



THE PRESIDENT'S SONA ADDRESS WAS LIKE DROUGHT-BREAKING RAIN

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President Cyril Ramaphosa's State of the Nation Address was like a week of cool, drought-breaking rain.

The dark mood has lifted, the air smells better and, like farmers, we can now plan new crops and investments.

We have lived through a long season of bad news and suppressed hope, but some of the things the new president has said and done have been heartening. This is already reflected in the improved exchange rate and the rise of business confidence.

The whole tone of the address was a pleasant change from the past and the commitment to serve the people was welcome.

There is a long hard road ahead, but President Ramaphosa has got the priorities right. Corruption requires urgent attention and it's already clear that the government is no longer just making promises. The clean-up has actually started and accountability is not just a word anymore.

The Chamber will watch the coming cabinet reshuffle with great interest because it will give strong indications of the new direction the country is taking. We welcome his promise of a smaller and less expensive Cabinet. Some of the things that have to be done are obvious and he can expect broad support, but there are also difficult areas like land reform and expropriation without compensation – which we are strongly opposed to.

Modern farming, especially in the Western Cape is capital intensive and without secure property rights, farmers will be reluctant to invest in the modern irrigation systems that have made farms so productive.

Also banks will want that security before advancing loans. This is going to be a very difficult area and we will be watching closely.

The other vital area is in labour law reform where there has long been agreement on the need to make it easier for businesses to employ young, inexperienced workers. We need some movement here and we need strike ballots to make the work place more democratic. Business and labour agreed on strike ballots at Nedlac but the legislation was never introduced. Secret strike ballots should reduce intimidation and they should end much of the violence we see in strike seasons.



CAPE CHAMBER

OF COMMERCE & INDUSTRY

Given President Ramaphosa's experience in labour relations and business, this would be a key area. We have someone who understands both sides of the issue, but the key might be his alliance partners and whether they were amenable to the kind of compromises South Africa needs. The key question is how will he deal with the inevitable push back?

Janine Myburgh

President of the Cape Chamber

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