

## Denel chops 523 aircraft technicians

Denel will retrench 523 aircraft specialists after the SA Air Force (SAAF) cancelled its contract for aircraft maintenance. The retrenchments were confirmed by Denel and the trade union Solidarity on Thursday (13 December)



Solidarity said it received a written notice confirming that up to 523 aircraft specialists at Denel/AMG would be retrenched, spokesman Jack Loggenberg said in a statement.

The first consultation over retrenchments would take place on 14 January next year.

"Denel has initiated a process of communication with employees regarding the future of a contract to support personnel to the SAAF to ensure its operations," spokeswoman Sinah Phochana said in a statement.

"The chief executive of Denel Aviation, Mike Kgobe, is currently conducting a road show to all affected employees across the SAAF bases, squadrons and units to explain the situation and the process to be followed," she said.

Phochana said the company would engage with unions in terms of Section 189A of the Labour Relations Act, which regulated the retrenchment process, to reach consensus on issues affecting potential future employment.

Denel had been sub-contracted to do the maintenance work for the SAAF since 1986. However, the contract has been terminated, with the notice period coming to an end on 31 March next year, said Phochana.

"Since Denel had no contract beyond 31 March, the company had no option but to consider retrenchment of the work force. However Denel was considering alternatives to retrenchment for the 523 affected employees plus 15 administration staff," said Phochana.

Loggenberg said the announcement could not have come at a worse time for the employees, though it was not clear how many of them would be retrenched.

"These employees are stationed at various squadrons all over the country. They will probably not only lose their jobs, but also their air force housing within a matter of months," he said.

If the air force did take over some of the contracts of employment, Loggenberg said, those employees taken on by the air force should receive the same conditions of service and remuneration as they did at Denel.

"Section 197 of the Labour Relations Act stipulates that employees' conditions of service and remuneration must be kept at the same levels as they were when their contracts of employment were transferred," he said.

"We are concerned the air force, to cut expenses, will wait until all the employees have been retrenched

before appointing some of them on a lower salary to do the same work." Loggenberg said adding that there was also still no clarity who, between Denel and the air force, would be responsible for paying severance packages.

There was also no indication of whether more retrenchments would follow.

Phochana said Denel would continue to negotiate with the SAAF to determine whether alternative solutions for the future of the contract could be found. "Denel is still hopeful and believes that it will find an amicable solution through on-going discussions with the SAAF and the SANDF," she said.

Loggenberg said the department of defence gave notice on 20 June last year that it was going to cancel the aircraft maintenance contract.

He said meetings were held to re-negotiate or review the contract, but to no avail, as the air force announced in November that it would not sign a new contract with Denel.

Source: *Sapa* via I-Net Bridge

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