

CHARGES LAIN AGAINST AURORA WITH POLICE

Written by Pieter Groenewald
Thursday, 09 December 2010 13:25 -

MEDIA RELEASE

SUBJECT : CHARGES LAIN AGAINST AURORA WITH POLICE

ISSUED BY : Mr. Pieter Groenewald

CAPACITY : FF Plus MP and Provincial Leader: Northwest

DATE : 9 December 2010

A complaint has been lain with the Economic Crime Unit in Klerksdorp (Ref. no.: Klerksdorp 6/11/2010) against the Aurora Empowerment Systems. The complaint was made by an employee of Aurora who had been accompanied by Pieter Groenewald, Parliamentary Member and provincial leader of the Freedom Front Plus in the Northwest. The complaint entails the contravention of various laws such as the Labour Act and Revenue Act. The complaint is that

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Aurora had deducted money from workers' salaries for tax, pension and unemployment insurance, but never paid the money over to these institutions.

“There is sufficient proof that Aurora had committed these contraventions. I received an official answer from the Minister of Labour in Parliament that unemployment insurance money had not been paid over. The department of Labour's office in Springs also reported the case to SARS (replies attached below). These investigations now have to be undertaken and we want answers. The complaint with the Police also allows me to put questions in Parliament to the Minister of Police as to the progress made with the investigation. It is unacceptable that directors such as Khulubuse Zuma and Zondwa Mandela live and drive in luxury, while employees are going hungry and lose their assets due to the non-payment of salaries,” Mr. Pieter Groenewald (MP), provincial leader of the FF Plus in the Northwest says.

PIETER GROENEWALD (MP)

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National Assembly - QUESTION NO 1237 - DINSDAG 13 APRIL 2010

VRAAG: Mnr. PJ Groenewald (Vryheidsfront Plus) vra die Minister van Arbeid:

1. Of enige werkloosheidversekeringsgelde inbetaal is deur die Aurora mynmaatskappy vir sy bedrywighede in Orkney en Grootvlei, indien nie, wat die Departement daatomtrent gaan doen, indien wel, (i) van watter datum af, en (ii) vir hoeveel werknemers en (iii) watter kontrole uitgevoer is vir verifiëring van die werknemers se betaling?

2. Of die Minister n verklaring oor die aangeleentheid wil maak?

Die Minister van Arbeid antwoord:

1. Nee, geen betaling ten opsigte van bydraes is tot op hede van die Aurora mynmaatskappy ontvang nie. Die Departement het n ondersoek geloods en het in hierdien verband n span saamgestel om die werkgewer behulpsaam te wees om aan die bepalinge van die Werkloosheidversekeringswet en die Werkloosheidversekerings Bydraewet te voldoen.

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The Minister of Labour replied:

1. No, no payment has to date been received in respect of Unemployment Insurance Contributions. The Department is however in a process to determine the liability and has in this regard appointed a team to assist the Employer to comply with both the the Unemployment Insurance Act and the Unemployment Contributions Act.
2. The Minister will apply his mind.

NATIONAL ASSEMBLY - PARLIAMENTARY QUESTION NO: 3340 (NW4173E)

Mr P J Groenewald (FF Plus) to ask the Minister of Labour:†

- (1) With reference to the reply to question 1237 on 28 April 2010, what progress has been made with the investigation into the Aurora Mining Company's failure to pay over unemployment insurance contributions;
- (2) whether the department has investigated the company's failure to pay salaries to workers; if not, why not; if so, what was the result of the investigation;
- (3) whether she will make a statement on the matter? NW4173E

MINISTER OF LABOUR RESPONSE:

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(1) Yes, the Department did undertake investigations at Grootvlei Springs Mine in terms of Section 69 of the Basic Conditions of Employment Act (BCEA) of 1997 after receiving a complaint of unpaid wages by Aurora Mining Company employees. Managerial staff earning above the threshold were excluded in terms of Section 70 of the BCEA.

(2) The investigation revealed the following:

2.1. Aurora was registered with the Department of Labour's Unemployment Insurance Fund on 09 April 2010, registration number 1978806. Details of 1589 workers were obtained.

2.2. The Springs Labour Centre reported AURORA to the local SARS office for further investigation on tax related matters.

2.3. A compliance order was issued based on the Aurora Grootvlei Mine VIP Payroll obtained on 27 August 2010 which indicated that a total of 1307 workers were owed bonus for December 2009 and salaries for March, April, May, June, and July 2010. The breakdown is as follows:

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- Ø **Dec'09, 40% outstanding** Bonus amounts to **R316520.60** for **2180** employees

- Ø **Mar'10, 100% owed in Salaries & Wages** amounts to **R 5456716.45** for **2413** employees

- Ø **Apr'10, 100% owed in Wages & Salaries** amounts to **R1416273.84** for **105** employees

- Ø **May'10, 61% owed in Wages & Salaries** amounts to **R 809350.08** for **101** employees

- Ø **Jun'10, 100% owed in Wages & Salaries** amounts to **R1413597.72** for **102** employees

- Ø **Jul'10, 100% owed in Wages & Salaries** amounts to **R1291852.49** for **139** employees

2.4. The company made payments as follows:

- Ø 100% of August salaries to Care and Maintenance employees as well as 68% of July salaries.

2.5. On 07 October 2010, the Department of Labour served an amended compliance

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order on the employer to pay outstanding salaries within 7 days as follows:

Ø R204 112.50 for Aug 2010 as the employer paid R193 743.40. (Short payment R 10369.10)

Ø R300 435.30 for July 2010 as the employer paid R122 601.20(Short payment R177834.10)

Ø R456 994.04 for June 2010 as the employer paid R55 994.15 (Short payment R400 999.89)

Ø R196 461.80 for May 2010 as the employer paid R51 207.34 (Short payment R145 254.46)

Ø December 2009 Bonus, March and April 2010 wages as nothing was paid towards the claims of these months.

2.6. On the 1st November 2010, the compliance order was made an order of court in the Labour Court of South Africa, case no 5472,5619/10RA wherein Aurora agreed to effect all outstanding payments owing to employees on 30th November 2010.

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2.7. Layoff letters will be issued to non active employees to enable them to apply for employment insurance benefit.

2.8. Foreign nationals wishing to go back home voluntarily will be provided with free transport.

2.9. Employees residing at the employers accommodation will be given a period of one month notice to vacate such accommodation.

2.10. Care and maintenance workers will be paid regularly.

2.11. The balance of outstanding wages will be transferred to the Department of Labour to assist in tracing and paying employees that are not traceable.

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3. No