

MEDIA RELEASE	PSA not convinced that amendment of <i>Code of Good Practice on Dismissal</i> will address challenge of unemployment
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The Public Servants Association (PSA) noted the recent amendments to the *Code of Practice on Dismissal*, which aims to address South Africa's persistently high unemployment rate of over 40%.

The changes are reportedly designed to simplify procedures for dismissing employees, particularly benefiting small businesses by reducing legal and procedural barriers. The PSA is, however, not convinced that such amendments will address the country's high unemployment rate. The narrative that employers, especially small businesses, are not employing owing to rigid labour laws is far from the truth. The country needs to address barriers that affect economic growth, such as ageing and inefficient infrastructure, access to capital, skills shortage, porous border control, skills shortages resulting in mismatch, corruption, and inequality. Issues such as the employment of undocumented and illegal foreigners are amongst the causes of the high unemployment rate government is failing to address. The preference of foreigners for jobs that are not technical and require unskilled and semi-skilled personnel should be adequately addressed if government is committed to addressing unemployment.

Small business operators are urged not to view this amendment of the *Code* as a licence to fire employees at will. Although the updated *Code* introduces a more flexible and less formal approach to dismissals, it endeavours to maintain fairness as a core principle. Employers, especially smaller businesses, can now act without undergoing time-consuming and costly disciplinary hearings. The idea of simplifying the disciplinary process without compromising employees' fundamental rights is noble but has the potential to be abused. The PSA believes that this reform will assist small businesses that might not have human resources infrastructure to manage complex disciplinary proceedings but will not necessarily address the challenge of unemployment. The three-month grace period for new employees might be problematic as it creates an opportunity for an employer to get rid of an employee with ease.

The PSA calls on the Department of Employment and Labour to workshop the *Code* to ensure correct implementation and avoid opening an avenue for the abuse of vulnerable employees. The PSA will monitor the implementation to ensure that the rights and interests of employees are protected and that the gains from workers' struggle are not reversed.

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