

The formation of Nedlac

On 18 February 1995, the National Economic Development and Labour Council was launched to bring together government, business, labour and community interests, to, through negotiation, reach consensus on all labour legislation, and all significant social changes to and economic policy.

Nedlac's origins lie in the struggle against apartheid, against unilateral government decision-making, and in the calls from all sectors of society for decisions to be made in a more inclusive and transparent manner. It emerges out of a recognition of the importance of seeking consensus on major economic, social and development policies to ensure their success. Nedlac draws on international experience of social dialogue, as well as on the experience of its predecessors, the National Economic Forum and the National Manpower Commission. But it also has unique features aimed at meeting the particular needs of the South African situation: it includes not only the traditional social partners – government, business and labour – but also organisations which represent community and development interests in our country.

Objectives

The Nedlac Act, passed in 1994 with unanimous support from all political parties, says Nedlac shall:

- Strive to promote the goals of **economic growth, participation in economic decision-making and social equity**.
- Seek to **reach consensus and conclude agreements** pertaining to social and economic policy.
- Consider **all proposed labour legislation** relating to labour-market policy before it is introduced in Parliament.
- Consider **all significant changes to social and economic policy** before it is implemented or introduced in Parliament
- Encourage and promote the formulation of **co-ordinated policy on social and economic matters**.

To meet these objectives, the constituencies are involved in:

- **Negotiations** that aim to deliver formal, consensus-based agreements
- **Consultations** that aim at developing policy
- **Information-sharing** sessions
- **Research** that guides the formulation and implementation of social and economic policy
- **Dispute resolution** in terms of section 77 of the LRA



Composition of Nedlac

The Nedlac Act defines Nedlac as consisting of:

- Members who represent organised business
- Members who represent organised labour
- Members who represent organised community and development interests
- Members who represent the State

Organised business is represented by Business Unity South Africa (BUSA). BUSA represents the organisations that belonged to the now defunct Business South Africa and the National African Federated Chamber of Commerce and Industry (Nafcoc).

The Women's National Coalition (WNC), the Disabled People of South Africa (DPSA), the South African National Civic Organisation (Sanco), the South African Youth Council (SAYC) and the National Co-operatives Association of South Africa (NCASA) represent organised community and development interests.

The interests of organised labour are represented by the Congress of South Africa Trade Unions (Cosatu), the Federation of Unions of South Africa (Fedusa), and the National Council of Trade Unions (Nactu).

The Government delegation in Nedlac is drawn from several ministries and departments, including Labour, Trade and Industry, Finance and Public Works. Representatives of other government ministries and departments participate in Nedlac structures on an ad hoc basis. These have included the Departments of Health; Education; Home Affairs; Justice; Foreign Affairs; Welfare; Housing; Provincial and Local Government; Transport; Communications; Environmental Affairs and Tourism, Minerals and Energy and the Office of the President.

Meetings between the constituencies are facilitated and supported by a secretariat of 17 people. ■



Nedlac Operations

“The Council shall consider all proposed labour legislation, i.e. legislation affecting the world of work, as well as all significant changes to social and economic policy before it is implemented or introduced in parliament. The Council needs to develop conventions for its functioning which are sensitive to the requirements of efficient and effective government.”
Nedlac Founding Declaration

Nedlac’s work programme is determined by constituencies tabling issues that they wish to negotiate or discuss. These issues can be tabled at a chamber, the Management Committee or the Executive Council. Issues that are tabled at the Management Committee or Executive Council are referred to the appropriate chamber for negotiation or consultation.

Once the Management Committee has endorsed a chamber’s work programme, the chamber has to develop mechanisms to deal with the substantive details of each issue on their work programme. This often results in the establishment of a technical subcommittee or working group.

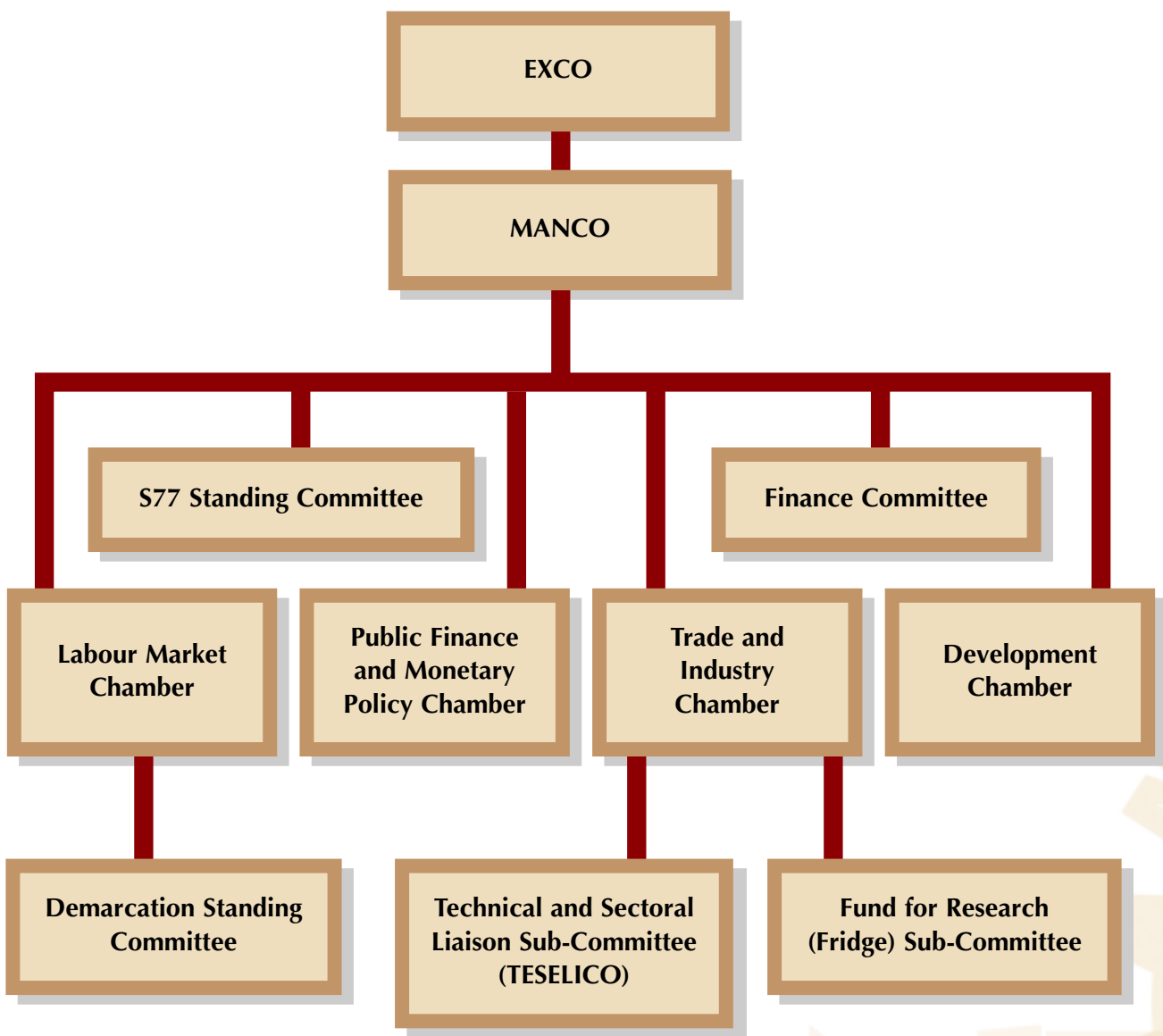
Subcommittees or working groups report to the chambers, which finalise or recommend changes to the agreement reached in the working group. Before an agreement is considered to be a Nedlac agreement it has to be ratified by the Management Committee and then the Executive Council. In some instances, these bodies may request the chamber or the working group to further consider an issue. The Executive Council may mandate another Nedlac structure to ratify a Nedlac agreement.

Following the ratification of a Nedlac agreement, Nedlac sends a report to the Minister of Labour and the relevant Minister for tabling in Parliament or for implementation. A Nedlac report records the process that was followed in Nedlac and the areas of agreement and disagreement between the parties (all Nedlac reports are available on Nedlac’s web-site: <http://www.nedlac.org.za>).

In addition to this formal process, Nedlac provides an environment for informal meetings and engagements that serve to strengthen relationships and understanding between constituencies. In these instances, constituencies often invite other specialists to contribute to the dialogue in these forums. ■



Structure of Nedlac with Subcommittees





Nedlac Organisational Structure

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BUSINESS

Business Unity South Africa

LABOUR

Congress of South African Trade Unions
National Council of Trade Unions
Federation of Unions of South Africa

COMMUNITY

Women's National Coalition
South African National Civics Organisation
South African Youth Council
Disabled People of South Africa
National Cooperatives Association of South Africa

GOVERNMENT

Department of Labour
Department of Trade And Industry
Department of Public Works
Department of Finance
Other Departments