



SAEFA

SA ENGINEERS AND
FOUNDERS ASSOCIATION

01 October 2021

Wage Negotiation Advisory No. 42

Dear Members,

UPDATE ON WAGE NEGOTIATIONS: WAGE DEAL SIGNED WITH SOLIDARITY

On Friday, 01 October 2021, a wage agreement between the South African Engineers and Founders' Association (SAEFA) and trade union Solidarity, was signed. The terms of the agreement are as follows:

1. A collective agreement, referred to as the *Terms and Conditions of Employment Agreement* (TCOE Agreement) has been agreed to and will be made applicable at all SAEFA member companies.
2. The Metal and Engineering Industries Bargaining Council (MEIBC) has been tasked with administering and enforcing the agreement at all SAEFA member companies.
3. Members of SAEFA will ensure that all scheduled employees' wage rates be brought in line with the rates of pay stipulated in the TCOE Agreement by no later than 30 June 2024, provided that all employees currently employed upon the signing of this agreement are entitled to a guaranteed minimum wage increase equal to that stipulated in the wage tables below, irrespective of their actual rates of pay. No employee's wage rate may be adjusted downwards unilaterally, irrespective of their actual rate of pay.
4. All scheduled employees at SAEFA member companies receive wage increases in accordance with the tables attached below.
5. The Standard Rate of Pay indicated in the tables below will not increase each year but is intended to be used as a basis on which the increases year-on-year may be determined.
6. Exploratory discussions regarding the possible extending of the scope of application of the TCOE Agreement will take place to include certain positions not currently contained within the Technical Schedules. The parties are committed to reach agreement in this regard by the end of 2022.



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7. The Exemptions Procedure is to be revised so that an expeditious, less onerous Exemption Process may be incorporated into the agreement within 6 months of the signing of this agreement.
8. The parties agree that the introduction of the Standard Rates contained in the tables below and their functioning at each SAEFA member company is a justifiable reason for income differentials in terms of the Employment Equity Act No.55 of 1998, as amended.
9. It is agreed that any employer who has implemented a wage increase prior to the signing of this agreement is entitled to set-off such increases against the increases contained in the wage.

A copy the signed Settlement Agreement, which includes the wage tables, is attached.

Please note that the TCOE Agreement (referred to as Annexure A in the Settlement Agreement), is not attached, as it is 459 pages, will be made available in due course.

Yours sincerely,

Gordon Angus
SAEFA Executive Director