



25 March 2024

Mr. Sicelo Nduna
General Secretary
MEIBC

Facsimile: 086 636 8690

Email: sicelon@meibc.co.za

Dear Mr Nduna

INITIATING NEGOTIATIONS FOR THE AMENDMENT OF AN EXISTING AGREEMENT IN TERMS OF CLAUSE 10 AND ANNEXURE E OF THE MEIBC CONSTITUTION: CONSOLIDATED MAIN AGREEMENT

SEIFSA, acting in accordance with the mandate of the member Associations contained in the attached schedule, request you, in accordance with Clause 10 and Annexure E (2) of the MEIBC Constitution to convene a negotiating meeting at your earliest convenience.

Insofar as this year's round of negotiations is concerned, we know that things will not be easy and the challenges facing us are many. South Africa's economic outlook doesn't look good and there is little business confidence. The notion of job retention and/ or job creation on the back of an alarming high unemployment rate fuelled by ongoing retrenchments and business closures, has become elusive.

Persistent load-shedding, the worst in more than a decade, shows no signs of ending. Spiking unemployment, widespread business failures and huge job losses point to negotiations this year taking place against a difficult economic landscape.

It would be fair to say that only if labour and business across the board find a way of working together do we stand a chance of turning things around. It's also fair to say that the relationship between supporters and detractors of gazetted collective agreements, like the Main Agreement, are strained. Litigation continuous and in all likelihood may well continue into the future.

Trust amongst all stakeholders must be rebuilt and the national discourse must find a way of transcending beyond purely wages and terms and conditions of employment.

Once negotiations over wages and conditions of employment have been settled, the focus must urgently shift to more important priority interventions, where labour and

business collectively can play a part in tackling the deep underlying failures preventing meaningful growth in SA and our sector.

In light of the above the Associations federated to SEIFSA propose concluding an agreement which envisages affording industry an opportunity to re-set in an enabling environment underpinned by certainty, stability and industrial peace.

Industry negotiations over the years have created a set of comprehensive and favourable employment conditions for employees that are essentially unmatched across most bargaining councils. Hence, we do not wish to pursue any further amendments and/ or adjustments to benefits currently contained in the Main Agreement nor do we propose down varying existing terms and condition of employment. Equally important is our position on Section 37 of the Main Agreement i.e., that it must be retained.

Accordingly, we formally give notice that our approach to this year's round of negotiations will be structured around four (4) broad principles or themes, namely:

- a long-term agreement;
- wages;
- gazettal and extension; and
- exemptions incorporating special phase-in dispensation.

As there is a nexus or connectivity between these four themes or business drivers, consensus must be reached on each of the drivers before an agreement can be considered.

We also propose that all outstanding issues be dealt with in-line with the provision as set-out in paragraph 6 of the signed-off Process Agreement and that this process commence immediately once a Settlement Agreement has been concluded.

In closing, it is our hope that the employer and trade union parties in the MEIBC will make every effort to successfully conclude the industry negotiations on or before the expiry of the current agreement on 30 June 2024.

We ask that you please bring the views of our member Associations, as articulated herein, to the attention of the party trade unions and the other employer organizations on the Council.

Yours Sincerely



Lucio Trentini

Chief Executive Officer

Cc: Elias Monage, SEIFSA President

Association Chairpersons

NEASA, CEO, SAEFA, (SA) UEO, FEOSA - by email

NUMSA; NUM, Solidarity; UASA - The Union; MEWUSA and SAEWA - by email

The List of Registered Employer Organizations' Federated to SEIFSA and Party to the MEIBC

- Association of Electrical Cable Manufacturers of South Africa
- Cape Engineers' and Founders' Association
- Constructional Engineering Association (South Africa)
- Electrical Engineering and Allied Industries' Association
- Electrical Manufacturers' Association of South Africa
- Gate and Fence Association
- Hand Tool Manufacturers' Association
- Kwa-Zulu Natal Engineering Industries' Association
- Iron and Steel Producers' Association of South Africa
- Lift Engineering Association of South Africa
- Light Engineering Industries' Association of South Africa
- Non-Ferrous Metal Industries' Association of South Africa
- Eastern Cape Engineering and Allied Industries Association
- Refrigeration and Air Conditioning Manufacturers' and Suppliers' Association
- S.A. Electro-Plating Industries' Association
- S.A. Refrigeration and Air Conditioning Contractors' Association
- S.A. Pump Manufacturers' Association
- S.A. Valve and Actuator Manufacturers' Association