

CUTTING EDGE



aviation union of southern africa

Registered as a trade union in terms of the labour relations Act, (Act 66 of 1995) as amended

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Dear Members,

Meeting with SAA CEO Mr Vuyani Jarana 20 April 2018

The current financial position (2017/18 FY) is similar than the 2016/17 FY end results. The prediction is that the Company will only breakeven in the year 2020.

The CEO made it clear that we are over staffed with a few excess employees, based on the number of Aircraft in the fleet. We require about 75 aircraft for the current number of employees. They are currently look at redeploying excess Cockpit and Cabin crew to other airlines in the world.

The company is currently looking at a new organogram for SAA and will only give notice for a Section 189 when required. He also indicated that if there is a S 189, it would not be as in the past as all employees will have to reapply for their positions to ensure that the Company employ the right people for the right work function.

He requested that all Unions to work with him, to stabilise the financial position of the Company and to focus on the following items at this stage:

- ⇒ Increase productivity
- ⇒ Working overtime and shifts in SAAT (high cost drivers)
- ⇒ Procurement cost, as we should not pay more due to BEE
- ⇒ AMOS is not working
- ⇒ Rebate tickets for extended family and friends are problematic (as tickets are been sold to the public), the Company propose to amend the current Staff Rebate Policy

SAAT LTTS Working Group 8

The SAAT LLTS working group 8 has been established to strive to achieve cost savings for SAAT to assist in overall SAA Group performance. The working group will report back to the LLTS Change Hub Project Champion Peter Davies.

The Acting SAAT CEO Wellington Nyuswa is the SAAT work group Leader and will consist of 4 management representatives and 6 representatives from each Union (AUSA, NUMSA & SATAWU).

The working group will deal with the following initiatives as a start:

- ⇒ Lack of Leadership and Accountability in SAAT
- ⇒ Improve engagement and relationship between Labour and Management
- ⇒ SAA CEO to engage with previous SAAT CFO get an overview from SAAT as an independent
- ⇒ Review grievance efficiency and Labour Court matters
- ⇒ Review supervisory staff capacity in Base Maintenance
- ⇒ Review contract workers versus working extended hours at reduced cost for SAAT
- ⇒ Revive the status and capacity of SAAT as a world class MRO
- ⇒ Revive the Customer Support Office
- ⇒ Airbus project team to engage with Labour and to provide us the report
- ⇒ To establish a committee to address the lost of critical skills in SAAT regarding certified technicians, including succession planning, promotion of certified technical staff out of production areas and a retention initiative to manage recruitment drives from other airlines
- ⇒ Address the loss of workshop capability, partly due to outdated test equipment versus the cost of outsourcing
- ⇒ Addressing the AMOS problems
- ⇒ Review the SAAT Procurement cost and practices, including rumours of outsourcing and the suppliers' offices on SAAT premises
- ⇒ SAAT currently forfeit the previously discounted arrangement with suppliers in buying directly from them
- ⇒ Address the SAAT Security concerns as spares are going missing as it has a direct impact on the Company's operations
- ⇒ Review the AAR contract
- ⇒ To address the purchasing of digital flow meters to test the oxygen systems

SAAT 2018/19 Wage Negotiations

We have given notice as per our recognition agreement. The Company acknowledged our demands and informed us that they will schedule dates shortly.

To date, we have not received any dates and as a result we have declared a dispute with the CCMA.

We attended the CCMA on the 4th of May 2018 for Conciliation and agreed that the Relation Building by Objectives (RBO) workshop will be concluded by the end of May 2018 and that the Negotiations will then commence on or before the 15th of June 2018.

Suspended Members

The Company has elected to suspend 8 employees, 6 from Procurement and 2 from the workshop based on the outcome of the Open Water report.

Please take note and only perform your duties as per your job description and ensure that what ever you do is correct the first time. If you are not sure please get clarity from your manager in writing.

AUSAURF—Liquidation Process

Most of the member's benefits of the AUSAURF have been paid or transferred as requested to the members Primary or Secondary funds.

The only payments that are not yet paid are in respect of cases where some information is still outstanding, for example where claim forms that were not accurately completed or where there are outstanding tax queries on the member's record and where the liquidator is still waiting for transfer documents from the receiving funds.

Approximately 130 members have not yet submitted any claim forms. All benefits that are not claimed by the end of May will be transferred to an Unclaimed Benefit Fund. These members will not lose any of their benefits as it will still earn interest, however they will incur administrative expenses going forward.

The Liquidator confirmed that they will provide each member a member statement and tax certificate after they have paid all members.

Please contact the Liquidator for any matters regarding the Fund at e-mail liquidator@argen.solutions or phone 010-594-2929.

Should you require any information or feedback in your section, do not hesitate to contact the Union office to set-up a meeting in your area.

Kind regards,
AUSA

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