

Massmart strikes unlikely to be supported

Retail group Massmart Holdings (MSM) said on Monday, 20 July 2009, that feedback from its subsidiary stores, Makro and Massdiscounters (Game and Dion stores), appeared to indicate that proposed industrial action was unlikely to be widely supported.

It follows a statement from the South African Commercial, Catering and Allied Workers' Union (SACCAWU) that "[only a miracle](#)" could prevent the industrial action planned against the two subsidiaries, after failure of management to make an acceptable offer in the current dispute.

SACCAWU said industrial action would kick off on 24 July with mass protest marches in various parts of the country.

Group corporate affairs executive at Massmart Holdings Brian Leroni said: "Makro has been notified that SACCAWU members employed by the company will engage in one day of protest action on July 24.

"The action results from a wage dispute in terms of which Makro has tabled a final increase offer of 460 rand per month.

This represents a 15.4% increase on the chain's minimum wage and a 9.6% increase on its average wage," said Leroni.

"Anecdotal feedback from potentially affected stores appears to indicate that the action is unlikely to be widely supported. Nevertheless, labour unrest contingency plans have been implemented and all Makro stores will trade as normal," he said.

Makro employees receive an average monthly wage of R4,797, which is 79% higher than the industry minimum of R2,682 in 2008, according to Massmart.

Permanent employees, who are also staff shareholders, also received bi-annual share dividend payments as participants in the Thuthukani Staff Empowerment Trust, the group added.

"The company's perspective is that this action should be viewed in the context of the current widespread labour unrest in the economy," Massmart said.

Leroni said that Game had also implemented labour unrest contingency plans, with normal trading planned.

"The action results from a dispute about a company decision to replace its existing clock card system with a thumbprint verification system the benefits of which include improved ability to control timekeeping fraud."

"SACCAWU has argued that the decision to implement this new technology, which is similar to that used at SACCAWU's Johannesburg head office, constitutes an attempt to unilaterally change employment conditions at Game," Leroni said.

"The system was introduced 22 months ago in September 2007 and has been adopted by 15,305 employees including SACCAWU members.

"A number of staff at five Game stores have refused to use the new system," he concluded.

Published courtesy of

For more, visit: <https://www.bizcommunity.com>