



MEDIA STATEMENT

THE SABC IMPLEMENTS SECTION 189 OF THE LRA

Johannesburg, Wednesday, 11 November 2020- After a lengthy consultation process with many stakeholders, the South African Broadcasting Corporation (SABC) has announced that it is now ready to implement Section 189 of the Labour Relations Act.

In carefully considering all proposals from organised labour and other stakeholders, it became clear that, sadly, our organisation requires a difficult but necessary restructuring process that will result in the reduction of staff. The SABC is fully cognisant of the fact that this process will affect people's livelihoods and, moreover, have a knock-on effect on their families and communities. However, having exhausted all other options, we are now faced with the difficult task of having to restructure the organisation to ensure its sustainability.

In the interest of fairness, transparency and good governance, the SABC conducted 16 consultative sessions over 4 months with multiple stakeholders. This significantly exceeded the statutory minimum requirement of four meetings over 2 months. The SABC used these sessions as a platform to meaningfully engage in a joint consensus seeking process.

The SABC has considered all options to minimise the total number of affected employees. As such, we have been able to reduce the total number of impacted people to approximately 400, which is significantly less than the originally projected figure of 600. In addition, there are approximately 170 vacant positions that will be available for employees to apply for which provides the potential of further reducing the number of affected employees to 230. Furthermore, there are 97 positions which the organisation has identified to form part of a section 197 Business Processes Outsourcing (BPO) initiative. All affected employees will be offered a severance package of one week for each completed year of service.

The SABC will also implement and consider other cost cutting alternatives such as:

- freezing salary increases for three years;
- reducing employee leave days from 35 calendar days to 28 days;
- discontinuing the encashment of leave days;
- and reducing sick leave from 30 days annually to reflect the 36 days in a three-year cycle aligned to the Basic Conditions of Employment Act.

Given that this difficult process is emotional and filled with uncertainty for everyone across the organisation, the SABC has asked its employees to make use of its Wellness Department to receive professional and personal counselling.

SABC's Group CEO, Madoda Mxakwe, said: "We reiterate that, while this decision was not an easy one, it is regrettably a necessary one for the long-term sustainability of the SABC. An insolvent SABC serves no one, not our employees or our citizens who rely on the SABC for transparent, fair and ethical public broadcasting services. This retrenchment is understandably very challenging for all our stakeholders. However, it is one part of our approved turnaround plan that will help to reposition the SABC to achieve financial sustainability. Addressing the SABC's huge cost base, together with recently announced new revenue deals, will ensure that the public broadcaster is able to properly execute its mandate to serve the people of South Africa for decades to come".

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