



SAEFA

SA ENGINEERS AND
FOUNDERS ASSOCIATION

19 January 2022

Dear members,

NEASA recently circulated a notice, warning employers who are not members of an employer association of the dangers of not resisting attempts by SEIFSA and the trade unions to extend their agreement.

They warn that “[a]lthough SEIFSA and Numsa have expressed their desire to extend their agreement to non-parties, it is currently not possible for them to do so, as a result of certain voting thresholds that they are not able to meet” and that “the numerical advantage that non-parties have enjoyed over the years and which prevented the extension of the agreements, have been eroded significantly and there is a real danger that SEIFSA, given time, may be able to acquire the necessary majority to extend their agreement in the future”.

SAEFA shares NEASA’s views and grave concerns that complacency by employers may allow them to do so in future. It is trite that any extension of the SEIFSA agreement would be catastrophic on an already embattled industry:

“The extension of this agreement will have a devastating effect on employers not affiliated to SEIFSA, as it will require of those employers to either immediately conform to the unaffordable wages and conditions of employment as contained in the SEIFSA agreement or subscribe to the phase-in-scheme in order to catch up to these excessive rates over time.

The phase-in-scheme will however require employers to become a member of a SEIFSA-affiliated employers’ organisation and, depending on current wage levels in a business, implies that employers, who historically have not been part of the SEIFSA agreements, will have to implement massive increases in order to catch up.

It should however be stated that currently **THERE IS NO OBLIGATION TO CATCH UP** to the SEIFSA rates as employers who have not been complying with these agreements have been acting completely within their rights.

However, this situation will change immediately should the agreement be extended, and this will cause devastating job losses and business closures within the Sector.

The prevention of the extension of this agreement is entirely within the hands of employers who are currently not affiliated to any employers’ organisation that is party to the Council.

Unaffiliated employers can prevent the extension by joining an employers’ organisation, which is not affiliated to SEIFSA, thereby bolstering the voting threshold that needs to be met for an extension.



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Employers can no longer sit by idly and hope that this disaster will not come to pass. The fact of the matter is that the threat of extension is knocking on the door of every unaffiliated employer in the Sector and there will be no place to hide should this come to pass.”

It is absolutely essential that all SAEFA members resist any approaches by SEIFSA, NUMSA or any other party to resign from SAEFA to join SEIFSA. It is also strongly advised that all SAEFA members share this very worrying possibility with any customers, suppliers or contacts in the industry that are not affiliated to a party employer organisation and urge them to join SAEFA.

As you are aware, all of the benefits of a collective agreement are contained in the TCOE Agreement entered into between SAEFA and Solidarity. This agreement provides not only comprehensive and fair terms and conditions of employment for employees but does so at an affordable rate and provides protection against plant level bargaining approaches by the trade unions.

For more information on joining SAEFA, please contact Gordon at gordon@saefa.co.za or Charlene at charlene@saefa.co.za.

Yours sincerely,

Gordon Angus

SAEFA Executive Director