

## **Notes from the AMCHAM Public Affairs Forum meeting - Current status of the business and government relationship, 22 October 2013**

The American Chamber of Commerce (Amcham) hosted a Public Affairs Forum, at Hewlett - Packard offices on the 22 October 2013. CSIR was represented by Ms Berenice Lue Marais and Mr Themba Belle. Mr Michael Spicer from Business Leadership South Africa spoke on the ...**"Current status of the business and government relationship."**

On the Medium Term Expenditure Framework (MTEF), Michael Spicer noted that we need to start looking at cutting costs and it would be important to see where the cuts would take place. He saw the National Development Plan (NDP) as a framework or vision, highlighting what needs to be done from A-Z but came short when it came to prioritising. Unlike in the Mbeki era where there was a structured relationship between business and government, however in post Polokwane there was no formal engagement between business and government for close to two years. That era saw the addition of another department Economic Development, whose Economic agenda remains unclear.

BUSA (Business Unity of South Africa) is marked with a dis-juncture between black and white members

In 2012 business and government met and this marked the restart of structured dialogue 5 working groups have been set up to look at different aspects including growth IPAP (the dti sees the industry pull) and the Department of Economic Development (sees market pull) NDP/Treasury (market friendly). Business response is to be aware and proactive in engagements with government

The Upcoming elections are likely to focus on most "popular issues" and from a business point of view these may not well be considered e.g. credit legislation, BBBEE codes, Mining Development Act, Labour law revisions (employment equity -issues of equal pay for equal work). The Licensing of Business bill has however been withdrawn, however the Minister indicated that it would be looked at in another Forum.

Critical is how business conducts itself and what it needs to do to restore respectability. Fragmentation of business representation - business disunity prevalent. Race and language remains an issue. Business, government and labour relations, the tendency is to become "corporatised" at the expense of small business. Some of the legislation provides work opportunities for lawyers and accountant experts whilst small businesses do not have the capacity and the finances to hire such expertise. There is room for social dialogue and consensus but should not be idolised. He noted that there was an element of passivity within business where there was an element of being reactive.

There was a need for business to be proactive and not wait for proposals and should stand up for matters that they deem important to them such as productivity and competitiveness. He was mindful that there were other aspects such as business cronyism and patronage that were at play. The aim was business to play a respectful role rather than the one of being liked. Need to be courageous and earn respect and have stamina. Important to build trust in defining your role in the national development agenda.