

HOW TO HIRE MY FIRST EMPLOYEE IN SOUTH AFRICA

MAIN LEGAL STEPS TO FOLLOW TO HIRE A FIRST EMPLOYEE

When you hire employees there is an extensive list of regulations that need to be fulfilled. Some of these steps include the following:

- Registering as an employer with the South African Revenue Services (SARS).
- Employee's tax: which is called registering for SITE/PAYE (SITE stands for Standard Income Tax on Employees, and PAYE stands for Pay As You Earn)
- Skills Development Levy
- Unemployment Insurance (UIF)
- Compensation for Occupational Injuries and Diseases (Compensation Commissioner – WCA), if applicable

Although, not strictly a legal requirement, when you hire any member of staff, you should ideally enter into an employment contract with that person. This will serve as a document which regulates the relationship between the employer and employee.

DESIGN AND CONTENTS OF AN EMPLOYMENT CONTRACT

An employment contract template can be made available to the employer.

The contract you sign with your staff member should give details of the person's duties, responsibilities, working hours, salary, and any benefits that are included in the employment package. You may also include a probationary clause in the contract – a section that gives you a certain amount of time to assess the person's progress and decide to hire them on a permanent basis. This period is usually six months or less.

CAN SOMEBODY DO BUSINESS FOR ME AND NOT BE AN EMPLOYEE?

Yes, that entity/person will be considered as an external service provider.

Another form of obtaining services of personnel is by engaging the services of a labour broker. Labour brokers provide full spectrum, specialist human resource services for a fee.

The principal objective of a labour broker is to use its' internal human resource expertise to provide its clients with efficient staff. To do this Labour brokers provide the following services:

- They source staff with the required skills;
- They manage a variety of appropriate employment contracts;
- They ensure that employee administration is comprehensive and accurate;
- Labour brokers engage with the client and the staff to ensure that required productivity levels are met. Doing this requires specialist hr skills and experience;
- Labour brokers deal with any disciplinary and termination issues which arise;
- Labour brokers engage with unions, the Department of Labour and Bargaining Councils; and
- Labour brokers do all the necessary legislative tax, UIF and SDL deductions.