

**Response to the opinion piece by Gerald Papenfus of Neasa on the 13 June 2016**

1

I agree the MEIBC is in dire financial difficulty but it is interesting that Mr Papenfus is not indicating that the Council finds itself in this position mainly because of Neasa's doing. Neasa has since 2012 blocked any financial injection to the council by way of increases to levies.

2

Mr Papenfus refers to the Meibc's proposed budget for 2016/17 as flawed but does not indicate in what respect it is flawed. He and his fellow delegates to meetings of the council have without any concrete and objective reasons rejected the proposed budget which in fact is only a breakeven budget aimed at ensuring the continuation of services already existing and to help finance the deficit created by levies not increasing since 2012.

3

At the meeting of the council on 25 May 2016 the employer caucus did not state the reasons for not supporting the proposed budget. I have only become aware of the reasons for the first time as stated in Mr Papenfus opinion piece of 13 June 2016. The issues that were raised by the combined employer caucus at the said meeting were mainly the following:

- The budget proposal would not be considered unless it was after an AGM convened to finalise the seat allocation of employer parties to the council in line with the Seifsa/Neasa arbitration award.
- That a new management committee be constituted.
- That an oversight committee comprising members of parties to the council be established to oversee the operations of the council particularly from a financial point of view; and

- To appoint and audit firm to conduct a Forensic Audit into the financial affairs of the council.

4

The Meibc is not an extension of Numsa. In the council there are five other trade union parties and another employer's organisation who have never expressed a view to that effect. Neasa's main problem is only that the Meibc has become very effective in monitoring compliance in the industry in the last few years and that is an irritation to them.

5

The work that the Meibc has been doing over the years up to now has been lawful and within a legally compliant framework and has a proven track record of providing exemptions, alleviations and condonations to businesses that are justified in not affording claims instituted by the council.

Issued by the Meibc