

Election Season & Protest Action

Another month has passed during which much work has been carried out with the support of Members. April is a historic month in South Africa's political calendar, as the country held its first democratic general election on 27 April 1994. As we reflect on the meaning of that milestone, the country is preparing to hold its sixth democratic election on 8 May 2019.

The build-up to the general election has been underscored by flashes of violence, with several BUSA Members raising the alarm about how this has had an adverse effect on business.

In one such instance, the **Consumer Goods Council of SA (CGCSA)**, a BUSA Member, released a press statement on 11 April 2019 calling on urgent government intervention in violent community protests. The **CGCSA** noted in its press statement concern about police handling of the protests, citing law enforcement agencies' inability or unwillingness to assist in mitigating damage to property.

Following this, BUSA approached its Membership base and asked if any other Members had been affected by violent protests, to assess how the organisation could assist in a constructive manner.

Based on the responses received, BUSA is due to hold an engagement with Members about the issue to discuss how best to tackle and approach it. Please look out for a communication in this regard. Thank you to Members who took the time to share their experiences in their respective sectors and what steps they had taken to resolve the challenges.

On the policy front, **Parliament** is due to sit after the general election has taken place, and that means matters have cooled on that front. That said, there is important work that continues to be carried out at **Nedlac**, with several proposed pieces of legislation being discussed before the institution's chambers. The report hereunder captures some of this.

BUSA site: <https://busa.org.za/>; Twitter, @BusinessUnitySA; and Facebook, @BusinessUnitySouthAfrica.

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KEY: STRATEGIC DRIVERS

- Transformation
- Enabling laws and regulations
- International positioning
- Social security
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- Energy
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- Progressive pro-growth taxation
- Enabling trade regime
- Education and skills



The BUSA team

Input on Global Commission Report

BUSA has finalised its submission on the **Global Commission Report on the Future of Work**, thanks to the immense contribution of Members. This means that this will be the mandated position the organisation will adopt and carry when attending the **108th Session of the International Labour Organisation's (ILO's) International Labour Conference (ILC)** in Geneva, Switzerland, in two months' time.

For context, the Global Commission released its report in mid-January 2019, following which Socpol convened a special committee meeting at which the report and BUSA's approach and response to it were discussed. As such, BUSA's final submission was informed by this process. It is worth noting that 2019 is the ILO's centenary and BUSA has been privileged to be part of the organisation's events marking this important milestone. In addition, the **International Organisation of Employers (IOE)** will also be celebrating 100 years of existence in 2020.

BUSA has shared its final submission with Members, and the 14-page document is also available on the Members Dashboard section of the BUSA website, as well as the public section under the Policy tab. The organisation encourages Members to engage with the document, as this is a summary of key points contained therein.

In brief, BUSA agrees with the emphasis on a human-centric approach to the **Future of Work** as contained in the Global Commission's Report. However, there are several caveats to this, including a careful consideration of national context. In terms of a national context, BUSA lists factors including existing capacity, economic performance, human capital, research capabilities and socio-economic factors, such as gender dynamics, which all have to be considered and carefully weighed up when dealing with the **Future of Work**.

The essence of BUSA's input is a response to **Recommendations 1 to 10** of the Global Commission Report, noting the pros, cons and potential shortfalls of each, underscoring the South African context.

In terms of **Recommendation 1**, BUSA endorses the principle of lifelong learning. However, the organisation cautions against the language in which this principle is couched - i.e. the report capturing this as an "entitlement". "A key challenge for driving the concept of lifelong learning is financing. The South African model of the Skills Development Levy has not proved effective in terms of aligning training to the needs of the current and transforming labour market in specific sectors," reads BUSA's input.

BUSA's input has been described as balanced and constructive. In keeping with that spirit, the organisation balanced its critique of the potential pitfalls of lifelong learning with this sentiment: "... Lifelong learning should offer access to reasonable opportunities for ageing/older workers who will need to adapt to the rapid introduction of digitisation and the **Fourth Industrial Revolution (4IR)**, both to maintain currency of skills for employability and reskilling."

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BUSA in April



ICYMI: The BRICS Business Council Mid-Term meeting took place on 3-4 April in Johannesburg. Pictures: Supplied



ICYMI: BUSA Board Member Stavros Nicolaou, left, BRICS Business Council chair Busi Mabuza and Gauteng Premier David Makhura, middle, and Mabuza with International Relations Minister Lindiwe Sisulu at the Mid-term meeting.



ICYMI: BUSA CEO Tanya Cohen at the ILO Global 100 celebrations held at the Nelson Mandela Centre of Memory.

Socpol & SubCET



The next Socpol meeting is scheduled for Wednesday 18 September 2019, so is the next SubCET meeting. BUSANA has circulated meeting invites for both.

Although the month was punctuated by long weekends and public holidays, much work took place in April in both Socpol and SubCET, including, but not limited to, a meeting of the **SME Working Group**. In addition, BUSANA was invited to attend an IOE-hosted event on business and human rights, and the organisation joined other social partners in helping the ILO celebrate its 100-year anniversary in existence.

The **SME Working Group** meeting took place on Wednesday 17 April 2019, when BUSANA discussed, among others: the Small Business Institute's SME baseline study, BUSANA's SME Action Plan, BLSA Connect, the CCMA-BUSANA Web Tool, access to National Skills Authority funds and the SME Tracking Tool.

BUSANA thanks Members for having taken the time to attend the meeting. This forms part of the organisation's efforts to ensure that SMEs are part of the broad conversation about the economy and that small business is not taken as an afterthought in such discussions.

The IOE hosted a Business for Human Rights Conference on Monday to Wednesday 1-3 April 2019 in Madrid, Spain. The event was intended to gauge how far business had come in embedding the UN's Guiding Principles on Business and Human Rights, as well as assess implementation of the **Social Development Goals (SDGs)**. South Africa is due to report on its progress on the **SDGs** at the UN in July 2019.

The conference placed a great deal of emphasis on small business because of the unique challenges faced by this segment of business and the heightened risk of human rights violations taking place at SMEs. In addition, corruption was discussed at length and how it eroded institutions tasked with upholding the rule of law and how this, in turn, carried the risk of undermining national sovereignty.

One of the key takeaways from the event was the role of business associations in amplifying the SDGs and encouraging the adoption and embedding of human rights principles, as well as highlighting anti-corruption initiatives and promoting ethical leadership.

The **ILO's Global 100** celebrations took place at the **Nelson Mandela Centre of Memory** on Thursday 11 April 2019. The event was part of a series of others held around the globe to commemorate the ILO's centenary. This was a significant event because it took place a year after Madiba's centenary celebrations and the milestone coincides with South Africa marking a quarter of a century of democratic governance.

BUSANA CEO Cohen attended the event on behalf of business, while **Labour Minister** Mildred Oliphant and **Cosatu** President Zingiswa Losi represented government and labour respectively.

The ILO has a proud and rich history of having backed South Africa's struggle for emancipation from the apartheid system, with the organisation being one of the first to institute banning orders against the apartheid government. Significantly, in 1990, months after his release from prison, Madiba made an address at the **77th Session of the ILC** in Geneva.

Also on 11 April, BUSANA attended an ILO Global 100 employer group representation event held in conjunction with the Financial Times in Geneva and which was broadcast live across the globe.

In keeping with the Future of Work theme, the research report commissioned by Nedlac Development Chamber on the subject is out. The research was done by the University of Stellenbosch's Institute for Futures Research. BUSANA shared a link to the report on Tuesday 23 April 2019. The link expired on Tuesday 28 April 2019. Members interested in the report can get in touch with BUSANA.

Socpol & SubCET



Calls for applications & nominations

- BUSA has issued a call to nominate a suitable candidate who will serve as Socpol deputy chair. Members were first alerted to this on Monday 1 April 2019 and had until Monday 8 April 2019 to make a nomination.
- BUSA has invited Members to nominate a deputy chair of SubCET. The call was issued on Monday 1 April 2019 and the deadline set for Monday 8 April 2019.
- The **Association for Overseas Technical Co-operation & Sustainable Partnerships (AOTS)** is hosting an industrial relations and human resource management programme in Tokyo, Japan, later this year. As such, BUSA asked Members to nominate candidates to attend this event. This was communicated to Members on Tuesday 2 April 2019, and the deadline to make nominations was Friday 12 April.
- BUSA has asked Members to nominate candidates who will serve on the **BRICS Business Council Skills Development Working Group**. The call was made on Wednesday 3 April 2019, and the deadline set for Wednesday 10 April.
- BUSA has requested Members to nominate candidates to serve on the Section 77 Standing Committee at Nedlac. The nominations opened on Friday 5 April 2019 and closed on Monday 15 April 2019.
- BUSA has issued a call for Members to vote for an alternative representative on the Section 77 Standing Committee. The deadline for this is Thursday 2 May 2019.

Calls for comment & inputs

- BUSA asked Members to endorse the organisation's nominees who will attend the 108th Session of the ILC by Thursday 4 April 2019.

For information

- BUSA has shared the Compensation for Occupational Injuries & Diseases Act rates for 2019.
- The organisation has circulated the minutes of the Socpol and SubCET meetings held on 27 March.
- The **Department of Higher Education & Training** has issued a call for research papers for its Colloquium on Post-School Education & Training. The deadline is 19 May 2019.
- The **Skills Initiative for Africa (SIFA)** has issued a call for "proposals for large skills development investment projects as part of its funding window 1". Please refer to the note sent out on Tuesday 23 April 2019 for further details.
- Nedlac proceedings on the **Preservation & Development of Agricultural Land Bill** have resumed. As such, BUSA has shared its position on the Bill.
- BUSA has circulated the Services SETA's Guide on the Implementation of Workplace-based Learning Agreement Regulations.



Econpol & subcommittees

The next Econpol meeting is scheduled to take place on 18 June 2019. BUSA has circulated a meeting invite to Members. The main item to note under Econpol is that the **National Planning Commission** assessed progress made towards achieving the goals articulated in the **National Development Plan**, particularly those pertaining to employment creation.

In that regard, BUSA asked Members to review the results of these efforts in a note sent out on Tuesday 23 April 2019. Members had until Monday 29 April 2019 to make any inputs.

Energy

The next subcommittee meeting is scheduled for Wednesday 22 May 2019.

The subcommittee held a special meeting focusing on the challenges being experienced with **Embedded Generation**, the outcome of which has been shared with Members. The meeting was held on Thursday 11 April 2019 at BUSA's offices and was intended to obtain a mandate from Members.

The other noteworthy energy-related matters under consideration by the subcommittee included: the draft submission to President Cyril Ramaphosa on electricity regulation, notes on the Integrated Resource Plan (IRP) engagement at Nedlac and the discussion on Eskom's structure.

In term of the **Embedded Generation** meeting, the key cause for concern is the lack of certainty about what is lawful or not. In addition, applications take a long time to process, which defeats the purpose, as this is supposed to be a less cumbersome channel. As such, the subcommittee took a decision at the meeting to write to President Ramaphosa after having obtained a mandate from Members.

The draft eight-page letter was circulated to Members on Monday 15 April 2019. The letter attempts to apprise the president of all the associated challenges of attempting to apply for Embedded Generation and proposes solutions.

After a long period of silence and inactivity, Nedlac engagements on the IRP 2018 have resumed in earnest, with the last meeting having taken place on Wednesday 17 April 2019. At face value, there does seem to be a concerted effort to conduct a credible consultation process among social partners this time around. BUSA advises Members to consult the note circulated on Monday 22 April 2019 for further information.

Environment

The subcommittee met on Wednesday 17 April 2019, when a number of matters were discussed. One of the most pressing issues was a discussion on whether or not to write a letter to President Ramaphosa to appeal against his signing into law of the **Carbon Tax Bill**, which Members consider to be highly problematic. Other topics on the agenda included: the **Intergovernmental Panel on Climate Change (IPCC) Guidelines**, **Greenhouse Gas (GHG)** reporting and regulations, the **Climate Change Bill**, and the fact the **NEMA** makes provision for both criminal and civil action.

The subcommittee kicked off the month by having a meeting with the **Department of Environmental Affairs (DEA)** deputy director-general (**DDG**) on Thursday 4 April 2019. BUSA shared the minutes of this engagement on Tuesday 16 April 2019.

Environment continued ...

BUSA encourages Members to engage the note shared on Tuesday 16 April 2019 for furthermore information. The eight-page document charts the nature of discussions held with the DEA DDG, BUSA's concerns about a range of policies and regulations before the department and a constructive way forward. There are a number of action items detailed in the note, hence BUSA asks that Members consult the document.

The cut and thrust of the meeting was to build a bridge between the department and business to ensure that the latter's inputs on policies and regulations are not only taken seriously but are also reflected in the final product.

Members expressed frustration that the **DEA** has a tendency of putting out defective legislation, flouting due process to get it through and then seeks to rectify it after the fact. BUSA noted this concern. In addition, with regard to the **DDG**, the general feeling was that the official was a relationship builder, but not strong on some technical aspects.

Members are to note that Nedlac engagements on the **Climate Change Bill** are gathering pace. And communication reflecting this fact has been sent out. BUSA's position on chapters 2-5 of the **Climate Change Bill** has been shared with Members.

Tax

The next subcommittee meeting is scheduled for Tuesday 7 May 2019.

Trade, Transport & Logistics

The next subcommittee meeting is scheduled for Tuesday 4 June 2019.

Calls for applications & nominations

- BUSA has asked Members to nominate candidates to serve on the Nedlac Task Team on the **Conduct of Financial Institutions Bill**. Members had until Thursday 18 April to make nominations.
- BUSA has issued a call to nominate candidates to serve on the **UN Framework Convention for Climate Change Adaption Committee Working Group**. The deadline was Wednesday 17 April 2019.

Calls for comments & inputs

- BUSA has heard Members' appeals to intervene in the load-shedding crisis. BUSA has shared a document outlining a formal engagement structure with Eskom. BUSA circulated the proposal on Tuesday 23 April 2019 and gave Members until Monday 29 April 2019 to make inputs and comments.
- BUSA has noted exclusions of its inputs to the **NEMA: Waste Act**. As such, the organisation called on Members to highlight their concerns by Friday 12 April 2019.
- BUSA asked Members to comment on the updated final **GHG Report** by Friday 12 April 2019.
- BUSA has requested that Members comment on the organisation's draft submission on the **Water Phakisa**. Members had until Tuesday 23 April 2019 to make inputs.
- BUSA sent a draft matrix for a position on the **Carbon Tax** and the **Carbon Budget** alignment for comment on Tuesday 23 April 2019. The deadline was Tuesday 30 April 2019.
- Members have until Friday 3 May 2019 to comment on BUSA's position on chapters 2-5 of the **Climate Change Bill**.

For information:

- The draft Mpumalanga Climate Change Strategy is out.
- BUSA circulated a note from SAPIA about the Carbon Tax on Fuels & GHG Reporting requirements on Tuesday 23 April 2019.

■ THE MONTH AHEAD

- 1 May: Workers' Day
- 2 May: Deadline to comment on BUSA's Water Phakisa submission
- 2 May: Deadline to nominate candidates on Section 77 Standing Committee
- 2-4 May: Tourism Indaba
- 3 May: Deadline to comment on draft NEMA matrix
- 3 May: Deadline to comment on BUSA's Climate Change Bill position
- 7 May: Tax subcommittee meeting
- 8 May: National General Election
- 9 May: GIBS Forum on the African Continental Free Trade Agreement
- 22 May: Energy subcommittee meeting
- 22 May: GIBS Forum on the Future of Farming in South Africa
- 25 May: Africa Day
- 29 May: GIBS Forum on the Business of Cannabis
- 30 May: Nedlac Exco
- 30 May: GIBS Conference on Fintech

■ The End!

■ CONTACTS

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