

Comparing South African Labour Law and global practice

A Federation of African Professional Staffing Organisations (APSO) white paper, 'A comparison of labour laws worldwide, their impact on the global workforce and South Africa's Labour Law disposition' notes that contractual agreements, employee benefits, set working hours and the protection of vulnerable groups - such as children - from exploitation, are common labour law considerations across the world.



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However, labour laws differ from country to country in a number of areas. In South Africa specifically, temporary labour considerations and the often-unintended consequences of these laws on the South African workforce, as well as the perception of 'red-tape', holds the country back in terms of global competitiveness and foreign investment.

APSO President, KC Makhubele says, "According to the 2014 report by global law firm, DLA Piper, titled 'A Global Employment Guide to Redundancies and Reductions in Force', South Africa's labour laws are on par with many developed, first world, countries such as France and the UK."

He highlights that this is in contrast with a number of other reports such as the 2014-2015 World Economic Forum (WEF) Global Competitiveness Report, which criticised South Africa's labour law for being rigid and restrictive. The International Monetary Fund has also noted that some aspects of South Africa's labour laws need to be relaxed.

"With the need to increase the nation's global competitiveness along with investment in the country and employment opportunities for South African job-seekers, government needs to address statutory inflexibility and overregulation in labour legislation, particularly with the global workforce set to fast track in the near future."

Need confidence in law to take on new staff

According to the latest Ernst & Young global job creation and youth entrepreneurship survey 2015 (a study into the impact entrepreneurship has on the global jobs market), 47% of the 2,345 entrepreneurs surveyed expect to increase their worldwide workforce in 2015, compared to 29% of senior executives in large corporations.

"The priority should therefore be for employment law to give businesses the confidence to take on new staff while also ensuring that employee rights are protected at all times, avoiding any loophole for potential exploitation.

"It would also be beneficial for the South African government to revise factors perceived as 'red tape' for multinational organisations and investors looking to South Africa for growth and expansion."

The white paper also calls on the South African staffing and recruitment industry to be involved in discussions and decision-making related to labour and employment issues.

"For example, the recent decision by the Labour Court on the interpretation of the newly amended Labour Relations Act in September 2015 brought optimism for stability to businesses, temporary workers and the Temporary Employment Services (TES) industry that has witnessed job losses and the folding of businesses during a time of uncertainty.

"Reputable organisations and industry bodies such as APSO have been involved in advocacy in this regard since establishment.

"Looking to the future, presenting a united front as those closest to the South African workforce and employers will be crucial in tackling the difficult questions and driving South Africa forward," he concludes.

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