

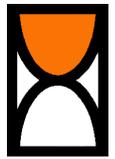


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- Government and business leaders presented a united front after an almost four-hour meeting at the presidential guesthouse in Pretoria on Sunday, emerging from the talks expressing support for the National Development Plan (NDP) and growing the economy to create jobs. In recent weeks, the relationship between government and business has been strained. Last month's announcement by Anglo Platinum that it would embark on a restructuring process that could result in job losses and the controversial First National Bank advertising campaign did not go down well with the government. While the government and business said the discussions were fruitful and characterised by urgency, neither went into details of what was discussed.
- The Congress of South African Trade Unions (Cosatu) rejects the youth wage subsidy and says its stance has not changed, according to the federation's general secretary, Zwelinzima Vavi. Comments by ANC leaders after their recent lekgotla suggested that the subsidy may be included in the raft of youth employment incentives, to be announced in President Jacob Zuma's state of the nation address next week. Cosatu has been at the forefront of opposition to the subsidy, blocking its implementation for nearly two years. The Progressive Youth Alliance, including the ANC Youth League and the Young Communist League, which also opposed the subsidy when it was first mooted, said this week they were confident the 'discredited' idea would not be introduced.
- The ANC would leave no stone unturned in making education an essential service, the party's secretary-general, Gwede Mantashe, said this week. In legal terms, this will prohibit teachers from going on strike. The largest teachers' union, the South African Democratic Teachers Union (Sadtu), has rejected the proposal outright. ANC education and health subcommittee chairwoman, and former education minister, Naledi Pandor, said the party wanted a social compact recognising the importance of quality education with those in the sector. According to experts, the ANC's proposal that education be declared 'an essential service' has no prospect of succeeding. It will be illegal in terms of the Labour Relations Act and unworkable even if allowed, based on the total failure to enforce essential services provisions in other sectors.
- According to press reports, an investigation by Werksmans Attorneys on behalf of MTN revealed that Communications Minister Dina Pule's alleged lover, Phosane Mngqibisa, benefited improperly from last year's ICT Indaba to the tune of R6m. Public Protector Thuli Madonsela expected her investigation into Ms Pule's alleged conflict of interest to be completed by the end of March. Parliament's ethics committee has also started an investigation. Opposition spokesmen have called on President Jacob Zuma to fire Ms Pule. They say she no longer is necessary to the Cabinet as she has lost her place on the ANC national executive committee in December. They also say her department has made no progress on key issues.
- There are glaring shortcomings in the Mineral and Petroleum Resources Development Amendment Bill that could hamper SA's ability to attract and retain investment in mining, says outgoing Anglo American CEO Cynthia Carroll. The bill was approved by the Cabinet in December and interested parties had until the end of this week to comment. It gives the minister huge discretion in controlling beneficiation and listing minerals as strategic resources — among other changes it proposes to the Act. Otsile Matlou, director of mining at law firm Edward Nathan Sonnenbergs, said among other problems, the amended bill would mean each time a share of a listed miner was traded, the minister had to consent. He said this would mean South Africa's ability to raise funds for mine development and production from the capital market would cease to exist.
- The new minimum wage for farm workers has been increased by 50% to R105 a day. The new rate — R36 more than the current minimum wage of R69 a day — will take effect from March 1. The new sectoral determination will be promulgated for a three-year period. In the second and third year, wages will be increased by the consumer price index, as a measure of inflation, plus 1.5%. Employers and analysts have warned, however, that any wage higher than R85 a day will result in labour-intensive commodities — such as fruit and vegetables — being rendered unviable and lead to large-scale job losses. At least 2 000 farm workers were issued with retrenchment notices on Wednesday as the agricultural sector shed jobs ahead of the implementation of a new minimum wage, and as mechanisation on farms gathers pace.
- Most middle-class South Africans spend an average amount of R7 283 to pay off debt each month, according to a new survey by global payments technology company Visa, released this week. Two thousand people across the country who have household financial decision-making responsibilities participated in the annual Wealth Worries Survey 2013. The survey was conducted at the end of last year and completed by people aged 18 to 65 of all races and across middle- and higher-income categories. Some of the participants identified debt levels as the biggest threat to their wealth. Half of the participants indicated they would never be financially free. Of those who thought they would one day be financially free, 68% said they would only achieve this after the age of 50.

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