NEXT

30 South Africa 1994 - 2024

YEARS OF FREEDOM

NEDLAC CONNECT

NEDLAC NEWSLETTER **APRIL 2024**

NEDLAC

Celebrating 30 years of democracy

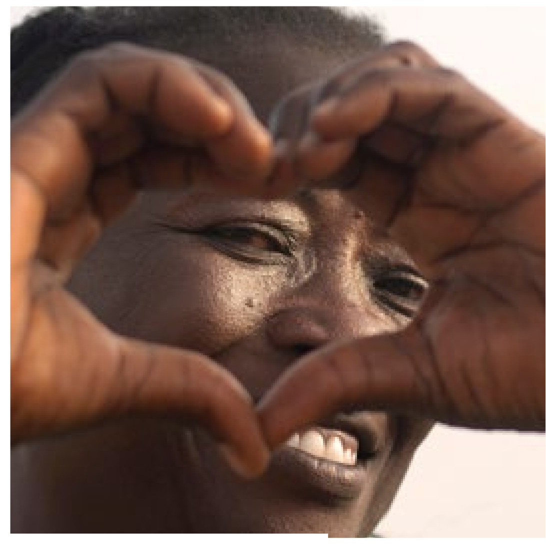
We are delighted to present the April issue of Nedlac Connect, which serves as a comprehensive update on the significant achievements of the organisation, with the support of our social partners.

As the forthcoming elections draw near, South Africa also observes the 30th anniversary of its democratic transition—a journey characterised by fortitude, growth, and shared aspirations for an improved future.

Nedlac is one of the initial institutions to be established after the democratic elections of 1994. In its 30 years of democracy, it has prioritised policy and legislative input, hosted multiple summits, and coordinated social partner responses in difficult times.
In this edition of Nedlac Connect, we report on:

- The national government's 30-Year Democracy and Freedom Project which Nedlac and its social partners will contribute to;
- The consultative conference held by the Department of Trade, Industry & Competition (the dtic) and the Nedlac secretariat before the 13th Ministerial Conference (MC13) of the World Trade Organisation (WTO);
- The labour law reform task team under the Labour Market Chamber in Nedlac which will submit the labour law amendment bill after the May elections, to Parliament;
- The hosting of a 20-member strong delegation from the Kenyan National Labour Board and Department of Labour;
- Nedlac convening a session on the 2024/25 National Budget on 15 March 2024, attended by the Nedlac Exco members, and led by the Ministry of Finace;
- The Energy Security Workstream, in partnership with the Presidential Climate Commission (PCC) convening two technical briefing sessions on IRP 2023;
- The installation of a 12-kilowatt solar power system that will supply reserve power to the organization's critical infrastructure.

Additionally, we have curated a collection of noteworthy media clippings for your perusal.



We extend our sincere appreciation to our social partners for their ongoing support and insightful contributions.

We kindly request that you disseminate the newsletter to expand our reach to a more extensive audience. Please inform us if you no longer wish to receive our newsletter so that we may remove your name from our email list.

Enjoy the read!

Nedlac holds engagement on national budget

Nedlac convened a session on the 2024/25 National Budget on 15 March 2024 which was attended by the Nedlac Exco members, and led by the Minister of Finance, Enoch Godongwana, supported by his deputy David Masondo.

Minister of Finance Enoch Godongwana
Source: https://www.pa.org.za/person/e-godongwana/

Deputy Minister of Finance David Masondo
Source: https://www.pa.org.za/person/mr-masondo-david/

Masondo emphasised the economic prospects and obstacles faced by South Africa. In addition, he outlined the governmental objectives for the upcoming fiscal year and the strategies that will be implemented to confront these obstacles.

He highlighted the need for fiscal discipline and outlined the government's proposed tax increases and spending cuts. Masondo elaborated on the difficulties associated with corruption. He emphasised the critical nature of unity and collaboration to overcome the challenges faced by the country.

Social partners' perspectives varied on how to tackle these obstacles were varied. Concerns were expressed by the business community regarding the possible repercussions of not shifting the tax thresholds.

Organised Labour expressed apprehensions regarding the extent to which expenditure reductions would affect low-income households.

Godongwana said a coordinated and comprehensive strategy was required to address the nation's challenges.

Additionally, he elaborated that the budget presented in Parliament struck a balance between fiscal discipline and social justice, while also demonstrating a commitment to openness and responsibility.

The session agreed that further engagements would be held on matters relating to the Gold and Foreign Exchange Contingency Reserve Account (GFECRA) and public-private partnerships as part of the Nedlac government budget planning processes.

Technical briefing session held on the IRP 2023

The Energy Security Workstream, in partnership with the Presidential Climate Commission (PCC), convened two technical briefing sessions on the 5th and 12th March 2024 on the Integrated Resource Plan (IRP) 2023 which has been published for public comments by the Department of Mineral Resources and Energy (DMRE).

Steve Nicolls, head of Migration at the Presidential Climate Commission. Source: https://www.climatecommission.org.za/team/steve-nicholls

Ndivhuwo Segagweng is an analyst at Meridan Economics https://www.linkedin.com/in/ndivhuwo-m-musehane/?original-Subdomain=za

Siphiwe Ngwenya is the programme manager responsible for climate mitigation in the Presidential Climate Commission https://www.climatecommission.org.za/team/simphiwe-ngwenya

The objectives of the sessions were to enhance social partners' participation in the public comment process by fostering a greater understanding of crucial matters.

The first session focused on a comparative analysis of the IRP cost assumptions Several issues were flagged about how the costs were calculated compared to other studies conducted by independent consultants.

The PCC's Steve Nicholls highlighted that in the absence of comprehensive modelling of the energy mix, it is difficult to evaluate the assumptions. The session considered whether the considerations of energy security, environmental sustainability, and energy equity were balanced appropriately. Furthermore, the session outlined the implications of different levels of renewable energy and gas in the different scenarios provided in the IRP.

The second session convened on March 12th 2023, considered the impact of the IRP scenarios on air quality, human health, skills development and just transition.

Wendy Poulton, representing Strategic Mindset, raises issues on how skills need to be developed to be able to effectively deliver a successful IRP.

Centre for Environmental Rights' Ntombi Maphosa presented on the implications of the IRP scenarios on environmental emissions. She believed that inadequate attention had been paid to the impact of air pollution on human health.

Nedlac will receive the IRP 2023 after the conclusion of the public comment period for more detailed engagement.

Visit by Kenyan delegation

On 6 February 2024, Nedlac hosted a 20 member strong delegation from the Kenyan National Labour Board and Department of Labour. They were led by the Principal Secretary of Labour, Mr Shadrack Mwadime and the Chair of the National Labour Board, Mr David Siele. Included in the delegation were employer and trade union representatives.

The Nedlac offices in Johannesburg were visited by a twenty-person delegation from the Kenyan National Labour Board and Department of Labour. Pictured with the delegation is Nedlac Executive Director Lisa Seftel (bottom row third from the left)
Source: https://www.the-star.co.ke/news/realtime/2024-02-05-ps-mwadime-labor-board-in-south-africa-for-learning-mission/

They wanted to understand how Nedlac was structured and the kind of work that Nedlac does. The Nedlac Executive Management team gave a presentation followed by a lively discussion.

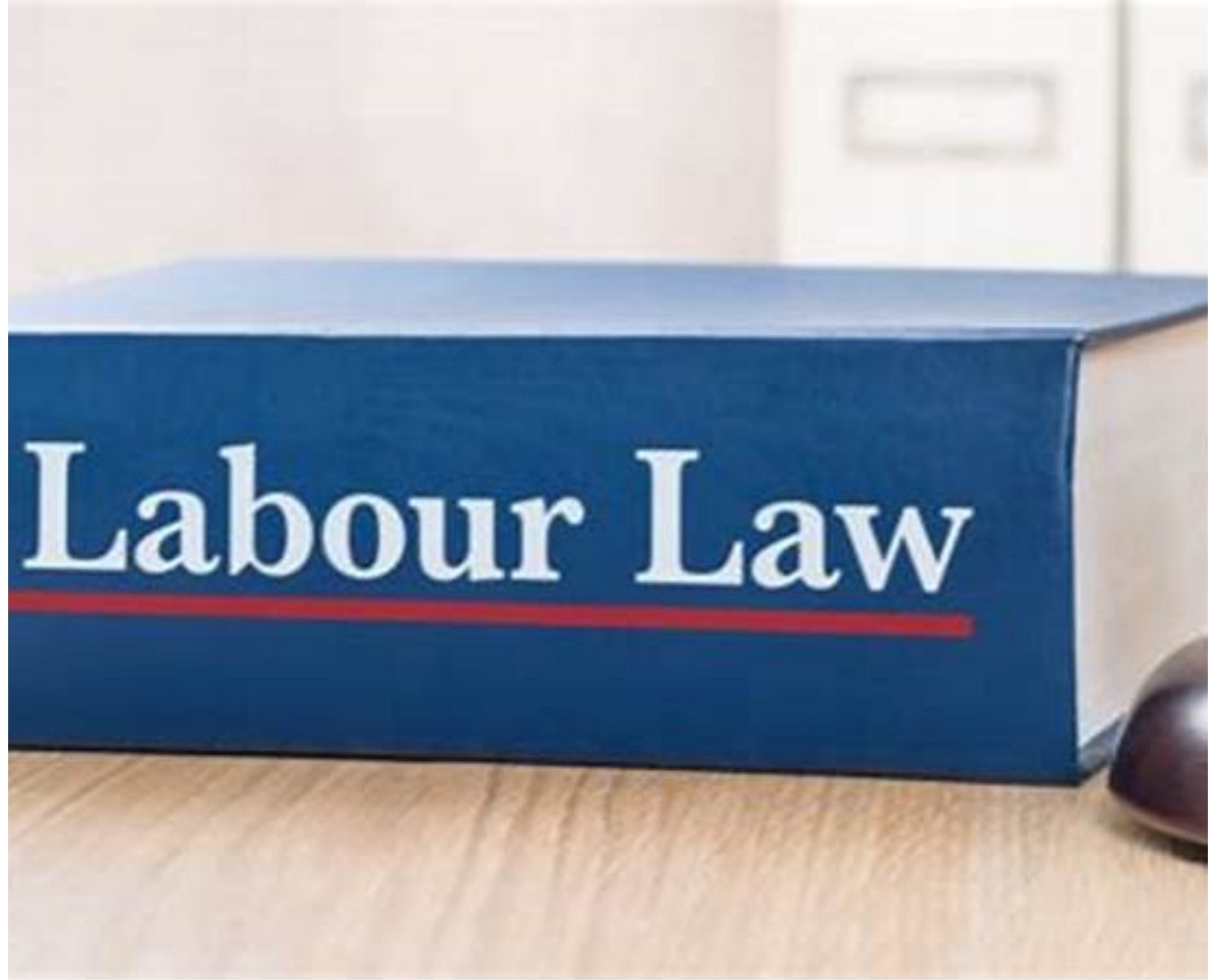
They left the meeting inspired by how in South Africa we can reach consensus on key socio-economic issues. In Kenya, they told us many draft laws end up in the courts because their key stakeholders in society do not agree on the direction of the legislation.

Kenya's National Labour Board, led by Mr Shadrack Mwadime, the Principal Secretary for Labour & Skills Development in Kenya speaking at the start of the South African visit at the Sandton Southern Sun Hotel.

Labour law reform process underway

Steady progress is being made by the labour law reform task team under the Labour Market Chamber in Nedlac.

To ensure effective and expedited engagements, a facilitator who has the trust of the parties, chairs and coordinates the process while legal drafters draft amendments after the principles have been agreed between the social partners. Technical experts have also been appointed to assist organised labour and organised business in the negotiation process.



The labour law amendment bill will be tabled after the May elections to Parliament by the Nedlac Labour Market chamber.
Source: https://www.bing.com/images/search?view=detailV2&ccid=SlcbOgP3&id=51CF70607D75ED417A3C53C65B22A3713CAE925E&thid=OIP.SlcbOgP3oxvQiumc8dNQ9QHaD

In April 2022, a three-phased process was agreed to – starting with proposals from the social partners. The second phase focused on Codes of Good Practice while the third phase focused on emerging and new issues in the labour market.

The first phase focused on the legislative amendments to the Basic Conditions of Employment Act and Labour Relations Act (LRA) concerning dismissal procedures, retrenchment procedures, review of unfair labour practice definition, and improved efficiency of bargaining councils and the Labour Court.

Phase one is nearing completion. Outstanding issues focus on proposals aimed at relaxing certain provisions of the LRA including qualifying periods for new entrants to the labour market, limiting compensation for procedurally unfair dismissals, avoiding forum shopping concerning unfair dismissal disputes and the reduction of protection for senior employees.

Phase 2 focuses on changes to Codes of Good Practice and Regulation focusing on dismissals and dismissals based on operational requirements are under discussion.

Phase 3 focuses on research and investigation concerning issues which need further investigation before amendments to regulations or legislation can be developed. Discussion papers and proposals are being finalised on:

- Efficiencies within and between the labour market institutions;
- Extending protection of workers who are not employees and workers where there is a disassociation between their work and workplaces (remote work); and
- Enabling a just transition including addressing increased temperature at work as a result of climate change.

It is envisaged that a labour law amendment bill will be tabled, after the May elections, to Parliament.

dtic and Nedlac hold conference prior to UAE WTO MC13

The Department of Trade, Industry & Competition (the dtic) and the Nedlac secretariat convened a Consultative Conference before the 13th Ministerial Conference (MC13) of the World Trade Organisation (WTO) which was held in the United Arab Emirates (UAE) in late February.

From left to right: Niki Kruger (the dtic) Trade Lead at Teselico), Xolelwa Mlumbi-Peter, Nobuntu Sibisi (Nedlac), Mojalefa Radebe (Nedlac) and Nomacala Sibanda (Nedlac)

The consultative conference allowed social partners to contribute their perspectives and develop a country position regarding issues that were to be discussed during WTO deliberations.

The conference was attended by Dr Mzukisi Qobo, the WTO Ambassador of South Africa, as well as members of the Trade and Industry Chamber (TIC) and the Technical Sector Liaison Committee (Teselico).

The government outlined the following key matters to be considered at the WTO Conference:

- WTO reforms;
- Fisheries Subsidies Agreement (FSA);
- Trade Related Aspects Intellectual Property Rights (TRIPS) decision;
- Agriculture and food security;
- Trade and environment; and
- E-Commerce

Social partners provided inputs. Agreement was reached on the following to take forward as a common position to the WTO:

a. South Africa and other developing countries must prioritise the Doha Development Agenda (DDA), taking an integrated approach to advance the developmental outcomes in WTO negotiations.
b. Rebalancing trade regulations is crucial to promote industrialisation and mitigate the adverse effects of Africa's manufacturing sector downturn and employment reductions.
c. Investment in beneficiation of African minerals should be prioritised to expand the continent's manufacturing capacity.
d. Greater emphasis should be placed on the nation's technological and skill development to facilitate mineral extraction operations.
e. South Africa does not support moving negotiations from the WTO to the Joint Statement Initiatives (JSIs) as this violates the WTO rules, such as special and differentiated treatment (S&DT).
f. South Africa does not promote unilateralism and protectionism. It also does not support using the environment as a tool to enhance protectionism such as through the Carbon Border Adjustment Mechanism (CBAM). In light of this, South Africa ought to oppose such measures.

Nedlac supports 30-year Freedom and Democracy National Project

2024 marks 30 years since South Africa became a democracy.

In celebrating the strides made by the country over the past three decades, the national government has initiated a 30-Year Democracy and Freedom Project to mark 30 years of democracy and reflect on how far the country has come.

Source: https://www.google.com/imgres?imgurl=https://myvotecounts.org.za/wp-content/uploads/2024/03/MVC-30-Years-of-Democracy-Vector-801x1024.png

South Africa, over the years, developed democratic institutions like Nedlac to pass progressive laws and promote social justice.

Nedlac, social partners, and other government departments and entities are expected to contribute to the 30-Year Democracy and Freedom project by reflecting on the country's socio-economic achievements and lessons.

The Nedlac Manco meeting in February agreed that Nedlac's contribution should be twofold. Firstly, it should facilitate a process to look at the key achievements and lessons of the 30 years of democracy as well as suggest kick-starts for the next administration.

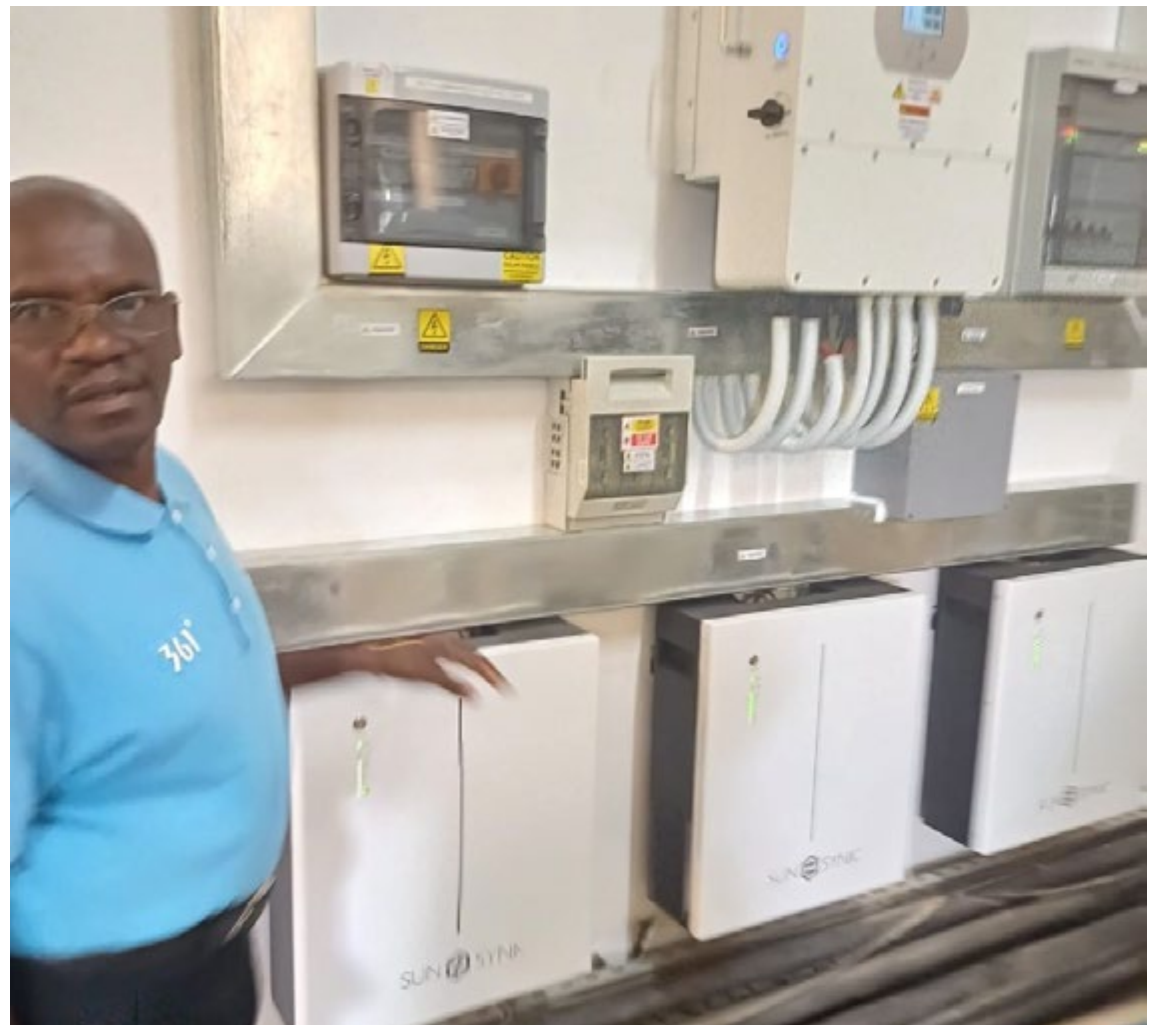
The issues to be explored include economic issues like industrial and trade policy, innovation, localization, technology, and job creation, social and development issues like health education and social security, labour market policy, climate change and building a developmental state.

Secondly, the Annual Summit this year should focus on the achievements of social dialogue and Nedlac and review what other countries are doing and what lessons we can learn.

- **Established on February 18, 1995, Nedlac is a leading social discussion institution and one of the first new institutions after the 1994 democratic elections. Over thirty years of democracy, Nedlac has contributed to policy and legislation, hosted major summits, and coordinated social partner responses to difficult events.**

Nedlac goes green

By installing a 12-kilowatt solar power system that will supply reserve power to the organisation's critical infrastructure, including the server room and security house, during load shedding, Nedlac has made a significant stride towards sustainable energy.



Samuel Mulwela, Nedlac, building maintenance support staff inspecting the installation.

Nedlac has installed a new solar inverter at their offices in Johannesburg.

The implementation of the solar power system could result in a daily power conservation of 50 kilowatts during daylight hours, which would substantially diminish Nedlac's dependence on a standby generator in the event of load shedding.

It also results in financial savings due to decreased reliance on power generators, which in turn leads to decreased fuel expenditures and maintenance costs associated with generator operation.

In contrast to the diesel/fossil fuel generator, which contributes to air pollution, it is non-polluting and renewable.

By incorporating a solar backup system, the server room and guard house can ensure a dependable power supply in the event of load reduction, thereby reducing the extent of disruption to critical operations.

This endeavour signifies Nedlac's dedication to promoting responsible energy utilisation and devising inventive strategies to overcome the obstacles posed by load shedding.

In the Media

South Africa's Cooperative Triumph: An Unparalleled Alliance in Business and Governance Against Recession
South Africa is facing an economic crisis, with population growth surpassing economic development and leading to a "per-capita recession". However, a socio-economic partnership between public and private entities is yielding positive results. The private sector has offered vital financial and intellectual support to the government, to elevate South Africa's economic growth rate by six percent and promote inclusive economic development.
Read more: *https://capetown.today/south-africas-cooperative-triumph-an-unparalleled-alliance-in-business-and-governance-against-recession/*
Source: *Cape Town Today*
Date: March 11, 2024

Busa president wants business to play a bigger role to boost growth
The newly appointed Business Unity South Africa (Busa) president Mxolisi Mgojo wants to see the private sector play a significant role in growing the South African economy. The renowned businessman told Sunday World there was a need for more business participation in areas where the government was struggling to render services.
Read more: *https://sundayworld.co.za/news/busa-president-wants-business-to-play-a-bigger-role-to-boost-growth/*
Source: *Sunday World*
Date Published: March 25, 2024

Mgojo says collaborative efforts will enable Transnet to report higher volumes than initially forecast
Business Unity South Africa president Mxolisi Mgojo reports that the collaboration between business and government to turn around the performance of Transnet could result in the struggling state-owned freight logistics group moving significantly more volumes in the year to March than was guided in earlier forecasts adding that there had been "remarkable progress" in recent months.
Read more: *https://www.engineeringnews.co.za/article/mgojo-says-collaborative-efforts-will-enable-transnet-to-report-higher-volumes-than-initially-forecast-2024-03-08*
Source: *Engineering News*
Date: March 11, 2024

Dept to assess research findings on job creation, retention
The Department of Employment and Labour (DEL) will study the findings of two independent research reports on youth unemployment and consider how the research proposals can help it create and retain jobs. The findings of the two reports, which were commissioned by the DEL, were presented by Nelson Mandela University and the Human Sciences Research Council (HSRC) at this year's Labour Market Research Seminar, held on February 28.
Read more: *https://www.engineeringnews.co.za/article/dept-to-assess-research-findings-on-job-creation-retention-2024-02-29*
Source: *Engineering News*
Date: March 01, 2024

Urgent Action Can Turn The Tide on The Impacts of Climate Change
In an exclusive interview with Public Sector Leaders, Lebogang Mulaisi, COO of the Presidential Climate Commission talks about the Commission's mandate, and highlights some of its most memorable interventions or projects. As a labour commissioner at the Congress of South African Trade Unions (COSATU), she championed policy initiatives for a just transition to a low-carbon economy and her blueprint guides workers through this transition via collective bargaining.
Read more: *https://issuu.com/topcomedia/docs/psl0224_r/s/44271039*
Source: *Public Sector Leaders Feb Edition*
Date: February 2024 issue

Crucial discussions and positive engagements can save the mining industry
For centuries, South Africa has established a reputation as a global mining powerhouse.
Commodity demand worldwide gets services from South Africa, which has a vibrant and innovative mining industry and a well-established logistics network that can get products to key export terminals.
Miners in South Africa are in for another rough year. The extent of this distress is becoming more evident as the media uncovers the unfolding drama.
Read more: *https://nedlac.org.za/wp-content/uploads/2024/03/Crucial-discussions-and-positive-engagements-can-save-the-mining-industry.pdf*
Source: *Robin Nicholson – Turnaround Talk*
Date: March 27, 2024

Gas, nuclear and renewables: Plans to breach energy poverty in South Africa
At an event in Cape Town in February, Minister of Mineral Resources and Energy Gwede Mantashe provided an update on the energy procured and projects in progress since the launch of the IPP (Independent Power Producer) Programme. He said the capacity will add up to 7,327MW, including the 5,939MW already procured from 46 IPPs. Mantashe also spoke of the challenges South Africa faced which included limited grid capacity, the intermittent nature of renewable energy and the decline in Energy Availability Factor (EAF) due to ageing infrastructure.
Read more: *https://www.esi-africa.com/news/gas-nuclear-and-renewables-plans-to-breach-energy-poverty-in-south-africa/*
Source: *ESI-Africa (online publication)*
Date: March 07, 2024

Meetings March & April 2024

To achieve its mandate, Nedlac relies extensively on consistent and robust engagement with its various stakeholders through meetings held. The information provided here details engagements held recently, as well as upcoming engagements.

26 • 3 • 2024: 14.30 – 16.30
Trade and Industry Chamber
Freight and Public Transport Workstream

26 • 3 • 2024: 10.00 – 13.00
Trade and Industry Chamber
TESELICO Sub-Committee

28 • 3 • 2024: 10.00 – 15.00
Trade and Industry Chamber

28 • 3 • 2024: 10.00 – 12.00
Public Finance and Monetary Policy Chamber

2 • 4 • 2024: 14.30 – 16.30
MANCO Task team
Energy Security Workstream

3 • 4 • 2024: 12.00 – 15.00
Development Chamber
EPWP Task Team Metting

11 • 4 • 2024: 12.00 – 15.00
Social Development Unit
Water and Sanitation Workstream

17 • 4 • 2024: 13.00 – 15.00
Development Chamber

19 • 4 • 2024: 10.00 – 15.00
Development Chamber
Social Services Practitioners Bill Task Team

23 • 4 • 2024: 10.00 – 13.00
Trade and Industry Chamber
TESELICO

25 • 4 • 2024: 10.00 – 15.00
Trade and Industry Chamber

25 • 4 • 2024: 10.00 – 16.00
Labour Market Chamber
Labour Law Reform Task Team

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:

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