

Template for proposals for Jobs Summit

V2. May 2018

1 Problem statement

Please provide no more than half a page providing an outline of the impediments to job creation that exist and how the proposal will meet the challenges.

The Labour and Enterprise Policy Research Group (LEP) has conducted socio-legal, policy-oriented research on a wide range of issues in the field of labour market regulation and development over the last 25 years. LEP is a research unit that seeks to provide empirical data and analysis that will assist policy-makers to design an appropriate labour regulatory framework that harnesses protection of workers to an inclusive developmental trajectory. As such, we do not have a proposal that will in a concrete way tackle the challenges of job creation. We aim to provide an input that will guide policy makers in deciding on programmes and policy to aid job creation.

Our concern is that an argument is made repeatedly that the labour laws in South Africa are a major impediment to employment creation. The solution advocated is deregulation of the labour market – this is seen as a panacea that will solve unemployment. There is seldom any empirical evidence advanced to support the contention that labour laws are constraining employment creation or how many jobs would be created if labour laws were relaxed. It is often not even clear what aspects of the current labour laws are the main culprits. But, as important, is the failure of many advocates of deregulation to acknowledge what the consequences of their proposals will be for labour relations in the country or for the nature of the growth path that we are on. The protection of workers, freedom of association, collective bargaining and the right to strike are fundamental aspects of our constitutional democracy. If we are to embark on some revision of our system of labour market regulation then it must be on the basis of empirical evidence and negotiation that encompasses the roles of macroeconomic, industrial and competition policy as well as investment incentives in the creation of jobs.

2 Jobs impact

Indicate the impact on employment of the proposal and what is required to make sure that there will be a positive impact on employment

Please also indicate other anticipated benefits from the proposal, if any.

Our concern is with making an argument that the jobs that are created must be decent jobs.

3 Theory of change

Please provide no more than half a page that indicates in practical terms, how the proposal would work – what has to be done, what the outputs would be, how that would lead to the desired outcomes.

We believe that empirical research must be undertaken to assess the effectiveness of labour market institutions and, depending on the outcomes of such a study, propose meaningful interventions.

4 Existing initiatives/experience

Indicate if the proposal has been attempted or piloted, and broadly what was learned.

Notwithstanding point three above, we will present findings on the extension of bargaining council agreements and the scope of its possible impact on employment creation.

5 Constituency participation in implementation

What is the potential for constituencies to participate in the implementation of the proposal.

We believe that the respective constituencies will greatly benefit from such a study.

6 Benefits

What social/economic groups would benefit from the proposal directly and indirectly? Please use the following table, and do not list more than 5 groups. Please describe the benefits as precisely as possible.

Group	Job creation	Other benefits	Time frame for success
Trade unions			
Organised business			
Government			

7 Cost and potential sources of funding

What social/economic groups would bear the cost of implementing the proposal directly or indirectly? Please use the following table, and do not list more than 5 groups. Please describe the costs as precisely as possible. In the case of financial costs, who would pay them?

Group	Anticipated costs	Potential sources of funding to implement the project	Time frame for impact

8 Risks

What are the main risks that would prevent the proposal from achieving the anticipated outcomes? Describe *at least two*.

We cannot identify any risk factors.

9 Risk mitigation

What should be done to mitigate the identified risks? Which stakeholder would be responsible for the risk mitigation activity?

We believe that all stakeholders could be responsible for mitigating any risks.

10 Additional comments

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We believe that our participation in this Jobs Summit Colloquium will contribute to the richness of the debate on job creation. The title of our input is:

Labour Law and Employment