



Shopworkers Fight Retrenchment

On Monday 14th January O.K. Bazaars informed the Commercial, Catering and Allied Workers Union (CCAWUSA) and the National Distributive and Allied Workers Union (NUDAW) that they would be retrenching 1500 workers by the following Monday, and a further 500 workers by the end of March, 1985.

At no stage prior to this notice had O.K. Bazaars given any indication to the unions of its intention to retrench. Less than a week's notice was thus being given to the union and the decision to retrench and methods of implementation had been taken without any negotiations. In the end the unions prevented retrenchments although temporary lay-offs will occur.

The union's response to O.K. Bazaars was the following:

- demanded proper notice of intended retrenchments
- demanded financial disclosure to justify the need to retrench
- demanded that all the alternatives to retrenchment be fully explored and negotiated before implementation and that all the necessary information to carry this out be supplied by the company
- demanded full consultations occur at shopfloor level at all O.K. establishments and that sufficient time be provided for this
- demanded that the company should not implement its intention to retrench on Monday and must enter into negotiations with the union.

A meeting was then held with O.K. on January 18th, where a deadlock resulted. On January 19th, a dispute was declared with O.K. Bazaars and O.K. was warned not to implement the proposed retrenchment before it had been properly negotiated with the unions. O.K. then agreed not to go ahead with retrenchments on Monday the 21st. They agreed to enter into negotiations with CCAWUSA and NUDAW's national negotiating teams for O.K. Bazaars, which included shop stewards from

- O.K. -

branches throughout the country.

The unions met with O.K. from Monday 21st to Saturday 26th and after lengthy negotiations eventually reached an agreement in respect of the first phase of O.K.'s proposed retrenchments. The negotiations involved calling in an auditor to scrutinise O.K.'s books and exploring a wide range of alternatives to retrenchment.

The number of intended retrenchments was considerably reduced and O.K. agreed that workers would be temporarily laid off instead of being retrenched. 1051 workers would be affected and laid off workers would be guaranteed re-employment on the 7th August 1985.

The laid off workers will be paid 2 weeks wages and will remain members of the medical aid and pension fund. They will be entitled to draw unemployment insurance benefits during the 6 month period and jobs that arise in O.K. during this period will be offered to them, including casual work.

The workers selected to be laid off (following negotiated selection criteria) will be given the option of retrenchment if they so wish, though the unions have advised workers to opt for lay off.

Workers who prefer to be retrenched will be paid their pension in full together with O.K.'s contribution, will receive severance pay based on length of service and can be re-employed when vacancies occur.

The Company shall advise the unions of all vacancies that arise, including new store openings.

The unions remain opposed to any retrenchments. Where cost-cutting exercises do occur retailers will be under pressure to come up with alternatives to retrenchment.

(CCAWUSA communique,
January 1985)

