

## **COAL INDUSTRY AGREEMENT ENDS COAL STRIKE**

The strike in the coal mining industry has been called off after agreement was reached on wage increases and other conditions of employment. The Chamber of Mines and the three unions today signed a two-year wage agreement.

“We are very happy that agreement has been reached to end the strike. A strike is never good for anyone: employers and employees alike. I would like to commend the mining companies and the leadership of the NUM, Solidarity and UASA for their role in finding compromises to end the strike”, said Dr Frans Barker who negotiated on behalf of the coal mining companies.

Even though there are some differences between companies, most companies will increase wages as follows in 2011:

- Miners, artisans and officials: 8%
- Operators: 9%
- Minimum wages at entry level: Between 10% and 10.5%

For most companies, wage increases in the second year (2012) are 7.5% for miners, artisans and officials and 8.5% for operators. In addition, provision is made for an increase of 10% for the minimum wages at entry level.

The parties have also agreed to increase the employer contributions to the medical aid schemes, which are available to all coal mining employees and their families. The parties also agreed to increases in the living out/housing allowances. Dr Barker said that the coal industry provides generous allowances to ensure decent accommodation standards for coal employees, most of whom live in the neighbouring communities.

Dr Barker added: “All companies are satisfied with the agreement as a win-win compromise. It provides a sound basis for a constructive relationship between employers and employees going into the future. The coal industry has always regarded the positive relationship that exists in the coal mining industry as a critical element for the international competitiveness of this industry.”

It is expected that striking employees will start returning to work on Tuesday. The coal mining companies involved are Anglo American Thermal Coal, Delmas Coal, Exxaro Coal Mpumalanga, Kangra Coal, Optimum Coal and Xstrata Coal.

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