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PROCEEDINGS OF THE NATIONAL COUNCIL OF PROVINCES

The Council met at 14:00.

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

The CHAIRPERSON OF THE NCOP: Before we proceed, I would really like to welcome the Minister and the Deputy Ministers who will be joining us today. I would also make an announcement as regards to our Question Paper. Hon members would have noticed that we had included questions to the Minister of Energy in today's session. He has pleaded with us to move his question time to Tuesday, which he still will come to undertake oral replies in the Council.

Hon members, you are welcome. I would further like to say that we have received a notice that the hon Minister of Tourism has to hurry back home. She has lost a relative. We want to pass our condolences ma'am, and we appreciate that you managed to come here even though

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you are rushing home to a funeral of a very close and loved one. I will therefore immediately proceed to the Question Paper and actually give the Minister the first opportunity to respond.

QUESTIONS -

ECONOMICS - Cluster 4E:

Question 288:

The MINISTER OF TOURISM: Hon Chair, thank you very much and I convey herewith my appreciation for the condolences offered to me. My response to the question is that in the year 2011, the Cabinet approved the National Tourism Sector Strategy and through the implementation of this strategy, we have sustained growth in international tourist arrivals for six consecutive years, up to 2016.

Tourist arrivals reached about 10 million, which was a double digit growth of about 13% compared to 2015. This growth has also come with much-needed employment in the sector, which was to consider both direct and indirect jobs. The sector employs way over 1,5 million people. The direct contribution of the GDP was R118 billion in 2015. These achievements clearly indicate that our implementation was a success from a growth point of view. We have also seen significant

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success in other areas, such as skills development, product development and enhancement as well as SMME support.

We continue to have challenges of which we have a programme that looks into issues. Following up with the National Development Plan and the President's call for radical economic transformation, we have a strategy that includes a Tourism Transformation fund which assists in dealing with challenges around access to finances, SMME support programme, encouraging and facilitating the use of state-owned facilities for opportunities of black operators and management capacities as well as concessions.

We are focusing on opportunities within the tourism supply chain across the value chain. We are also using state procurement of travel and related services which are estimated by National Treasury to be about R10 billion. We are implementing the tourism broad-based black Economic Empowerment codes, which include 30% ownership and 50% women thereof. We also need to ensure that domestic serves as a backbone for our tourism. We have embarked on a process to also review the Tourism Sector Strategy, which we hope to finalise before the end of the year. Thank you.

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Mr M RAYI: Minister, in terms of maximising opportunities, I am with the view that once we appreciate the successes... I don't think we are maximising opportunities enough, given that there is a lot of money that government uses, particularly for accommodation. Every week, there will be officials coming from Pretoria to Cape Town. We are not using the opportunity to ensure that there is growth with regards to tourism small enterprises, particularly black operators.

What is it that the Minister is doing to ensure that departments, firstly, are playing their role, including Parliament? We would have outreach programmes such as Taking Parliament to the People and the NCOP Provincial Week but we don't use black-owned enterprises. Most of the time, we would just be in town. So, what role does the department play to ensure that departments also play a role, as well as Parliament?

The MINISTER OF TOURISM: Thank you very much, hon Rayi, for the question. Indeed there is a lot of money, as I indicated, that we have estimated to the tune of R10 billion which could be used to circulate the wealth unto our previously disadvantaged people. The role that the Department of Tourism is looking at as part of the new Tourism Sector Strategy is to look across the value chain to ensure

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that we can develop and promote the products so that they meet the standards.

At the same time, we are working very close with the National Treasury to ensure that this could translate to benefits in the townships by ensuring that after developing those products, we will be able to grade them and make sure that the standard would be up to the level of what is required.

So, our SMME development programme and our grading support programme, which is also enhanced by the incentive programme, is looking at ensuring that we are able to obtain balance. We don't want our officials as well as anybody who uses our black-owned enterprises to feel that it is an inferior kind of thing. This is part of our new sector strategy and the programme that we are implementing now. Thank you.

Mr S G MTHIMUNYE: Chairperson, as the Mpumalanga Provincial Delegation, we recently visited Kruger National Park during the NCOP Provincial Week. There are levels of poverty you witness with a naked eye on the surrounding communities versus what you see when you enter Kruger Park. The self same old big white companies continue to benefit out of economic opportunities. What is the place

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of the department with regard to radical transformation in this sector, especially on the assets of the state that we are in control of present government?

The MINISTER OF TOURISM: As part of responding to the question, I will illustrate it by a way of giving an example. For instance, looking into these kinds of attractions we have which have been bringing tourists into the country, we considered the fact that tourists today are also looking at linking up with communities or making contacts with them.

In identifying some of the areas where there are attractions already, the national Department of Tourism is providing assistance for the development of an entrance gate - for instance, at the Shangoni Gate Development - so that other tourism facilities can be developed alongside the area.

This would also provide the kind of experience that is linked to the communities. This is part of what we are doing in Shangoni Gate Development, at Phalaborwa Wild Activity Hub, at Tsitsikama Big Tree Gateway and some of the other universal projects that are looking at providing universal access. We want people to go to areas and find experiences with our communities alongside what is already

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happening. It is part of the broader work that we are doing so that we can develop further attractions, be it in rural areas or townships, so that we can develop much more experiences.

Mr L V MAGWEBU: Minister, there has been a whole lot of stuff that has been said by the ANC, speaking to the hearts of many of us - radical economic transformation. Now, your department is strategic and key to that but I want to know because these programmes tend to fail: In the rural areas, what is the plan? If you have already moved in that space, how successful is your department in ensuring that the rural people are empowered and there is transformation that your department is driving?

The MINISTER OF TOURISM: Indeed, this is one sector where we think the issue of radical economic transformation can be implemented because it is part of the world agenda to ensure that we have or practice sustainable tourism. Sustainable tourism means including our people, developing their products and ensuring that we spread tourism to benefit people in rural areas, in townships or in areas where attractions are occurring.

So, as part of the work that we are doing, we are looking into various angles where we would skill our people in rural areas. Our

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skills development programmes have been benefiting people, even coming from rural areas. A lot of them have found permanent employment but we also are looking into other forms of development, ensuring that they get into being entrepreneurs themselves.

So, we have identified various infrastructure projects that we are involved in at rural areas. We are also working on a broader scale as part of the ocean economy to identify products that we think together with rural areas; we can assist them to be ready for investors as they will be coming so that they partner with them. For us, those successes are evident in a fact that even the identified kind of projects is part of the initial phases of the ocean economy.

We have already identified products that would be up to the tune of about R21 billion. They are products that are within our communities; identified with our communities. We package them together for investment and also prioritising them even in terms of product development programme and market access that we provide for our SMMEs as we identified them across the value chain. Thank you.

Question 294:

The MINISTER OF TOURISM (Ms T Xasa): Hon Chair, first and foremost as I am about to tackle this question, I wish to convey our sincere

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condolences to those who happen to be victims of crime who would have come to our shores because we continuously want to ensure that South Africa is the best destination that people must find happiness, peace and enjoy the kind of offerings that South Africa continues to offer and that they are the envy of the whole world.

In the light of the question, in the case of the incident that involved the Dutch in the O R Tambo International Airport, South African Tourism immediately engaged with the relevant parties to facilitate the sharing of information for the monitoring of developments and for the communication to the relevant stakeholders. Safety of our tourists is a collective responsibility of all South Africans. This is why the President launched what we call the "we do tourism campaign". A single attack on a tourist is one but too many and none of us should look away as it is an attack on the livelihood of the 1,5 million that I mentioned earlier and their families who are working both directly and indirectly in our sector.

We fully support the Cabinet that sanctioned and integrated strategy of the security cluster and we participate fully because we have a direct interest in the matter. Already the cluster has made significant progress in terms of arrest in some of these cases. The steps that we took to prevent similar incidence at the level of

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businesses, we create a lot of awareness that is drawn through the safety tips that are often handed to patrons as they check into our establishments. As part of this within the scope and mandate of the department we have introduced tourism monitors programme, which is a programme to see young people placed at tourists attraction sites to serve as first point of call when tourists needs assistance.

They would also ensure that a branded and knowledgeable friendly face is available on site in times of need for tourists and their training amongst others include tourist guiding, first aid, customer service, tourism data, information handling and safety awareness. These prepare them to be tourists service agents on the ground. Globally, we continue to have bilateral relations and we are also able to drive a message about the efforts the country's security establishments are dealing with in these kinds of disgraceful conducts. This has gone a long way in restoring the confidence of the respective markets internationally. We have met and collaborated with the Department of Police which has enabled us to collectively respond in terms of effective support to the tourists.

In the case of the incident at hand, I immediately engaged with the Minister, Minister Mbalula, and jointly reached out to the tourists to establish their immediate needs and their required support.

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Information exchange within the industry and SA Police Services, Saps, was also a critical step in ensuring effective and informed response to the challenge. I would also like to express our gratitude to the Dutch Embassy for the co-operation and in the manner they worked with us in supporting our Dutch tourists after the month's incidence.

Chairperson, in doing this tourism, we must all condemn these shameful acts wherever they occur but most importantly, we must not allow these criminals a pleasure of disrupting our lives. I thank you.

Mr W F FABER: Chairperson, we just heard that the Minister told us that the required information on this case, for instance, that there is a tourist monitoring programme within the phases where the tourist service agents will assist people like these, but apparently this did not happen. So, in the Western Cape, where the DA governs, there were appropriate protocols when things like these happen. The province visit the safety and support programme as is established ... [Interjections.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Order! just don't drown the speaker on the floor.

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Mr W F FABER: Yes, as I said, the DA in the Western Cape established a province visitor safety and support programme, tourist victims support programme and a tourist safety and security unit which all serve to ensure that tourist interest in the province when is considered. When things go wrong, various reactive measures kick in. it is nice to have programmes, but if they don't kick in it doesn't help. Such as facilitating trauma counselling as well and helping to contact family, friends, facilitating embassy council and also using legal processes ... [Interjections.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: ... and you are coming to your supplementary.

Mr W F FABER: Why has the national department fail in implementing these measurements? A failure which has brought international bad press, after the bus that tourists were held up and immediately went back home.

The MINISTER OF TOURISM (Ms T Xasa): Exactly as I was saying, Chair, the moment you would find that Western Cape think that it is not part of South Africa becomes the challenge because this is part of the whole of government's effort to make sure that South Africa is a destination of choice. All provinces have mechanisms and we are

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working in an integrated way. The additional programme that we put on of tourism monitors is over and above what government as a whole in all nine provinces is working on to ensure that these kinds of incidence do not happen because we continue to make sure that responsible South Africans themselves are not the very ones who go out of the world to tell bad stories about South Africa or make themselves to be better than the others.

When we go out we sell destination South Africa and Destination South Africa is not Cape Town it is South Africa. For all of us we want to make sure all our hotels are filled to capacity, everybody comes and experience the whole of South Africa. In that way it means; they spend more time, more money and we then sustain the jobs, we grow the jobs and the economy of our country, not of a particular province. I thank you, Chair.

Mr J M MTHETHWA: Chairperson ... [Interjections.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Order!

IsiXhosa:

Mfundisi, qhuba.

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Mr J M MTHETHWA: Minister, after this incident, did you have any plan in place that you developed with the Department of Police to ensure that similar things does not happen again throughout South Africa not in Western Cape alone?.

The MINISTER OF TOURISM (Ms T Xasa): Hon Mthethwa, as I indicated that the entire government could not sit back and leave it to the Department of Police, it had to be an integrated effort by entire government because tourism is one of the key six growth sectors of the economy. So, we are part of the integrated approach and also attempt to ensure that all of us are part of growing this economy. Minister Mbalula, in his continuous interventions has made sure that he pulls all of us together. As part of ensuring that we make South Africa a safe destination, we are ensuring that all our key points has rigorous efforts to detect some of these and even before they happen.

For incidence that would have happened there is prompt response and priority attention to ensure that those matters are dealt with, the kind of assistance and support that needs to be given is given at a prompt time and we also use our relations with the countries to communicate and make sure that we allay fears because incidences do happen. There is no way that we can think that in the spate of the

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travel of the 1,2 currently travelling people throughout the world there won't be incidence, but we want to keep them as minimal as much in South Africa. Thank you very much.

IsiXhosa:

Mnu D L XIMBI: Mphathiswa ndiyabulela ngenkcazelo yakho malunga nokhuseleko lwabakhenkethi eMzantsi Afrika. Mphathiswa, ndivuya kakhulu xa sele niwuqalile lo mcimbi noMphathiswa wamaPolisa, kodwa bendifuna ukucebisa ukuba njengokuba abakhenkethi ingabantu ababalulekileyo kweli lizwe, nongabafanisa nonozakuzaku, ingaske nibe nabantu abakhethekileyo xa nicebisana ukuze kujongwane nabakhenkethi. Ndiyayiva ke le nto ithethwa ngugxa wam ngeNtshona Koloni. Kutshanje, kusandul' ukudutyulwa abantu kwisikhululo seenqwelo moya. Sinengxaki yemigulukudu kweli lizwe, kwaye iNtshona Koloni ihamba phambili. Bendicela ke Mphathiswa ukuba nicebisane ngokuba nibe nokhuseleko olukhethekileyo, kungaziswa uqobo lamapolisa aphethe izibham phakathi kwabakhenkethi. Enkosi kakhulu ngamanyathelo asele niwathathile.

IsiXhosa:

MPHATHISWA WEZOKENKETHO (Nks T Xasa): Eneneni sikhangelala abantu abanokusenzela iingcebiso ezinjalo ukuze sibonakale ukuba sonke sisebenzela ukuba ilizwe lethu ibe lilizwe eliza kuhlala lizisa

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abakhenkethi ukutshintsha iimeko zabantu ekuhlaleni. Eli phulo lethu le-tourism monitors esilisungule phaya kwiphondo le-Gauteng, sinenjongo yokuba silisasaze kuMzantsi Afrika uphela kuba sifuna kubonwe into yokuba ukhenketho yindlela yokuba abantu baqhangamshelane, bafundane, kufundwe inkcubeko, kubukwe ubuhle bendalo ukuze abakhenkethi bakwazi ukwenza umahluko kwimpilo yabantu abo babatyelelayo.

Abakhenkethi abangekhe batyelele iindawo apho kukho khona izibham, loo nto ingabenza boyike; yiyo loo nto sinala maphulo e-tourism monitors kuba senzela abantu abazakwenza laa nto sithi yi-people to people contact bakwazi ukufikelela kubantu abangaziyo ukuba lukhona ukhenketho olwenzekayo. Ukhenketho lubaluleke nakumntu otshayela isitalato kuba ukutshayela kwakhe kwenza ukuba idolophu icoceke kwaye ibukeke kubakhenkethi ukuze bakwazi ukumisa bayibuke. Ndiyabulela.

Question 301:

The MINISTER OF TOURISM: Hon Chair, we take these allegations very seriously. Therefore, I would like to urge the hon member to do the honourable thing and provide us with more information on this matter. At times, when samples get taken by the Department of

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Labour, it may not reach a certain establishment where the hon member may have identified what has happened.

So, in this regard, we would appreciate that information so that we can take appropriate steps. The exploitation of one by another is what our forebears like Oliver Reginald Tambo fought for tirelessly, and as the country, we subscribe to the global code on tourism ethics that was approved at the last General Assembly of the United Nations World Tourism Organisation.

With the recent approval of the global Framework Convention on Tourism Ethics, member countries are therefore with no doubt, have to ensure that they prioritise this and that they take seriously that all tourists practice sustainable, responsible and ethical tourism. Importantly, the pressure from tourism consumers is assisting in raising awareness about the exploitation globally.

Our awareness raising about the responsible tourism standard has also created awareness about acceptable conduct. The Department of Labour has developed sectoral determination for the hospitality sector in regulating wages, working hours and other basic conditions of employment for workers in the hospitality sector. The Department of Labour also conducts regular unannounced checks on the

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establishment and also raises awareness on the sectoral determination. Thank you very much.

The CHAIRPERSON OF THE NCOP: Thank you, ma'm. Let me now recognise the hon Mathevula.

IsiXhosa:

Ohloniphekileyo uMathevula ukhona. Yimani!

English:

I know my job.

Ms T J MOKWELE: I am standing on a point of ... [Interjections.]

The CHAIRPERSON OF THE NCOP: Please, take your seat! Please, take your seat, I am ruling over this matter! Take your seat! Hon members, hon Mathevula is in the House. She has not indicated to me that she has laryngitis or that she cannot speak. The Rules says that the first supplementary question goes to the person who poses this question.

IsiXhosa:

Linda sisi!

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English:

I have been asking, why the hon ... [Interjections.] Hon Mokwele is going to make the supplementary question in her own right, and not replacing hon Mathevula because, hon Mathevula is in the House. I am advised that in my absence, because the hon Nyambi was presiding and he had posed a question, the arrangements were made that somebody else deals with that question, because he was presiding and therefore could not deal with the question from this chair. That is the advice I have received.

Hon Mathevula, if you do not have the supplementary question ... [Interjections.] No! You cannot! Hon Mathevula, if you do not have the supplementary question, I will allow the hon Mokwele to make a supplementary question.

Ms T J MOKWELE: Chair, before I make a supplementary question, let me indicate that the person who briefed you about this matter has not briefed you according to the resolution that was taken in this House. Hon Motara, in her absence, stood up and said that the Rules of this House doesn't say that, if you are not absent you can't take a question, rather it says that, if you are unable as a member to take a question, it is allowed for a question to be referred to someone else.

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I even asked personally if that is what is going to happen in the future. The following day I took a question from the EFF and referred it to the DA and it was attended to. The DA member was allowed to take that question because the main person was not in the House. That is the resolution that was taken by this House and we were assured that, from that day onwards that is how things are going to happen. [Interjections.] Yes! We can consult Hansard. [Interjections.]

The CHAIRPERSON OF THE NCOP: May I address you on that?

Ms T J MOKWELE: We can consult Hansard, Mam, and listen on the resolution that was taken about the questions on those two days. So, today hon Mathevula is not feeling well, that is why I informed the Chief Whip and the Table staff that hon Mathevula is not feeling well and that I will be responsible for her question. This is happening because of the system that was adopted last time.

The CHAIRPERSON OF THE NCOP: Hon member, the note that I have in front of me simply says that you will take over Question 301; it does not give reasons why. Secondly, that hon Motara interprets the rules in a particular way, I will go and check on Hansard. But hon members, if a member is in the House, that member must be competent

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to make supplementary question. That is why I said, if hon Mokwele has indicated in the note that hon Mathevula is unable to make a supplementary question because ...

IsiXhosa:

...akakwazi ukuthetha okanye kukho enye into.

English:

I would not have had an issue with that, but the note does not say so. It simply says that you are taking over the question, and since she is in the house, I apply the Rule as I know it. Hon Mokwele, the address you are going to give is to make a supplementary question!

Ms T J MOKWELE: I think that we need to be honest to ourselves as the members here, and we need to treat each other equally. I have never ever written a note ...

Setswana:

... ke be ke sa tlhagise lebaka la go dira jalo.

English:

I have never done that! If today, whenever notes are written I must indicate the reason, as the EFF we will do so. We have never done

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that, hon Chair. Also, it never came to our attention that if we need to address both Chief Whip and the Table staff, we need to come up with the reasons why. We know that, if the member is unable to take the question, we inform the Table staff that a particular member is unable to take the question. We don't come with the reason why that is happening.

The CHAIRPERSON OF THE NCOP: No, ma'm! When the member is not in the House ... [Interjections.]

Ms T J MOKWELE: If we do need to do that, it is not a problem.

The CHAIRPERSON OF THE NCOP: Hon Mokwele, I do not wish to take the whole day on this matter! I am simply saying, please take your seat! Hon members, I am simply saying that, when the hon member is not in the House and the arrangements have been made, we have never asked to go given the reasons; on that score you would be right.

But, when a member ... [Interjections.] No, no, ma'm! Please do not interject! When the member is in the House ... [Interjections.] Please give me the respect to respond to you! When a member is in this House, unless it is indicated that a member is infirmed to a

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point where the member cannot respond even though the member is physically present, the member must make a supplementary question.

There is a note that was sent to me, and yet I see that hon Mathevula is present in the House. If the note has indicated to me that she cannot speak or that she is sick, I would then had not asked her to make a supplementary question. I would have immediately said that there is an arrangement that has been made for that, even though she is present. Once a member is in this House, then we want to understand why another member must take over?

It is because we take it that all members are equal and that all members are competent to do as they should. I therefore want to give the first supplementary question to the hon Mokwele because she has raised her hand for the supplementary question, and also considering the note she has forwarded that she will be making a supplementary question. Hon Mokwele, ask your supplementary question.

Ms T J MOKWELE: Chair, I'm still on this matter!

The CHAIRPERSON OF THE NCOP: No! You are on a supplementary question, hon Mokwele.

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Ms T J MOKWELE: Can I then address you in terms of the Rules?

The CHAIRPERSON OF THE NCOP: I have undertaken to consult with Hansard to verify what the presiding officers have agreed upon, because that decision would have been taken by the person who was presiding. Even if hon Motara said it from the floor, ruling would have come from the Chair. So, I will consult with Hansard and report back to this House on that matter.

For now I want progress on this question! There is a member who has a bereavement and the planes to the Eastern Cape will leave her behind. I'm sure we are not that cruel to keep this Minister here because we are now being academic about this matter.

[Interjections.] We will rush because of the bereavement and because we are human enough, hon Mokwele.

Ms T J MOKWELE: We need to do things right. If the hon Minister is bereaved ...

Setswana:

...a mowa wa leloko la lelapa la gago le le tlhokafetseng o robale ka kagiso.

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English:

But we need to do things properly, Chair!

The CHAIRPERSON OF THE NCOP: We are doing things properly!

Ms T J MOKWELE: I agree with you that we need to do them properly. There is no Rule that addresses the matter that you have indicated to us.

The CHAIRPERSON OF THE NCOP: Which Rule?

Ms T J MOKWELE: The Rule that you are saying that, if a member is unable to speak whereas she is in the House, reasons must be given. There's no Rule that says that, Chair! I am pleading with you, and I respect you. I will never disobey you, but I'm telling you that this House agreed in your absence about what I have indicated.

You were not here when this House agreed. The members were doing the very same thing that they are doing today! When we asked, they were reacting the very same way! Today is another ruling; and yet they are reacting the very same way. All they do is to protect and to defend the wrong things.

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The CHAIRPERSON OF THE NCOP: Hon Mokwele!

Ms T J MOKWELE: I am posing my supplementary question. Minister, my supplementary question is as follows, but let me first indicate that we are not happy about the treatment we are getting in this House. This is the fourth time that we are raising the same matter, that we are not happy about the manner in which this House is treating the members of the EFF.

The CHAIRPERSON OF THE NCOP: What is your supplementary question, ma'm?

Ms T J MOKWELE: Yes, I am posing it, Chair!

The CHAIRPERSON OF THE NCOP: Order! No no, no, members! Hon member, you are protected! Please continue with your supplementary question!

Ms T J MOKWELE: Hon Minister, it has come to our attention that most of our employees, especially in the hospitality industry, are grossly mistreated, in terms of them being employed via the labour brokers. Now, my question is: Have you ever met with the sister department, which is the Department of Labour, and try to address the matter of labour broking especially in tourism industry?

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If your answer is yes, what updates are there, and how we are going to assist our brothers and sisters to make sure that they are getting what is due to them in terms of the basic conditions of employment? Thank you.

The MINISTER OF TOURISM: Chair, as I've indicated to the hon member, such question for that particular detail was not what we were responding to. As I've indicated earlier on, the Department of Labour has set the standards for what has to happen and has also made sectoral determination in the hospitality sector. Therefore, we are requesting the hon member that, when they pick up such, they must give us the information because we have various departments that we have very close relationships with that have a direct impact in terms of how we are dealing with the matters in the tourism industry. Those are, the Department of Labour and the National Treasury. The National Treasury has established an immigration inspectorate that is looking into some of the issues in relation to the question.

It has also set up standards in terms of compliance with the employment of the immigrants into the country, because we want them protected as well, so that they are not exploited, neither should

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the South Africans who happen to find themselves in the sector should be exploited.

So, if such matters come up and are very specific, we are able to directly link with a particular department. Therefore, we are able to make a follow up on such matter. Thank you.

Mr E MAKUE: Through you Chairperson, Minister, we do concur that any place, particularly a workplace where people are exploited, is not acceptable. What I want to know Minister is that, since we concur on this matter, are you prepared to utilise the grading council that grades hotels and guest houses to also begin to look on how the workers are being treated in these institutions, and also to consider those unfair labour practices to also impact on how exactly the grading of these tourist destinations are managed? Thank you, Chair.

The MINISTER OF TOURISM: Chair, in terms of our new approach, we really are expanding. We are also open-minded not to streamline ourselves into tourism and hospitality, and not look at the broader things as they impact on tourism. That is why we have adopted an approach across the value chain, so that we also look on what can be put into the growth of tourism.

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In terms of the mandate of the Tourism Grading Council of South Africa, TGCSA, necessarily, it will not be the grading, but the approach with which we employ in working with the sister departments. We have the bilateral meetings that we sit on whenever a matter that happens to be outside the mandate of the Department of Tourism, as it has been passed to that respective department, even outside formal bilateral meetings, to be able to point out such matters to be dealt with.

So, hon member, indeed all of us would want that this sector be an attractive sector. At the moment, it involves long hours and the practical work. That is what is happening. We continue to want to make it to be a sector that also attracts young people so that anybody who comes into the sector can feel important and put in whatever effort to make it succeed.

All of us therefore, want to rally behind the issues of exploitation to make sure that they do not happen. If there are such incidents, please assist us as South Africans to point them out. Whoever makes a contribution must be rewarded accordingly. Thank you very much.

Ms L C DLAMINI: Through you hon Chair, hon Minister, I do understand that you do not have specific incidents about exploitation. In the

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Western Cape, where the DA claims to be governing, the majority of the employees that are working in the hospitality industry ...

[Interjections.]

The CHAIRPERSON OF THE NCOP: Hon Dlamini, please take your seat!

Mr W F FABER: Chairperson, I just to set the records straight. We are not claiming to be governing in the Western Cape, but it is where we do govern! Thank you.

The CHAIRPERSON OF THE NCOP: Your point is sustained, Sir. Hon Dlamini, the Western Cape is governed by the DA. Can we proceed, please! Order, members! Can we proceed?

Ms L C DLAMINI: You're putting yourself into deep trouble with me. Okay, I didn't want to say it myself, Chair. In the Western Cape where the DA is governing, the majority of the employees in the hospitality industry are black foreign nationals. If it is not because of the DA exploitation, one is wondering what the reason for that is? Does it mean that the black people in the Western Cape do not have skills to work in the hospitality industry? If it is not that, what is it that the department is doing, together with the DA

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in the Western Cape, in terms of foreign nationals that are being exploited?

The CHAIRPERSON OF THE NCOP: Order members! Order! Minister, it does seem to introduce a new element into the question, but I'm leaving it up to you to whether you are able to respond to it or not, because it says that you must be aware that there are foreign nationals who are working in the tourism industry.

The MINISTER OF TOURISM: Hon Chair, I hope that for the first time the DA would own up to that statement that they are exploiting people in the tourism industry, which is a matter that we need to follow up. Hon Chair, the industry or the sector has got quite a sizeable number of foreign nationals who are working in it, that issue is very clear.

On our interactions with the tourism industry, what we have established earlier on is the fact that it would be indicated that our people do not have skills to work in the sector, hence our concerted skills development programme, as government. We have indicated open opportunities for our young people, in order for them to be skilled in the scarce skills.

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We have also identified various skills development programmes that we have been embarking on, like in the fields of chefs. We also have a commitment from the industry to absorb the young people. At the same time, what also came up was whether the establishments open the opportunities for such young people?

It is a fact that, in smaller areas or in small towns outside the bigger towns, you'll find out that one wouldn't find many establishments. That is where you wouldn't have a lot of young people having the opportunities to be trained in the establishments in order to get such opportunities. But we are working very closely with the industry. It is expanding.

In the coming week we will be giving a report on the study we have conducted on the figures that we have, and we will be outlining our programme moving forward. Critical to this, it is not something that is unknown, but it is whether industry complies with the legislation as it applies into the country to have a certain number, not beyond a certain number of people who come out of the country who can work within their establishments.

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Together with the Department of Labour, the work still needs to be intensified because some of them still go beyond the numbers that is applicable in terms of Treasury regulations. Thank you very much.

Question 297:

The CHAIRPERSON OF THE NCOP: Hon members, we proceed to question 297. That question was posed by the hon Gaehler but he is not in the House and I have no instruction. [Interjections.]

Yes ma'am. [Interjections.] Are you are on the question about Mr Gaehler?

Ms T J MOKWELE: When you talk to me you...

Setswana:

...o gatelela mafoko mama, o se ke wa a gatelela tlhe.

The CHAIRPERSON OF THE NCOP: Are you are addressing me on the issue of Question 297?

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

Setswana:

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... fela tlhe mme. Ke batla go botsa Tona gore nare sefane sa gagwe ke mang? Ke leng ke botsa, ga gona yo o itseng mo Ntlong eno.

English:

The CHAIRPERSON OF THE NCOP: Please take your seat ma'am. Hon Minister, will you please just pronounce your surname, slowly so that all of us can pronounce it properly. I think that is because ...

IsiZulu:

... abanye bathi Xaso abanye bathi Xasa.

The MINISTER OF TOURISM: I will even go further and teach her and other members how to pronounce it. You just close your jaws and press your tongue to the outside and you can pronounce it.

[Interjections.] It's "Xasa".

Setswana:

MODULASETULO WA NCOP: Ke eo. Mme Mokwele, a o e utlwile jaanong? Ee, Mme Mokwele. Re a leboga mma.

English:

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Hon members, I have no instruction on the question posed by Mr Gaehler so we will pass that question and move on to Question 290 posed by the hon Mohai.

Question 290:

The MINISTER OF TOURISM: Hon Chair, the safety of our tourists is a collective responsibility of all South Africans. That is why, as I indicated earlier, the President launched the We Do Tourism campaign in May this year.

A single attack on a tourist is one too many. None of us should look away as it is an attack on the livelihoods of 1,5 million people and their families working directly and indirectly in our sector.

At a level of businesses, awareness is driven through safety tips that are often handed over to the patrons as they check in at their establishments.

As part of what is within the scope and mandate of the department, we have introduced the Tourism Monitors Programme as I indicated earlier on. We will ensure that these monitors are branded. This means that, as tourists land or come to those points or tourist spots, they will be able to identify the monitors. This means that

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they will feel safe, get information, be directed to tourist guiding sites and, at the same time, have their needs attended to.

As we indicated, the world today is practising sustainable tourism in promoting responsible tourism. We are promoting tourism that has all of us ensuring that we preserve what we have for generations to come. So we continue to drive the message and would want all South Africans to drive the same message that all of us should do tourism and do it sustainably. Sustaining it means that it has to happen in every area even if there is no man in blue, no police officer who is wearing a uniform, or somebody who is carrying a gun. We must also ensure that South Africans, themselves, become the kind of people who preserve and provide safety for our tourists.

We continue to ensure that our industry provides the kind of skills that are required. So, it provides opportunities for young people and young women to enter the tourism space because our pilot training programme in Gauteng saw 200 young people starting as tourism monitors. We are going to roll that out to the entire country. So we are looking at ensuring that this goes a long way towards restoring the confidence of the respective markets internationally. We are not only targeting international visitors;

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we are also contributing towards making South Africans feel safe as they travel and move around in their communities.

So, in doing tourism, we must all condemn these shameful acts wherever they occur but, most importantly, we want all of us to be ambassadors of our beautiful country. I thank you.

Mr S J MOHAI: Hon Minister, thanks for the response regarding the strengthening of policing measures to enhance tourism potential in our country.

As is the case with established economies, the practice of working and increasing co-ordination with civil society organisations regarding awareness and also sharing research that is conducted on heritage sites ... In this regard, are we also following suit by ensuring that we work with civil society organisations to promote the significance of the tourism industry in the economy? Thanks.

The MINISTER OF TOURISM: Hon Chair, because South Africa is not yet at that high level of being an established economy, we still care much more as we continue to develop because we really want our people to find space to also be part of the mainstream economy. So every small incident as it happens, matters to us.

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During the past three weeks, I went to Las Vegas after that shooting incident. It's like nothing ever happened there when so many lives were lost. In South Africa, we care even when a single life is not lost; just the threatening of lives. For us it is something that we care about because we want people to feel safe. We want people to come and experience our country. We want people to interact with us and understand who we are because we still feel that, through that, we can continue to develop our people.

So our awareness programmes are not now focusing on tourism programmes; we are spreading into the entire nation. We are working very closely with various government departments, local government and to the lowest level because for us it is very important. We are excited that we are even developing further into the African continent so that travellers come because South Africa continues to be a long holiday destination. When they come here, they would also want to touch base and see other African countries. We want to see that spread of awareness, safety, experiences that would meet the standards spreads through out. So we are working tirelessly to ensure that we create that awareness, we share data, research and also ensure that we promote responsible and sustainable tourism throughout the world. Thank you.

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Ms L L ZWANE: Hon Minister, I want to believe that there would be a survey in your department that seeks to inform us where these criminal tendencies are, in urban areas verses rural areas. I want to believe that it would maybe be wise to invest in tourism development in rural areas. I think local government would come in handy as well in assisting both in tourism development and marketing. Don't you think that, maybe, it would be ... I don't know if the department has conditional grants to assist local government with regards to tourism development and tourism marketing. I want to believe that it would serve a much better purpose to develop tourism activities in safer spaces like in the rural communities. I just wanted to know if you have grants to assist in that regards. Thank you.

The MINISTER OF TOURISM: Indeed, hon member, we do have grants. We want to turn those areas that are crime ridden into areas into which people can go. You will find that there are perceptions about some places. You will hear people say that it is not safe to go into townships when, in fact, there is nothing to fear in townships. People who say there is something to fear are just missing out on experiences and the heritage they would find in those townships.

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So, through these efforts we are pulling together to ensure that our townships becomes such areas where we can unlock the potential that is there, by bring out the culture, the heritage and the kind of experiences that travellers are looking for by getting closer to our communities.

We have several sets of grants that we are rolling out. The first one has been the Expanded Public Works Programme, EPWP, which concentrates on infrastructure development as well as skills development. That is where all our skills development are funded. The latest development in that programme was the graduation last week of about 16 women who were trained in the executive development programme. This programme was designed specifically to make sure that women who happen to be in the industry but who cannot get into executive positions, are given the qualifications. After graduating, five of them were promoted to general managers in big industry establishments.

So we do have those grants.

In additional to grants, some of the small and medium enterprises or previously disadvantaged who have not been in the bigger space had programmes of market access, funding, skills and several other

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things they indicated to us. So we have grants which are meant to assist and interventions like our incentive programme that are meant to assist them. We have for instance, identified a contingent of about 90 from rural areas in rural provinces and all provinces who have new products that are part of our market access. They have been travelling the world according to where their markets are relevant. They have been trained and we are taking care of them until we are certain that they are in the mainstream of the economy.

So we continue to do that. It tackles market access, issues of skills and issues of funding.

This week, as I indicated earlier on, we will be outlining the transformation fund that seeks to look into issues of operating the establishment so that we don't leave them after giving them infrastructure or giving them skills and not addressing the issues of operations and also not marketing their product. We will be outlining that and we have invited the hon members to be part of that transformation summit on Monday and Tuesday next week. Thank you.

IsiXhosa:

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Mnu D L XIMBI: Ndiyabulela Sihlalo phaya kuMphathiswa kwaye ndiphakamela nje ukuxhasa. Aba nozakuzaku uthetha ngabo bebhona kwiVeki yePhondo yethu apha eNtshona Koloni. Kukho isakhiwo esikhulu sokulondoloza imbali [museum] esinexabiso elikhulu ebendicinga ukuba sakhiwe ngurhulumente wephondo laseNtshona Koloni. Esi sakhiwo sivelise imisebenzi emininzi ngokumangalisayo kukhankanywa isebe lakho ngokuhamba phambili ekuqasheni abantwana abaninzi.

Ndibabonile abantwana ababefake imixwayo bebane bebonisa abakhenkethi ngala mini bekuvulwa ngayo. Bangaphaya kwama-5000 abakhenkethi abathe batyelela esa sakhiwo ngethuba sivulwa. Indothusile into yokuba esi sakhiwo sakhiwe ngurhulumente kazwelonke efake isandla kwiimali zomhlala-phantsi kuba bendicinga ukuba liphondo leNtshona Koloni. Loo nto indenzele ilunda kuba nam indenze ndazibona ndiyinxalenye kwesa sakhiwo. Ndifuna ukuthi Mphathiswa qhubeka ubheke phambili ngalo msebenzi wakho. Enkosi kakhulu.

The CHAIRPERSON OF THE NCOP: That was not a supplementary question, hon Minister; it was just a compliment.

Question 295:

The MINISTER OF TOURISM: Chair, South African Tourism, through their in-country offices, media partners, the Government Communication and

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Information System, GCIS, and online platforms, shared the official media statement covering the incident with the Dutch tourists, as well as other incidents that affected tourists in South Africa for all stakeholders to access. The message communicated the seriousness with which the incident was treated by government. I even have copies of the statement, should hon members seek proof to this effect. The statement issued highlighted the ongoing police investigations and efforts being made by the SA Police Service and the Airports Company of South Africa, Acsa, to address these incidents.

Hon member, as I indicated, for us, just the threat of the loss of one life, even before an incident, is way too much. We want to make sure South Africa is a sought-after destination, and we can bring in as many tourists as possible. Our strategy for the next five years is to bring five million tourists to the country - four million international and also a million domestic tourists. Thank you.

Mr W F FABER: Chairperson, I just want to clarify the following - that the Minister says she contacted the embassies regarding the issue - before I ask the follow-up question. I just want to know whether she agreed on that?

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The CHAIRPERSON OF THE NCOP: Is that your follow-up question?

Mr W F FABER: No, the follow-up question is the following: With the shocking increase in the number of murders in crime rate statistics presented in Parliament this week by the Minister of Police, have you already spoken to the Minister about the knock-on effects on the tourism economy, and what approach will you take under these circumstances to not lose tourists who will now be even more worried about visiting our beautiful country? If not, will you commit to undertake a productive approach and report back to the NCOP, as these embassies do let their governments know about the statistics, and they protect their citizens by warning tourists of the crime.

My question is ... [Interjections.]

The CHAIRPERSON OF THE NCOP: You are protected, sir.

Mr W F FABER: Thank you, Chairperson. So, my question is the following: Will you commit to undertake a productive approach and report back to the NCOP?

The MINISTER OF TOURISM: Chairperson, perhaps the hon member just wanted to hear the word "embassies". I didn't mention "embassies" in

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my response, and I indicated that in our in-country offices, we have communicated through GCIS and online platforms. Perhaps you can check that, hon member. I did not specifically say we communicated with embassies, but we have communicated, as I indicated, even on the incident of the Dutch tourists, with the specific embassies in both countries both in the country and overseas. As and when there are such incidents, we take responsibility to do so.

I also want to say that, unfortunately, with South Africa, or some South Africans, they want communicate bad messages, even where there are no incidents. I don't understand why the hon member wants us to communicate with all embassies, even when nothing has happened that concerns a particular embassy. Do you want to communicate and deter tourists from coming to the country? I hope the hon member is not implying that.

As I indicated earlier on, this is a concern from the entire government, not just the Department of Tourism. Government is working as a collective, and this approach is coming from the level of the Presidency, to ensure that South Africa continues to benefit from one sector - tourism - that can grow its economy, that can turn around the economic situation in the country. So, issues of safety and security continue to be the priority of the country, as you

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would have heard from the Minister of Police's statement too when he released the crime statistics.

It continues to be the responsibility not only of government but all South Africans. We want South Africans to rally behind the strategy of government to combat crime in the country so that we make South Africa safe for its citizens and safe for tourists when they come to our country. We have much more to offer, so help us, hon members, to spread that message and make sure it happens because if we participate where we stay and also participate in the communities we come from, we can contribute to the reduction of crime. Thank you.

Mr J M MTHETHWA: Chairperson, through you to the hon the Minister: Do you have a programme that teaches the citizens of South Africa to rally behind the programme you presented now, given that all of us should be vigilant and make sure we fight the scourge of attacks on tourists? This would mean not going to embassies and saying bad things about our country but contributing positively so that we can make sure that people come to our country and enjoy the benefits that we have. Thank you.

The MINISTER OF TOURISM: Chair, hon Mthethwa, our We Do Tourism campaign seeks to reach all South Africans. Even you, hon members,

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should get active in your communities for as long as South Africans feel they don't participate in the value chain everyone talks about regarding the creation of the jobs we are looking for and contributing to the GDP. This is where we come in to assist - by identifying those products and encouraging community participation - be it in rural areas or townships; be it in skills development programmes and/or in small enterprise development programmes. Here, as part of the programmes we run, we train them to run their own businesses and open and create markets for them.

Also, South Africans should be made to value what they are doing and value what is being done. Knowing awareness goes a long way, we think that we can go a long way. This is where we are talking sustainable tourism. This is where we are talking inclusive growth. It is where our people can be assisted in identifying these kinds of products. As government, we come in with our interventions. Hon members, in the work that you do in our communities, you should encourage them and give them the information that empowers them to participate. I think it would go a long way. Thank you very much.

Question 332:

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Hon Chair, thank you for the opportunity that we are being provided to share some

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economic information with the House. First and foremost, the Competition Commission imposed a R1,4 billion penalty to construction industries that have been found colluding. This is sending a message that no company can abuse its dominance to crowd out small and emerging contractors.

Secondly, the Minister also used the opportunity to engage the affected companies to persuade them to say, given the situation that they are in, could they not consider committing to put together voluntary measures that would contribute to a transformation of the industry. This has given rise to what they call Tirisano Consulting Engineers.

In this partnership, companies offered percentage sale of their construction and civil engineering business or part of the equity to black owners identified by them, ranging from 25% to 100%. In this instance, an example is Murray and Roberts that sold its total 100% to a black-owned company. Other companies, like Aveng Grinaker-LTA, Group Five, Basil Read, WBHO, Stefanutti Stocks and Raubex are finalising their deals with their identified emerging black contractors.

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It is anticipated that not less than 20 black-owned companies or investment vehicles will benefit from this transformation committee and this will be announced in due course. Thank you.

Mr S G MTHIMUNYE: Hon Chair, I am very particular with the narrative that says: Once empowered, always empowered. It has been bothering me for some time now. Deputy Minister, how do you monitor this situation to make sure that scenario does not happen in this particular case in the aftermath of the verdict by the Competition Commission? This is so that we do not see the self same big companies - be they black owned or otherwise - not benefiting numerous times at the expense of the emerging contractors.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: In this case, it is a discussion that has take two years and we have given it to the industry itself to show this commitment. We allow them to identify companies that they believe they can actually sit, adopt, have confidence in and hand hold them. So, when they give the 100% to that emerging company - in this case, it was Motheo Construction - they didn't abdicate the task of hand holding their beneficiary until they are sustainable. They also kept the contract that they had with them within the country and in the continent.

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Can I also point out that one of the commitments that they have made was to put on an amount of R1,5 billion that had to do with the development of the industry in general. So, you give bursaries to engineers, to professionals and so on, to assist emerging companies to have capacity that will take them a little bit further.

Some of the companies here will also be subcontracting and giving contractors to specific companies to lift them up in the next five years to a higher level than where they are currently. The contract is concrete and sealed: It is a formal contract that commits them to do something.

Mr M T MHLANGA: Chair, let's welcome the response from the Deputy Minister. Perhaps I have one clarity-seeking question: Focusing on women entrepreneurs, the IDC has created a fund for women entrepreneurship. The fund was injected with R1 billion Transformation and Entrepreneur Scheme set up to finance marginalised groups, including people with disability. So, I just want to know: Whether this fund is assisting the course; and how many women companies were able to be empowered, including other marginalised groups?

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The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: The Minister has taken a position that we shall use our institutions to drive transformation. So, in the Competition Commission and in IDC, all we will use is policy to ensure that transformation takes place and we enforce it. So, in all the measures - when we deal with measures or any other trade - we make sure that youth participation, women participation and participation of people with disabilities are taken into account.

In this case, the fund that was established in 1998 was R300 million, which was disbursed to companies. However, it was later discontinued because when the Minister engaged with the IDC, he thought that to hide behind R300 million was not enough. We needed to start lifting up empowerment and build it in - not as a separate small thing that you are trying to make women feel good, but - as part of the programme from inside.

I must say that on this day, last year alone, we had seen it moving from IDC approving R3,2 billion that was given to women-owned companies, which constituted something like 178% increase in terms of support for women entrepreneurs.

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Mr L V MAGWEBU: Deputy Minister, we now know that collusion in the construction industry is huge. Unfortunately, the Competition Commission could only investigate cases that took place after September 2006 because the Act itself does not operate retrospectively. Having said that, here is my question: Can you agree that it is time that your department should consider an amendment to the Act so that we could cover cases that occurred even before September 2006, because if this is left undone, it undermines the emergence of black contractors? If you don't agree with me, then why not?

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: We will agree with you that there are definitely a lot of things happening. When we created this Act, we were aware that we are venturing into a space that we will not be concluding all the challenges at the time. We also knew that we would have to be organic, look at things and review from time to time. I think you will glad to notice that we are now having a discussion and a Bill is going to be brought into Parliament.

It will be looking at the amendment of the Act. Last time when we amended it, we wanted to criminalise and that was done. Now we are amending to reduce concentration and promote inclusion. So, if that

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point can be raised as we engage in that discussion, it would help the public debate that. It will be very helpful.

However, I must indicate that this Act has actually become a very critical Act that sets an example to the whole world. We have seen many people coming into South Africa. Even those that had such acts before are beginning to come in and say: Can we see how you are actually handling your matters. Thank you very much.

Question 339:

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Hon Chair, corruption has an impact in economic growth wherever it occurs, the whole world it has been acknowledged. Over the years the negative impact of corruption on the economy has been echoed in national, global and multinational organisations and institutions. Institutions like the World Bank and World Economic Forum have provided estimates of laws of gross domestic product, GDP, due to corruption. These estimates suggest that costs are very large. However, there were not able to drill it down to the level of individual countries. The other complication that makes it to be like that is because it is difficult to measure the totality of the course of corruption because it is only those that we have seen that we are reacting to that we can measure, but we can't go deeper into those that are

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happening in the dark and those that are happening by manipulation of legal frameworks. You can't be able to deal with that.

We are saying why South Africa is ranked 45 out of 176 countries where first means most corrupt. We have a reason to worry when there is so much noise around corruption, and sinking in our institution and what we would call a state capture. Thank you.

Mr L V MAGWEBU: Deputy Minister, as you have conceded yourself that corruption is rife and prevalent in South Africa and we are becoming the most corrupt country in the world, now, I want to know from you because there have been many voices that stood up against corruption because it undermines investor confidence and economic growth and that again is common course we agree that you have just concede as well. Why have you yourself in your own conscious stood up as the Economic Development Minister and said that you know all those involved, state capture, Gupta-leaks and all that corruption 783 charges against Mr Zuma. Why have you kept quiet and not said these issues must be dealt with and join the voices and be on public record or you are just towing a line a typical of another ANC Minister to survive.

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The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Magwebu, you do know that you are actually pushing it. I'm going to leave it up to you, Deputy Minister, if you want to respond to this question.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Hon Chair, why are we not loud about it? The Minister Patel in his Budget Speech in this House has said that where there are real and legitimate concerns about corruption, state capture and about the diversion of people's money to improperly benefit individuals' ability to forge partnership between the state and the rest of the society, it is seriously undermined. He then outlined and calls on all of us to pay attention to that and to deal with that. Therefore, we indicated that the Competition Commission is alert in terms of the private sector corruption and also pointed out that the Minister has had a discussion with the Industrial Development Corporation, IDC, to identify things that might be creating conducive climate for corruption.

For instance, the IDC now its board has taken a decision that its members will never do business with the IDC and it will never apply for loans in the IDC. It will also expose and publicise people that are dealing with business with itself so that people if they have tangible issues that they want to complain about will deal with

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that. However, just dealing with the issue of as to whether we are becoming a highest capital of corruption, we are 45 out 176. We are actually at a lower ... [Interjections.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Talk to him through me, Deputy Minister.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: We haven't shown any steps that are making us to grow up towards 176, we are actually there. We have got strong institutions and legislatures that are making sure that we don't move out of that, instead we should be able to go into a different direction.

Ms T J MOKWELE: Led by whom? Led by whom?

Ms L C DLAMINI: Hon Chair, through you to hon Deputy Minister, thank you for the response. On the private sector corruption as you have just said it now ... I just want to check why we call corruption in the private sector collusion and why it is not treated as crime as it is happening in the private sector because crime is crime. There are made to pay penalties or fines, yet corruption in the public sector is crime. Those who are to be arrested are arrested. Why this separation and what is the impact in the economy of the country?

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The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: The crime is crime and corruption is corruption. However, in terms of the sectors, it has got different definitions around them. For instance, if you manipulate laws to benefit yourself or a group of people organise themselves to manipulate laws and people so that they can go and do things for them, in South Africa it has come to be known as what, state capture. You can't say that you are calling a state capture therefore it is not corruption, actually it remains corruption.

When we talk about collusion within the private sector, there are different types of corruption so that when you deal with them you must use a specific law to follow them up to the end, because if you leave it open it then create a problem when you have to persecute. That is why they call it that this one is collusion, this one is a bribe, and then you follow it in a different format. That is the reason why it is like that, but is all corruption.

Ms T J MOKWELE: Crime is crime, including 783! Nepotism!

Mr E MAKUE: Hon Chairperson, through you to Deputy Minister, my question would relate to what it is in the original question, the second part that talks about what actions your department is taking to ensure that South Africa is on a positive economic growth path,

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mindful of the fact that government is not only a player in economic growth, but that the private sector has a very important contribution to make there as well. I would like to inquire from you, Deputy Minister, what is your experience as a department with regard to the preparedness as well as the contribution of the private sector to contribute towards our country's economic growth. Thank you.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Hon Chair, indeed even the Minister has emphasised this point that if we want to have a credible growth story it must be anchored on an economy that is transformed to be inclusive and it must be anchored on a deepened partnerships. If you were to ask me in terms of what the private is actually doing in South Africa, I could say that currently in terms of investments and the contribution to job creation the private sector is still dominating the sector in terms of investments.

However, the only thing that we are worried of is that its stagnant over the years since 2009, it has been stagnant and it doesn't increase its own investment, probably this is what we are investigating and interrogating and we would have had the Minister of Finance engaging on this matter on some of the issues that they are actually raising and showing discomfort on and instructing us to

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begin to do certain things around them to be able to allow them to participate freely within the economy, including issues of a perception of us not being clear and our policy direction not being stable. That is why we are anchoring now to get it to be done. That is why also you see the Minister of Finance talking about 14 confidence boosting actions that we must take in order to ensure that our partnership becomes strong.

There are other things that the private sectors have shown that they are beginning to come in. One of them is the one that have been announced by the Minister yesterday, one of the commitments that they have made. Another one is the one that we have just spoken about it in the construction company that a private sector is coming in and says yes, we can play a role here. Thank you.

Mr B G NTHEBE: Hon Chair and Deputy Minister, I think the silent narrative from our learned friends should be exposed and you were very eloquent in exposing the difference that even if it is state capture or it is corporate state capture, we still remain in enthusiastic in getting rid of them. Now, we know and you know that whether it is corruption in the private or public sector, it is bad for the economic growth because it erodes and displaces investor confidence. Would you concede Minister that you have just said that

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R1,4 billion fines has been given to the corruption in the private sector which sometimes we complain that it is not even 1% of the total turnovers and this probably will form part of the amendment to the Bill. Would you concede that the same enthusiasm to fight state capture is necessary to fight corporate state capture? Thank you, Minister.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Chair, anything that looks like corruption or anything that smells corruption is our duty that we should fight it with the vigour that we have. Whether it is called collusion, whether it is called corporate state capture and whether it is state capture... [Interjections.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Don't drown out the speaker.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: ... we need to fight corruption because corruption takes from what we are supposed to do for our people. Thank you.

Question 335:

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Thank you very much Chair. The 14-Point plan was unveiled in July this year by the

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Minister of Finance and it introduces a range of short-term and confidence building measures. It is a 14-confidence building initiative. It includes fiscal policy, financial sector and tax policy, leverage public procurement, recapitalisation of state-owned entities, SOEs, broader state-owned entities, private-sector participation, costing developmental mandates, energy, SA Airways, telecommunications, postbank, minerals and petroleum resources, broad-based socioeconomic empowerment and regulation on land holdings.

If you look at these aspects, they are actually broad ranging and touch across departments. Our focus is more on what it is that we can do with what we have. We have a department and we have institutions like the *Industrial Development Corporation*, IDC, the Competition Commission and we also have the trade and administration commission. So how can we make use of that to assist the Minister to be able to realise this? What we in the department do is to exactly use those levers in order to be able to assist him to do that. We are going to elaborate a little bit later in the other Questions. I wouldn't like to take my ... [Inaudible.]

Mr M RAYI: Thank you very much hon Chairperson and thank you hon Deputy Minister. Given that our economic rate is consistently

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revised downwards, would a 14-Point plan be able to boost our economic growth? Attached to this Question is the following. Given that we are trapped in a low-growth situation, would we be able to achieve radical economic transformation?

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: The 14 confidence building points should not be treated in separation with our commitment to the National Development Plan, NDP; not to be treated separately from what we said we will do in the NDP; with what we have outlined in the New Growth Path, NGP, and it should not be treated differently to what we consolidated later in saying in our implementation of the NGP we think we are weaker in the following areas and the President announces and says, our major focus will be on those weak areas which are in the Nine-Point plan.

So the confidence building is saying ... in as much as we are trying to do that, outside investors, other people and other role-players have identified that we are weaklings in these specific areas – the SOEs, in our fiscal policy, in the different areas that we have actually ... We said that we are going to have local procurement but we are not so clear there.

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So those confidence building 14 points are meant to inject that energy that is going to trigger development in all the areas, whether it be in beneficiation ... which you say ... whether it is in agriculture and agroprocessing or whether it's in manufacturing. So when you have done so you'll be able to trigger ... to move onto the next point.

That's why we were so thrilled and we had confidence boosting, even to us when we saw ... when we were implementing more and more of these measures, we saw a little bit of relief in the first quarter of this year when the economy picked up. We want to put that resilience so that we keep it going up and up.

Ms L L ZWANE: Thank you Chairperson. Hon Minister, yesterday during the Medium-Term Budget Policy Statement the Minister of Finance made mention of a very important concept, that of start-up funds, which is a collaborative effort of the Ministry of Finance, the Ministry of Economic Development as well as the Ministry of Science and Technology.

What I wish to know is whether that fund has been completely established. If it is, what format is it going to take, how is it going to be accessible and what size of businesses is going to

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benefit from it? To me it brought a lot of hope to the business sector.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: In its implementation of the Nine-Point plan, government from time to time identifies areas of weakness that needs boosting. Part of the areas which have actually come out strongly is whether, when we develop and mobilise our emerging contractors and women, they are able to participate in the industry without financial support. So we then create specific programmes that have to do with that.

Such kind of fund ... the first one that we have done ... you would've seen is the Black Industrialist special Programme which is funded in a specific way. You would see that while we have established it in the Department of Trade and Industry, even in the IDC they have just disbursed 4,7 billion on that.

There's another one that has been created. It's a number of initiatives. Another one that is going to be created focuses on agroprocessing, which is a discussion between the Minister of Finance, the Minister of Economic Development and the Minister of Agriculture, Forestry and Fisheries. They have created a focus in the IDC that focuses on that particular sector.

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The one that Minister Gigaba spoke to yesterday has got to do with an area of innovation; where we have young people that are innovating; where they create new things that can actually assist us in manufacturing. One of the examples that I can give you is with regard to one young man called *Lesolang*, who has created a gadget to save water leakages in toilets. Out of the specific set-up support that assisted them from IDC, he has created three factories. Two are in Johannesburg and I think one is in Durban ... where they are doing now.

They want to expand that into information communications technology, ICT, and all the areas where our young people ... There are actually a lot of young people who are doing that and they are not assisted in that.

So they are busy. There is a discussion in terms of how it might be created. It won't take long because the framework for it has already ... We have a framework in the other areas that have done that. I've just outlined it.

Mr L V MAGWEBU: Deputy Minister, you know, I'm confused now. I don't know which plan we are following. There are too many plans. You know, there's a 14-Point plan, a Nine-Point plan, a six-point plan,

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NDP. But, it seems to me that the only plan which is working is the Gupta plan. [Interjections.]

Be that as it may, here is my Question to you. In fact, I put it to you that the instability in the ruling party right now undermines economic growth and development. There is no plan that will succeed until there is stability and leadership provided. What is your comment, sir? [Interjections.]

The CHAIRPERSON OF THE NCOP: Order! Deputy Minister? Order, members.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Thank you. Maybe, to assist the hon member ... we have got the NDP. So if in the Western Cape you have a provincial development plan it doesn't make it different. It draws it from the main plan. [Interjections.] So, at national level when you say how do we implement the NDP, you then come in 2010 and say we ... [Inaudible.]

The CHAIRPERSON OF THE NCOP: Hon Mokwele, do not drown out the speaker.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: ... in order to accelerate our work towards meeting the NDP. We shall focus on the

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NGP with the following things that are mentioned. Later you evaluate your work and say, now we are going to emphasise the following areas in the Nine-Point plan so that we move forward.

Now, because we have pressure from investors, we are saying, no, we see you going but we think these areas are ... [Inaudible.] ... We say to you that we are giving you a 14 confidence building plan.

So there is no other plan than that one. I don't remember the National Assembly or this NCOP discussing any plan called the Gupta plan or something. I only know that you have adopted and given us a NDP ... [Interjections.] ... to go and implement. There is nothing that the executive can implement that hasn't been approved by this House.

Mr B G NTHEBE: Deputy Minister, I want to concentrate on two things in the main. On the fiscal part, we know that our revenue collection has taken a dip and according to the 14-Point plan we should be in the era of fiscal consolidation. I think its one of the things that we must consider.

On the micro level, we know that we should be at the level of stabilising the economy. Now, you keep referring to the development

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finance institutions, DFI's. Can you please elaborate on the socioeconomic trajectory that we want to pursue as the country in terms of the DFI's? We must probably be eloquent about the role that ... We don't want public expenditure to crowd out private investment. What is the role of the DFI's in that regard? Thank you, Chair.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: If you look at your world outlook, we have two economies that we normally refer to. It's the US economy and now the Chinese economy. The Chinese economy came late into the picture. What is it that has made it unique ... that has made it come up and which has turned the tables?

It was to ensure that when we are at a developmental state and others have already overtaken you, you need to ensure that you use every sector and every point where you have strength. So in that case they used the state as a lever ... using the SOEs and leveraging it with your DFI's because your DFI's are the ones that are supposed to close the gap where the private sector cannot go. They are the ones where the private sector can say we are not going to be able to invest in that direction. You will use your DFI's to be able to risk because you have got ... and provided you have a plan that is in-built to safeguard that risk ... [Inaudible.]

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So, in this case we use our IDC ... our DFI's in that way. We let them go and invest where they will save us jobs. We let them go where we feel that they must go and input so that we have an increase in jobs. That is why when you look at our statistics you will realise that we have made an intervention in the textile industry and saved so many jobs and created others. We have intervened in your steel industry where we saved so many jobs. Hon Mthimunye comes from Mpumalanga and he knows of a company that was known as Highveld. It's only ... No-one would have wanted to finance any person there. It's only the IDC that has done so. Thank you very much.

Question 352:

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Chairperson, in South Africa, as well as globally, there is a growing recognition that social economy can and must play an important role in the economy. The New Growth Path suggests that up to 260 000 new jobs could be created within this social economy. We also pointed out that achieving jobs and other targets for the sector would require comprehensive government support, the development of a stronger networks and leakages within the social economy itself, as well as collaboration between government, unions, community investment initiative to create jobs in this sector.

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The department has initiated a process towards developing a policy framework that will guide the development of South Africa's social economy informed by both international and local evidence based research. We are currently finalising a Social Economy Discussion document and expect that it will be ready by mid November 2017 so that we can use it and go and meet with practitioners, experts and other social economy stakeholders in order to solicit inputs towards the Green Paper on Social Economy for South Africa.

It is envisaged that the Draft Green Paper will be referred to Parliament in 2018 followed by a Draft White Paper and a Draft Policy on Social Economy to be submitted to Parliament in March 2020 with various national, provincial and regional consultations throughout the process.

The department in partnership with the government of London and the International Labour Relations have signed a memorandum of understanding as part of countries cooperation agreement to develop a consistent and coherent Social Economy Policy Framework for South Africa informed by both international and local evidence based research. The fundamental aim of this project and all our work on the social economy is to correctly identify the opportunities and challenges in the sector so that we can be able to graft policy that

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newest, sustainable and effective in supporting the sector's ability to grow, create jobs and promote social and constitutional values in South Africa. Thank you.

Mr E MAKUE: Chairperson, now that we have been joined by our Members of Parliament from the Finance Appropriations Committee, we have to be very careful what we say when we look at our future plans. We are however, in agreement that when we talk about the socially economy, we are talking about the rich diversity of enterprises and organisations that are sharing common values. Now, all parties are not of the same size and do not have the same footprint. We, as the ruling party have to be mindful that we are not accused again of creating jobs for people who are members of our party but I think that my question to you hon Deputy Minister, would be in the light of the Medium-Term Budget Policy Statement that was given to us yesterday on behalf of Cabinet by the Minister of Finance. We recognised that we are experiencing serious fiscal constraints. My question would be: "Has the Department of Economic Development given attention to where we are going to get the capital from to inject in the social economy?" Thank you.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Chair, we are learning. What we are going to do in terms of putting the edge, we realise is

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that we are not actually going to create something that is not existing. What we are beginning to see is that it is something that is in existence and defined that must be lifted into law. I just want to point out this example as I respond to this. On Saturday, I went to eThekweni. When I got there, I addressed 3500 representatives of stokvel clubs. We actually thought that these clubs are just stokvels because they buy consumables. What we realised is that they deal with the money that we give for children's grant and elderly. They say that they put it together and buy once in a year grocery that will lift you until the end of the year.

The other thing that we realised is that within them, they have others who are vendors and they negotiate deals and where I was they have negotiated with a distributor to give them consumables at a discounted price. So, it is an economy that has gained its own traction that we need to be able to divine. Where is the money going? The money is already there and part of the things that we are using money on might even call for restructuring on how we deal with it. If we've got a group of people with hundred kids who are receiving grants and they put the money together ... they were saying to me that they want to co-operative bank so that when the money comes, they will have one bank and that money will have

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conditions and principles on how it will be used so that individual parents must not abuse it. You see, it is an organic development of a policy that we believe that it is going to be an interesting one when it comes to its completion. Thank you.

IsiXhosa:

Nks T WANA: Sekela Mphathiswa, mna ndicela nje ukuqonda ukuba nanjengeSebe loPhuliso lwezoQoqosho, nenza njani ukulungiselela, umzekelo, abantu abaphelelwa ngumsebenzi bakwazi ukubuyela kwimeko yabo yezoqoqosho ezinzileyo. Umzekelo, abantu abasebenza emgondini. Ingaba likhona kusini ixesha elisikiweyo lokuba xa befumene omnye umsebenzi baza kuncediswa njani ukubuyela kwimeko yabo yezoqoqosho ezinzinzileyo. Umzekelo, nanku umntu waseMpuma Koloni obesebenza emgodini waphelelwa ngumsebenzi, lithini na ke isebe ukumnceda ukuze akwazi ukufumana umsebenzi wesakhona ebenaso ngela xesha ebesenza emgodini ukugweba le nto yokungqongophala komsebenzi ongekho.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: There are various initiatives that are conducted and small business in most cases focus on that in the form of co-operatives and small businesses that are interested in entering the market. But what we do as the Department of Economic Development to ensure that we don't lose that? We interact with provinces and looked at the activities that

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are happening at that level, even to a level where we interact directly at municipal level where they are interacting with the potential entry into the economy.

Through working together with the Department of Small Business Development and their institutions like Small Enterprise Development Agency, Seda, we provide support that allows them to understand on how to participate in that. Even in terms of the choice of where you are supposed to participate, you might make a choice where you are going to fall and not be able to have support. It might be that your approach might need to go the route of social economy, the co-operatives and stokvels so that you have the support of others in order to be able to move forward. Those who are able to enter into the mainstream, we then leverage your Industrial Development Corporation IDC, Small Enterprise Finance Agency, Sefa, to be able to assist in that.

Empowering people who are entering is not easy. One time you assisted me with a view of looking at a question of establishing vendors, which is something that is very critical that we will actually look at. I know that Minister Zulu got some framework and beginning to look at that direction. Thank you.

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Question: 340:

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Chairperson, the department and its entity do offer bursary schemes. It ranges between offering its employees and those that are outside. All of them offers their own employees as well, but the Industrial Development Corporation, IDC, and I-tech also offers those that are coming from outside addressing areas of skills shortages, for example the IDC on an annually basis grant about 70 new bursaries to academically deserving students. The total number of students is around 244 that are supported in this annually, when it is brought together. Thank you.

IsiXhosa:

Mnu L V MAGWEBU: Enkosi Sihlalo, ndiyabulela kakhulu.

English:

Deputy Minister, I heard your response. You are talking about 70 plus scholarship-bursaries you are running. I am sure you will agree that is not sufficient, given the immense poverty and the challenges of financing the education of our children in this day and age. Having said that, here is my question: Would you commit today that in your department you will make sure that these performance bonuses that are being paid huge amount to the top heavy structures we have

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in the ruling-party government, that money will be used and be channelled for our students so that there can be more available as your contribution amongst many other institutions. What is your take Minister? Thank you, Chairperson.

IsiXhosa:

Enkosi Sihalalo ndiyabulela, Motara thula wena uyamosha.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: When coming to fiscal discipline, I think the Minister of Finance has outlined what is it that we must do, all of us, not pointing at us with words. He has outlined to us that we should be focussing more on what it is that we can do with the compensation money. In terms of whether I could be able to stop the organisations from using the structure, I can only say that within the Department of Economic Development. This is something that we can pay attention to and look at it and emphasise that when we do our structures must link to the job and the compensation. The competence and the compensation must talk to each other. Even our institutions whether its IDC or Competition Commission, that is the practice that we ...

In terms of the amounts that are required, these are the interventions done by these institutions. We must remember that we

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have got a Human Resource Development Council, where private sector, nongovernmental organisation, NGO and other organisations are involved in that. The totality of the contribution of the government would then be found in the report of Human Resource Council that is led by the Deputy President and is stationed in the Department of Higher Education. If you want to have a bigger picture of what is the impact, we actually have it even in terms of the contributions of the different departments.

Ms L C DLAMINI: Hon Chair, skills development is not only a government responsibility to ensure economic growth. Private sector as well has got a responsibility to do so. May be following to what the hon Magwebu was saying, the possibility of reducing the huge salaries of the chief financial officers, CEOs, channel that money to bursaries. What is business doing in order to ensure skills development in the country?

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Dlamini, take you seat.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Chair, I will go back to what the saying that we have got the Human Resource Council that co-ordinate the contribution of all of us from the private sector

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and the public sector, and any other organisation in between that might want to do that. So, there are contributions that are done at that level. There are also some interventions that are done at an individual site for each one. However, as to the issues around whether we can take money from somebody who is paid and do something else, it's a policy debate that probably belongs to the House. So, it's something that we can look at, but for us, we agree with you - equal pay for equal work. People should be paid according to their competencies and what they produce. That principle must apply and the gap between the high earners and the lower earners should be closed. We agree with you that all of us in different organisations, whether in government or the private sector to ensure that we broaden the gap.

Mr J M MTHETHWA: Chairperson, referring to the Deputy Minister, the department and its entities are offered bursaries and scholarship to enhance skills also to provide education. Can you provide statistics for the young people who benefited on this programme? Thank you.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Deputy Minister, you can often provide us statistical material that's up to you, but please, remember if you are wrong then this House will say you have misled it. Be very careful how you answer this one.

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The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Chair, I just wanted to indicate that we do keep statistics when we check in our institutions. When we have reports, we check where they are allocated. At the current moment, I will not be able to have ... who ... which level ... which one are old ... women, but I can just point out in 244 that we have a spread of them in the different sectors - 86 in engineering, 68 in accounting, 33 in medicine, 70 in agriculture, 10 in computer and science. Just to take the higher one to show. When you look at them, you can see that they speak to the areas of skills needs. So, we do have that and we keep it. It also indicates who is in the first year, the fourth, and the fifth year and who is doing the junior degree, diploma or the doctorate. Thanks.

Question 333:

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon members, we go to Question 333 put by the hon Mthimunye. Deputy Minister ... [Interjections.] Hon Mokwele, you can converse but we just don't want to hear and it must not disturb us with the business.

Ms T J MOKWELE: [Inaudible.]

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The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Mokwele, please. You are free to converse but please do not disturb the business of the House. Deputy Minister?

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Chair, hon Mokwele promised me that this time when I come she is not going to do that but I see she continues according to our previous contract.

[Laughter.]

The Industrial Development Corporation, IDC, and the National Empowerment Fund, NEF, are developmental institutions with a common approach in advancing finance enterprises. They are synergies between the two Development Finance Institutions, DFIs, especially around promotion of economic empowerment of historical disadvantaged communities or persons; the development of small and medium enterprises and co-operatives; and facilitating the set creation of employment especially in underdeveloped regions.

This merger is envisaged that the two entities will be able to increase opportunities for better collaboration and reduce duplication and overlaps. It must be treated as part of the processes that we have embarked on to consolidate State Owned Entities, SOEs, and DFIs. In the case of the DFIs, we have already

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started with Small Enterprise Finance Agency, SEFA, when we said for it to be sustainable and be able to leverage further resources from a balance sheet of a stronger organisation, it must be a subsidiary of an IDC - and it is doing well now.

In most cases, the NEF focuses on services while IDC focuses in manufacturing although the key task of the NEF is on empowerment. Whatever it does, the key thing is empowerment while in IDC empowerment is part of the rest of the other things they must do. In this case, NEF has been doing a lot of work and there is a lot of demand on it. You will be looking at a possibility of it being given more muscle to be able to do that. That can be done by either recapitalising or give it something that will give it that leverage.

In this case, we have taken a route of making NEF a subsidiary of IDC so that it can leverage on its balance sheet. If it needs additional money in between, the board can decide on assisting it with funds so that it can carryout its mandate rather than waiting for a long period to negotiate with Treasury for additional resources. That is what we are looking at. Thank you very much.

Mr S G MTHIMUNYE: Hon Chair, to the hon Minister, you wouldn't mind sharing with us the details of the genesis of what underpins this

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merger? If you will not mind, with your permission Chair, can I respectfully submit that we receive such details in writing please?

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Chair, we have already indicated that it is within the realm of the task that you have given us as a legislature to look at whether we cannot consolidate our SOEs and our DFIs. If you look at their accounting mechanisms you can't say one of them has a problem because they are actually stronger. What NEF is beginning realise is the fact that there is more demand on the empowerment side sometimes to a level where even its resources get depleted. So, we have it within the IDC that a decision can be taken with the board and just clear it off.

What I can add on that is the governance part that people are worried about. If you take NEF which has an authority and IDC also has an authority, what do you want to do with them? The principle that we are following is the same one that we have followed with SEFA that the authority that deals with the subsidiary will still have an influence in terms of definition of policy in relation to the mandate that has been given to them. That is how it has been structured. Our core driver was to ensure that there is effective implementation of the mandate of empowering and the strength that we identified was in the IDC balance sheet.

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Mr B G NTHEBE: Deputy Minister, there are two things involved. The NEF and the IDC are having focal responsibility; NEF was in particular an empowerment of Black Broad Based Economic Empowerment and IDC is looking into market penetration and the creation of other industries that do not particularly exist but also penetration into the continent broadly. Through your response you said that there is adequate experience that they are both functioning together, but if we merge the two, are we not probably defeating the focal point that the two responsible agencies have so that that fiduciary responsibility versus good governance is not tempered with? Thank you, Chair.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Companies and subsidiaries do happen in practice in our ... It doesn't take away the responsibility of a board of a subsidiary in terms of issuing judiciary responsibility and its accountability to the authority. We have seen that happening while working with SEFA. We don't believe that it's going to create that kind of challenge. The only thing that the overall board of the IDC will be looking at is the overarching governance issues in it and also on funds that they have been dispensed into the NEF.

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Just to point out that it is important that this IDC - which is an institution of our own that we have inherited - has so many years in operation which is something we should be leveraging on to assist the other one. Thank you.

Ms T MOTARA: Deputy Minister, you have found a situation where some companies can go to the NEF and IDC and be assisted by the board. What will be the situation now with the merger; will they only be able to source funding from one entity or the main entity as well as its subsidiaries? Thank you.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: Let me say that currently when a company or an individual wants assistance from our DFIs and doesn't know the difference between them and puts in an application to IDC, IDC is able to say that this one would be better assisted by SEFA. Sometimes when SEFA receives an application and they see that it does not belong there, they then refer it to the right place.

We believe that the same principle will apply with NEF and IDC where the consolidated empowerment initiative will be led by NEF even if it means certain amount that they have in certain programmes are run

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by the IDC. We leverage that experience and strength of the NEF to also influence IDC in terms of empowerment.

Mr L V MAGWEBU: Deputy Minister, in your response you talked about downsizing and cutting costs and we welcome that. In fact, the merger between the two entities is long overdue. Having said that, my question is: Can we take this cutting of costs and downsizing a notch up and look at the government departments and downsize them? We have about 40 government departments while we can do with 11 or 12. What is your comment on that? We are taking the downsizing now; we talking economics. What is your response, Deputy Minister?

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Deputy Minister, your competency is to confine yourself to entities under your department and not under the ministries. You are not competent to deal with that one. You can respond to the part that you can deal with.

Mr L V MAGWEBU: Just your view.

The DEPUTY MINISTER OF ECONOMIC DEVELOPMENT: I can offer you a view based on my skills and what I have studied. Organisational design - whether the spread is so wide or closer - depends on the level of

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development in that environment where they operate or the situation where they are. In a situation where you haven't yet consolidated, you spread it so that you must deal critically with issues that may be falling by the wayside. As you continue, you start fusing them together because you have already defined what they are and then you are able to take it forward.

I believe that is the case in what we are doing here with the IDC, NEF and SEFA. They have been operating together on the side and they have been having a lot of institutions. We consolidate them because we understand clearly what each area requires. That is what you do in organisation but I don't know which stage South Africa has reached. Probably when we defined it together, me and you, we will be able to advise our country.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Deputy Minister, that exhausts your set of questions for today and we thank you very much. [Applause.]

Question 337:

The DEPUTY MINISTER OF LABOUR: Chairperson, I thought you were going to say, "Hon members, you have run out of time". [Laughter.]

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The CHAIRPERSON OF THE NCOP: We have decided to cluster so that members have ample time to ask their questions.

The DEPUTY MINISTER OF LABOUR: The basis of the Auditor-General's adverse opinion was on investments of Unemployment Insurance Fund, UIF, funds in the Public Investment Corporation, PIC. The value of the investments reflecting in the annual financial statement as R135 667 993 000 did not tally with the amounts in the supporting documents. Additionally, significant investments in subsidiaries and associates were not consolidated, and equity was not accounted for. This, though, does not mean the money is not there. It is merely a new accounting standard that was not adhered to by the Fund, and going forward, this will be corrected according to the advice of the Auditor-General.

Regarding the question as to why this has happened, especially in the 2016-17 financial year, firstly, it is because it was the first time the Auditor-General had raised the matter as an audit query. It had never been an audit query.

Regarding the question whether accounting systems are synchronised, those of the UIF and PIC, the accounting systems between the UIF and PIC are not synchronised currently. However, regular meetings

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between the two entities are being held to address the system's challenges. As an interim measure, the UIF is now preparing quarterly certificates of balances instead of relying only on annual certificates. This will mitigate the risk of incorrect certificates of balances at the end of year.

Lastly, the Fund has developed a management action plan that addresses the audit findings. The progress report on the management action plan is presented to the governance structures on a quarterly basis to check implementation. Thank you, Chairperson.

Mr M RAYI: Chairperson and Deputy President, I accept the explanation to my question. All I would like to ask is whether there is any guarantee that, in the next annual report for 2017-18, we won't find an audit query on the particular issues that I have raised. Thank you.

The DEPUTY MINISTER OF LABOUR: Chairperson, at the risk of binding myself on matters that are also reliant on other people, I think the department is in a position to give that assurance that, as the problem has been identified, we should be in a position to ensure it doesn't arise again when next we have to account to the NCOP.

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IsiXhosa:

Mnu L V MAGWEBU: Enkosi Sihlalo, ndiyabulela kakhulu ngexesha lakho. Ndicela ukubuza Sekela Mphathiswa ohloniphekileyo...

English:

...this is a big problem - I am sure - the regression of audit outcomes in the UIF. In your response, you indicated this has been caused by failure by officials in that department to adhere to accounting standards. Surely, there have to be consequences, not true, sir?

I would want to know from you the following: What has the Minister done to deal with those that failed to ensure accounting standards were observed? There has to be consequence management, isn't it? Thank you, sir. I await your response.

The DEPUTY MINISTER OF LABOUR: Chairperson, I thought I had indicated in the main response that previously this had not been a requirement relating to an audit query. Now it has been established as an audit query, an undertaking has been made that the directives of the Auditor-General will be adhered to and respected.

Question 346:

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The DEPUTY MINISTER OF LABOUR: The question by Mr Magwebu relates to the matter of labour inspectors. The Department of Labour has 1 392 labour inspectors and the sub-question to that one relates to the effectiveness of the number of labour inspectors that we have.

The department doesn't have sufficient labour inspectors to ensure that enforcement services are effective. With regard to international best practice, the department is 835 inspectors below the required international standard for the economy of our size. The inspector-to-worker ratio for developing economies is one inspector for 15 000 economically active population.

According to Statistics SA's recent statistic, the economically active population is 22 277 000 people, therefore if one considered the IOL recommended ratio and the number of the economically active population in the Republic, inspector worker ratio required by South Africa is one labour inspector per 16 000 workers. It is for this reasons that it remains a challenge for the department with regard to ensuring that inspections and enforcement services are effective and detection of issues of non-compliance done timeously.

In order for the department to meet its obligations with regard to this matter finding additional resources to engage the shortfall in

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the numbers of inspectors remains a key issue. We are nonetheless working on this matter with regard to trying to do more with little. Thank you.

IsiXhosa:

Mnu L V MAGWEBU: Enkosi Sihlalo, ndiyabulela kakhulu.

English:

Sir, now that you have conceded that there is a serious shortfall, therefore it means we have a serious challenge. You call it a challenge but I want to call it a serious challenge. You know, there is a incident in Wesbroom in the Free State that really pained all of us South Africans and is due to the failure of the department to provide these inspectors. This child labour issue could have been avoided.

Now, the question is: You said you have a plan and you need resources. Can you commit to say that by the end of this financial year you would have a clear plan and you will be able to report back to this House and tells us what that plan is? Thank you.

The DEPUTY MINISTER OF LABOUR: Chairperson, I am not in a position to give that kind of commitment, because I have already indicated that we have a shortage of inspectors and I imagine all members of

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Parliament are aware that we don't have enough money to be able to hire those inspectors and as a result we rely on everybody especially public representatives, who become aware of the violation of the labour laws to come forward and inform the department.

In that way therefore we will be in a position to act on any violations that have been brought to our attention, otherwise we with the little number that we have of inspectors, we do what we can do which is to conduct the necessary inspections on our own position but also in response to complains that have been brought to our attention.

Setswana:

Moh T J MOKWELE: Motlatsatona, re a go utlwa gore wa re batlhathobi ba ba mo lefapheng ga ba lekane mo e leng gore ba ka kgona go dira tiro ya bona ka matsatsaleko. Ke batla go tlhola le wena Motlatsatona gore a batlhathobi ba gago ba tle ba etele mafelo ao badiredi ba malapa ba dirang ko go ona, segolobogolo ko mafelong a e leng gore go nna baeteledipele ba setšhaba jaaka badiredi ba Palamente kgotsa Maloko a Palamente go bona maemo ao badiredi ba malapa ba rona ba nnang mo go ona? Fa gole jalo kgotsa go se jalo, ke eng se lefapha se tlileng go se dira go netefatsa gore rona jaaka

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Maloko a Palamente le maloko a dipusoselegae, re tshwara badiredi ba malapa a rona sentle? Ke a leboga.

English:

The CHAIRPERSON OF THE NCOP: Deputy Minister, did you get the question?

The DEPUTY MINISTER OF LABOUR: Chairperson, I think I did.

IsiXhosa:

Abahloli babasebenzi bahlola zonke iindawo ezinabasebenzi kuquka abantu abasebenza emakhayeni ethu.

English:

Regarding Members of Parliament and legislatures, I think we have just indicated that we have a shortage of labour inspectors and Members of Parliament and legislatures being the very people who have made these laws, we would expect them to listen to their conscience and do their service duty which is to comply with the relevant legislation making it unnecessary for labour inspectors few as they are had to be investing them. But, nonetheless there is no workplace that is exempt from investigated and as I said if there is an indication that there is a need for the employers who happen to

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be Members of Parliament to be investigated, then, we will take that up.

Mr B G NTHEBE: No, Chairperson. Deputy Minister, we were in Bloemfontein when the unfortunate situation of the usage of very young persons was detected but were comforted by a multifaceted approach by the department and all others. Until we understand that ... And you are quite eloquent but you probably need to go bit further in being explicit about the nature and the content of the inspectors that you short because occupational health specialist, OHS, are not just ordinary inspectors.

There is a lack or shortage of warm body capital in your department to respond to such. Do you plan as the department to fund whether in a form of bursaries or in a form of any other measure in place so that you develop such warm body capital that you so need so that when inspectorate ... Are like you said that the inspector worker ratio is just too low and for us to be able to up it up we need to be able to match it in terms of the international standard. Is there any intention from the department to do that?

The DEPUTY MINISTER OF LABOUR: It will sound as if I am being defensive and hiding behind the shortage of resources because the

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skills that they are possessed by labour inspector dealing with OHS related incidents is a highly specialised kind of skills and the number of other sectors are in need of these and our salaries tend not be competitive enough for us to be able to retain them.

Recently, I have been informed by the Inspector-General that they are considering, either opening a school for the training of inspectors especially the specialised one or getting some kind of an understanding with the existing colleges in order for this kind of a skill to be acquired by the department so that we are in a position to attend to this kinds of incidents.

Mr L P M NZIMANDE: Hon Chairperson, to the Deputy Minister, in the light of your question, noting the fact that you are saying there is shortages on the numbers of the inspectors, I would like to ask whether in such difficult sectors, do you have a break down and specific deployment in particular reference is in the agricultural sector specifically the farms where there is a lot of exploitation and we see that in the numbers of murders and tensions between farm owners and the workers in the farm. So, in trying to mitigate these shortages, is the department categorising the inspectors and therefore deploy them in specific sectors or what is the situation in that regard?

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The DEPUTY MINISTER OF LABOUR: Naturally we do categorise the areas of operation of these inspectors and as the Department of Labour we are particularly sensitive to the plight of the vulnerable workers, especially the farm workers who are not even properly organised with regard to unions and therefore it is in that sector specifically that we hold regular place inspection exercises so that we mitigate the condition that they find themselves in as I say also because they don't belong to the unions like the other workers.

Question 351:

The DEPUTY MINISTER OF LABOUR: Indeed the Department of Labour tries to ensure that it carries its work guided by the key tenets of our mission statement. In order to ensure that workers are protected from any human rights abuses, we use various pieces of labour legislation at our disposal at our disposal to achieve this objective. The foundation of all our legislation is the protection of workers in general and vulnerable workers in particular against any form of labour related human rights abuses as defined in our Constitution.

The Department of Labour's role in the eviction of workers from the farms is limited to the industrial relations dimension. In other words evictions in themselves are regulated by laws that fall

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outside our remit but the Department of Rural Development and Land Reform and the Department of Agriculture Forestry and Fisheries are in a position to deal with those. We are as a department responsible for setting minimum working conditions including minimum wages for the sector through ministerial wage determinations. We however do work together in dealing with these issues with the other departments. Thank you.

Ms T J MOKWELE: Chair and Deputy Minister,

Setswana:

... ke lebogela fa Ditona le mafapha a a leng maleba ba netefatsa gore batho ba rona ga ba tlhokofadiwe ke basweu ba kwa dipolasing le gore lo kgona go ba thusa. Se sengwe, Motlatsatona, ke gore, lebaka le legolo la go ntshiwa ga batho kwa dipolasing ke basweu ba ba se nang dipelo, ke thekiso ya mafatshe. Seno se dira gore batho ba rona ba iphitlhele mo maemong a go tlhoka kwa ba ka yang teng.

Motlatsatona, jaaka o setse o kaile gore mafapha a a amegang a dirisana mmogo go rarabolola kgang eno, ke rata go netefatsa mo go wena gore, a lo ile lwa tlhagisa kakanyo jaaka mafapha a a rarabololang kgang eno, gore lefatshe le tshwanetse le boele kwa go beng ba lona ntle le tuelelo?

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Fa e le gore lo kile lwa akantshana ka kgang eno, lo eme kae ka gone ga re rate go bona batho ba bantsho ba sotliwa. Ga gona se ba ka se diriwang fa ba tshwaragane le gore lefatshe le le tseilweng ka bogodu le busediwe mo go bona. Ke a leboga.

English:

The DEPUTY MINISTER OF LABOUR: Chairperson, the Minister of Rural Development and Rural Reform has advised me that in fact this question has been raised with him previously and he has answered it. Obviously we are a constitutional state, we are governed by the rule of law and therefore any redress that has to be done in respect of those who were deprived of their rights previously has to be done in accordance with relevant legislation in the Constitution. That is the basis on which we conduct our interaction when we talk about the plight of farm workers on other people's land.

Of course it is important that we all of us should strive to a day when each citizen is living on his own piece of land and not having to rely for his or her own living and sustenance on somebody else's piece of land. That is the responsibility that we all have to strive for.

Siswati:

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Ms L C DLAMINI: Ngiyabonga kakhulu, Sihlalo. Angisho nje kutsi siyabonga, Sekela Lendvuna, siyeva nekutsi niyashoda ngebahloli. Ngalesikhatsi Seliviki Lemaprovinsi le eMpumalanga lapho besiyekhona siye savakashela emapulazini ase-Middelburg.

Bantfu bakitsi bayahlupheka kakhulu, hhayi kancane. Basaphila njengakulesa sikhatsi selubandlululo, basagijinyiswa ngetimoto nangetibhamu, bantfu labadzala-ke labo. Bagijinyiswa kwebafanyana nje lokuncane kwebelungu.

English:

It is painful, and it looks like it's a strategy that when a new farmer buys a farmer ...

Siswati:

... labantfu labakhandze bakhona ngaphambili kwakhe, efike abacoshe, abavalele emanti, bangabavumeli nekutsi bahambahambe nje lapha kulelipulazi lakhe. Ngako batikhatsa nje bavaleleke khona lapho kuleyo ndzawana labahlala kuyo.

Umbuto wami-ke, Sekela Lendvuna, utsi tikhona yini tindlela lenitisebentisako tekutsi labantfu bavikeleke nakukhona umlimi lomusha lofikako atewutsenga lelopulazi; angefiki ahlukumete

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labantfu labakhandze bakhile lapho. Noko akusibo bonkhe balimi labefikako labakwentako loko.

English:

We were told that some of the farmers around the area they do assist them even with water but there are those particular farmers who are still racist. What are the plans between yourself and the Department of Rural Development and Agriculture?

The DEPUTY MINISTER OF LABOUR: Clear it could have assisted me a lot if I had been aware that I would be responding to questions pertaining more to the question of land reform and rural development. I am only limited to confirming that indeed we do speak to each other as the departments because we have a common constituency of looking after the labour rights of workers on the farms and the Department of Rural Development and Land Reform looking into the issue of security of tenure for those workers.

Indeed the problem of racism is an abiding one and I think that generally we had hoped that with the new constitutional dispensation which is about the equal treatment of all human beings by other human beings especially would be adopted by everybody. But it does seem as if we have a great deal of political work to do to ensure

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that everybody regardless of colour recognises another human being as a human being. As I say, our responsibility specifically is to ensure that the rights of farm workers as employees are not violated by the fact that there has been a change in ownership. Every contract depends on the conditions that have been agreed to by the employer and the employee.

Chairperson, at this stage, I am not in a position to talk about what happens when a farmer who had employed people on his farm decides to sell the farm to another owner as to what the arrangement are supposed to be. However, one would expect that the contract that one has, if it had to do with the operations in the farm then that contract ought to be taken over by the new owner but then again those are legalities that would have to be considered on a case by case basis. Thank you.

IsiXhosa:

Mnu L V MAGWEBU: Ndiyabulela kakhulu Sihlalo. Deputy Minister, maybe I should say this, illegal evictions in farms and anywhere else in the world are not only unlawful but immoral. I agree with you on that. But having said that I wanted to share this example, the relationship between farm workers and farm owners where they have worked together. Here in Paarl there is a beautiful project, I am

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sure you are aware of it. I want to establish from you, is your department to ensure that tensions between farm workers and farm owners, will your department consider taking those examples and inspectors going to those farms to try and build relationships so that they could have their own homes and be given their dignity using that model. Thank you.

English:

The DEPUTY MINISTER OF LABOUR: I can only convey that advise and view to the relevant department which is the Department of Rural Development and Land Reform because that really is their remit but then as I say, we work closely together and there is nothing wrong in us undertaking an inspection or a visit to that particular project so that we can learn from it and spread it. Indeed I believe that it should be in a position to contribute to the alleviation of the plight of workers who live on other people's land because they are working for that particular person when the employment relationship comes to an end then people become destitute. There is a need for more concerted action on the part of the relevant departments to work together. Thank you.

Sesotho:

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Mong M M CHABANGU: E re le nna ke nke sebaka sa hore ke lebohe Motsamaisi wa mosebetsi. Ke tla be ke sa emela Foreisetata haeba ke sa bue ka taba ena, hobane ho bonahala hore ditaba tsena tse mpe kaofela dietsahala Foreisetata.

Jwalokaha dibui tse buileng pele ho nna di se di hlalositse, eitse ha re le moo ra fumana hore bana ba sebediswa hampe. Ba jeswa dinama tse bodileng ha ditau tsona di ja nama e foreshe.

Potso yaka ke hore le mane Lonmin Transport Harrismith, batho ba teng ba ile ba tletleba hore maemo a tshebetso a moo ha a lokela tshebetso. Ha ba lefshwe ho ya ka ditumellano, ebile ditumellano mahareng a ramosebetsi le mosebelletsisi ha di etsahale. Potso yaka ke hore...

English

When are you going to invade Free State? I understand that you got few labour practitioners but with the help of the police because these things are happening in Free State. They take young boys and girls from the North West and even in Cape Town ...

Sesotho:

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... ba ba sebedisa mane Foreisetata, mme ka lebaka la ho kena dipakeng ha Palamente ha e ne e le moo, leburu leo la polasi le ile la kwallwa, kamora hore ho bitswe ... [Kenohanong.]

Modulasetulo wa Lekgotla la Naha la Diprofense: Nako ya hao e a felantate. O salletswe ke metsotswana e meraro.

Mong M M CHABANGU: Ke a leboha.

Modulasetulo wa Lekgotla la Naha la Diprofense: O qetile?

Mong M M CHABANGU: Ke qetile Mme.

Modulasetulo wa Lekgotla la Naha la Diprofense: Potso ya hao o e beile, o itse...

English:

... when are they invading the Free State.

The DEPUTY MINISTER OF LABOUR: If the question in indeed is that when is the department going to conduct inspections in the Free State, we are present in all the provinces including the Free State. We do conduct inspections as I said before on our own volition but

also on invitation by those who are aware of the atrocities that are being committed against the vulnerable and poor workers. Of course, anyone, especially public representatives who are aware of the violation of the law like human trafficking and those kinds of things, the employment of children who are not supposed to be employed, have a responsibility to report those activities to the relevant law enforcement agencies.

Question 336:

The DEPUTY MINISTER OF LABOUR: Hon Chairperson, once again, all our disputes resolution machinery have been mobilised to expedite resolution of Umbhaba Estate workers dispute. The Commission for Conciliation, Mediation and Arbitration, CCMA, is leading our efforts to find a solution to the dispute. We are acutely aware and share the concern that the matter has been going on for too long without a resolution inside. This is due to various sectors, some of which are beyond our control as the Department of Labour.

Firstly, the workers of Umbhaba Estate are represented by their trade union, Food and Allied Workers Union, Fawu, on this matter and as such the union has the final say on how they want to pursue the dispute. It is worth noting that the workers union appointed the services of a law firm to represent workers on this matter and as

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such any intervention by the Department of Labour has to take the queue from the union leadership and its attorneys. This has complicated a dispute and the delays in finding closure have a lot to do without the union leadership and its attorneys choose to pursue the matter.

Secondly, the employer is using every opportunity in the labour law to filibuster and or delay the conclusion of the matter through reviews and appeals. This is not helped by the fact that the union also changes its attorneys who deal with this matter from time to time. The internal tensions within their union have also added to the complications and delays in resolving this matter. Current status of the dispute to demonstrate importance of Umbhaba Estate case, it was redlined as a priority by the CCMA and as such it is now handled through the office of the National Director of the CCMA. The matter has gone through various CCMA dispute resolving mechanisms including conciliation arbitration tool, a precursor to a conventional arbitration process. But, unfortunately, union and the employer have failed to find a solution. A conventional arbitration as a logical step was then set up by the CCMA, both the employer and the union lawyers keep asking for more time to prepare for the case. Therefore, in some instances they would request more time to explore the possibilities of finding a solution on their own.

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In these instances, the CCMA Commissioners would allow the parties time to prepare and or to seek a resolution on their own. Legal representatives agreed to follow the pre-arbitration route as again a precursor to full on arbitration. However, the parties have yet not signed their commitment, the pre-arbitration exercise. The trouble is that the CCMA does not have the powers to dictate to the parties what they should do, it is only the parties that must indicate which route they want to follow.

On 27 September 2017, a ruling was issued to the effect that parties need to sign the pre-arbitration minutes, but to date this has not been actioned by the parties. On the way forward, the office of the Ministry will initiate discussions with the union involved with a view to find ways of how to expedite the finalisation of this matter. At all times bearing in mind the fact that the CCMA is the body that is tasked by law to deal with such matter. Thank you.

Mr S G MTHIMUNYE: Hon Chairperson, in the midst of this legal gymnastic, Deputy Minister, two parties are benefiting here out of the three. The one is the employer because production has not stopped, it continues. The worker is suffering because is not earning the salary. Under the suffering of the worker, the lawyers of the union keep buying time and you know what it means in the

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legal practice to buy time, it means more money. There is one victim of circumstance here, it is the worker. When the worker is suffering, unfortunately my friend, hon Hattingh, is enjoying romance through social media on his phone here. He is probably a shareholder at Umbhaba Estate. However, Minister, is there a mechanism to speed up ... [Laughter.] [Interjections.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Mthimunye, please take your seat. Hon Hattingh, you are on your feet. Order! Hon Hattingh, you are on your feet.

Mr C HATTINGH: I think this is outrageous and I think the member should withdraw.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: I agree with hon Hattingh. Hon Mthimunye, you are saying that he is having a romantic whatever on the phone. I think that it is uncalled for, please withdraw and proceed.

Mr S G MTHIMUNYE: I withdraw, Chair.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Please, know that you have 51 seconds left.

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Mr S G MTHIMUNYE: Is there a mechanism, Deputy Minister, we can find to speed up these cases so that these unnecessary delays are not experienced in many other cases of the similar nature.

The DEPUTY MINISTER OF LABOUR: Hon Chair, once again, well unfortunately, matters that are before a tribunal have to be conducted with accordance with rules of procedures that have been adopted by the relevant bodies. If a matter then is being handled by attorneys before a competent tribunal, it is very little that we can do except perhaps because, for instance, informally it has been indicated that the union that is representing the workers is running out of funds because as you said that many of these members are not in employment because of this dispute. Therefore, when we interact with the union we might maybe find a way of getting lawyers that will be paid maybe by Legal Aid South Africa. However, that is just about what I can think of now, but as I said that the matter is before a proper tribunal, the CCMA, and the workers and the employer are represented by their attorneys. Therefore, as I say that there is very little for us as the department can do anything more, except maybe when we are getting a briefing as to what progress is taking place. We can then share whatever as we have like as I have indicated that if there is a shortage of money because sometimes

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that is the reason for the delays. Then, we can look at what the state can do like in the form of the Legal Aid South Africa.

Ms T J MOKWELE: Hon Chair, my surname is Mokwele. Don't colonise my surname, it is Mokwele. Deputy Minister, I think the issue of Umbhaba Estate is the same as the Sun City matter where employees were exploited by management and they were exploited by the Gupta family during their wedding celebration that was held in that institution. Now, Deputy Minister, there were cases that were brought before both the Labour Department and Labour Court, if my memory saves me well. I want to check whether those type of cases where you find management using their powers and their racial influence into exploiting our workers, what is it that the department is doing to safeguard? We know that there are limitations in terms of where, how and when you must intervene as the department. However, I assume that there is something as a department that you can do for workers to be safe and for them to feel that government is caring for them, especially those ones that don't have those resources to take their matters into other levels in terms of legal representatives and such. Thank you.

The DEPUTY MINISTER OF LABOUR: Hon Chairperson, what happens is this that when an allegation of violation of labour rights is reported to

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the department, labour inspectors contact the relevant workplace, either by phone first, or by going directly to the network place. Having conducted their inspection, they then inform the employer the kind of violation of the provisions of the law that has been established. Therefore, they are given notices as to by when they should rectify whatever it is that is wrong. Then, if the employer fails to comply, then the matter is taken to the CCMA. The CCMA will try to do reconciliation and then arbitration. If all of those efforts fail, then the matter is taken to the Labour Court. Obviously in instances where the employers do not have the funds to hire their own lawyers, then Legal Aid South Africa is there to ensure that that happens. This happens regardless of whom the violator of the law is; regardless of whether it is a wedding or not or any other kind of activity and regardless of who the person involved is as long as he is an employer having employed a worker. So, that is what we do.

Mr M T MHLANGA: Hon Chair, let us also welcome the response by the Deputy Minister. On the farm in question there is ... do acknowledge the response that you are giving us but just want to make certainty. Is the department not having any arrangement in terms of measures to cap the accident that is keeping on occurring in the farms because most of these people are being dismissed in the farm by joining

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unions for which the Chapter 2 of the Bill of Rights allows any workforce to join any union that they want, and in terms of your Labour Regulations Act they are permitted to join any union that they want. Now, I want to know in terms of the department what measures do you have to cap these scenarios because it carries on occurring in most of these farms in the country. Thank you.

The DEPUTY MINISTER OF LABOUR: Hon Chairperson, I think this situation is not the similar to that facing the police, people who commit crime on a daily basis and on an hourly basis and even more frequently than that. And yet, they know that there are laws that in terms of which they should be abiding. We can only as I kept saying that do what we do, inspect the workplaces, especially when we know that there are crimes out there that specific sectors and specific geographical areas are increasingly violating the labour legislation. We send out our labour inspectors and do what is necessary. As I say that we can only appeal once again to public representatives who are aware of what is happening on the ground because they have constituencies to let us know and work with us and as well as other law enforcement agencies to ensure that everybody respects the laws of the land and the rights of others.

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Mr B G NTHEBE: Deputy Minister, thank you. You keep on referring to your limitations in terms of the provisions of the piece of legislation. To my recollection I know that your department and our labour laws in this country are one of those that are quite affording job security for the masses of our people. Your mandate is to make sure that you create an environment conducive for that, but also the maintenance of industrial peace. Now, that you are raising that there are limitations, would you consider capping the limitations by bringing a piece of legislation to amend so that we close such. The crafting of the labour laws in our country anticipated that we should be able to shift labour issues from law process because litigation inherently takes long. That is why you have your condonation and your arbitration part separate from the labour process so that you assist and you cap all the issues that are so ... hon Mthimunye was eloquent to say that in the midst of all these sharing of money and claiming and all that workers are suffering. Therefore, would you consider that the limitation would be capped by a piece of legislation for amendments? Thank you, Chair.

The DEPUTY MINISTER OF LABOUR: Hon Chairperson, well, indeed, the establishment of a body like the CCMA was intended to limit the amount of time that is spend in litigation. But, unfortunately, at

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the same the same Constitution allows people to have legal representation whenever there is a dispute regarding whether or not their rights have been violated or not. We are not in the position therefore to ban a lawyer by emerging from the processes of the CCMA. For instance, the CCMA Commissioners are themselves lawyers, so they are supposed to know what the law entails. However, once you have one party represented by a lawyer of his or her own, then it is a common sense that the other side must have his or her own lawyer as well. I am not sure therefore that we would be in a position to amend a law to such that an extent that we say that no lawyers must be allowed perhaps except if we were in our traditional courts that is where we can ban them. Thank you.

Question 347:

The DEPUTY MINISTER OF LABOUR: Chairperson, the regulations of pensions and provident funds resides in the remit of National Treasury through the Financial Services Board. Our role in assisting workers to access unclaimed pension and provident fund benefits, takes the cure from the Financial Services Board and to some extent the programmes led by the Department of Mineral Resources. We are an active participant in the interdepartmental task team chaired by the Department of Mineral Resources which deals with these matters.

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The Chamber of Mines is also represented in the task team as a stakeholder and plays a significant role in assisting all the departments involved in addressing the challenge of payouts. The Department of Labour is working with the Department of Mineral Resources to expedite the efforts to trace the beneficiaries of unclaimed benefits. Recently, the Department of Labour in partnership with the Department of Mineral Resources and the Department of Health held an imbizo in Pongola specifically for ex-mine workers in order to assist in both health issues relating to silicoses and respiratory diseases on the one hand and the Department of Mineral Resources for those who may still be owed their provident fund and pension benefits. Thank you.

Mr L V MAGWEBU: Hon Deputy Minister, this is a very painful issue. This issue has been there for many years now I think to be exact, since the advent of democracy. These matters have been ... you know our people have been crying for these monies and to be paid out. I hear your response, Sir, with due respect I want to say that nothing much is being done to assist these workers. Some die before they even receive this money. In fact, this is another ANC failure. My question then to you is would you ensure that as the department playing your role on this matter you will continuously make sure

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that it is resolved so that this money could be paid out? Would you give us that commitment? Thank you, Sir.

The DEPUTY MINISTER OF LABOUR: I will give you the commitment to the effect that all funds that are under the control of the Department of Labour that are due to beneficiaries they will be provided to them ... [Interjections.]

IsiXhosa:

USIHLALO WEBHUNGA LAMAPHONDO LESIZWE: Awumamelanga wena Magwebu ...

English:

... and this is a response to your supplementary question.

The DEPUTY MINISTER OF LABOUR: ... for instance the Unemployment Insurance Fund is under our control and we do give out the benefits to those beneficiaries who deserve them. The Compensation Fund is another one. Then, as I have said before that the provident funds and pension benefits funds are not under our control, they are controlled by the Financial Services Board. That board is under the Department of Finance or National Treasury. Therefore, it would help this august House to invite the department to which the Financial

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Services Board, FSB, accounts so that this matter is shared with them and they are in a position to inform you exactly what it is that they are doing.

Nonetheless, as I say, because we are one government we do assist each other. Whenever we go to talk about our own programmes and discover that there are issues that are raised pertaining to other departments, we inform those departments. When we do follow-up we invite them to come along so that they can do what is expected of them. Thank you, Chairperson.

Mr E MAKUE: Deputy Minister, unlike the person that did the previous follow-up question, that these violations of the rights of workers has been with us for ages long before 1994. That means that this democratic government has an even bigger responsibility to find redress. However, mindful of the importance of the workers also taking responsibility for their own liberation, what has happened was that trade union federations contributed significantly towards the Bill of Rights in our present Constitution and ensured that the rights of workers to join trade unions is enshrined in our democratic Constitution. My question then is; in your response, Deputy Minister, you did not mention trade unions at all, could you give us an indication what co-operation the Department of Labour is

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receiving from trade unions in addressing these violations of worker rights?

The DEPUTY MINISTER OF LABOUR: Chairperson, the truth of the matter is that regarding this particular matter of pension benefits and provident funds, I am not aware if our department has engaged trade unions because as I say this is money that resides there is control at least in another department but whenever we conduct any inspections and address izimbizo we make sure that trade unions are part of our programmes. We work together, share information and experiences together so that we are in a position to ensure that as many of our people as possible enjoy the human rights that the trade union movement has also fought for. Thank you.

Mr B G NTHEBE: Deputy Minister, you are correct. The Provident Fund Act, provides for the tracing of the beneficiaries. It is very explicit on that. Over the past weekend, the National Union of Mineworkers was in Limpopo trying to do the same thing. That is why the question by hon Makue is relevant so that we have a multiplicity of players coming together to assist each other.

In my past life, O R Tambo Region in the Eastern Cape and your Vryburg Region, what was called the labour ... [Interjections.]

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The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: The member on the floor is protected ... [Interjections.]

Mr B G NTHEBE: In the past ... [Interjections.]

Ms T J MOKWEKE: Also tell about that past.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Hon Mokwele! Don't drown the speaker!

Ms T J MOKWEKE: My apologies, Chair.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Thank you, Mam.

Mr W F FABER: ... [Inaudible.] everytime hon Mokwele apologise ... [Inaudible.] just on a point of clarity, what is a past life?

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: That is not a point eh ... please proceed.

Mr W F FABER: That was three years ago when he was in matric.

[Laughter.]

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Mr B G NTHEBE: The O R Tambo Region in the Eastern Cape and your Vryburg Region in The North West were what were called the labour sending areas for the mining industry. Would you consider partnering with the stakeholders but also using the former Teba offices so that at least the extent of the reach for such people can be closer so that people could just take a walk to the office and be able to register? Thank you, Chair.

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: On the point of life, can you please give order. [Laughter.]

The DEPUTY MINISTER OF LABOUR: Once again, Chairperson, we always ensure that we work with relevant stakeholders whenever we prosecute our programmes. Naturally Teba, the Chamber of Mines and the mining companies themselves are best placed to form partnerships with us as government and as the Department of Labour. We do therefore work with them on a continuous basis.

Chairperson, if I may share with the hon members, who are public representatives, currently, the Department of Health together with the Department of Labour are conducting an exercise in my constituency of Mqanduli, where they are inviting - through

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traditional leaders and local councillors - all those workers who used to work in the mines.

Those who got sick or injured because of working in the mines and those who believe that they have ... in fact, whether you believe or not, all of those who use to work in the mines they are invited to come with their documents; be it a reference document or a Pass or a book of life or an identity document so that through their systems the officials are in a position to establish whether or not any of the se former workers in the mines are entitled to be given medical services or to be paid any monies. It does not end only with respect to the former workers but also to their dependents. People who are entitled to their assets in their estates they are also all invited.

I think that kind of exercise will contribute a lot to ensuring that a number of people in that constituency do get their benefits. So, I would advise therefore, fellow Members of Parliament to invite relevant government departments; Department of Labour itself, Department of Health and Department of Mineral Resources to their constituencies so that our people are exposed to the information that resides in those departments. Thank you.

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Mr M RAYI: Chairperson, let me first correct my hon friend, hon Magwebu, this is not an ANC failure. In fact, his question says, how the government is assisting Chamber of Mines. Chamber of Mines are private owners, the majority of which are members of his party. So, he is wrong by saying this. However, my question is ...
[Interjections.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Yes, yes. Please, order! On the question part.

Mr M RAYI: My question to the Deputy Minister is with regard to ...
[Interjections.]

The CHAIRPERSON OF THE NATIONAL COUNCIL OF PROVINCES: Order! order, order! order!

Mr M RAYI: Okay, in fact, the Chamber of Mines were the ones who were responsible for not keeping the records of the mine workers that they employed. My question is, in the mining sector we also have the foreign nationals and how are we then assisting to trace them so that they also benefit from their monies. Thank you.

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The DEPUTY MINISTER OF LABOUR: I think the same programme that is there that is led primarily by the Department of Mineral Resources extends beyond the borders of South Africa. We are aware of the countries that have migrant workers who have worked in our mines. The rights that are enjoyed by our own former mine workers are also due to those former mine workers who live in countries beyond our borders. In other words therefore, I am saying the efforts that we are making to trace these people in South Africa we are also using them in the neighbouring countries, using Teba of course, as the entities that was responsible for recruiting many of these mine workers. Thank you.

The Council adjourned at 17:34:20.