

Sibanye-Stillwater signs three-year wage deal

Sibanye-Stillwater concluded a three-year wage agreement with the National Union of Mineworkers (NUM), Solidarity and Uasa in respect of wages and conditions of service for three years.



Photo: Sibanye

The agreement allows for increases to the basic wage of Category 4-8 surface and underground employees of R700 per month in the first year, R700 per month in the second year and R825 per month in the third year. Miners, artisans and officials will receive increases of 5.5% in year one and 5.5% or CPI (whichever is the greater) in years two and three of the agreement.

“We are pleased to have reached a wage agreement with the NUM, Uasa and Solidarity, which we believe is fair, but takes into consideration the longer term sustainability of the gold operations.

It is only through ensuring sustainable and economically viable operations, that the mining industry can continue to support and create value for all of its stakeholders,” says Neal Froneman, Sibanye-Stillwater CEO.

Other benefits

In addition to the basic wage, the parties agreed to an increase in the current living-out allowance by R50 to a maximum of R2,150 per month from 1 September 2018. The company will increase the livingout allowance by R75 to a maximum of R2,225 per month on 1 September 2019 and by R100 to a maximum of R2,325 per month in the year that follows.

Sibanye-Stillwater has also agreed to increase incrementally the current minimum medical incapacity benefit of R55,000 to R60,000 over the three-year period by increasing the benefit by R1,500 on 1 July 2018; R1,500 on 1 July 2019; and R 2,000 on 1 July 2020.

Sibanye-Stillwater currently employs 32,231 employees at its SA gold operations in the bargaining unit. Other non-wage items agreed In addition to the wage increase, the following additional non-wage issues have been agreed by the parties:

- Increase of the guaranteed minimum severance payment to R50,000 over the three-year period
- Female employees will be entitled to four months of paid leave with an option of spreading the four months paid maternity leave over a period of six months

Medical aid

The parties agreed that the company needs to introduce a cost-effective uniform approach to healthcare across all its gold operations. This requires a review of the company's current approach of providing healthcare to category 4-8 employees and the subsidised benefits offered to miners, artisans and officials.

The company will establish a task team to look at the various medical aid schemes with a view to shifting employees to a new medical aid dispensation. The task team will complete its work within six months of signing of the wage agreement and the new system will be implemented no later than January 2020.

Sibanye-Stillwater, which has been contributing 60% of category 4-8 employees' medical aid payments since 2011, has agreed to make this concession a condition of employment in respect of category 4-8 employees who will join the medical aid option(s) that will be agreed to by the medical aid task team. This will then inform the freedom of choice dispensation.

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