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STRIKES; DERIVATIVE MISCONDUCT AND THE EMPLOYEE'S DUTY OF GOOD FAITH

The employer dismissed the striking employees for derivative misconduct, which dismissal was challenged by the employees at the Commission for Conciliation, Mediation

The central issue before the court related to derivative misconduct.

As unpacked in the recent case of *Dunlop Mixing and Technical Services (Pty) Ltd* and Others v National Union of Metalworkers of South Africa (NUMSA) obo Nganezi and Others [2016] ZALCD 9 (11 May 2016).

In this case the employees, all of whom were members of the respondent trade union NUMSA, embarked on a protected strike in furtherance of a wage dispute. During the course of the industrial action, the striking employees became involved in serious acts of misconduct which included damage to property and violent confrontations between the striking employees, supervisors, managers and representatives of the employer. The employer approached the Labour Court with an application to interdict the unlawful conduct of the employees. The Labour Court granted the interdict.

Despite the interdict, the employees' misconduct continued. The employer dismissed the striking employees for derivative misconduct, which dismissal was challenged by the employees at the Commission for Conciliation, Mediation and Arbitration (CCMA). The CCMA in its award established that the nature of the derivative misconduct is found in the failure of the striking employees to come forward and assist the employer to identify perpetrators of the acts of violence, intimidation and harassment committed during the strike.

The CCMA concluded that the dismissal of some of the striking employees was both substantively and procedurally fair and while some of these employees had been found guilty of direct misconduct, a number of these employees who were found to be fairly dismissed, were dismissed for derivative misconduct.

The CCMA however ordered that the dismissal of certain other employees for derivative misconduct had been unfair on the basis that there was insufficient evidence indicating that these employees were indeed participants in the derivative misconduct. The CCMA ordered the employer to reinstate these employees. The employer applied to the Labour Court to review and set aside part of the CCMA award in so far as it declares certain dismissals unfair, and for the award to be corrected by determining that the dismissal of those employees, was indeed fair

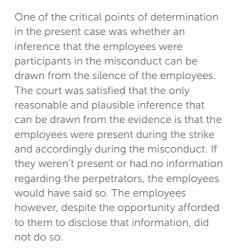
The central issue before the court related to derivative misconduct. The court in reaching its conclusion reasoned that an employee is bound by a duty of good faith to the employer and if the employee breaches such duty, this can justify dismissal. The court further reasoned that non-disclosure of knowledge that is relevant to misconduct committed by fellow employees constitutes a breach of the employee's duty of good faith. More importantly, the court held that the dismissal of an employee is derivatively justified in relation to the primary misconduct committed by unknown others, where an employee, innocent on actual perpetration of misconduct, consciously chooses not to disclose information known to that employee pertinent to the wrongdoing.



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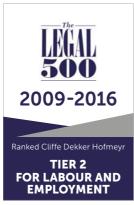
The court held that given the nature of the misconduct, the employees' failure to come forward and provide information constituted derivative misconduct making their dismissals appropriate.



The court held that given the nature of the misconduct, the employees' failure to come forward and provide information constituted derivative misconduct making their dismissals appropriate. It is clear from the above that it is entirely reasonable for an employer to expect protected industrial action to be accompanied by orderly conduct by those employees who have embarked on such industrial action. This matter reinforces the necessity for employers to be able to rely on the duty of good faith owed to the employer by the employee and that the employee breaches this duty by remaining silent about knowledge possessed by the employee, where such knowledge threatens the business interests of the employer.

Katlego Letlonkane and Gavin Stansfield















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OUR TEAM

For more information about our Employment practice and services, please contact:



Aadil Patel National Practice Head Director +27 (0)11 562 1107







Fiona Leppan Director +27 (0)11 562 1152 fiona.leppan@cdhlegal.com



Hugo Pienaar Director T +27 (0)11 562 1350 E hugo.pienaar@cdhlegal.com



Nicholas Preston Director T +27 (0)11 562 1788 E nicholas.preston@cdhlegal.com



Samiksha Singh Director +27 (0)21 481 6314 E samiksha.singh@cdhlegal.com



Gavin Stansfield Director T +27 (0)21 481 6313 E gavin.stansfield@cdhlegal.com



Michael Yeates Directo +27 (0)11 562 1184 michael.yeates@cdhlegal.com



Anli Bezuidenhout Senior Associate T +27 (0)21 481 6351 E anli.bezuidenhout@cdhlegal.com



Kirsten Caddy +27 (0)11 562 1412 kirsten.caddy@cdhlegal.com



Ndumiso Zwane Senior Associate +27 (0)11 562 1231 E ndumiso.zwane@cdhlegal.com



Katlego Letlonkane T +27 (0)21 481 6319 E katlego.letlonkane@cdhlegal.com



Sipelelo Lityi Associate T +27 (0)11 562 1581 sipelelo.lityi@cdhlegal.com



Anelisa Mkeme Associate T +27 (0)11 562 1039 E anelisa.mkeme@cdhlegal.com

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JOHANNESBURG

1 Protea Place, Sandton, Johannesburg, 2196. Private Bag X40, Benmore, 2010, South Africa. Dx 154 Randburg and Dx 42 Johannesburg. T +27 (0)11 562 1000 F +27 (0)11 562 1111 E jhb@cdhlegal.com

CAPE TOWN

11 Buitengracht Street, Cape Town, 8001. PO Box 695, Cape Town, 8000, South Africa. Dx 5 Cape Town. T +27 (0)21 481 6300 F +27 (0)21 481 6388 E ctn@cdhlegal.com

@2016 1185/JULY













