



Chief of Human Resources

Telkom SA SOC Limited
Private Bag X740
Pretoria, 0001

Tel +27 12 311 5587
Fax +27 12 311 2455

2014-07-16

**MICHAEL HARE
PRESIDENT
SACU**

PER E-MAIL: HareM@telkom.co.za

TELKOM: RESTRUCTURING AND CONSULTATIONS IN TERMS OF S 189 OF THE LRA

Dear Sir

1. The consultation meetings held with the trade unions since 12 May 2014 refer.
2. At the last consultation meeting on 24 June 2014, Telkom undertook to respond in writing to counter proposals tabled by the unions. Such a response was sent to the unions on 26 June 2014. This was meant to be followed by further consultation meetings to discuss the contents of the correspondence exchanged between Telkom and the unions. Such meetings have not yet taken place.
3. In the meantime, Solidarity has instituted an urgent application in the Labour Court seeking an order that no employees be issued with termination of employment letters until there has been consultations in compliance with s189 of the LRA. Telkom has advised Solidarity that the application is premature as Telkom has indeed been consulting with the unions and other affected employees, and, no such letters have been issued and will not be issued, given that the consultation process is still on-going.
4. Telkom is also concerned by the fact that CWU withdrew from the last meeting on 24 June 2014 before the consultation process could be completed. Telkom would like an all-inclusive process and would like all the stakeholders, including CWU, to be part of the process envisaged below.
5. Telkom has held no less than five consultation meetings with the unions and has also consulted with non-unionised employees. Telkom is thus satisfied that it has, thus far, more than complied with the letter and spirit of s189 of the LRA.



6. Nonetheless, in an endeavour to prevent unnecessary disputes about the process that must be followed during the consultation process, Telkom proposes to all the unions, including CWU and SACU, that a facilitator be appointed to facilitate the continuation of the consultation process.
7. Telkom has approached Mr Charles Nupen who has agreed to act as facilitator and is available to conduct the first facilitated meetings on 21 and 22 July 2014, with further meetings to be arranged with him.
8. The facilitated consultation process will address the following issues:
 - 8.1 The proposed organisational structures across all business units in so far as these have not been dealt with as yet;
 - 8.2 The selection criteria, including the placement process of staff;
 - 8.3 Voluntary severance packages and any further alternatives that the unions may wish to propose;
 - 8.4 The severance packages;
 - 8.5 The timing of the proposed retrenchments; and
 - 8.6 Such other matters as the parties may agree upon.
9. Telkom accordingly requires confirmation from CWU and SACU that they will continue to participate in the facilitated consultations as set out above. In this regard, Telkom needs to urgently confirm with Mr Nupen regarding the dates that he has indicated he is available on and we would accordingly like to receive a response from yourselves during the course of Wednesday, 16 July 2014.

Yours faithfully,

Thami Msubo
Chief of Human Resources
Telkom SA SOC Ltd.