### South Africa



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**Country Profile** 

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#### NATIONAL ECONOMIC AND DEVELOPMENT LABOUR ADVISORY COUNCIL (NEDLAC)

Year Established 1994

Year Operational 1995

**Legislation/Executive Orders**National Economic Development and Labour Council Act, No. 35 of 1994. Published

in Government Gazette No. 16126. Found on website <a href="http://www.nedlac.org.za/">http://www.nedlac.org.za/</a>

Frequency of meetings

Membership structure Consists of 4 chambers (government, organized labor, organized business, coalitions of

community-based organizations and non-governmental organizations) each chaired by a

convenor.

ESC Focus Facilitates cooperation on economic, labor, and development issues; promotes

economic growth, participation in decision-making and social equity, works for

resolution of socioeconomic disputes.

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(IAESCSI)

Union of Economic and Social Councils of Africa (UCESA)

<sup>&</sup>lt;sup>1</sup> Information verified by the ESC.

# Country Profile National Economic and Development and Labour Council (NEDLAC)<sup>2</sup>

#### **BACKGROUND**

NEDLAC was established through law under the NEDLAC Act No. 35 of 1994,<sup>3</sup> founded under the Founding Declaration of NEDLAC (18 February 1995), and operates under the terms of its own NEDLAC Constitution. There have been no amended versions of the NEDLAC Act or Constitution.

NEDLAC's establishment occurred at the time of South Africa's first democratic election (1994) as a response to the challenge of strengthening cooperative mechanisms that promote social and economic growth.

The **objectives** of NEDLAC per the NEDLAC Act are to 1) strive to promote the goals of economic growth, participation in economic decision-making and social equity, 2) seek to reach consensus and conclude agreements on matters pertaining to social and economic policy, 3) consider all proposed labour legislation relating to labour market policy before it is introduced in Parliament, 4) consider all significant changes to social and economic policy before it is implemented or introduced in Parliament, and 5) encourage and promote the formulation of coordinated policy on social and economic matters.

To fulfill these objectives, the Council conducts any necessary investigations, surveys and analysis of social and economic affairs, stays current with international developments on economic and social issues, evaluates the effectiveness of legislation and policy on economic and social issues, conducts research on social and economic policy, and works in cooperation with relevant partners (State, statutory bodies, programmes, forums, and non-governmental organizations) in formulation and implementation of social and economic policy. It presents its deliberations to Parliament in the form of a report.

The **organizational structure** of NEDLAC is a composition of four bodies, as follows:

- 1) The Executive Council (the governing body)
- 2) Four Chambers (see below)
- 3) Management Committee (four conveners of executive council plus the conveners of each chamber)
- 4) Secretariat (performs administrative work on behalf of the Council)

NEDLAC is funded by the South African Department of Labour.

<sup>&</sup>lt;sup>2</sup> Information has been sent to ESC for verification. Information obtained from the Nedlac website (<u>www.nedlac.org.za</u>), and the Nedlac Act, Founding Declaration, and the Nedlac Constitution (all found on the website).

<sup>&</sup>lt;sup>3</sup> The Nedlac Act effectively repealed the Labour Relations Act No. 28 of 1956.

#### **FUNCTION**

The Four Chambers of NEDLAC are the Public Finance and Monetary Policy Chamber, Development Chamber, Labor Market Chamber, and the Trade and Industry Chamber.

Members represent the Four Chambers in four constituency groups made up of the following organizations or associations:

- o BUSINESS: Business Unity South Africa
- o LABOUR: Congress of South African Trade Unions, National Council of Trade Unions, and the Federation of Unions in South Africa.
- o GOVERNMENT: Department of Labour, Department of Trade and Industry, Department of Public Works, National Treasury, and others.
- COMMUNITY: Women's National Coalition, South African National Civics Organization, South African Youth Council, Disabled People South Africa, The National Association of Cooperatives of South Africa, and the Financial Sector Coalition.

#### **Procedures**

NEDLAC considers policies and issues based upon tabled requests. Requests can be tabled by the government and also by the NEDLAC constituencies. Timeframes are given to NEDLAC, normally so that the issues can be considered before the legislation or policy finishes in Parliament. NEDLAC formally responds to the requested issues by producing a report that is tabled to the Minister of Labour and any other relevant Ministers. Government departments are bound, as parties of NEDLAC, to accurately represent the agreements that were reached at NEDLAC in the drafts they put before Parliament.

#### Civic participation:

South African civil society is represented in the Council by means of the community constituency, which is equally represented as one fourth of the membership. Per the NEDLAC Act, the community constituency of the Council is made up of "organizations of community and development interests" that "represent a significant community interest on a national basis, have a direct interest in reconstruction and development, and are constituted democratically."

The community constituency participates at each level of the NEDLAC structure: the Executive Council, the Management Committee, and the Chambers (in the Development Chamber). They also participate in the National Summit, an annual meeting of 300 delegates that report on and consider NEDLAC's activities.

Members are appointed to serve as part of the community constituency by the Minister without Portfolio in the Office of the President. This Minister chooses the non-governmental organizations to be represented, and then chooses the individuals to serve on the Council based upon recommendations by the selected organizations.

The Development Chamber of NEDLAC is the most directly relevant branch to civic engagement because it is concerned with economic and social development and in part is comprised of community constituencies. It has as its programme of work for 2006/7 the following key focus areas: Expanded Public Works, Poverty Measures,

Public Transport, Local Level Planning, Cooperative Development Strategy, Restructuring of the Energy Sector, and Farm Worker Housing.

### Accomplishments/Outcomes involving civic engagement

Since its inception in 1995, the Development Chamber has signed off on the following agreements and reports relevant to economic and social development:

- Guidelines for local development
- National Development Agency (1996)
- <u>Declaration on Crime and Violence</u> (1996)
- Reports on Social and Economic Developments in South Africa 1997 | 1998 | 1999 | 2000 | 2001
- Framework Agreement on job Creation in Public Works Programmes and the Construction Industry (1997)
- <u>Guidelines for local development</u> (1997)
- Water Services Act (1997)
- National Water Bill (1998)
- National Water Service Bill
- Special Report on Housing (1997)
- Memorandum of Understanding on Service Tariffs (1998)
- Presidential Lead Project on Housing (1998)
- Masakhane campaign (1998)
- Municipal Systems Bill (1999)
- Infrastructure Delivery in South Africa (2000)
- Draft NEDLAC Work Programme 2006/7/8

Also, one programmatic task of the Development Chamber, "Local Level Planning," is a key example of how Economic and Social Councils promote civic engagement. The Chamber's Local Level Planning programme area aims to "Develop people-centered and workable service partnerships amongst constituencies that will combine resources and capacity in targeted developmental programmes, and increase the capacity of communities to participate meaningfully in local development." To accomplish this objective, the Development Chamber works to encourage social partners and increase civic participation (for example, in conferences and campaigns, school governing bodies, community policing forums, hospital boards, and workers' forums).