

Press Release



**South African
Institute of
Race Relations**

South Africa's Leading Research and Policy Organisation

For immediate release

2 March 2011

Media Contact: Anthea Jeffery
Tel: 011 482 7221 Ext 2015
E-mail: ajj@sairr.org.za

Jimmy Manyi is likely to have the last laugh

Minister in the Presidency Trevor Manuel has rightly repudiated government spokesman Jimmy Manyi for his statement that coloured people are 'over-concentrated' in the Western Cape. So too has the African National Congress (ANC). But the Government of which Manuel is part is still planning to enact a bill that could cause coloured people to move out of the Western Cape if they want work, says the South African Institute of Race Relations.

"Though Manyi has retracted his statement that coloured people should move elsewhere to end their 'over-supply' in the Western Cape, his position is effectively endorsed in the Employment Equity Amendment Bill of 2010 (the bill) recently unveiled by the Department of Labour (DoL)," notes the Institute's Head of Special Research, Dr Anthea Jeffery.

"The draft legislation could impose a freeze on the hiring of additional coloured workers, while employers in the Western Cape will face the impossible dilemma of needing to reduce the proportion of the workforce that is coloured while at the same time avoiding penalties for unfair dismissal."

Both consequences will inevitably flow from the bill's removal of the current reference to 'regional demographics' in the Employment Equity Act of 1998. This provision allows designated employers (of 50 people or more) to make their workforces conform to either national or regional demographics. But the bill deletes this reference to regional demographics, making it essential for employers to aim at national population figures instead.

Adds Jeffery: "The bill also introduces harsher fines: up to 2% of turnover for an initial failure to make reasonable progress towards national demographics, rising to a maximum of 10% of turnover for a fifth such contravention within three years.

more

Press Release



**South African
Institute of
Race Relations**

For immediate release

2 March 2011

“Designated employers in the Western Cape seeking to avoid these fines will have to move as rapidly as possible towards a workforce that at all levels is 74% African and 11% coloured (these being the proportions of Africans and coloured people in the economically active population at national level). However, the economically active population of the Western Cape is currently 55% coloured and only 29% African.

“Compared to national population figures, coloured people are likely to be ‘over-represented’ in many work places in the Western Cape. Employers with significant numbers of coloured employees will thus face the dilemma of needing to reduce their coloured staff on the one hand, while wanting to avoid penalties for unfair dismissals on the other.

“All such employers will also be aware that every coloured person they take on makes it harder still to avoid the bill’s new fines. Hence, coloured people wanting work will face the prospect of having to uproot themselves and go elsewhere.”

The Institute also points to a further irony. Both the ANC and one of the most senior members of the Cabinet have strongly repudiated Manyi’s comments about coloured people, yet the party still insists on the right to shout ‘kill the boer’.

However, the greatest irony of all is that the ANC seems not to have grasped the essential point that the bill the Government continues to endorse will have precisely the effect that Manyi has urged.

Says Jeffery: “Though Manyi has been repudiated, if the bill goes ahead he will have the last laugh.”

ends