



Temporary workers give industries such as construction flexibility to match staffing with turnover, but they are the first to go when activity drops off.

PHOTO: SIMPHWE MBOKAZI

Labour broking is vital service, says ILO paper

■ But temps are first to go in tough times

Samantha Enslin-Payne

THE INTERNATIONAL Labour Organisation (ILO) has come out in support of labour brokers – a move that will not prove popular with union federation Cosatu and other opponents of casual labour.

Research by the ILO, a UN agency that promotes social justice and human and labour rights, shows that private employment agencies help to promote better functioning labour markets, as they match supply and demand.

They also allow companies greater flexibility to increase or decrease their workforce, and in good times promote higher labour participation rates, the research shows.

However, workers employed by labour brokers have been first in the firing line as companies worldwide shed temporary staff as an initial defence against the global recession.

John Myers, an industry specialist from the ILO's sectoral activities department, said the private employment agency industry had grown at an incredible pace over the past three decades due to the increasing need to provide workers to a growing market. But since mid-2008, enterprises have used this pressure valve function to lay off temporary workers, while often leaving their core workforces intact, he said.

South African temporary

workers have also been hit hard.

Solidarity spokesman Jaco Kleynhans said: "By the time we get to negotiations on retrenchments, companies have already cut temporary staff."

He said, based on the sectors where Solidarity organised and "what we know", about 28 000 temporary jobs had been lost.

The number of temporary workers unemployed is likely to be higher given that in the first nine months of the year almost 1 million people lost their jobs.

A survey released yesterday by international placements agency Manpower shows that temporary workers in South Africa are mostly employed in the restaurant and hotel sector.

This sector, which includes retail, has been the worst hit, with 324 000 jobs lost in the year to September. Another sector that could shed thousands of temporary jobs is construction.

Louwtjie Nel, the group chief executive of WBHO, said 60 percent of its 12 500 strong workforce were temporary staff. "That is the nature of this business. If we can maintain turnover then we can maintain staff, but industry turnover is definitely dropping off."

He said middle-tier building contractors that relied on private sector work faced pressure.

Richard Pike, the chief executive of staffing firm Adcorp, said the trend differed according to industry and between blue and white collar workers.

In retail banking the first jobs to be cut had been contract staff, but there had been an uptick in manufacturers using contract workers as a "survival tactic".

Pike said temporary work created opportunities as it was a major conduit for first-time employees into the job market as Adcorp helped train them.

On any given day Adcorp has 92 000 people on contract assignment. Of the total, 35 percent would become permanently employed within a year.

The temporary employment industry in South Africa has about 500 000 people on assignment everyday. It has come under intense scrutiny this year after Cosatu called for its banning, which received some government support.

But the ILO research shows that agencies play a role as intermediaries in modern labour markets, giving business greater flexibility, while ensuring workers security in terms of job opportunities and standards.

Chief executive of Landelahn Recruitment Group Sandra Burmeister said this was particularly the case when you had a strong professionalised temporary employment service sector, as in South Africa.

The industry is pushing for further regulation of the sector, setting up a board and making it mandatory for recruitment firms to belong to. Currently belonging to an industry association is voluntary.

Number of agency workers

Thousands, 1997–2007

	1997	Growth 1997-2002 %	2002	Growth 2002-07 %	2007	Growth 1997-2007 %
Europe (selected)						
France	359	59	570	12	638	77
Germany	180	48	267	130	614	241
United Kingdom	775	34	1 036	33	1 378	78
Rest of the world						
Argentina	ns	–	na	–	96	–
Brazil	na	–	na	–	859	–
Japan	340	104	693	91	1 330	291
Korea, Republic of	ns	–	ns	–	75	–
Mexico	na	–	na	–	105	–
South Africa	ns	–	ns	–	300	–
United States	2 440	-11	2 160	37	2 960	21
World total	4 513	20	5 407	76	9 525	111

Notes: Expressed in full-time equivalents – FTEs.

European countries with over 50,000 agency workers in 2007 included.

ns: not significant, nr: not legally recognized, na: not available.

Source: ILO

