

Wednesday, 23 July 2014

## **2014 MEIBC WAGE NEGOTIATIONS UPDATE**

1. The industry wage negotiations started with a pre-bargaining conference on the 26 and 27 March 2014.
2. A facilitator appointed by the parties facilitated the meeting and subsequent negotiation meetings.
3. The parties met for negotiations on 16 April 2014; 8,9,21,22,23,28,29 May 2014; 10,11,12,13,17,18,19,20,23,24,25 June 2014 and 2, 3,4,5,7,8,9 11, 17, 18, 19, 20, 21, 22 July 2014)
4. On 22 July 2014 the office of the General Secretary of the MEIBC (referred to below as “the office”) was instructed by the parties to issue a certificate of non-resolution of the industry dispute. The resultant strike by trade unions has continued from the 2nd of July 2014 to date.
5. During the strike the office continued to arrange bilateral meetings between the parties. At times parallel meetings were convened by the Department of Labour (DOL) with some of the parties.
6. In a trade union caucus meetings arranged by the office and attended by all six unions, NUMSA gave a brief report of their meeting with the department. SEIFSA similarly briefed other employers’ organizations on their discussion with department.
7. The office (as there were no sign of the agreement) decided to approach the CCMA and requested them to provide a senior commissioner to assist in mediating the dispute between the parties to the industry agreement.
8. The two CCMA commissioners appointed arranged with the office a five day session with the parties and the following broad schedule was envisaged:
  - 8.1. 17 July - a joint Employers caucus
  - 8.2. 18 July - a joint Trade unions caucus
  - 8.3. 19/20/21 July - plenary meetings.

Cape Region  
PO Box 6096  
Roggebaai 8012

Border Region  
PO Box 13162  
Vincent 5217

KwaZulu-Natal Region  
PO Box 5900  
Durban 4000

Midland Region  
PO Box 12848  
Centrahill 6006

Gauteng Region  
PO Box 3998  
Johannesburg 2000

Free State &  
Northern Cape Region  
PO Box 30095  
Moreskof 9462

Centre for Dispute  
Resolution  
PO Box 9381  
Johannesburg 2000

Tel: 021 421 6140  
Fax: 086 636 8696

Tel: 043 743 7790  
Fax: 086 636 8691

Tel: 031 305 4761  
Fax: 086 636 8693

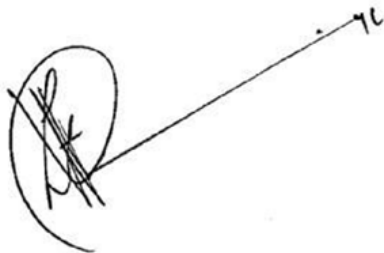
Tel: 041 586 1542  
Fax: 086 636 8694

Tel: 011 639 8000  
Fax: 086 636 8689

Tel: 057 352 4142  
Fax: 086 636 8697

Tel: 011 834 4660  
Fax: 086 636 8699

9. On the 19 July 2014, a ministerial team visited us, consisting of the Minister's political adviser, Acting Deputy Director General in the DOL and CCMA senior commissioner. They met with both employer organisations and trade unions caucuses and presented a ministerial proposed settlement (copy attached as GS1). The parties were given an opportunity to consider the ministerial proposal with other parties and their constituencies.
10. On Tuesday 22 July 2014, at a report back meeting, employers and SEIFSA in particular reported that with a very slim majority the ministerial proposed settlement was accepted with the exception of the proposed clause to amend Section 37. In addition they further emphasised that if Section 37 is not addressed to their satisfaction they will refuse to sign the agreement. Trade unions were given up until Friday 25 July 2014 to address the issue of section 37, failing which SEIFSA will withdraw their support of this agreement and revert back to their previous offer.
11. NEASA reported that they support SEIFSA position in regards to Section 37 and further stated that their mandate to settle the strike is 8% across the board, subject to the conditions that parties will agree on new discounted rate for three bottom grades (H, G and F) for new entrance and a revised exemption criteria.
12. A joint trade union caucus suggested a number of amendments on some proposed settlement clauses. This included an improved offer on A grade for the second and third year to 8%, and further rejected SEIFSA and NEASA proposed amendments of Section 37.



Thulani Mthiyane  
**General Secretary**

**Kindly note that this circular is issued for information purposes only. Given the dynamics of negotiations, the parties may change their positions in respect of the issues raised and or view matters with a different perspective. It does not in any way purport to reflect the views of any of the parties involved in the negotiations.**