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## Transcript

# South Africa's Experience of Social Dialogue: Internal Dynamics and External Engagements

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**Kgalema Motlanthe:**

Programme director, the business community, the media and opinion-makers, ladies and gentlemen.

Thank you for the opportunity to be with you this morning. Our aim is to share with you a better understanding of current socioeconomic conditions shaping the contours of democratic South Africa today. I will focus my remarks on mining, given its centrality in South Africa's socioeconomic development.

That the mining sector has over the past century played a key role in South Africa's economic development is a matter of record. The sector accounts for roughly one third of the market capitalization of the Johannesburg Stock Exchange. Mining industry is a critical earner of foreign exchange and makes up 40 per cent of South Africa's export basket. Its linkages with the manufacturing and services sector are strong and have provided us with excellent opportunities to export mining equipment and mining-related services to various jurisdictions. Mines employ 2.9 per cent of South Africa's economically active population, which translates to more than half a million direct jobs.

Since the onset of the global financial crisis, the global economy has been going through challenging times and the global mining sector has not been immune to these problems. More recently, slowing growth in China, the decline in commodity prices as well as domestic work stoppages have resulted in lower growth for South African mines. The government of South Africa is determined to do everything possible to strengthen this sector in these difficult global economic conditions.

Ladies and gentlemen. South Africa's deeply entrenched history of dialogue to resolve social conflict is well known. Social dialogue has over the years enabled us to mobilize a broad section of society under the rubric of conflict resolution and reconciliation, invariably impelled by the fact of our indissoluble future as a nation.

We have addressed many other intractable conflicts in our country through this time-tested mechanism. Not only that, social dialogue has found constitutional expression in a number of institutions that have stood us in good stead since the birth of democracy. These include the National Economic Development and Labour Council (NEDLAC), the Commission for Conciliation, Mediation and Arbitration (CCMA) and numerous other institutions supporting our system of constitutional democracy.

Consistent with this approach, government, organized labour and business signed the Framework Agreement for a Sustainable Mining Industry to ensure sustainability of the mining sector for the future of South Africa's economy. The parties to this framework agreement committed themselves to improving processes and procedures as well as implementing new measures that will bring about lasting change, while working together to sustain and improve the sector. In terms of the framework agreement, government, organized labour and organized business made a firm commitment to work together to restore peace and stability in the mines. Our collective understanding of the framework agreement is as follows.

- An important step towards strengthening and stabilizing the mining sector is ensuring that peace and stability prevail so as to create an environment conducive to development.
- Workers and managers must go to work without fear that anyone would harm them. Workers must be free to exercise their constitutional right to join any trade union of their choice, to declare disputes, to strike and to engage in any form of peaceful protest.
- Both workers and employers must ensure that all matters pertaining to labour relations including union recognition agreements, verification of membership and wage negotiations are conducted within the Labour Relations Act, which lays the primary foundation for labour relations in South Africa.
- Government will act decisively to enforce the rule of law, maintain peace during strikes and other protests relating to labour disputes and ensure protection of life, property and the advancement of the rights of all.
- In this regard, the minister of police on Wednesday 14 August 2013 launched the Mine Crime Combating Forum, which will see mining companies, trade unions and mining communities working with the South African Police Service to maintain peace and stability in the mines and surrounding communities.
- And lastly, government will ensure that law enforcement agencies act in a manner that is fair, impartial and objective.

There is an emergent appreciation that stakeholders in the mining sector must build a relationship that is based on trust and respect and avoid any actions that adversely affect this relationship. This appreciation is driving all

role-players – government, labour and business – in the mining sector to find ways to stabilize the sector and advance the South African economy. Each partner brings unique insights, understandings and inputs to the table which augurs well for finding practical and sustainable solutions to the challenges facing the sector.

Under current socioeconomic conditions, we are determined as a nation to use social dialogue and an all-inclusive approach to set our economy, and in particular, mining, onto a sure footing that leads to sustainable growth and development.

I thank you.