



DEAR ALL MEMBERS

UPDATE FROM JOINT LABOUR

The coalition consisting of UASA, AUSA and SATAWU met with the Acting GM HR and SA Express (SAX) Management, on 26 April 2019. The following items were placed on the agenda by SAX;

- Salary backpay
- 13th Cheque
- Media reports, and
- Section 189

The coalition requested that the following items be added to the agenda;

- Pension fund, and
- Wage negotiations

Salary backpay

The Company acknowledge that this is a long outstanding matter and are fully committed to pay the outstanding salaries but currently it's not able to do this due to the financial situation of the Company. In previous feedback meeting the Company indicated that part of the R1.2 billion bailout promised during the October 2018 mini budget speech will be used for these payments.

After a long dragged out process the Company received the promised money on 1 February 2019 with strict conditions. The money can only be used to pay outstanding loans and can be used as running capital for the business. The outstanding loans with Nedbank and RMB were settled after which both institutions indicated that they will not continue doing business with SAX in the future.

The Company approached other financial institutions but to date only ABSA responded, and discussions are currently taking place to agree on future loans and overdrafts. The payment of the salary backpay will be prioritised as soon as these discussions are concluded. The Company confirmed that outstanding backpay will be paid by end of May 2019 as per email send out a few weeks back.

13th Cheque

Following complaints and grievances raised against the payroll office an investigation was carried out and it discovered that this department is a disaster. Due to this some employees were over payed and a few under payed with regard to their 13th cheques.

The amount owned by employees are in the region of R5.2 million and will have to be paid back to the Company. The Company will have individual meetings with each affected employee to discuss payback arrangements with will be between May 2019 and February 2020.

The Company also made a statement that the 13th cheque is a saving scheme, Labour indicated that this is incorrect and not in line with clause 6.1 of the General Conditions of Employment.

Media statements

Please do not concern yourself with various organisations putting out media statements in an effort to distract you or outshine us. We will if, and when necessary communicate with the media, but have chosen to give support to the business and allow few distractions. We are aware of the Merger talks, and will ensure we are properly consulted and informed, and in return that you are as well.

Section 189 (Retrenchment)

In October 2018 the Company attempted to restructure by closing the George and Durban stations, which followed with the closing of Richard Bay. The Company started a process to relook all areas of the business and are now in the position to notify Labour that an official S189 process will start soon. Labour can expect a notification with all the relevant documentation by next week and the process will be facilitated by the CCMA.

The coalition will keep all members informed on this process and will ensure the correct procedures are followed by the Company.

Pension Fund

The transferring of the dormant pension funds through a section 14 process is still on track and members will soon receive more information.

Wage negotiations

The Company questioned why Labour insist to have negotiation if it intends to reduce the workforce. This is a valid question, but Labour made it clear that negotiations is not just a salary increase but includes Terms and Conditions of Employment and much more. The Company agreed to schedule meetings where wage negotiations will take place.

General

We wish to request all members to remain calm and patient. We are waiting to engage with the Company, but also need to allow them the opportunity to do their work because failure to do this, will have grave consequences.

OBO – the UASA/AUSA/SATAWU COALITION