

DIALOGUE

THE NEDLAC NEWSLETTER

September 2003 Vol. 7, No. 3



Herbert Mkhize takes on Executive Director position



Herbert Mkhize

Taking up the post of Executive Director of Nedlac two weeks before Nedlac's Annual Summit, Herbert Mkhize is hitting the ground running. Nedlac's Annual Summit takes place on 27 September in Johannesburg.

The Summit will provide an opportunity to introduce the new Executive Director to Nedlac's constituencies, although, with his background in the trade unions, and more recently in business, he is already known to many.

Labour delegates will remember Herbert Mkhize as Assistant General Secretary of the South African Commercial, Catering and Allied Workers' Union (Saccawu) between 1994 and 1999. Before that, he served in the National Peace Secretariat between 1993 and 1994.

Nedlac constituencies will also have come across the new Executive Director at Nedlac itself: he was involved in several Nedlac structures, including the Management Committee and Executive Council, as well as serving as the labour convenor in the Trade and Industry Chamber. He served as one of the members of the Labour Commission task team in 1996, was part of the Government delegation to the first WTO Ministerial meeting in Singapore, and was also part of the Nedlac delegation to

investigate the skills development framework in Germany

Since moving into the corporate world in 1999, he has worked as a Manager, Consultant, Project manager and a change agent at a corporate level in Old Mutual. He joined Old Mutual soon after the Old Mutual Board endorsed the need to develop and implement an integrated corporate citizenship and transformation programme for the group.

The new Executive Director is an experienced negotiator, and has undergone extensive training in mediation and arbitration skills, conflict resolution as well as organisational development and administration training, an Advanced Course in Leadership run jointly by the UCT's Graduate school of Business and the London Business School. At Old Mutual, he was responsible for managing a budget of some R11.5 million per annum.

Nedlac faces a busy period going forward, with the implementation of the Growth and Development Summit agreements, as well as two Section 77 notices regarding job losses in the Clothing and Textile sector, and the plastic bags issue currently on the table, over and above all the ongoing Chamber

work programme issues. Announcing his appointment, the Minister of Labour, Membathisi Mdladlana said "I believe we have chosen the strongest candidate for the position and Herbert Mkhize will make a considerable contribution to the future success of this institution. His experience in Saccawu and at Old Mutual will prove to be invaluable in developing and advancing social dialogue in South Africa". He added that Mr Mkhize would build on the excellent work performed by the previous two incumbents, Phillip Dexter and Jayendra Naidoo.

In this issue:

Nedlac Summit to focus on GDS Implementation	p2
WTO trade talks in Cancun	p3
Nedlac's role defended	p4
Proudly South African Update	p5
What's happening in Research	p6
Contact Numbers: Affiliates of Cosatu, Fedusa, Nactu	p7-8

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Design & layout - MANIK Design 788 7050



Ebrahim Patel, Membathisi Mdladlana, Jacob Zuma, Phillip Dexter and Rams Ramashia singing the National Anthem at last year's summit.

Nedlac Summit to focus on GDS Implementation

Nedlac's Annual Summit, to take place on Saturday 27 September, will focus on the implementation of the Growth and Development Summit agreements.

The Annual Summit will also, as is customary, provide an opportunity to the constituencies to review the past year, and set priorities for the coming year.

The Summit will be opened by the Deputy President, Jacob Zuma. Three hundred delegates from the Nedlac Constituencies of Business, Government, Labour and Community, as well as guests from a wide spectrum of South African society, will attend. Guests include ambassadors, International Labour Organisation representatives, heads of other statutory bodies and Chairpersons of Parliamentary Portfolio Committees.

Senior leaders from each of the Nedlac constituencies will address the gathering. The theme of this year's summit is GDS Implementation, and the four commissions will each focus on one of the themes of the GDS, i.e.

- More jobs, better jobs, decent work for all

- Addressing the investment challenge
- Advancing equity, developing skills, creating economic opportunities for all and extending services
- Local action and implementation

In the period since the GDS, Nedlac's Executive Council had an initial discussion on the best way in which to manage

the implementation. It was agreed that a task team would be set up consisting of two delegates per constituency. Terms of reference for the task team have been drawn up, and it will meet prior to the Summit, receive feedback from constituencies as to what areas have seen progress since the GDS, and set terms of reference for the Summit Commissions. The task team has also been asked to draw up a business plan according to which implementation will take place.

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Visits to Nedlac

Nedlac has hosted a number of visits in the past few weeks, both from local and international guests.

- **Ditsela Advanced Organiser Development Programme**

About 20 Cosatu Organisers visited Nedlac in August and enjoyed particularly the interactions with senior representatives from the constituencies - Deputy DG of the Dept. of Labour, Les Kettleidas, and Deputy GS of Ceppwawu, Bengeza Mthombeni. Siphon Masuku of the South African Youth Council represented Community.

- **French Senate Budget Committee**

A group of 8 Senators, led by the President of the Senate, visited Nedlac on 2 September, and had a lively discussion with the secretariat and constituency representatives.

- **People's Republic of China**

A 7-member delegation, including the Governor of the Shandong Province (which has 90 million people, a 12% growth rate and a 3,5% unemployment rate) visited Nedlac on 3 September.

Section 77 notices

Nedlac has three section 77 notices on the agenda currently.

- **Cosatu Western Cape Metrorail notice**
A meeting was held on 12 August in Cape Town. It was agreed that the process would continue in bilaterals. If a deadlock were to be reached, the process would revert to the Section 77 Committee.
- **Sactwu Retailers notice**
A notice was received on 7 August 2003. A date suitable to all committee members has yet to be found.
- **Ceppwawu, Cosatu, Sacu plastic bags notice**
A notice was received on 8 August 2003. A meeting is scheduled for 12 September.

Sector Summits

There are two sector summits currently being planned:

- Metals and Engineering
- Chemicals

Three further summits have been proposed:

- Services
- Agriculture and Agro-processing
- Construction

A post-ICT summit process is still taking place.

Nedlac 2002/2003 Annual Report

Nedlac's Annual Report for 2002/2003 was distributed at the beginning of September. It covers both the activities of the Council during the year under review, as well as giving an overview of socio-economic trends. In terms of activities, the report shows that Nedlac hosted a total of 210 meetings during the period, with the busiest chamber being the Trade and Industry Chamber. The period also included a number of summits, in the ICT sector, financial sector, the World Summit on Sustainable Development, as well as a civil society summit. Nedlac continued to attract significant public attention, with 3500 - 4000 visitors to its website per month, and an average of 15 newspaper articles mentioning Nedlac per week.

Joint delegation to WTO talks in Cancun

Once again, Government will be taking a quadri-partite delegation to the World Trade Organisation (WTO) Ministerial Meeting in Cancun, Mexico.

The Department of Trade and Industry asked Nedlac to co-ordinate the business, labour and community delegates joining the team. The labour representatives are Tony Ehrenreich, Tanya van Meelis and Cunningham Ngcukana; the community representative is Sizwe Shezi, and the business representatives are Hans van der Merwe, Michael McDonald and Cleo Mtshali. Co-ordinator of the Trade and Industry Chamber, Joy Smith, will accompany the delegation.

Several discussions have taken place prior to the departure of the team in order to solidify South Africa's position. South Africa is committed to ensuring that development issues take centre stage on the WTO agenda.

This includes support for substantial market access for agricultural products from South Africa and other developing countries and improvements in trade conditions that would promote greater diversity of South African and African exports, including higher value-added exports.

Also key on the agenda are issues pertaining to access by developing countries to affordable critical medication for diseases affecting them.

South Africa has played and continues to play an important role in mobilising developing countries and, guided by the New Partnership for Africa's Development, working with Africa in particular, to push for a development agenda to bring economic benefits to developing countries.

Key on the agenda are issues pertaining to access by developing countries to affordable critical medication for diseases affecting them

LETTER TO THE EDITOR

Nedlac's role defended

As a previous Labour Convenor for the Trade & Industry Chamber at NEDLAC and now based in Oxford as Policy Adviser: Private Sector at Oxfam, I continue to take a keen interest in the work of NEDLAC. I could not help but find the article in the Business Day where Tony Leon argues that NEDLAC is no longer needed somewhat laughable. Let me put this into context...

In my current job, I interact with the UK government and European Commission almost daily. One of the great frustrations has been their lack of democratic structures to allow various interest groups to talk to each other and to participate in government decision-making. Unions, businesses and NGOs speak to government on a bilateral level in most cases. They have one or two stakeholder forums, but they are mostly ineffective. Part of the problem is that there is very little sense of actual partnership between the various stakeholders. Parties are further frustrated because most of these meetings are talkshops with very little scope for influence by the stakeholders. They have no forum or structure in which they can raise their concerns, negotiate and consult with government on more sensitive areas of public interest, negotiate agreements to resolve conflict, participate in an (almost) equal footing in the redrafting or drafting of new laws, policies or initiatives, or where they can hold government (and each other) accountable for agreements reached. They have no structure that comes even close to Nedlac.

Yes, we experience many problems with and at Nedlac. But the process of negotiating sensitive and interest-laden issues with stakeholders is not meant to be easy. It is difficult because we are dealing with difficult issues and difficult interest groups. Interests are so varied that it will always be difficult to reach an 'easy' agreement. Nedlac was not established to make things easier, it was established to include all the major stakeholders within a democratic system. We could not base this model on anything else as this system does not exist to this level anywhere else. Breaking ground in democracy was never going to be easy, but we have never taken the easy route in South Africa. We have always taken the right route. And the right route is usually the difficult route.

But this does not mean that we have not grown in Nedlac. When it started, parties could hardly talk to each other. One of the great spin-offs of Nedlac has been the bridge-building

between the different partners. Even with all the differences and tensions, the social partners have a much greater understanding and respect for each other than ever before. If Nedlac is lost, the partnership that has developed will also go. Nowhere else do people feel so part of a government decision-making process than in South Africa. It is key to what we wanted in South Africa and continues to be key. Closing Nedlac would be to say that we have achieved everything we wanted to in South Africa and that there is no need to talk to each other anymore. That day is not now and probably never will be. Key to being South African is the openness to talk and share ideas with each other, to work jointly in solving new and old problems. In this cynical world, we will always be facing new problems and challenges – but through Nedlac we will do it together. It's not easy, but it's part of who we are.

Nedlac is also important for those outside South Africa. Internationally there is a great lack of democratic structures. I am proud to promote Nedlac as an example to all government institutions – from national governments such as the UK, to multinational governments such as the European Commission, World Trade Organisation and United Nations. We must continue to do our work at Nedlac and continue to be the innovators of democracy. Instead of closing Nedlac, we should promote it as the example of what democracy should look like. The day we scrap Nedlac is the day we say goodbye to real democracy and the day we join those elsewhere in the world who believe that democracy is a method of getting into power. Democracy is about including people in decision-making. We have redefined democracy and Nedlac is key in that.

Continue the good work. It is never easy, but that is why we do what we do.

Henk Campher

Proudly South African Campaign update



Proudly South African Week 21-28 September



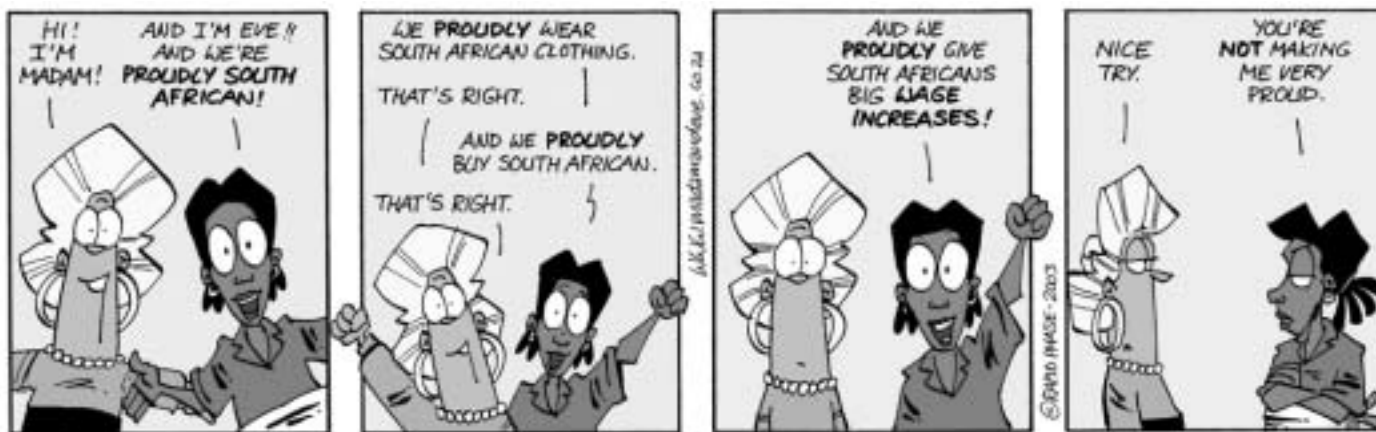
Following the success and support received during last year's Proudly South African Day held on 23 September 2002, the campaign decided to host a week-long celebration this year - seven intensive days of media publicity, retail promotions and member events designed to highlight the importance of supporting local companies, products and services. The week falls within Tourism Month, and also incorporates Heritage Day, the 24th September, so the campaign has worked closely

with SA Tourism and the International Marketing Campaign to ensure that the messages of the campaigns complement and build on each other.

About R15 million in free publicity was generated over the two-week period around the Day last year, and excitement is growing as preparations for this year's event take off. Media members of the campaign have pledged space or airtime to carry stories about the week. Independent Newspapers is running a supplement in all its dailies on 22 September.

The main objective of Proudly South African week is to focus on the action of buying and supporting deserving local goods and services, but the week also gives South Africans an opportunity to unite as a nation and celebrate national pride through actively supporting Proudly South African.

As initiators of the Proudly South African campaign, Nedlac's constituencies are encouraged to find ways to show their support during Proudly South African week!



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What you could be doing during Proudly South African Week:

- Hold an internal staff function, encourage staff to wear traditional South African clothes
- Hold a Proudly South African march or picket during lunchtime
- Mention Proudly South African in speeches/publicity releases during the week
- Purchase Proudly South African promotional items for employees (see www.proudlysa.co.za)
- Send Proudly South African greeting cards/ letters/ email messages/ sms's to your staff, clients, stakeholders, suppliers. You can download ringtones and picture stamps from the website
- Ensure that the Proudly South African logo is on all your products, as the public will be looking for these
- Buy a product with a Proudly South African logo on it

What's happening in research?

Fridge Update

Fridge, the Fund for Research into Industrial Development, Growth and Equity, which is funded by the Department of Trade and Industry (the dti), manages research into topics suggested by and monitored by the Nedlac Trade and Industry Chamber constituencies. The administration of the fund takes place through the Industrial Development Corporation, one of the Council of Trade and Industry Institutions falling under **the dti**. The process is as follows:

- Study topic suggested by any one of the Nedlac constituencies.
- Fridge sub-committee accepts topic and agrees on a budget for the study.
- Constituencies nominate delegates for a counterpart group which will manage the project.
- The counterpart group agrees on the terms of reference for the study
- The IDC Procurement Department Department calls for tenders from research companies to undertake the research.
- The counterpart group adjudicates the tenders, with the IDC, and recommends one for approval by both the Fridge sub-committee and the IDC Procurement Committee.
- The study is undertaken. The consultants report regularly to the counterpart group on progress and the group gives direction.
- Once the final study has been approved by the counterpart group, it is presented to the Fridge sub-committee.
- If the Fridge Committee accepts the report, it is presented to the Trade and Industry Chamber for adoption.
- If the TIC adopts the study, a Trade and Industry Chamber task team is set up to analyse the policy recommendations flowing from the study.

As part of a sector summit process, research has been undertaken into the employment situation in the Metals and Engineering Industry.

The topics currently on the agenda are:

Integrated Strategy for the retention and creation of employment in the South African Metals and Engineering Industry

As part of a sector summit process, research has been undertaken into the employment situation in the Metals and Engineering Industry. The study is in the final stages of completion, and its recommendations will feed into the sector summit process. The Department of Minerals and Energy also intends using parts of the findings of this study as input strategy into a new Mineral Beneficiation Bill.

A study to examine the intermediate Stainless Steel products industry for the production of Blanks, Pressings and Components parts - A final report is expected this month.

Globally Harmonised System - Currently the project is in its final phase and the task team will now begin to look at the implementation strategy.

Measures to Reduce Air Pollution from Combustion - The study is due to be finished in December 2003.

Clean Development Mechanism - The study got underway at the beginning of September and is due to be completed in March 2004.

Diamond Study - consultants to do the research are to be appointed shortly.

Creation of a Phosphate Value Chain - tenders from research companies are being considered

Study into the establishment of Aroma and Fragrance fine chemicals value chain in South Africa - tenders are being considered

Preliminary feasibility study into the manufacture of Penicillin and Derivatives in South Africa - The study began in early September and will be completed in October 2003.

Mercosur (textiles, clothing and footwear) - the counterpart group has agreed the terms of reference. A tender will be advertised shortly.

Chemicals Trade Study (Mercosur and USA) - the counterpart group will meet on 3rd October 2003 to finalise the terms of reference.

ICT Development Agency/Institute Mechanism - the terms of reference are still being refined.

Export/Import SADC - the first counterpart group meeting will be held shortly.

Unions affiliated to COSATU



Congress of South African Trade Unions **011 339 4911/24**

CEPPWAWU	Chemical, Energy, Paper, Printing Wood and Allied Workers' Union	011 331 6861/2
CWU	Communication Workers Union	011 838 8188
DENOSA	Democratic Nursing of South Africa	012 343 2315
FAWU	Food and Allied Workers Union	021 637 9040/9044
NEHAWU	National Education Health and Allied Workers Union	011 833 2902
NUM	National Union of Mineworkers	011 377 2000
NUMSA	National Union of Metalworkers of South Africa	011 689 1700
PAWE	Performing Arts Workers' Equity	011 403 6234/6
POPCRU	Police and Prisons Civil Rights Union	011 403 0406
RAPWU	Retail and Agricultural Processing Workers Union	023 316 2521
SAAPAWU	South African Agricultural Plantation And Allied Workers Union	011 403 2934/7
SACCAWU	South African Commercial, Catering And Allied Workers Union	011 403 8333
SACTWU	Southern African Clothing and Textile Workers Union	021 447 4570
SADNU	South African Democratic Nurses' Union	051 448 7551
SADTU	South African Democratic Teachers Union	011 334 4830
SAFPU	South African Football Players Union	011 339 3865
SAMWU	South African Municipal Workers Union	011 697 1151/4
SASAWU	South African State and Allied Workers Union	011 339 7012
SASBO	The Finance Union	011 442 0030
SATAWU	SA Transport and Allied Workers Union	011 333 6127

Affiliated to FEDUSA

Federation of Unions of South Africa **011 476 5188**

ALPA-SA	Airline Pilots Association of South Africa	011 394 5310
CCRAWU	Club, Catering & Retail Allied Worker Union	012 328 3610
DOAWA	Drivers, Operators and Allied Workers Association	015 812 0820
HOSPERSA	Health & Other Services Personnel, Trade Union SA.	021 975 0900
IBSA	Insurance & Banking Staff Association	011 782 0291
IMATU	Independent Municipal And Allied Trade Union	012 460 6276
Imatu-JHB		011 403 3826-9
ISA	Institute Staff Association	011 489 9042/9301



Affiliated to FEDUSA (CONTINUED)



Federation of Unions of South Africa

011 476 5188

J&GU	Jewellers and Goldsmith Union	021 465 9941
MWU	Millennium Workers Union	013 708 6644
NULAW	National Union of Leather Workers	031 307 6420/1
National Union of Hotel, Restaurant, Catering, Commercial, Health & Allied Workers		012 324 0031
PTWU	Professional Transport Workers Union	011 339 4249
PSA	Public Servants Association of SA	012 303 6500
RWU	Real Workers Union	018 788 4881
SACU	South African Communication Union	012 323 7819/8075
SAOU	Suid-Afrikaanse Onderwysers Unie	012 807 6244
SAPTU	S.A Parastatal and Tertiary Institution Union	012 807 4798
SAPTU - UNISA		012 429 8558
SATU	South African Typographical Union	012 323 6097
SWU	Simunye Workers Union	013 737 6340
UASA	United Association of South Africa	011 472 3600
UNIPSA	United Nations Public Servants Association of S.A	015 812 3455
UTATU	United Transport & Allied Union	011 728 0120

NACTU Affiliated Unions

National Council of Trade Unions

011 833 1040

BCAWU	Building, Construction and Allied Workers Union	011 333 9180/2
BIFAWU	Banking, Insurance and Finance Workers Union	011 836 4564/5
HIAWU	Hospitality Industry and Allied Workers Union	031 301 0288
HOTELICCA	Hotel, Liquor, Catering, Commercial And Allied Workers Union of SA	011 333 2874/86
MESHAWU	Municipality, Education, State, Health And Allied Workers Union	011 838 2264
MEWUSA	Metal and Electrical Workers Union of South Africa	011 331 1012/4
MWASA	Media Workers Association of South Africa	011 333 6306/8616
NACTWUSA	National Clothing and Textile Workers Union of South Africa	011 333 8816
NASAWU	National Services and Allied Workers Union	011 333 9058/9300
NUF	National Union of Farm Workers	011 833 1040/5
NUFAW	National Union of Furniture and Allied Workers	011 336 1564
NUFWBSAW	National Union of Food, Wine, Beverages, Spirit and Allied Workers	011 833 1140
NUPSWU	National Public Service Workers Union	082 445 6002
PSU	Parliamentary Staff Union	021 403 2744
SACWU	South African Chemical Workers Union	011 838 6581
TAWU	Transport and Allied Workers Union	011 838 3848
TOWU	Transport and Omnibus Workers Union	021 934 4044