

LABOUR LAW AS A BUSINESS RISK

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WERKGEWERSORGANISASIE

EMPLOYERS ORGANISATION

SESSION 1: INTRODUCTION



- Business: sustainable and profitable
- Labour law is not negotiable
- **Labour law as a business risk must be addressed proactively**
- What role does labour play in your business?

LEGISLATION OVERVIEW



SA does not stand in isolation, look at it in perspective:

- Political environment, effect on SA as investment destination
- World Economic Forum – 2017-2018
 - Global Competitiveness Report – 137 countries participated
 - Gives insight into South Africa's labour environment as an **extremely challenging working environment**

LABOUR ENVIRONMENT



Out of 137 countries SA ranked as follows:

- Hiring and firing practices: **125/137**
- Pay and productivity: **99/137**
- Co-operation in labour/employer relations: **137/137**
- Flexibility of wage determination: **132/137**
- Business cost of crime and violence: **133/137**
- Business impact of tuberculosis: **132/137**
- Business impact of HIV/AIDS: **128/137**
- Quality of education system: **114/137**
- Quality of math and science education: **128/137**

APPLICABLE LABOUR LAW



Labour law:

- **Labour Relations Act**
- **Basic Conditions of Employment Act**
- **Sectoral Determination | Main Collective Agreement**
- **National Minimum Wage**
- Employment Equity Act
- Occupational Health and Safety Act
- Compensation for Occupational Injury and Diseases Act
- Unemployment Insurance Fund
- Skills Development Act

SESSION 2:

EMPLOYMENT CONTRACTS



An employment contract:

- Basis of the relationship between employer and employee
- Complete terms and conditions as agreed upon
- Legal requirements
- Proactive management of possible future disputes
- 2 types of employment contracts:
 - Permanent employment contract:
 - Fixed term employment contract:

MY RIGHTS AS AN EMPLOYER



It is the employer's right to:

- **Expect** employees to always act in the best interest of the employer
- **Establish** a fixed standard in terms of quality/quantity
- **Implement** clear rules in the workplace
- **Apply** discipline
- Say 'no'
- **Change** terms and conditions of employment (take note to follow the correct procedures)

RULES IN THE WORKPLACE



Rules in the workplace: employment contract | policies

- Unique environment
- Unique challenges
- Making a new rule
- What rules can I make?

MYTH BUSTERS



- Employee can give permission not to deduct UIF
- No UIF deduction for a foreign employee
- A foreign employee only needs a passport to be employed
- Fixed term contract used for a probation period
- Employee is not a permanent employee if there is no written employment contract
- Retirement age
- Department of Labour inspections – refuse entrance