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# 'Ban labour brokers

Cosatu threatens nationwide strike if system is not reformed

MIDRAND — The Congress of South African Trade Unions (Cosatu) will bring South Africa to a standstill if labour brokers are not banned, its president, Sidumo Dlamini, warned yesterday.

"We want to see equal commitment by government to ban labour brokers and not to regulate them," he told delegates at Cosatu's 10th national congress in Midrand.

"If this does not happen, Cosatu will indeed take the country to a standstill on this matter."

Dlamini said the Young Communist League and the ANC Youth League have a programme of action in place to tackle labour brokers.

An attempt to take away the rights of workers in the military also has to be fought with vigour, he added. "Do not take that right... create conditions to make protests unnecessary."

Another solution is needed to resolve the impasse between the government and soldiers over salary increases and working conditions, said Dlamini.

"... Let's sit down and find proper solutions without taking away their right to belong to a union," he said.

President Zuma condemned a violent protest by soldiers at the Union Buildings last month as "despicable in the extreme".

Defence and Military Veterans Minister Lindiwe Sisulu issued letters of dismissal to the 1 300 soldiers who took part in the illegal protest over salaries.

Responding to an IFP question in Parliament, she said it had perhaps been a mistake to allow soldiers to unionise.

However, the dismissals were put on hold by a ruling made by the high court in Pretoria on an application brought by the South African National Defence Union.

Meanwhile, Labour Minister Membathisi Mdladlana has rejected claims that he has backtracked from his initial position on labour brokers, his department said yesterday.

Mdladlana was reacting to a radio interview that suggested that before the elections he was of the view that labour brokering should be banned, but that he was now calling for it to be regulated.

"The minister is on record as saying, 'Our labour laws need to be re-evaluated to ascertain the extent to which they provide employees with decent work, in line with the national strategic objectives'," a statement from the department said.

According to Mdladlana, the re-evaluation of the labour laws aims to ensure that employees hired through labour brokers enjoy the same rights as other workers. — Sapa.

LABOUR brokers source staff with the required skills; manage job contracts and employee administration; deal with any disciplinary and termination issues; engage with unions, the Department of Labour and bargaining council; and manage legislative tax, and unemployment insurance fund and staff development levy deductions.

## ADVANTAGES OF LABOUR HIRE

THE first advantage relates to benefiting from the scope of the human resource infrastructure of the labour broker. Using economies of scale and sharing the costs of the human resource infrastructure among its clients, labour brokers provide the benefits of a human resource department at a fraction of the cost. This enables small businesses, which cannot afford human resource departments, to go into business.

Entrepreneurs who are not familiar with labour laws or payroll related legislative requirements can benefit from labour broker knowledge and have assurance that the brokered staff are legally compliant.

## THE LAW AND LABOUR BROKERS

LABOUR brokers are subject to the same bargaining council wage agreements and Department of Labour wage determinations as any other business.

The Labour Relations Act section 198 makes specific provision for contracting with labour brokers and provides for both the client as well as the labour broker to be held responsible for legal compliance.

## BROKER INDUSTRY FACTS

- Size of industry: R18 billion
  - 3140 private employment agencies in SA
  - 902 350 daily average brokered staff in SA
  - 408 646 daily average brokered staff in services industry
  - 32% temp-to-permanent conversion each year
  - 83% black employees
  - 50% previously unemployed
  - Clients across all sectors
  - R112 million in annual skills levy
  - Global brokered staff 31,6%; in SA only 13%
- labourbroker.co.za