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Engagements between Government, Business and Labour now critical more than ever

The need to intensify the engagement of government and business on labour market issues has become critical given the disappointing economic growth in the last quarter of 2013. With growth now estimated at 0.7% in the fourth quarter, the annual growth forecasts have been revised downward to 1.9%. With the negative impact of the labour instability in South Africa becoming clearer now; the precedent set by the watershed strikes in the Doorns and Marikana has evoked the urgent need to address labour law amendments that are causing damage to the social partnership, economic viability and job creation.

A wide range of labour law provisions have been identified as in need of review and these include strike provisions, BDEA provisions and CCMA provisions, among others. A review of such provisions are not only seen as a way of restoring labour market peace and stability, but also seen as a way of attracting investment in the long term. Also argued is the awareness that labour obligations should not act as a hindrance to growth, and a fine balance has to be reached between employment creation and core secure labour rights that are effective and efficient.

Beyond the need for labour law review is the need to tackle the more systemic labour challenges in the economy. A prevailing rationale echoes a general lack of direct and effective policy that tackles South Africa's structural labour market challenges. Under discussion, at the highest level between government and business, is an inclusive growth agenda for skills and education. Acknowledged is the need for a coordinated business effort to increase opportunities for work-based experience learning, combined with a coordinated government effort that develops a curriculum that is more

responsive to employer needs. Strengthening of entrepreneurship education, artisan development, and a general improvement in the quality of tertiary education are being seen as critical to addressing some of the skills challenges that typify the South African labour market problem. The positive development that can be taken out of 2013 is that various efforts are already being discussed and undertaken in executing some of the tasks that meet the broader objectives of labour market stability. However, for these efforts to bear fruit, enhanced social dialogue and trust between government, business and labour will be much more critical going forward.

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