amendment to such Act, and unless the contrary intention appears, words importing the masculine gender shall include females; further, unless inconsistent with the context-

**‘Act’** means the Labour Relations Act, 1995 (Act No.66 of 1995) and the Pension Funds Act, 1956, as amended, and the regulations made in terms of that act.

**‘Actuary’** shall mean the actuary appointed in terms of the rules of the fund.

**‘Administrators’** shall mean ALEXANDER FORBES FINANCIAL SERVICES, a division of Alexander Forbes Group (Pty) Ltd., appointed in terms of the rules.

**‘Approved Pension Fund’** shall mean a pension fund, other than a Preservation Pension Fund, approved as such by the Revenue Authorities for the purposes of rules of the fund.

**‘Approved Provident Fund’** shall mean a provident fund, other than a Preservation Provident Fund, approved as such by the Revenue Authorities for the purposes of these rules.

**‘Approved Retirement Annuity Fund’** shall mean a provident fund, other than a retirement Annuity Fund, approved as such by the Revenue Authorities for the

purposes of these rules.

**‘Auditor’** shall mean the Auditor appointed in terms of the rules of the fund.

**‘Bargaining Unit’** shall mean all the employees falling within the Task Grades 1 to 9 as per Appendix D of the BCCEI Wage and Task Grade Collective Agreement.

**‘Calculation Date’** shall mean the date on which the Administrators, acting in terms of the agreed practice of the Fund, calculate the Member’s benefit on the Members retirement, death or his leaving Service in terms of Rule 7 of the fund, or in order to transfer the Member’s benefit from the Fund in any of the circumstances contemplated in the rules.

**‘Cross border work’** means work performed outside the borders of the Republic of South Africa.

**‘Eligible Employee’** shall mean an employee who: –

- (i) is employed on the permanent staff of the Employer;
- (ii) is under the age of 60 years, and
- (iii) is not a member of a fund providing retirement benefits which was set up in terms of an agreement under the Labour Relations Act, 66/1995 or in terms of a collective agreement concluded in the civil engineering bargaining council in terms of the Labour relations Act (Act 66/1995)

**‘Employer’** means any person whosoever, including a temporary employment service as defined in clause 198(1) of the Act, who employs or provides work for any person and remunerates or expressly or tacitly undertakes to remunerate him or who permits any person whosoever in any manner to assist him in the carrying on or conducting of his business;

If the business of an employer is wound up for the purpose of reconstruction in a similar or amended form, the reconstructed organisation shall take the place of that Employer and the term **‘Employer’** in such case shall then mean the Employer as reconstructed.

**‘Financial Year’** shall mean the twelve-month period ending on 31 October.

**‘Fund’** shall mean the **CONSTRUCTION INDUSTRY RETIREMENT BENEFIT FUND.**

**‘Fund Credit’** shall mean for each Member at any particular date the accumulated value of: -

- (i) that part of the contributions made by the Employer in terms of Rule 4.2.1 that is applied towards retirement funding in terms of Rule 4.2.2(b)
- (ii) the Member’s contributions received by the Fund in terms of Rule 4.1.1

- (iii) such additional contributions (if any) as the Member may make and/or the Employer may make in respect of the Member in terms of Rule 4.3
- (iv) any amount transferred to the Fund in terms of Rule 9.1 increased or decreased by the Investment Return until the Calculation Date.

**‘Fund Salary’** shall mean the Member’s basic hourly paid remuneration/weekly/monthly salary, excluding any overtime, bonuses or allowances; provided that:

- (i) for the purpose of the Fund, Fund salary shall be determined on the first day of each month of membership of the fund; and
- (ii) if the amount on which a Member’s Fund Salary is based is reduced at any time then. Subject to the agreement of the Member, his Employer may direct that, for the purposes of the Fund, the reduction shall not be applied in the calculation of the Member’s Fund Salary or shall be applied only partially.

**‘Hourly-rated employee’** means an employee whose remuneration is calculated on an hourly basis notwithstanding the frequency of the payment thereof, and who is not a salaried employee;

**‘Industry’** means the Civil Engineering Industry in which employers (other than local authorities) and employees are associated for the purpose of carrying out work of a civil engineering character normally associated with the civil engineering sector and includes such work in connection with any one or more of the following activities:

- a. The construction of aerodrome runways or aprons; aqueducts; bins or bunkers; bridges; cable ducts; caissons; rafts or other marine structures; canals; cooling, water or other towers; dams; docks; harbours; quays or wharves; earthworks; encasements; housing or supports for plant, machinery or equipment; factory or works chimneys; filter beds; land or sea defence works; mine headgear/s; pipelines; piers; railways; reservoirs; river works; roads or streets; sewerage works; sewers; shafts or tunnels; silos; sports fields or grounds; swimming baths; viaducts or water treatment plants; and/or
- b. Excavation and bulk earthworks; bush clearing and de-stumping; topsoil stripping; drilling and blasting; preparation of bench areas, drilling pre-split holes and blasting and/or cast blasting; secondary blasting; loading, hauling and dumping of mineralized and/or waste material to waste dumps or processing plant feed (ROM Pad) stockpiles; production dozing of top soil, inter burden or waste material; pumping and dewatering of storm and/or contaminated water;

construction and maintenance of access and haul roads, ramps, waste and processing plant feed (ROM Pad) areas, safety beams, high walls; benches, storm water systems, catch drains, bund walls, surge dams; trimming, scaling or chain dragging of batters, heap-leach pads, tailings dams; dust suppression of loading areas, haul roads and dumping areas; rehabilitation of earth work areas or waste dumps; topsoil spreading, hydro-seeding and watering and/or

- c. Excavation work or the construction of foundations, lift shafts, piling, retaining walls, stairwells, underground parking garages or other underground structures; and/or
- d. The asphaltting, concreting, gravelling, levelling or paving of parking areas, pavements, roads, streets, aerodrome runways or aprons, premises or sites

and further includes: -

- e. Any work of a similar nature or work incidental to or consequent on any of the aforesaid activities; and/or
- f. The making, repairing, checking or overhauling of tools, vehicles, plant, machinery or equipment in workshops which are conducted by employers engaged in any of the activities referred to in sub - clauses (a) to (f) inclusive;

but excluding: -

- i) Work in connection with any one or more of the activities specified in definition (iii) where such work, when undertaken in connection with the erection of structures having the general character of buildings and irrespective of whether or not such work involves problems of a civil engineering character, is carried out by the employers erecting such structures;
- ii) Work in connection with any one or more of the activities specified in definition (iii) when undertaken as an incidental operation in connection with the erection of structures having the general character of buildings or when undertaken by the employers erecting such structures;
- iii) Any work falling within the scope of any other industry, and
- iv) The Mining Industry which is defined as the industry where employers and employees are associated for the purpose, directly or indirectly, for the winning,

extracting, processing and refining of a mineral in, on or under the earth or water or from any residue stockpile or residue deposit.

**‘Investment Return’** shall mean any income (received or accrued) including, if applicable, interest payable by the Employer in terms of Rule 4.1.3 and Rule 4.2.4, and capital gains and losses (realised and unrealised) of the Fund, less an allowance for any tax and such expenses (paid or accrued) as may be determined by the Trustees; provided that

- (i) such Investment Return may be positive or negative;
- (ii) the Investment Return shall be allocated to each Member’s Fund Credit on such equitable basis as the Trustees in their absolute discretion, in consultation with the Actuary and in accordance with the agreed practice of the Fund, may determine from time to time; and
- (iii) where a Member’s Fund Credit is, and/or contributions paid by or in respect of a Member are, invested in a selected portfolio or portfolios, the Investment Return relating to such Member’s investment within each portfolio shall be allocated to such Member’s benefit within the portfolio.

**‘Law’** includes the common law;

**‘Limited duration contracts of employment’** means an employer may employ an employee for a specified, limited contract period in terms of an activity or duration.

**‘Local Authority’** means a 'Municipality ' as defined in the Local Government: Municipal Systems Act; 2000;

**‘Member’** shall mean an Eligible Employee who, having been admitted to membership of the Fund accordance with these Rules, has not ceased to be a Member in terms of these Rules.

**‘National Negotiating Form’** shall mean the form at which negotiations occur between SAFCEC and the recognised Trade Unions.

**‘Normal Retirement Date’** shall mean the last day of the month in which a Member reaches age 60 years.

**‘Official’** shall mean an official of a Recognised Trade Union or SAFCEC.

**‘Operative Date’** shall mean the date on which the Employer’s participation in the Fund commences.

**‘Overtime’** means the time that an employee works during a day, or a week, in excess of the ordinary hours of work prescribed for such employee, but does not include work performed on a Sunday or a paid public holiday;

**‘Paid Public Holiday’** means any day that is a public holiday in terms of the Public Holiday Act, 1994 (Act No. 36 of 1994);

**‘Pay’** means payment of remuneration in cash, electronic transfer, by cheque or by other means;

**‘Permanent Employee’** means any employee who is not an employee employed in terms of a limited duration contract;

**‘Piece-work’** means any system under which an employee's remuneration is based on the quantity of work done;

**‘Previous Fund’** shall mean an Approved Provident Fund or Approved Pension Fund in which any of the Employers participate or in which a previous Employer participated and from which a Member or a group of Members transferred in accordance with the provisions of Section 14 of the Act.

**‘Preservation Pension Fund’** shall mean an Approved Pension Fund recognised as a preservation fund, subject to the conditions set out by the Revenue Authorities from time to time.

**‘Preservation Provident Fund’** shall mean an Approved Provident Fund recognised as a preservation fund, subject to the conditions set out by the Revenue Authorities from time to time.

**‘Principal Officer’** shall mean the Principal Officer of the Fund appointed in accordance with the rules of the Fund;

**‘Public Holiday’** means New Year’s Day, Human Rights Day, Good Friday, Family Day, Freedom Day, Workers’ Day, Youth Day, National Women’s Day, Heritage Day, Day of Reconciliation, Christmas Day and Day of Goodwill, as specified in Schedule 1 of the Public Holidays Act, 1994 (Act 36 of 1994): These shall include every day proclaimed as a public holiday in terms of Section 2A of the aforesaid Act. Provided that whenever any public holiday falls on a Sunday, the following Monday shall be a public holiday;

**‘Recognised Trade Unions’** shall mean the Building Construction and Allied Workers Union (BCAWU) and the National union of Mineworkers (NUM)

**‘Registered Insurer’** shall mean an insurer registered in terms of the Long-term Insurance Act, 1998.

**‘Registrar’** shall mean the Registrar of Pension Funds referred to in the Act, 1956.

**‘Revenue Authorities’** shall mean the South African Revenue Services.

**‘Rules’** shall mean these Rules and such alterations as may at any time be applicable

**‘SAFCEC’** shall mean the South African Forum of Civil Engineering Contractors.

**‘Salaried Employee’** means an employee whose remuneration is calculated monthly notwithstanding the number of hours or days actually worked, who performs work generally understood to be that of a salaried employee, and who is not a "hourly-rated employee".

**‘Service’** shall mean employment with any of the Employers and shall include any period during which the Member is deemed to remain in Service in terms of Rule 8. Service shall include any past period of employment before joining the Service in respect of which benefits have been transferred to the Fund in terms of Rule 9.1 or in respect of which additional contributions have been made to the Fund in terms of Rule 4.3, the period of past service to be reckoned as Service for the purposes of the Fund shall in respect of an amount transferred to the fund be the relevant pensionable Service earned in respect of such amount, and in respect of additional contributions made to the Fund by either the Member or Employer in each twelve month period ending on the last day of February, bears to the total contributions made to the Fund for the same period by the Member or Employer, as the case may be.

**‘Short-time’** means a temporary reduction in the number of ordinary hours of work owing to vagaries of the weather, a slackness of trade, a shortage of materials, a breakdown of plant or machinery or a breakdown or threatened breakdown of structures, or any unforeseen contingencies and/or circumstances beyond the control of the employer or a temporary reduction in the number of ordinary hours of work owing to riots, unrest or acts of terrorism or disorder, which directly affect the employer's ability to provide work;

**‘Wage’** means the amount of money payable to an employee in respect of the ordinary hours of work. Provided that -

- (i) if an employer regularly pays an employee in respect of such ordinary hours of work an amount higher than that prescribed for Task Grades 1 to 9 as per Appendix D of the BCCEI Wage and Task Grade Collective Agreement, it means such higher amount;
- (ii) the first proviso shall not be so construed as to refer to or include any remuneration which an employee who is employed on any basis and receives

over and above the amount which the employee would have received had he or she not been employed on such a basis.

**‘Trustee’** shall mean the Trustees or their alternates appointed or elected in terms of the rules of the Fund

#### **4. CONTINUATION OF THE FUND**

4.1 The Construction Industry Retirement Benefit Fund (hereinafter referred to as the ‘Fund’), established in terms of the Pension Funds Act 1956, is hereby continued.

4.2 The Fund shall consist of-

- (i) all monies and assets standing to the credit of the fund as at the date of coming into operation of the Agreement;
- (ii) all contributions paid by employers and members in accordance with Clause 6 of this Agreement;
- (iii) all investment income derived from the investment of any monies of the fund; and
- (iv) any other monies to which the fund may become entitled.

#### **5. MEMBERSHIP**

5.1 Each Eligible Employee who is in Service on the Operative Date and who was in Service on the day prior to that date may choose to become a Member of the Fund. A choice to become a Member must be made no earlier than the Operative Date and not later than twelve months thereafter and the Eligible Employee's participation in the Fund shall commence on the Operative Date or (if later) on the first day of the month which coincides with or next follows the date on which his choice is made.

5.2 If any employee who is eligible in terms of Rule 3.1 has not chosen to become a Member of the Fund within the period set out in Rule 3.1 he shall cease to be an Eligible Employee.

5.3 Each employee who becomes an Eligible Employee on or after the Operative Date must become a Member of the Fund or of another retirement fund operated by the Employer for the benefit of its employees on the first day of the month on which he is an Eligible Employee. If an employee who is eligible in terms of this Rule has not chosen to become a Member of this Fund by the first day of the month on which he is an Eligible Employee, he shall cease to be an Eligible Employee.

5.4 Each Member must produce evidence of age acceptable to the Trustees and must

also give such other information as the Trustees may reasonably require for the purposes of the Fund. In the case of a Member who was a member of a Previous Fund, the Trustees may accept the Members age as stated in the records of that fund

- 5.5 If a Member transfers to another Approved Provident Fund or Approved pension Fund in any of the circumstances envisaged in these Rules and such transfer is subject to the provisions of Section 14 of the Act, then it is specifically provided that with effect from the date on which he becomes a member of such fund, contributions in terms of Rule 4 shall cease and in the event of his death or Disablement, prior to transfer of his benefit in terms of these Rules from the Fund to such other fund, that part of the death or disability benefit in Rule 6 which is insured with a Registered Insurer shall not be payable.
- 5.6 Unless otherwise provided for in the Rules, a Member shall not be permitted to withdraw from membership while he remains in Service.
- 5.7 A Member who has left Service for any reason and has received all the benefits which may be due to him in terms of these Rules shall cease to be a Member.

## **6. CONTRIBUTIONS**

### **6.1 Contributions by the Member**

Each Member shall contribute to the Fund at the rate of 9.0 per cent of his Fund Salary. Any variation to amounts contributed by Members employed by an Employer shall be set out in an Appendix to these Rules.

6.1.1 Each Member's contributions shall be deducted by his Employer from his salary or wages and paid to the Fund.

6.1.2 Contributions shall be paid to the Fund within seven days after the end of the month in respect of which the contributions were made. If contributions are not paid to the Fund as required in terms of the Act. The Employer shall be required to pay late payment interest at the rate prescribed by legislation. Any such interest shall be included in the Investment Return.

### **6.2 Contributions by the Employer**

6.2.1 The Employer shall make contributions in respect of each Member in its Service at the rate of 9.0 per cent of the Member's Fund Salary, less the cost for the month concerned of the separate funeral benefit scheme. Any variation to amounts contributed by the Employer in respect of Members employed by an Employer shall be set out in an Appendix to these Rules.

6.2.2 Out of the amount paid in terms of Rule 6.2.1:

- (i) not more than 5.5 per cent of the Member's Fund Salary, less the cost for the month concerned of the separate funeral benefit scheme, shall be applied to meet the cost for the month concerned of the death benefit referred to in Rule 6.1.1(a), the disability benefit referred to in Rule 6.2.2 and the Fund's expenses; and
- (ii) the balance shall be applied towards the Member's retirement benefit.

6.2.3 Should the amount referred to in Rule 4.2.2(a) be at any time insufficient to meet the cost of the death benefit referred to in Rule 6.1.1(a) and the disability benefit referred to in Rule 6.2.2, such benefits shall be reduced to the proportion for which the cost has been paid.

6.2.4 Contributions by the Employer must be paid to the Fund within seven days after the end of the month to which they relate. If contributions are not paid to the Fund as required in terms of the Act, the Employer shall be required to pay late payment interest at the rate prescribed by legislation. Any such interest shall be included in the Investment Return.

### **6.3 Additional Voluntary Contributions by Members and Employers**

6.3.1 A Member may make additional contributions to the Fund, in order to secure greater benefits or in respect of a period of past Service, in accordance with such conditions and procedures as the Trustees may prescribe from time to time. The payment of additional contributions to the Fund shall be subject to the limitations and requirements of the Income Tax Act, 1962. Such additional contributions shall be allocated to the Member's Fund Credit.

6.3.2 An Employer may make additional contributions to the Fund in respect of a Member's period of past Service in accordance with such conditions and procedures as the Trustees may require from time to time. The payment of additional contributions to the Fund shall be subject to the limitations and requirements of the Income Tax Act, 1962. Such additional contributions shall be allocated to the Member's Fund Credit.

## **7. ADMINISTRATION OF THE FUND**

7.1 The Fund shall be administered by Administrators appointed by, and acting on the instructions of, the Trustees.

7.2 The Employers shall from time to time furnish to the Trustees in respect of those

employees who are Members all necessary particulars affecting their benefits or their entitlement to benefits under the Fund and the Trustees shall ensure that such particulars are furnished to the Administrators. The Trustees and the Administrators shall be entitled to act upon such particulars without further enquiry and shall not be responsible to any Member or to the Employer or to any other person or body whatsoever for any misstatements or errors or omissions which may be contained in such particulars.

- 7.3 The Administrators shall keep a complete record of all necessary particulars of the Members of the Fund and of all persons entitled to benefits and of all other matters essential to the operation of the Fund.
- 7.4 The Administrators shall keep full and true accounts of the Fund as required in terms of Rule 13.4.
- 7.5 All cheques, contracts and other documents pertaining to the Fund shall be signed by such persons as the Trustees by resolution may appoint; provided that documents to be deposited with the Registrar must be signed in the manner set out in the Act.
- 7.6 The Administrators shall maintain fidelity cover to indemnify the Fund against any loss resulting from the dishonesty or fraud of any person employed by them.

## **8. DESIGNATED AGENTS**

- 8.1 The Council shall appoint one or more specified persons as designated agents to assist in giving effect to the terms of this Agreement. For the purpose of enforcing or monitoring compliance with this Agreement, as the case may be, an agent of the Council shall have the right to enter and inspect premises, examine records and interview the employer and/or his employees in any manner that he deems appropriate: Provided that such rights be exercised only as is reasonably required for the purpose of enforcement of, or monitoring compliance with, the Agreement.
- 8.2 After each inspection of an employer's records and operations the agent shall prepare a report for the attention of the employer, worker representatives and, in the case of an individual complainant, the complainant concerned, confirming the date and time of the inspection and, if any contraventions of the Agreement were identified, a summary of the contraventions and the action that management is required to take to rectify the contraventions. Any disclosure of information shall comply with the provisions of the Labour Relations Act, 1995.
- 8.3 The Minister, on request of the council, shall appoint one or more persons to be

designated agents to assist in giving effect to the terms of this agreement, including the issuing of compliance orders requiring any person bound by the Collective Agreement to comply with within 14 days.

- 8.4 A Designated Agent shall have the powers set out in sections 33 and 33A of the Act and in Schedule 10 of the Act.

## **9. EXEMPTIONS**

- 9.1 Any person bound by this Agreement may apply to the BCCEI Independent Exemptions Committee for an exemption from any provision of this agreement in the manner provided for in the BCCEI Exemptions Policy, attached as Appendix A
- 9.2 Any person may lodge an appeal against the decision of the Independent Exemptions Committee to the Independent Appeal Board in the manner provided for in the BCCEI Exemptions Policy, attached as Appendix A

## **10. RESOLUTION OF DISPUTES**

Any dispute about the interpretation, application, or enforcement of this Agreement shall be referred to the Council and shall be dealt with in accordance with the provisions contained in the Bargaining Council for the Civil Engineering Industry Dispute Resolution Collective Agreement.

## **11. EXHIBITION OF AGREEMENT**

Every employer shall affix and keep in an assigned conspicuous place upon his premises, a copy of this Agreement, in legible characters.

## **12. MEMBERS' BENEFITS**

Members will be entitled to retirement, death and disability benefits in terms of the Rules of the Fund.