

South African Business, Labor Call for Industrial Policy Body

(Bloomberg) -- South African business, labor and government leaders called for a comprehensive review of the nation's trade strategies and the establishment of a body to oversee industrial policy.

Current industrialization policies lack emphasis on economic inclusion, a negotiating forum known as the National Economic Development and Labour Council said in a report published at its annual summit on Friday. They're also insufficient to address the "influx of cheap online products from abroad; especially with respect to the clothing and textile industry," it said.

The report provided recommendations for the country's new administration to consider as it develops proposals for the next five years based on a medium-term development plan. South African political parties formed a coalition government in June after inconclusive elections in May.

Policies should target job-creating sectors, provide stronger support for buying domestic goods and "foster risk-taking" by development finance institutions to drive growth and productivity, Nedlac said.

South Africa has developed master plans in various sectors such as in the clothing and retail, sugar, steel, and agriculture industries that have been touted as critical tools to implement industrial policy. These have either failed or achieved slow progress, the council said.

"For master plans to be more effective, there should be alignment between the macroeconomic and microeconomic issues," it said.

Source: Ntando Thukwana -

<https://www.bnnbloomberg.ca/business/2024/09/06/south-african-business-labor-call-for-industrial-policy-body/>

Date Published: September 06, 2024