{Letterhead}

Date

NAME

Dear

**Notice of Commencement of Consultation Process in terms of Section 189(3) of the Labour Relations Act 66 of 1995 (“LRA”)**

1. Background:

{The state of the economy; the impact of Covid-19 and the lockdown on the business}

1. Reasons for need to restructure/retrench

{E.G. In view of the global and national economic crisis and potential fallout as a consequence of Covid-19, the company has to contemplate the possibility for the need to restructure in order to ensure its continued sustainability and whilst the company is committed to assist its employees as far as reasonably practicable it may be necessary to reengage with its employees due to its operational requirements. The company shall ensure that its employees are kept abreast of the evolving situation and that all lines of communication will be open at all times between the company and the employees.}

1. In light of this, and for these reasons it has become necessary to commence the consultative process with you as contemplated in terms of section 189 of the LRA in order that we may engage in a meaningful joint consensus seeking process, and attempt to reach consensus on the following issues:
   1. Appropriate measures to:
      1. Reduce costs of which salaries are one of the biggest contributors
      2. Restructure to minimise the adverse effects of Covid-19;
      3. Avoid the redundancies (if possible) where measures to restructure are insufficient;
      4. Minimise the number of redundancies (if appropriate);
      5. Mitigate the adverse effects of the redundancies;
      6. The method for selecting the employee/s to be affected; and
      7. Severance pay for affected employee/s.
2. During the consultative process effective {…………………………date of issue of letter, until ……………………..30 days hence} you will be given every opportunity to make representations about any issue relating to the matter under consultation. Such representations must be made in writing and any response will be likewise.

Yours faithfully

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NAME

Designation:

Authority: