



# Bleak Xmas as 1 300 food workers face axe

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MORE than 1 300 employees at diversified food producer RCL Foods in KwaZulu-Natal face a bleak Christmas after it announced it would embark on a massive jobs bloodbath.

However, the provincial government was working towards staving off the impending job losses, which have been largely blamed on the “dumping” of imported poultry products into the country’s volatile market.

RCL, the country’s second-largest chicken producer, also warned that with as many 6 000 jobs affected by the end of the year across the industry, it “might not survive in its

current state for 12 months”.

Chief legal officer Steven Heath said RCL was going through a retrenchment consultation process. “But it looks like 1 350 jobs will be lost. By the end of this month, people will be losing their jobs.”

This warning spurred Economic Development MEC Sihle Zikalala into action, announcing he had appointed a task team to work with the industry and unions to save jobs.

He said the matter was complex, “owing to the interconnectedness of the South African economy to the global economy”.

Zikalala’s announcement came after RCL had joined forces with the Food and Al-

lied Workers’ Union (Fawu) to march to the provincial legislature in Pietermaritzburg this week to demand that the government step in to save the industry from collapsing.

A senior official in Zikalala’s department, who is not allowed to speak to the media, put the challenges facing the poultry industry squarely at the door of the African Growth and Opportunity Act (Agoa).

The official said Agoa was detrimental to the local industry. The trade agreement allows the US to export 65 000 tons of poultry products a year into the country.

The industry has warned that for every 10 000 tons of

imported chicken, 1 000 jobs would be lost locally.

“Given that research shows that one worker supports seven to eight family members, this means that 10 000 people will be affected,” said Zikalala.

RCL managing director of consumer division Scott Pitman said: “It is with a heavy heart that we reduce production at our Hammarsdale plant (outside Durban), when it means one thing – our workforce has to shrink, which affects entire communities.”

Fawu general secretary Katishi Masemola said: “The number earmarked for retrenchment may drop as workers transfer to other divisions of RCL.”