

# Telkom announces job cuts, up to 15% of staff to be impacted

Telkom has informed its shareholders on Tuesday, 14 February, that it has entered a formal consultation process with relevant stakeholders in terms of section 189 of the Labour Relations Act (S189A process) regarding the restructuring of certain operations. It said the process, which is expected to impact up to 15% of total employees, will affect all business units and subsidiaries and is intended to ensure the sustainability of the group.



A shopper walks past a Telkom shop at a mall in Johannesburg, File. Reuters/Siphiwe Sibeko

"As the group manages the delicate migration of revenue between old to new technologies, it is challenged with managing the costs associated with the different technologies, the competitiveness and sustainability of the group. Management has therefore embarked on a restructuring programme, which includes the S189A process, to optimise group costs in line with evolving technology capabilities and demands.

"For Telkom to navigate the migration to new technologies as well as current economic headwinds effectively, the Telkom board has supported that management start a consultative process aimed at restructuring the organisation to meet future demands.

"The S189A process is expected to impact up to 15% of total employees across the group. Telkom is committed to minimising the impact of the restructuring and will engage with all relevant stakeholders and employees across the group," Telkom said.

This comes as Telkom recently announced that its third-quarter core profit declined by 13.5% as crippling power cuts inflated costs and impacted its service revenue.



## Crippling power shortages hit Telkom's Q3 profit

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