

120613 PC Agric

Options on the National Wool Growers' Association's Labour Predicament

Portfolio Committee on Agriculture, Forestry and Fisheries

13 June 2012



**agriculture,
forestry & fisheries**
Department:
Agriculture, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

Outline

- ❖ Brief overview on the DAFF and the NWGA partnership
- ❖ The NWGA root problem
- ❖ Key intervention proposals
- ❖ Choice of intervention
- ❖ Institutional arrangements proposal



Brief on the partnership between the DAFF and NWGA

Addressing two critical outcomes: Outcome 7 and Outcome 10

- ❖ Outcome 7: Vibrant, equitable and sustainable rural communities and food security for all;
- ❖ Outcome 10: Environmental asset and natural resources that are well protected and continually advanced;

Addressing the following critical areas contained in the Sector Plan:

- ❖ Improving global competitiveness and profitability;
- ❖ Equitable access and participation; and
- ❖ Ensuring sustainable resource management.



Brief on the partnership between the DAFF and NWGA

To this effect the DAFF and the NWGA have signed a MOU that seeks to:

- ❖ Upscale the mentorship programme in the Eastern Cape and extend it to the Eastern Free State, Kwazulu Natal and Mpumalanga;
- ❖ Assist in developing wool sheep farmers to produce wool of good quality and quantity according to international standards;
- ❖ Strengthen the capacity of developing wool sheep farmers through a linkage programme that creates access to global markets, and thereby improve livelihoods;
- ❖ Capacitate developing wool sheep farmers to become entrepreneurs through skills transfer and development initiatives; and
- ❖ Facilitate the improvement of genetic material of wool sheep of developing farmers; and inculcate sound natural resource management practices.



The interpretation of the NWGA's root problem...

While recognising:

- ❖ The immense importance of wool production to the South African economy;
- ❖ The commendable initiatives of ensuring small scale farmers participation in the wool market;
- ❖ The relevance of wool shearing to wool production and training in this field as a critical;
- ❖ The recognition of Wool Shearing as a sport; and the performance of the South African shearers performance at the last international event in New Zealand;

There is also acute acknowledgement of the:

Shortages in the South African labour market for wool shearers.



The interpretation of the NWGA's root problem...

The root problem based on the submission from NWGA can be summed as:

- ❖ *A threat of a fall in wool production due to:*
 - Decentralisation of the corporate permits to farmer and regional level.

The unintended consequences of this decentralisation are:

- ❖ Administrative burdens on the current systems;
- ❖ Impact on immigration and labour movement; and
- ❖ Economic losses
- ❖ Job losses at national and regional level.



The interpretation of the NWGA's root problem.....

While recognising the root problem it must however:

Be stressed that wool production and wool shearing needs to happen within the confines of the South African Immigration and Labour Laws;

and therefore.....

The DAFF view of the root problem is in observation and in total submission to the prescripts, processes and procedures as outlined by the relevant departments.



Options available

While there are various options available, the following were considered:

- ❖ Allow for the full implementation of the decentralised corporate permit system;
- ❖ Implement the decentralised corporate permit system in a phased in approach and subject such implementation to continuous evaluation over a period of time; or
- ❖ Revert to the issuance of corporate permits to organised national operators as in the past; or
- ❖ Revert to the issuance of corporate permits to organised operators but simultaneously evaluate available options for a system that would be amenable to all parties involved without jeopardising any legislative requirements.



Choice of intervention

Revert to the issuance of corporate permits to organised operators but simultaneously evaluate available options for a system that would be amenable to all parties involved without jeopardising any legislative requirements.....

With a Steering Committee nominated by the DGs of the Departments of Labour; Home Affairs, Agriculture, Forestry and Fisheries and the Chairperson on the National Wool Growers' Association established to evaluate available options.



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Institutional arrangements proposal

<p>Department of Labour</p>	<p>Department of Home Affairs</p>	<p>Department of Agriculture, Forestry and Fisheries</p>	<p>National Wool Growers' Association</p>
<p>✓ To lead the discussions on the of the Steering Committee; ✓ Convene meetings of the Steering committee; and ✓ Provide Secretariat for the Steering Committee.</p>	<p>✓ Provide immigration expertise to the Steering Committee.</p>	<p>✓ Provide agricultural expertise to the Steering Committee.</p>	<p>✓ Represent the Wool Growers on the Steering Committee; ✓ Fund the Steering Committee overhead costs.</p>



THANK YOU



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