

Temporary workforce is key to economic growth

South Africa's temporary workforce has a key role to play in meeting this country's economic growth objectives and boosting skills development, according to Charmaine van Eeden.

The managing director of Landelahni Workforce Management says, "The construction sector, more than any other, is critical to meeting South Africa's huge infrastructural demands ahead of 2010 soccer World Cup and beyond."

A survey conducted by the firm last year shows that the construction industry employs some 935 000 people – both permanent and temporary, representing eight percent of the South African workforce. Of the total number employed, 38 percent are casual and temporary employees.

The years from 2001 to 2005 saw a 27 percent increase in employment, making the sector the third highest job creator after trade and finance.

However, artisan training has dropped dramatically over the past 30 years. Whereas in 1975 there were 33 000 apprentices in training across all industries, by 2005 the number of apprentices had dropped to 1 0440.

"There is a global shortage of skilled technicians and artisans," says Van Eeden. "SA is not unique in this respect. And when there is a short-term need for increased skills, it is not viable for companies to hire thousands of skilled and semi-skilled people on a permanent basis, so they must turn to flexible solutions."



Charmaine van Eeden

Research by the International Labour Organisation (ILO) shows that in any skills shortage environment, there is an increase in the flexible workforce, with short tenure on a project basis. Eighty percent of companies use Temporary Employment Services (TES) to help them absorb fluctuating demands.

"The TES sector has a role to play in equipping recent graduates and other temporary employees with work-related skills that can enable them to move into the permanent workforce," she says.

Research by the Service SETA shows that temporary employees receive on average three days of TES training, followed by in-house enterprise training, and that 15 percent of temporary assignees secure permanent work.

Van Eeden warns, however, that for temporary assignees to benefit from these opportunities, greater professionalism is required of the TES sector.

"There is no question that the past exploitation of temporary or

project staff – particularly unskilled and semi-skilled workers – by some unscrupulous employers and recruitment companies must be addressed. But unfortunately the unprincipled and the professional TES companies have been tarred with the same brush."

She says TES organisations have to get involved, preferably through a professional industry body. "For example, the Confederation of Associations in the Private Employment Sector (CAPES), that will set standards, provide guidelines, set benchmarks and measure progress in creating a more productive temporary workforce that can play a rightful role in helping the country achieve its economic goals."

While there is a need for regulation – and professionalisation – of the temporary employment services sector, the focus of such regulation should be on empowerment of the temporary workforce so as to boost its productivity.

"The issue is not so much whether government or the industry itself should regulate the sector but what the regulation should be focused on achieving. Obviously, we need to prevent exploitation of contract and casual workers. And we need to stop organisations circumventing the law.

"Beyond that, there's an opportunity to use regulation for a positive rather than a purely defensive purpose. This can be achieved by ensuring that contract and casual workers become productive and have greater opportunities to move into the formal sector."

