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NATIONAL ASSEMBLY

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PROCEEDINGS OF THE NATIONAL ASSEMBLY

The House met at 15:03.

The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.

QUESTIONS FOR ORAL REPLY

Question 19:

The DEPUTY PRESIDENT: Madam Speaker, hon members, various allegations have been made in the public domain and much evidence has also been published about undue influence of some people, who it has been found that they may well have had undue influence with regard to a number of institutions of government and state in relation to nontransparent appointments as well as procurement decisions. The allegations are clearly a matter of grave concern to many South Africans. State capture, even said

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in whatever form it takes is abhorrent and something that we all as South Africans should not and cannot tolerate.

Amongst the urgent steps we need to take in this regard is to establish a judicial commission of inquiry so that it can probe the claims of corporate capture of state institutions. President Jacob Zuma, who is the Head of State and Head of Government, has the powers to establish such a commission in terms of section 84(f) of the Constitution of the Republic of South Africa. He has indicated that he isn't opposed to the establishment a commission of inquiry. As we speak now, he is in the process of consulting his legal advisors in order to find ways of giving effect to this proposal.

It is in the interest of all South Africans that the commission should be set up as quickly as possible so that all those who have evidence can present their evidence to a competent body and those allegedly implicated should also have an opportunity to respond to the allegations that are being made against them. At the same time, it is critical that the law enforcement agencies give these allegations their full attention.

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We welcome the announcement by the Directorate for Priority Crime Investigation, that they have already begun investigations in these matters. The veracity of the claims need to be established, where crimes have been committed, those responsible must be prosecuted and must be brought to book.

One of the important pillars of our democracy is the concept of the rule of law. It is important that South Africa should be a country that is regulated by the rule of law. In matters like these, the law should be allowed to take its course without any fear or favour. Alongside this work, the government is paying specific attention to strengthening the governance, the financial management and the functioning of state-owned enterprises.

The Interministerial Committee on SOEs on the reform of SOEs is engaged in the implementation of various Cabinet decisions that were taken last year. These include the adoption of a guideline for remuneration of key officials in state-owned enterprises as well as the appointment of directors. Still on SOEs, we are also looking at how we can bring the private sector to participate through a

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framework, particularly when it comes to infrastructure delivery. The Interministerial Committee has also been overseeing a consultation process on a guide for the appointment of boards and the various executive officers and ensuring consistency and transparency so as to reduce any form of opportunity for manipulation or bad influence.

Consultation is also underway on a new government shareholder policy, which will result in an overarching SOE legislation which will inevitably come to this Parliament. It is expected that this policy will improve our oversight on SOEs and also ensure more effective deployment and management of public resources and achieve better co-ordination with regards to the commercial as well as the social mandate of our SOEs.

Together, these measures should reduce the potential for SOEs to be captured by corporate or private interests.

However, it is essential that we attend to the allegations that are currently in the public domain with purpose and determination if we are to restore the confidence of our SOEs. These SOEs play a critical in the

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economic life of our country and therefore, we would like to safeguard their integrity and ensure that they operate as well as they should to advance the interests of all South Africans. I thank you. [Applause.]

Mr M GUNGUBELE: Hon Speaker, I appreciate a helpful response by the Deputy President, however, there is a view that the pronouncement by our movement on the state capture and judicial commission of inquiry is a ploy to make it general or confuse the Public Protector's recommendation or render the process endless. What would be your comment to that, Deputy President?

The DEPUTY PRESIDENT: Hon Speaker, I am not aware of any commentary that would make this process, particularly the Public Protector's intervention through her report an endless one. This process is supposed to be a focused process. The important part of it is that once you appoint a judicial commission of inquiry, you are elevating the investigation of this whole issue of state capture and putting it in the hands of an entity or body that is professional, focused and independent - an entity that will be able to manage the investigations and come

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out with the truth. Obviously, the terms of reference of this commission will guide what a judicial commission of inquiry will do and we hope and trust that the terms of reference will be broad and focused to ensure that the issue of state capture is properly analysed and investigated in all its ramifications. Also ensuring that the truth in the end does come out.

Those who have been fingered should be able to go and give evidence or explain themselves in a fair manner and that that commission will be able to clear people's names and if not cleared, then the consequences of the law should be able to take place. So, the governing party in my view is not trying to make this process long or complicated, in fact it wants it to be as focused as possible and happen as quickly as possible.

The good thing is that this judicial commission of inquiry proposal has not received any rejection from any quarter - from the President right throughout it is supported. All that remains to be done is the modalities of having it appointed. Thank you.

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Mr S N SWART: Madam Speaker, we from the ACDP welcomes the commitment to fight state capture and particularly the second leg of your answer was to appreciate the commission of inquiry. There is obviously a degree of urgency, where there are allegations of money leaving the country and that is why we welcome the NPA and the Hawks also investigating the allegations of criminality. As we know, the Public Protector's report also referred allegations of criminality to these units. Deputy President, we are however concerned about the allegations from the board Chairperson of Prasa, Mr Popo Molefe, who is now going to court, where he alleges that the Hawks did not investigate allegations of corruption over a period of two years. I would ask you, Deputy President, whilst we appreciate the need to urgently investigate and prosecute criminality now, how can we ensure that the Hawks are not themselves captured in as much as they do not investigate the serious allegations? There is overwhelming and compelling prima facie evidence that should be investigated and when necessary prosecuted. Thank you, Speaker.

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The DEPUTY PRESIDENT: Speaker, if live as we do as South Africans in a country that upholds and respects and embraces the rule of law, we should not be concerned that any state institution should act unfairly and act outside the parameters of the law, for instance, the chairperson of Prasa believes that the work that should have been done by the Hawks has not been done, he is fully entitled to approach judiciary in our country, which is an independent institution to get declaratory order in order to get some form of justice and have the matter properly addressed. Anybody from lowly citizen in our country to whomever else, they have that opportunity and the right to do so.

What is important is that the rule of law should be the real lodestar that all of us follow and focus our eyes on. In this regard I would say, if anybody has any doubt about any state institution acting outside the parameters of the law, the judiciary is there to apply the rule of law. In this regard, if the Hawks or any entity is sleeping on the job, the judiciary is there to help guide us and point the way forward. Thank you.

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Ms H O HLOPHE: Hon Speaker, when I was listening to the Deputy President, I feel the need to ask a direct question. Do you support the commission of inquiry as the Deputy President or not?

The DEPUTY PRESIDENT: Yes, I do. I have gone public. I will tell you the reason why I support it. I support a commission of inquiry into this matter because of all these allegations that are being made all round and truth be told, if there are allegations like these, whoever is affected should welcome the opportunity to go before an independent body and explain themselves to clear their name and put their case before such a judicial inquiry. I say everyone whose name has been mentioned and even those who have not been mentioned and anybody who has any evidence should welcome the idea of going to the commission of inquiry and present themselves. It is for that reason that I support it.

The other important reason is that it is important that those who have been mentioned should clear their names. They should have that opportunity to clear their names. Thank you very much. [Applause.]

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Mr D J MAYNIER: Hon Speaker, my question is whether the Deputy President ultimately agrees that the best way to prevent the manifestation of state capture is as the hon Gungubele himself so eloquently put it a few months ago for President Jacob Zuma to step down. The Deputy President knows the answer to the question is yes. We know the answer to the question is yes. Why does the Deputy President just not make it easy on himself and say, yes? Thank you.

The DEPUTY PRESIDENT: Hon Speaker, if I know the answer to the question, why is he bothering asking the question? [Laughter.] [Applause.] I think the hon member should not be unfair to himself. The commission of inquiry as I said and I don't want to repeat myself, is a great opportunity that all of us as South Africans should grab. Those whose names have been mentioned should also grab the opportunity by going to the commission and explain their actions or lack thereof. It affects everyone. I would be affected as well and so are my colleagues.

That in itself has everything to do with clearing the decks and ensuring that we put this state capture matter

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behind us and get on with the process of moving South Africa forward. That is the important part. Thank you.

Question 20:

The DEPUTY PRESIDENT OF THE REPUBLIC: Madam Speaker, the issue of violence against women is clearly an affront to all South Africans. Apart from its devastating impact on the individuals affected, their families and their friends, it undermines our efforts to build a caring society in which the rights and dignity of all are respected and upheld. If we are to succeed in overcoming gender-based violence, we need to understand and effectively address its causes. We also need to implement measures to reduce the potential for gender-based violence, and ensure proper support for survivors and others.

The National Development Plan aspires to create a society where the women and young girls in our country can walk freely in the streets of our nation and children can play safely outside. The Integrated Plan of Action to Fight Gender Based Violence 2013-18 therefore aims to transform attitudes, practices and behaviour. It aims to ensure

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better access to support services for women and children at risk and to provide long-term care, support and empowerment services for survivors of violence.

The plan aims to ensure that women and children are better protected from violence through a strengthened system with supportive legislative policy and institutional frameworks that have adequate resources and organisational capacity. It must also have comprehensive evidence-based information. Work is currently under way to review the Integrated Plan of Action, taking into consideration lessons learnt and recommendations from the diagnostic review that was done.

As part of a broader campaign to empower adolescent girls and young women, the She Conquers campaign works to reduce new HIV infections and focuses on teenage pregnancies, school dropout rates, and sexual and gender-based violence. Government has also launched the National Dialogues on Violence Against Women and Children. These are a mode of engagement with communities to find the reason for violence against women and children and to develop common solutions.

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The respective Ministers in the executive have reported to this House on progress made in our programmes to address violence against women and children. These engagements with the National Assembly have helped to inform the conceptualisation of some of these programmes and campaigns.

The struggle against violence against women cannot be left to government alone, or, indeed, to the public representatives in this House. It must be embraced by all South Africans - men, in particular - to ensure that we act decisively to end this scourge of violence against women and children. I thank you.

Ms L L VAN DER MERWE: Hon Speaker, I thank the Deputy President very much for his answer which I really appreciate. However, as things stand at the moment, there is really no political will to address gender-based violence, and I will give you examples of why.

In 2012, President Zuma launched the National Council Against Gender-Based Violence but then afforded it no funding. So, it was scrapped. Now, we've got government's

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Integrated Plan of Action to Fight Gender-Based Violence. Again, no resources were allocated to it. It wasn't costed and so, it's achieved no success.

Clearly, government is not serious about fighting gender-based violence if it doesn't fund its noble intentions. In fact, this means that government is all talk and no action. This is simply not good enough. In the meantime, too many lives are lost, women who go to police stations are turned away and, in general, the system is failing our women.

Part of my question was: Can you list some of the successes? Clearly, there are no successes to list. So, yes, Deputy President, it is important for our communities, our boys and our men to rise up and fight back but they cannot do so if our government is not leading by example. So, my question, Deputy President, is this: As Leader of Government Business, what will you be doing to hold to account Ministers who are failing our women and our children? I think we need to start with the Minister of Social Development.

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Finally, it's very clear that this fight needs political will, political leadership and resources. Can you give us the undertaking - because we know we will not be getting it from President Zuma - that you will take the lead in this fight; and that our Cabinet will declare the onslaught against women and children a national crisis; and that you will, finally, give it the resources and attention it requires? I thank you.

The DEPUTY PRESIDENT OF THE REPUBLIC: Speaker, the hon Van der Merwe will be pleased to know that the Cabinet has been at work addressing this matter. It has spent a considerable amount of time, and Ministers through an interministerial committee, IMC, have also been engaged in finding solutions, embarking on actions that are going to reduce violence against women and children.

Clearly, you are coming up with truly laudable proposals. Political leadership is necessary. I could not fault you on that, and I would agree with you completely. Funding is also necessary. I will not fault you on that, and I agree with you completely.

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Clearly, as much as we are acting under very difficult economic constraints at the moment, this fight against violence is a fight that we must fund. We must find money for it and make sure that it is properly funded. At the same time, however, the work that we do to execute this will and this resolve that we have is done through a plethora of government departments. For instance, the SA Police Service do it on a dedicated basis and they are rolling out offices in various police stations which are going to make it much more conducive for victims of violence to be properly counselled, to be properly cared for, given the dignity that they deserve. Now, that is being done through the SAPS budget.

Similarly, Social Welfare also has a budget dedicated to caring for victims of violence. Indeed, the Ministry of Women in the Presidency and throughout the various departments of government, the work is getting done. Clearly, we need to double or redouble our resolve. We need to strengthen the various interventions that we are making and this has been made very, very clear.

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I belong to the governing party and the governing party, itself, has taken this up as a major campaign. It is in the process of rolling it out throughout the country and this campaign, in the end, should know no party affiliation. It should run right across the various parties. All of us should engage in it and as we do so, we should be working alongside government and insisting that government should strengthen its own interventions. Where interventions are weak, we should be speaking out and saying which parts we would like to have strengthened.

So, you and I are completely *ad idem* on this. We want to lead this campaign with great determination and great strength. I am glad to hear that you and a number of people in your party are going to be part of this campaign, going forward. So, I thank you dearly. Thank you very much.

Ms N V MENTE: Speaker, Deputy President, during the Nquthu campaigns, we saw you committed ... even drinking sorghum beer there. [Interjections.] I would like to see the same commitment to this cause. I want to put it to

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you that, in what you are telling us, you are not half as committed as you are saying.

Recently, you and the Minister of Health attended a SA National Aids Council, Sanac, meeting, but you wanted to leave before the end. The meeting then diverted from the agenda, which was gender-based violence and HIV/Aids, to your either staying or leaving. [Interjections.] That is not commitment to the cause that we have today.

The violence against women is escalating at very high levels. We want protection. You are the Leader of Government Business. The Ministers must learn from you. When you commit yourself, they will commit themselves too. However, if you only commit halfway, they will not commit fully. [Interjections.]

The DEPUTY PRESIDENT OF THE REPUBLIC: Hon Speaker, I explained very clearly my reason for leaving the Sanac meeting. That was well explained, and may I say immediately that the majority of people who were there were very understanding of the reason for my departure.

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Only one person raised an issue and I said I'd like to have a discussion with her.

In all the Sanac events, activities and interventions, the Minister of Health and I have been giving leadership. We have also been following the leadership of the various leaders we have in Sanac, because in Sanac, we work as a team. Nearly everyone who is there provides leadership. They are leaders in their own right in their various organisations. So, when one of them is absent, there are many others who take the lead. When I am absent, the Minister takes the lead. When he is absent, I take the lead.

So, the point you have put forward is well made but my departure from the Sanac meeting should not really be a reflection on the weakness of my determination and it can't even be equated to drinking umqombothi. You know, you can't reduce ...

IsiZulu:

... into ebaluleke kangaka uyilinganise [equate]
nokuphuza umqombothi.

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English:

Umqombothi is the least of the important things. The issue here is that we should all get engaged in this process and I want to see myself in the street, together with you, walking side by side, working together, executing our commitment. That's where I want to meet you, right estrateni [in the street]. Thank you very much. [Applause.]

Prof N M KHUBISA: Speaker, hon Deputy President, there is another very bleak side of the story which is linked to gender-based violence. Just recently, at a place around Vryheid and Nquthu, a certain girl had to escape from a place where there are foreign nationals who take girls into a house and rape them. After that, they are trafficked to certain places abroad. It is alleged that each girl will cost about R15 000. That is another scourge there.

The provincial government's welfare department has intervened but what can be done from your side, Deputy President, to prevent such a pandemic and such a scourge? Thank you.

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The DEPUTY PRESIDENT OF THE REPUBLIC: Speaker, hon Khubisa, these types of incidents should really be publicised, talked about and reported. It is when we have an active citizenry through various formations that exist amongst our people. From the governing party side, we have called for street committees to be established so that every street throughout the length and breadth of our country should have people who are actively involved in engaging in the task to ensure that there is no violence against women and children.

If there are such committees and structures, we will then be able to prevent activities like those that are clearly criminal, that are clearly inexcusable. One cannot begin to excuse actions such as the kidnapping of young girls and having them raped and then sold into, say, prostitution or sent outside the country. That cannot be tolerated.

That information has to come forward, however, because our law-enforcement agencies are on the lookout for perpetrators like those. Those perpetrators belong behind bars. They should not be let loose amongst our people.

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They should not be let loose amongst young girls. They should actually be arrested, prosecuted and sent to prison.

So, we call on our people to take action through the various structures and communities and make sure that we act together with our law-enforcement agencies to rid our country of this scourge. Thank you very much.

Ms L M MASEKO: Madam Speaker, I thank His Excellency the Deputy President for elaborating on that question by the hon Van der Merwe and on the subsequent questions.

Given your delegated responsibilities as Deputy President and your engagement with communities and stakeholders in some of the foras to which you belong or head, my question is: How can this engagement with them ensure that there is buy-in, education and commitment from these stakeholders and communities in fighting this scourge of gender-based violence and ensure that human rights for all are respected and upheld? Thank you.

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The DEPUTY PRESIDENT OF THE REPUBLIC: Hon Speaker, the best way is to never stop talking about this matter. Never stop taking action against this scourge and highlight the importance of upholding the dignity of women and young girls.

Through the various structures, such as the one I referred to, the She Conquers campaign, it is focused on young women and adolescent girls. Much as its genesis or centre-point is HIV/Aids, it also deals with issues of gender-based violence. It also deals with, say, the economic disempowerment of women. It also deals with poverty issues - because quite a few of these scourges are really driven by poverty and the inequality that continues to persist in our country. It also deals with issues of education and the issues of lack of jobs.

So, a combination of all these problems is addressed through a campaign like She Conquers. Indeed, there are quite a number of other campaigns being led by various departments in government. The important thing for all of us, as leaders, is that we must not let up. We must continue to talk about this matter. We must particularly

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focus on certain special groups in society - men and young men - because those are the ones we need to reach out to so that they fully understand that respect of women, ensuring that we respect their dignity and human rights, should be the order of the day in our country.

If we all spread the message, each one of us, as leaders, we will then be able to reach out to those people and change the behaviour, change the thinking and raise the level of consciousness of as many South Africans as we possibly can. Thank you very much.

Question 21:

The DEPUTY PRESIDENT: Speaker, the challenge of ensuring that employees in our country in both the public and the private sector are adequately cared for in relation to retirement is currently confronting not only our country but a number of countries around the world.

Due to advances in healthcare, many people who are pensioners tend to live longer than a generation ago. This then necessitates that the process of looking after them and having a comfortable retirement comes to the

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fore because the healthcare that is now available to many people enables them to live a lot longer. Many countries have ageing populations. South Africa has the additional challenge of widespread poverty and also is burdened by a high level of unemployment and inequality, an inequality that is racialised, for that matter - with significant historical discrepancies in pension arrangements for black and white South Africans. As a result, the majority of pensioners in this country rely on state pensions.

With respect to the question posed by the hon member, I am informed that the pension provisions for employees of state-owned enterprises are protected in terms of the rules of the funds, and the funds are also responsibly managed. I am aware of long-standing challenges with regard to pensioners that are part of the Transport Pension Fund and the Transnet Second Defined Benefit Fund. I am also aware that a class action has been instituted on this matter, which involves a number of people who are on pension. Whether or not it is heard in our courts depends on legal challenges to it that I understand have been referred to the Constitutional Court.

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The Department of Public Enterprises is the one department best placed to give answers on this matter and also an update on the litigation to which Transnet, particularly, is a party. Needless to say, it is vitally important that this matter is resolved without any further delay - meaning, as quickly as possible - as it affects the living conditions of many elderly people who are anxious, in great need, and who need this matter to be resolved as quickly as possible. I thank you.

Adv A de W ALBERTS: Speaker, through you to the Deputy President: Thank you for your answer. Many of the state pensioners are quite concerned that there might be state-capture processes currently on the move in their funds. One of the problems we have is that the state pension funds are not transparent like private funds, for they do not fall under the Pension Funds Act and therefore do not have access to the Pension Funds Adjudicator. So, whenever they have troubles they cannot resolve in their funds, they have to go the route of litigation, which is obviously very expensive, and, for impoverished pensioners, it is really not possible to do that.

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My question is whether the Deputy President will consider implementing or changing the laws in such a way that the Pension Funds Adjudicator will have jurisdiction over all funds, irrespective of whether they are private or public. Secondly, will he ensure that the situation that occurred with the Transnet funds does not repeat itself, for most of those pensioners earn an average of R2 500 per month, which is less than the amount that you set for a basic income? I don't think anybody can survive on that. So, you need to have a look that, and I would really appreciate it if you could consider changing the laws to protect the funds and to make the state funds more accountable in future. Thank you.

The DEPUTY PRESIDENT: Madam Speaker, this is a proposal - not a question as such - a proposal to consider whether the Pension Fund Adjudicator could have jurisdiction over all pension funds, including state pension funds. It is a matter that I am sure can be looked at. I have not applied my mind to it. It certainly is a proposal that has been put on the table. Maybe it can be elucidated a little more in writing so that we can then evaluate its

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efficacy and whether it is possible to have such a proposal drafted into a piece of legislation.

I will say immediately that it is important that people who are on pension should have a sense that their pension funds are protected, are well looked after, and that they are being dealt with and treated fairly. Clearly, if there is a pensioner who, through the pension that he or she gets as a result of past employment, is getting say R2 500, that needs to be examined in light of the pension fund rules and the pension fund funds in his or her own pension fund. So, it is a matter that I would not be able to adjudicate on. You referred to the basic income. We refer to it as a national minimum wage, which, yes, if the pension fund that some people get is R2 500, would be less than the national minimum wage that we put in place.

All those matters need to be looked at. It is quite a lot of work that can be done, but I welcome a positive proposal that can be examined and taken forward. Thank you very much. [Applause.]

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Ms N W A MAZZONE: Speaker, through you to the Deputy President: Thank you. There has been a lot of speculation in media reports about the safety of the Government Employees Pension Fund, GEPF. I think that, even as Members of Parliament, MPs, we are very concerned. Many of us are - I am luckily not one of them quite yet - reaching retirement age, and people are deeply concerned. Hon Pandor, you are nowhere near retirement age yet. [Laughter.]

I think that it is fair for us to say that we are concerned, and we should be concerned for all our fellow government employees. Deputy President, I would like you to give an assurance to this House today that, under no circumstances, will the Government Employees Pension Fund be used or be allowed to be used, regardless of the rules of the pension fund, to bail out any of the embattled state-owned entities. That is the threat that is being made, and it is something that worries not only us as 400 MPs but thousands of people across the country who are going to count on this pension fund to be their security in their old age. So, we need you as Leader of Government Business to give us the assurance that this

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pension fund won't be used to bail out a state-owned entity. [Applause.]

The DEPUTY PRESIDENT: Madam Speaker, what I one can say is that, clearly, the GEPPF, which is managed by the Public Investment Corporation, PIC, will always make sure that the funds of the pension fund contributors are safe, are well managed, and they have always been well managed from the time I became aware of the PIC. The PIC, some years ago, was worth just R500 million, and now it is well above R1 trillion and more, which tells me that it invests government employees' pension funds very wisely, and we have seen a great rise in that.

How do they invest those funds? They invest those through a number of companies where they invest money. Their investment strategy has always struck me as being very prudent and as it being a well-managed type of investment house because, in the end, that is what they are. They have been managing, collectively, our money very carefully. How do they do that? They buy shares in various companies listed on the stock exchange, some unlisted. They also buy bonds. Sometimes, when private

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companies and state-owned enterprises, SOEs, issue bonds, they buy those because that is a store of a good investment return.

If a state-owned enterprise issues a bond, and Sanlam, Old Mutual, whoever, or some fund overseas buys a bond like that, the PIC, which manages our money, could also feel that they should put some money in. That, in my view, does not mean that they are bailing out state-owned enterprises. They are merely investing, and if they invest in Eskom, they know that Eskom is a cash generator, and they are going to get their money back. It could be over a 10-year bond or a 20-year bond, and they often take a long-term view of the money they invest. That is why the PIC's money or the GEPPF's money runs into R1 trillion or more.

So, I do not share the same fear that you have - that our government employees' funds are going to be invested badly or going to be squandered. I think the PIC has distinguished itself as a very good money manager. So, have faith, like I do, in the ability of the PIC and the Government Employees Pension Fund to manage our money

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properly. They are also managing my pension money and yours, so relax, and take this journey along with all of us. Thank you very much. [Applause.]

Mr J A ESTERHUIZEN: Speaker, through you to the Deputy President: I also have concerns. The Government Employees Pension Fund must ideally hold approximately R1 600 billion in assets, which would be sufficient to cover its liabilities. These assets are managed by the PIC that you just mentioned and which estimates that it, should the fund theoretically be required to fulfil its obligations now, has the assets to fulfil only 79,3% of the liability. This is down from 121% in 2014. So, I don't share your optimism.

Also, who gave the PIC permission to allocate R196 billion to SOEs? I also don't share your optimism about Eskom, for example. Why is that, sir, and will you tell government employees why their life savings and pensions are going to state-owned entities? Why does Regulation 28, which was created purposely to protect retirement fund members, not apply to the largest pension

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fund in South Africa, the Government Employees Pension Fund? Thank you.

The DEPUTY PRESIDENT: Madam Speaker, my optimism is still quite high, notwithstanding what the member has said - that, in 2014, the cover they had was 120%, and now it can be 79% or 80%. If one were to look at the economics of it all, it is possibly a movement in investment. Right now, the stock market is at a lower level and, in 2014, we were riding highs that many people had never seen before. The important thing is that there is still a store of funds there, and the cover - I don't know what the actual cover ratio is - but the cover is still there and able to cover those who are pensionable right now.

If you were to look at the employees who are pensionable right now or who can take pension, the GEPF would be able to cover its liabilities and obligations. If you study the world of pension funds and these retirement companies, you will find that sometimes they are below cover, and sometimes they are above the cover. They ride with the wave of how the market moves. So, as long they have proper cover and there is prudence, I am not too

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concerned about that. I am not so *au fait* with Regulation 28, but the extent where it has to cover any liabilities, I think there is sufficient money in the GEPF to cover that. Maybe the Minister of Finance, who is in charge of all this, would be able to give you the full details of how well covered government employees are with regard to their pension fund.

I am comfortable that they are because there will never be a run by every government employee on the pension fund where everybody says that they retire now, even if they are 25 years old, and asks for their money. So, we have to ride the waves. In the end, there will always be the assurance that government employees will get their money. Thank you very much.

Mr A M SHAIK EMAM: Speaker ... [Interjections.] ... through you to the Deputy President: My question is twofold. One question is: What level of oversight does government have with the pension savings of the state employees? That is the first aspect. The second one is: In terms of state employees who are reaching pensionable age, if you do become President, which I hope you would

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... [Interjections.] ... what would you do differently to ensure that these state employees get added benefits like housing and other benefits, which they don't enjoy presently? Thank you. [Applause.]

The DEPUTY PRESIDENT: Speaker, the level of oversight that government has on, say, the PIC, clearly as you know, is through Treasury. In the end, government makes sure that, through governance processes, the PIC has a well-functioning board, and there are proper governance processes in the PIC itself. The PIC, as you know, manages the GEPF. It manages the UIF's funds and that of many others. So, the Deputy Minister of Finance is the chairman of the PIC. He oversees, in his fiduciary role and responsibilities, the work of the PIC and makes sure the investment committee of the PIC functions well. So, I am satisfied with the level of governance within the PIC or over government employees' pension funds. It is there, and it functions well. [Interjections.]

In relation to the issues such as housing, I think you are raising a very interesting matter. I visited Singapore a few months ago, and I found something that is

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really admirable. Government employees belong to a pension fund on a compulsory basis, and their contribution also helps them to get housing loans. As a result, in Singapore, nearly all government employees have housing because they use their pension fund money as collateral, if you like, to get loans that allow them to get houses. That is a well-streamlined process that they have put in place over many years, to a point where the housing of the people of Singapore is among the best in the world. It is underpinned by their pension process.

By the way, every employee - whether privately or state employed - has to contribute to this national pension fund that helps everyone to have a store of wealth. It also helps them with accumulation of some assets, so what you are saying is very interesting. I think some pension funds in our country do help employees to utilise their funds in their pension fund as collateral for housing. We have been looking at something similar in government, and I am sure we will be advancing our thinking in that regard so that we can help as many people as possible when it comes to housing and to obtaining a number of other assets. Thank you very much.

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Question 22:

The DEPUTY PRESIDENT OF THE REPUBLIC: Hon Speaker, the World Economic Forum on Africa, which was held in Durban in May this year, attracted a number of participants from many countries and some of the participants were heads of government, investors, policy makers and top business people and entrepreneurs. Civil servants were also in the mix and people from civil society were also participants.

Once again, Team South Africa distinguishes itself extremely well. Team South Africa, consisting of government, labour, business and civil society was able, Madam Speaker, to effectively use World Economic Forum Africa as a platform to position South Africa as a destination for both business and investment.

As in previous World Economic Forum, WEF, events, South Africa was able to effectively present our country's economic strength and engage meaningfully with various investors and government leaders from other countries in relation to the challenges that not only South Africa but the continent faces.

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In a global economic environment in which there is significant competition for investment as well as trade opportunities, the World Economic Forum has an essential role to play in exposing investors to what opportunities countries have to offer. It is in this regard where South Africa was able to excel exceedingly well.

Several other African countries have been effectively using the WEF to showcase their economies and their countries, and to present to the world the great potential and the countless opportunities that their countries have.

The WEF Africa meeting also provides an opportunity to deliberate on a number of issues, including challenges facing the continent at both economic and social and the measures that we are taking to address them.

There was a particular focus on creating conditions that are necessary for diversification of Africa's economies, the expansion of energy generating capacity as well as the roll-out of infrastructure throughout the continent

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in the form of roads, in the form of railways as well as building waterways.

South Africa's experience in its renewable energy independent power producer's programme was considered with particular interest by a number of investors. I mean, they could not stop talking about the excellent level of proficiency that we have reached in this regard.

A need was identified for the development of policies that deepen Africa's financial markets. A consistent theme throughout the meeting was the role that research and innovation could play in stimulating economic growth.

In this regard, we were able as South Africa to showcase what our country is doing in relation to innovation, in relation to creativity at the science and technology level. As a consequent, there was much emphasis on improving also education outcomes.

So, all in all, the WEF is a great forum, is an oasis for great ideas, and is an oasis where people go to have contact and having had contact to move to contract with a

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number of investors that one finds there. We have found it to be most useful and is a breeding ground for great economic opportunities for our country. We will continue to participate and the great thing is that when we all go as Team South Africa, business labour and government and civil society, we speak with one voice. We are united and all of us read from the same script. Thank you, Madam Chair.

Mr M U KALAKO: Deputy President, thank you for your answer. Following from what you have said, Africa is positioning itself as an investment destination. What are the plans added on what you have said as you have elaborated on what this government is doing? What are the plans and programmes that are coordinated by Southern African countries and Africa at large in order to take advantage of the opportunities created by hosting World Economic Forum? Thank you.

The DEPUTY PRESIDENT OF THE REPUBLIC: We have a plethora of plans and the one other good thing is that as African countries, particularly Southern African countries, we have intended to approach the WEF in a collective way,

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where we all promote one another, where we speak positively about our region and where we try to demonstrate to the world that we are moving more and more towards integration in relation to trade, the movement of goods and services right across the region where we are focussing on infrastructure and we showcase projects such as the Inga project where we will be generating energy for the region, not only so much for the DRC and where as we worked together and invest together, we are able to reach high levels of great cooperation.

If there is an area where the region can cooperate effectively around, it is through investment and trade and in investment, particularly in infrastructures where we were able almost to speak with one voice with the investors. We were be able to show them that in areas such as to tourism, which is a great job creator, that when people from outside our region and the continent come, they should look at us not so much only as South African, but look at us as a region, where the region as a whole has so much to offer on tourism, on investment and energy solely as well is a great one an innovation, a Minister of Science and Technology will tell you that she

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participate with a number of other Ministers who deal with innovation and science from the region and indeed from the continent.

So, these forums are able to get us to cooperate in a way that gives us a number of great opportunities. So, the WEF lends itself as a very good oasis for investment opportunities. Thank you. [Applause.]

Mr M J CARDO: Deputy President, addressing the media at the World Economic Forum on Africa earlier this year, you said that Africa needed selfless and accountable leaders who will lead this continent on a developmental trajectory. My question to you, Deputy President is, do you regard President Zuma as a selfless and accountable leader who was able to steer South Africa along a developmental path? How does your party plan to institutionalise the ideal of selfless and accountable leadership in the state, which the former Public Protector found had been captured by the Gupta family? Thank you. [Applause.]

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The DEPUTY PRESIDENT OF THE REPUBLIC: Now, as you might well know, President Zuma chairs has been honoured by the continent to chair the infrastructure development trajectory of the continent. Now, this, the continent did ... [Applause.] ... out of an informed realisation of how South Africa as led by President Zuma has been able to change the infrastructure trajectory of our country and move it forward, and you look at the record that has been achieved, the infrastructure layout and development that has taken place in our country in recent years, a second to none on the continent. [Applause.] A second to none, and I think, let us give due regard and respect where it is due. Where it is due, let us give it. No, no, I think you better listen. You may want to condemn President Zuma for a whole number of things and so forth, but I think we should also focus on what our country has achieved. It has achieved a phenomenal amount of progress and African leaders recognise that, they have seen that, and that is why they appointed President Zuma to be the champion. Listen to this, the champion of infrastructure development on the continent. [Applause.]

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So, I think recognise that and how do we plan to institutionalise good leadership as the governing party has its own processes like any other party, like your party has its own processes. They may be great, they may be weak, they may be flawed, but I am the last one to condemn you for the processes that you have in your party, which I may think are really bad and rotten, but I will not do so.

Similarly, give recognition to the governing party that as a governing party as a living organism that deals with its problems and challenges, it has a plethora of wise men and women who know how to chart the party forward. Thank you very much. [Applause.]

Mr M L W FILTANE: Good afternoon, Mr Deputy President. Through you Chair, if I was at the President at this conference, I would have felt ashamed as South African when the Department of Public Works made a trip to China just to get poultry \$4 million for its programmes. Now, think about that, it is a World Forum, there is South Africa going to China to get \$4 million. Now, compared that with the situation whereby there is very little

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Intra-Africa trade, we jumped its oceans and we go to other countries overseas.

Now, was youth unemployment at its height for grounded at this World Economic Forum, which is South Africa's problem? Question that I want to put to you in closing is, why not overhaul our entire education curriculum so as to produce qualified and skilled entrepreneurs, not employees of the future, entrepreneurs, why not do it soon?

In your principal response, you did say that you touched on that. My question, the point of emphasis here is what is holding the current government from doing that soon rather than talking about it over along period of time?

In closing, ocean economy has been spoken about by your government since 2005, but the first significant action was only taken about a year or so ago. Why take so long for such important changes that are needed? Thank you.

The DEPUTY PRESIDENT OF THE REPUBLIC: That is a mouthful of issues, hon Filtane, but I will try to answer them. I

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think we should not look down on efforts that are made by our colleagues even if they go to China or any country and come back with \$4 million. An amount of 4 million dollars in our life is four times almost 13,5 or 13, 6, and that's a start. I was told that this was a start. This is like ...

IsiZulu:

... le nto abayibiza ngokuthi yimvulamlo. Uvula ngayo umlo kuthi ngemuva kwalokho kulandele enye imali ngaphezu kwaleyo. [Ubuwelewele.]

English:

So, don't look down upon initiatives like that. When it comes to the youth employment, one of the things that we are focussing on as government is the employment of young people. We are very much alive to the fact that many of our young people are unemployed; up to 60% of young people are unemployed and we are very much alive to it. That's why we are forming partnerships with those who will be able to create jobs for young people. Our state-owned enterprises are opening up opportunities for learnerships and mentorship. So, that is being done.

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We have appealing to the private sector to do the same. We are working and finalising a project through which one million young people will be brought into learnerships and mentorships by a number of companies throughout the country over a three year period. That's 330 000 every year for the next three years, which can also be rolled-out in the coming years. Now, that should never be looked down upon.

So, we are making every effort. If you talk to any of the Ministers, people who sit on their Cabinet here, they will tell you that they have youth employment projects focussed initiatives that they are working on trying to see how best young people can be brought into employment, into being introduced into the world of work. We are doing precisely that.

Now, entrepreneurship is obviously a very important aspect of our economic trajectory. We are trying to promote entrepreneurship, the growth of entrepreneurs as much as we possible can. But let us be clear, not everyone can be an entrepreneur.

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So, there are people that can be entrepreneurs. We want to create conducive environment for them to be able to be creative to become entrepreneurs and be successful entrepreneurs.

The Department of Small Business is focusing on that and some people have even said, introducing the curriculum entrepreneurship as a discipline for learning and I find that very attractive. I support it completely. That matter is obviously going to be looked at.

The oceans economy - I don't know how far you are from the ocean because if you are close to the ocean and the various nodal points in our country - remember we have 3 000 length ocean that surround our country, and in a number of the ports and harbours that we have, there is a lot of activity taking place. We also focusing on aquaculture and a number of other disciplines that the ocean gives rise to.

So, much work is being done. Since we held our Ocean Economy Phakisa, it has spooned a number of initiatives, and we have a number of investment opportunities. Hon

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Filtane, you will be pleased to hear that many of those are underpinned by dollars and pounds and data marks and people who want to come and invest here and not 400 million dollars and above. I thought that will make you smile. I am glad to have made you happy as I finalise answering your question. Thank you very much. [Applause.]

Tshivenda:

Vho S J NKOMO: Ndo livhuwa nga maanda Mufarisa Muphuresidennde. Ndi masiari.

English:

Vho S J NKOMO: I think the Deputy President; you said you have made contacts and contracts in this World Economic Forum.

Tshivenda:

Rine ri IFP, ri khou toda u divha kana ri khou humbela u vhudzisa uri ...

English:

... now that matters have actually happened at that forum and ...

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Tshivenda:

Ri tshi khou sedza Afrika Tshipember, ri tshi khou sedza na Afrika na lifhasi nga vhuphara ...

English:

... how will this forum or things that were said there, how will they resolve some of the challenges which were addressed and some of the challenges which were actually brought forth in that forum?

Tshivenda:

Ri khou humbela u vhudzisa ngauri ri a zwi divha zwavhudi uri ...

English:

... showcasing is quite good and to cover each other is quiet good where if talking about a particular country, we all gang up against who so ever and we talk on those matters, but the reality is that after the forum ...

Tshivenda:

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... ri khou ita mini, ri khou wana mini, ri khou ya gayi riṅe ri Afrika ngauri ndi zwa ndeme kha riṅe uri ri zwi ite. Ndo livhuwa.

Tshivenḑa:

MUFARISA MUPHURESIDENṅDE: Ndi a livhuwa. Ndi masiari a vhuḑi. ndi livhuwa mbudziso yavho ngauri ndi khou i vhona i tshi khou lingedza uri i ri ise hafho kha u amba nga zwe ra zwi wana kha heyi World Economic Forum.

Zwe ra zwi wana ndi zwinzhi. A thi ngo ḑa ngeno ndo lugisa dziphindulo dzoṅhe. Ndi nga kona uri ndi vha ṭalutshedze nga ḑiṅwe ḑuvha uri hone ro wana mini kha heyi World Economic Forum ngauri ndo amba ngauri vhathu kha maguvhangano hayo vha a kona u ṭangana, vha ri vho ṭangana vha ambisane, vha tshi fhedza u ambisana ri wane uri vha a kona uri vha vhe na zwine vha zwi phetha vha ri hezwi ndi zwine ra ḑo kona u zwi ita. Ri ḑo ḑisa tshelede nngafha hafha Afrika Tshipembe. Ri khou ṭoḑa uri ri dzhene kha heyi tshumelo, i nga vha migodi, i nga vha dzifeme, i nga vha fulufulu ḑa ḑuvha kana dza muya kha zwoṅhe zwezwo.

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Ndi zwinzhi zwe zwa ambiwa nga hazwo kha heyi World Economic Forum zwine zwa vha zwithu zwa vhuḁi kha riḁe vhathu vha fhanu Afrika Tshipembe zwine zwa ḁo kona uri zwi ise ikonomi yashu phanḁa.

Ngauralo, ndi nga kona uri ndi vha ḁalutshedze nga tshifhinga tshiḁaho uri hone ro wana mini ngauri a ri sokou ya kha haya maguvhangano u sokou sumbedza vhathu uri ro naka u swika gayi. Ri ya ri tshi khou isa zwine ra nga kona u zwi ita navho uri ri sumbedzane uri ikonomi yashu ri nga i isa hani phanḁa.

English:

THE DEPUTY PRESIDENT OF THE REPUBLIC: So, when we go to these conferences, we just don't go to show our pretty faces. We go with a clear intention of winning business opportunities, investment opportunities for our beloved Republic of South Africa. We don't just go to meet people and have meals and drink wine. We are focus on winning investment opportunities. So, in time I will be able to showcase to you some of those. Thank you very much.

[Applause.]

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Question 23:

The DEPUTY PRESIDENT OF THE REPUBLIC: Hon Speaker, hon Meshoe, the ongoing revelations about allegations of corporate capture of public institutions have undoubtedly and understandably undermined public confidence in our country, our country's leaders and our institutions. We have to admit that. They have tended to erode confidence. That too, we must admit.

It is therefore essential that these allegations, as I said, are thoroughly investigated as a matter of urgency, through a comprehensive, transparent and credible process.

As I indicated earlier, this should include the establishment of a judicial commission of inquiry. Allegations of criminal conduct should also be investigated by the relevant law enforcement agencies, so that the law can take its course without fear or favour.

Efforts to promote ethical, moral leadership, which is what you asked, need to be strengthened throughout the country. This is an ongoing process that requires the

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attention of all of us, not just a select few people. Each one of us, you and I, are included in this.

In fact, you will find honest, capable and committed leaders across the South African society, in all communities, in all sectors, in government and in the political sphere. There are leaders who are doing excellent work to build a better South Africa and improve the lives of our people.

These include elected officials, public servants, community leaders and civil society activists. Now is the time for these people to come to the fore and to get engaged in what we call, active citizenry, as called for also by the National Development Plan.

They must speak out against practices that undermine one of our key values, which are the rule of law, the integrity of our public institutions and the responsible use of our public resources.

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They need to work to expose wrongdoing, ensure accountability and, where necessary, take whatever corrective measures necessary.

These leaders need to demonstrate to our people that there are ethical leaders in this country who are prepared to take up their interests and concerns. These leaders need to give our people a good measure of hope and encouragement in their ability to lead from the front with honesty and integrity.

This is not a responsibility that falls on one person. It falls on all our shoulders. It falls on all of us sitting here. It is the responsibility, which I would like to suggest we take seriously, as elected leaders of our people. That is what we need to demonstrate. Thank you.

Rev K R J MESHOE: Speaker and Deputy President, we often hear of political leaders who step down from office, due to scandals and corruption caused by their lack of moral integrity, particularly in the USA, Europe, Asia, etc. However, in Africa, this is not the case. Voters, who do

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not seem to care about integrity in leadership, allow corrupt leaders to remain in office.

Our own government has Ministers who also have allegations of corruption hanging over their heads, but who choose to remain in office. President Zuma who said to have about 783 allegations of corruptions against him is one example.

During your days as the Chairman of the Student Christian Movement in Turfloop, you always insisted on ethical leadership. Is that still your position? If yes, how are you helping your colleagues in Cabinet, including the President, to be the bastion of ethical leadership? I am sure you remember that when Mr Mandela was still the President, he challenged members of the House one day. He said that young people out there need leaders of integrity. So, Members of Parliament should be such leaders. My question is: Are you willing to take that responsibility of challenging these Members of Parliament to be good role models to young people out there and to always overcome the temptation to be corrupt?

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The DEPUTY PRESIDENT OF THE REPUBLIC: Hon Speaker, Rev Meshoe came short of telling you that we were together at the University of the North. I was the Chairman of the Student Christian Movement and he was my dedicated follower. [Applause.] [Laughter.] Sorry for being flippant in the afternoon.

I am able to confirm that yes, leaders should be ethical and demonstrate their commitment to the great values of integrity and I would willingly and easily call upon all of us, not so much because of my position, but all of us collectively, as equal Members of Parliament. That is what we should be showcasing, particularly to the young people of our country. They should see that we, as leaders, are able to be ethical and that we are willing and determined to do things correctly and live by the words that we pronounce.

So, I am willing to pronounce that quite openly. I am glad to see and know that you are also willing to walk that road. So, without any doubt, I am willing to say precisely that, Rev Meshoe. Thank you.

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Mr S C MOTAU: Deputy President, let me see if we can put some flesh on this issue that you have just raised.

J Z 783, the infamous fraud and corruption charges, still hang over the head of President Jacob Zuma. The stench of the Nkandla scandal refuses to go away. The devastation of the Constitutional Court judgement against the President remains a dark cloud over his misleadership. All these blemishes bare testimony to the absence of ethical, moral and just leadership, at the highest level of your government. Does the Deputy President believe South Africa can extricate itself from the ethical and moral decay, highlighted by Mr Kgalema Motlanthe, of the current government leaders, and if yes, how?

The DEPUTY PRESIDENT OF THE REPUBLIC: Hon Speaker, I would like to say that we should never try to be holier than thou, holier than other people. Things like mishaps in ethical behaviour can happen to anyone and can happen to any organisation. [Interjections.] When they do happen, clearly, they need to be properly processed and addressed and that is the important thing that we should focus on. [Interjections.]

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In the end, our commitment to the values that are clearly enshrined in our Constitution should be our lodestar. Our lodestar should be those values that we have all subscribed not only to embrace, but to live by them. In doing so, all of us collectively, as leaders, should ensure that we give leadership to the country.

Can we live up to that? I would yes. Whenever, for instance, there are problems, we should pick ourselves up and live up to those types of values, because the Constitution of our country has embedded in it those wonderful, great values. We should all daily, hourly, weekly subscribe to it and live by it.

So, hon Motau, I would invite you to use the Constitution for bedtime reading and make sure that it does continue to be the lodestar of your and my behaviour. We should ensure that we have the South Africa of our dreams.

[Interjections.] Thank you very much.

Mr A M SHAIK-EMAM: Hon Speaker, Deputy President, I must agree with you. Yesterday, whilst we were paying tribute to the late Ahmed Mohamed Kathrada, it was once again a

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day for grandstanding and politicking, rather than paying tribute to a real leader, as if these challenges don't exist in other parties. [Interjections.]. You know, there is another latest corruption scam regarding computers in the Western Cape with Helen Zille. You know that.

What happens in the African National Congress or any ruling party does have an impact on the country, as a whole. It is quite clear that, today, politics is about hunger, thirst, control and power. That is what it is all about. Would government ever consider, not now maybe in five or ten years, an inclusive government that also attract members from other parties that have skills? And many of these parties do. In that way, we will have a more inclusive government so that they can work together and put the interests of South Africans before their own, rather than shouting, screaming and abusing each other. Thank you.

The DEPUTY PRESIDENT OF THE REPUBLIC: Hon Speaker, if you look back in your most recent history, you will find that the one and sole governing party that our country has had in the past 23 years, has always sought to promote the

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unity of our nation and has done so in very practical ways. It started off as a government of national unity where it said, notwithstanding the fact that we won the majority vote, we are going to invite other parties, even our opponents, to govern with us. That served the country extremely well.

Beyond that, it continues to invite leaders from other parties to be in the executive so that we not only give semblance of national unity, but we actually live it, utilising the talents and capabilities of members from other parties and include them, together with members from the governing party to take our country forward. That has served us extremely well.

Now, that has been, if you like, the mantra of the governing party over the past 23 years. Going forward, there is nothing that stops the governing party of the African National Congress from continuing to do things like that. Our main aim is to unite all South Africans to build a united nation and make sure that South Africa moves forward. We would be willing to utilise the skills

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and the capabilities of South Africans right across the board, if it means taking our country forward.

So, yes, do you want to watch this space? You can watch it. We will continue doing what is right for South Africa.

Mr M A PLOUAMMA: Hon Speaker, Hon Deputy President, you sound like you are flogging a dead horse. The brutal truth is that you are also losing your integrity. Can you break from the yoke that the President has put on you? The President is frog-marching us into a state of hopelessness. Why are you continuing to legitimise his failed leadership? Why do you allow the President to slowly diverge from the values that are enshrined in our Constitution? Why are you continuing to give the future of the country a death sentence? [Interjections.]

Deputy President, why are you allowing the President to turn you into an arme skepsel [poor creature] Deputy President?

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The DEPUTY PRESIDENT OF THE REPUBLIC: Madam Speaker, I don't know what the actual question is. [Interjections.] I don't have my Afrikaans dictionary to remember what an arme skepsel [poor creature] is. [Laughter] All I can say is that I am not a skepsel [creature]. So, I am not an arme skepsel [[poor creature] and that is the answer that I will be willing to give to hon Plouamma. Thank you very much.

Question 24:

The DEPUTY PRESIDENT OF THE REPUBLIC: Madam Speaker, General Motors first conveyed its decision to withdraw from South Africa to the government on 16 May 2017, two days before the workforce was informed and the company made a public statement to this effect. General Motors indicated at the time that the company was in advanced negotiations regarding the sale of some of General Motors' assets to Isuzu. General Motors' decision comes on the back of sustained efforts by government in recent years to assist the company.

The company informed us that it has not performed well in the domestic market recently both in terms of production

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and sales. The manner and the timing of the decision to withdraw from South Africa did not allow any meaningful intervention prior to the decision. Nevertheless, an urgent process has been put in place by the Department of Trade and Industry to engage both General Motors and Isuzu with a view to ensure everything possible is done to support the production of the Isuzu vehicles in South Africa. They will also explore the possibility that a new investor can take over the part of the General Motors facility not sold to Isuzu to produce other vehicles, possibly in another market segment or as a contract manager.

An announcement will be made in this regard in due course. The lesson which emerges from all this experience is that global automotive industry is highly dynamic and competitive market in which companies make decisions that are based on global strategies and considerations. We are told that the decision by General Motors is informed by its global strategy which includes exiting other markets such as Australia and India.

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Increasing competitive global market countries compete for both investment and production in the context of decisions that are made by global manufacturers. This is precisely why government is engaged in an automotive policy review and strategy process where we are working closely with a wide range of companies and industry associations. This process will develop a post-2020 automotive master plan which will serve before Cabinet later this year and through this we will be able to ensure that we have a master plan that will be able to serve the economy of our country in good measure. Thank you very much.

IsiZulu:

Nk L A MNGANGA-GCABASHE: Somlomo waleNdlu ehloniphekile, ngizibongele nakuSekela Mongameli ohloniphekile ngempendulo yakhe anginikeza yona. Kodwa, yini enye engenziwa uHulumeni ukusiza bonke abasebenzi abangase noma balahlekelwe yimisebenzi ngenxa yokuthi asibanga khona isikhathi esanele sokuxoxisana phecelezi ama-negotiations.

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Hon Deputy President, is there any penalty to this company for such a behaviour within the automotive industry policy to prevent or any existing policy related to that to prevent a repeat of the similar situation.

IsiZulu:

Ngizibongele Somlomo mama.

IsiZulu:

USEKELA MONGAMELI WASENINGIZIMU AFRIKA: Somlomo, mangithi lenkinga esibhekene nayo yokuthi i-General Motors ivale imisebenzi yayo noma idayise ibhizinisi layo izokwenza ukuthi abasebenzi abaningana balahlekelwe yimisebenzi. Yonto esiphatha kabi leyo ngoba into esiyifunayo wukuthi abasebenzi bakuleli lakithi bangalahlekelwa yimisebenzi. Inyunyana yabo i-National Union of Metal Workers of South Africa, NUMSA, okwamanje ikhulumisana nayo i-General Motors ukubonisana ukuthi kungenziwani ukuthi lemisebenzi eminingi, kwakuthiwe kungaba wu-900 yabasebenzi, ukuthi ingalahleki yonke.

Uhulumeni wona ngokusebenzisa [through] uMnyango

Wezabasebenzi [Department of Labour] uzozama ukuthi laba

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basebenzi abazolahlekelwa yimisebenzi bathole ezinye izindlela, mhlawumbe bangaqeqeshwa kwamanya amakhono [skills] abangake bangene kuwo bakwazi ukuthi baye kwezinye izindawo bathole imisebenzi. Okukhona ukuthi uma i-Isuzu izothenga enye ingxenye yalemboni [factory] mhlawumbe kuzoba ngconywa, mhlawumbi ngeke abasebenzi abaningi balahlekelwe imisebenzi

English:

When it comes to the issue of a penalty, I don't know if my colleagues in Trade and Industry have given consideration to this. It is certainly something because I think our main complaint about this is that the shortness of the notice that was given to us, firstly, as government and thereafter to the union is something that does not sit comfortably with us, because much as it is a decision that is taken after global investment and manufacturing or production considerations, it is something that General Motors has been talking about over a long time in their own boardrooms, and the number of other structures to spring this on us with the consequence of almost 900 people losing their jobs. It is something that we are unhappy about.

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I think from what you are saying is something that we should safeguard ourselves against that there should be some measure of a protection that we should give once to ourselves but particularly to workers. Things like these need to be done with a pre-notice and pre-warning so that people have an opportunity of rearranging their own lives and rearranging work opportunities that they may well have. Therefore, I think maybe in the master plan agreement is something that needs to be looked at. I am certainly open that we should examine that because it is incorrect that a decision is taken and imposed on us within two days, then is announced and it destabilises the lives of so many people and in the end the vulnerable workers who have nothing else to turn to find themselves in the street. It is certainly an idea that we should take forward.

IsiZulu:

Ngiyakubonga ukuthi lombono uwubekile etafuleni.

Ngiyathemba ukuthi singakwazi ukuthi sibonisane ngawo.

Ngiyabonga. [Ihlombe.]

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Mr G CACHALIA: The fact of the matter, Deputy President, notwithstanding the spin the Minister has put on the matter of General Motors', GM, withdrawal from the country and echoed by you is an evidence by General Motors own media statement which says, and I quote:

We determine that the continued or increased investment in manufacturing in South Africa would not provide General Motors the expected returns of other global investment opportunities.

It is therefore as clear as mud that GM has lost all faith in South Africa's economy under President Zuma and Minister Davies. Does the Deputy President agree that General Motors' decisions are directly attribute to the mismanagement of our economy by the ANC and its President, and what if anything does the Deputy President choose or intend to do about this?

The DEPUTY PRESIDENT OF THE REPUBLIC: Hon Speaker, I think it is really hugely dishonest to ascribe General Motors' departure or intention to depart or sale of their business to the way the governing party is managing the

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economy. They have done exactly the same thing with India and Australia. Maybe hon Cachalia will announce here and now that that two is due to the mismanagement of the Indian economy and the Australian economy by those governments. [Applause.] I want to know whether he is willing to do that. I think it is really cheap and it is dishonest to be making such a statement. If you want to ascribe any fault to the way, yes, we are managing the economy you should not choose this one. You can choose many others.

That having been said, South Africa stands out throughout the world as one of the best investment destinations for the automotive industry. We have in this country Mercedes-Benz, Toyota, Bayerische Motoren Werke AG, BMW, and you name them. They all come here. Why do they come here? They come here because we have created a good investment climate and environment. They also come here because we've got skilled workers. The workers in the automotive industry in this country build and create the best Mercedes-Benzes that are exported to the United States, my friend. [Applause.] That is what we do in this

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country. In a number of cases they have won awards that far exceed even German workers.

South African workers go to Germany to showcase their capability in creating a weary good Mercedes-Benz. I don't know what car you are driving. Maybe if you drive a BMW and a Mercedes-Benz car you will know that it has been built by South African workers and it is a very good car. Therefore, we have a very good investment climate and none of the automotive investors will ascribe those types of reasons that you are putting forward to their investment decisions. This country offers the best investment environment for automotive matters. I want you to remember that. Thank you. [Applause.]

Mr J A ESTERHUIZEN: Hon Speaker, through you to the Deputy President, I agree the GM's decision to withdraw was purely a business cut back from their part. As a matter of fact, the automobile industry is by far receiving more grounds and more incentives than any other industry in South Africa and I have to agree with you. The Motor Industry Development Programme, MIDP, was also a success in this country. However, you will agree, sir,

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that the excess of cost of vehicles cuts across not only families, but also through the industry because every business needs vehicles to do their business.

Why don't they allow mostly middle class taxpayers to maintain their industrialist huge profit margin? I will give you an example. The automotive industrial policy which forces us to pay merely double the international market price for vehicles and prohibit South Africa to import cheaper, in other words used in the roadworthy vehicles from overseas. Why do we pay import duties on taxes and then taxes again on the duties for car accessories? Government will impose a 100% ... [Time expired.]

The SPEAKER: Hon member, your time for the follow-up question has expired. The hon Deputy President.

The DEPUTY PRESIDENT OF THE REPUBLIC: Madam Speaker, I did not finally get the drift. However, the drifts I got were on two issues. Maybe the first suggestion I would like to make to hon Esterhuizen is that maybe he should find time with great thanks and respect to have coffee

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with hon Cachalia and explain to him in really simple terms how good our auto industry is, because hon Cachalia does not seem to get it. It needs a person like you who has grasped the importance of our auto industry to explain to him.

Hon Esterhuizen, I got the drift of what you were raising, the issue of the high taxes and the issue of the excessive crisis of our vehicles - that is certainly something that obviously can be looked at. The Department of Trade and Industry would, in my view, be willing to look at the tax structure around the vehicles. It can be sad that the vehicles in our country turn to be quite expensive whereas they are cheaper in other countries I have found. Therefore, it is something that can elicit a conversation with the Minister of Trade and Industry. Thank you very much.

Mr M S MBATHA: Mr Ramaphosa, I will put it to you that one of the decisions that warrant General Motors to leave may not necessarily be economical, it maybe political. General Motors is expanding in America and they are

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coming back to the local territory which is basically as an American company. They want to increase American jobs.

Now, my question is, we have hosted them for years, in fact, they were hosted by the apartheid government before a democratic order. We have awarded them incentives worth millions. I would like to know what the conditions of these incentives were, because these are public funds aimed at stimulating growth, job creation and making the relationship between South Africa and these companies' mutual. It cannot be that out of those agreements somebody can just pack and go unilaterally.

The DEPUTY PRESIDENT OF THE REPUBLIC: I did not quite get the question but the tail end of it, no, no ...

[Interjections.]

Mr M S MBATHA: Can I repeat the question?

The DEPUTY PRESIDENT OF THE REPUBLIC: No.

Mr M S MBATHA: Yes, but why are you saying that you did not get the question?

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The SPEAKER: No, hon Mbatha, please. Proceed, Deputy President.

The DEPUTY PRESIDENT OF THE REPUBLIC: The gist of what he was asking as I understood it was the terms of the agreements that we have with these automakers who get such incentives and subsidies from us and that it should not be acceptable that they unilaterally just up and go. That is how I understood it. I think clearly that the terms of those agreements is a matter that needs to be looked at very closely and Trade and Industry can enlighten us on that. Possibly, maybe we had never really countenance the fact that any of these investors that we are giving incentives would just up and go just suddenly and maybe that has not been fully covered.

The experience that we now have is going to enlighten us and make us wiser when it comes to having to deal with the master plan that we are working on to 2020.

Therefore, those are the types of considerations that we are going to have in mind. We are going to want to protect our workers, to protect the industry and also to protect the investment that we are making because we are,

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if you like, coinvestors and this industry because they get subsidies and they get a lot of assistance and through that they are then able to make these cars and make a profit. Therefore, we also need to look at how we can protect ourselves as workers and as a country. Thank you very much, hon Mbatha, we will take it up. Thank you.

The SPEAKER: That concludes questions to the Deputy President. I thank the hon the Deputy President. That also concludes the business for the day and the House is adjourned.

Questions Concluded.

The House adjourned at 16:59.