

# TRADE AND INDUSTRY COLLOQUIUM ON BENEFICIATION

- Dennis George – General Secretary
- 27 August 2014





*“No political democracy can survive and flourish if the mass of our people remain in poverty, without land, without tangible prospect of a better life. Attacking poverty and deprivation must therefore be the first priority of a democratic government.”*

The Reconstruction and Development Programme, 1994

# Protocol between NEDLAC and Parliament

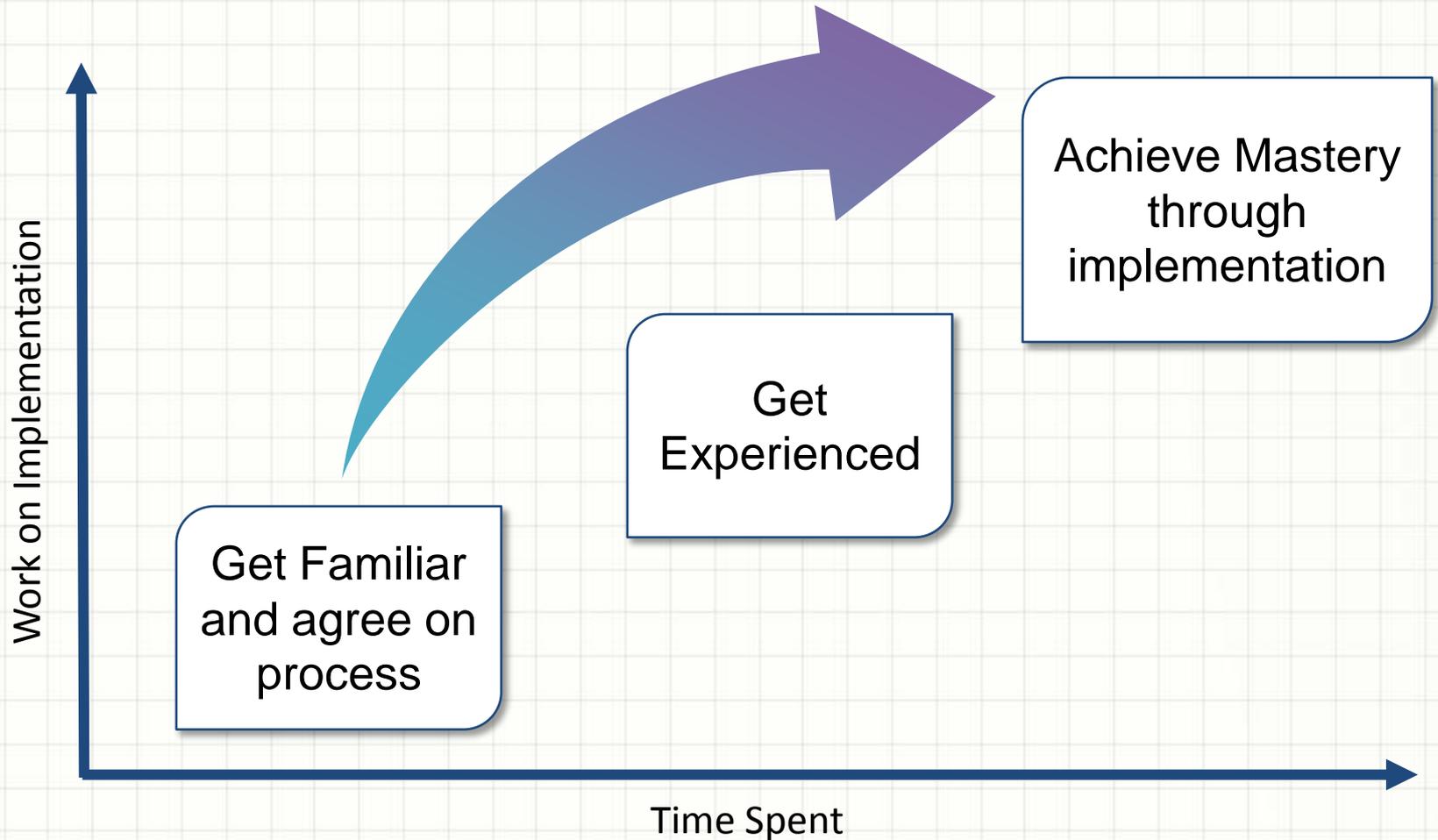
FEDUSA agrees that South Africa is a large exporter of raw mineral resources, yet the country import processed or finished goods manufactured from these very same resources at substantially higher prices to the benefit of other countries

It is only through the implementation of the revised Industrial Policy Action Plan (IPAP) and the conclusion of a social accord in NEDLAC could this challenge be addressed.

# Key Issues of Social Accord - mining and manufacturing beneficiation of South Africa's mineral and natural resources

1. Import parity pricing and export taxes (Taxes on exports (% of tax revenue) in South Africa was last measured at 0.01 in 2009, according to the World Bank. Taxes on exports)
2. licensing conditions
3. High administered prices
4. Non support by certain state organs for local procurement for the manufacturing sector
5. Move up the value chain and add value to create decent employment and support inclusive economic growth
6. Establish a community of experts to foster skill shortages technological developments and the advancement of the knowledge economy

# Restructured Social Accord - Working Toward Mastery and Implementation



# Conclusion

## **Towards new leadership for a paradigm change**

Increased capacity building could strengthen the leadership to focus on facilitating trust and collaboration between the social partners.

The collective leadership has a critical configurative role to lead the process of social transformation within this complex dynamic and interrelated global competitive environment

The leadership should navigate this milieu with great caution to ensure that the national interest of the country is guaranteed when dealing with the complexities of economic, international labour standards, trade, technology and communication policies that could have a negative impact on the country.

The leadership should focus on people-centred development that promotes the values of responsible citizenship and solidarity as diverse people work together to build a communally comprehensive society.

# Conclusion

## **Constructive social dialogue for improved livelihoods for all South Africans**

Social dialogue requires tolerance, patience and openness to give and receive criticism, the willingness to admit failures and the ability to re-examine presuppositions.

The collective leadership should develop a framework (Social and Ethics Committee) of sustainable solutions to improve the livelihoods for people, to ensure a credible participatory voice and to deliver economic opportunities within the context of future growth.

This framework should include structural reforms, enterprise competition, employment creation and entrepreneurship to support inclusive economic growth.

Education, skills development, training and active labour market programmes could provide inclusive platforms for the empowerment of people.

# Conclusion

## **Re-structured social accord for sustainable solution multipliers**

The re-structured social accord should also focus on addressing the constraints and bottlenecks in the economy to improve the competitiveness of the country as an emerging global participant

It is important to stimulate social equity and fair distribution of economic opportunities and rewards

High-level leadership meetings should be held regularly between government and business, government and labour and civil society.

# Thank you

