

16 March 2023

Dear Valued Member,

EXPLANATORY NOTE: SOUTH AFRICAN FEDERATION OF TRADE UNIONS (SAFTU) PLANS NATIONWIDE SHUTDOWN – 20 MARCH 2023

On 15 March 2023, the RMI circulated a newsflash regarding the nationwide shutdown planned for 20 March 2023.

In conclusion, the newsflash stated:

'Please note that since the Main Agreement has not been published yet, the penalty clause is therefore not applicable. The day following the protest action is Human Rights Day (Tuesday, 21 March 2023), which is a public holiday and employees are therefore to be paid for the public holiday in terms of the Public Holidays Act and the Basic Conditions of Employment Act respectively, irrespective of their attendance or non-attendance on Monday 20 March 2023'.

Members are advised that mention of the penalty clause was made in reference to a common practice in industry in terms of which the clause is applied, when in fact it had been removed from the Main Agreement years ago. This practice is therefore no longer permitted. Although reference to the clause will have no effect on the manner in which employees have to be paid for the public holiday (21 March 2023), the following is to be noted:

- The main agreement has not yet been published and currently the Basic Conditions of Employment Act, together with the Public Holidays Act applies for purposes of remuneration for the public holiday;
- The new main agreement (yet to be published), like the previous one, will not contain a penalty clause and it is therefore not applicable, even if the main agreement was published.

We apologise for any inconvenience. If you have any queries in this regard, please contact your local IR Specialist: [IR Contacts - Retail Motor Industry Organisation \(rmi.org.za\)](https://www.rmi.org.za).

Regards



JACQUES VILJOEN
DIRECTOR : LABOUR