Media Release

23 September 2015

Competition Commission raids offices of three recruitment advertising agencies in Gauteng

Today, 23 September 2015, the Commission is conducting a search and seizure (dawn raid) operation at the premises of Human Communications (Pty) Ltd, Kone Staffing Solutions (Pty) Ltd and JobVest (Pty) Ltd.

The firms are recruitment agencies specialising in recruitment advertising services. Their services entail placing job advertisements in media platforms on behalf of their clients. They also receive and process responses to the job advertisements on behalf of their clients, which are mainly government departments, agencies and municipalities.

The dawn raid operation forms part of the Commission’s investigation into alleged collusive conduct in the market for the provision of recruitment advertising services.

The firms allegedly collude when bidding for tenders by discussing their responses to requests for quotations and decide on the price at which each would tender for its services. It is also alleged that they agree on how to rotate advertising work amongst them. Such conduct is prohibited by the Competition Act as it amounts to price fixing, market division and collusive tendering.

The Commission is conducting the operation with due regard to the rights of the firms and all the affected persons. During the search the Commission will seize documents and electronic data, which will be analysed together with other information gathered to determine whether a contravention of the Competition Act has taken place.

In terms of section 48 of the Competition Act, the Commission is authorised to enter and search premises and seize documents which have a bearing on an investigation.

The Commission duly obtained warrants authorizing it to search the offices of the firms at the High Court of South Africa, Gauteng Division, Pretoria.

Ends

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