

Warning against move to ban labour brokers

Dearth of project-based skills would affect infrastructure and telecoms industries in particular, says recruitment expert

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BANNING labour brokers in SA could negatively affect the market and have an effect on industries such as infrastructure and telecommunications.

"In an era of growing global unemployment, a trend which SA is at pains to counter, that would be a disastrous unintended consequence," Landelahni Recruitment Group CEO Sandra Burmeister said yesterday.

The Temporary Employment Services (Tens) industry covers not only unskilled workers, but a range of professionals, all regulated under the same law.

The infrastructure projects being rolled out across the country in the electricity, roads, rail and telecommunications sectors rely on high-level, projects-based skills, particularly in engineering and information technology.

Burmeister said such skilled

individuals tended to move on when the start-up phase was complete and the project enters an operational or maintenance phase.

No business could expect to thrive in an increasingly competitive market if it was expected to retain such expensive skills on a permanent basis.

"Moreover, no business can be expected to staff up to meet peak demand, and then be faced with retrenchments in a downturn.

"Financial markets make provision for cyclical growth in every industry, and it follows that organisations should look to staff accordingly," she said.

Labour Minister Membathisi Mdladlana recently raised the prospect of banning labour brokering after the general elections. A similar ban exists in Namibia and his sentiments have been echoed by some trade unions.

The Labour Relations Act allows for the lawful operation of the industry and regards a labour

BANNING CONTRACT WORKERS MAY NEGATIVELY AFFECT THE ECONOMY

- The Temporary Employment Services (TES) industry covers not only unskilled workers, but a whole range of professionals, all regulated under the same legislation
- The TES industry will be the first to create jobs as soon as the economy recovers
- It will also increase the participation rate in the labour markets by providing more work opportunities to more people
- Current labour legislation more than adequately addresses the use of labour brokers; what is needed is effective enforcement of those laws



SANDRA BURMEISTER

broker or temporary employment service as an "employer".

However, Burmeister said, what was needed was effective

enforcement of the laws. With more than 6 000 recruitment centres nationwide, the broker industry has experienced increasing

growth over the past decade. Valued at R26bn, it employs about 500 000 people annually.

The difficulty with the labour

brokering industry is that temporary workers have been abused, said St Elmo Wilken, head of labour law at Taback Attorneys.

Only a minority of labour brokers (about 20%) are registered with the Department of Labour or are accredited with associations such as the Association of Personnel Service Organisations of SA.

The result, says Wilken, is that some of the large number of unregistered businesses operate using unethical and unregulated practices.

Last year, the European Union (EU), in collaboration with confederations of trade unions across Europe, legitimised the Tens industry across 28 countries, at the same time strengthening the regulatory framework with regard to worker benefits.

Burmeister said job flexibility should not be achieved through compromising the rights and working conditions of workers.

"We support calls for making regulation more effective so as to unlock the contribution of agency work to job creation," she said.

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