

# THE BOTTOM LINE

Newsletter

## BUSA Economic Indaba

Business Unity South Africa's (BUSA's) inaugural Business Economic Indaba took place on Tuesday 29 January 2019 at Gallagher Estate, Midrand, and was a resounding success, thanks to your support.

We would not have been able to carry off an event of this magnitude and stature without the solid backing of our Members, Sponsors (Absa, Anglo American, Anglo Gold Ashanti, Aspen, Distell Hollard and Netcare), leadership, the organising team and staff. You all came on board to realise a vision that had been set out in late 2018, and you all helped BUSA start the year on sound footing and on a high.

The Business Economic Indaba was not only well attended, it also managed to achieve one of the core objectives of hosting the event: it set the tone and context for business' outlook on the economy for 2019. This is apparent in the feedback we have received from stakeholders and the continuing coverage in the media.

We accomplished that through an informative and engaging sector discussion, exploring future collaborations with the Government with emphasis on the economic cluster, outlining macro-economic visions, having a frank and constructive conversation with President Cyril Ramaphosa and, finally, launching the BUSA-CCMA (Commission for Conciliation, Mediation and Arbitration) Web Tool for small business.

As we were putting the final touches to the Business Economic Indaba, our policy and governance work continued in earnest, with BUSA and the subcommittee on energy hosting important engagements with Deputy Public Works Minister Jeremy Cronin on the Expropriation Bill and the Presidential Task Team on Eskom respectively. The Health Working Group also finalised input to Health Summit compact.

We will continue to use the Member-only section of the BUSA website to keep you updated and informed about the latest developments about the work conducted by Econpol and Socpol.

Thank you for your continued support.

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### 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



The Business Economic Indaba

## Expropriation Bill



On Friday 18 January 2019, BUSA held an engagement with Deputy Minister Cronin about the latest version of the **Draft Expropriation Bill**. Although the Bill has been in the making for several years, it was previously pulled following concerns it would not pass legal muster.

In the context of the current policy push towards land expropriation without compensation and the concurrent processes that are running parallel on the issue, BUSA thought it prudent to arrange the engagement with DM Cronin. The objective was to give BUSA Members an opportunity to examine the changes to the Draft Expropriation Bill, with a focus on Section 12 (3), which deals with the treatment of “just and equitable compensation”. In addition, this section addresses the question of what criteria will be used to justify expropriation without paying “just and equitable compensation” without triggering a constitutional/legal challenge on the grounds that such a provision undermines the constitutionally enshrined principle of guaranteed property rights and the safeguard against the State arbitrarily depriving owners of property rights.

BUSA advises and encourages Members to read a copy of the presentation that DM Cronin made during the engagement on the Bill. A copy of the presentation has been circulated to Members and is available on the Member-only section of the BUSA website.

In brief, DM Cronin presented a 20-page slide presentation mapping the trajectory of the Bill since its conception, why it had to be pulled from the legislative process and be reworked, where it is now, the principles that inform the Bill and the next steps before the Draft Expropriation Bill becomes a reality/ law.

Please note that BUSA is currently compiling comment to be submitted on the Draft Expropriation Bill, and the deadline for this has been set for Tuesday 19 February 2019.

Thank you to Members who took the time to attend the engagement and ensured that we had a robust and engaging discussion.

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ICYMI: John Purchase, Cas Coovadia and Jeremy Cronin at the Expropriation Bill engagement.  
Pictures: Olivier Serrao

## BUSA Business Economic Indaba: in Pictures



Indaba Pictures: Celestine Ngulube & Ephraim Gwala



## BUSA Business Economic Indaba: in Pictures



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**BUSA in January**



ICYMI: BUSA Vice-President Martin Kingston and CEO Tanya Cohen, left, with a delegation from the South African Business Schools Association. Cohen, right, hosting a SADC Private Sector Forum delegation. Pictures: Supplied



ICYMI: BUSA Board Member Stavros Nicolaou and Business Leadership South Africa's (BLSA's) Colin Coleman in India during President Cyril Ramaphosa's state visit. Pictures: Supplied



ICYMI: BUSA President Siphon M Pitso at the SA-TIED panel discussion. Picture: Olivier Serrao



## Econpol & subcommittees

Although the next Econpol meeting is scheduled for mid-March, the work continues. We have concluded gathering comment on the **Competition Act Regulations: Price Discrimination & Buyer Power**. We will commence the National Budget engagement process with National Treasury at Nedlac. BUSANA has invited Members to nominate suitable candidates to serve on the board of the Independent Regulatory Board for Auditors (IRBA).

The rest of this report focuses on the work of the Econpol subcommittees in January 2019, which has begun in earnest with several high-level matters and engagements, including Eskom.

## Energy

On Friday 18 January 2019, the energy subcommittee held a special meeting with the Eskom Sustainability Task Team. The meeting agenda included: the Task Team's mandate, staff headcount, coal, power supply, municipal debt and Eskom's liabilities. BUSANA held the meeting with the Task Team in collaboration with BLSA and the Black Management Forum. A detailed account of the meeting's outcomes has been circulated to Members. BUSANA advises that you consult with it to get a fuller picture of what was discussed and the way forward on each issue.

BUSANA thanks Members for having availed themselves for the meeting and making invaluable inputs therein. The BUSANA leadership has identified Eskom as the single, biggest risk to the economy because of its strategic position as the engine room for South Africa's power supply.

The meeting was held to gain a better understanding of the Task Team's work in order to enable BUSANA to make an informed submission to the Presidential Task Team on Eskom. BUSANA made a nine-page submission on 25 January 2015: it has been circulated to Members and will be available on the Member-only section of the BUSANA website.

The organisation has also made a submission on the Consultation Paper: Registration Fee to be paid by Small-scale Embedded Generator Applicants on 25 January 2019. In the nine-page submission, BUSANA raises a number of issues and advocates for outstanding applications to be processed at no fee. BUSANA has shared the document with Members and it will be available on the organisation's website.

The subcommittee is scheduled to hold its first meeting of the year on Tuesday 19 February 2019.

## Environment

The first subcommittee meeting of the year took place on Friday 25 January 2019. Several matters arose at that meeting including: the Carbon Tax, the Climate Change Bill, Greenhouse Gas (GHG) Reporting Regulations, waste, water use licensing and the Air Quality Framework. For more information on what happened at the meeting, please consult the minutes which will be shared with Members.

Please note that we have circulated a schedule of the GHG Reporting roadshows, the COP24 feedback report, BUSANA's submission on the Low Emissions Development Strategy, the NEMAQA-GHG Reporting Regulations, which were recently published, the Promethium Report on the Economy wide Impact of the Carbon Tax and the National Climate Change Adaptation Strategy. Lastly, BUSANA has circulated a copy of the new regulations on the Import and Export of Waste.



### **Econpol & subcommittees**

### **Trade, Transport & Logistics**

The first subcommittee meeting of the year is scheduled for the first week of March - a new date will be communicated to Members.

### **Call(s) for application & nomination(s)**

- BUSA invited Members to nominate suitable candidates on to the IRBA board. The deadline to submit names was Wednesday 23 January 2019.
- BUSA has asked Members to nominate candidates who will serve on the Climate Change Task Team.

### **Call(s) for input(s)**

- BUSA has invited Members to comment on the revised Draft Expropriation Bill and gave Members until Thursday 31 January 2019 to make inputs.
- BUSA has requested Members' comments on the Employment Services Act Regulations. The deadline was Friday 18 January 2019.
- BUSA asked Members to make inputs on the Competition Act Regulations: Price Discrimination & Power Buyer, as well as the Draft Definitions for SME. The deadline was Thursday 24 January 2019. Please note the separate deadline of Tuesday 15 January, when Members were supposed to have notified the Department of Economic Development about participating in forums pertaining to the Regulations and the Definitions.
- BUSA invited Members to make inputs on the Proposed Basel Convention Amendments on Transboundary Movement of Plastic Wastes. The deadline was Friday 18 January 2019.
- Members had until Monday 4 February 2019 to make inputs on the revised GHG Inventory.

## Socpol & subcommittees



### Socpol

On Thursday 14 February 2019, BUSA will convene a special Socpol meeting to discuss the International Labour Organisation's Global Report on the Future of Work, which was released in late January 2019. There are several reasons why BUSA is holding this meeting, chief among them being that the organisation has to develop a position on the report as its input into the 2019 International Labour Conference.

BUSA has shared the full report with Members and the International Organisation of Employers' Guidance Document on the Future of Work. BUSA encourages Members to read both documents to prepare for the Socpol meeting. In brief, the 78-page Global Report on the Future of Work focuses on a human-centred approach and one that places emphasis on the social contract.

The first Socpol and SubCET meetings of the year are scheduled for 27 March 2019. However, between now and then communication to Members about issues pertaining to both committees continues.

BUSA has shared the updated CCMA forms, which are in line with Labour Relations Act. Furthermore, BUSA is in the process of collating comment on the **Draft Expropriation Bill** and issued a request for inputs from Members on the **Employment Services Act Regulations**.

Members are invited to attend a Youth Employment Service (YES) Practice Note session on Friday 15 February 2019 at the BUSA offices, which will focus on the practicality and sustainability thereof. Please note that BUSA has asked Members to RSVP by Monday February 11 2019.

### Call(s) for application & nomination(s)

- BUSA has asked Members to nominate candidates to attend the National Skills Conference 2019. The deadline to submit names is Thursday 7 February 2019.
- BUSA requests Members nominate candidates to attend the upcoming ARLAC meeting.

### Call(s) for input(s)

- BUSA has asked for Member feedback on the new Compensation Fund Assessment Model pertaining to the new rates structure. Members had until Friday 1 February to voice their concerns.
- BUSA has requested that Members make inputs to the provisions on the Employment of Foreign Workers.

## ■ THE MONTH AHEAD

- 1 February: Deadline to provide feedback on new Compensation Fund Assessment Model
- 4 February: BUSA makes submission on MYPD4
- 4 February: Deadline for GHG Inventory comment
- 4-8 February: Mining Indaba
- 6 February: Deadline to apply for Operations Executive & Parliamentary Manager positions
- 7 February: Deadline to submit nominations for candidate(s) to attend Skills Conference
- 7 February: State of the Nation Address
- 11 February: Deadline to RSVP for YES Practice Note meeting
- 12 February: Department of Environmental Affairs (DEA) appears before portfolio committee on environmental affairs about Industry Waste Plans
- 13 February: DEA briefs Parliament about Waste Bureau
- 13 February: National Planning Commission hosts Just Transition Workshop in Mpumalanga
- 14 February: Special Socpol meeting on Global Report on the Future of Work
- 15 February: YES Practice Note session
- 19 February: BUSA comment on revised Draft Expropriation Bill
- 19 February: Energy subcommittee meeting
- 20 February: National Budget
- 27 February: BUSA Board strategy meeting
- 27 February: ARLAC meeting on violence and harassment at work

■ The End!

## ■ CONTACTS

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