

Press release

24 April 2024

Post Office BRPs final attempt to receive TERS relief funding

- **To impact the bargaining council employee group at the Post Office**
- **Not all retrenched employees are impacted**

The Business Rescue Practitioner ('BRPs') acting on behalf of the South African Post Office (Post Office) have entered into a collective agreement with the joinder union (being SAPWU and DEPACU) and the CWU ('The negotiating parties').

This agreement was reached after the consultations were finalised on 22 March 2024. Despite the finalization and that retrenchment notices had been issued to relevant employees, the negotiating parties continued exploring alternatives to limit the effects and/or the number of employees affected by the retrenchments.

In an attempt to limit the number of employees affected by the retrenchments, the negotiating parties approached the Department of Labour's Single Adjudication Committee ('The Committee') in a final attempt to pursue its application for the Temporary Employer/employees relief scheme ('TERS'). The TERS application commenced during the provisional liquidation status of the Post Office. The BRPs pursued this application when they were appointed and this application is now a final attempt to gain access to the relief funding.

Should the application for the TERS relief be successful, the bargaining unit employees will have 75% of their salaries paid by the TERS relief (through the Post Office) and 25% of their salaries paid by the Post Office for the amount of time that TERS agrees but no longer than 12 months. The commencement date and the applicable period of the financial relief will be known once the Committee provides the BRP's with its decision.

Withdrawal of retrenchment notices for the bargaining unit or work categories Level C and below

Should the application be successful and the relief funding be granted, the funds can only be applied to employees who are currently employed and not those who have received retrenchment notices. Therefore, retrenchment letters sent to employees in the bargaining unit/ in Level C or below employment category ONLY, are consequently withdrawn. Employees serving their notice period at home have been requested to remain at home until

further notice. However, should operational requirements dictate that additional labour is required to deal with exceptions, staff will be legally required to assist when called upon by management.

The application does not impact all retrenched workers in higher employment categories. Those employees who have received retrenchment letters, remain retrenched and are still at liberty to apply for the new employment roles that have been advertised at the Post Office should their skills set and experience suit the job description.

Joint Business Rescue Practitioner Anoosh Rooplal noted, *“Whilst we are very pleased with the outcome that the negotiating parties have achieved, all of the actions remain dependent on receiving the relief funding from TERS and we are very hopeful that we receive this relief.”*

Should the TERS relief not be forthcoming by the end of May, all retrenchment letters that have been withdrawn shall be reinstated and any amounts payable by the Post Office will be paid subject to the availability of cashflows.”

Training and securing further positions

Should the TERS relief be forthcoming, relevant employees, including those that have had their retrenchment letters retracted and those in the bargaining council that are still employed will have the opportunity to attend training and reskilling programs. The training is however not compulsory to any employee. *“The skills training is however encouraged”*, noted Rooplal.

Should TERS relief be provided for a specified period, which has yet to be determined, the negotiating parties will endeavour to place employees in positions that may become available as and when the business recovers.

The Department of Communication and Digital Technologies (‘DCDT’) will also endeavour to secure positions with private partners should the employees have the correct skills set.

The application further notes that employees whose retrenchment letters are withdrawn are not allowed to engage in any unprocedural / unprotected / illegal strike / industrial action. If such an employee is found guilty in such involvement, they can be dismissed for misconduct.

Concluding, Rooplal noted, *“We will communicate again towards end of May, should the relief funding application be successful or not”*.

ENDS

Louise Brugman 083 504 1186 on behalf of Joint South African Post Office (‘SAPO’) Business Rescue Practitioners (BRPs), Mr Anoosh Rooplal and Mr Juanito Damons

Notes to editors

TERS (Temporary Employer/ employees relief scheme)

The TERS is a 12-month (maximum) solution which benefits employers and employees in companies facing distress. [This TERS is not to be confused with the Covid-19 TERS which is a different scheme and which is directly applied through the UIF]

It would enable the retention of employment by such companies, i.e. the Post Office in a manner which has little cost to the employer and which ensures employees continue to receive an income. It also gives companies the maximum opportunity to recover during the temporary relief from distress and to re-absorb employees into ordinary work at the end of the TERS. (©CCMA Info Sheet)