



The Code of Ethics of:

The Association of Personnel Service Organisations (APSO)
and the
Educational Institute of Personnel Service Consultants (IPSC)

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1. Definitions:

- 1.1 **“Member”** : shall mean a fully paid-up member of the Association of Personnel Service Organisations and the categories of membership shall include:
- 1.1.1 **Full Members:** Shall be individual companies, close corporations partnerships or business units;
- 1.1.2 **Associate Members:** Shall be branches; subsidiaries; associates or affiliates of Full Members and the definition of an associate or affiliate of a Full Member shall be “a company in which the Directors or holding company hold the majority of the shares”;
- 1.1.3 **Corporate Members:** Shall mean any company carrying on business as described in the Companies Act of South Africa that has a dedicated recruitment division.
- 1.2 **“Associate Members”** : shall mean branches or divisions of members or Corporate Members as described in the APSO Constitution
- 1.3 **“Private employment service (PrEAS)”** : shall mean a company registered to provide employment services “for gain” and as such should be registered with the Department of Labour (DoL) according to the Skills Development Act, 1998 (Regulation S(2)).
- 1.4 **Permanent employment service (PES)”** : shall mean a PrEAS rendering services where candidates are placed with the Client Company, and which candidate becomes the employee of the Client.
- 1.5 **Temporary employment service (TES)”** : shall mean / be defined as any PrEAS that employs Candidates to carry out, for gain, work on behalf of clients, on a temporary or limited duration basis.
- 1.6 **“An Employee / Employees”** : shall mean a person or individual who has rendered a service for the Member or its Client in excess of 24 consecutive hours
- 1.7 **“Client Company”** : shall mean the company for which the PrEAS renders a recruitment service.
- 1.8 **“Candidate”** : shall mean an individual whose particulars have been forwarded to the Client company for consideration for a vacancy
- 1.9 **“Applicant”** : shall mean a candidate who is being considered by the Client company for a particular position.
- 1.10 **“Search”** : shall mean / or be defined as any recruitment activity other than advertising which involves a direct or indirect approach by the Labour Recruitment Consultant to a prospective Candidate, who has not previously directly indicated to the Labour Recruitment Consultant his/her wish to consider alternative employment
- 1.11 **“A bona fide Client company”** : shall mean or be defined as any company or other legal entity from which a Member has accepted a permanent consulting fee within twelve (12) months from the start date of the last Candidate placed.

2. General

- 2.1 This Code of Ethics shall be binding on all Members of APSO and their employees and on all Members of IPSC, who shall ensure that they are fully aware of the obligations contained herein.
- 2.2 Member companies shall also and otherwise be known as Private Employment Services (PrEAS) that will be classified by their type of operation, which is:
- 2.2.1 Permanent Employment Services (PES); and
- 2.2.2 Temporary Employment Services (TES), however, Members may be involved in both types of services
- 2.3 The Ethics Committee is established in terms of Article 34 of the APSO Constitution. The objective of the Committee shall be to promote and protect the professional status of

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- Members, referred to as Private Employment Service (PrEAS) and the Labour Recruitment industry and to ensure that Members adhere to the minimum standards as provided for in this Code of Ethics.
- 2.4 Subject to their rights of appeal to the Executive Committee of the Association and to initiate outside arbitration Members shall comply with the rulings of the Ethics Committee.
 - 2.5 Members shall not behave in a manner prejudicial to, or likely to bring discredit upon, the prestige and good reputation of APSO, IPSC, its Members or the Labour Recruitment industry.
 - 2.6 Members shall not, directly or indirectly, charge any registration fees to Candidates.
 - 2.7 Only the National Executive may issue statements to the media concerning the Association's activities or policies or in response to a media article / programme.
 - 2.8 Members shall obey all Statutes, Regulations, Registrations and other legal requirements, which relate to their activities in the industry.
 - 2.9 Members shall subscribe to the principle of employment on an equal opportunity basis and promote this concept to their clients and Candidates.
 - 2.10 Members shall not discriminate against any Candidate, either when that Candidate applies for employment or is referred to a client, on grounds other than those requirements which are inherent to the position and/or which relate to the Candidate's ability to perform in the position, except when obliged to do so in terms of prevailing legal requirements.
 - 2.11 Members shall respect the rights of competitors and refrain from negative criticism or acts of unfair competition.
 - 2.12 In the event of any APSO / IPSC Member becoming aware of and being able to substantiate any breach of these codes by a Member, it is incumbent upon that Member to report the matter to the Ethics Committee in writing.
 - 2.13 When a Member intends to impose a restraint of trade on any of its employees (including temporary employees) the Member shall ensure that such restraint shall be reasonable and not prohibit the individual from exercising his or her rights as provided for in the Constitution of the Republic of South Africa (RSA).
 - 2.14 A Member shall be required to furnish its employee with a copy of the restraint of trade immediately after signature thereof.
 - 2.15 Members shall not approach employees (permanent or temporary) of another Member with offers of alternative employment.
 - 2.16 Members shall observe International Labour Organisation (ILO) Conventions 29 / 105 and shall not enter and / or use directly or indirectly forced or bonded labour.
 - 2.17 The principle that employment is freely chosen shall always apply.
 - 2.18 Members shall not discriminate unfairly against employees, applicants or candidates who shall have equality of opportunity and treatment regardless of ethnic origin, colour, gender, religion, political opinion, nationality, social origin, sexual orientation or any other distinguishing characteristics.
 - 2.19 Members shall not use child labour, directly or indirectly. Accordingly Members shall adhere to ILO Convention 138 which stipulates that only workers above the age of fifteen (15) years of age and / or over the compulsory school-leaving age; whichever is higher, be employed.
 - 2.20 Members shall observe ILO Convention 182 which directs that children under 18 may not perform work which, by its nature, is likely to harm their health, safety or morals.

3. Client Service

- 3.1 The Member, and Labour Recruitment Consultant(s) in its employ shall, at all times:
 - 3.1.1 obtain from the Client company, such information pertaining to the company and job specification as is necessary to ensure the accurate selection of Candidates for the vacancy;
 - 3.1.2 ensure that the job specifications/relevant parameters of the position to be filled shall be reported truthfully to the Candidate without omission, addition or misrepresentation;
 - 3.1.3 ensure that clients receive a written copy of their Members' Terms and Conditions of Business, including fee structure and guarantee periods, prior to commencement of the assignment or with referrals;
 - 3.1.4 ensure, as far as possible, that all Candidates referred meet the client's requirements;
 - 3.1.5 ensure that the details of the Candidate are stated as accurately as possible submitted and that it contains:
 - 3.1.5.1 personal data;

- 3.1.5.2 educational information;
- 3.1.5.3 primary and tertiary qualifications;
- 3.1.5.4 employment record, indicating dates of employment and position(s) held;
- 3.1.5.5 present salary;
- 3.1.5.6 interview reports (if any);
- 3.1.5.7 all reference checks;
- 3.1.6 ensure that no Candidate's details are submitted to a client unless they are updated, especially after a period of six months has elapsed from the date of the initial interview;
- 3.1.7 ensure that Candidates are interviewed properly and adequately, in person;
 - 3.1.7.1 where, in exceptional circumstances (such as geographical location) the Labour Recruitment Consultant's ability to conduct an interview in person is hampered, and such an interview is conducted telephonically, this fact *must* be communicated to the client by clearly stating '*Telephonic Interview Only*' on the Curriculum Vitae (CV);
- 3.1.8 treat information relating to the business of clients with confidentiality and exclusively for the purpose of selection and recruitment processes;
- 3.1.9 to protect both Member and Candidate; incorporate the following wording into all relevant documentation. These words / sentences shall inter alia include:
 - 3.1.9.1 "all information concerning the Candidate is furnished *only* for the benefit of the client and shall be handled in strictest confidence"
 - 3.1.9.2 "this information is provided on condition that it not be divulged by the client, or any person having access hereto, to any other person(s) without the Candidate's written consent", and
 - 3.1.9.3 that no contact whatever be made with the Candidate's present employer without the Candidate's express written consent."
- 3.1.10 not approach a Candidate placed in a position by them with an offer of alternative employment, unless the Candidate initiates re-activation of his / her application;
- 3.1.11 not approach any employee of an existing client unless previously agreed with that client.

4. Candidate Service

- 4.1 The Member, and Labour Recruitment Consultant(s) in it's employ shall, at all times:
 - 4.1.1 respect the privacy and dignity of the individual;
 - 4.1.2 ensure that all Candidate information is treated as confidential and used exclusively for the purpose of selection and recruitment;
 - 4.1.3 obtain from Candidates, in as much detail as possible, all information pertaining to their personal record, employment history, qualifications, skills, experience and job/career requirements as are necessary to ensure proper non-discriminatory matching on their behalf;
 - 4.1.4 not submit details of any Candidate to any client without first:
 - 4.1.4.1 describing all relevant details relating to the job specification (e g name of client, title and nature of position, key performance areas, hours, salary, benefits, etc.); *and*
 - 4.1.4.2 obtaining the Candidate's permission;
 - 4.1.5 in the absence of an assignment, Members may market a Candidate to *specified* clients on express approval from the Candidate;
 - 4.1.6 not withhold the name of the client unless expressly requested to do so by the client;
 - 4.1.7 inform the Candidate of the results of any interview arranged by the Member;
 - 4.1.8 ensure that psychological testing of the Candidate is only carried out by persons qualified and registered in terms of current legislation; and
 - 4.1.9 not offer inducements of any kind to any Candidate in order to persuade him/her to accept an offer of employment.
- 4.2 The Member and Labour Recruitment Consultant(s) in it's employ shall, at all times during the **interview** process ensure that:
 - 4.2.1 such interviews be conducted in a manner that preserves the Candidates' privacy, confidentiality and, as far as possible, anonymity from other Candidates;
 - 4.2.2 all Candidates be interviewed by a Labour Recruitment Consultant;
 - 4.2.2.1 from similar experience or background and / or with a qualification appropriate to the status of the Candidate; and / or
 - 4.2.2.2 at least with a proper understanding of the assignment and the seniority

of the Candidate.

- 4.2.3 Ensure that adequate notes be taken during the interview, which shall form the basis of the Labour Recruitment Consultant's report for the benefit of the client;
- 4.2.4 Ensure that the Candidate furnish the Labour Recruitment Consultant with originals or certified photocopies of qualifications and, wherever any doubt exists as to validity of these documents a process of verification must be entered into; and
- 4.2.5 all qualifications *must* be verified with the relevant authority.
- 4.2.6 Ensure that the Client be notified, in writing, where qualification(s) cannot be verified.
- 4.3 With regards **references**, the Member and Labour Recruitment Consultant(s) in it's employ shall at all times ensure that;
 - 4.3.1 where references are checked, this be done with discretion and in a manner that will not endanger the Candidate's future employment; and
 - 4.3.2 where a reference on the Candidates' current present position and duties is required, it only is done with the written permission of the Candidate.
 - 4.3.3 Clients shall *strictly* be advised, in writing, not to take any references without the prior permission of the Candidate, the Member, or the Labour Recruitment Consultant employed by the Member; and
 - 4.3.4 that where references are obtained that no referee be given the name of the Client company without the Client's specific and, preferably written permission.

5. Search

- 5.1 The Member and Labour Recruitment Consultant(s) in it's employ shall at all times;
 - 5.1.1 ensure that they are familiar with the definition of Search as contained in clause 1.10;
 - 5.1.2 restrict search activity to senior level positions and use professional methodologies free from high pressure tactics;
 - 5.1.3 ensure that all approaches are made in a manner that will ensure confidentiality and not jeopardize the Candidate's current position;
 - 5.1.4 Respect their Clients' wishes in matters of confidentiality;
 - 5.1.5 Ensure, in the interest of fair Client service that;
 - 5.1.5.1 no employee of any bona fide Client company may be contacted by a Member directly, or indirectly, with an offer of alternative employment; and
 - 5.1.5.2 no Candidate, once placed by the Member, may be contacted again directly, or indirectly, regarding alternative employment whilst employed by the Client, unless such former Candidate so requests in writing or the Candidate has notified the client of his/her intention to leave;
 - 5.1.6 ensure that any potential conflict of interest due to business relationships between Members and their Clients or Candidates shall be disclosed to Clients before Candidate presentations
 - 5.1.7 ensure that the Client company is informed when Search techniques are to be used on their behalf.

6. Advertising

- 6.1 The Member and Labour Recruitment Consultant(s) in it's employ shall at all times;
 - 6.1.1 ensure that they do not advertise any vacancy in a misleading manner;
 - 6.1.2 ensure that positions listed in newspapers and any other media shall refer to bona fide vacancies made available to the Member by the Client company at the time the advert is placed;
 - 6.1.3 ensure that positions on electronic media are removed within thirty (30) days of being filled or withdrawn for any reason whatsoever; and that
 - 6.1.4 ensure that they comply with the Code of Advertising Practice as laid down by the Advertising Standards Authority of South Africa (ASASA), with which Members are to familiarise themselves.

7. Temporary Employment Services (TES)

- 7.1 This Code of Ethics is applicable, but not exclusive to, TES and to any other Members (or Associate Members) rendering temporary employment service(s). Temporary Employment Services are defined as;
 - 7.1.1 any PrEAS that employ Candidates to carry out, for gain, work on behalf of clients on a temporary or limited duration basis.
- 7.2 Members shall fulfil all legal obligations to such assignees by observing fair labour practices

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- and paying the employer's portion of statutory benefits and such other insurances and taxes as may be required by law.
- 7.3 In a strike and/or any form of industrial action, whether lawful or not, Members shall:
- 7.3.1 only supply replacement labour in accordance with the requirements of Section 76 of the Labour Relations Act (LRA);
 - 7.3.2 be adequately satisfied as to the personal safety of their employees and that they are not in danger; and
 - 7.3.3 advise such Employees of the strike situation at the company to which they are assigned.
- 7.4 Members shall not encourage employees of competitor companies, assigned to Client company(s), to terminate any assignment prematurely
- 7.5 Members shall not encourage the Client company to consolidate their service providers nor to terminate assignments and / or contracts of competitor companies
- 7.6 Members shall not encourage Clients to commit unfair labour practices by 'transferring' employees from one competitor company to another
- 7.7 Members shall not market their services on the basis that utilization of a TES will circumvent labour laws.

8. Ethics Committee Processes

- 8.1 A complaint brought against any Member of APSO or IPSC (the respondent), for breaking the Code of Ethics or any other provisions of the Constitution of APSO must be made in writing as no verbal rulings may be given.
- 8.2 The complainant shall:
- 8.2.1 state the facts upon which the complaint is based; and
 - 8.2.2 indicate, in detail, which clause(s) / section(s) of the Code have been breached.
- 8.3 The Ethics Committee shall investigate all complaints.
- 8.4 If they are of the opinion that the complaint is unfounded, the Committee shall have the right to reject the application for Ethics Committee process. In such cases, the Ethics Committee shall:
- 8.4.1 give written notice and all reasons, in writing, for rejecting the complainant's application for action.
- 8.5 As soon as possible after receipt of a valid complaint, the Ethics Committee shall send the respondent a copy of the complaint
- 8.6 The respondent shall be given fourteen (14) days within which to submit a written defence, to the Ethics Committee. This period may be extended at the discretion of the Ethics Committee.
- 8.7 At the Ethics hearing, the Ethics Committee may require a representative(s) to appear in person, who will act for and on behalf of the complainant (the same being the case with the respondent) provided that such individual(s) is duly authorised to appear before the Committee. In this case the Committee shall give both or either parties ten (10) days notice of the hearing.
- 8.8 The complainant and / or the respondent may appeal against any ruling of the Ethics Committee providing that:
- 8.8.1 notice is given in writing together with substantiated reasons for such appeal application; and
 - 8.8.2 such notice reaches the Chairperson of Ethics within seven (7) days of the Ethics ruling being made.
- 8.9 When an appeal application is lodged, the Ethics Committee must inform the Executive Committee and, in particular the APSO President, thereof.
- 8.10 During the appeal hearing, the Executive Committee of APSO shall give the Respondent the opportunity to be:
- 8.10.1 heard in person;
 - 8.10.2 or to be represented by Counsel or Attorney, Fellow or Member of IPSC or such other person as they may choose.
- 8.11 In order to prepare mitigating arguments in their defence, both the complainant and respondent will be given at least seven (7) days notice, in writing, of the Appeal hearing which will be held before the National Executive Committee (NEC).
- 8.12 The NEC shall have the power to confirm or change any decision made by the Ethics Committee by the majority prescribed in article 24 of the Constitution and shall provide all parties with the reasons for the decisions reached.
- 8.13 Members of the NEC, who were part of the Ethics Meeting when the ruling was made, whilst

- retaining their right to speak, shall not have voting rights during the hearing of an appeal.
- 8.14 The quorum for such an appeal shall be five Executive Committee Members entitled to vote on that issue.
- 8.15 A party which loses its appeal shall have the right to initiate outside arbitration.
- 8.16 It is advised, in the best interest of the Member, that The South African Institute of Arbitrators be asked to propose a panel of three arbitrators, one of whom will be appointed by the appellant and the NEC.
- 8.17 All costs relating to such outside arbitration procedure shall be borne by the appellant.
- 8.18 Any findings of the Ethics Committee and the Executive Committee may be published, but in a confidential manner not naming the parties concerned, unless the Executive Committee of APSO decrees otherwise
- 8.19 An expelled Member may apply for re-election and may be reinstated at the discretion of the Executive
- 8.20 A respondent who is an owner, principal, director, Member or senior executive, may not plead that he / she is not responsible for the policy of his / her organization, or the actions of its employees
- 8.21 If the Ethics Committee determines that the complaint is well founded, it may issue one of the following sanctions (which may include conditions relating to non-repetition of the offence within a stipulated time):
- 8.21.1 written warning;
 - 8.21.2 reprimand;
 - 8.21.3 a fine not to exceed R5000;
 - 8.21.4 suspension of Membership for any period not exceeding one year; or
 - 8.21.5 cancellation of Membership.

9. Fee Arbitration

- 9.1 In all cases relating to fee disputes between Members, the Ethics Committee uses the following principles, which take precedence over Members' Terms and Conditions of Business: The party who will be regarded as the effective cause of the placement (and therefore entitled to the placement fee) is generally the party who has completed all of the following three steps;
- 9.1.1 Interviewed the candidate;
 - 9.1.2 obtained the Candidate's permission to release his / her details to that *specific* Client company for that *specific* vacancy; and
 - 9.1.3 successfully made an introduction by obtaining the Client company's acceptance of the Candidate as an applicant for that vacancy.
(Client's acceptance is defined as an interview between the client and Candidate, which is arranged by the Member at the request of the client)
- 9.2 The NEC and the Ethics Committee shall retain all rights to make a decision if neither agency completed all three steps.
- 9.3 The NEC and the Ethics Committee shall consider both parties adherence to *all sections* of the Code of Ethics during deliberation of cases and in the process of arriving at decisions.

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