

THE BOTTOM LINE

Newsletter



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BUSA BULLETIN

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FROM THE BUSA TEAM

BUSA AGM

Dear BUSA Members, 2018 has been an eventful year, marked by exciting organisational developments, starting with BUSA's AGM held on Tuesday 26 June 2018. At the flagship event, BUSA bade farewell to Jabu Mabuza, who delivered his last address as president. Under Mr Mabuza's leadership, BUSA successfully registered as an NPC and aligned its governance with the Companies Act. BUSA would like to thank Mr Mabuza for his dedicated stewardship and for steering the organisation during tough political times. Mr Mabuza served as BUSA president for two terms.

BUSA welcomes new President Siphon M. Pityana, a struggle stalwart turned businessman and the first director-general of labour in the democratic era. Mr Pityana and new Board members Absa CEO Maria Ramos, BLSA COO Busi Mavuso, SBI director Joe Mwase and CAIA executive director Deidre Penfold were newly appointed to the Board through the membership category. Their nominations on to the Board were ratified at the AGM.

Mr Pityana brings with him a wealth of experience, which will no doubt add to BUSA's efforts to solidify its place as the apex business organisation in South Africa. He delivered a rousing address at the AGM, where he formally took the baton from Mr Mabuza.

Martin Kingston was re-elected as BUSA vice-president, while Cas Coovadia, Christopher Campbell, Gwarega Mangozhe, Roger Baxter, Stavros Nicolaou, Vusi Khumalo retained their seats on the Board.

Nedlac Convener Kaizer Moyane and CEO Tanya Cohen are ex-officio members of the Board.

The alternates are: Christo Botes, Dr Ayanda Ntsaluba, Maurice Radebe, Isaac Ramputa, Alan Mukoki, Tebele Makhetha, John Purchase, Lerato Mosiah, Mmatšatši Ramawela and Nico Vermeulen.



The BUSA team

■ STRATEGIC SPOTLIGHT

National Minimum Wage & Labour Relations Stability

BUSA was party to the pivotal process at Nedlac that culminated in the historic agreements on the National Minimum Wage and the Labour Stability Accords. This represents a momentous occasion for the country, as business, organised labour, the government and community, which are the four Nedlac constituents, were on the same page and in agreement about the need for a National Minimum Wage and the Labour Stability agreements. The agreements have been cited by all three major sovereign ratings agencies - Moody's Investors Service, S&P Global Ratings and Fitch Ratings - as a credit positive for South Africa.

BUSA represented business' interests well at Nedlac and in Parliament throughout the complex and delicate process, ensuring that mandated organisational inputs were not only put forward but also made sure that they were factored when the agreements were to be incorporated into the Labour Bills to give legal effect to the National Minimum Wage and Labour Stability agreements. Ensuring a productive and stable labour market forms part of BUSA's 10 Strategic Objectives, anchored by the organisation's five Efficiency Objectives, two of which are making sure that BUSA Members are engaged with clear visibility of the organisation's work and that stakeholders regard BUSA as an influential social partner. In this regard, BUSA delivered in a credible and transparent manner.

For further context and a detailed overview of the process: consult the [Member Communication](#) portal on BUSA's website, which has exclusive Member content designed to keep you informed and in touch with important policy, Nedlac and legislative processes. Here are other useful links:

- [BUSA presentation on the Labour Law Amendments](#)
- [Labour Bills passed by the National Assembly](#)

Following the passing of the Basic Conditions of Employment Amendment Bill, the Labour Relations Amendment Bill and the National Minimum Wage Bill by the National Assembly in May 2018, the Bills are now before the National Council of Provinces, which has to vote on them. Once that happens, the Bills will make their way back to Parliament, which has to hold a joint sitting of both its Houses to vote on the Bills, following which the Bills will land on the President's desk for assenting into law.

If all goes to plan, the government is targeting 1 October 2018 to bring the laws into effect.

"The Basic Conditions of Employment Amendment Bill, the Labour Relations Amendment Bill and the National Minimum Wage Bill are before the National Council of Provinces."

Africa Continental Free Trade Area

- BUSA secured business participation in Continental Free Trade Area meeting, held in support of the Presidential signing of the Africa Free Trade Area in Kigali.

BRICS Participation

- BUSA attended various events in the build-up to the Brics Annual Meeting and Business Forum, including the Youth Forum and Business Council meeting in Durban. Busisiwe Mabuza, the BUSA representative on the Council, delivered an address at the Business Council event held in Durban. A BUSA delegation attended the flagship Business Forum and Summit events held at the Sandton Convention Centre in Johannesburg.

Business High-level Engagement with Investment Envoys

- BUSA made inputs at a high-level engagement with investment envoys Phumzile Langeni and Jacko Maree, and Presidential economic adviser Trudi Makhaya. BUSA CEO Tanya Cohen made inputs on what needed to be done to stimulate investment.

Competition Amendment Bill

- Economic Development Minister Ebrahim Patel has tabled the Competition Amendment Bill in Parliament. BUSA has been party to the Nedlac process on the Bill and made constructive inputs on behalf of business highlighting concerns and areas of agreement in the Bill. The Nedlac report on the Bill has been finalised and circulated.

Constituency Building

- Phase 2 of the Constituency Capacity Building Advocacy Project has commenced.

Informal Economy Summit, Durban

- BUSA led the business delegation on the Informal Economy Summit.

International Labour Organisation

- BUSA represented SA business at the International Labour Organisation and made a number of influential contributions. A report has been circulated to the Social Policy Committee.

Jobs Summit and Investment Summit inputs

- The Jobs Summit technical team and work committees terms of reference have been finalised and teams constituted. The BUSA team attended the two-day Jobs Summit Colloquium held at the DBSA campus in Midrand on 9 and 10 July 2018, when experts presented papers on sector-specific interventions to stimulate job creation.

National Planning Commission

- BUSA had an engagement with the National Planning Commission (NPC) and made submissions to the Commission's Economic Revitalisation paper. The NPC has incorporated aspects of BUSA's inputs in the final document.

Social Security

- The Comprehensive Social Security mandate has been finalised and tabled with the working group.

KEY: STRATEGIC DRIVERS

Transformation



Enabling laws and regulations



International positioning



Social security



SME development



Energy



Labour market development



Progressive pro-growth taxation



Enabling trade regime



Education and skills

EXTERNAL ENGAGEMENTS



SUBMISSIONS TO PARLIAMENT

Carbon Tax Bill

- BUSA participated in the Parliamentary public hearings on the Carbon Tax Bill.
- BUSA made supplementary submissions on the Carbon Tax Bill to Parliament, National Treasury and the Department of Environmental Affairs, focusing on the tax deductibility of the carbon tax and administration of the carbon tax.
- BUSA followed this up with a presentation to Parliament, commenting on National Treasury's response document to initial comments.

National Credit Amendment Bill

- BUSA concluded a Parliamentary engagement on the National Credit Amendment Bill.

Land Expropriation without Compensation

- BUSA collated and formulated a high-level business position on the review of Section 25 of the Constitution to explore expropriation without compensation. BUSA has made a written submission to the Constitutional Review Committee, whose task it is to explore modalities on land expropriation without compensation. The written submission has been circulated to Members. BUSA will make oral submission in Parliament when the Constitutional Review Committee holds hearings in Parliament.



STRATEGIC MEETINGS

Competition Amendment Bill

- BUSA had an engagement at Nedlac with the Minister of Economic Development to discuss the Competition Amendment Bill.

World Bank Group and International Finance Corporation

- BUSA held a discussion with a delegation from the World Bank Group about the international financier's latest Country Partnership Framework on South Africa, with a view to tap into BUSA's expertise on the local economy. As a result, BUSA and the World Bank Group will host a joint private sector outreach programme on areas of collaboration.

High-level engagement with Investment envoys and Trudi Makhaya

- BUSA made inputs at the business high-level engagement with President Cyril Ramaphosa's investment envoys, Phumzile Langeni and Jacko Maree, and economic adviser Trudi Makhaya. The event was held on 25 June 2018 at the BLSA conference room. BUSA made a comprehensive submission on blockages to investment and put forward solutions on how business and the government could work together to unlock domestic investment.

Youth Unemployment

- BUSA held an engagement with members on B-BBEE policy.
- BUSA has deepened co-operation with Harambee.
- BUSA members were invited to participate in NBI's meeting with YES, focusing on how to become involved in the initiative.



EVENTS

BBBEE Commission Summit

- BUSA presented at the Annual BBBEE Commission Summit earlier this year.



SUBMISSIONS TO GOVERNMENT

Budget

- BUSA responded to the national budget, highlighting developmental and transformation-related issues and concerns. BUSA also engaged with the Minister of Finance at a Special Nedlac Executive Council session on the 2018 Budget.

Compensation for Occupational Injuries and Diseases Act

- The Nedlac process on the Compensation for Occupational Injuries and Diseases Act has been concluded.

Dairy Sector task team

- BUSA represented business' interests in the Nedlac Dairy Sector task team, whose finalise Nedlac report has been completed.

Employ Equity Report

- Nedlac Report on Employment Equity Amendments finalised.

Jobs Mitigation

- The Nedlac process dealing with the impact of the carbon tax on employment and the associated Jobs Mitigation Plans is ongoing.

VAT Panel

- BUSA submitted inputs to the VAT Zero-rating Panel, set up at the behest of Finance Minister Nhlanhla Nene to investigate the expansion of zero-rated basic foodstuffs. The work in this regard is ongoing.

National Minimum Wage Exemption Regulations

- BUSA made submissions as part of the public process, and as well as at Nedlac.

■ THE MONTH AHEAD



EVENTS

- **27 July:** Deadline for comments on Broad-Based Black Economic Empowerment Schedule and Codes Matrices
- **31 July:** National Health Insurance (NHI) Working Group session on the NHI Bill and Medical Schemes Amendment Bill
- **31 July:** Energy Sub-committee Meeting
- **6 August:** Workshop on B-BBEE draft Schedule and Codes
- **8 August:** Tax Sub-committee Meeting
- **8 August:** DAFF presentation on Draft National Policy on Comprehensive Producer Development Support
- **16 August:** World Bank Group Sector Outreach
- **20 August:** Department of Environmental Affairs workshop on proposed amendment to the National Waste Information Regulations
- **28 August:** Trade, Transport and Logistics Sub-Committee Meeting

New Members

BUSA would like to welcome its new members:

- the Financial Intermediaries Association (FIA)
- FishSA
- the Publishers Association of SA (PASA)
- the South African Engineers & Founders Association (SAEFA)

■ The End!



Xolisa Phillip, BUSA's new communications manager



Mandla Mbusi, BUSA's parliamentary manager



Jarredine Morris, BUSA's new energy and environment manager

■ CONTACTS

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