



29th NEDLAC ANNUAL SUMMIT

Opening Address by the Minister of Employment and Labour,

Ms. Nomakhosazana Meth, MP

Friday, 06 September 2024

Thank you Programme Director

Deputy President of the Republic of South Africa, His Excellency Paul Mashatile

Honourable Minister of Finance, Minister Enoch Godongwana

Honourable Deputy Ministers of Labour Jomo Sibiya and Phumzile Mgcina

Honourable Deputy Minister of dtic, Zuko Godlimpi

Honourable Chairperson of the Portfolio Committee on Employment and Labour, Honourable Makhosonke Maneli,

Honourable Members of the Portfolio Committee on Employment and Labour

Former Ministers of Employment and Labour

Deputy Chairperson of the Presidential Climate Commission (PCC), Mr Valli Moosa

Leaders of NEDLAC Constituencies:

- Mr Khulekani Mathe – Organised Business
- Mr Solly Phetoe – Organised Labour
- Mr Thulani Tshefuta – Community Constituency
- Mr Thembinkosi Mkalipi – Overall Convener of Government

Former leaders of NEDLAC social partners

NEDLAC Executive Director, Ms Lisa Seftel

PCC Executive Director, Dr Crispian Olver

The United Nations Resident Coordinator in South Africa: Mr Nelson Muff

ILO Director-Pretoria Office, Mr Alexio Musindo

Leaders of the social dialogue institutions in Africa who are present here with us:

President of the High Council for Social Dialogue, Senegal: Ms. Ntap Innocence,

Principal Secretary of the National Advisory Committee on Labour, Lesotho: Mr. Moshe Mosaase

Chairperson of the Labour Advisory Board, eSwatini: Mr Mthunzi Shabangu

Team Leader of the Tripartite Negotiating Forum, Zimbabwe: Mr Clemence Vusani

Distinguished Guests

Ladies and Gentlemen,

It is my great pleasure to welcome you all to the 29th NEDLAC Annual Summit. We are particularly honoured that the Deputy President, Mr. Paul Mashatile though not here in person, will be delivering his keynote address to this Summit and that affirms government's collective commitment to strengthening the partnerships that are vital to South Africa's future.

This occasion is especially significant, as it precedes a historic milestone that we plan to celebrate in 2025 - the NEDLAC 30th Anniversary. The National Economic Development and Labour Council (NEDLAC) remains the pride of the country as we craft the way to the next 30 years. Coincidentally, 2024 marks 30 years since South Africa re-joined the International Labour Organization (ILO) and Convention 144 on Tripartite Consultation influenced the establishment of NEDLAC in South Africa in 1995, even when C144 was not yet ratified by the country.

The world applauds NEDLAC not only because of its existence and as a case study for best practice, but more because of the impact the institution has had in the socio-economy environment in South Africa. Since its inception, NEDLAC has been the cornerstone of our country's social dialogue, bringing together government, business, labour, and community sectors to shape the policies that drive our economic and social progress. I am encouraged by the social partnership priority areas as these are perfectly aligned to the government's strategic priorities;

- To drive inclusive growth and job creation
- To reduce poverty and tackle the high cost of living
- To build a capable, ethical and developmental state

The many pieces of legislation that define our economy and labour market today remain a thread that connects all of us. The recent completion of negotiations of the amendments to about 60 sections in our labour laws is a case in point, to improve the labour market's efficiency and promote workers' rights, particularly in the face of the changing nature of work. These amendments will continue to define our labour market beyond today hence the dialogue between social partners remain a central convergence point in South Africa's democracy.

We hold this annual summit under unique circumstances, where the 7th Administration, characterised by the ANC led Government of National Unity (GNU) had resolved to dedicate the next five years to actions that will advance three strategic priorities:

- To drive inclusive growth and job creation,
- To reduce poverty and tackle the high cost of living, and
- To build a capable, ethical and developmental state.

Government is in a process of finalising the Medium-Term Development Plan (MTDP) 2024/2029 and through this plan, clear objectives and a roadmap to achieve the priorities will be articulated. The GNU presents us with opportunities and challenges and using the consultative muscle of NEDLAC, it is my belief that we can maximise on the opportunities presented to us and achieve much more as a country.

As we reflect on the past three decades, we acknowledge the vital role NEDLAC has played in fostering an inclusive, consultative approach to policy-making that has been central to our democratic ethos.

Today, as we gather to discuss the pressing challenges and opportunities that lie ahead, we are reminded of the collective strength that defines this institution. NEDLAC's unique model of engagement is not just a symbol of our commitment to participatory governance; it is a testament to what we can achieve when we work together towards common goals.

This year's summit comes at a pivotal moment where our country is faced with numerous challenges: unemployment, economic inequality, poverty, and the need for radical inclusive, job creating economic growth, all within a rapidly evolving global context. We meet at a point where the data from the Quarterly Labour Force Survey (QLFS) Quarter 2 report states that, approximately 3,6 million out of 10,3 million young people aged 15-24 years were NEET (not in employment, education or training), This number continues to increase and it is a challenge we must tackle collectively as social partners. South Africa as a global player is not immune from the effects of the polycrisis; digitalisation, climate change and geopolitics. Climate change

affects employment, economic stability, and social protection measures but I am pleased to note that significant strides against climate change are being made through Presidential Climate Commission.

As we navigate these complex issues, NEDLAC's role remains more crucial than ever before. We must continue to champion the values of dialogue, consensus-building, and mutual respect that have underpinned our progress as a country.

This Summit is thus, not only an occasion to look back at three decades of collective achievements and reflect on the challenges encountered, but also an opportunity to reflect on our shared path going forward with renewed commitment.

You have navigated the complexities of enhancing labour market policy to enable inclusive economic growth and job creation. In recent years, NEDLAC has successfully coordinated social partners' responses to crises, such as the energy crisis, the broader economy, and the COVID-19 pandemic.

Indeed, NEDLAC stands as a beacon of collaboration, embodying the spirit of social dialogue and consensus. As we journey through the 21st century, NEDLAC's role becomes increasingly vital in fostering sustainable economic growth, ensuring equitable labour practices, and promoting social justice.

The 30-year report which is being publicly launched today, is testament to our successes together; and a crucial tool for understanding the lessons learned, as well as the priority focus areas, as we advance to the next 30 years. The report, indicates that there is a strong consensus among social partners on the urgent need to address various critical areas. I will highlight a few.

Structural Reforms: I welcome the commitment of social partners to continue to partner with government to implement structural reforms to enhance economic efficiency and address entrenched disparities. As government, we thank you for your existing efforts, especially business as led by BUSA and welcome your partnerships in the areas of energy, water, freight, public transport, and digital issues.

Infrastructure Development: Government needs all social partners to prioritise infrastructure development to support economic growth, improve service delivery, and create job opportunities.

Social Security: In the face of climate change and digital transitions, the need for a comprehensive social security is acknowledged. The government is committed to partnering to improve and extend the social security systems of grants, unemployment insurance and pension. The two-pot retirement system, is an important measure to assist distressed workers. Measures such as these, need to be implemented to cushion workers facing just transition.

State Capacity: We must strengthen state capacity, especially at local government level, to ensure effective implementation of policies and delivery of services. State capacity is not only a government project – workers in the public service, can play a crucial role in ensuring a more responsive government.

These key issues require an unwavering partnership and robust social dialogue by social partners, to create lasting solutions that will build our economy, strengthen the labour market, create jobs and address a number of pressing social and economic challenges facing the country, such as triple challenges; unemployment, poverty and inequality.

In conclusion, I want to commit my support to your work as NEDLAC, and would like to encourage social partners to continue engaging, as your work manifests into the global footprint in employment and labour sector. It would be careless of me not to share with you the capacity challenges we have found in Compensation Fund and Unemployment Insurance Fund, and these are both in terms of skills and governance. These Faultline were highlighted sharply by Auditor General recently. To this extent, we are prioritising these capacity challenges through the organizational repurposing of the department to strengthen capacity and capabilities. Equally, I want to assure you as social partners that we will be acting accordingly against any official of the department that compromises governance processes.

I want to thank all of you—our social partners, stakeholders, and members of the NEDLAC community, regional community and international agencies — for your support, dedication and tireless efforts. Your contributions ensure that NEDLAC continues to serve as a beacon of collaborative governance. I would like to commend NEDLAC and the CCMA for the clean audit outcomes, this is particularly commendable as we want to inculcate a culture of good governance and excellence throughout the DEL family.

As we look ahead to the next 30 years, let us recommit ourselves to the values that have brought us this far. Together, we can build

a South Africa that is more inclusive, more equitable, and more prosperous for all.

I wish you a productive and inspiring summit.

Thank you