

SAA, unions reach wage agreement

South African Airways (SAA) says it has reached an agreement with unions to end the industrial action which began seven days ago.



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SAA, the National Union of Metalworkers of South Africa (NUMSA) and the South African Airways Cabin Crew Association (SACCA) ratified an agreement on Thursday.

The National Transport Movement (NTM) also signed SAA's wage agreement earlier today.

"Our country needs a joint effort to create and maintain productive industrial relations that are key to the stability required to grow and expand the economy, create and maintain jobs and promote the country's global competitiveness. This agreement with the unions will help promote that atmosphere of positivity, inclusivity and sustainable growth," said Zuks Ramasia, SAA's Acting Chief Executive Officer.

The agreement includes an increase of 5.9% on total cost of employment retrospective to 1 April 2019, which will be paid in the February 2020 payroll, subject to availability of funding.

The back payment for the first six months - April to September 2019 - will be paid in the March 2020 payroll. The remaining four months - October 2019 to January 2020 - back pay will be paid in the April 2020 payroll.

SAA said the salary increase and back pay is subject to funds being obtained for such purposes and being available during February 2020, March 2020 and April 2020.

“The parties have also agreed to establish a task team to identify and consider cost saving initiatives, inter alia, insourcing and contracts.

“Should the task team be able to realise savings, a percentage of the after-tax savings may be ring-fenced and paid to employees in the Bargaining Unit. The task team will discuss and agree on a formula for such payment,” said SAA.

NUMSA and SACCA agreed to call off the industrial action members are expected to return to work by 23 November 2019.

“This deal, particularly the fact that we offered a 5.9% salary increase amidst grave financial challenges, is to recognise the company’s employees for the important contributions they make to the overall success of the company, economic development, and inbound and outbound tourism,” said Ramasia.

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