

02 September 2016

Court Holds CWU Members in Contempt

The Labour Court today gave an order that fourteen Communication Workers Union (CWU) members, including their president, must on the return date, in November 2016, appear in Court to show cause why the Court should not hold them to be in contempt for contravening the interdict secured by Telkom on 15 August 2016.

The interdict prohibits the CWU and its members from blockading Telkom entrances and exits and restrained CWU from interfering with Telkom's operations.

Telkom employees along with contractors, customers, suppliers, and shoppers, this week, in various malls, have been subjected to threats and intimidation by the strikers. This includes an incident in which a brick was thrown through the car window of a non-striking employee as the employee was trying to leave a Telkom facility in Randburg.

The Court has ordered the 14 CWU members to submit written affidavits providing reasons why the court should not make the order final. All 14 CWU members have been ordered to pay Telkom's legal costs.

"The safety of our staff and customers is of the utmost importance and we are relieved that the court has stepped in to put a stop to this criminal behaviour," says Telkom spokesperson, Ms Jacqui O'Sullivan.

This is the second time this week that the CWU has been ruled against, by the labour Court, for its poor conduct.

On Wednesday the Labour Court ruled against the CWU's application to interdict Telkom from completing the Section 189 (retrenchment) phase of the Company's restructuring of its corporate office.

The Court described the union as "confrontational", "obstructionist" and noted that the CWU had withheld key facts from its founding affidavit.

The Judge found no unfairness in the circumstances surrounding Telkom's restructuring process and instead found that the conduct of CWU itself had undermined consultation efforts.

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ABOUT TELKOM:

Telkom is a leading communications services provider in South Africa. We had consolidated operating revenue of R37.3 billion and normalised profit after tax of R4,052 million for the year ended 31 March 2016. Total assets amounted to R46.8 billion and equity attributable to the owners of Telkom to R26.1

billion as of 31 March 2016. The group generated normalised free cash flow of R3.9 billion for the year ended 31 March 2016.

As of 31 March 2016, we had approximately 3.2 million telephone access lines in service and 1,077,939 ports connected via MSAN access. We offer business, residential and payphone customers a wide range of services and products, including:

- fixed-line retail voice services using PSTN (Public Switched Telephone Network) lines, including ISDN (Integrated Services Digital Network) lines, and the sale of subscription based value-added voice services and calling plans;
- fixed-line customer premises equipment rental and sales services both voice and data needs and these include PABX, Computers, Routers, Modems, Telephone handsets and other ancillary equipment;
- interconnection services, including terminating and transiting traffic from South African mobile operators, as well as from international operators and transiting traffic from mobile to international destinations;
- fixed-line data services, including domestic and international data transmission services, such as point-to-point leased lines, ADSL (Asymmetrical Digital Subscriber Line) services, packet-based services, managed data networking services and internet access and related information technology services;
- Data Centre Operations includes e-commerce, application service provider, hosting, data storage, e-mail and security services;
- W-CDMA (Wideband Code Division Multiple Access), a 3G next generation network, including fixed voice services, data services and nomadic voice services;
- mobile communication services, including voice services, data services and handset sales through our mobile brand called Telkom Mobile;
- information and communication services including cloud services, infrastructure services, workspace services, global service integration management and hardware and network equipment sales locally, in seven African countries, the UK and Dubai through Business Connexion Group; and
- other services including directory services, through Trudon (Pty) Ltd, wireless data services, through Swiftnet (Pty) Ltd.
- Convergence is one of our key strategic initiatives in building a sustainable future for Telkom. We will lead the provision of converged services in South Africa in support of our mission statement: Seamlessly connecting people to a better life.