

British American Tobacco South Africa (BATSA) enters into consultations with employees as it seeks about 300 voluntary redundancies

Cape Town, 5 April 2019 – British American Tobacco South Africa (BATSA) announced that it is entering into consultations with employees as it seeks about 300 voluntary redundancies nationally.

The company said that the huge trade in illegal cigarettes in South Africa over several years was forcing it to take corrective action.

Close to half of all the cigarettes sold in South Africa are illegal, costing South African taxpayers more than R20 million every single day of the year.

“The overwhelming victims of this criminality are South Africans. However, as a law-abiding and tax compliant business, BATSA has suffered too. Following a 30% decline in our business since 2012, it is unavoidable that we now adjust the size and structure of our business.”

“Minister Mboweni’s recent pledge to forcefully tackle the massive illegal trade in cigarettes is encouraging. This has been backed up by successful SARS action and the re-establishment of the illicit economy unit,” said a spokesperson for BATSA.

“We are encouraged by the new SARS’s determination and application. The size of the illegal trade they are trying to tackle, however, remains massive and will require an escalating and sustained effort to have a meaningful impact, recover tax revenues and prevent further job losses.

“With its recent actions, SARS has undoubtedly saved some jobs and minimised redundancies in our facilities. SARS’s actions have also helped us to recommit purchasing South African grown tobacco leaf, an industry that supports more than 10,000 families in some of the more historically disadvantaged areas of the country.

“We will be offering BATSA employees attractive voluntary exit packages. We are keen to ensure that any employees who do leave us recognise how much their commitment to BATSA in the past years has been appreciated.”

ENDS

For more information, please contact:

British American Tobacco South Africa