

DEPARTMENT OF EMPLOYMENT AND LABOUR

NOTICE 3583 OF 2025

NATIONAL ECONOMIC DEVELOPMENT AND LABOUR COUNCIL (NEDLAC) BILL, 2025

I, Nomakhosazana Meth, Minister of Employment and Labour, hereby, in terms of section 59(1)(a) and 59(1)(b) of the Constitution of the Republic of South Africa, 1996, and section 14 of the Interpretation Act, 1957 (Act No. 33 of 1957), publish this Notice in the Government Gazette inviting public comments on the draft National Economic Development and Labour Council (NEDLAC) Bill, 2025, which seeks to repeal the Nedlac Act, 1994 (Act No. 35 of 1994). Members of the public are encouraged to submit their inputs on the draft NEDLAC Bill, 2025, within twenty-one (21) days from the date of publication of this Notice in the Government Gazette.

Comments should be addressed to:
The Department of Employment and Labour
Private Bag X117
PRETORIA, 0001

Or email to: Kopano.Kgathlanye@labour.gov.za / Hlukani.Mabunda@labour.gov.za

Please note: Comments submitted after the twenty-one (21) day period from the date of publication of this Notice will not be considered.


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NOMAKHOSAZANA METH, MP

DATE: 29/10/2025

REPUBLIC OF SOUTH AFRICA

NATIONAL ECONOMIC, DEVELOPMENT AND LABOUR COUNCIL BILL, 2025

*(As introduced in the National Assembly (proposed section 76); explanatory
summary of Bill published in Government Gazette No. of)
(The English text is the official text of the Bill)*

[MINISTER OF EMPLOYMENT AND LABOUR]

[B—2024]

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BILL

To provide for the continued existence of the National Economic, Development and Labour Council; to determine the criteria for the admission of social partners as parties to NEDLAC; to provide for the functions of NEDLAC; to provide for its principal structures; to provide for the manner in which it is to be governed; to provide for matters connected therewith; and to provide for the repeal of the National Economic, Development and Labour Council Act, 1994 (Act No. 35 of 1994).

BE IT THEREFORE ENACTED by the Parliament of the Republic of South Africa,
as follows:—

PREAMBLE

ACKNOWLEDGING the establishment of the National Economic, Development and Labour Council in terms of the National Economic, Development and Labour Council Act, 1994 (Act No. 35 of 1994);

NOTING that the purpose of the National Economic, Development and Labour Council is to promote the goals of economic growth, employment, social inclusion and social equity;

AND WHEREAS the National Economic, Development and Labour Council as established continues to exist.

ARRANGEMENT OF SECTIONS

1. Definitions
 2. Continued existence of National Economic, Development and Labour Council
 3. Objects of NEDLAC
 4. Functions of NEDLAC
 5. Reports on socio-economic policies or legislation
 6. Parties to NEDLAC
 7. Constitution
 8. NEDLAC Lekgotla
 9. Executive committee
 10. Disqualification of Members
 11. Vacancy and removal of Members
 12. Powers and duties of executive committee
 13. Regulations
 14. Offences
 15. Repeal and transitional provisions
 16. Short title and commencement
- Schedule

Definitions

1. In this Act, unless the context otherwise indicates—

"committee" includes any committee that NEDLAC is required to establish in terms of any legislation and any other committee or forum that is established in terms of the constitution;

"constitution" means the constitution of NEDLAC as provided for in section 7;

"executive committee" means the committee referred to in section 9;

"Labour Relations Act" means the Labour Relations Act, 1995 (Act No. 66 of 1995);

"Member" means a Member of the executive committee;

"Minister" means the Minister of Employment and Labour;

"NEDLAC" means the National Economic, Development and Labour Council established by section 2 of the NEDLAC Act, 1994;

"NEDLAC Act, 1994" means the National Economic, Development and Labour Council Act, 1994 (Act No. 35 of 1994);

"NEDLAC Lekgotla" means the forum of representatives of organised business, organised labour, organised civil society and the State referred to in section 8;

"organised business" means the business and employer organisations that are admitted to NEDLAC in accordance with this Act;

"organised civil society" means associations of non-governmental organisations that are admitted to NEDLAC in accordance with this Act;

"organised labour" means the federations of trade unions that are admitted to NEDLAC in accordance with this Act;

"party to NEDLAC" means the State and those organisations that constitute organised business, organised civil society and organised labour;

"**prescribed**" means prescribed by regulation;

"**Schedule**" means the Schedule to this Act;

"**socio-economic policy**" includes financial, fiscal and monetary policy, socio-economic programmes, trade and industrial policy, and all aspects of labour market policy, including training and human resource development;

"**this Act**" includes the regulations made in terms of section 13; and

Continued existence of National Economic, Development and Labour Council

2. (1) NEDLAC as established by section 2 of the NEDLAC Act, 1994 continues to exist as a juristic person notwithstanding the repeal of that Act by section 15 of this Act.

(2) NEDLAC is a juristic person—

- (a) constituted by organised business, organised labour, organised civil society and the State; and
- (b) governed in accordance with the constitution by an executive committee and such other committees as may be established in terms thereof.

Objects of NEDLAC

3. The objects of NEDLAC are—

- (a) to strive to promote the goals of economic growth, employment, social inclusion and social equity;
- (b) to seek to reach consensus among the parties to NEDLAC on socio-economic policy; and

- (c) to engage with the national legislative and executive organs of state to promote the achievement of the goals contemplated in paragraph (a).

Functions of NEDLAC

4. (1) The functions of NEDLAC are—

- (a) to give effect to its objects contemplated in section 3;
- (b) to conclude agreements on socio-economic policy;
- (c) subject to subsection (2), to consider and report on all proposed—
 - (i) labour market policy before the issuing of that policy by the Minister or any other minister responsible for the policy;
 - (ii) labour market related legislation before it is introduced in Parliament;
 - (iii) labour market related subordinate legislation before it is promulgated by the Minister or any other minister responsible for that legislation;
- (d) to prepare and issue codes of good practice in terms of section 203(1) of the Labour Relations Act;
- (e) to consider and report on any other socio-economic policy or legislation identified by the executive committee; and
- (f) to exercise oversight over the implementation of any—
 - (i) agreement concluded in terms of paragraph (b);
 - (ii) socio-economic policies and legislation that have been considered in terms of paragraphs (c) and (e).

(2) The functions contemplated in subsection (1)(c) and (e)—

- (a) apply only to significant changes in policy and legislation that is not technical;

- (b) do not apply to policies and legislation that have been considered by other tripartite institutions

Reports on socio-economic policy or legislation

5. (1) NEDLAC may table a report on—

- (a) any proposed socio-economic policy or legislation to be considered in Parliament; or
- (b) any proposed socio-economic policy, regulation or code to the Minister or any other minister responsible for the policy, regulation, or code.

(2) A committee of Parliament that is considering any proposed legislation or policy in respect of which NEDLAC has tabled a report in terms of subsection (1)(a) must consider the report in its deliberations on the legislation or policy.

(3) The Minister or any other minister responsible for any proposed socio-economic policy or subordinate legislation must consider the report referred to in subsection (1)(b) before finalising the policy or subordinate legislation.

Parties to NEDLAC

6. (1) The parties to NEDLAC are the State and those parties admitted to NEDLAC in terms of this Act and the constitution.

(2) A federation of trade unions may only be admitted as a party to NEDLAC and remain a party if it or together with another federation meets the criteria set for organised labour in the Schedule.

(3) An employer or business organisation may only be admitted as a party to NEDLAC and remain a party if it or together with another federation or business organisation meets the criteria set for organised business in the Schedule.

(4) A federation of non-governmental organisations may only be admitted as a party to NEDLAC if it—

- (a) meets the criteria set for organised civil society in the Schedule; and
- (b) is appointed by the Minister in the Presidency on the recommendation of the executive committee and in accordance with a prescribed process.

(5) A federation of non-governmental organisations may be removed by the Minister in the Presidency on the recommendation of the executive committee and in accordance with a prescribed process.

Constitution

7. Subject to this Act, the constitution—

- (a) must provide for—
 - (i) the process of admission and removal of a federation of trade unions; and an employer or business organisation as parties to NEDLAC;
 - (ii) the periodic review of the standing of labour, employer, business and civil society organisations that are parties to NEDLAC;
 - (iii) the manner in which the parties may appoint their representatives and alternates to the NEDLAC Lekgotla, executive committee, chambers and other committees and the manner in which they may be removed;
 - (iv) the establishment, composition, powers and functioning of chambers and committees of NEDLAC;

- (v) the convening of, quorum for, and conduct of meetings of the NEDLAC Lekgotla, executive committee, chambers and committees;
 - (vi) the convening of, the agenda for, and the criteria for the participation of the State, organised business, organised labour, organised civil society and other interested parties, in a NEDLAC Annual Summit;
 - (vii) the manner in which decisions or agreements are reached and how they are recorded;
 - (viii) a conciliation and arbitration procedure for dealing with disputes arising from the admission and removal of parties to NEDLAC; and
 - (ix) the amendment of the constitution.
- (b) may provide for—
- (i) the terms on which organisations not party to NEDLAC may participate in its deliberations to promote inclusivity and enhance those deliberations;
 - (ii) the making of protocols; and
 - (iii) any other matter necessary for or incidental to the performance of its functions.

NEDLAC Lekgotla

8. (1) The NEDLAC lekgotla consists of representatives appointed by organised business, organised labour, organised civil society and the State.

(2) The functions of the NEDLAC Lekgotla include to—

- (a) review the functioning of NEDLAC to achieve its objects;

- (b) review the performance of NEDLAC; and
- (c) consider and respond to reports from the State on major socio-economic issues.

(3) The NEDLAC Lekgotla must meet at least once a year and at any other time as may be determined by the executive committee.

Executive committee

9. (1) (a) The executive committee is the accounting authority of NEDLAC for the purposes of section 49(2)(a) of the Public Finance Management Act, 1999 (Act No.1 of 1999); and

(b) the executive committee is subject to the provisions of the Public Finance Management Act.

(2) The executive committee consists of representatives of—

- (a) organised business;
- (b) organised labour;
- (c) organised civil society; and
- (d) the State.

(3) The constitution must provide for—

- (a) the number of representatives contemplated in subsection (2) provided that the voting power of each constituency is equal;
- (b) the appointment of alternates; and
- (c) their periods of office.

(4) Subject to section 10, the Minister must appoint the Members and their alternates from nominations received from the constituencies that they

represent.

Disqualification of membership

10. The Minister may not appoint a person to the executive committee who—

- (a) is not a South African citizen;
- (b) is disqualified to act as a director of a company incorporated in terms of the Companies Act, 2008 (Act No. 71 of 2008);
- (c) has been found, in any civil or criminal proceedings by a court of law, whether in the Republic or elsewhere, to have acted fraudulently, dishonestly, unprofessionally, dishonourably or in breach of a fiduciary duty, or of any other offence for which such person has been sentenced to direct imprisonment without the option of a fine;
- (d) has had his or her membership of a board, trust or any other authority terminated for a reason related to conduct or capacity;
- (e) has been declared by a court of law to be of an unsound mind; or
- (f) is an unrehabilitated insolvent.

Vacancy and removal of Members

11. (1) A Member must vacate office if—

- (a) in the case of a Member representing the State, the Member is removed by the Minister;
- (b) in the case of organised labour, organised business or organised civil

society, the Member is removed by the Minister—

- (i) for serious misconduct, permanent incapacity; or
- (ii) being absent from three meetings without just cause or prior permission of the executive committee;
- (c) the Minister is notified by the executive committee that the Member ceases to represent the constituency by whom he or she was nominated; or
- (d) the Member resigns.

(2) If an office held by a Member representing organised labour, organised business or organised civil society is vacated before six months of the expiry of the Member's term of office—

- (a) the constituency concerned must recommend a Member in accordance with the constitution to fill the vacancy for the unexpired portion of that term of office; and
- (b) subject to section 10, the Minister must appoint that Member.

Powers and duties of executive committee

12. (1) The powers of the executive committee are—

- (a) to give effect to the objects of NEDLAC contemplated in section 3 and to perform its functions contemplated in section 4;
- (b) to agree to the constitution and to amend it from time to time subject to the provisions of this Act;
- (c) to convene the NEDLAC Lekgotla;
- (d) to establish committees to assist the executive committee in the exercise of its powers and the performance of its functions and to delegate or assign

- such powers and functions as it deems appropriate to those committees;
- (e) to conduct enquiries in the performance of its functions and the exercise of its powers;
 - (f) generally, but subject to this Act, to exercise those powers and perform those functions as are necessary to realise the objects of NEDLAC.

(2) The duties of the executive committee are to—

- (a) develop protocols and rules to—
 - (i) guide the processes and procedures in the conduct of its functions;
 - (ii) guide the processes and procedures in NEDLACs relationships with the legislative and executive organs of state and constitutional institutions;
 - (iii) guide the conduct of NEDLACs relations with other institutions engaged in the formulation or implementation of aspects of socio-economic policy;
- (c) develop codes of conduct to regulate the conduct of parties to NEDLAC and their representatives; and
- (d) appoint a secretariat on such terms and conditions as it may determine.

Regulations

13. (1) The Minister must make regulations prescribing—

- (a) the process for the admission and removal of a federation of non-governmental organisations as a party to NEDLAC as prescribed in section 6(4) and (5);
- (b) the membership threshold of—

- (i) federations of trade unions as specified in the Schedule;
- (ii) employers and businesses that belong to the constituent employer or business organisations of the association as specified in the Schedule.
- (3) The Minister may only make regulations contemplated in subsection (1) after—
 - (a) consultation with the executive committee;
 - (b) publishing a notice of the proposed regulations in the *Gazette* inviting submissions from interested parties; and
 - (c) considering those submissions.

Offences

14. (1) Any person who, except when required to do so before a court of law or required or permitted under any law, discloses any confidential information in regard to the financial or business affairs of any person, business or firm, or the State, acquired in the exercise of their powers or the performance of their duties under this Act, the constitution, its chambers or committees is guilty of an offence.

(2) Any person who is convicted of an offence in terms of subsection (1) is liable to a fine not exceeding the amount of a fine prescribed in section 201(3) of the Labour Relations Act.

Repeal and transitional provisions

15. (1) The National Economic, Development and Labour Council Act,

1994 (Act No. 35 of 1994) is hereby repealed.

(2) The founding parties and the parties admitted to NEDLAC under the NEDLAC Act, 1994 are deemed to be the parties to NEDLAC and remain so, subject to subsections (3) and (4), until changed in terms of the constitution.

(3) Those parties to NEDLAC under the NEDLAC Act, 1994 that do not comply with the requirements in section 6 and the Schedule must within 12 months of this Act coming into operation, or such longer period that the Minister may on good grounds condone, comply with those requirements, failing which, their deemed status as parties to NEDLAC terminates.

(4) Those parties to NEDLAC under the NEDLAC Act, 1994 that constitute organised civil society that comply with subsection (3) remain parties to NEDLAC until the Minister in the Presidency has appointed the federation of non-governmental organisations in terms of section 6(4).

(5) The members appointed under the NEDLAC Act, 1994 constitute the representatives of the parties to NEDLAC under this Act and the constitution and remain so, subject to subsections (3) and (4), until changed in terms of the constitution.

(6) The executive council under the NEDLAC Act, 1994 has the power to approve the initial constitution under this Act.

Short title and commencement

16. (1) This Act is called the National Economic, Development and Labour Council Act, 2024, and takes effect on a date fixed by the President by proclamation in the *Gazette*.

(2) Different dates may be fixed in respect of different provisions of
this Act.

SCHEDULE

CRITERIA TO BECOME OR REMAIN PARTIES TO NEDLAC

Organised labour

The following criteria apply to federations of trade unions, whether individually or jointly, to become, or remain as, parties to NEDLAC:

1. It must comply with section 107 of the Labour Relations Act;
2. it must be constituted democratically; and
3. its affiliates must have a membership duly certified by the Registrar of Trade Unions that is in excess of the prescribed membership threshold.

Organised business

The following criteria apply to associations of employer or business organisations to become, or remain as, parties to NEDLAC:

1. It must be registered as a federation of employer organisations that complies with section 107 of the Labour Relations Act or as a non-profit company in terms of the Companies Act, 2008 (Act No. 71 of 2008);
2. it must be constituted democratically; and
3. the employers or businesses that belong to the constituent employer or business organisations of the association must be in excess of the prescribed membership threshold.

Organised civil society

The following criteria apply to a federation of non-governmental organisations to become, or remain as, parties to NEDLAC:

1. It must be registered as a nonprofit organisation in terms of section 13(2)(b) of the Nonprofit Organisations Act, 1997 (Act No. 71 of 1997) or as a non-profit company in terms of the Companies Act, 2008 (Act No. 71 of 2008);
2. it must be constituted democratically; and
3. it must be the most representative federation of non-governmental organisations in the Republic representing civil society interests relating to socio-economic issues.