



HRDC SUMMIT 2018 – OPINION PIECE BY THE COMMUNICATIONS CHAIRPERSON

At the launch of the National Development Plan (NDP) on 19 February 2013, the then Minister in the Presidency: National Planning Commission, Trevor Manuel stressed that the NDP aims to eliminate poverty, reduce unemployment and inequality by 2030. This strategic objective as stated in the NDP can be realised by doing the following:

- Building capabilities
- Drawing on the energies of the people of this country
- Enhancing the capacity of the State
- Growing an inclusive economy
- Promoting leadership and partnerships throughout society. I would paraphrase this slightly and say,
- Promoting ethical leadership as well as credible and sustainable partnerships throughout society

5 years into the introduction of the NDP, progress made towards the attainment of its objectives need serious interrogation. Let's look at why this is necessary:

- According to Oxfam's Global Inequality Report as well as by the World's Bank's estimates, South Africa is the World's Most Unequal Country. It is a country where extreme poverty live side by side with opulence
- South Africa has been listed as the worst performing country in the area of labour relations in the 2017/2018 Global Competitive Report. We are rock bottom from the 137 countries that have been assessed
- The country has dropped 14 places to the 61st position in the overall global rankings and
- Quality of primary education has been ranked at 116
- Quality of higher education at 114
- Quality of Maths and Science at 128

- Favouritism in decisions of government officials at 127
- HIV prevalence at 134
- Impact of TB on business at 137

Given the above evaluation it becomes evident that as a country the commitment we need to do proper introspection regarding how effectively we work together as a system that drives the country towards a more globally competitive position.

Our own STATS SA has also published disturbing data as reflected below:

- Unemployment rate in the country stands at 26.7%
- Unemployment rate target for 2020 as per the National Development Plan is 14% - leaving the country with 2 years to achieve this target
- Unemployment absorption rate currently stands at 43.1%, meaning that more than half of the working population (15 – 64 years) is unemployed. Nobody wants to idle and spend day in and day out doing nothing, including the readers of this article.

The reports cited in this article demonstrate the dire socio-political environment that the country finds itself in and require strategic response from all the social partners functioning within the South African economy.

This approach is advanced in the 2017/2018 Global Competitiveness Report where this salient point is made: the resolution of the socio-economic challenges facing any country across the globe require collective effort from “policy makers, business leaders, civil society, including organised labour, academics and the public at large”

In addition, the report encourages Public-Private partnerships and asserts that “governments can resolve market failures more effectively if solutions emerge from an understanding between the public and private sectors”.

It is in this context, that the report cites the successes in the labour relations arena in countries that have high levels of both workers’ rights protection and flexibility where unemployment is very low and inequalities hardly noticeable. These countries include, Denmark, Norway, Sweden, Switzerland, the Netherlands and Germany. The report stresses the fact that workers’ rights can be well protected in flexible labour markets as well.

Call to Action!

Whilst there has been positive media publicity with regard to the recent initiatives introduced by the government (Youth Employment Services, Investment Envoy, Africa – Japan Public Private Economic Forum, etc) in collaboration with its social partners, we need to ask ourselves questions as a country:

- Are these initiatives enough to assist the country to reach the NDP unemployment rate of 14% by 2020?
- Are all the social partners on board and what other initiatives are there that will facilitate the attainment of the above target?
- What is required to mobilise the country around the attainment of this target for example?
- To what extent has the social partners investigated the labour relations models implemented in the countries mentioned above

- If the social partners are serious about tackling the triple challenges of unemployment, poverty and inequality why are they not adopting some of these models and refine them if need based on their documented successes
- To what extent are the social partners committed to working together to seek solutions to the South African market failures as published in the 2017/2018 Global Competitive Report

The Human Resource Development Council (HRDC) has been established so that it could play a pivotal role in the facilitation human resource development in the country to ensure that its socio-economic and development needs are adequately addressed by a competent and well-resourced workforce. The HRDC hosts bi-annual Summits where the government and social partners meet to explore labour market challenges and design solutions to address them. The inaugural Summit was held in 2014 followed by the second in 2016. The third Summit will be hosted in May 2018 – themed Partnerships that Revitalise Work and Learning. Different speakers drawn from both locally and abroad, including commissions will respond to the above questions and develop solution oriented implementation plans taking into account that we are now operating in a “VUCA” world. VUCA is an acronym for: volatile, uncertain, complex and ambiguous. The implication of this is that none of us can predict with certainty how things will turn out in the future. In this VUCA world leaders are required to keep themselves attuned to what is happening around them both locally and globally so that whenever they make adjustments to their resolutions they must always take the emerging context into account

Over and above the issues that have been raised in this article the 2018 Summit will identify and recommend best practices that will assist us as a nation to significantly impact the following key areas:

- Reduction of unemployment rate with a special focus on youth
- Partnerships that will intensify and strengthen work integrated learning programmes, including community work programmes
- Appreciation of future skill needs and how to prepare for them across the board and various levels, i.e, basic educations, post-school education, government, business and society at large
- Understanding the impact that the 4th Industrial Revolution will have on the way we conduct our lives, on business, government operations and the disruptive nature of this revolution
- Public/Private partnerships aimed at contributing to economic growth that results in the creation of job opportunities

Together we can design the country and the Human Capital Development infrastructure that we can all be proud of.

Follow the Summit on webpage: www.hrdcsummit.dhet.gov.za

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Rre Elijah Litheko

HRDC Summit 2018 Communications Committee Chairperson & Council Member