

Solidarity plans Labour Court action against Telkom

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Trade union Solidarity plans to take Telkom to the Labour Court over claims that the fixed-line provider will use race as one of the criteria for retrenching managers.



The SACU's Michael Hare confirmed that Telkom employees had received letters offering the voluntary severance packages. Image: [Tech Central](#)

Telkom is targeting managers as part of its cost reduction plan which aims to cut costs by R5bn in five years.

Telkom's Chief Executive Sipho Maseko has said that as Telkom shifted towards a customer-orientated business, the aim was to reduce the layers between the most senior people at the company and Telkom's customers.

Telkom's employee expenses were R9bn for the year to March this year, down 2.7% from R9.2bn. The reduction was attributed to a 9.5% decrease in headcount to 19,197.

According to Solidarity, Telkom gave 3,600 managers letters stating that they may be affected by the retrenchment process. Though as many 1,000 people could be retrenched, Solidarity said the final number had not been revealed. The union has 400

members within the management structure.

South African Communications Union (SACU) President Michael Hare said the first phase of the retrenchment could affect 345 employees.

Solidarity threatens to "hit Telkom hard"

Solidarity spokesman Marius Croucamp said the union was preparing to approach the Labour Court as Telkom confirmed that it would use race as a criteria and would not negotiate on this.

"They argue BBBEE (broad-based black economic empowerment) points but we know it is simply unlawful and racist to use race as a criteria for dismissal. We will be hitting Telkom very hard in the Labour Court process," said Croucamp.

Telkom said it would focus on "retaining skills" and that employment equity was one of the four criteria that would be considered. The others were qualifications and experience (best fit for the job) and potential. The "last in first out" rule where more than one employee qualifies for appointment to the same position would be applied.

Hare said the union sent a letter to Telkom last week in which it expressed its dissatisfaction with the retrenchment process.

SACU describes the consultation process as one-sided and has called on Telkom to desist from continuing it until the parties investigate alternatives to retrenchments. "There is no agreement on the severance package, the timing of the retrenchments or the selection criteria and there is no agreement to retrench workers," said SACU.

Maseko said last week that the group had an open dialogue with the unions and that there was no adversarial relationship.



Solidarity's Marius Croucamp says that race cannot be used as a criterion for retrenchment and the union will "hit Telkom hard" in the Labour Court. Image: Twitter

"There is a universal understanding that financially we are stranded," he said.

Last year, more than 1,000 employees took voluntary packages and in 2011 1,650 people also accepted the settlements with most of them coming from management tiers.

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