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PROCEEDINGS OF THE NATIONAL COUNCIL OF PROVINCES

The House met at 14:01.

The Chairperson took the Chair and requested members to observe a moment of silence for prayer of meditation.

The CHAIRPERSON OF THE NCOP: Hon members, I have been informed that the Whipery have agreed that there will be no Notices of Motion and Motions without notice; before I ask the Secretary to read the first order of the day, I would like to address you, hon members.

I have in the previous weeks observed with concern the deterioration of the language used in the House. I could not help but observe that the language used by members was increasingly falling foul of the accepted parliamentary language. Some bordered on pure intimidation or threats. Others bordered on naked racism and disrespect. Although the debates may be robust, hon members, and members are allowed to

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hackle, but the language must remain within the bounds of acceptable parliamentary practices and conventions.

Freedom of Speech is one of the revered privileges accorded to Members of Parliaments the world over. This is to allow members to freely express their views and represent to the best of their abilities, their constituencies without interference or hindrance from outside bodies.

This privilege belongs to both the individual members and a collective body of members. So important is this privilege that it may only be limited by the Rules. To my mind, members of this House have adopted the Rules that limit the exercise of this privilege. These Rules need to be adhered to. Defy them the House descends into disorder. Defy them; the Officer presiding is entitled by the Rules to meet out a penalty provided for by the Rules.

It is therefore concerning to hear members use language and words with pejorative meaning against each other in the name of the freedom of speech; words such as: "there is a smell of alcohol in the House," such was uttered by hon Koni on 7 December and on 7 June 2017 during the debate on Social Development; suggesting that maybe members were not so sober; you stay in the House full of dog fur,

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these were the words uttered by the Minister of Social Development on the same date, which suggest that a member or members are dirty or stay in an unhygienic conditions.

The threats of assault issued by hon Mampuru, the hon Mpambo-Sibhukwana on the same day; and by hon Mthethwa on 8 June during the Public Service and Administration debate are clearly intended, hon members, to intimidate others in the performance of their constitutional functions.

The words such as "this white man, a racist white person who hijacked the struggle" uttered by the hon Mokwele referring to hon De Beer are clearly intended to impair the dignity of a member and are inconsistent with every democratic tenet that this House stands for.

The belittling words such as "sies" uttered by the hon Smit on 13 June 2017 during the debate on Rural Development and Land Reform, Agriculture, Forestry and Fisheries are intended to impair on the dignity of members. Phrases like, "you have no bolls" uttered by the hon Koni during the same debate are clearly not in consonance with the decorum and the dignity of this House.

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Hon members, I have deliberately taken time on this matter merely because I think it is important that we attach the privilege that we are given of freedom of speech to the decorum of this House. I expect no less from the members of this House, and I expect that your constituency are watching and worried about what we are descending to.

Hon members will notice that I am making a general statement and I am appealing to you; that the Rules of the debates must be allowed. Well, entitled, you can hackle but, please don't take us to where we don't want to go, hon members. Thank you very much. [Applause.] I now call on the Secretary to read the First Order of the Day.

APPROPRIATION BILL

(Policy debate)

Vote No 28 - Labour:

The MINISTER OF LABOUR: Hon Chair, hon members, let me say all protocol observed, good afternoon. I stand before you in the Year of President O R Tambo, a great and selfless leader, a visionary, a patriot, a great freedom fighter who led his people to freedom,

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celebrate the principles and the ideology he espoused, hail his relentless leadership which led to the demise of the apartheid regime and inspire young people as they are our future leaders.

Through the 2009 and 2014 ANC Election Manifestos, we were given many assignments to carry out. One of them was to change the labour market policy environment, and to create conditions for social justice to flourish in the world of work and by extension, the society at large. We understand that workers are, first and foremost, the oxygen of socioeconomic wellbeing of any society. In a society where the large proportion of the economically active population is unemployed, it is guaranteed that poverty becomes the uninvited guest. Likewise in a community where employment is relatively ok, but without the key pillars of decent work, you are likely to end up with the working poor phenomenon.

Hon Chair, I submit that all what we have done and continue to do in the labour market policy space is making a contribution in order to achieve the desired outcomes. We are convinced that this will bring us closer to the aspiration espoused in the Freedom Charter and almost all international conventions. Let us turn to the key highlights of our achievements since we last appeared before this august House which is a very long list in the labour policy space.

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Please allow me to touch base on but a few of them. The recent conclusion of an agreement on the modalities of introducing a national minimum wage in South Africa represents a major breakthrough for our country. In fact, it concludes all the Freedom charter demands under the theme "there shall be work and security". Today we can proudly say that the Freedom Charter mission under this theme has been accomplished. We have already commenced the internal processes of introducing the enabling legislative amendments to give effect to this accord.

Let me thank our President for having assigned us this task, and the Deputy President for his leadership in delivering this milestone achievement. I also want to extend my deepest gratitude to our social partners, for their stamina in staying the course. The Unemployment Insurance Fund, UIF, remains one of the most timely social security intervention ever imagined. Our G20 counterparts, Germany in particular, has shown a keen interest in the constructs of this fund. It sets the benchmark of what is possible, not only in the developing countries, but also in the developed world as well. It is precisely for this reason that the fund has attracted envy and undue criticisms for what it has become. It has surpassed all expectations in providing social security safety nets for workers in

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times of distress. It has also assumed a visible role as a catalyst in the economic development space.

On the other hand, the compensation fund has put in place an action plan which is beginning to bear fruit. The backlog in claims has been reduced to 60 000 cases. Please take note that this very backlog is because the claims in question are either in complete or critical documents to determine liability have not been provided and all the information provided has discrepancies. We have also revisited the organisational structure of the fund in order to improve service delivery and we intend realigning the Compensation for Occupational Injuries and Diseases Act to support our efforts.

The contemplated amendments to Compensation for Occupational Injuries and Diseases Act will primarily be administrative in nature, with the only profound amendment being the extension of its coverage to the estimated 1 million domestic workers. Whilst it may not be obvious that domestic workers do need Compensation for Occupational Injuries and Diseases Act coverage just pose and visualise a domestic worker climbing a ladder to clean windows or doubling up with gardening chores. Just think about the chemicals they use in our kitchens and bathrooms, and the potential health risks they are exposed to. Based on these considerations, I am

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convinced that this amendment in particular, is necessary and long overdue.

The Department of Labour is not a bystander in the national efforts to create employment opportunities for our people. We are deeply involved in employment enabling initiatives. For instance, the department has signed 30 Memoranda of Understanding, MOU, with Technical and Vocational Education and Training, Tvet Colleges across all nine provinces in South Africa. The more details of these Colleges and their exact locations can be made available in the Select Committee. This is done to train UIF beneficiaries in order to fast track their re-entry back into the labour market. The UIF contributes R1, 8million per Tvet College, which includes stipends for learners, for this initiative. Learners are trained in various skills with a special focus on those that carry the promise of absorbing them in the labour market including those that have an option of starting their own businesses, if they so choose.

Recently I attended a graduation ceremony in Hammersdale where learners obtained their qualifications on various civil engineering and construction skills. Not only were they excited about receiving their certificates, but they were also bragging about how this initiative has changed their lives and the families they come from.

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They showcased various community projects that they worked on including a house of a local priest that they built from the scratch. The Priest admitted that at first, he doubted if those young boys and particularly the girls were capable of doing what they did, but he was pleasantly surprised when they handed over a complete house to him. Whilst their prospects of getting job are significantly enhanced, some of them were already absorbed in the RDP projects. What was even more satisfying was that a couple of them were already running their own businesses in the area.

We also took 100 learners drawn from various provinces on a Scuba divers training programme. It is pleasing to note that 41 of them have already been placed on work integrated learning opportunities within various organisations in the diving industry. A further 15 of them are earmarked for work integrated learning opportunities within the SA National Defence Force, SANDF. Another 41 are waiting for integration within the SA Police Service, SAPS. You will agree with me that the myth that black folks can't swim, is not true but it is more about being given a fair chance to learn.

Another classical case of stereotyping relates to the aviation industry. We took a group of 20 learners onto a pilot training programme. These are largely young black people in this country. I

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am very pleased that today they have less than six months left to complete their training. The pilot training schools have also secured an endorsement from SA Express, to assist these learners to accumulate flying hours that are necessary for them to be employable by commercial airlines. As an aside on how confident these learners are, some went on a flight joy-ride, without permission from the school, and as a result, they were expelled from the programme when they got back. These learners took R Kelly literally, when he sang "I believe I can Fly", indeed they could fly.

The Compensation Fund in partnership with the SA Association of Chartered Accountants, SAICA, launched a joint pilot programme to train 100 young people on skills that are considered scarce, but in demand, not only in South Africa but globally. The programme targets young people that would ordinarily not qualify for National Students Financial Aid Scheme, NSFAS, nor secure loans from financial institutions. These are often referred to as the missing middle. Since this was the first intake on this pilot, the learners were recruited from the Department's job seekers data base and as such participants may not be representative of all provinces. However, in the next intake equitable provincial spread of candidates will be observed.

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The first intake of 100 learners, have commenced their studies in different skills disciplines as follows: 20 medical doctors; 20 nurses; 35 occupational therapists; 20 medical orthotists and prosthetics and 5 actuaries. We intend to absorb most of these learners on completion of their training, as these are the skills that we also need in the Compensation Fund. Last year we said we were going to play a visible role in providing the much needed enterprise development training in co-operatives and support of the distressed companies and already Productivity SA has started that process. We also made a commitment to strengthen inspection and enforcement in 2016-17 financial year and the Deputy Minister will provide full details in this regard.

Let me now turn to the myth that continue to do rounds in the public domain, and that is the Department of Labour or the funds are sitting on billions of rands which are not invested in the economy. The Unemployment Insurance Fund has indeed accumulated a surplus of R130 billion, as at February 2017. The Compensation Fund on the other hand has accumulated R 57 billion in the same period. We must congratulate the funds because they have done very well done. I must say that this money is not for the department but is for the workers.

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If these funds were not invested, we would not have this opportunity of dealing away with the loadshedding. So, the investment was part of the Eskom and Medupi. In May 2016, South Africa was nominated and elected unanimously by 187 member states of the International Labour Organisation, ILO, as the president. I also want to say that the Director-General of the Department of Labour was also appointed as the Chairperson of the committee of the entire conference. The recent United Nations Commission on the Status of Women, CSW, acknowledged that South Africa was ahead of most countries in terms of equality policies and tools.

China will pass on the Chair of Brazil, Russia, India, China and South Africa, Brics, to South Africa when it meets in September 2017 and also SADC, as well will pass that to South Africa. We count on your support in making these important events a success. Therefore I will not dwell much on the details on what is in the strategic plan and also on what we are going to do in the next financial year but let me just highlight that we have identified the areas that we will be improving performance of our operations; continuing to strengthen inspection and enforcement; promulgate Section 53 and Chapters 2 and 3 of the Employment Equity Act; and submit the legislation that will be dealing with the implementation of the National Minimum Wage.

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We must note that our budget allocation was again reduced in real terms this time around. However, we will have to learn to do more. Hon Chair, allow me to thank the Deputy Minister Inkosi Phathekile Holomisa for his unwavering support, also extend my sincere gratitude to hon Chairperson and hon Members of the Select Committee of Labour, for their continued support and guidance in executing our work. Let me also extend my gratitude to our social partners for always being there when we need them and to the Director-General of the Department of Labour and his team for their support, including the Provincial Chief Directors-General for leading the provincial structures in all provinces. I hereby table the 2017-18 Budget for the Department of Labour for your consideration. I thank you very much Chairperson. [Applause.]

Mr M RAYI: Hon Chairperson, hon Chief Whip, hon Minister of Labour, hon Deputy Minister - Ah! Dilizintaba, hon members and special delegates, Director General of Department of Labour, distinguished guests, fellow South Africans.

We are debating the Department of Labour's budget when we are faced with enormous economic challenges in our country and the world. Globally there are many factors that contribute to uncertainty and volatility in the economies of countries, particularly some of our

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biggest trading partners - The European Union in the aftermath of Brexit and the refugee crisis; North America in the light of recent political developments; and our own continent of Africa which is also experiencing the aftershocks of the commodity price bust and its own fair share of political instability.

The people who always bear the brunt of these events economically are the working people of the world. Workers in many African countries are fleeing conflict zones and poverty and take risks to become economic and political migrants in Europe and the Middle East. They face drowning in the seas, criminal gangs who traffic young girls and xenophobia. Millions of workers see their incomes dwindle and their job security and life savings threatened. Governments react to these events in varying ways; but the one response that seems to be favoured by the global capitalist class is applying austerity measures which hurt working families and the poor.

South Africa is likely to find itself under tremendous pressure in the aftermath of the recent credit downgrades. The latest official unemployment rate which is 27,7% and 34,4% in real terms of the expanded definition - And the reported decline in investor confidence which has slumped in the second quarter of this year to

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levels last seen in the fourth quarter of 2009. Business sentiment has improved as recently as March 2017 and the rand was performing better than 31 currencies of economies of similar size.

Now companies are likely to lay off workers that are deemed non-essential to their operations while others are not hiring as much as we would like in order to absorb the new entrants into the job market. We are proud that our ANC government has not bought wholesale into the fiscal austerity menu of solutions as some of our detractors would like us to. Research has shown that in countries where austerity measures have been implemented from 2001 to 2013 in response to the global economic crisis such as Greece, Spain, and the UK; economic growth has been negatively affected. Austerity measures have involved massive spending cuts in social programmes and workplace restructuring in these countries thus making the working class pay for the reckless practices of the markets.

The negative economic indicators above will certainly put a lot of pressure on our government, particularly the Department of Labour and entities to respond to the challenges faced by both workers and employers. Despite the reduced budget in real terms which is of 3,065 billion to expend through four programmes in the 2017-18 financial year. The department has shown that it has the necessary

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capacity to deliver on its mandate, which is to regulate the labour market through policies and programmes in consultation with social partners.

In line with the Medium Term Strategic Framework, MTSF the department is focusing on establishing minimum working conditions, safe work environments and fair labour practices; supporting work seekers; and regulating the workplace. The labour centres of the department must step up their visits to workplaces to do inspections and to ensure that employers comply with our country's labour laws. We are encouraged by the blitz inspection programme targeting the Private Security Sector in Mpumalanga province in the week from 19 to 23 June 2017. These visits are critical in times like these when some employers might want to temper with the rights of workers for which we waged struggles over many decades. Government must send a strong message that workers' rights are human rights as well and we will defend them.

On the issue of the National Minimum Wage which the Minister has alluded to, the social partners have played a significant role in supporting our government's commitment to the agenda of creating more jobs, decent work and sustainable livelihoods for inclusive growth. The signing of the National Minimum Wage agreement in

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February by the overwhelming majority of social partners including most of the trade union federations was one of the finest achievements of the democratic government and our people - This agreement was signed after extensive consultation at National Economic Development and Labour Council, Nedlac. It demonstrated once again the capacity of South Africans to see beyond their narrow sectarian interests in order to advance our collective national interest in order to advance our collective national interest.

The Department of Labour in this financial year will focus on tabling the necessary amendments to the Labour Relations Act and Basic Conditions of Employment Act in order to provide the legislative framework for the implementation of the National Minimum Wage agreement. Some of our detractors have argued that the R3,500 minimum wage for workers working a 40 hour week is not a living wage while some conservative parties have argued that it will lead to massive job losses. We acknowledge that the National Minimum Wage is only the beginning of our journey towards a living wage. However, this public posturing is insensitive to the workers and their families who stand to be lifted out of abject poverty.

This lack of sensitivity is even more troubling when one considers that it comes from labour aristocrats and politicians who earn good

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salaries and benefits. To illustrate the positive impact of this agreement, National Treasury estimates that as many as 47% or 4,6 million of workers who depend on the Ministerial Sectoral Determinations will receive significant wage increases as from 01 May 2018. The National Minimum Wage which is a floor, below which no worker may be paid, will meaningfully improve the lives of these workers and begin to address the challenge of wage inequality.

On the issue of employment equity, the department has to tackle the issue that threatens to undermine social cohesion in our country – the reluctance by some private sector employers to comply with the Employment Equity Act. The research of the Department of Labour has revealed that 68% of management positions are still held by white employees, while African employees occupy only 14,4% of managerial posts in South Africa.

In response to this crisis, the department has proposed additional penalties to the already existing fines of between R1,5 million or 2% of annual turnover and up to R2,7 million or 10% of annual turnover that the Act has set. Perhaps the department must consider even harsher measures to compel these employers to comply with the laws of our country and to contribute to the national reconciliation project which is still imperative to social cohesion.

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It is important for those who are sceptical about the progressive policies of the ANC government to sometimes consider the international situation, for example; in the United States of America - the richest country in the world - workers do not enjoy some of the benefits we take for granted such as paid maternity leave, equal pay for men and women, etc. There is still a struggle in that country to have legislation that guarantees paid sick leave.

The labour share of the national income in most of the developed countries has declined from the late 1970s to the present century. This was triggered by neoliberalism; otherwise known as reaganomics or Thatcherism which is still in vogue within some global governance institutions and developed countries. Neoliberal policies have been accompanied by an unprecedented rise in the number of millionaires and billionaires in the world. This suggests that there has been massive dispossession of the working class by capitalists the world over.

As part of the broad progressive movement in the world, the ANC working together with our alliance, will always strive to implement policies that encourage economic equity and social justice. The Department of Labour is a bulwark in this struggle for fairness, equity and justice, in spite of the enormous challenges we face as a

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developing nation in Africa. Bearing in mind the struggles waged by workers globally for basic rights such as paid leave, and unemployment benefits.

We must celebrate the amendments to the Unemployment Insurance Act. The provisions of the new amendments includes: Workers who lose their income due to reduced working time will be able to claim for benefits - The UIF Act makes provisions for a worker to claim illness benefits, if the days of illness are less than seven days - Maternity benefits will be paid at a fixed rate of 66% of earnings - The period for which workers will be able to draw benefits has also been increased from eight months to the whole year. South Africa has been recognized recently by the United Nations Commission on the status of women that we are ahead of most countries in terms of policies that promote equality and equal pay for work of equal value in the labour market.

On the compensation fund, the department continues to strive to reduce the backlog in the payment of over 560 000 unclaimed benefits in the Compensation Fund. The difficulty of identifying beneficiaries is aggravated by the fact that about 500 000 of these former mineworkers who cannot easily be verified owing to the poor records that were kept by the mining companies over decades. A

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creative solution must be found urgently to address these challenges in order to relieve the suffering of the families of workers who got injured or ill on duty. We are proud that the proposed amendments to the Compensation for Occupation Injuries and Diseases Act will extend its coverage to 1 million domestic workers.

The Department also funds the training of UIF beneficiaries at Technical and Vocational Education and Training, TVET colleges so that they are able to seek work or start their own businesses. The Compensation Fund has also entered into a partnership with the South African Association of Chartered Accountants. This partnership is funding the education of 100 young people in critical professions such as various disciplines in medicine and actual science professions.

One of the country's foremost black owned healthcare groups Busamed has entered into a public-private partnership with the Compensation Fund and opened the world class hospital and oncology centre in the Modderfontein New City in Gauteng. The state-of-the-art tertiary hospital will offer comprehensive healthcare services to communities in and around Modderfontein and will prioritise workers who get injured on duty.

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Workers in the Free State province have also benefited from the services of the rehabilitation facility located in Welkom which was funded through the partnership between the Rand Mutual Association and the Compensation Fund. While we note the positive aspects of the surpluses of R130 billion and R57 billion that have been accumulated by the UIF and Compensation Fund respectively - there is a need for more investment by these funds in programmes that save jobs and help workers find a path to employment. One such project that is supported by UIF is Productivity South Africa, which is credited with saving 145 495 jobs and creating 616 new ones since its inception through its turnaround solutions programme. The mandate of this project is to provide proactive solutions that aim to retain jobs through sustainment of companies, actively manage retrenchments, prevent a rise in unemployment, and enhance economic growth.

In this youth month, provinces can look forward to some of the campaigns led by Productivity South Africa. Within the few seconds left I would like to say that the select committee was not happy that about 64 million was taken from the department. This 64 million was aimed at capacitating the inspection unit of the department. The committee was of the view that with regard to inspection, there should be inspectors that are dedicated for each of the areas that

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the department is focusing on. There should be inspectors for Basic Condition of Employment Act that are only focusing on that. Also, there should be inspectors that are focusing on Employment Equity Act - there should be inspectors that are only dedicated for the occupational health and safety. Thank you very much hon Chairperson. [Applause.]

Mr L V MAGWEBU: Chairperson, hon members and fellow South Africans, hon Minister, we welcome the minimum wage and we think it's a positive step and must be appreciated. The 26 US President Theodore Roosevelt once said and I quote: "Do what you can, with what you have, where you are".

South Africa is in a recession and that requires that we make hard choices and do all we can to come out of this recession. This requires that government institutions must demonstrate fiscal discipline and achieve that which they are called to achieve even within the limited resources.

This requires prioritization of the needs and the expenditure that is appropriately spent. In 2015, in the latest annual report the Department of Labour paid a whopping R13 million on performance bonuses, yet the Auditor-General on performance information had the

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following findings: On inspections and enforcement services: unable to obtain sufficient audit evidence to support the reasons provided for variance between planned targets and actual targets achievement; a total of 44% of significantly important targets were not specific.

On public employment: the Auditor-general made the following findings on performance information; that the reported achievement against planned targets of 22%, indicators were not reliable when compared to evidence provided by the department.

On labour policy and industrial relations: the Auditor-general again, made the following findings; that information was not verifiable; 23% of targets were not specific as required by the Framework for Managing Program Performance Information; and again on the same programme: the Auditor-general made the following findings; that 29% of indicators were not verifiable as the processes and systems that produced the indicators require so.

Hon Chairperson, members and fellow South Africans, the Department of Labour has only 40 occupational health and safety inspectors for the whole country. Why is more staff not recruited instead of paying performance bonuses?

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If more staff is recruited to do inspections in the workplaces as required that would go a long way to promote labour peace as problems could be identified and resolved before strike action about occupational health and safety is embarked upon by employees?

Hon Chairperson, currently forensic assistants in Gauteng are on strike. Bodies of the deceased of our loved ones have continued to pile up as some Gauteng mortuaries as labour action remains unresolved. It is the second time in six months the workers of Gauteng forensic services have embarked on a strike.

The workers are simply demanding better working conditions and equipments required. Hon Chairperson, this strike has caused immense trauma, pain and suffering to families who can't lay to rest and bury their loved ones as post-mortems are not done.

For instance, the Muslim community had to resort to court orders to seek court interdicts to get the post-mortems done, so that they could bury their loved ones as they are required to do so quickly given their faith after the passing on of a family member or a loved one. This is the serious problem the ANC government has caused us.

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Hon Chairperson, again, this didn't start in Gauteng, In KwaZulu-Natal in Durban the forensic pathology laboratory assistants were on strike and the provincial department had to get a court interdict to stop the strike.

Again, in March 2017 Nehawu threatened to strike and made sure that the department was aware of it, but the Department of Labour did not intervene. Hence the strike in KwaZulu-Natal took place and there had to be a court interdict; and the workers there were complaining about many things such as, lack of equipment, working conditions and compensation, and of course, the working compensation was also the issue.

Hon Chairperson and fellow South Africans, the Department of Labour when commemorating "Workers Month" in May 2017, visited Welkom. In Welkom employees emphasised the issue of occupational health and safety and this is caused by the department not doing its job.

This is another failure of the Department of Labour as there are no sufficient inspectors to inspect places of employment to ensure that the issue of health and safety are pursued. Therefore, unnecessary strikes that are costly and crippling our economy could have been avoided had the department got its priorities right.

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Hon Chairperson, these are the failures of the ANC and they are all there for all of us to see. As we are sitting here today, we must remember that these issues can be avoided if the department were to do its job and do its job properly and get their priorities right. Therefore, as the DA we do not support this Budget Vote. I thank you. [Applause.]

Ms D B NGWENYA: Hon Chair, hon members, fellow South Africans, while the department is dysfunctional and faces challenges at many levels which I can speak to, I will be speaking to the fundamental challenges relating to labour in this country.

The key challenges facing labour in this country are: half of workers in this country earn less than R3500 per month; the proposed minimum wage is not enough and has many loopholes; 75% of the workforce is not unionized; we suffer one of the highest levels of unemployment in the world, particularly youth unemployment.

While the EFF called for a National Minimum Wage of R4500 in 2012. It is a spit on the face of the majority of South Africans that the ruling party has proposed a minimum wage of R3 500, especially if you consider inflation since 2012.

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It is a miracle to expect anyone to survive off R3 500 a month in the reactionary economy that we are facing. Can you get good healthcare and education, while still having to pay for food, rent and transport off R3 500? The answer is no. Is the government providing good healthcare, education and other social services? No.

So, how do you expect people to survive and live in dignity if you make the minimum wage only R3 500? On top of this, hon Chair, the reality of this National Minimum Wage is that those who need it the most like farmworkers, domestic workers, and petrol attendants, it does not apply to them.

It is why when we proposed a National Minimum Wage we asked that it must cut across all sectors with no exceptions. We are therefore asking that consultation on the National Minimum Wage be re-opened as the newly formed union which actually represents workers and not just factions of the ANC, Saftu was not involved in the consultations; and since it is a key union with 700 000 members, it must be consulted.

We also want to congratulate Saftu on its launch, but remind them of the 70% of workers who are not unionised and are open to exploitation. We want to ask this government how it plans to enforce

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this minimum wage, when they already can't enforce current labour laws, and are decreasing the budget allocated to inspection and enforcement services by 1,6% with inflation included?

Unemployment remains one of the triple threats facing our country because of the nature of the neoliberal and neocolonial society we live in. In order to change this, the structure and patterns of ownership need to be changed. The state needs to drive job creation, by taking control of strategic sectors of the economy; abolishing the tender system, and increasing state capacity; and by industrializing and diversifying our economy. By taking control of the economy the government will be able to promote and support industries that are labour intensive and will match our production with our consumption - meaning, less imports.

The state will also have to subsidise and protect industries, particularly new one's so the goods produced will be competitive with goods produced in other countries with cheaper labour.

It was the opening of our markets to goods from countries that had cheaper labour and were subsidised that killed our clothing and textile industry. So we need to protect our industries. By the way, hon Rayi ...

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Sesotho:

... Dimaene tsa Foreisetata di kwetswe kaofela, ha di sa sebetsa. Batho ba dutse hae, ha ba sebetse.

English:

We are in a junk state, citizens of South Africa, something must be done. Therefore, we reject this Budget Vote because the ANC refuses to take these steps and introduce a living minimum wage. Thank you, Chair. [Applause.]

Mr J M MTHETHWA: Hon Chairperson, a lot of progress has been made in the efforts of regulating the labour market towards optimal efficiency, reducing inequalities, adherence to labour safety standard and population dynamic representation in South Africa. For example, government, business and labour have agreed on the need for a minimum wage which is expected to be introduced in May 2018.

This is a watershed victory ... [Interjections.]

Ms T J MOKWELE: Chairperson, I rise on a point of order. I want to check if hon Mthethwa would take a question.

The CHAIRPERSON OF THE NCOP: Hon Mthethwa, will you take a question?

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Mr J M MTHETHWA: No.

The CHAIRPERSON OF THE NCOP: No madam.

Mr J M MTHETHWA: This is a watershed victory that will go a long way in reducing income inequalities that have been endemic to a number of subsectors dominated by unskilled labour. However, let me hasten to add that it is only a step in the right direction and not an end in itself and I sincerely hope that even the department has viewed this giant leap with the same length. The National Economic Development Plan and Labour Council have also agreed on several reforms to provide employers and employees with mechanism to resolve dispute more effectively and minimise the potential for protected or violence industrial action. The department has also amended the Occupational Health and Safety Act, Act 85 of 1993, to introduce compulsory provision such as permitting inspectors to administer fines and allow employees to leave the work place if conditions are unhealthy or unsafe.

In pursuant of creating healthy and safe working environment, the Amendment Act which is targeted for implementation in the current financial year of 2017- 2018 makes provision for health and safety representatives in the service of employers to check for compliance

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through routine inspection. In the same vein, further progress has been noted with regards to the 2015 Labour law amendment which ambiguously offered improved protection and job security to the most vulnerable workers. However, it is our considered view that a full impact assessment of this legislation still needs to be conducted to determine whether there is credence to the assertion suggesting significant reduction in the number of jobs available.

The 2016-2017 financial year has seen much debate regarding increased regulation of strikes. This came because of government in the previous round of amendments to the Labour Relations Act proposing changes to the provisions regulating strikes; reintroducing compulsory strikes ballots and increasing powers of the Labour Court to intervene in violent strikes, but these were withdrawn following the parliamentary legislative process in 2015. Similar provisions were however, the subject of a separate ongoing engagement process at the National Economic Development and Labour Council, Nedlec. In recognising the impact of prolonged and violent strike action the social partners reached an agreement and signed the declaration on wage, inequality and labour market instability.

The President of the Republic of South Africa, his Excellency hon J G Zuma has over the three previous state of the nation address

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emphasised the importance of social dialogue and recognised the role of Nedlec and its social partners in jointly contributing to the achievement of inclusive growth in South Africa. Nedlec's contribution to the realisation of the National Development Plan's, NDP, objectives required the achievement of consensus of a shared vision and social co-operation to improve the country's socioeconomic prospects. It is in this sense that the National Minimum Wage Agreement is seen as a step towards achieving the co-operation and commitment to implement the National Development Plan objectives to stabilise the labour market in order to boost economic growth. The Nedlec has also agreed on several reforms to provide employers and employees with mechanisms to resolve disputes more effectively and minimise the potential for protected violent industrial action. The department and its entities have received a total of R3 billion for the current financial year. The 2017-2018 budget has increased by 1,7% or R47 million when compared with the 2016-2017 financial year.

At programme level, we as the Select Committee on Economic and Business development have been concerned over the 1,6% real decrease in the budget allocated for inspection for enforcement programme and we observed that the same real decline was also recorded in 2016-2017. The concern arisen because the department considered such

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decline in the period of various amendment to a number of pieces of legislation such as the Unemployment Insurance Fund, UIF, national minimum wage. Another issue is that more training for inspectors is required to ensure satisfactory regulation of the various sectors, employer services, sub programmes which are responsible for among other things to register work opportunities, facilitate the employment of foreign nationals where such skill do not exist in South Africa, overseas placement, etc. These sub programmes also respond to companies in distress, provide a social plan and regulate private employment agencies.

There has been a decrease of R17,3 million for this programme. This decrease is concerning given the registration drive of job seekers by the department. According to the department 500 000 work seekers will be registered on the public employment service data by March 2018 yet the department plans to register only 60 000 work opportunities by 2018. It seems there is more emphasis that is being put on the registration and placement of work seekers. This may be further confirmed by the decline of employer service sub programme. Overall, this department is progressing well in transforming the labour market in this country. With these remarks and considering the good progress that the department is making, the ANC supports this budget. I thank you. [Applause.]

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Mr N HINANA: Hon Chairperson, hon members, our people from all of South Africa, distinguished guests, ladies and gentlemen, good afternoon, it is worrying that while the majority of the world looks to tackle pertinent issues such as unemployment and economic growth, our national government is heading in the opposite direction. Where the close associates of President Jacob Zuma and the ANC who continue to live the good life, millions of fellow South Africans continue to be left living in extreme poverty, hunger, uneducated and unemployed. It is common understanding to everyone that the gap between the rich and the poor is ever growing. There has been no strategy to close the gap.

Chairperson, corruption and theft in the form of state capture have led to our economic growth rate taking a major blow. If it is led by the first citizen of our country, the President to be corrupt and we expect the economic growth to happen, we are in a "lala land". When the President ... [Interjections.]

Ms L L ZWANE: Chairperson, I don't know if the hon member can take a question?

Mr N HINANA: I will provide her with my number to send the questions. [Laughter.] When the President publicly said that ...

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IsiZulu:

... laba abathi ngiyatshontsha ngiyabazi ngibabhekile.
Abatshontshi, abatshontshi, abatshontshi! [Ubuwelewele.]

English:

We are saying President if you know them, go to the nearest police station and report the theft because we can't be a corrupt country. It affects unemployment that we are talking about today. The South African economy just recently moved into recession with the reported decrease of 0,7% in gross domestic product, GDP, during the first quarter of 2017. At a recent briefing on the South African economy, finance and trade industry on Tuesday, the Euromonitor report points out that South African's sovereign status, which was downgraded to junk status by the credit-rating agencies Standard & Poor's, and Fitch in April will most likely lead to heightened capital outflows, reduced investor confidence, job cuts and depreciation of the rand.

What is our Minister saying? Let the rand fall, we will pick it up. [Laughter.] That is how the ANC government understand the issues and outside the people are crying because they need help. What an irresponsible government that we have.

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Chairperson, as the ANC continues to support President Jacob Zuma and the Guptas, [Interjections.] I find it difficult to have faith that programmes initiated by the Minister Mildred Oliphant's budget, will, in fact, take place or be completed. Hon members, Minister Oliphant, in her Budget Vote speech mentioned the positives achieved by her department, notably, the Unemployment Insurance fund, UIF. Furthermore, she mentioned that they look for reasons to pay benefits to deserving workers, unlike the norm in some insurance funds where they look for reasons not to pay. Maybe her department deserves a noddy batch for the fact that UIF paid out R7,9 billion to deserving workers. But, as a nation, Chairperson, we cannot celebrate anything when we have seen unemployment rise to its highest levels over a decade. Under the leadership of the current President and the outgoing President and his Cabinet, 900 000 jobs have been lost; yet, we continue to witness and experience the ignorance of President who states that he is not too worried about the impact of a downgrade and what it will do on job losses.

Chairperson, our people and most importantly, our youth need jobs and as the national government slowly directs our economy into an iceberg, the situation for South Africans is increasingly becoming dire. The lost generation continues to suffer as youth unemployment lies at over 50%. We are increasingly watching our youth becoming

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more discouraged and turning to a life of crime as a consequence. Having the labour laws in the world will not do anything good if the labour laws are not benefiting and protecting the businesses and creating jobs for the unemployed people. It seems that the national government doesn't understand this.

Chairperson, hon member Ollis highlighted the notable success being made in fellow African countries. One that stands out in particular is Kenya, where 8 000 jobs were initially created, rising from 30 000 jobs, by the building of a new standard gauge railway line from Mombasa to Nairobi to change travel time from days to just mere hours. Hon members, our country can do even much better than this. To the people of South Africa's demise that having instead, been subjected to witnessing the money for such projects and initiatives being pocketed by the Zuma faction and the company. Where state-owned enterprises, SOE's such as Metrorail and Eskom should have been expanded and developed to create much-needed jobs, over the years we have been left in the dark.

The CHIEF WHIP OF THE NATIONAL COUNCIL OF PROVINCES: Chairperson, the hon member is making a very serious allegation without a substantive motion. Chair, I request you to Rule on that.

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The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Hinana, will you just come back to the point you just made so that I can Rule.

Mr N HINANA: Chairperson, I have made many points, specifically which one are you talking about.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: The last point you made. I think it's the point that has the name Zuma included.

Mr N HINANA: To the people of South Africa's demise that having, instead, been subjected to witnessing the money for such projects and initiatives being pocketed by President Zuma and his faction. Is it that one?

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: That is the one.

Mr N HINANA: Or else where state-owned enterprises, SOE's such as Metrorail and Eskom should have been expanded and developed to create much-needed jobs, over the years we have been left in the dark.

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The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Thank you very much. Hon Chief Whip, I am going to let it go as a point in debate. Please, continue.

Ms T J MOKWELE: It is a point of debate.

Mr N HINANA: Hon members, let me warn you and give you this direction. Members of Parliament and Ministers may be hypnotised by the presence of Jacob Zuma, but let me warn and give you this understanding that South Africans are not that hypnotised. Saga after saga, bad decision after bad decision, it keeps being replayed. The people of South Africa are not, as blind as the President and his Cabinet may think. [Laughter.] The recent protest is just a sign of many things to come. Many of those who are a part of the labour force mobilised in numbers against the President. If that was not a sign Minister Oliphant, then those who are a part of the labour force are discontent, then it is no wonder how you cannot stand and read your budget with the hope that it will be successfully implemented.

Chairperson, the recent change in law and policy surrounding the employment of foreigners is merely a short-term solution to addressing the nature of the real problem. Hon members, national

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government should be focussing its attention on providing long-term solutions to bridge the skills shortage, the business environment and to facilitate the transfer of much-needed skills. Minister Oliphant and her colleagues should surely be creating an environment for businesses that ensures that businesses are indeed able to invest in skills development in the workplace as a means of ensuring that skills are not only transferred, but are also retained.

Will you please, Minister, do whatever it takes to sort out these problems, at least within the next couple years? I am warning you, Minister and I assure South Africans that if you don't, then by 2019, the DA will have to clean up the mess created in your department and take over the whole country to the benefit and to the understanding and happiness of the international investors so that the jobs are created for our country. Thank you. [Applause.]

Mr J J LONDT: Hon Chairperson, hon Minister, hon members, I must say that I have been counting the debate and I think we have now seen the Minister more in this House than we have seen her in the Select Committee, so, it's a pleasure to see you hon Minister.

Just over a year ago, we debated the Labour Vote Budget in this House and I made a prediction saying that in a few weeks, just

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before the Local Government Elections, the electorate will judge this Department, this National Government harshly for the lack in the delivering of the mandate. And that's what the voters did. The ANC lost the majority of the Metros and they are well posed to lose a lot more in 2019.

Hon Minister, I don't know if you joked or bragged about the learner pilots taking a joyride. It is a serious matter and in fact it's unacceptable. Somebody in your opposition should come out a lot harder against this because it is not just the money that they wasted, it is risking the lives of people by taking a joyride and it's also throwing away the opportunity that they were given, an opportunity that many other people would love to get.

Hon Mthethwa, when I listen to your speech and I couldn't help but think about hon Nyambi, about his quote [Inaudible.] 15:10:006 by saying, you know, it is better to keep quiet than speak up and people know the truth. Hon Minister, if you didn't know it already, the three biggest issues in this country is jobs, jobs and jobs. Added to this that unemployment rate in South Africa recently increased to 27,7% and that is up from the same period last year. Let me read you an extract from your own website:

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The Department of Labour will play a significant role in reducing unemployment, poverty and inequality. Further, the Department of Labour will strive for a labour market which is conducive to investment, economic growth, employment creation and decent work.

How on earth is it possible for you and anyone in this House to stand up here and defend this Minister, this department and this national government when you cannot even meet the basics that you set up for yourselves? We are scaring away investors. The economic growth is negligible, unemployment rate is rising and the inequality also keeps rising. The reason for this is simple - vrotkop (rotten head). There is an Afrikaans saying: "'n vis vrot van die kop af". The head of this ANC fish is rotten and it is affecting the rest of the fish. Cut off the head, maybe you will save a bit of your organisation because what you are doing now is not just negatively affecting your own party, it is affecting the entire country, it is affecting millions of people in this country.

Afrikaans

So raak ontslae van die vrot kop ... [so get rid of the rotten head.]

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English:

... because if you do not get rid of the rotten head, the electorate will throw the entire fish away in 2019. I thank you.

Mr S G MTHIMUNYE: Thank you Madam Chair. Once more the holier than though hon Magwebu ... always holier than thou ... makes reference to problems that are brought about when workers go on strike – a right that was fought for, for so many years ... A man of my colour who claims to have grown in the congress tradition having a problem with a right that was achieved through blood and sweat. How does that become revolutionary, my learned friend? [Interjections.]

The right for workers to strike is enshrined in the law of this country ... [Interjections.] ... and this right is actually a human right, my learned friend. And you complain ... go to town my friend ... you complain about the economy that is going down and the economy that is ignorant of the poor. To my surprise, my learned friend, this morning in our committee meeting it is you who nearly jumped out of your skin.

The CHAIRPERSON OF THE NCOP: Hon Mthimunye, on the point of jumping out, please take your seat. [Laughter.] Please take your seat sir.

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Mr J W W JULIUS: Jump on the chair.

The CHAIRPERSON OF THE NCOP: Hon Julius, address me. Address me.

Mr J W W JULIUS: Thank you Chairperson. Can ... [Interjections.]

The CHAIRPERSON OF THE NCOP: Hon Mthimunye, take your seat please.

Mr J W W JULIUS: Jump on your chair. [Interjections.]

The CHAIRPERSON OF THE NCOP: Hon Julius, you are addressing me.

Mr J W W JULIUS: ... [Inaudible.] ... Chairperson, the member is addressing a member directly and not through you. He did it three times in ... [Inaudible.]

The CHAIRPERSON OF THE NCOP: Is that the point you were raising?

Okay. uTata Mthimunye, just address the member through me. Continue.

Mr S G MTHIMUNYE: Thank you Chair. [Inaudible.] ... thank you hon Julius. Just this morning in our committee, the organisation which is an entity of the state, the National Empowerment Fund, NEF, came to present to the committee. The key mandate of that institution of

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state is to transform the economy. It's broad black economic empowerment. [Interjections.] When they presented the good stories on their success in the committee, guess what happened? I wish the video clip could be shown in this House. What happened is the members of the DA in the committee, supported by the EFF, nearly jumped out of their skins on the issue that talks deeply to changing the structure of the economy of this country. [Interjections.] Yet they come here to grandstand as if they are very interested in this black economic empowerment, BEE. These are counter-revolutionaries who will always indicate left in public and turn right in their dark corners. [Applause.]

The CHAIRPERSON OF THE NCOP: Hon Mthimunye, please take your seat.
Hon Magwebu?

Mr L V MAGWEBU: Thank you very much hon Chairperson. This is a point of order: The hon Mthimunye is misleading the House. This distortion he is bringing from the committee does not belong here. It's a distortion and because I am misrepresented, in terms of the Rules I will ask to be given an opportunity to give clarity because this whole thing has a context. We have always argued in the committee ... this morning ... that we are all for BEE. There's no problem about that. However, the issue is how; how it is being used. It

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favours certain black ... [Inaudible.] ... and the powerful.
{Interjections.} Don't come and mislead the House here. You ...
[Inaudible.] ... for your own convenience. That's completely
incorrect.

The CHAIRPERSON OF THE NCOP: Thank you. Order! Order! Hon Magwebu,
you have every right to feel touched. You are dragging what happened
in your committee meeting into this House. I'm going to allow hon
Mthimunye to continue, as a point in debate. Continue sir.

Mr S G MTHIMUNYE: Let me tell you what happened further in the
committee. At the end of the meeting the NEF gave us packages in the
form of presents as evidence of production that is coming from the
people that are funded by the NEF. Guess what? They all queued to
accept those presents. [Laughter.] [Applause.]

The CHAIRPERSON OF THE NCOP: Hon Mthimunye, please take your seat.
Hon Mokwele?

Ms T J MOKWELE: Thank you Chair. It must be noted that members of
committees are members of committees. Chair, even you gave us a
powerpoint from your office. It doesn't mean we are acting left and
doing whatever that is right on the other side. We are representing

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the working class here chief. It doesn't matter what we take. We are not in government. As soon as we are in ... [Inaudible.]

The CHAIRPERSON OF THE NCOP: The point is taken ma'am, thank you. Hon Mokwele! Order please. Hon members, as long as that gift is below a certain amount you are free to accept it. If it is over a certain amount you know you have got to go and declare. Please proceed.

Mr S G MTHIMUNYE: Thank you Chair. Hon Ngwenya ...

The CHAIRPERSON OF THE NCOP: Hon Mthimunye, please take your seat sir. I have two members on the floor. I am going to start with you uTata Chabangu. I will come to you sir. Please proceed.

Mr M M CHABANGU: It is true that we were given ... [Interjections.]

Setswana:

MODULASETULO WA NCOP: Ke kopa o ntshwarele gannyane.

English:

I will not have a dialogue please. Please do not intimidate the hon member. Please keep ...

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Mr M M CHABANGU: Thank you ma'am. It is true that we were given food parcels below R350 and we indicated that we are going to give it to the people that are working for us. We never knew that we were put in a trap but ... [Inaudible.]

The CHAIRPERSON OF THE NCOP: Hon Chabangu, that's not a point of order at all. [Interjections.] Hon Faber?

Mr W F FABER: Chairperson, as we are on the point of honesty, etc would this hon member take an honest question and then give me a very honest answer? [Inaudible.] ... can't be honest I don't think he'll take it.

The CHAIRPERSON OF THE NCOP: Hon Mthimunye, will you take any question ... [Inaudible.]?

Mr S G MTHIMUNYE: Hon Faber can relax in the comfort of his seat please.

The CHAIRPERSON OF THE NCOP: He's not willing sir.

Mr W F FABER: Yes, as he's not honest.

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Mr S G MTHIMUNYE: You could've seen the stampede that nearly happened when those presents were handed out this morning. Exactly the same as you see here on the points of order. [Interjections.]

Hon Ngwenya, the R3 500 per month minimum wage is just a start ma'am, progressing towards something better. I don't know where you get this information that domestic workers and other workers do not qualify for this threshold. I don't know where it comes from or what your source of information is. However, may I address you? That is grossly wrong. [Interjections.]

The CHAIRPERSON OF THE NCOP: Please address her through me. I don't want another point of order on this issue. Please continue uTata Mthimunye.

Mr S G MTHIMUNYE: I will tell you what is actually counter-revolutionary and against the workers. From where we stand, the illegal occupation of land throughout the country led by the EFF is actually counter-revolutionary. I will tell you how it becomes counter-revolutionary. [Interjections.] Two weeks down the line those workers are evicted from that land through a court order, and when they get evicted and they refuse their shacks get demolished through a court order.

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The CHAIRPERSON OF THE NCOP: Hon Mthimunye, I have another member on the floor. Hon Essack?

Mr F ESSACK: Hon Chairperson, through you, perhaps you can just check with the member on the podium if he's addressing the corruption that he himself is liable for.

The CHAIRPERSON OF THE NCOP: Is that a point of order? Is it a question?

Mr F ESSACK: I can clarify ma'am.

The CHAIRPERSON OF THE NCOP: No, are you ... are you ...

Mr F ESSACK: Yes, I'd like to ask him a question ma'am.

The CHAIRPERSON OF THE NCOP: Hon Mthimunye, are you willing to take a question?

Mr S G MTHIMUNYE: No Chair.

The CHAIRPERSON OF THE NCOP: He's not willing to take a question hon Essack. Please take your seat.

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Mr S G MTHIMUNYE: These poor people, who are mainly working class, are misled to illegally occupy land countrywide by the EFF. They get evicted by the courts and when they get ...

Ms T J MOKWELE: On a point of order Chair.

The CHAIRPERSON OF THE NCOP: Hon Mthimunye, please take your seat. Hon Mokwele, you're on a point of order?

Ms T J MOKWELE: The speaker is misleading the House. As the EFF we have evidence of people that occupied land and have residence permits. It's not true that people are evicted without being represented. We represent those that are evicted through court orders and we win all those cases ... [Inaudible.]

The CHAIRPERSON OF THE NCOP: Hon Mokwele, take your seat. We are not debating whether it is legal or illegal to occupy the land. Can we proceed with this debate please? [Inaudible.]

Mr S G MTHIMUNYE: It is counter-revolutionary to lead poor people to illegally occupy land only to be evicted the next day and they lose the little that they have for themselves. It is grossly counter-revolutionary. [Interjections.]

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The Public Protector has made a finding that Absa previously acted illegally in its transaction, and that is a matter of public knowledge. To my surprise ... [Interjections.]

Ms T J MOKWELE: It's the EFF ... [Inaudible.] You were quiet; all of you.

Mr S G MTHIMUNYE: ... my hon Magwebu chooses to completely ignore that. My hon Magwebu is so concerned about corruption but my surprise is that hon Magwebu is concerned about selective corruption – corruption that happens in government only. What about the corruption that has happened and the Public Protector has found? Yet, you are silent. There is a deafening silence on my left. Why is that? It tells you whose agenda the DA serves. [Interjections.]

Hon Hinana, President Zuma is not a revolution. What we are engaged in is a national democratic revolution ... [Interjections.] ... to emancipate our people from the bondages of poverty. That is what I think you should focus on.

The CHAIRPERSON OF THE NCOP: Order members. Order! Don't drown him out. Hon Mthimunye, I have hon Faber on the floor. Hon Faber?

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Mr W F FABER: Hon Chair, on a point of order: I saw that the last debate was on Vote 28 on Labour, and this hon member is so far off the point.

The CHAIRPERSON OF THE NCOP: Sustained. Hon Mthimunye, please continue. Hon Mthimunye, take your seat. Hon Dlamini?

Ms L C DLAMINI: Thank you very much hon Chair. Is it parliamentary for a member to call a debating member corrupt? Hon Mathevula just said, you are corrupt Mthimunye.

IsiZulu:

USIHLALO WOMKHANDLU WEZIFUNDAZWE: Utheni?

English:

Ms L C DLAMINI: Hon Mathevula here said that hon Mthimunye is corrupt.

The CHAIRPERSON OF THE NCOP: Order! Hon Mathevula, did you say that hon Mthimunye is corrupt?

Xitsonga:

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Man B T MATHEVULA: E-e, a ndzi vulanga, Mutshamaxitulu. A wu swi twanga.

English:

The CHAIRPERSON OF THE NCOP: Hon member ... No, no ... Order! No, no, hlala phansi [sit down] hon Mokwele, I'm ... hlala phansi. Sit, sit. Take your seat. I'm ruling on this one. Order! Hon Dlamini, you rose on a point of order. I have asked the member and she says that she did not call hon Mthimunye corrupt. Now, unless I find it in Hansard, I cannot take this matter any further. Please hon Mokwele, I have ruled on this matter, unless you are coming up with a new point of order. [Interjections.] There is no point in saying to hon ...

Ms T J MOKWELE: I am just saying to her that she knows that there is a report about Mr George Mthimunye in Mpumalanga being corrupt and there are so many issues. If my hon member said so, it's not as if we are making this up. So it's something that is there all over. We can ... [Inaudible.]

The CHAIRPERSON OF THE NCOP: Hon members, please allow this House to continue. No, no, I want to rule on this matter. We are not going to spend the whole day dilly-dallying here. I am ruling now on the

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point you are raising hon Mokwele. Hon Mokwele! If the hon ... Hon Mokwele, don't look at hon Dlamini. Hon Dlamini, don't look at her. [Laughter.] Hon members, if you feel that there is a report about corruption then Parliament has two different types of committees which look at stuff. If you feel you are so sure about your case please forward it and take it to where it belongs, or let it rest. Please continue hon Mthimunye.

Mr S G MTHIMUNYE: Hon Chair, I think it's within my right to respond to this one with a given time. I was never charged with any corruption in my life. I never appeared in any court of law. I was never arrested for corruption and I was never found guilty by any court of law on a charge of corruption. If anybody wants to claim that he or she knows me better than I know myself ...

Ms T J MOKWELE: We know you! We know you!

Mr S G MTHIMUNYE: ... be my guest. Hon Hinana goes to town about the gap that is widening between the poor and the rich, and he says the government of the day is doing nothing about it. My learned friend, in this country there is industrial policy. There is also BEE policy ... [Interjections.] ... and many other policies of this government that it is implementing on a daily basis to try and lift the poor

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black majority out of the bondages of poverty. [Interjections.] I thought you would've accepted the fact that you with the Western Cape government are not helping us in that respect.

Hon Londt, on the joyride, joyride, my friend. These are learner pilots. Being a learner pilot, the risks of being a learner pilot goes with every flight you take as a learner pilot. It cannot only be associated with the few that the Minister makes reference to. [Interjections.] The risk of flying is on everyone who takes a flight or bothers to fly.

Ms T J MOKWELE: I just want to check whether the hon member is here to attack previous speakers because he must represent the ANC. Tell us what the ANC says about the Vote that is being debated here. Please stop attacking other members.

The CHAIRPERSON OF THE NCOP: Thank you hon Mokwele. Hon Mokwele, please take your seat. Hon members, any hon member who is debating has every right to get into any other member's speech here today, last year or any other day, as long as it is not a future one because we have a Rule against anticipation. Proceed hon Mthimunye.

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Mr S G MTHIMUNYE: The joy riders that hon Londt refers to are aspirant pilots for heaven sake. May I inform this House again that the Minister has always submitted an apology to the committee if she was not available to attend.

Let me share with you what I heard from one friend of mine who is a professor at a university in Kampala, Uganda. He says that Africa is spending billions of rand to attract what is called foreign direct investment. Yet out of the billions of rand that Africa is spending to attract foreign direct investment, only five per cent becomes an output of such foreign direct investment. So where does the economies of scale lie? Where do you focus your investment as a correct thinking country? You focus on the empowerment of your local economic development so that you promote your own local investors. And, without again being negative against foreign direct investment, ... [Interjections.] ... I would've thought that that constitutes the basics of Economics 100. I want to thank you hon Chair. As the ANC we support the budget. [Applause.]

The DEPUTY MINISTER OF LABOUR: Chairperson, Ministers, hon members, senior officials of the Department of Labour, and fellow South Africans, good afternoon.

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Renowned French philosopher Jean-Jacques Rousseau said, "When the people shall have nothing more to eat, they will eat the rich". Many Nobel Laureates in the field of economics also make the point that prosperity within the sea of poverty is not sustainable. In other words, the work of the Department of Labour should be defended especially by the privileged classes in our society. Social equity and the pillars of decent work, namely employment creation, social protection, rights at work, and social dialogue, are the instruments we have to employ to ensure that all of us move away from poverty and are able to put bread on the table.

This should prevent the possible catastrophe of the poor eating the rich quite literally. Similarly, if developmental economists are correct in their assertion that prosperity within the sea of poverty is not sustainable, it should therefore be in the interest of all of us, especially the privileged classes, to support the policies that are pursued by the Department of Labour.

Lest we forget, the old system of apartheid provided the platform for the super-exploitation of workers which, in turn, provided a life-support system for its racist economy. We know the racist economy would not have survived without the repressive regime's labour laws and the attendant abundance of cheap labour. For that

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reason, we don't find it at all surprising that with every progressive move towards making it possible for workers to enjoy the full protection of their human rights through the labour laws, we see opposition from the enemies of progress. Some businesses are finding it very difficult to cope with the fact that repressive labour laws are no longer part of our labour market landscape. Some have even gone to the extent of placing the blame for joblessness on our labour laws. However, when you ask them exactly what the problem is with the labour law, they will often tell you that the laws make it difficult for them to dismiss workers.

I thought curtailing the ease with which to dismiss a worker should be celebrated and not frowned upon, precisely because it is, after all, a traumatic experience that should have been processed thoroughly. Unemployment is possibly the biggest threat to stability in this country, and stability is the mainstay for a viable and sustainable climate for doing business. It is therefore strange that some employers and some members of this House do not realise that paying lip service to job creation is a self-defeating exercise if it is not based on a commitment to the promotion of the rights of workers.

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Some have forgotten that barely 22 years ago, the South African workers were subjected to the most brutal labour laws on earth. Domestic and farm workers, important as they are in the lives of the people, were not defined as workers. Thus, they enjoyed no protection under the labour laws of the time, let alone had any benefits. Workers were paid minimally and could be dismissed at a whim without any form of recourse. Bringing change to the pre-1994 labour legislative framework, a system as pervasive and systemic as state-sanctioned racial discrimination, cannot be considered an event, as it is a process. The labour relations environment is unavoidably dynamic and continues to change; thus, our labour relations instruments require constant fine-tuning.

Turning to our operations and how we are doing, let me start off by pointing out that one of my responsibilities in the department is to conduct an oversight role regarding the smooth implementation of the department's strategic and operational objectives to ensure effective and efficient delivery of services to the public. Allow me to touch, albeit very briefly, on some of the areas that received special attention.

Firstly, over the last financial year, the department improved its overall performance to around 77%. During the 2016-17 financial

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year, the department was allocated R2,8 billion and spent R2,7 billion. Therefore, in percentage terms, the department spent 97% of its allocated budget. Administration spent 96,7% of its allocation, achieving an overall performance of 60%. Inspection and Enforcement Services spent 92,8% of its allocation, achieving an overall performance of 87%. Public Employment Services spent 99,8% of its allocation, achieving an overall performance of 75%. Labour Policy and Industrial Relations spent 98,3% of its allocation, achieving an overall performance of 71%. The Unemployment Insurance Fund, UIF, achieved an overall performance of 69%. On the other hand, the Compensation Fund has turned a corner and is very stable. Its overall performance of 50% is indeed significant, considering where we came from.

There are already significant changes in the pipeline aimed at ramping up service delivery. The key game changers to improve service delivery receiving special attention include, but are not limited to, the following. Compensation Fund filing will be introduced. The objective of the project is to improve the turnaround time for an employer to register with the Compensation Fund, submit the return-of-earnings online, process an immediate online payment, and receive a letter of good standing. An online claims system will be introduced. The Compensation Fund implemented

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a new claims management system in 2014. This has resulted in visible improvements in the fund's service delivery. For the speedy adjudication of claims, the system provides an online platform for employers and medical service providers to submit claims online. Plans are in place to continue to enhance the system with the objective of improving the turnaround time for claims. The call centre system will be improved. A new and improved call centre system is in the process of being implemented. The objective is to implement a system that will ensure the service from the call centre to the back office is well managed in order to ensure that enquiries are responded to in the shortest time possible. The Compensation for Occupational Injuries and Diseases Act will also be realigned to enhance benefits and service delivery.

As the governing party and the department, we recognise our role of regulating the labour market to ensure stability and a vibrant economy that yields tangible benefits, which includes job creation. The progress and commitments presented by the Minister today are testimony to the fact that we are a government of the people, a government that seeks to improve the socioeconomic conditions of the people - be it in urban settings, townships, farm dwellings, or far-flung rural areas.

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In the past three years, I witnessed the difficulties labour centres experience in meeting public expectations. This is as a result of inadequate human resources, especially at the frontline offices, in our inspectorate, and in enforcement services. I am happy to report that the department has since set in motion innovative ways and service delivery initiatives. The installation of self-service machines, better known as kiosks, at our service points is in full swing. This ensures that our clients do not have to stand in long queues for hours on end in the blistering sun or inclement weather conditions.

Whilst we continue to capacitate the inspectorate with the limited financial resources at our disposal, we have found innovative ways of dealing with the challenges as we do our work. Amongst others, we embarked on focused training programmes that seek to assist the labour inspectors in fast-tracking their processes, thereby improving results. The actions taken by the department in its attempt to strengthen the inspectorate produced positive results for the 2016-17 financial year. The performance of the unit improved progressively from a dismal 43% in 2014-15 financial year to 67% in 2015-16. It stood at a whopping 87% in 2016-17.

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You will recall that, last year, the Minister undertook to deal aggressively with the designated employers found to be flouting the provisions of the Employment Equity Act. The department referred to the Labour Court 192 employers who were noncompliant with the provisions of the law. Interestingly, 19 companies opted for out-of-court settlements amounting to admission-of-guilt fines of R1,96 million. A total of 90 employers who resisted change, believing they had a fighting chance, decided to oppose our court actions. The total value of the 90 cases amounts to R135 million. The overall work done by the inspectorate just in the area of employment equity alone is R255,45 million against expenditure of R18,5 million for only 19 employment equity labour inspectors.

The Administration programme has also shown a significant improvement during the 2016-17 financial year. There are pockets of excellence within the programme, with the finance management unit continuing to make us proud. Once again, the department received an unqualified audit opinion in the 2015-16 financial year - for the fifth consecutive year. We remain confident that the Auditor-General's audit report for the 2016-17 financial year will reveal even more positive results.

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Public Employment Services, on the other hand, has provided employment counselling to 290 463 work seekers during the 2016-17 financial year. The counselling services are aimed at preparing our youth for the world of work, as well as preparing work seekers to face the realities of the labour market. In addition, 454 397 persons were registered as work seekers on the Employment Services System database. During 2016, services were also taken closer to the people through the launch of the self-help service stations I mentioned earlier. During 2016, more than 22 labour centres were equipped with these, and a further 14 will be equipped accordingly during 2017. We are indeed serious about playing a meaningful role as a catalyst in enhancing the employability of our people.

I am pleased to announce that the department, through the UIF, transferred an amount of R24,4 million to Productivity SA to assist in the implementation of the Turnaround Solutions programme. The programme assisted 49 companies and saved 4 760 jobs in the 2016-17 financial year.

The Nedlac continues to play a pivotal role in transforming our labour policy framework. We therefore acknowledge that the department would not have achieved the milestones it did in the

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labour policy development space without the commitment and support of Nedlac. We extend our gratitude to everyone at Nedlac for their contribution.

This leaves with me with one strategic entity of the department: the Commission for Conciliation, Mediation and Arbitration, CCMA. It cannot be disputed by any of the members of this House that the CCMA continues to make us proud with its excellent work and outstanding performance. I submit it is only those who are not familiar with the labour policy space that will have difficulty understanding and appreciating what we do. Of course, as an outsider, throwing stones at what we do will be much easier than providing viable alternatives.

Whilst we have made demonstrable progress in all our key strategic work streams, we admit that we are not yet where we want to be. With time, we are confident that we shall overcome. Thank you. [Time expired.] [Applause.]

Debate concluded.

APPROPRIATION BILL

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(Policy debate)

Vote No 29 - Mineral Resources:

The MINISTER OF MINERAL RESOURCES: Hon Chairperson and members, Chairperson of the Select Committee on Land and Mineral Resources, I welcome the opportunity to present the 2017-18 financial year Budget Vote for the Department of Mineral Resources to this House.

The Department has been allocated a budget of R1,7 billion to carry out its mandate in this financial year. Over R900 million of this allocation is transferred to the department's entities which are responsible for work which includes, inter alia research and development, skills development beneficiation, to mention but a few. We will ensure the prudent and effective use of these resources in order to deliver to the people of South Africa.

Mining has been the mainstay of the South African economy, having existed for the past 150 years. There are almost 2 000 operational mines and quarries across the country. Mining contributes around 7,5% to the GDP, and employs an average of 457 292. Estimates of reserves of our minerals tell us that mining will continue to make a meaningful contribution to our economy in 100 years to come. For instance, 96% of known global reserves of platinum group metals

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which include platinum, palladium and rhodium; 74% of chrome; 80% of manganese; 25% of vanadium; and 11% of gold reserves, to cite but a few, are found in South Africa.

It is therefore our considered view that mining is a sunrise industry with immense opportunities. We have the mammoth task of breaking the systemic inequality, poverty and unemployment seen in our country. And, as the Department of Mineral Resources, we will continue to use our policies and legislation to achieve this objective.

South Africa's economy remains lopsided, unequal and noninclusive.

Mr W F FABER: Chair, I see that it is the Minister's inaugural speech. So, I want to find out whether I can ask controversial questions. I'm giving him a chance to rest first because he is a leader.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: You can ask the Minister if he is willing to take a question. Why do you describe it as controversial even before you ask it?

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Mr W F FABER: Chairperson, from which side do you see it might be controversial? [Laughter.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Minister, are you willing to take a question?

The MINISTER OF MINERAL RESOURCES: Well, I am not willing, hon Chair.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: He is not willing, sir.

The MINISTER OF MINERAL RESOURCES: The majority of the people of South Africa, who make up 90% of its population, remain excluded from the economy. This is a huge detriment to South Africa's socioeconomic growth efforts. The need for radical economic transformation is more imperative than ever before, because it seeks to redress the institutionalised monopoly of our economy. Economic reforms are needed to ensure broader and inclusive participation to enable the attainment of a far more inclusive and competitive economy.

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Ms T J MOKWELE: Maybe because I am a woman, he will take a question. I want to check whether he will take it.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Minister, will you take a question?

The MINISTER OF MINERAL RESOURCES: Hon Chair, I am not willing to take any question until I finish.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: He is not willing to take a question.

Ms T J MOKWELE: Oh, you will take it after your speech? Sure.

The MINISTER OF MINERAL RESOURCES: Our primary legislation, the Mineral and Petroleum Resources Development Act, MPRDA, is designed to facilitate easier access to the minerals beneath the soil by the people of South Africa. This piece of legislation is being strengthened in order to ensure that the majority of South Africans benefit from the country's mineral resources sector. We appreciate the work being done in the respective provinces to finalise this critical piece of legislation.

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The 2017 Mining Charter which has just been gazetted is meant to be a catalyst that provides practical expression to our goal of a more inclusive economy. We encourage the young people who are the future of this country to embrace the Mining Charter by exploiting the opportunities to be unleashed by this instrument of change. We will be embarking on provincial roadshows in the next two weeks to raise awareness and take the Mining Charter to the people.

A large volume of the work undertaken by the department and its entities ...

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Chabangu, what are you rising on?

Mr M M CHABANGU: Chair, I am asking my homeboy whether he will take my question. I think he will take it.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Well, firstly, he is not your homeboy in this House. Secondly, he has indicated that he is not willing to take any question until he has finished his speech. So, there is no point in asking the hon Minister. Please, proceed, sir!

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The MINISTER OF MINERAL RESOURCES: ... happens in the respective provinces where South Africans interface directly with the regulator. That is where the impact is felt by our people the most. In Mpumalanga, Mintek has trained 300 learners this year in surface mining. These learners came from areas including Umjindi, Emakhazeni, Thembisile Hani and Mkhondo municipalities.

The entity is also piloting a plant for a passive biological treatment of acid mine drainage which will be located at eMalahleni. It is envisaged that the process can be used for low-cost water treatment after mine closure. A similar test is being done in Randfontein, where a technology demonstration site is active, targeting the treatment of acid mine drainage and the removal of toxic and radioactive elements such as uranium and heavy metals from the Robinson Lake sediments.

The beneficiation of our minerals locally is critical for the growth and sustainability of the sector. This is one of the elements highlighted in the 2017 Mining Charter. In Upington and Prieska in the Northern Cape, two beneficiation centres have been set up, for which technical and marketing support is provided. The centre in Upington has seen a tremendous improvement, with learners coming up

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with new designs in ceramics and jewellery. The increase in tourist visits to the centre has also boosted sales.

In Bokone-Bophirima, a process flow sheet has been developed for the recovery of chrome from chrome tailings dumps in the Bojanala district. Furthermore, I was invited by Premier Mahumapelo to participate in the provincial Villages, Townships and Small Dorpies Economies and Entrepreneurship Outreach Programme, which inter alia, assists upcoming entrepreneurs to enter the mainstream of the economy of the province. Among the work we are undertaking is the facilitation of unlocking opportunities for the development of mining dumps. This is between companies which are not utilising their dumps and SMMEs to assist them to enter into commercial agreements with the mining companies and rework the dumps to realise economic benefits.

The procurement elements of the 2017 Mining Charter also support the need for mining companies to procure from black-owned companies, youth-owned and women-owned companies to facilitate increased economic participation of the marginalised groups in the mainstream economy. This will result in the localisation of supply chains, and the revitalisation and growth of SMMEs in township and rural

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enterprises, which is part of the Nine-Point Plan by government to grow the economy.

Rehabilitation of derelict and ownerless mines is ongoing. A total of 45 sites were rehabilitated, which include Limpopo and KwaZulu-Natal in the previous financial year. As we put more focus on rehabilitation going forward, we have partnered with the Department of Public Works to ensure that the rehabilitation of sites provides work opportunities through the Expanded Public Works Programme. We have been allocated R3,1 million for this program over the MTEF.

Each mining right we issue contributes positively towards people's livelihoods. In the Free State, for example, projects including road construction, school infrastructure and manufacturing of protective clothing, will be rolled out in the current financial year.

In Beaufort West in the Western Cape, the Council for Geoscience and the Petroleum Agency will be drilling three vertical shallow holes to assess the ground water levels and movement. This is part of government's scientific programme to assess the potential for shale gas development in the country.

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The Eastern Cape has played an important role in the mining sector, a role which dates back to the discovery of gold in the late 19th century when mining companies began to recruit from this area. Fathers and sons left their families with the aim of providing a better life for their families. Although they contributed through their hard labour towards the development of Gauteng, the majority of them still live in abject poverty.

Through the legislative framework, we are creating an environment that ensures that this area, as a labour-sending area, benefits from our country's mineral wealth. In line with commitments made through the Social and Labour Plans, mining companies have implemented projects in a number of municipalities, including Amathole District Municipality, Chris Hani District Municipality and OR Tambo District Municipality. We must continue to intensify efforts to improve conditions in this province.

Hon members, as we have demonstrated, the work that lies ahead will be demanding, but we believe that with your support, we will be equal to the task. As I conclude, I wish to thank the select committee for the oversight role it plays, which ensures that we continue to pay attention to critical areas across the country. I wish to thank the Deputy Minister, Cde Godfrey Oliphant, the

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Director-General, Adv Thabo Mokoena and all staff in the Department for ensuring that we continue to deliver on our mandate to the people of South Africa.

I am confident that we have the support of this House in passing the budget for 2017-18 financial year, and that we will together continue to move the mining industry forward, and ensure that the people of South Africa indeed benefit from the wealth beneath our soil. I thank you. [Applause.]

Ms Z V NCITHA: Chair, let me start by saying that on behalf of the ANC, we support the Budget Vote. [Applause.] Over 61 year ago, the people of South Africa gathered in Kliptown, Soweto, to define a South Africa of the future. The gathering culminated with the adoption of the Freedom Charter - a document which the ANC adopted as a policy foundation for its struggle for liberation. The Freedom Charter in one of its clauses provides that the people shall share in the country's wealth. This clause indicates that the mineral wealth beneath the soil shall be transformed to the ownership of the people as a whole.

Deriving from the prescription of the Freedom Charter, the *Ready to Govern* of the ANC further outlines as part of policy orientation of

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the envisaged democratic South Africa that the democratic government will structure the South African economy on the basis of the new, comprehensive and sustainable growth and development strategies in all sectors of the economy by encouraging mineral beneficiation and the creation of a world-class mining and mineral processing capital goods industry.

The consistency of the ANC policy position that the mineral wealth beneath the soil is the national heritage of South Africans was at the centre of the ANC manifesto for 2014 elections which the overwhelming majority of South Africans have voted for. The manifesto seeks to identify strategic minerals to achieve the national imperative of industrialisation and local beneficiation. The manifesto also outlined the need for a state-owned mining company to ensure that it captures a share of mineral resource rents and equity and contributes to the integrated value chain in the sector.

The Department of Mineral Resources derives its mandate from the Constitution of the Republic and other government legislations. One of the legislative frameworks of the Department of Mineral Resources, DMR, is the Mineral and Petroleum Resource Development Act. The Mineral and Petroleum Resource Development Act, MPRDA, in

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its preamble acknowledges that South Africa's mineral and petroleum resources belong to the nation and that the state is the custodian thereof. The Act also as its objectives seeks to promote equitable access to the nation's mineral and petroleum to all people of South Africa.

The other important framework for the transformation of the mining sector is the Mining Charter whose vision is to facilitate sustainable transformation, growth and development of the mining and mineral industry. To advance transformation, the Mining Charter outlines that transformation should focus on ownership of the mining sector, procurement, supplier and enterprise development. This will be through procurement of South African manufactured goods and services from South African-based companies. It also focuses on employment equity, human resource development, mine community development, sustainable development, environmental management and health and safety performance of the mining sector.

Historically, mining has been a contributor to aggregate output as foreign exchange earner for the economy, as employer and as generator of tax revenues. Mining has often been viewed as the locomotive of South Africa's economic development. The South African mining and mineral sector has significantly contributed to the

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development of the South African economy having been established over more than 150 years. During 2014, the mining sector contributed 8% to the gross domestic product, and employed 2,5% of South Africa's economically active population.

South Africa accounts for 96% of known global reserves of the platinum group metals, 74% of chrome, 26% of manganese, 26% of vanadium and 11% of gold reserve. As a leading producer and supplier of a range of minerals, the country offers a highly competitive investment location ensuring that it can meet specific trade and investment requirements of prospective investors and business people, whilst also meeting the development needs of its populace.

The fact is that minerals are resources which will be depleted with time, therefore there is a need to use mining as a foundation for beneficiation diversification of the economy. The mining sector's contribution to the gross domestic products, GDP, has been declining over the years overtaken by manufacturing service. Some of the contributing factors to decline are the 2014 labour unrest, particularly in the mining sector industry's platinum group metals sector that lasted from January to June 2014. South Africa's total mining employment declined by 2% in 2014 mainly due to retrenchments in the gold and platinum group metal sectors as a result of

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industrial action and lower commodity prices. This period also saw an increase of 7,7% in remuneration in the mining sector.

It is only fitting that South Africa promotes the innovation and technical competence in the design and beneficiation of platinum including platinum jewellery. As part of unlocking skills component, government together with industry need to ensure that young students are attracted into the field and be afforded opportunities that were not previously available to them especially the manufacturing of jewellery using platinum. There is a need to stimulate market demand in platinum jewellery by both government and local jewellery industry in order to create local skills and job creation in the country. Therefore, the development of the platinum downstream value chain sector in South Africa as advocated by the legislation, has an immense economic potential as it will stimulate business development in the platinum industry and related industries which offers a real opportunity to achieve sustainable socioeconomic development and reduce poverty.

The Department of Mineral Resources, DMR, in its strategic plan has identified emerging impediments which require the department to address. These impediments are the infrastructure limitations, skills shortage and investments in explorations. The DMR in

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collaboration with other government departments and institutions will continue to promote mineral value addition to strengthen the interface between extractive industries and national socioeconomic developmental objectives as outlined in the National Development Plan and contribute towards decent employment, inclusive growth and industrialisation of South Africa.

As part of creating sustainable decent jobs, government will during the current administration expedite the exploration of shale gas in a very responsible manner. Government will continue to optimise mining community development by ensuring that social and labour plans are strengthened and customised to be catalyst in the socioeconomic development of both local mining and labour sending areas.

The DMR will continue to implement the 2011 tripartite summit action plan. The action plan includes the eradication of fatalities, injuries, silicosis, noise-induced hearing loss and the implementation of the national strategy on TB and HIV and Aids programmes. The programme of Mine Health and Safety is to execute the department's mandate to safeguard the health and safety of mine employees and people affected by mining activities. The 2013-14 financial year saw improvement of 26% in fatalities, and in 2014-15

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recorded reduction of mine injuries by 14%. The occupational diseases reported by coal and gold sectors reduced by 17% and 15% respectively in 2013-14. The silico-tuberculosis, silicosis and coal workers pneumoconiosis ... [Interjections.]

Ms T J MOKWELE: Chair, can the member debate and not give us a report because that report has already been presented to the portfolio committee. Let she debate, please.

Ms Z V NCITHA: The occupational diseases by coal and gold sectors reduced by 17%. All these things will be done by a 100% review of the certificate of competency model, implementation and monitoring to improve the pass rate.

In conclusion, the budget will advance the mandate and strategic plan of the department which among other things seek to transform the mining sector. This will be done by developing and reviewing relevant legislations. The DMR plans to grant 450 mining rights and permits to historically disadvantaged South Africans, 636 social and labour plan verification inspection and to support 240 small and medium micro enterprises and small scale mining. In this financial year, the DMR intends to monitor and evaluate occupational health programmes in the mines. The DMR, through mining stakeholders'

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forums, will eradicate illegal mining in Mpumalanga, Free State, Gauteng, Northern Cape and Limpopo provinces in this financial year.

The department is planning 147 promotional and awareness activities for local and foreign investment over the medium-term to attract investments to grow the economy in order to address the challenges of unemployment. Thank you very much, Chair. [Applause.]

Ms C LABUSCHAGNE: Hon Chair, hon Minister, hon members and fellow South Africans, for us to debate this department's role and functions, we need to consider some key aspects about mining in South Africa.

Mining in South Africa started to rake up some optimism as international commodity prices improved. There have been difficulties in running the mines because capital has become increasingly difficult to come by. Mining investors rate South Africa low on the list of places to invest money due to the downgrade of the economy by ratings agencies, poor legislation and poor administration by this department. In addition, communities are increasingly dissatisfied with and angry at being disregarded.

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What do I mean by this? The mining industry has lost 65 000 jobs in the last four years, leaving all those affected families vulnerable and destitute. These job losses were due to the fact that capital investment in mining is half of what it was in 2007 and 31% down on 2013. [Interjections.] I will come to that. Just listen. Just listen carefully. [Interjections.]

The CHAIRPERSON OF THE NCOP: Hon Labuschagne ...

Ms C LABUSCHAGNE: I withdraw, Chair.

Further, there are tightly imposed section 54 stoppages that impacted negatively on production and employment. We hope the court's finding on this will improve the situation, in future.

Through you, Chair, I would request that the hon member just listen. The SA Mineral Resources Administrative Database, Samrad, is an electronic registry in this department to provide the geographical co-ordinates applying to each right; the kind of products being explored for or mined; and the owners of the companies that requested these rights. What is important here is that this information should be open to public consultation by everyone.

[Interjections.]

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Sadly, this is not the case, and I can't give you the names because it is not working! [Interjections.] If this was true ... This is not working in this department. So, ask the Minister when it will work and when he will see it as a priority for funding. [Interjections.] Had this been working, the Aquila court case could possibly have been prevented.

The mandate of this department and the industry is based on legislation. It is a common fact that the Mineral and Petroleum Resources Development Amendment Bill is currently in process in the NCOP. The President sent this Bill back early in 2014, based on substantive issues which are viewed as unconstitutional, and a lack of public participation.

Currently, issues such as the introduction of new changes in the process; the inclusion of the Mining Charter; and the definition of communities and their involvement are being widely debated. In addition, two organisations have already indicated that they will challenge this Bill in court, again. This results in a credibility problem, as possible investors are questioning South Africa's ability to get a new mining law in place after introducing it more than four years ago.

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Minister Zwane was appointed as the Minister in this department during the overnight Cabinet reshuffle in March 2017. The purpose of the Department of Mineral Resources is to promote the minerals and mining sector for transformation, growth and development and to ensure that all South Africans derive sustainable benefit from the country's mineral wealth. I would like to ask what transformation actually means for this Minister.

Our first recognition of Minister Zwane's commitment to transformation, growth and development was when he ensured that an obscure Gupta-affiliated company, Estina, got a 4 400 hectare farm in the Free State - and R114 million funding for it. This was back in 2012 - and in his capacity as MEC in the Free State. Through you, hon Chair, I say that the hon Dlamini will support him because of her journey to Disney World. [Interjections.] For his generosity to all the people of the country, the Guptas awarded him with a trip to India - which he failed to declare. [Interjections.]

Fellow South Africans, the first thing he will be remembered for as Minister of Mineral Resources is Version 3 of the Mining Charter, released on 15 June 2017. Version 3 of the Mining Charter will enable only 8% of ownership into the hands of mineworkers, under Minister Zwane's proposal. This proposal is also trying to convince

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the National Union of Mineworkers, NUM, that this charter trumps state capture and a declining mining industry.

Further, the BEE sector is currently perpetually short of cash, especially for prospecting. This means that the requirement announcement by the Minister calling for prospecting rights to be 50% +1 BEE inclusive will result in the collapse of prospecting or will open it up to only the connected few, like the Guptas. Version 3 of the Mining Charter seeks to transform policy with the aim of benefiting the already empowered and politically connected elitist group even more. Instead of enriching cronies and insiders, the DA would rather support economically viable share schemes for mines, structured to benefit workers.

The future, 2019 DA-led government will ensure equality, credibility and investor confidence ... [Interjections.] ... Don't be so afraid! This it will do through diversifying the mining sector and bringing mineworkers into mining schemes. We will demonstrate our commitment to development and growth by making it easier and cheaper to mine. In doing so, we will ensure more jobs for our nation. I thank you. [Applause.]

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Mr A S SINGH: Chairperson ... [Interjections.] ... I was and I am. The Minister of Mineral Resources, hon M J Zwane, the Deputy Minister, hon Godfrey Oliphant, Chairperson of the Select Committee on Mineral Resources is unfortunately unwell and not here, hon Sefako, hon members, fellow South Africans, it is indeed a pleasure and an honour for me to participate on a debate on the Mineral Resources Budget Vote 29.

This year we honour one of the greatest stalwarts of our movement, Comrade Oliver Reginald Tambo. It is befitting, therefore, that we dedicate our collective efforts even more in realising our vision for South Africa.

THE CHAIRPERSON OF THE NCOP: Hon Singh, please take your seat! Hon Farber, you are on your feet?

Mr W F FABER: Chairperson, I just want to know if Mr Singh will take a question.

The CHAIRPERSON OF THE NCOP: Hon Singh, will you take a question?

Mr A S SINGH: Chairperson, when I'm finished with my question and have got time.

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The CHAIRPERSON OF THE NCOP: He won't, Sir. Please, take your seat!
Continue hon Singh!

Mr A S SINGH: It is benefiting, therefore, that we dedicate our collective efforts even more in realising our vision for South Africa. Black and white shall live and work together as equals in conditions of peace and prosperity. The transformation of the South African economy will be achieved once all the South Africans ...
[Interjections.]

Ms T J MOKWELE: Chair, I am standing on a point of order!

The CHAIRPERSON OF THE NCOP: Yes, Mam!

Ms T J MOKWELE: Hon Singh is misleading the country by saying that we have Comrade Oliphant Tambo; we don't have such a person. We have Comrade Reginald Tambo. Let me teach you the history of your organisation.

The CHAIRPERSON OF THE NCOP: Point taken, Mam! Hon Singh, you are duly corrected. Please proceed!

Mr A S SINGH: Chair, I corrected that immediately.

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The CHAIRPERSON OF THE NCOP: Please proceed!

Mr A S SINGH: The transformation of the South African economy will be achieved once all the South Africans share in the wealth beneath our soil. This debate on mineral resources is so relevant of the wealth that beneath our soil. About the budget of R1,779 billion in the 2017-18 financial year allocated to this department, the ANC supports this Budget Vote.

The department's work is to undertake research and development, skills development, beneficiation and rehabilitation of mines. Mining will always play a key role in our economy for the benefit of all the South Africans. We need to engage with the South Africans, particularly, women and youth, as the youth are the future industrialists in this country.

Women and youth groups are marginalised from the mining sector. Women in particular, can play a vital role as suppliers to the mining companies. We also encourage the stakeholders to continue in the manner that they are holding wage negotiations. These early negotiations can avoid strikes and loss of work time.

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On the subject of Shale gas mining, it shall be conducted with careful consideration of the environment and the communities that are surrounding the mining. As part of the assessment for shale gas after conducting the scientific programme, we will attract the new investments in shale gas and the broader upstream petroleum sector.

It is very important that the progress as the communities should always be considered on being taken along and also the engagement with the communities and the stakeholders where shale gas is being mined. It is also important that health and safety issues are adhered to, whilst mining this shale gas. I want to compliment the mining houses that have gone for more than one year without fatalities.

It is therefore incumbent upon us to ensure that there is stability in the mining industry, so as to ensure that there is economic growth, job creation and sustainability. Mining is one of the key drivers of our economy. So, we need to nurture this industry so that the sector gets the maximum benefit from the wealth beneath our soil of our land.

Chairperson, there are huge tasks and risk areas not properly funded particularly the rehabilitation programme of derelict and ownerless

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mines and the battle for the illegal mining. The illegal mining by the Zama-Zamas continues to cause sociopolitical as well as the economic concerns. Such activities result in the loss of life of the Zama-Zamas themselves and the significant loss of revenue to this country and the mining sector.

Mining without a permit or right is illegal in terms of the Mineral and Petroleum Resources Development Act and as it is reported widely. The rehabilitation of derelict and ownerless mines is important that a rehabilitation programme of derelict and ownerless mines together with the concurrent rehabilitation of the existing mines offer a mix of challenges and opportunities to our communities.

It is a historic fact that the democratic government inherited a longstanding environmental heritage of neglect of these mines, which spanned over 100 years. As the hon members are aware, there are thousands of derelict and ownerless mining sites in our country. This still has a vast potential which are illegally exploited. The rich extracts from mines are sold to mining companies and the fat cats who sell to them at the highest bidder and gain a huge profit illegally.

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As importantly, in order to avoid any further accumulation of such mining sites, it is vital that we engage our mining companies to implement concurrent rehabilitation practices. This practice will also further enhance job creation opportunities in the mining sector. We need to empower our people of the opportunities that are available in mining. The mining sector has long been a pillar of economic growth and development in South Africa.

We need to ensure that the economy of this country stands to benefit the historical disadvantage majority. We must therefore ensure that there is enough productive co-operation amongst stakeholders in the mining industry to benefit the women and youth who have been marginalised. The organograms of many of the entities reflect a lack of demographic representation in senior management.

We appreciate the conscious and planned efforts of entities like Mintek and Council for Geosciences, CGS, to train the new technically-skilled executives from within and to develop previously disadvantaged groups across the employment spectrum, including women and youth. We want to compliment the department for its performance and hope it improves year by year.

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We are also looking forward towards the finalisation of the review of the Mining Charter as well as the Mineral and Petroleum Resources Development Act, so as to ensure that there is a climate that is conducive and therefore an establishment of an environment of policy. Given the developments in the recent past in our mining sector, it is clear that we need to place our sustained emphasis on creating an enabling environment along the lines articulated in the National Development Plan, NDP.

It is up to us all to join forces in enhancing collaboration and co-operation for the benefit of our nation. Our success will need to be driven by the commitment to a constructive use of the existing experience to unlock the potential inherent in the considerable national resources beneath our soil. We are making decisive interventions to ensure increased black women and youth ownership and participation in the sector.

In order to substantially boost the community development impact from mining through better implementation of social and labour plans, more emphasis is being placed on alignment of social and labour plans with the integrated development plans of the local municipalities. The department has already had engagements on

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aligning and consultation of social and labour plans projects which must be implemented.

Our aim is to work together with the communities, women and youth, municipalities and companies, to ensure social and labour plans bring greater benefit to all. In the North West Province, where we are part of the efforts to bring more upcoming entrepreneurs, we need to include women and youth in the mainstream economy. We are facilitating the unlocking of opportunities between companies that are not utilising their dumps and the Small, Medium and Micro Enterprises, SMMEs.

These SMMEs will enter into commercial agreements with the mining companies and re-work the dumps to realise the economic benefits.

[Time expired.] [Applause.]

Mr M P BUTI: Greetings, hon Chairperson, hon Minister of Mineral Resources, hon Mildred Oliphant, all MPs present, and masses of our people in the length and breadth of South Africa.

Hon Minister, as the ANC, we want to state it unequivocally that we support your Budget Vote 29 of the Department of Mineral Resources.

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It is in this particular period where we commemorate the revolutionary martyrdom of 16 June 1976, Hector Pieterse, Tsietse Mashinini and many others ... [Interjections.] ... who contributed through their sweat and blood in order for us to get this political freedom. We salute them. [Applause.]

We further want to state that, upon your ascendancy to this mammoth task of leading our country, we are very much inspired that your first move was to consider the appointment of the youngest director-general who comes from the rank and file of the youth movement in South Africa, Adv Thabo Mokoena. It really inspires many young people who are graduates and the intelligentsia of our country. [Interjections.]

Let me not waste time and hesitate to acknowledge ...

[Interjections.] ... the very fact that your department has managed to bring about stability now that you are developing on the audit reports ... [Interjections.]

The CHAIRPERSON OF THE NCOP: Order! Order, members!

Mr M P BUTI: ... that have already declared that the department has an unqualified audit.

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We must appreciate that ... [Interjections.] ... in sustaining the small, medium and micro-sized enterprises, SMMEs, in our country, your department has been exemplary in ensuring that SMMEs are paid within 10 or 20 days. It is unprecedented and it is very much luminary to many others who believe in good etiquette in government. [Interjections.]

The CHAIRPERSON OF THE NCOP: Hon Buti, please take your seat. Hon Mokwele?

Ms T J MOKWELE: Hon Buti is misleading the country. It is not true that SMMEs are paid within 20 to 30 days. It is not true. We were in the same meeting where that information was shared. It is not true. He is misleading the country.

The CHAIRPERSON OF THE NCOP: Hon Mokwele, that is a point in debate. You have a speaker from the EFF who can use the platform to dispute the point. I will let him go. But also, just ... in my memory, I think it is the first time this member addresses this House. Let's accord him that. Please continue, hon Buti.

Mr M P BUTI: Thank you very much, hon Chair. [Interjections.]

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The CHAIRPERSON OF THE NCOP: Hon Buti, they are not letting you go. Please sit down.

Ms C LABUSCHAGNE: Madam Chair, point of order. I'm not sure whether we're debating the youth, or whether we're debating SMMEs, but I thought it was labour. [Interjections.] So, if we can just have clarity, please. [Interjections.]

The CHAIRPERSON OF THE NCOP: Ma'am, we are not even in labour, we are now in the mines! [Laughter.] Please proceed, sir.

[Interjections.] Please take your seat, sir. Yes, hon Mateme, you are on your feet?

Dr H E MATEME: Chair, I rise on a point of order. Lest we forget, maiden speeches are not to be interrupted in this House.

The CHAIRPERSON OF THE NCOP: Yes, ma'am, I have made that point, hon members. [Interjections.] Hon Julius, are you contending against the maiden speech?

Mr J W W JULIUS: Chairperson, I also ... [Interjections.]

The CHAIRPERSON OF THE NCOP: Order!

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Mr J W W JULIUS: I also want us to take note that it is hon Mateme's maiden point of order. [Laughter.] [Interjections.] [Applause.]

The CHAIRPERSON OF THE NCOP: Order! Order! Hon members, now I'm not sure whether we should also celebrate maiden points of order! Hon Buti, please continue.

Mr M P BUTI: Thank you very much, hon Chair. [Interjections.]

The CHAIRPERSON OF THE NCOP: Order, members! Order!

Mr M P BUTI: Well, Martin Luther King Jr is proven correct in his assertion that ... [Interjections.] ... nothing is more dangerous in the world than sincere ignorance and conscious stupidity.

[Interjections.] There are people who are proving Luther King correct.

Let me further acknowledge the very fact that the department has managed to acknowledge that, as we said ... [Interjections.] ... we attribute this particular year to the legacy of one of the greatest giants of our struggle ... [Interjections.] ... president Oliver Reginald Tambo ... [Interjections.]

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The CHAIRPERSON OF THE NCOP: Order!

Mr M P BUTI: ... who once affirmed that every ... the youth are the future of any nation, and to value the youth is to invest in that particular future. [Interjections.]

Let me acknowledge that the Department of Mineral Resources has introduced a more revolutionary and sound programme ...

[Interjections.] ... that is going to deal with the plight of masses of our people ... [Interjections.] ... in South Africa.

An HON MEMBER: Which one?

Mr M P BUTI: We must acknowledge ... [Interjections.] ... that it is through this particular ... [Interjections.] ... programme that we are going to be able to give 70% of goods ... [Interjections.] ... to be traded by the black economic empowerment, BEE, orientated companies ... [Interjections.] ... It is through this particular programme that we are going to be able to afford 80% of the services to the BEE-orientated companies. [Interjections.] It is indeed through this particular Mining Charter ... [Interjections.] ... that our people will be able to restore their dignity, their integrity. [Interjections.]

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We know that those who will be provoked are those who are hellbent on defending white monopoly capital privileges. [Applause.] [Interjections.] We are not going to retreat or succumb.

The Mining Charter speaks to the demands and aspirations ... [Interjections.]

The CHAIRPERSON OF THE NCOP: Hon Buti, please take your seat. Hon Hattingh? [Interjections.] Order, members! [Interjections.] Order, members! [Interjections.] Hon Mokwele, take your seat; I've got a member on the floor. Yes, hon Hattingh?

Mr C HATTINGH: Thank you, hon Chair. I would like to know whether the speaker, in view of what the Deputy President Ramaphosa has said, would be willing to take a question on white monopoly capital.

The CHAIRPERSON OF THE NCOP: Hon Buti, are you prepared to take question?

Mr M P BUTI: Madam Chair, as soon as I'm done with my speech, I'm prepared to take any form of question.

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The CHAIRPERSON OF THE NCOP: He is not prepared to take a question, sir. Okay.

Mr M P BUTI: Hon Chair, we are not going to be intimidated by any amount of intimidation. [Interjections.]

The CHAIRPERSON OF THE NCOP: Hon Buti, please don't intimidate me. Please take your seat. [Laughter.] Hon Mokwele, you are on your feet. It's a point of order, I presume?

Ms T J MOKWELE: No one will intimidate you, chief, rest assured.

The CHAIRPERSON OF THE NCOP: What is your point of order?

[Interjections.]

Ms T J MOKWELE: Am I protected, Chair?

The CHAIRPERSON OF THE NCOP: You are protected. What is your point of order, please?

Ms T J MOKWELE: Thank you.

Mr J M MTHIMUNYE: [Inaudible.]

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The CHAIRPERSON OF THE NCOP: That is out of order, hon Mthimunye. Please continue, hon Mokwele.

Ms T J MOKWELE: Hon Chair, on a point of order. I just want to check ... but my hon Mandela-to-be, or Mandela buti ... is not willing to take a question because there are so many questions that I want to put to him in terms of that issue of white monopoly capital because, as the party that he is representing is having two different concepts on that matter.

The CHAIRPERSON OF THE NCOP: Hon Mokwele ...

Ms T J MOKWELE: So I wanted to engage with him on the very same matter.

The CHAIRPERSON OF THE NCOP: Hon Mokwele, take it outside!

Ms T J MOKWELE: But anyway, he's not ... [Interjections.]

The CHAIRPERSON OF THE NCOP: Order! Order! [Interjections.] I thought we agreed that this is a maiden speech of hon Buti in this House. Allow him to finish. [Interjections.] Hon Buti, it is also expected that maiden speeches ... [Interjections.] Order!

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[Interjections.] Hon Buti, maiden speeches, in order for you not to be heckled, are supposed not to be raising issues which raises other people's hackles. So, please proceed.

Mr M P BUTI: Thanks again, Chair. Let me appreciate the very fact that, yes, we are inspired by the legacy of former President Nelson Mandela ... [Interjections.] ... who once clarified us and tried to caution the founders of the EFF ... [Interjections.] Their own commander in chief was warned by the former icon, President Mandela, when he said, resentment is like drinking poison, hoping it will kill your enemies. Now they have drunk poison in Europe. They are losing weight gradually and every day. [Interjections.] We are worried about the state of their mental health. [Interjections.]

Let me further appreciate the fact that ... [Interjections.] ... through the introduced Mining Charter, our own masses of our people, the motive forces of our revolution, the workers, the urban and the rural poor, the youth as a stratum in the revolution ... they will be able ... [Interjections.]

The CHAIRPERSON OF THE NCOP: Hon Buti, the Rules of this House are such that my attempts to protect you are just being derailed. Please take your seat. Hon Faber?

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Mr W F FABER: Chairperson, just on a point of clarity, I want to know whether the poison that the hon member has referred to is called Gupta juice. [Interjections.]

The CHAIRPERSON OF THE NCOP: That is not a point of order.

[Laughter.] Please continue, hon Buti.

Mr M P BUTI: Unlike other neighbouring states, in South Africa, we have made compromises. We have made a negotiated settlement. We never seized our own minerals and resources through the barrel of a gun. [Interjections.] That is a very human face that South Africa gives to the world. [Interjections.]

Now, we are saying, through the mining charter, we will be able to implement and entrench a new legacy, a new outlook of the base of our economy. We will be able to have an economy that is shared by those who live in South Africa. [Interjections.] One of the assertions that are proposed is that a minimum 30% BEE for all mining rights including 14% for black entrepreneurs and 8% each for employees and mining communities ... That, on its own, is the beginning. It is a great leap forward. We are then appealing to the Chamber of Mines to come to its senses and appreciate a reality that, for more than 23 years since our democracy, we have only

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managed to share 26% in the control of the commanding heights of our economy, especially in mining. A mere increase of 4% is nothing compared to the devastating and deteriorating living conditions of masses of our people in rural and urban areas.

Hon Minister, we are further inspired by the fact that you have considered that safety is of paramount importance in the mining sector. We are therefore appealing to all the mining companies that safety is not the sole responsibility of government; safety is the responsibility of all of us. It begins in your own house, in your own car, at your own workplace. Therefore the trend that has manifested itself of mining bosses using, taking advantage of the workers and putting a blame for all the fatalities in the mines ... That must come to an end. We don't want a situation whereby what is called 3 million days of a fatality-free shaft is only a reality in one out of ten. We have seen that recently in Tshepong in Odendaalsrus, a Tshepong mine has celebrated that achievement. We are therefore calling on many other mining houses to consider improving the safety of the masses of our people.

It must be stated categorically that transformation of the economy and the state in which women find themselves in the mining sector is very much disturbing. It cannot be correct that very women are

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participating in the mining sector and the majority of them are doing a very inferior work. They are just using a spade, but they are called bomalaisha [unskilled labourers.] Very few are participating in the management ... [Interjections.]

The CHAIRPERSON OF THE NCOP: Okay.

Mr M P BUTI: We therefore say, hon Mosebenzi Zwane, you've heeded the call. You have captured the imagination and the aspiration of women and masses of our people ... [Interjections.] ... on the ground when you suggest that they too must participate in the management from bottom ...

The CHAIRPERSON OF THE NCOP: Hon Buti ...

Setswana:

... ke a leboga ...

Sesotho:

... morena'ka, nako ya hoa e fedile.

Mr M M CHABANGU: Chairperson, members, listeners, South Africa at large, let me give my sincere gratitude to the women in red in

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Parliament today. Let me take this opportunity to remind the poet that has just descended the stage that in the big book - the Bible, it is written that faith divorced from deeds is lifeless as a corpse. If you come and tell us many things that are not happening in the Free State ... in the Free State the mines are closed as I am speaking to you now but you come and tell us that whatever ... [Interjections.]. The Guptas. [Laughter.]

Hon Chairperson, a trade union organiser, Solly Sachs, made a remarkable observation in 1952, an observation that must remind us why the Mineral Resources Budget Vote is not only important but central to South African economy. Sixty Five years ago, Solly said that it is abundantly clear to anyone who has the welfare of South Africa at heart that the future of the people and the whole country depends on extensive and intensive industrial development.

He continued to say that the mining of precious minerals could serve the interests of the country only as a stimulus for the development of other branches of the national economy. However, the most important observation Solly made is that, to place the entire economic life of the country to the selfish and greed interest of the mining companies amount to nothing but unimaginable catastrophe.

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The death of more than 437 men in a pit collapse at Coalbrook Colliery, south of Johannesburg in 1960 is but one example. The most recent is the killing of the mineworkers in Marikana by the ANC government in collusion with capital. But we have changed that through the Mineral and Petroleum Resources Development Act when it was enacted in 2002 ...

The CHAIRPERSON OF THE NCOP: Hon Chabangu, please take your seat, sir. Hon Mthimunye? And take your hand out of your pocket, sir. Thank you, mister.

Mr S G MTHIMUNYE: I aspire to be rich one day, Chair. Chairperson, I think the speaker is misleading the public. He makes a point that the ANC government has killed people in Marikana. No court of law has made that kind of a finding.

The CHAIRPERSON OF THE NCOP: Hon Mthimunye, we have been through that ground before. We have had a court ruling on a similar matter. I am not going to go there. Please continue.

Mr M M CHABANGU: Thank you, Madam. [Laughter.]. The preamble and section 2(a) of the Mineral and Petroleum Resources Development Act acknowledges that South Africa's mineral and petroleum resources

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belong to the nation and that the state is the custodian thereof and not the Guptas. The Mineral and Petroleum Resources Development Act does not only nationalise mineral and petroleum resources but it goes further, it gave powers to the state to conduct mining instead of just playing a regulatory role. We will in future deal with the limited nationalisation that benefits only few connected elites through the Mineral and Petroleum Resources Development Act. But for now, what is important to the debate is the fact that there is a clear appreciation that all people of South Africa must share in the wealth of our country.

And lastly, unlike the ANC government that agreed to pay apartheid debt when taking over government in 1993, debt that is now paid by millions of South Africans while it benefited only a few. All people who are owed any monies government must not expect to be paid by the state, but they must go to companies that owe them. But we know the ANC government has lost all legitimacy, and is not in a position to implement such a complex program to take forward the mining sector and the economy of our country.

It is for this reason that as the EFF, we object to the Mineral Resources Budget Vote and waste of limited state resources in a failing, corrupt and untransformed sector. And more importantly, we

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cannot in good faith pass a budget of a department when the Mineral and Petroleum Resources Development Amendment Bill, central legislation to the sector, has been in limbo for well over five years without any certainty. Clearly the refusal to sign the Mineral and Petroleum Resources Development Amendment Bill is deliberate decision to ensure the sector remains in chaos to permit loot and greed.

In conclusion, let me advise the Minister because he is my homeboy.

Sesotho:

Kgomo boela hae o hodile. O jarisitswe joko e boima ho o feta. O kene kahara ditaba. O diGupteng. O na le polasi feela batho bona ba a lapa. Ha ho le jwalo, o itokise hobane ka nako eo re nkang puso re tla qala ka wena. [Ditsheho.] [Mahofi.]

Ms B SCHAFER: Hon Chairperson, Ministers hon members, ladies and gentlemen, good afternoon. There has been more grandstanding by the ANC than I have yet to see today it is really quite astounding. However, it comes as no surprise that the Department of Mineral Resources, along with various other national Ministries, is at the mercy of a Minister who seems hellbent on opening up his Department to the looting and corruption the ANC is now infamous for.

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The proposals made in Minister Zwane's Mining Charter, under the auspices of radical reform, reflect a ministry completely out of touch with the needs of South Africa's mining sector. Even the Chamber of Mines, which represents South Africa's biggest mineral producers, has rejected the Charter. The Chamber of Mines, president Mxolisi Majojo, himself mentioned that although he was included in the drafting of previous charters, he knew nothing of the incredibly problematic provisions outlined in the new one.

Let me tell you why the new Mining Charter will be the final nail in the coffin for our minerals economy. Created and adopted in 2002, the Mining Charter, echoed in the then President Thabo Mbeki's state of the nation address in 2003, states that:

Empowerment is defined as a broad-based process and the scorecard approach - covering ownership; management; employment equity; skills development; procurement; corporate social responsibility; investment and enterprise formation in the mining sector.

One of the key responsibilities of the Mining Charter was to reform the mining sector, creating a diversified and racially inclusive industry which is still stable and responsibly managed in order to provide security to existing investors and attract prospective ones.

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Mr Mbeki's government understood that while the increased black ownership of mines would be the ideal, it was an unrealistic approach considering that very few black South Africans had enough capital to acquire them. A sustainable approach to reform was welcomed ...

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Schafer, please take your seat; yes, hon Mokwele.

Ms T J MOKWELE: Hon Chairperson I rise on a point of order: I want to know if the speaker is willing to take a question.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Schafer are you willing to take a question? She is not willing to take a question?

Ms T J MOKWELE: That is very to say that we cannot access our... These minerals belongs to us, you must know.

Ms B SCHAFER: I am quoting Mr Mbeki's government. Thank you.

A sustainable approach to reform was welcomed and so the Mining Charter, under Mr Mbeki, had always echoed these sentiments along with those expressed by the Chamber of Mines. The fact that the new

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Mining Charter wants black ownership to increase from 26% to 30% within a 12 month period is disastrously impractical. Yes, the advent of black ownership within the industry is crucial.

[Interjections.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon members, what is happening? I thought that I addressed the House full of adults and responsible hon members at the beginning of our sitting today. You are degenerating again. You are disrespecting yourselves again. Please, I am not singling out all of you, please behave. Hon Schafer please continues.

Ms B SCHAFER: With the black economic empowerment, BEE, sector perennially short of cash, the reality is that only 8% of ownership will ever make it into the hands of mineworkers under Zwane's proposal. This leaves room for crony-connected families such as the Guptas to fill the vacuum essentially ensuring the capture of state resources. Furthermore, if it is upheld, several of the country's biggest mining companies would have to sell new stakes raising the risk of dilution for existing investors. Even the credit rating agency Fitch has publicly stated that South Africa's downgrade to junk status is vindicated by Minister Zwane's dismissal of the

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concerns of the mining sector, which he and his department should serve, but have outrightly failed.

Agriculture and mining are the only two growing sectors of the economy sustaining the largest bodies of employed South Africans. Mining itself is responsible for 7% of the country's economic output. We cannot afford to have a Ministry overseeing this sector introducing 56 amendments to a bill which, between the department and the NCOP, seems to be in legislative limbo. Furthermore, we cannot allow policy uncertainty to erode investor confidence in this sector, especially given the dire economic circumstances in which South Africa now finds itself as a result of a complete political failure.

Moving to the Western Cape, the DA has rejected yet another problematic legislation proposal just last month. The Mineral and Petroleum Resources Development Amendment Bill was found to be in complete violation of existing legislation and international trade agreements, and is considered an alarmingly unlawful proposal. This bill is in clear conflict of the Interim Protection of Informal Land Rights Act of 1996, which provides for the participation and consent of affected communities. Furthermore, it contravenes both the

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General Agreement on Tariffs and Trade and the ideals of the World Trade Organisation to which South Africa is and remains a signatory. I would love to know exactly how the Department of Mineral Resources expects our mining sector to flourish anywhere in the country if it cannot effectively draft its own legislation.

The Department of Mineral Resources, under the shaky leadership of Minister Msebenzi Zwane, seems to have very clear ulterior motives. Tasked with safeguarding and sustainably developing the exploitation of South Africa's bountiful mineral reserves, it is instead taking our leading economic performer and dividing it up among an elite group of ANC-connected officials under the guise of radical economic transformation. This is a term that I yet have to hear one member of the ANC factually explain to the people of South Africa. Mining is arguably the very reason why South Africa, as a bustling multicultural country, exists. While the ownership and profit of this resource endemic to our land must be shared with its people, it must also be sustained through a complex system of mutual trust and understanding with external investors. Reversing the economic legacy of our country's bitter past is imperative; but government must also be mindful of the greater global economy in which our country plays a vital role and in which instability in our mining sector does not bode well. We need to make sure that we take a researched and

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corruption-free approach to this Ministry something which Minister Zwane seems to have completely ignored or rather chooses to ignore at the parallel South Africa's economy and of jobs at large. I thank you.

Mr M KHAWULA: Hon Chairperson, hon Minister, Mother Africa is blessed with an abundance of mineral and natural resources which can sustain the continent without any reliance on outside help whatsoever. It is estimated that South Africa alone still has in her bellies around 400 million tons of gold that are amenable to profitable extraction. Still has 160 million tons of high grade ore which is also accessible.

The mining sector is one of the biggest employers in South Africa also contributing the biggest percentage to the country's Gross Domestic Product, GDP. The sad part is that African leaders, including South Africa, get so consumed in self-enrichment to the detriment of the entire populace of human nature in their countries. It is only in Africa where you get situations of Heads of States who have residences in Europe, Asia or anywhere else in the world. They use state resources to fly in and fly out to their luxurious residences outside the Continent.

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Africa's mineral resources caused a scramble for Africa from particularly the European countries in the past four or five centuries. They came in, colonised Africa and shipped the riches to far away destinations for themselves. After liberation, those in power still get locked up in the same mentality. The resources are looted in collaboration with their associates, families and friends and the citizens are only getting the crumbs of what was there. This has to stop.

An effective and sound African Union, AU, is the AU that will put an end to these misfortunes. Not an AU that will be used to promote people who will use it as a ladder for their self-advancement in abuse of the name transformation. Speaking at the Gordon Institute of Business Science last night, this is what the Deputy President of South Africa said:

Apartheid colonialism wrecked havoc on many South Africans, not only through the denial of democracy but also through the dispossession of the majority of South Africans".

The call for people to share in the wealth of the country was essentially a call for radical economic transformation.

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He went on to say: "We now know that some highly paid PR specialists contrive the plan to use terms such as radical economic transformation and white monopoly capital to launch a publicity offensive in defence of their clients. We all know who their clients are."

He concluded: "We should not be distracted or even sidetracked by the misuse of the term. What we need to do is to go beyond slogans, is to go to the heart of the matter and look what needs to be done to redress the imbalances of the past." How good Bab 'uRamaphosa, it's a pity you are in the ANC.

Hon Minister, the IFP has always supported transformation. It may be transformation of our social order or transformation of structural arrangement in the economy, the point is that a post liberation era requires transformation. But transformation should not amount to a smash and grab like hon Ramaphosa was warning. The IFP's own warning is that transformation should not mean enriching the cadres of the ANC to the total disregard of everybody else in the country.

The policies aimed at transforming the economy should be directed at benefitting the previously disadvantaged South Africans irrespective of their political ideology.

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The department should be going all out to assist the mining sector like the Platinum Mining sector for example, which is under great strain. Research suggest that by 2025 job losses in the mining sector will be around 200 000. This can be avoided in a properly focussed department, properly focussed economy with a stable political landscape.

In conclusion, it is a pity that under the governance of the current administration in South Africa in the words of Prince Mangosuthu Buthelezi: "Dignity has shuffled off the stage of politics following the quiet exit of integrity." I thank you Chair.

Mr E M MLAMBO: Hon Chairperson, hon Minister, hon members, special delegates, ladies and gentlemen. Mining is an integral part of the South African economy. It was instrumental in the development of key national infrastructure and much of the rail, ports, pipelines, essential services and roads came as a result of the economic activity of mining and one of the best examples in this regard remains the city of Johannesburg ...

Setswana:

...koo ke tswang teng

English:

... which was literally built on the back of the mining industry.

However, mining has always been a risky occupation for both employers and employees. For employers, they view mining as a discount business where over time investors would expect and demand a higher return on average, to account for the risks they take in the sector. For employees the greatest risk is lax of safety standards. Except for the small proportion working in head offices and the like, miners don't choose where to live and work. It is the location of the ore body that determines that. In that sense, becoming a miner involves, for many, sacrifice and including the giving up the familiarity of one's original home comforts. In South Africa most mines do what is called deep level mining, which means minerals are extracted at depths greater than 1 000 feet. This kind of mining exposes one to even more risks and none are more exposed than the people sent underground on daily basis. Due to the depths and narrowness of the ore body, to date very little mechanisation has taken place in deep level mining in South Africa.

Instead, drilling and blasting methods have historically been used in South African narrow reef, hard rock mining for gold, platinum and chrome. Working conditions are generally considered to be harsh,

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with abrasive rock, steep gradients and seismicity. With increasing depth the virgin rock temperature continues to rise. Consequently, due to sheer numbers of people involved and the risks of seismic activity at these depths it has inevitably led to deaths. According to the statistics that you recently released, Minister, there is still unacceptable number of fatalities at our mines. However, these fatalities had come down from 77 in 2015 to 73 in 2016, which represent 5% reduction.

The major contributors to these fatalities were gold mines with 30 and platinum mines with 27. These are followed by coal mines with five and other mines such as diamond, chrome, copper and iron ore with 12 fatalities. Even though there is a reduction in fatalities we should still be worried because one death is one too many. As we speak, three miners; Ms Yvonne Mnisi, Ms Pretty Mabuza and Mr Solomon Nyarendu remain missing following the accident at the Vantage Goldfields Lily Mine near Barberton on 5 February 2016. What is worrying is the fact that these fatalities happen despite the existence of measures and legislation such as the Mine Health and Safety Act.

The legislation was promulgated to provide for protection of the health and safety of employees and other persons at mines and for

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that purpose; to promote a culture of health, provide for the enforcement of health and safety measures, to provide for appropriate system of employee and employer, and State participation in health and safety matters; to establish representative tripartite institutions to review legislation, to promote health and enhance properly targeted research; to provide for effective monitoring systems and inspections, investigations and inquiries to improve health and safety; to promote training and human resources development; to regulate employers and employees duties; to identify hazards and eliminate, control and minimise the risk to health and safety; to entrench the right to refuse to work in dangerous conditions; to give effect to the public international law obligations of the republic relating to mining, health and safety; and to provide for matters connected therewith.

The Mine Health and Safety Inspectorate of the Department of Mineral Resources is tasked with the enforcement of the law and department has drawn enforcement guidelines to this effect. The guideline explains the hierarchy of enforcement by means of an illustration which indicates the enforcement steps to be taken: firstly, information and education, and entails general creating of awareness and to educate employees on the risks posed by their activities and operations and the control measures to be implemented to eliminate

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or mitigate the risk; secondly, enforcement level identified is the withdrawal of exemption, permission or approval in terms of the Act provided that an exemption was issued in the first place; thirdly, enforcement level is the issuing of notices in terms of Section 54 or 55 of the Act, which basically means suspension of the operation of the mine pending investigation; fourthly, enforcement level is an administrative fine followed by prosecution if applicable; and lastly, the last two enforcement levels mentioned in the guideline is the suspension of a competency certificate and the suspension or cancellation of the mining licence. On the face of this guideline is full proof.

However, the fatalities still happen which then begs the question, where is the problem? Is it the lack of correct and consistent practical implementation of this law or just pure incapacity in the department? The Mine Health and Safety Council, which consists of the tripartite between business, labour and government have set what is called milestones until 2024. One of these milestones is zero harm. Although this is appreciated, my worry, Minister, is about the timeframe 2024. Why can't we target zero harm immediately? The Mine Health and Safety Council should take a look at the health after the mine, which is often ignored. This is a serious problem to many

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residents living around closed mines in Johannesburg, that is the Witwatersrand.

There has been a lot of media coverage of Johannesburg's acid mine water drainage, but much less has been said about a century old problem that is also reaching crisis proportions; the toxic dust that spirals off mine dumps and affects the health of communities nearby. The West Rand District Municipality is the worst hit by the mining dust problem with sufferers on every corner. In summer the dust is partially suppressed by rain but at the arid end of winter it can interfere with one's vision. We are now approaching July and August windy season and this problem will exacerbate. Another issue that must be looked into seriously, Minister, is the living conditions of mineworkers. Many still live in shacks and others live in informal settlements with dirty roads that are uneven and difficult to negotiate. Access to electricity, water and sanitation is still insufficient for most residents nearly nonexistent for many. I hope the revised Mining Charter deals extensively with these shortcomings.

The third issue I want to raise is the social responsibility of the mining houses. Mining operations are often located in remote and underdeveloped areas and therefore, have to contribute to the

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sustainable development of these communities. In the past, mines have not paid attention to their communities resulting in many towns becoming ghost towns when the mining operation closed. Even today, there are still many villages surrounding mines that are still ravaged by poverty. They sit on wealth yet they are poor. As the ANC we support this Budget Vote with the hope and believe that it will help the government to resolve these and other mining related issues that are still persistent in our communities. The mines must be there to empower our people not to harm and leave them with unbearable problems. Thank you, Chairperson.

Mr L B GAHLER: The UDM takes note of the new Mining Charter with anticipation and we hope that it is done in good faith and for the people of South Africa, as a whole. We also note that there may be legal challenges from those who may resist change and want to sustain the status quo. In this regard, we place it at the doorsteps of the department and the Ministry, to ensure that all that which is done, is done according to the law.

The UDM will not enter on the intraruling party fray, either than registering its disappointment. Instead, the UDM would demand that the department and the Ministry do at least two things urgently. Firstly, we need a comprehensive account of progress, if any, that

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has been made with regard to the implementation of the previous Mining Charter. What are the lessons learned and how has such lessons directed the Ministry to come up with the new Charter?

This account must include; steps to be taken to assist the intended beneficiaries, the poor black people, with access to capital and also what will be done to avoid the selling of the mining rights to the already rich and to the foreign individuals as we have experienced in the past.

It is important that South Africans and in particular the immediate communities, are not hoodwinked to celebrate a new Charter, yet, government is not able to comprehensively demonstrate, with the empirical evidence, that the targets of the previous Charter have been met and therefore the new will also be realised.

Secondly, armed with the above account, government must consult with the people of South Africa and report to them on the previous Mining Charter and on the contents of the new Charter. If the new Charter is about the people of South Africa, let them know it, contribute to its development and let them articulate and own it.

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Let the citizens be armed with the monitoring and evaluation tools, which they can use to monitor and evaluate its implementation and detect any diversion of the benefits of the Charter to the private bottomless pockets of the connected political elite and their associates.

Chairperson, we must guard against populist grandstanding at the expense of the vulnerability of the poorest of the poor. In this regard, whilst, we note the new Mining Charter with anticipation, we insist that it must in good faith.

We also wish to remind the department about the issues surrounding the nonparticipation and or payment of provident funds to some former mineworkers. This matter is long overdue and has to be resolved once and for all. The UDM calls on the Minister to put a clear timeframe that will not exceed two financial years for the settlement of this matter.

Lastly, we also note the nonpayment of the disabled people and people who got sick in mines. We note the projects that are in the different provinces, but do this people benefit? If you go to the villages, you find that these people do not benefit, now who do these projects benefit Minister? That is the question that needs to

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be asked. I know there is one in OR Tambo as you have said and there is one in Amathole, however does it benefit those people? Go to the villages of Bizana and Lusikisiki, you get these poor people there without a cent - dying without money. Some of their monies hon Minister are in financial institutions.

Chairperson, you would remember the case of the Transkei Road Transportation Corporation, TRTC, people where their funds were kept in the financial institution so that they must die and those monies go to the pockets of the wellbeing. So, we ask you to please investigate and help these poor people. That is why you are a Minister, you are a Minister not of your hon members of the ANC, but you are a Minister of South Africans and deal with South Africans. I thank you. [Applause.]

Mr J W W JULIUS: Hon Chairperson, hon members, hon Minister and guests in the gallery, including my son Revaldo and South Africans at large, Chairperson, ensuring that this budget is spent well by this department, one must also look at how capable its leadership is. Corruption and greed crept into our government departments and this actually hampering the delivery of its mandate. The question that we need to ask ourselves is whether the Minister can be trusted to use this budget to benefit ordinary South Africans?

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Chairperson, it is alleged that this Minister started his relationship with the Gupta family, since he was the MEC for Agriculture and Rural Development in the Free State, hon Buti, when assisting this family to acquire a government dairy farm project for millions of rand as illustrated by the hon Labuschagne. Now, the leaked Gupta e-mails now revealed that this family had significant control over this project. A lie has short legs, but it runs faster than the truth.

It also seems to prove that the Minister was rewarded for this assistance when the Gupta family, afterwards paid for his India trip in October 2016 with his choir. You must let the Free State legislature ... [Interjections.]

The CHAIRPERSON OF THE NCOP: Hon Julius, hon Julius, please take your seat. Hon Mthethwa.

Mr J M MTHETHWA: Hon Chairperson, can a member please take a question?

The CHAIRPERSON OF THE NCOP: Hon Julius, would you take a question? Are you taking a question, hon member?

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Mr J W W JULIUS: Hon Chairperson, I am really tempted, but I am on a roll now, Ma'am. Sorry, sorry, hon member.

The CHAIRPERSON OF THE NCOP: No, sir.

Mr J W W JULIUS: You must let the Free State legislature when indicating that you paid for this trip out of your own pocket - a lie has the short legs, but it runs faster than the truth.

You also failed to declare this sponsored trip. These are very serious contraventions of the law and certainly not in line with ethical behaviour. These leaked e-mails even show that a list was sent from your e-mail address detailing which members should share a room and which guests must get their own rooms.

Chairperson, we have seen the reckless statement made by this Minister when he said that Cabinet approve recommendations that a committee was set up to probe the four biggest lenders in the country, after they indicated that they would not do business with the Guptas anymore. It is thus fair for me to suspect that our mining Minister is actually a zama zama for the Guptas. A lie has short legs, but it runs faster than the truth. Hon Labuschagne, I

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suspect that the Mining Charter was actually written by the Guptas themselves. The leaked e-mails show... [Interjections.]

The CHAIRPERSON OF THE NCOP: Hon Julius, please take your seat. Hon Chief Whip.

The CHIEF WHIP OF THE NCOP: Hon Chairperson, I am rising on a point of order. My point of order is: The hon member is making a false statement in the House; a statement that he knows fully well that it is falls; to define the Minister as a zama zama for the Guptas. So, that statement is incorrect.

The CHAIRPERSON OF THE NCOP: Hon Julius. Order! No, no, take your seat, hon Essack. Hon Julius, the point is that the Minister is not a zama zama.

Mr J W W JULIUS: Hon Chairperson, can I quickly respond to that and can I repeat what I said? I said, I suspect that our mining Minister is a zama zama for the Guptas. It is a suspicion; I did not say he is. I suspect him and he can prove me wrong, hon Mohai.

The CHAIRPERSON OF THE NCOP: Alright. Hon Essack, are you still insisting, please. Hon Julius. Hon Motlashuping.

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Mr T C MOTLASHUPING: Hon Chairperson, my point of order is: The relevance to the topic, because we are not discussing the Minister here. The topic is not about the Minister, but about the vote. So, may the hon member stick to the relevance of the matter that we are addressing? Thank you.

The CHAIRPERSON OF THE NCOP: Thank you, sir. I cannot sustain... Order! Order! I cannot sustain that point of order, it is a debate. It is a debate. Hon members, you are public property. Order! Order!

[Interjections.]

You are public property, hon members. What you do and what you say, as soon as you assume public responsibility, gets dragged in. So, that is why we say even in this House, behave because tomorrow, your children will be debating about you. Proceed, sir.

Mr J W W JULIUS: Thank you, hon Chairperson. Also, the leaked e-mails showed that the Minister travelled with the Guptas to Switzerland, in December 2015. In May 2016 you replied to a parliamentary question that this was an official trip. These leaked e-mails show otherwise. A lie has short legs, but it runs faster than the truth.

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Minister, the hydrogeological assessment of acid mine drainage in Randfontein was done years ago by various researchers. It started in 2007 already. I know why you are interested now, it is the mineral deposits and also your project on nuclear. I know why you are doing it and we are following the money, Minister. Why don't you look at the zama zamas in Randfontein? They are all over the show and you never mentioned once about that.

Chairperson, in any normal democracy in the world, at least some arrests would have been made and it would have been the order of the day. Why people implicated in this leaked e-mails are not arrested, is certainly worrying.

Minister, there is also the aid you allegedly provided for this family to lend at Waterkloof Air Force Base. This is now proven in these leaked e-mails. Chairperson, it is the same family that ordered black waiters to wash themselves before they could serve the same wedding guests. They basically implied that black people in South Africa stink and they do not wash. However, worst of all, the ANC still supported it and attended this wedding. What a shame! You were there, you saw what happened and you kept quiet. Why?

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Chairperson, many ANC Ministers and high-ranked officials visited the Saxonwold compound in the past years. They must have seen the bodyguards that were referred to as monkeys there. [Interjections.]

The CHAIRPERSON OF THE NCOP: Hon Julius, please take your seat. Hon Mthethwa.

Mr J M MTHETHWA: The hon member must also tell the public that Helen Zille also visited Saxonwold. [Laughter.]

The CHAIRPERSON OF THE NCOP: Thank you, sir, but that is not the point of order. Please proceed, hon member.

Mr J W W JULIUS: Chairperson, the Guptas referred to the bodyguards as monkeys. How can you allow this family to come and insult our people, take our resources and still do not want to employ black waitresses? The Guptas refuted this claim, but a lie has short legs, but it runs faster than the truth.

Hon Buti, the Mandela wannabe. [Laughter.] You know, I agree with the Deputy President and I think hon Nyambi, you can also come in with this one after this; I agree with the Deputy President and I paraphrase him when he said, "You misuse radical economic

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transformation to hide from issues such as state capture and the Guptas." Your own ANC Deputy President said it. It is not me.

And I want to tell South Africans to give the DA a chance in 2019, to take over the government and lease your vote for us for five years. Give us an opportunity to uncover the lies from inside government, so that we can ensure that your tax money is spent on you and your future and the future of our children. For now Chairperson, we cannot trust that this budget is in the right hands. It is actually in the hands of the Guptas that the Minister brought in to do the dirty work, looting our state. I thank you. [Applause.]

Mr A J NYAMBI: Hon Chairperson, hon Minister, special delegates, ladies and gentlemen. Through you Chairperson, I would like to single out hon Buti who is one of those that were with us when we had the pre-visit of Taking Parliament to the People, from the first to the last day. I commend you for that. [Applause.]

Hon Minister, highlighting out of what was done by hon Buti and the new DG and the DM to avail yourself at the select committee sometimes will assist the committee to minimise some of the challenges that were experienced by the select committee. So, if you are not there the new DG must make it a point that he is there at

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the select committee because that is making the life of the select committee to be much easier.

The biggest communication problem is that, sometimes as hon members we do not listen to understand; we just listen to reply and that is problematic, especially if something has been prepared for you.

Having listened to the debate carefully, I am lead to say that we need to remind ourselves what the purpose of the Mineral Resources Budget Vote is.

It is meant to promote and regulate the minerals and mining sector for transformation, growth, and development. It is also meant to ensure that all South Africans derive sustainable benefits from the country's mineral wealth.

This must be done against the backdrop of a mining sector and industry that has faced decline and an economy that is struggling to produce the required growth levels to deal with poverty, unemployment and inequality.

The Budget Vote speech which introduced the Adjustments Appropriation Bill outlined some favourable trends that could result

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in a somewhat higher growth in the coming year. These include the recent rebound in commodity prices, fewer industrial disputes and an increase in the available supply of electricity.

These are all useful for the mining sector, but they are cantered by increasing costs of capital and stores and by the levels of perceived uncertainty in the industry that still surrounds the regulatory framework for mining.

Whilst the projected rate of economic growth falls well short of the goals of the National Development Plan, NDP, total employment in mining, for example, instead of increasing as anticipated, fell by more than 5% between the adoption of the NDP in 2012 and 2016. The revival and promotion of the mining sector is crucial if South Africa is to reduce unemployment, poverty and inequality.

So as to ensure certainty in addressing the perceived uncertainty in the industry, four legislative policy objectives for the year are envisaged. These being the: completion of the Amendment Bill to the Mineral and Petroleum Resources Development Act - that we are dealing with; the Amendment of the Mine Health and Safety Act; Legislative establishment of the Petroleum Agency of South Africa;

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and the Legislative establishment of the African Exploration Mining and Finance Corporation.

With regards to the Mineral and Petroleum Development Amendment Bill, we, in the NCOP, have to take specific responsibility for this. We know what happened at the end of the fourth Parliament in 2014. It is a lesson that we should never have to process such critical legislation on the eve of elections when the amount of time we know that is required to process critical legislation through the NCOP cycle requires huge resources and time.

The adjusted Bill presently with us will be completed by the NCOP in the third term. We are well aware and it is common cause that delays in the finalisation of the Mineral and Petroleum Resources Development Act, MPRDA, has resulted in uncertainties in the mining sector and that finalisation of this legislation will improve the investment climate in the mining sector.

This is a policy Budget Vote debate, as the ANC we need to say that the key strategic policy priority of this Vote as emphasised in the 2017 state of the nation address, is to finalise changes to the legislation and regulations for minerals and petroleum that have been work in progress since 2010.

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In addition, the department has to implement the policy of transformation in the mining sector which is a real two steps forward one-step backward process - that is a matter of must, hon members.

Of course we are aware that this will be the case where there are substantive vested interests, but we all need to understand and appreciate that what the ANC is building is a future national democratic society, whose democracy is shared and enjoyed through the participation of the masses of the people that we are representing in this august House - that is non-racial in its character, that is engendered and especially in terms of this Budget Vote, is prosperous for the majority who reside within borders of our beloved South Africa.

In addition, when the ANC conceived the Nine Point Economic Plan at its January 2015 NEC Lekgotla, it placed the department as the lead department for Operation Phakisa in mining including aspects of the Oceans Economy Phakisa. This is the significance with which we should treat this Budget Vote.

Hon members, I will be failing if I don't inspire confidence to a young person like Ronaldo who is here to watch the father

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misrepresenting young people of South Africa. The temptation, when you are here and the young one is watching you, is always to present facts.

The last time I was here I said that it is always important to give credit where it is due. When I started I said, hon Minister and the Director General avail yourselves in the committee because it is what we are expected to do as a committee. It means that I am not one-sided and when things are correct we must acknowledge that - we cannot demonise everything.

When hon Mthimunye was here, he represented us by reading a letter that was penned by hon Madam Zille who is embracing colonialism when she was thanking the Guptas for giving DA R200 000. When you were here, I thought of what said by Ghandi "The blunders that will lead to violence in this world; politics without principle and knowledge without character, hon Julius.

If you are a politician you must have principle. You can't be selective when talking about Guptas. You must criticise the wrongs because we are not going to condone anything that is why as the ANC we are very clear about what we represent and what we stand for. You

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must also include the leader of the DA who is embracing colonialism...

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Nyambi, please take your seat. Hon Faber?

Mr W F FABER: Chairperson, I would like to know if the hon member would take a question from me.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Would you take a question, hon Nyambi?

Mr A J NYAMBI: Hopefully it is going to be a relevant question. I am ready to take a question.

Mr W F FABER: It would be very relevant.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: He is ready. Please go ahead.

Mr W F FABER: Chairperson, the hon member was now talking about the relevance and he was talking about the involvement with the Guptas.
[Interjections.]

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The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Order! I will be the judge.

Mr W F FABER: Sorry hon member but you are not a Chief Whip anymore. Please. [Interjections.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Order! Address me.

Mr W F FABER: Chairperson, through you, I would like to know: If the Guptas and hon President Zuma are involved in corruption, does the ANC not also act upon that? Are they not the same? I just asked a question, is Mr Zuma and the ANC in two different camps?

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Nyambi, you are free to answer, but that question is all over.

Mr A J NYAMBI: Through you hon Chairperson, when I said he can ask a question, I wanted the public to know. I wanted you to expose yourself. You expose your ignorance; you can't even ask a single correct question. You just stood up hoping I would say I am not ready to answer you and to expose your ignorance. Shame on you, hon Faber. [Intejctions.]

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You know, this year we are celebrating OR Tambo ... [Interjections.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Nyambi, there is hon Julius on his feet. Hon Julius?

Mr J W W JULIUS: Chairperson, I just want to know whether it is parliamentary for the not so vibrant speaker on the podium to say another member is ignorant. He just said it. I just want your ruling on that.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Julius, last time I checked [Interjections.] Order! Members, you make it very difficult for us to rule.

Hon Julius, that word, the last time I checked, was not on the list of unparliamentary lexicon. So, please proceed.

Mr A J NYAMBI: Through you hon Chairperson, I think by now, the beautiful and handsome Ronaldo sitting at the gallery is thinking, "Eish! If hon Nyambi was my father instead of having hon Julius."
[Laughter.]

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Hon Minister, the issue of zama zamas is still a challenge because we are losing a lot of people in our country. We cannot postpone the transformation of the mining sector - and we are talking about meaningful transformation that will be sustainable. That is the focus of the ANC.

The revised Charter has to respond adequately to the National Development Plan and the intentions of the Nine Point Plan and 2017 state of the nation address. Anything less would not be transformation, hon Minister.

Before concluding, let me quote the father of our revolution, the person we are celebrating today, the late President, OR, and I quote, "The fight for freedom must go on until it is won, until our country is free and happy and peaceful as part of the community of man, we can rest."

We are supporting this Budget Vote, Minister. We are not supporting it because we are ANC but we are supporting it because we support the transformation that we have resolve as ANC.

SiSwati:

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Ngaphambi kwekube ngihlale phasi ngitawusho kwekutsi, lapho ngikhulele khona nenja lehungukile angeke isukele sigulumba nobe gandaganda longahambi imukhonkhotse. "Tinja tikhonkhotse imoto lehambako, lemile tiyayichamela".

The MINISTER OF MINERAL RESOURCES: Chairperson, let me acknowledge all the input by all the members, thank those who supported the Budget Vote, and acknowledge those who didn't. That is their right. I acknowledge the criticism that was levelled against the department - positive criticism, of course. We will go back, beef ourselves up and become better and better as we move forward.

The request by the speaker from the UDM is welcomed. We are going to Mthatha on imbizo on Monday and the member is welcome to join us if he is available. We have invited members of this House before. The member from the IFP can attest to that. We do work together with you to solve the problems of the people of South Africa, irrespective of which party you come from. We will continue to do that because we take to heart the interests of the people of South Africa.

I must raise a point about the Mining Charter, which was criticised by some of the members here. We thought we were very reasonable in asking for the workers, who constitute all these parties here,

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decent standards of housing; the provision of socioeconomically integrated human settlements; an affordable, equitable and sustainable health system; and proper nutrition requirements and standards. I believe we are being very reasonable.

We have also just moved from 26% to 30% and it's not the only charter that is actually at 30%. The Tourism BEE Charter is amongst the first to move to 30% and nobody said anything. In this 30%, we are simply saying that, unlike before, 8% must go to workers from the Eastern Cape, the workers that have not benefited from anything in mining. Only the minority, which happens to be white, has benefited. It's a fact.

We are saying the communities must also benefit. The communities constitute all the parties here, not just the ANC. We are saying the entrepreneurs ... 14% ... and we want to say it in this House so that we can be measured on it. We will constitute a database of all the people of South Africa and make it available for your scrutiny. As long as they are black and South African, whether we know them or not, criteria will be set out so that all of us can see what we are doing.

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We are ready to come here frequently and report on the progress of this Mining Charter. We request co-operation from all the members. We will work together with all of you and we want to thank you for your co-operation and assistance. Thank you, Chairperson.

[Applause.]

Debate concluded.

The CHAIRPERSON OF THE NCOP: Minister, the hon Nyambi did raise a matter, twice. The truth is that he's putting it nicely. We had a very uncomfortable discussion this morning at Programming. We would appreciate, in future, not just the chief financial officer but the accounting officer, as well. When we want to deal with the issues of policy and monies, we want the executive authority - that is, you - and the accounting officer - that is, the director-general.

The committees of the NCOP are beginning to think that they are being taken for granted, and that is why the discussion this morning was unpleasant. We had to discuss, for the first time in Programming, whether or not we are cancelling this Budget Vote. So, I do trust that we will be taken seriously and that that will not repeat itself. I do, however, thank you for availing of yourself today, Minister.

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The Council adjourned at 17:57.

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