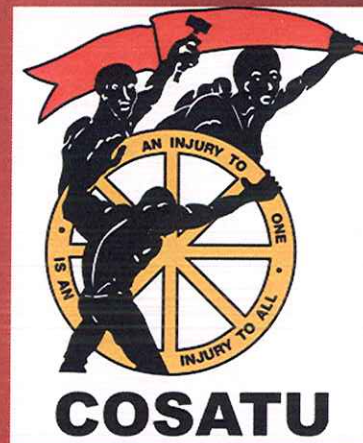


# COSATU Submission on the 2015 MTBPS





# Introductory Remarks

- COSATU Parliamentary Office;
- Parliamentary processes;
- Mediac processes; and
- Treasury engagements.



# Economic Context

- Triple challenges and apartheid legacy;
- Increasing unemployment;
- Global climate;
- Domestic jobless and low growth;
- Declining tax revenues;
- Infrastructure challenges;
- Crime and corruption;
- Increasing frustrations; and
- Business as usual vs. radical economic transformation.



# Fiscal Responses

- Expenditure ceiling and austerity;
- Cuts in real expenditure;
- EU vs. US and Chinese approach;
- Public service vacancies;
- Sale of state assets;
- Infrastructure and social expenditure;
- and
- Good statements and concrete plans.



# Continued

- Tax increases upon the poor; and
- VAT.



# Revenue & Tax Measures

## ■ COSATU tax reform proposals:

- VAT;
- Luxury goods;
- Zero rating;
- Wealth or solidarity tax;
- Dividends and reinvestment;
- Local procurement;
- Company tax; and
- Beneficiation.



# Continued

- UIF;
- Employment tax incentives;
- SACU and Swaziland; and
- Tax evasion.



# Budget Framework & Fiscal Policy

- Household financial health;
- Real cuts in state expenditure;
- Freezing of public service vacancies;
- Public service wage bill;
- Wage gaps;
- Wasteful expenditure cut backs;
- Bling expenditure; and
- Contingency reserves.



# Economic Development

- Oceans economy;
- Shale gas and hydraulic fracking;
- Emerging farmers, land restitution and agriculture;
- Integrated infrastructure development programme;
- Beneficiation;
- Investment strike;



Continued

- Employment Tax Incentives;
- Manufacturing and reindustrialisation;
- Sectoral support:
  - Motor manufacturing, textiles, agriculture and tourism.
- Expanded Public and Community Works Programmes; and
- Water leaks 15 000 trainees.



# Continued

- National minimum wage; and
- Labour market stability.



# Health & Social Protection

- Basic services;
- HIV/ AIDS;
- Public health facilities;
- NHI White Paper;
- Social Grants achievements and increases; and
- Retirement reform and Comprehensive Social Security Discussion Paper.



# Basic Education

- Crisis;
- Text books;
- Safety and security;
- Sanitation; and
- Mud schools.



# Higher Education

- Free education;
- NSFAS;
- New universities;
- SETAs; and
- Colleges.



# Transport, Energy & Communications

- Rail infrastructure;
- Water infrastructure and tariffs;
- Energy interventions;
- Renewable and nuclear energy;
- Electricity tariff increase; and
- Postal Services;



Continued

- E Tolls and privatisation;
- Fuel levy increase;
- Road funding;
- Public transport;
- Telkom; and
- SAA.



# SAPS, Justice & Correctional Services

- Corruption;
- Asset Forfeiture Unit;
- SAPS;
- SAPS children's bursary fund; and
- Judicial system and correctional services.



# Financial Management

- Text book procurement;
- Tender reforms; and
- 30 day payments.



# Conclusion & Thank you.

- 34% unemployment and triple challenges;
- Business as usual;
- Job creation;
- Austerity vs. stimulus;
- VAT and progressive tax reform;
- Renewable and nuclear energy;
- Wasteful expenditure and prioritisation;



Continued

- Employment tax incentives;
- Outsourcing and labour broking;
- Privatisation;
- Developmental achievements;
- Radical economic transformation; and
- Engagements.