

## Pick n Pay and union reach compromise; no job cuts

Retailer Pick n Pay announced on Thursday, 1 December, that it had reached an agreement with the SA Commercial, Catering and Allied Workers Union (Saccawu) that would result in no forcible retrenchments.

Due to operational requirements, the Cape Town-based company in July said it was contemplating the retrenchment of about 3137 workers within its non-management bargaining unit, a decision taken as a result of major problem facing the group in respect of declining profitability and the loss of market share.

The latest agreement allows for a flexible workforce of both full-time and variable-time employees (VTEs) under changed working conditions, allowing Pick n Pay to have the right number of employees in the business at the right times, in line with customer trends and demands.

"This in turn will provide for a flexible workforce, which will translate into a more efficient business," Pick n Pay said.

The retailer confirmed that it had offered voluntary early retirement and this was taken up by some 650 employees.

In addition, the number of employees considered for retrenchments reduced over the period that consultations took place for various reasons including dismissal, resignation and retirement.

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