

**MEMORANDUM OF
UNDERSTANDING
2020 TO 2021**

A handwritten signature in black ink, consisting of a stylized, scribbled initial followed by the letters 'KMM'.

MEMORANDUM OF UNDERSTANDING: 1 JULY 2020 TO 30 JUNE 2021

1. Introduction

The Covid-19 crisis presents an unprecedented challenge, unmatched since the Spanish Flu and the Great Depression. It has depressed global economies and a material shrinkage in global and domestic trade is expected. Covid-19 has landed on our shores at a time when our economy was already under tremendous strain.

Following more than thirteen weeks of lockdown industry finds itself in survival mode and the consequences for the metals and engineering sector is going to be severe for employers and employees. The immediate future is no longer what was anticipated and no one for certain knows what industry will look like in a post lockdown and Covid-19 reality.

Given the time between now and 30 June 2020, the continued restrictions on movements and gatherings and given that the main agreement negotiating timetable has been irreversibly affected, the Parties agree that the Main Agreement in its current form is worth preserving and secondly that negotiations shall be deferred for this cycle.

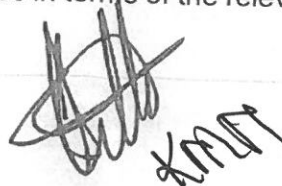
Accordingly the Signatories to this Memorandum of Understanding (referred to as "the Parties") have agreed to defer negotiations for this current main agreement negotiating cycle and to extend the terms and conditions of the Collective Main Agreement concluded between the Parties for the period 1 July 2017 to 30 June 2020 until 30 June 2021.

2. Gazettal and Extension of the Main Agreement:

The Parties agree that the Consolidated Main Agreement adopted by the MEIBC Management Committee in 2019, in accordance with the Councils Constitution and in-line with Section 31 of the Labour Relations Act 66 of 1995 as amended (hereinafter referred to as "the Act") be amended to reflect the period 1 July 2020 to 30 June 2021.

The Parties agree that the 2020/ 2021 Main Agreement be re-tabled for adoption by the Parties and that on an urgent basis it be submitted to the Department of Employment and Labour for gazettal in accordance with section 31 of the Act.

The Parties furthermore agree to continue to combine their collective legal resources to ensure that the Agreement submitted to the Minister of Labour for gazettal can legally be extended to non-parties in terms of the relevant provisions



of Section 32 of the Act from the date of publication by the Minister of Labour for a period to be determined by the Minister.

3. Special MEIBC COVID-19 Dispensation:

The Parties agree that it is in everyone's best interests to jointly identify interventions to assist industry to survive this current crisis.

Accordingly, the Parties agree to urgently collaborate with all constituencies on the Bargaining Council to establish a strong and viable platform to jointly identify mechanisms that will assist our respective membership to survive this crisis.

The Parties to the Council will on an urgent basis establish a Special MEIBC COVID-19 Dispensation within the framework of the Bargaining Council's Management Committee (MANCO) to urgently respond to the difficulties being experienced by distressed companies and vulnerable employees.

The Parties agree that the Terms of Reference of this forum will be urgently agreed by the collaborating Parties on the MANCO. It is envisaged that such initiatives will cut across a range of issues aimed at providing support and assistance to struggling and distressed businesses and saving jobs. Such initiatives amongst others, will focus on for example:

- gearing the bargaining council to play a facilitating role in assisting SMME's to access Covid-19 relief funding;
- positioning the bargaining council to play an active role in accessing training lay-off benefits for industry employees as an alternative to retrenchment;
- leveraging the bargaining council in facilitating joint representations to government and policy makers on plans that will impact on the metals and engineering sector (i.e. the steel master plan, electricity, Eskom, Transnet, reviewing safeguard and bound duties etc.);
- various trade relief remedies;
- localisation and designation;
- collaborating with the Dti on understanding the impact of the Covid-19 pandemic on the metals and engineering industries entire value chain; etc.

4. LEIA Members, the Main Agreement and the Plastics Sector:

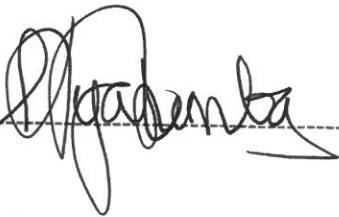
~~In deferring negotiations for this current main agreement negotiating cycle and extending the terms and conditions of the Collective Main Agreement concluded between the Parties for the period 1 July 2017 to 30 June 2020 until 30 June 2021 it is agreed that members of the Light Engineering Industries' Association of SA (LEIA) who fall within the plastics sector will continue to be bound by the provisions in the Main Agreement referring to and contained in Division D/14 as per Annexure 1 attached.~~

N/A FOR SOLIDARITY

[Handwritten signatures]

[Handwritten signature]

Signed in Johannesburg on 17 August 2020.



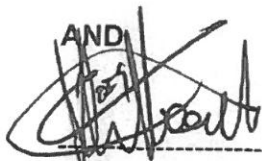
For the Steel and Engineering Industries Federation of Southern Africa (SEIFSA) on behalf of its Member Employer Associations:

- Association of Electrical Cable Manufacturers of South Africa
- Association of Metal Service Centre 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

AND

SEE SEPARATE MOU

National Union of Metalworkers of South Africa (NUMSA)

AND

Solidarity



AND

~~SEE SEPERATE MOU~~

United Association of South Africa (UASA-The Union)

AND

~~SEE SEPERATE MOU~~

Metal and Electrical Workers union of South Africa (MEWUSA)

AND

~~SEE SEPERATE MOU~~

SA Equity Workers' Association (SAEWA)

 KAM