

# Harmony Gold strikes landmark five-year wage deal



By [Lindsey Schutters](#)

4 Apr 2024

Harmony Gold has secured a landmark five-year wage agreement with its labour unions. This marks the first such long-term deal in the company's 73-year history. The agreement offers increased wages and benefits for workers while providing Harmony with stability in its labour costs.



Harmony Gold has struck a new labour agreement 3 months before the current one lapses.

The deal, reached three months before the expiry of the existing agreement, is seen as a positive step towards fostering improved labour relations within the sector. Historically, South Africa's mining industry has been marred by tense negotiations and industrial action.



Zimbabwean scientist makes billions-worth gold discovery in South Africa

2 Apr 2024



## Details of the agreement

**Wage Increases:** The agreement outlines specific Rand increases for lower-skilled workers (Category 4-8 employees) over the five-year term (R1,200 in year 1; R1,250 in year 2; R1,300 in year 3; R1,450 in year 4; and R1,500 in year 5).

Other employees will receive annual wage increases of at least 6.2% or in line with South Africa's Consumer Price Index (CPI) growth, whichever is higher.

**Allowances:** Housing and living-out allowances will see significant hikes each year of the agreement.

**Benefits Boost:** The agreement also includes improved severance pay, increased medical aid contributions by the company, and extended maternity and paternity leave provisions.

## CEO praises stability

Harmony CEO Peter Steenkamp commended all parties for their constructive engagement in reaching the agreement. "This milestone agreement...ensures stability and continued certainty on our fixed labour costs for the next five years," he said, emphasising the importance of the deal in a context of historically tense labour relations.

This agreement bodes well for the future of labour relations within the South African mining industry. The cooperation demonstrated by Harmony and its unions could serve as a model for navigating future negotiations in the sector, potentially fostering a more stable operating environment for mining companies.

## ABOUT LINDSEY SCHUTTERS

Lindsey is the editor for ICT, Construction&Engineering and Energy&Mining at Bizcommunity

- Eskom shows signs of improvement, but challenges remain - 20 May 2024
- Implats finalises R9bn BEE deal - 20 May 2024
- Microsoft's climate goals challenged by generative AI investment - 15 May 2024
- Eskom defies odds, delivers 47 days of uninterrupted power - 14 May 2024
- Sibanye Q1 update progress on safety, restructuring planned - 10 May 2024

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>