

# Clamour to ban labour broking 'slavery'

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PUBLISHED: 2009/08/26 06:25:15 AM

CAPE TOWN — The R26bn labour-broking industry had its back to the wall yesterday with many calls at Parliament's labour committee hearing for the sector to be banned.

Trade union leaders were joined in objecting to labour broking by African National Congress (ANC) MPs, raising the chances that at the very least the industry faces tighter regulation.

In a departure from procedure where only official presenters and MPs get a chance to speak, ANC committee chairwoman Lumka Yengeni let individuals speak at the hearing. This resulted in emotional outbursts about labour brokers exploiting the poor and strident calls for SA to follow Namibia in banning labour broking.

At issue was a complaint that business used labour brokers to evade statutory obligations and benefits and bypass trade unions.

Yengeni said labour broking was the worst form of exploitation, and akin to slavery.

Many MPs demanded clarity on the crucial issue of who was legally the employer: the broker or the client company where the employee worked.

South African Municipal Workers Union representative Roger Ronnie demanded an outright ban. He said the bona fides of business were in question as labour broking was used to abuse workers' rights.

Ronnie said some municipalities used labour brokers to hire casual workers for what were essentially permanent jobs. Workers were then paid half the rate negotiated in the bargaining council.

Research student Vincent Phillips poured scorn on suggestions that when labour broking was banned in Namibia there were substantial job losses. This was preposterous, he said. Most labour brokers in SA were Afrikaner white males who abused workers' rights.

One argument against further regulation and an outright ban was that the Department of Labour did not have the capacity to enforce further regulation, and once there was a new legal regime nothing would change.

Many labour brokers argued for the sector to be further regulated.

Stefan Botha of Staffataclick said that every broker was beholden to the customer, and the committee was taking aim at the wrong people, the brokers, and not the companies that were evading their legal responsibilities.

Suraj Maharaj, of the Association of Personnel Service Organisations, said "overregulation" would not solve the problem of noncompliant businesses.

Maharaj agreed that the labour department would be unable to enforce new regulations, and suggested a public-private partnership instead.

He warned that banning the labour-broking industry would be economically "debilitating".

Democratic Alliance MP Andrew Louw said that there were clearly abuses in the sector, and the trick would be to find ways of dealing with the brokers without a ban.

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