

Transnet Freight Rail and Unions Agree on the Way Forward

19 February 2009

Transnet Freight Rail and its recognised trade unions SATAWU and UTATU have jointly agreed on implementing a number of measures to manage costs. This comes as a result of the current economic global downturn, which has seen a number of companies introducing cost saving measures to manage the situation.

In a meeting held on 18 February 2009, both parties cleared up misconceptions that management was going to unilaterally implement a number of measures aimed at managing costs.

"Fruitful discussions on how costs could be appropriately managed to safeguard employment were held and we are very happy that we found each other, said Transnet Rail Freight Human Capital General Manager, Tumelo Mokwena. "All efforts will be made by management and staff to ensure that there are no service disruptions and that employees are not adversely affected by the current economic climate".

Amongst the measures agreed to include limiting overtime to where business requirements justify, moratorium on the filling of new vacancies and a moratorium on travel. Both parties agreed that retrenchments are only to be considered as a last resort. The parties have also agreed that there will be no service disruptions; that they will work to serve South Africa and ensure that the logistics system continues to be enhanced.

"The gains we have made will be consolidated to ensure that this Company continues on the path it has been journeying and ensure customer needs are met at the highest levels of service possible within the constraints that we find ourselves in", said Freight Rail's Chief Executive, Siyabonga Gama.

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For further information contact:

Sandile Simelane
Spokesperson
Transnet Freight Rail
Tel. 011- 544 9584
Cellular 083 703 4179