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2023-05-24

TO:

ALL EXECUTIVE COUNCIL MEMBERS, TUR'S, AND MEMBERS: PRASA

FEEDBACK: UNTU'S WRIT-OF-EXECUTION LEADS TO PRASA'S LATEST PAYMENT OFFER ON THE 2020 SALARY/WAGE AGREEMENT



The attorneys of the United National Transport Union (UNTU) have once again received written correspondence from PRASA's attorneys indicating PRASA's commitment to partially meet their obligation to the employees as a result of their failure to honour their commitment to pay the money owed to the employees in relation to the **2020 Salary/Wage Agreement**.

PRASA has offered to pay a lump sum of R100 million towards wages / salaries owed to employees for the 2nd year of the wage / salary agreement by the end of May 2023.

This latest offer has been brought about by the execution of the writ that UNTU has received from the Labour Court in regard to the money owed to the employees, it would seem that the threat of having their assets attached, removed and sold has given them renewed assurance that UNTU is not playing around and that we are serious about ensuring that the employees are paid the money owed to them.

PRASA's latest offer which has been extended through their legal team to the UNTU legal team involves the payment of R100 million rand in lieu of the increases owed to the UNTU members and other PRASA employees by the end of May 2023. PRASA's offer includes that R57 million rand will be paid proportionally to the UNTU members and the rest of the R100 million will be proportionally paid to ALL the PRASA employees.

The legal representatives are still in discussions around some of the peripheral issues that is not covered in the offer from PRASA, including issues such as:

- ***How the Pension Fund contribution is addressed in this offer.***
- ***How PRASA intends to address the Pension Fund contributions that has not been increased as per the wage / salary agreement.***
- ***How the proportional calculations on the payments have been done.***
- ***What type of deductions the employees can expect from these lump sum amounts and a couple of other issues that needs clarification.***

UNTU HAS CLEARLY INDICATED TO PRASA THAT THE WRIT OF EXECUTION WILL NOT BE WITHDRAWN AND THAT THE WRIT WILL BE PUT IN OBEYANCE FOR AS LONG AS PRASA PAYS THE MONIES AS PER THEIR NEWEST PAYMENT PROPOSAL, AS SOON AS PRASA FAILS TO ADHERE TO THE PAYMENT PLAN, UNTU WILL RE-INSTITUTE THE WRIT OF EXECUTION AND CONTINUE WITH THE SALE OF THE PRASA ASSETS.

The acceptance of this payment plan is subject to the questions that the UNTU Leadership has asked as mentioned earlier, the responses received from PRASA and PRASA's adherence to the payment newest payment proposal from PRASA.

UNTU is of the view that the speedy resolution of this matter will be advantageous to our members and employees and that the selling of the attached PRASA assets to recover the millions of rands owed to employees could be a lengthy process which will not positively impact or benefit our members and the rest of the PRASA employees in the short term.

UNTU IS AWARE THAT PRASA'S HISTORY COUNTS AGAINST IT, AND THE ENTITY HAS NEGOTIATED IN BAD FAITH IN THE PAST, THEREFORE UNTU WANTS TO ASSURE ALL THE UNTU MEMBERS AND THE REST OF THE PRASA EMPLOYEES THAT UNTU IS NOT GOING TO ABANDON THE WRIT OF EXECUTION FOR THE 2ND YEAR OF THE INCREASES OWED TO THE EMPLOYEES UNTIL EVERY SINGLE CENT OWED TO THE EMPLOYEES ARE PAID TO THE EMPLOYEES.

IF PRASA DOES NOT HONOUR ITS PAYMENT AGREEMENT, THEN UNTU WILL CONTINUE TO ATTACH AND REMOVE MOVEABLE ASSETS BELONGING TO THE ENTITY. PRASA AND UNTU WILL ALSO HOLD FURTHER DISCUSSIONS DURING THE SECOND WEEK OF JUNE 2023 AFTER THE LUMP SUM PAYMENT HAS BEEN MADE, IF THE LUMP SUM HAS NOT BEEN PAID BY THE END OF MAY 2023, THE WRIT OF EXECUTION WILL BE PROGRESSED FURTHER.

Fighting injustices affecting workers has always and will always remain UNTU's first and foremost priority and while the Labour Court ruled that PRASA should pay UNTU members **ONLY**, our long-drawn-out and costly legal battle will benefit **ALL** employees and justice will be served to **ALL** employees who has been facing these extremely difficult times over the last two years.

Furthermore, members are advised that UNTU has already commenced the same process for the 3rd year of the wage / salary agreement monies owed to employees and members will be kept abreast of the further developments on this as well.

Esteemed greetings,



Atenkosi Plaatjie
Media Liaison and Communication Officer
O. b. o C van Vuuren
UNTU GENERAL SECRETARY