

## **Job cuts at SA State firms gather pace, unions balk**

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Job cuts at SA State firms gather pace, unions balk Date: Nov 13, 2019 South Africa's Post Office is cutting several hundred jobs, the second State-owned company in as many days to detail plans to lay off workers as the government looks to slash its wage bill. Finance Minister, Tito Mboweni signaled last month he's intent on lowering the government's payroll costs, which consume 35% of national spending. The cuts are part of a plan to defend the nation's last remaining investment-grade credit rating, which has a negative outlook. The Post Office will pay voluntary severance packages to about 776 employees at the end of November, as part of a phased reorganization, company executives told parliament on Tuesday. A day earlier, cash-strapped South African Airways announced plans to cut 944 jobs. The Public Servants Association, which represents more than 240 000 State workers, this week called for urgent talks on the plans to reduce the state wage bill. The Congress of South African Trade Unions, the nation's biggest labor group, called the SAA plans "a reckless announcement." The two biggest unions at Eskom Holdings SOC Ltd., the debt-stricken State power utility, last week threatened to stage demonstrations and strikes to protest against plans to split the company into three units. The National Union of Mineworkers and the National Union of Metalworkers of South Africa are concerned there may be job losses and want the company and government to start formal negotiations with them. --Bloomberg