

## Address by Deputy President David Dabede Mabuza on the occasion of the 23rd Annual NEDLAC Summit, Saint Georges Conference Centre, Pretoria

---

*14 September 2018*

Programme Director,  
Ministers and Deputy Ministers,  
President of Business Unity South Africa (BUSA),  
Leaders of Organised Labour, COSATU, FEDUSA AND NACTU,  
Leaders of the Community Constituency,  
Distinguished guests,  
Ladies and Gentlemen,

I am honoured to address this 23rd Annual NEDLAC Summit.

As this is my first engagement with you since our appointment to this position, I join all of you in this critical work of a partnership with a common objective to create a developed and prosperous nation.

As we work together going forward, you will have my unwavering commitment to bringing together Government, Labour, Business and Community organizations for this common-cause.

Working together in unison, we will seek full cooperation. We will work through problems. We will solve our challenges.

We need to creatively respond to how we balance domestic imperatives of transformation and configuration of the state on one hand, and creatively implementing our agenda of socio- economic transformation on the other.

Just as those who have come before us, our remit remains the sage wisdom of leadership and governance by consensus.

Together we will create a better life for all our people.

We will ensure that all who serve our people, all who lead, are empowered to make the best possible contribution for solving the economic, labour and development challenges confronting our country.

In you we see friends and reliable pillars that will hold and support us without end. We see fellow comrades and fellow travellers in the journey for a united, non-racial, non-sexist, just and prosperous South Africa.

The very foundation of NEDLAC, are founded on the vision of a pulsating participatory democracy— the heart-beat of which is a government that is not only based on the will of the people, but one that serves with dedication and commitment.

Ours is a nation founded on the values of Ubuntu that defines our very being. I am because you are, and you are because I am.

Inherent in our being, is the call to join labour, business and civic organisations to collectively make a difference, to make South Africa work.

It is those values and rich traditions of our people, which inspired our founding fathers to draft and craft this NEDLAC model that is the lode-star for our cooperation.

NEDLAC in its architecture envisions a country of opportunity. It envisions the cultivation of economic opportunities by working together as a people.

It is a system that cares little for race, creed, colour, wealth or class status. So long as we all put shoulders to the wheel, with all palms holding fast to a single ideal, we can achieve more.

At its core is a mechanism that will help us overcome the accumulated burdens of our divided past.

Here we will stand together, in-solidarity and march in-line to the cusps of a promised new dawn.

We may not all be elected representatives; we may not have large constituencies, but all of us can and will make a difference. We all make a contribution. This is the engine room from which we are sent to ensure that South Africa works - and it works for all her people.

It is from here that we must sow and plant the seeds from which we will reap the socio-economic advances necessary for inclusive growth and the creation of decent jobs and sustainable livelihoods.

It is from this engine room that we must craft the co-operation to make measures such as the National Minimum Wage to be an unrivalled success.

It is from this chamber, difficult and intractable as our challenges may seem, that we will cultivate the solutions to occasion hope and prosperity.

Here we will breed a system that gives workers a living wage. A system that creates jobs. A system that gives our people dignity. A system that helps them provide for themselves and live by the work of their hands.

This is a place where we can bring an end to exploitation and other forms of modern-

day slavery.

It is from this cooperation that we must ensure the building of a country that is just and fair. A country that encourages prosperity in respecting labour laws and gives our people a fair chance at inclusive growth.

Ladies and Gentlemen,

When you met last, you met under the uncomfortable economic condition in the wake of the 2017 Sovereign Ratings Downgrades.

Today we meet at a time of great economic challenges facing our country. These challenges include sluggish economic growth leading to slow employment opportunities for our people and in certain sectors, job losses that further compound the challenge of poverty and inequality in our country.

As you are aware, we meet at a time when our revenues are declining. The Minister of Finance has budgeted for a VAT increase, with SARS indicating negative revenue collection outcomes.

We have also encountered an economic decline in the last two quarters showing successive decline. Our inflation outlook is increasingly perilous, the effects of a VAT increase, Rand-dollar exchanges and high fuel prices are beginning to impose their weighty implications. Both consumer and business confidence is showing strain.

In this environment, South Africans are standing cap-in-hand, facing us as NEDLAC social partners to coordinate all-round efforts to answer to these challenges.

Working together with government, we all need to assist our National Treasury in the development of appropriate stimulus measures to cushion the poor and re-start the economy.

For our part as government, we have made significant progress in the past eleven months to identify and take key actions to mitigate the risk factors.

Understanding the depth of our challenges, we cannot wallow griped in a winter of despair.

We must all have the courage and conviction in lifting our country out of this economic challenges. We must stand together to engineer the path of unity of purpose.

This will at times require surgical and difficult austerity measures.

It will require that we work smarter, faster and with the requisite conviction to make do with the little we have.

As you are no doubt aware, our country is known for introducing world-class policies, but equally a notoriety for lack of implementing.

This must change.

Our inequality levels are far too high. The wage differentials, the historical disadvantages and low levels of education and skills, demand of us all to care more about the poor.

We are also acutely aware that this socio-economic pain, is borne most by young people in general and women in particular.

These conditions make urgent the need to cushion the poor from the effects of the economic decline.

We urgently need to complete our work on a comprehensive social security and retirement reform system, which is affordable, sustainable and appropriate for South Africa.

Most importantly, we have to graduate our people out of poverty by creating opportunities for young people and women. The other category in this regard that require attention and innovative responses, is the youth not in employment, not in education and not in training.

We will have to be innovative, efficient and effective. We are enjoined to use our scant resources wisely, with circumspection and with proper motive.

No longer can we afford malfeasances, greed and corruption. Nor can we afford to squander, spillage and decay our nation into any form of crisis.

All of us should take responsibility and become more accountable to what is best for society.

For our part as government we have made the commitment to root out corruption and governance failures in our system.

In the similar vein, we expect all NEDLAC partners to follow in good-turn. We must join hands in improving the lives of our people. Together we must build resilient institutions that would make our country to grow to higher levels.

Without your support and commitment, we cannot be able to defeat the corruption both in public and private sectors as well as price collusion.

We need business to close the taps of corporate greed, just as we need to ensure that public representatives do not use public resources for private interest.

What we need most is that our State-owned enterprises lead the way in the development of critical socio-economic infrastructure.

As you are aware, President Ramaphosa has called for investment of R100 trillion in our economy over the next five years. This should be investment from domestic and international sources.

To achieve this target, charity must begin at home. All our companies with cash reserves and growth potential must lead the way and invest in long-term growth. It is to them that outsiders are looking for the cultivation of confidence in the economy.

To encourage you, we too will do our part. We will ensure that we put in place the appropriate governance structures, structures that are fit for purpose, credible, efficient and effective.

But we must also ensure that we treat workers fairly.

In this connection, I wish comment NEDLAC for a leading a successful dialogue on the National Minimum Wage (NMW) Bill and the Basic Conditions of Employment Amendment Bill.

I believe that the relevant task teams have been established to engage on both pieces of legislation and that negotiation on the National Minimum Wage are on-going.

As a matter of principle, we understand that workers have struggled for these gains for decades over.

We will seek at all times to bring their realisation for workable policies that facilitate an appropriate balance between inequality and prosperity.

Committed to these ideals, the Department of Labour has drafted and tabled an enforcement Strategy.

We call on all our social partners, on business and labour to ensure that we do the right thing, ever and always, without long arm of the law hovering over us. We simply have to find our moral compass.

Ladies and Gentlemen,

The theme under which we meet demands that we rise to the occasion of structural change.

We must prepare our economy to be attuned to the necessities of the 4th Industrial revolution.

Yesterday we used water and steam power to mechanize production. We turned to electric power to engineer mass production. Today, we rely on electronics and information technology to automate production.

For a better tomorrow, we will need to ride the wave of a Fourth Industrial Revolution.

We must anchor our growth on a digital revolution, a revolution that will change the way we work, live and tame artificial intelligence.

For this future we will need to prepare workers, business and young people to see

this change as pregnant with opportunity and infinite possibilities.

We will have to stand ourselves ever-ready to amass the benefits of technologies that will transcend the physical, digital, and biological spheres that hold us back.

As production methods change, we must not be complacent nor frightened by the lightning speed of change. Rather, we must keep up.

Innovation and science is always the function of necessity.

We must embrace the infinite promise of autonomous cars, drone pizza deliveries and new lifesaving medical technologies.

But we must build tomorrow, today. We must ensure that we improve our skills and training regime to note advantages of these developments.

As a country in the global South and on the periphery, we must pace ourselves appropriately to preserve jobs and our consumer markets for the benefit of our continent.

We must respond positively by arming ourselves for a future that is grounded in science, technology and innovation.

It is our young people that will hold this promise to the future.

For us who have come before, we will need to pay it forward by investing in education, skilling and training.

We, need to ensure that we unearth our national talents.

We, have to ensure that nobody is behind. We, must ramp-up our efforts for creating new opportunities for young people.

It is us who must feed their hunger for learning, creativity and unlocking their latent talents.

In conclusion, as announced by The President in the State of the Nation we will be convening a Jobs Summit and an Investment Summit during the course of this year.

The preparatory work on these two initiatives are at an advanced stage.

These interventions will once against test our commitment to working together to find the solutions to the challenges we are faced with.

In planning for the job summit, social partners have identified five focal areas. We will be identifying special economic sectors for specific intervention.

Instead of focusing only on industrialisation and large-corporate, we will be leveraging the potential of Small and Micro Enterprises and ensuring their integration into global value chains.

We will use them to provide a solid base for future industrialisation.

In this regard, I have convened the Ministers COGTA, Small Business Development and Public Works to create work-streams and an anti-poverty inter-ministerial committee. Our focus is to graduate people out of Public Works programmes into enterprises and sustainable businesses.

We will turn our focus towards the institutionalisation of initiatives such as Sukuma Sakhe and Nthirisano at a national level to ensure that we build on the successes at provincial levels.

This will ensure that we target inclusive growth, redistribution and transformation at a granular level. We are totally committed to this process as part of ensuring that we meet the demands for radical socio-economic transformation.

The road ahead of us is long. It is fraught with pitfalls and troughs. Yet beyond the horizon, there is opportunity and fountains of hope.

We are taking the war to poverty. We are determined to make poverty history, to free our people from want and to give them dignity through economic emancipation.

Let us inspire hope, let us withstand the labour pains of yesterday and today so that a thriving new dawn may rise tomorrow.

Sukumani sakhe isizwe! Saam werk! Let us build today what we broke yesterday.

With those few words, I wish you a successful summit.

I thank you.