

Unions reject Transnet's revised wage offer, continue strike

South African freight rail and port workers have rejected a revised pay offer from state-owned logistics firm Transnet and vowed to continue a week-long strike that has been throttling commodities exports, a union leader said on Thursday.



Transnet workers protest as a labour strike continues in Durban, South Africa, October 12, 2022. REUTERS/Rogan Ward

Transnet, which operates South Africa's freight rail and ports, said on Tuesday it had raised its wage offer 4.5% from 3-4% previously, with additional 5.3% annual increase over the next two years. It also offered a 4.5% increase in medical insurance allowances this year.

But the United National Transport Union (UNTU) and the South African Transport and Allied Workers Union (SATAWU), which represent most of the workers at Transnet, said they had rejected the latest offer and would remain on strike.



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"UNTU has rejected this offer and so has Satawu. We have indicated to Transnet that they are not being responsible and reasonable," UNTU general secretary Cobus van Vuuren told Reuters.

"The strike will be intensifying today and over the coming days, picketing will also be intensifying."

In a statement, Satawu said it had received Transnet's latest offer "with great sadness" and that the strike

would continue.

"Satawu is going to intensify the strike on the streets until the employer does the right thing," it said.

Van Vuuren said the unions had tabled demands for an increase that would be related to South Africa's annual inflation rate, which was 7.6% in August.

Transnet has said meeting the unions' demands would not be sustainable as wages currently make up 66% of its total expenses.

South Africa's government and leading business groups on Wednesday warned the ongoing strike would hurt Africa's most advanced economy.

Exporters of minerals and fresh farm produce are some of the economic sectors impacted by the hobbled freight rail network and ports.

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