



The financial sector and SACTWU's section 77 notice

The financial sector

Earlier this year Nedlac's community constituency proposed that Nedlac hold a summit on the financial sector. The summit should deal with the transformation and diversification of the sector and fall under the auspices of the Public Finance and Monetary Policy Chamber. Business, labour and government have agreed that such a summit should be held. A task team has been set up to prepare for the summit.

Issues

Although the scope of the summit is still to be finalised, the issues that constituencies have raised informally include the following:

- ☐ the continued redlining of black communities, in both urban and rural areas, by the financial sector, thus denying these communities access to credit;
- ☐ the closure of branches of financial institutions in black communities and the failure to establish new branches in those communities;
- ☐ the continued refusal of banks to provide finance for low-cost housing and the SMME sector, especially those owned by people from previously disadvantaged communities;
- ☐ the reduction of banking services to working people and the poor;
- ☐ the refusal of banks, in particular, and the financial sector, in general, to

- engage in community reinvestment;
- ☐ the increase in the number of consumers blacklisted by the Credit Bureau;
- ☐ the structure of financial institutions;
- ☐ investment decisions made regarding pension funds; and
- ☐ job losses in the financial sector.

A proposal has also been made for research to be conducted regarding levels of investment, particularly socially responsible investments and investments by intermediaries. Mechanisms for improving investment levels should also be investigated.

The process at Nedlac

In a meeting at the end of May, the task team decided on a timeframe for the preparation of the summit. The task team approved the work programme that the constituencies would be engaged in before the summit. It was agreed that the scope of the summit, the terms of reference, and the research agenda for the summit would be finalised within two weeks.

The secretariat and the task team will be responsible for coordinating a workshop before the summit. At the workshop constituencies would table their position papers.

The task team decided that before the summit a conference would take place that will include experts and experiences



FOCUS ON NEDLAC

SACTWU's section 77 notice regards job losses in the footwear industry

of other countries that have dealt with challenges similar to those facing the constituencies in this sector

SACTWU's section 77 notice

SACTWU has tabled a notice to Nedlac of possible socioeconomic protest action against retailers regarding, amongst other issues:

- ❑ high levels of imports by retailers,
- ❑ pricing policies of retailers towards manufacturers;
- ❑ the practices of retailers in shifting their sources to low wages areas and exploiting workers in the informal sector; and
- ❑ the continuing job losses in the clothing, textile and footwear manufacturing industry caused by the sourcing decisions of retailers

In the notice, SACTWU says that the protest would take on some of the following forms:

- ❑ mass rallies outside retail stores;
- ❑ placard demonstrations at targeted retail warehouses;
- ❑ demonstrations at events sponsored by any of the retail companies;
- ❑ calls for consumer boycotts; and
- ❑ *siyatata's* at the retailers and associated operations during operating hours for the purpose of retarding and/or obstructing work to defend the socioeconomic interests of workers

SACTWU have identified eleven retailers that the protest is directed at: Mr Price, Pepkor, Edgars Group, Wooltru Group, Foschini Group, LA Group, Stuttafords, Choice Clothing, Pick 'n Pay, Milady's Retail Clothing and Shoprite Checkers

According to the procedure laid out in the act, Nedlac's Standing Committee on Section 77 has called a meeting between the parties in an attempt to resolve the issues through dialogue

