

Pensioners sue Times Media Group

Pensioners have launched the opening salvo of a David and Goliath battle against one of South Africa's biggest media houses.



(Image extracted from the TMG website)

Summonses were served on Thursday last week on the Times Media Group [JSE:TMG] which publishes the *Sunday Times*, *Business Day* and other newspapers and magazines.

The group of 24 pensioners, which includes former editors and senior management staff and printers, accuse TMG of backtracking on an agreement to pay increases to their post-retirement medical subsidy.

The pensioners said that failure to pay their 2014 medical aid subsidy could result in some not being able to receive proper medical treatment.

Roy Paulson, a former managing director of TMG, said in court documents that during November 2013 he was invited to a meeting with Andrew Bonamour, the current CEO of TMG.

No increases

During this meeting, Bonamour it, is alleged, had advised him that TMG would not be increasing the pensioners' subsidy for 2014, because the company would not be increasing its employees' salaries for 2014.

Paulson said it was both a condition of the pensioners' employment and a term of company policy that the post-retirement medical aid subsidy payable to pensioners would increase annually in the same percentage as the average annual salary increase granted to employees of TMG.

"I have subsequently established that what Bonamour told me was wrong and that the Respondent (TMG) did in fact grant salary increases to its employees in 2014," Paulson says in papers.

Offer of a lump-sum cash payout

The company had subsequently offered pensioners cash lump sums to give up their right to claim post-retirement medical aid subsidies from the company in future.

The pensioners are asking the court for urgent interim relief pending further actions to be launched by them and relating to events going back as far as 1998.

They want the court to interdict TMG from "continuing to breach" its obligations to pensioners and to increase the subsidy for 2014.

Paulson said that although some of the pensioners are senior executives "many are former clerical or administrative employees, and some were drivers" who would suffer "harm" as a result of the unilateral decision by TMG not to increase their medical aid subsidy.

Pensioners are seeking an interdict, Paulson says, because "pensioners are elderly people who need regular medical attention ...some of them simply cannot afford to wait for years" for court proceedings to unfold.

Source: *The Herald*, via I-Net Bridge

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