NEDLAC CONNECT

NEDLAC NEWSLETTER **OCTOBER/NOVEMBER 2023**

Welcome to the November edition for Nedlac Connect for 2023

With just one month to go before we shut down for the festive season, Nedlac social partners continue to deal with matters and issues brought before it.

In this edition:

- A Water and Sanitation Workstream is set up to discuss water shortages, treatment, distribution, infrastructure maintenance, climate change, and the skills needed to provide a nationwide supply of clean water.
- The Department of Employment and Labour's Employment Services Amendment Bill, considered at Nedlac aim to improve the regulation of inward and outward labour migration,
- A summary is provided of the Nedlac Annual summit that focused on Nedlac's 2022/23 performance and social partners' preparedness for crisis type situations.
- The AGOA Forum to be held November 2–4, 2023 with the theme "Partnering to Build a Resilient, Sustainable, and Inclusive AGOA to Support Economic Development, Industrialization, and Quality Job Creation''.
- The work of the Nedlac Cost of Living Rapid Response Task Team (CLRRTT) on easing food donations.

We have also selected some interesting media clippings for you to peruse.

As always, we would like to thank our social partners for their continued support and valuable input.

You can stay in touch with us across our digital platforms.

Enjoy the read!

SA is facing a poly crisis requiring a poly response

The 28th Nedlac Annual Summit with the theme, “Resilience in the face of adversity: Social partners’ preparedness for crises” took place on 08 September.

With South Africa experiencing unforeseen events with greater frequency and intensity, the Summit focussed on how the country can be more prepared for crisis-type situations notwithstanding ongoing systemic challenges.

The Summit therefore focused on the performance of Nedlac in the 2022/23 financial year, as well as how social partners should respond to crisis-type situations.

In her report, the Nedlac Executive Director Lisa Seftel, said that South Africa was facing a poly-crisis which requires a poly-response from all South Africans including the social partners at Nedlac.

Nedlac’s performance was reflected upon by Deputy President Paul Mashatile, the Minister of Employment and Labour Thembelani Thulas Nxesi and the leadership of the social partners represented by Cas Coovadia (business), Thulani Tshefuta (community) and Gerald Twala (labour).

They welcomed the achievement of performance targets and that Nedlac received an unqualified audit with reduced findings.

The deputy president commended Nedlac on strengthening collaboration among social partners and other stakeholders, particularly in response to the Covid-19 pandemic. Minister Nxesi, while commending the work done by Nedlac, raised concerns on the slow progress in labour market reform and the need for expedited negotiations among social partners.

Community convenor Thulani Tshefuta called for collective actions by social partners to stimulate investment, economic growth, employment, and poverty alleviation. Business convenor Cas Coovadia highlighted the volatility of global geopolitics, citing events like the Russia-Ukraine war and the country’s foreign policy positions, as well as domestic factors such as increasing public debt and debt servicing costs as having a profound impact on the future trajectory of South African economic policy.

Labour convenor Gerald Twala stressed that the primary goal of Nedlac should always be addressing the nation’s unemployment crisis, given that a large portion of the population remains jobless and SA stands as one of the most unequal countries globally. Also welcomed was the completion of revisions to the Nedlac Constitution and Bill, which will make long-awaited adjustments to issues of representativity in Nedlac without diminishing the stature of the significant stakeholders.

A Nedlac report, Learning the Lessons: Creating a Legacy, on the COVID-19 pandemic was launched during the Summit. It details the responses of social partners to the pandemic that may be adapted to subsequent crises.

Invited speakers shared their experiences in responding to crisis type situations and shared lessons that can be adopted responding to crisis-type situations such as flooding, slime dam collapses and fires which are happening with greater frequency.

Below are key points made by the speakers:

- Dr Shafick Adams said that the

nation's infrastructure needed quick modifications to adapt to natural calamities.

- According to Ms. Vivienne Pearson, some of these risks were systemic in nature, which could lead to unaffordable insurance and/or uninsurability, negatively affecting the economy and the country.
- Dr Imtiaz Sooliman suggested a clear chain of command in SA to clarify power and responsibilities during crises, as well as boosting the capacity for the country to respond to crises, including increased availability of functional fire-fighting equipment.
- Mr Mxolisi-Mgojo urged swift action to address the logistics crisis and prevent economic damage in the coming year.
- Mr Duncan Luvuno praised regional tripartite forums for collaborating on occupational health and safety issues in the mines, and called for ongoing collaboration to eliminate occupational health diseases and related deaths.
- Ms Tsakani Furumele's presentation focused on building resilience to mitigate the impact of public health events, with a specific emphasis on cholera.
- Mr Martin Kingston commended the collective response and transparent communication by social partners at Nedlac in times of crisis, including the Covid-19 and KwaZulu-Natal Floods. He highlighted the swift establishment of the Solidarity Fund, a response to the pandemic, which showcased the ability to raise over R4 billion in donations from various sources.

For a full overview of the summit go here: https://bit.ly/3tLtSaP

The Nedlac Annual Summit which took place in September drew an attendance of social partners and representatives from business, community, labour and government

Improving water infrastructure, treatment, sanitation, distribution, and municipal governance

The Water and Sanitation Workstream recently convened to talk about water shortages, treatment, distribution, infrastructure maintenance, climate change, and the necessary skills for ensuring a steady supply of clean water across the country.

Source: https://www.vanguardngr.com/2017/05/imo-govt-asked-give-water-priority-communities/

The workstream was established by the Development Chamber in Nedlac as a result of the 2nd of August 2023 dialogue session on water shortages and related challenges in South Africa.

Among the main issues raised were the provision of pure running water, poor municipal governance, limited action taken against financial and supply chain irregularities, catchment management, and inadequate budgeting and planning for future infrastructure requirements.

The objective of this workstream is for social stakeholders to gain an understanding of the water sector and collaborate with the Government to enhance the water sector. Participation is required in the improvement of water infrastructure, water treatment, water and sanitation services, water distribution, and municipal governance.

The workstream has held two meetings thus far, on 13 September and 12 October 2023. During these meetings, the workstream approved its terms of reference and reached a consensus on the engagement's issues.

Action plans for the "green drop" report, which aims to change wastewater operations, management, and regulation; the "blue drop" report, which aims to ensure that drinking water quality is sustainable and safe; and the "no drop" report, which aims to encourage and recognise continuous improvement and performance in water usage will be discussed at the next meeting of the workstream. Additionally, at its next meeting the workstream plans to engage on the action plans developed on green, blue, and no drop reports with those municipalities who have been challenged to implement these action plans, through the South African Local Government Association (SALGA), to try and find practical solutions.

In addition, the Engineering Council of South Africa (ECSA) will be engaged on the enforcement function of the organisation and the identification of engineering work and continuous professional development of the sector. It would also engage the Department of Water and Sanitation in the National Water Strategy - 3 (NWS - 3) process.

The members of the workstream also agreed that the workstream has an infinite duration, but that it will produce progress reports every six months for the Development Chamber to determine whether the work of the workstream must continue. In February 2024, the first status report of the workstream will be submitted to the Development Chamber.

Nedlac continues its engagements on the Cost-of-Living Increases focusing on food donations

The Nedlac Cost of Living Rapid Response Task Team (CLRRTT) has continued its focus on fuel and food price issues with the purpose of building an understanding of the issues and attempting to secure immediate or short-term changes from the Government to address high food prices and food insecurity of poor and vulnerable people.

Workers collect and distribute food parcels
Source: https://www.ctpublic.org/news

One focus of the discussions at Nedlac has been the challenges faced by ensuring and improving food distribution to vulnerable groups and communities.

However, these discussions have unveiled a significant challenge of a lack of coordination between Government departments on the management of household food production, food donations, and food parcels, Business efforts to donate surplus food, and frustrations of Non-Government Organisations (NGOs) unable to support sustainable food systems.

The Nedlac Cost of Living Rapid Response Task Team (CLRRTT) hosted a dialogue session on the 29th March 2023, on the Distribution of Food to Vulnerable Groups and Communities. The dialogue session aimed to unpack and understand the challenges affecting the successful and sustainable distribution of food.

The discussion identified two significant challenges: food loss and waste and rising food insecurity, both of which could be addressed better if social partners collaborate.

Businesses expressed concerns about the lack of an appropriate regulatory environment for food donations under the Foodstuffs, Cosmetics, and Disinfectants Act and liability concerns under the Department of Trade and Industries Consumer Protection Act. This prevents food system representatives from donating more of the 10 million tonnes of food that is lost or wasted each year.

To assist in responding to the current difficulties surrounding food donations, business recommended amending the Foodstuffs, Cosmetics, and Disinfectants Act, 1972 (Act No. 54 of 1972) and endorsing the Consumer Goods Council of South Africa's Food Donation Guidelines.

The Department of Health confirmed that it could include a section on food donations in its Guidelines linked to the Labelling regulations, clarifying the date marking and donations, as well as the liability associated with businesses' efforts to reduce food loss and waste across the country.

The Department also assured the Task Team that it will work with other regulators to reduce food loss and waste while guaranteeing no harm to public health. The Task Team noted that governments all over the world are adopting or enacting legislation to encourage food contributions in order to address South Africa's difficulties.

Outstanding problems concerning responsibility under the Consumer Protection Act would still need to be prioritised with the Department of Trade and Industry

Nedlac Labour Market Chamber task team has finalised the Employment Services Amendment Bill (ESA) Bill

Nedlac has finalised the Employment Services Amendment Bill and has submitted it to the Department of Employment and Labour

The Amendment Bill regulates the operation of private employment services and facilitates the employment of foreign nationals in South Africa.

Based on the National Labour Migration Policy (NLMP), it was introduced to social partners for the first time in late 2021. The Amendment Bill was then made available for public comment. 662 comments were incorporated, and a revised Bill was introduced at Nedlac in July 2023.

Following the engagement at Nedlac, the following significant modifications were made:

- In order to set rules for the employment of foreign nationals in the South African economy, Section 2 was changed. This created a framework to make it easier and more regulated for foreign nationals to work in the South African economy, for South Africans to work abroad, and for South Africans living abroad to come back and work in the South African economy.

The new Employment Services Amendment Bill regulates the operation of private employment services and facilitates the employment of foreign nationals in South Africa.
Source: https://africacheck.org/fact-checks/blog/analysis-are-foreigners-stealing-jobs-south-africa

- Section 12A was changed to spell out the situations in which a company can hire a foreign national and the conditions they must meet before hiring a foreign national. It also controls the hiring of foreigners who are allowed to work in South Africa by law or have a visa issued by the Immigration Act. This is in line with Section 231 of the Constitution, which says that the country must follow all laws and international agreements.

- Section 23 was amended to increase the number of Employment Services Board committees dealing with the provision of public employment services, the regulation of private employment services, and the facilitation and regulation of foreign nationals' work.

- Section 52 empowers the Minister to make regulations which facilitate the employment of foreign nationals and provides, amongst others, for the making of regulations relating to the use of public employment services or private employment agencies to assist employers in recruiting suitable workers who are South African citizens or permanent residents.

The Department of Employment and Labour hopes to introduce this bill during the current legislative session. The National Labour Migration Policy has not yet been considered by the Nedlac Labour Market Chamber.

Nedlac EXCO approves the 2024/25 Annual Performance Plan (APP) and budget

Nedlac EXCO approved the Annual Performance Plan (APP) and budget for the 2024/25 fiscal year on Friday, October 27. In addition, they approved a revised plan and budget for the current fiscal year and minor modifications to Nedlac's five-year Strategic Plan.

Nedlac draft APP and revised plan and budget for the organization's five-year strategic plan were approved.
Source: wsu.ac.za/index.php/home/organizational-strategy/annual-performance-plan

Due to the fact that the National Treasury has drastically reduced all government budgets, this year's procedure was not without difficulty. The budget of Nedlac was reduced by R7 million in the current fiscal year and by an average of 23% in the subsequent fiscal years.

After consulting with the Overall Convenors, management worked out a plan to reduce expenditures without compromising Nedac's mandate. This included pursuing additional partnerships, such as with the ILO and universities, particularly in terms of capacity development.

Additionally, it was decided to invest in items that will reduce costs in subsequent years. This includes installing solar to replace electricity and the generator and acquiring new IT systems for voice, data, finance, human resources, data management, and information management.

Unfortunately, budget constraints have necessitated the freezing of three vacant positions. Unless a partner can be found, the Annual Summit in 2024 will also be hybrid. Events organised by the constituencies to build capacity may also need to be scaled back.

The Exco authorised the draft APP and budget on the condition that the issue of staff salaries and constituency capacity development be revisited prior to the plan and budget's finalisation in January 2024.

Regarding the revised APP for 2023/24, adjustments had to be made to the budget due to the reduction and the reconfiguration of the PCC budget following their revised business planning.

Nedlac social partners to participate at the AGOA Forum

From 2nd to 4th November, the African Growth and Opportunity Act (AGOA) Forum will be held in Gautenge held under the theme: *Partnering to Build a Resilient, Sustainable, and Inclusive AGOA to Support Economic Development, Industrialization and Quality Job Creation.*

AGOA is a unilateral (or 'non-reciprocal') trade preference programme of the United States for Sub-Saharan Africa (SSA) countries, including South Africa. AGOA, in conjunction with the Generalised System of Preferences (GSP), provides duty-free market access for 5,235 tariff lines from Sub-Saharan African developing nations.

Nedlac's social partners will participate and take the lead in forums including:

- Labour Forum which aims to promote labour rights, and the creation of decent work through the inclusion of labour clauses in international trade agreements.
- Private Sector Forum to be attended by more than 450 government and private sector executives from across the African Continent will convene.
- Civil Society Forum.

President Cyril Ramaphosa will deliver the keynote address at the forum, which is anticipated to attract African Trade Ministers, the US Trade Representative, the Deputy Secretary of Commerce, and members of the US Congress.

A number of breakaway and workshop sessions will enable South African and African business, labour, and civil society representatives to interact with their American counterparts. About 2,000 participants are anticipated to attend the main and secondary events.

The Made in Africa Exhibition will feature 400 exhibitors, including 200 from South Africa and 200 from other African nations, showcasing industrial goods, food and beverages, pharmaceuticals and medical devices, chemicals, furniture, retail, boat building, automotive, textiles and apparel, and mining technologies and services.

SA is ready to host the AGOA forum in Gauteng
Source: http:agoa.info/forum.html

The Nedlac's Trade and Industry Chamber (TIC) and Teselico sub-committee have been convening since mid-year to discuss South Africa's strategy for AGOA and forum preparations.

The Minister of Trade, Industry, and Competition (dtic) also briefed the TIC setting out the significance of AGOA as an instrument that promotes exports, job creation, and economic growth.

Both Business and Labour constituencies have expressed support for the continuation of AGOA with its current beneficiaries.

AGOA was enacted in May 2000 for a limited duration; it has since been extended twice and is set to expire in September 2025. The African Trade Ministers will lobby members of the United States Congress for a ten-year extension of the act from 2025 to 2035.

In the Media

Giant leap for hunger in SA through food donations regulations
Andy Du Plessis, managing director of FoodForward SA (FFSA), South Africa's largest food redistribution non-profit organisation, founded in 2009, hopes to have national food donation regulations in place next year to recover more good, edible surplus food that is currently going to waste and can feed millions of hungry people.
Read more: *https://nedlac.org.za/wp-content/uploads/2023/10/Giant-leap-for-hunger-in-SA-through-food-donations-regulations.pdf*
Source: *Heather Dugmore – Proagri Media*
October 17, 2023

PROAGRIMEDIA

COIDA monthly pensions increased
The government increased monthly Compensation for Occupational Injuries and Diseases Act pensions. Accidents and occupational diseases before 31 March 2023 increase monthly pensions by 7.5%. The increase began in April 1, 2023.
Read more: *https://nedlac.org.za/wp-content/uploads/2023/10/COIDA-monthly-pensions-increased.pdf*
Source: *GoLegal.co.za*
October 20, 2023

GOLEGAL INDUSTRY NEWS AND INSIGHT

Decisions needed on future path of SA motor industry
A new energy vehicle policy with a flexible government approach to preparing car and component companies for challenges is needed since one poor risk might wreck the sector due to rapid technical and scientific advancement.
Read more: *https://nedlac.org.za/wp-content/uploads/2023/10/Decisions-needed-on-future-path-of-SA-motor-industry.pdf*
Source: *David Furlonger – Business Day*
September 05, 2023

BusinessDay

Energy investment bears fruit
Ener-G-Africa executive, Andre Moolman has promised R135 million to produce tiny solar PV panels and solar cooking equipment to alter the energy business and empower people. This was unveiled at the South African Investment Conference in April.
Read more: *https://nedlac.org.za/wp-content/uploads/2023/10/Energy-investment-bears-fruit.pdf*
Source: *Cape Business News*
October 23, 2023

CAPE Business News Where industry speaks to industry

SA must leverage BRICS relationship to upskill nation, Labour Minister Nxesi says
Employment and Labour Minister Thulas Nxesi suggests using BRICS nations to address South Africa's skilled labour deficit, especially in the fourth and fifth industrial revolutions. India was filling the global ICT skills gap, and other BRICS nations could do more by exchanging knowledge and addressing the skills gap.
Read more: *https://nedlac.org.za/wp-content/uploads/2023/10/SA-must-leverage-BRICS-relationship-to-upskill-nation.pdf*
Source: *Jehran Naidoo - IOL*
October 02, 2023

IOL

South African airfreight sees 23% rise in exports – and 147% rise in rates
The South African airfreight market has rebounded. International airfreight to and from the country grew 16% in October, imports rose 12%, and exports rose 23%, despite worldwide tonnages decreasing 5% and rates rising, according to the South African Association of Freight Forwarders.
Read more: *https://nedlac.org.za/wp-content/uploads/2023/10/South-African-airfreight-sees-23-rise-in-exports-and-147-rise-in-rates.pdf*
Source: *Alex Lennane - Loadstar*
October 18, 2023

THELOADSTAR MAKING SENSE OF THE SUPPLY CHAIN

Import duties must fall in face of chicken shortages, urges meat importers
Due to the latest Highly Pathogenic Avian Influenza (HPAI) outbreak, the Association of Meat Importers and Exporters (Amie) has forecast a 460 000 tonnes meat shortage this year and urges the International Trade Administration Commission (Itac) to reduce import duties for 12 months on frozen bone-in chicken from 62% to 37%, boneless chicken from 42% to 12%, and chicken offals.
Read more: *https://nedlac.org.za/wp-content/uploads/2023/10/Import-duties-must-fall-in-face-of-chicken-shortages.pdf*
Source: *Banele Ginindza - IOL*
October 26, 2023

IOL

Upcoming meetings

Novemeber 2023

04 • 11 • 23: 14:30 – 16:30
Energy Security Workstream

09 • 11 • 23: 10:00 – 15:00
TRADE AND INDUSTRY CHAMBER
SMME Water Workstream

09 • 11 • 23: 10:00 – 13:00
LABOUR MARKET CHAMBERR
Labour Market Chamber

10 • 11 • 23: 10:00 – 12:00
GOVERNANCE
Special EXCO on MTBPS

15 • 11 • 23: 10:00 – 14:00
LABOUR MARKET CHAMBER
Labour Law Reform Task Team

22 • 11 • 23: 10:00 – 13:00
TRADE AND INDUSTRY CHAMBER
TESELICO Sub Committee

23 • 11 • 23: 10:00 – 15:00
TRADE AND INDUSTRY CHAMBER
Trade and Industry Chamber

24 • 11 • 23: 10:00 – 13:00
GOVERNANCE
MANCO

29 • 11 • 23: 13:00 – 15:00
DEVELOPMENT CHAMBER
Development Chamber

ABOUT US

The National Economic Development and Labour Council (Nedlac) is the vehicle by which Government, labour, business and community organisations seek to cooperate, through problem-solving and negotiation, on economic, labour and development issues and related challenges facing the country.

USEFUL LINKS

- *Nedlac Act*
- *Nedlac Constitution*

CONNECT WITH US AND SHARE YOUR VIEWS.

WE WOULD LOVE TO HEAR FROM YOU.

YOU CAN CONTACT US ON:

info@nedlac.org.za
011 328 4200
14A Jellicoe Avenue
Rosebank Johannesburg

CONNECT WITH US ON SOCIAL MEDIA:

NEDLAC CONNECT

NEDLAC NEWSLETTER **OCTOBER/NOVEMBER 2023**