

# Yet another summit bits the dust the GDS two years on...

The second anniversary of the Growth and Development Summit (GDS) slipped by very quietly while the media's focus lay elsewhere. The **Labour Bulletin** attempts to find out what progress is being made by labour, government and business in implementing the agreements struck at the 2003 GDS.

The much-heralded GDS emerged with what was seen to be at the time, some clear deliverables and a proper plan to ensure monitoring and implementation. Conscious of the failure to ensure proper implementation and monitoring following the 1998 Presidential Jobs Summit, a task team has been set up in Nedlac to draft a business plan for implementing agreements reached at the GDS.

Nedlac's role in the post summit process was to ensure the constituencies continue to focus and engage on the issues that were not dealt with prior to the summit and to facilitate the ongoing monitoring of the implementation of commitments made.

Two years down the line, concerns are being raised by some constituencies as to whether Nedlac has been given the authority to drive the GDS process. Whilst its responsibility is in effect only to monitor implementation, Nedlac is seen to be politically driving the process and is responsible for providing periodic update to President Thabo Mbeki. Poor or insufficient progress is seen to reflect badly on the institution. It is understood that the next progress report to be presented to Mbeki is scheduled for August. What progress can Nedlac report on?

- The target on learnerships has been met but in the interim serious problems have emerged around the management of the

Setas and direction from the labour department.

- Discussions around the investment of up to 5% of investible income in appropriate financial instruments are still under discussion, primarily within the Millennium Labour Council. It is understood that one or two ideas are being considered to meet this objective, which was not well defined in the agreement reached. However, Cosatu general secretary Zwelinzima Vavi says these discussions are not moving.
- The implementation of the much talked about expanded public works programme is still in the planning stage, but appears to be underway.

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## KEY GDS AGREEMENTS

Main areas of agreement:

*More jobs, better jobs, decent work for all* -

The parties committed themselves to a number of interventions, including expanded public works programmes; public investment initiatives in partnership with the private sector; sector partnerships and strategies for effective restructuring of the economy towards equitable employment by creating growth through prioritising efforts in a number of labour-intensive sectors; business committed to invest R145bn over the next five years in the automotive, chemical, mining and oil sectors.

*Addressing the investment challenge* - A

number of important commitments were made, including the agreement to encourage investors to work towards investing up to 5% of their investible income in appropriate financial instruments that will be developed; to review import parity pricing to identify current practices that might discourage investment; to increase the share of low-income housing financed by private sector mortgages; to convene a conference of the trustees of pension and provident funds to build capacity of employee representatives on boards and to enhance decision-making with regard to the proposed extension of investment instruments and explore the establishment of national pension and provident funds within sectors of the economy.

*Advancing equity, developing skills, creating employment opportunities for all and extending services* - This would include interventions around broad-based BEE; employment equity and education. Government committed itself to allocate R10bn for BEE over the next five years; employment equity through increasing awareness of the Act and to launch a campaign around it; promoting literacy through the sector education and training authorities; ensuring the registration of 72 000 unemployed learners by 2004 and strengthening the Setas.

*Location action and implementation* - It was agreed that social dialogue should be strengthened at a local level.