**Covid-19 set to dictate labour relations in 2021**

As was the case in 2020, Covid-19 and the associated lockdown measures will largely determine the state of labour relations in 2021.

The government's labour relations challenges for 2021 are huge, and in addition to Covid-19, is the ongoing labour crisis SAA, SABC, Denel, PetroSA and the Land Bank employees are facing. Hopefully, constructive and lasting solutions to the aforementioned problems can be found this year.

While a new public service wage agreement has to be negotiated this year and unions are about to submit their wage demands, the current public sector wage increase dispute needs to be resolved first. This process has now acquired new impetus with public sector trade unions having resorted to the Constitutional Court with a threat of a strike also looming, whilst linking the dispute with the local government elections.

The elections (if indeed held) will also mean that political parties would exploit the aforementioned labour disputes to canvass votes, while the EFF has taken it a step further with their newly established labour bureau that will interfere at the workplace to canvass votes.

In the past, the labour relations climate that was created in the public sector spilled over to the private sector. Things might be different this year because labour relations players are more aware of the current and future impact of Covid-19 on job losses. As a result, the private sector dealt with the review of salary agreements in 2020 in a way that increases sustainability. By way of illustration, despite having a binding agreement in place, a 0% increase was accepted by trade unions at Telkom, while Consol Class managed to reach an agreement to lower the 6,75% increase to 3,5%. The Metal and Engineering Industries Bargaining Council (MEIBC), where the influential metalworkers' union NUMSA assumes a leading role, also agreed to no increases for 2020.

With regards to 2021 wage negotiations, the negotiations for a new multi-year agreement for the metal and engineering sector will kick off soon at the MEIBC. The negotiations will challenge NUMSA in particular which, traditionally, has used this platform as a base to show their power. However, their action is expected to be subdued once again by Covid-19 and by major job losses in the sector.

The National Bargaining Council for the Chemical Sector (NBCCI) has a busy year of bargaining ahead of it with negotiations that will take place in the petroleum, chemical, pharmaceutical, fast-moving consumer goods and glass sectors under its auspices.

With the aviation sector hard-hit by Covid-19, and with SAA and Comair in business rescue, the balance of power in this year's negotiations at airlines such as FlySafair should be on the side of the employers.

As a resilient sector, mining has recovered fairly well in 2020, although the safe return of thousands of migrant workers from especially KwaZulu-Natal and the Eastern Cape after the Festive Season is critical in avoiding an increase in Covid-19 cases the sector has seen in 2020. Avoiding a drastic increase in Covid-19 cases will have a positive impact on the salary negotiations in the coal and gold sectors that are due to take place from June this year.

Besides challenging wage negotiations, retrenchments are expected to be the main focus in labour relations in 2021. Retrenchment processes initiated in 2020 at companies such as ArcelorMittal, BCX, Anglo American coal mines and Sasol will continue this year. With the end of the pandemic not in sight yet, retrenchments will in general be on the increase.

Although brutal, retrenchments can still be dealt with in a humane way. For example, Sasol is handling its retrenchment process in a manner that is more acceptable. This after Sasol's management employees did not receive any increases in 2020 and a formal retrenchment process was embarked upon. Sasol is following an approach that is protracted and phased by intention, giving affected employees more time to find alternative jobs and allowing them to be employed for a longer time.

Moreover, companies such as Mediclinic, Senwes and Telkom offered voluntary severance packages last year which could be a precursor to further retrenchments that are to follow this year.

With Eskom also offering voluntary severance packages there is a concern that mainly skilled employees would be applying for such packages and that scarce skills could be lost in the process.

Then, as if trade unions are not facing enough challenges as it is, the mineworkers' union NUM and the municipal workers' union SAMWU will start the year by having to elect new top leaders after the recent sad passing of both prominent unions' general secretaries.

As was the case in 2020, this year will be a challenging year from a labour relations perspective with Covid-19 set to be the main player at the negotiating table. It will require cool heads and strong leadership to overcome this year’s challenges.

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