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PROCEEDINGS OF THE NATIONAL ASSEMBLY

The House met at 14:03.

The House Chairperson Mr C T Frolick took the Chair and requested members to observe a moment of silence for prayer and meditation.

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members!

The only item on today's Order Paper is questions addressed to the President. Members may press the talk button on their desk if they wish to ask a supplementary question.

Order, hon mebers!

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I wish to remind hon members that the names of members requesting supplementary questions will be cleared as soon as the hon President starts answering the fourth supplementary question.

The first question has been asked by the hon A J Williams. I now invite the hon President. [Applause.]

QUESTIONS TO THE PRESIDENT OF THE REPUBLIC

Question 7:

The PRESIDENT OF THE REPUBLIC: House Chair, hon members, last month - as many of you would have noticed - I appointed four special envoys on investment, which was a follow up on what we said during the state of the nation address in relation to creating a climate in our country that is conducive for bringing in investments in large measure and numbers. I appointed these envoys to meet potential investors in South Africa, the rest of the African continent as well as around the world. This is part of what you could call an ambitious investment drive. This is in

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preparation for an investment conference which I spoke about during the state of the nation address earlier this year. When I addressed this House, which was a joint meeting, we were a bit more ambitious because we said we would like this conference to be held within three months. As it has turned out, we now realise that we were short-changing processes, and in fact this conference can only be held a little later in the year.

The message that these special envoys will convey to potential investors is that South Africa is indeed on a path to economic revival. They are already explaining why the country is an attractive investment destination with, as yet, unrealised potential. Their message is that South Africa is buoyed by new optimism with improving business confidence, consumer confidence as well as investor sentiment.

Government is working on a social compact with business, labour as well as the civil society on a transformed and inclusive growth path of our economy. An important part of building the social compact is the work that has started towards what we also

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addressed in the state of the nation address in relation to holding a jobs summit in which all social partners will make specific commitments to contribute towards faster job creation. The envoys will and are already indicating that the economy is being well-managed, government is consolidating fiscal debt, our currency has strengthened, and that South African bonds are the best performing amongst emerging markets in 2018.

They will say government is working on rooting out corruption and instituting turnaround strategies at our state-owned enterprises. They will also be telling potential investors that new boards are already in place at institutions such as Eskom and Denel, and an interim board has been put in place at Prasa.

They will also tell the investing world that we are investing in the development of young people who will drive the economy of our country into the future. Government has begun with the provision of free higher education to students who would otherwise face financial exclusion or hardship. This is what they will tell potential investors. Together with our other

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interventions in the education system, this will significantly help to boost the capabilities of our work force. We have launched an initiative in collaboration with the private sector to provide work experience opportunities for 1 million young people over the next three years.

As part of the work underway to improve South Africa's investment climate, government has also established a one-stop shop, which is already proving its worth. We have partnered with the World Bank to improve the country's competitiveness. The investment envoys will also provide details on the support government provides in the form of incentives.

Government provides in relation to special economic zones to attract and facilitate investment. The investment recruitment drive and indeed the roadshows will culminate the investment conference, which will be a platform for investors to announce new investments and to be exposed to potential opportunities. We are aiming - as you would all have heard - to raise 100 billion dollars in new investment over the next five years. More

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broadly, our aim through this investment drive is to make South Africa an investment destination of choice for many years to come so that we can achieve sustained growth and create jobs, which will enable us to reduce poverty and also to transform our economy. I thank you. [Applause.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon members, I have been informed that the hon P D N Maloyi will be in charge of the first supplementary question on behalf of the hon A J Williams in accordance with Rule 137(10) (a).

The hon Maloyi!

Mr P D N MALOYI: Thank you very much, Chair and Comrade President. You have elaborated on the unique features that make us an attractive investment destination. So, I am happy with that answer, and I will not repeat it.

However, what are the specific roles that must be played by government's social partners and the South African citizens to

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support the work of the presidential special envoys to attract investment in our economy? Thank you very much.

The PRESIDENT OF THE REPUBLIC: Thank you very much. We expect that all of us as South Africans will play an active role in making sure that our country is attractive to investments. All of us - one and all- can play that role. It's not only a role that should be played by government.

Indeed the private sector can also play this role. We have seen how well they have played this role. They don't only play this role when we go with them on roadshows, but they also play these roles by actively participating in various initiatives and interventions that are aimed at improving the investment climate in our country. They have been very vocal in terms of raising issues that are of concern to them, which they believe impede investment in our economy, and we have been addressing those. We have also encouraged them not to keep quiet, but to keep raising matters which they think can be a barrier to investments. We will work together with them to continue addressing issues that

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could stop investors from looking at our country with an interesting eye with regard to investment.

Labour also has an important role to play in this. We have been heartened by having labour accompanying us on a number of roadshows. This means that they have truly realised the importance of all of us speaking with one voice, working together and moving towards building the social compact.

Community-based organisations also have a role to play in improving the climate for investment in our country. So, all of us do have an important role to play. It will be helpful if all of us speak-up South Africa as a destination for investment. Even as we may differ on a number of issues with regard to either policy or whatever, in the end we should all be working for a common good, which is to bring more investments in our country as well as to ensure that we reposition our country as an attractive destination for investments.

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So, all of us can work together to push the investment envelope and make sure that people do come and invest in our country. Thank you very much.

Mr N F SHIVAMBU: Thank you very much, House Chairperson. President, we take note that you have admitted to your first failure on the commitments that you made during the state of the nation address. We questioned you when you said here that they we going to have this conference after that conference. We said to you that that was not a plan and that you were not clear in terms of what you sought to achieve. Now you failed to convene an investment conference.

We also advised you then that you should create a state-owned vehicle that is going to attract investment. You have now appointed envoys outside of that vehicle for investment. I do not understand the philosophical underpinnings of your policy in terms of how you are going to deal sustainably with investments that are not going to be housed or guided by the state-owned investment vehicle. This is because when they come without such

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a partnership, they are going to come with conditionalities. They are going to dictate to you what policies you must adopt and what you should say. Practically what we have now done as the EFF is that we have gazetted ... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, will you ask the question. Your time is expiring. [Interjections.]

Mr N F SHIVAMBU: Yes, I am about to ask that now.

We have gazetted a process to amend the Banks Act so that it can be permissible to create a state-owned bank. Do you support the creation of a state-owned bank as recognised by the Banks Act? Thank you very much.

The PRESIDENT: Hon House Chair and hon Shivambu, thank you very much. Let me immediately say that the Investment Envoys are not going to work outside the parameters of what we have in the government or state. In fact, they are going to work hand in glove with our various government departments and Ministers.

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They are together going to campaign for investments to come through to our country. What we have sought to do was to appoint people who have various networks and capabilities so that they can come and assist us. This is how we bolster the efforts that we all can make in making sure that we make our country attractive to investors. So, the two are not mutually exclusive if you thought that we were going to work in different ways and pulling in different directions.

Yes, the state-owned bank resolution was taken by the governing party, if you ever wanted the originator of this concept. I think you can do well to work with the governing party because it is precisely the governing party which has, over time, insisted that there should be a state-owned bank. Indeed, it may well result in the amendment to the Banks Act and those are the mechanics that need to be looked at and pursued. So, yes, I support a state-owned bank if that's what you wanted to know because it is through this bank that we will be able to broaden the investment or money pool in our country. In fact, hon

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Shivambu, what we should really be looking at is to create more banks in our economy.

There needs to be more and more banks that should make money available to the citizens of our country. I have often said that, with so much money that one finds in our economy through our stokvels - if you are going to listen, hon Shivambu. In our rural areas there is a need for something that will amount to a stokvel bank. There is a need in our economy for an agribank that will focus on financing small emerging, medium farmers. [Applause.] You know, there is so much money.

I am sure you and I belong to a funeral benefit club or something. I do, and this was started by my grandfathers many years ago and I contribute money every month to a funeral facility. Many of us as black people do that. There is also a need for a bank that will focus on things like that. We need township banks. There is no reason why in the townships we cannot have banks. So, we need to move away from the monopoly of

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just four banks in our country and create more banks so that there is more access to funding. [Applause.]

Hon Shivambu, if you go to a number of countries - which I am sure you have - you will find that there are a plethora of banks. The reason for that is to make finance accessible to a number of stakeholders. I know, for instance, that there is a Women's Bank which has been giving funding in small measures particularly to women in Mpumalanga. They have been doing so for a number of years and have performed extremely well. I would have wanted to see this bank spreading its wings and offering small and medium loans to women throughout the length and breadth of our country.

Therefore, banking is a sector that needs to be properly transformed. It is well-regulated in our country and we should be grateful for that. We need more banks to make funding more and more available to our people. So, thank you very much for your question. You are on the right track with regard to your support for a state-owned bank. Thank you very much. [Applause.]

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Mr J ESTERHUIZEN: Hon President, even with the very competent team that you appointed to attract \$100 billion in investment, the fact remains that the lack of policy coherence and programme alignment will be a major constraint and is likely to have a devastating effect on foreign investment. Before investing \$100, never mind \$100 billion, I am sure that everyone would like to know exactly what your government's intentions are with land expropriation without compensation. Please define whose land is going to be expropriated. Is it state land ... [Interjections.] ... private land which mostly belong to banks, farms or only certain land which belongs to certain people? As with the previous question, hon President, you are well aware that whatever you say as the President of the country affects the economy directly and it will be news tomorrow ... [Time expired.]

The PRESIDENT: House Chair, hon Esterhuizen talks about policy coherence and earlier when I outlined the answer to this question, I did say that the Investment Envoys are going to be trolling the length and breadth of the world, telling the

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investment world that South Africa: one) is open for business; and two) policy coherence and stability are becoming more and more entrenched in our country. That is the type of message that we have found investors receiving extremely well and very positively. This is because they see that it is unfolding and happening with regard to the progress that we are making. The issue that you have just raised about land is a subject of another question which I will be addressing in a minute or two. So, I ask you to be patient because I want to address this question as it has been asked by another member in relation to matters specifically related to your question. Thank you, hon House Chair.

Afrikaans:

Dr P J GROENEWALD: Voorsitter, ek wil vir die agb President noem dat die bekende ekonoom, Mike Schussler, verwys het na die netto direkte buitelandse investering in Suid-Afrika wat die verskil aandui tussen Suid-Afrikaanse sakelui en besigheidsmense wat in die buiteland belê, teenoor buitelandse investering in Suid-

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Afrika. In 2005 was die syfer 24% positief. Tans is dit minus 31% van die bruto binnelandse produk.

Dit beteken sakemense en beleggers van Suid-Afrika verkies om eerder in die buiteland te belê, as wat buitelanders verkies om te belê in Suid-Afrika.

Mike Schussler het gesê ...

English:

The HOUSE CHAIRPERSON (Mr C T Frolick): What is the question, hon member?

Afrikaans:

Dr P J GROENEWALD: Die opvolgvraag is, wat sê die agb President vir die buitelandse beleggers om dit aanloklik te maak om in Suid-Afrika te kom belê, gesien ook in die lig van die blote aanvaarding wel van die beginsel van onteiening sonder vergoeding, want dit skrik ... [Onhoorbaar.]

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Die HUISVOORSITTER (Mnr C T Frolick): Dankie, agb lid.

English:

The PRESIDENT: Hon House Chair, hon Groenewald also asks precisely the same question which has been asked, and which is the subject of other two questions which I am going to respond to. With regard to the differentiation which he speaks about, between South African investors and those who invest from outside the country, yes, there has been a difference. A number of South African companies which have invested outside have done so because they have seen opportunities. In fact, we should not be concerned about some of the companies that want to invest in other countries because they have taken the South African brand out there. However, we still want them to invest here in South Africa as they have other subsidiaries or divisions outside the country. We want them to retain a base and a home here.

One of the objectives that we have with our Investment Envoys is to engage with South African investors and convince them to continue investing in our market. A number of them are sitting

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on huge reserves which we would like to see employed in our economy. Therefore, we say that the opportunities which are here should be seen as being even greater than those outside the country. Many of them are heeding that call and are willing to reconsider whatever positions they may have wanted to take outside.

Our job, hon Groenewald, is to attract more and more outside investors to come here. In this regard, we have really and truly received very encouraging and positive indications as we have been engaging with a number of players and potential investors outside of South Africa. They are noticing what we are going through and the improvements which are beginning to germinate within our economy. They can see that and I can tell you that investors themselves can smell a deal. They smell a deal even better than you and I can because they want to come here and make money. Therefore, our job should be to attract them to come here and if there are concerns, let us discuss those concerns amongst us. So, I think we are on the way to attracting more and more investors to come to our country. Thank you very much.

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The HOUSE CHAIRPERSON (Mr C T Frolick): Hon members, before we proceed I want to draw your attention to Rule 142(6). A supplementary question must arise directly from the original question and the reply given thereto, and may not constitute a new question. Also, Rule 142(7) states that a supplementary question may not consist of more than one question. Can we keep that in mind as we proceed this afternoon, please!

Question 8:

The PRESIDENT: House Chair, hon members, during the state of the nation address in February I said that the priority of government would be to restore the integrity of public institutions that are charged with the very critical mandates in our constitutional democracy. In line with that commitment we are working to stabilise key institutions in the security cluster, strengthen law enforcement institutions and shield them from any external interference or manipulation.

We are deeply concerned about the allegations of corruption and other acts of wrongdoing in some of our intelligence services. With respect to the State Security Agency itself I will shortly

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be setting up a review panel to assess the structure of the agency relative to its mandate and inquire into its systems and capacity. I have also instructed the Minister of State Security to take the necessary steps to attend to all governance and operational challenges confronting the agency and to work to restore the public confidence in this critical institution.

The Minister of Police is similarly undertaking measures to address the challenges in the Crime Intelligence Division of the SAPS. This include the appointment in March of the new Divisional Commissioner for Crime Intelligence, Lt General Anthony Jacobs, at the same time it is necessary for critical oversight bodies like the Joint Standing Committee on Intelligence and the office of the Inspector General on Intelligence to be empowered to undertake their respective mandates much more effectively.

I am confident that through the work that government is undertaking to address the challenges within the intelligence services together with the work being undertaken by these

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oversight bodies we will succeed in restoring the integrity and operational capability of services that are meant to play such a vital role in keeping our country and its people safe. I thank you.

Mr M G P LEKOTA: Thank you, Chair. Deputy President, the ... [Laughter.] [Interjections.] ... Hon President, in the recent interview the Minister of Police reminded us that the entire intelligence and security agencies of our country have been busy committing what one must call Treason; because he also said that they need to be brought back into line and to do the job they were meant to do because they have been doing something different; that they have been used to fight the opponents of the governing party, etc.

Now, this happened under your watch because you were the Deputy President at that time. Both you and the President were in control of affairs; what guarantee can you give us as we sit in this House that the intelligence agencies have already stopped

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doing the wrong things that they were doing and that we can be assured that the nation is secured. I thank you.

Sesotho:

The PRESIDENT: Hao!Hon Lekota se o ndemoter jwanong, motshehare fela so? [Laughter.]

English:

Hon Lekota, I am pleased to inform you that a number of those issues, that you have alluded to which the Minister of Police articulated in the said interview are going to be addressed through this review panel that I will be setting up shortly. That review panel will be composed of people who are highly adept of not only intelligence matters but also security matters. They will be able to go to the depth of some of the shortcomings, some of the challenges and problems that these agencies faces; and indeed it will also include criminal intelligence in one way or another.

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So, this structure will go into the mandate that the intelligence service has as per our Constitution and it will go into its capability. But doing so will also go to back into how it has executed that mandate and how best that mandate can be executed going further and also in terms of implementing and adhering to our Constitution.

So, the guarantee I can give you is that as we do a reform process of all these institutions we are going to keep an eye on what is set out in our Constitution and what is in the interest of the people of South Africa with regard to securing them. So, that is something that you can be rest assured about and we will do precisely just that and make sure that they act in accordance with the Constitution and pay allegiance to no other interest but the Constitution of the Republic of South Africa. Thank you.

The LEADER OF THE OPPOSITON: Thank you, House Chair. Eh, Mr President, I think all of us would agree that we build our

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reputation on the basis of what we have done and not what we are going to do.

Therefore, in this particular instance, I want to understand, Mr President - one of the gross abuses of state resources were done by the former Inspector-General, Mr Arthur Fraser. He was found, in fact, to have been running a covert operation from his private home.

In fact both Ministers Radebe and Mr Cwele say that there should be prima facie evidence that proposes that criminal charges must be preferred against him; now what I want to understand, Mr President, is that you have instituted a Commission of Inquiry into the Sars Commissioner. Why is Mr Fraser being given special treatment? He should be in the correctional service not running one. So, what I want to understand is, why is he been given this special treatment; and will you assure this House that he will be held accountable in this regard? [Applause.]

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The PRESIDENT: Thank you, House Chair. Hon Maimane, the last time I checked I found that you were a leader of the DA.

[Interjections.] You still are. [Applause.] Now, the DA led by the enquirer or the person who has just raised the question has sought to challenge and to question the decision that the President took in relation to Mr Arthur Fraser. And they have done that no through any time type of avenue but they decided to go to court.

So, the matter is now before the courts - the matter is before our courts. And as much as I would have wanted to engage Mr Maimane, I found that now have to respond to the papers that they have launched in court, which we are going to do; because truly, Mr Maimane and the DA do warrant a response or a reply as to the decision that was taken to have Mr Arthur Fraser transferred to a separate department away from the department that he was running. So, we will be able to provide that answer through those court papers. And as they say the matter is now sub judice, and I would like to leave it there so that we can address the matter properly.

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The CHIEF WHIP OF THE OPPOSITION: House Chairperson, I would like to address you in terms of Rule 89 of the National Assembly Rules. As I have said on many occasions before the media TV case in the Constitutional Court of the Republic has rendered the sub judice excuse as invalid in the constitutional environment. And our Rules are clear that while you may not talk about the merits of the case but you are still accountable to answer the question that was posed, that why and not about the legal action.

It's why the hon President has treated Mr Moyane in one way but treated Mr Arthur Fraser in a different way - one demoted and one promoted? This has got nothing to do with the matter that is before the courts, it's not reflection on the merits of the case and the President knows that the sub judice rule does not apply in this case and he must answer the question.

The PRESIDENT: House Chair, there is not much of greater reply other than to say that if they are trying to do an equation between two different cases one would say that in the case of the intelligence service we have had to take a number of

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considerations into account due to the sensitivity and the sensitive nature of our intelligence service.

In paying regard to that I thought and decided that it is best to move Mr Fraser out so that the review panel that I have spoken about can get into the depths of the issues within our intelligence service and once it gets into those depths we will see what unfolds; and indeed, if there is further action that needs to be taken it will be take. It is just as simple as all that.

I would also like members to be aware of the sensitive nature of our intelligence service and our Joint Standing Committee on Intelligence would also testify to this and it has been one of the reasons why we acted in the way that we have. I would like members to have an understanding for the sensitive nature of the work that is done by that agency. And the review panel which I spoke about, yes indeed, the review panel will also go into the pen project. That review panel will go into the depths of everything that has to do with our intelligence, which is a

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highly sensitive matter and thereafter we will be able to take further decisions.

So, thank you, Mr Maimane for raising it and unfortunately you have had to take us to court. I would have preferred that due to the sensitiveness of the intelligence, which really affects the security of the people of South Africa, we could have dealt with it differently and separately. So, we will proceed on that way and you and I can have a further discussion because of the sensitive nature of this matter. Thank you.

Mr M DLAMINI: Thank you, Chairperson. Mr President, except being a man who is just walking, can we get your views on the issues relating to ethics, transparency and accountability. The Department of Water and Sanitation is on the verge of collapsing; millions of rands have been wasted under the leadership of Minister Nomvula Mokonyane. Minister Malusi has spent R800 000 entertaining his wife, and this is the same man who stole government flowers to give to his girlfriend. Minister Zokwana is involved in bribery in the fishing department. So,

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President, do you think it is sensible to keep these people in your executive? Should South Africans continue to trust you, when you continue to work with these people? Thank you
[Laughter.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon members, just before the President reply, I have drawn the attention of members to the relevant Rules when it comes to supplementary questions.

The PRESIDENT: Thank you, hon House Chair. I have noted a number of issues that have been raised by hon Dlamini and he wants to know the extent to which our transparency and accountability stretches. I can assure you that yes; we are going hold members of the executive accountable in a fairly transparent manner to all the things that they get involved in, including me - that we will be able to do. Now, where there is wrongdoing including myself we will act. I repeat - where there is wrongdoing we will act.

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That is the extent to which we have committed ourselves to clean government to accountability as well as to transparency. This adds up to the various actions that we have been taking to embark on the journey of rooting up corruption in government and anyone who has been found to have participated in wrongdoing will be dealt with.

Mr S N SWART: Thank you, Chairperson. And thank you, President. The ACDP shares concerns and is extremely concerned about the allegations of no fees, and corruption and gross abuse state resources at both Crime Intelligence and the State Security Agency; and whilst we welcome the review panel that you are instituting, clearly there is nothing to prevent investigation and prosecution on the basis of those allegations at the stage. Would you agree that those investigations should continue and that steps should be taken to protect those investigative authorities, such as IPAD and other police officials that may be intimidated both by Crime Intelligence and State Security Agency from doing their job now of eradicating the rotten apples from these institutions?

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The PRESIDENT: Thank you, House Chair. I am able to confirm that the review panel that is going to be set up in the next few days is going to get involved as I have already said in reviewing the mandate, particularly of our intelligence service. But that does not prevent any investigation that is already underway from proceeding. If there are any other investigations that have commenced we would say they should go ahead because if there has been wrongdoing we would say that that wrongdoing needs to be addressed and those who are found to have participated in wrongdoing should indeed be dealt with.

So, there is no prevention whatsoever to investigations that have already commenced from proceeding. The review panel will be reviewing, as I said the mandate, the effectiveness, the systems and the structures of our intelligence agency and once it has come out with a report, we will then be able to see the extent to which that state agency to be recalibrated to be reformed and if it requires restructuring how we are able to do that so that we reposition it to serve the interest of the people of South

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Africa in the most effective way in terms of our Constitution.

Thank you.

Question 9:

The PRESIDENT OF THE REPUBLIC: House Chair and hon members, the colonial conquests of our country, which began well over 300 years ago, were achieved through violence and, indeed, brutality, as well.

The system of apartheid was built and sustained through the violent suppression of the political, socioeconomic and other rights of the majority of black people in our country. This violence took the form, not only of state repression, but also the dispossession of our people's land, the destruction of their livelihoods and the exploitation of their labour. Through the migrant labour system, the imposition of influx control and the creation of the Bantustan system, families were torn apart and communities were dislocated.

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In its efforts to crush any resistance, the apartheid government resorted to detention, torture, intimidation, murder, and the deployment of vigilantes to sow violence and discord in our communities. While these methods of repression were laid bare in the proceedings of the Truth and Reconciliation Commission, TRC, and though the TRC contributed to the process of national reconciliation, many of the wounds of the decades of apartheid and colonialism still remain, to this day.

In many ways, we remain a violent society, where murder, assault, rape, and contact crimes are still widespread. The alarming levels of violence against women and the abuse of children are a damning indictment on our society. We are particularly concerned at the apparent increase in the instances of femicide, where women have been killed by their partners.

There is a responsibility on all of us, particularly men, to ensure that these crimes - the killing of women - do not occur. Too often, people resort to violence to settle differences or to express discontent.

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There are other wounds that have still not healed. The violence of poverty, homelessness, and hunger also continues to afflict millions of our people. Despite the social and economic progress that we have made, severe inequality continues to divide our society by race, gender, and geography. If we are to heal these wounds, we need, firstly, to acknowledge them, to acknowledge that yes, they exist; and yes, what is being complained about did happen. As the governing party said in its January 8 statement, this year, we shall redouble our efforts to build a society in which black poverty and white privilege are confined to the past.

In this context, I wish to commend the hon Maimane for having made exactly the same statement in his Freedom Day message ... [Applause.] ... and in the course of doing so, of course, he also invoked imagery that depicted him as a junior Mandela. [Interjections.] We will be the first to defend Mmusi Maimane against those in his own party who want to deny the reality of racial inequality in South Africa. [Interjections.] [Applause.]

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We will rise, in unison, Mr Maimane, to defend you, because your message was *en pointe*. [Applause.] You were absolutely correct. We were alarmed to see headlines in a local newspaper which said that the majority of DA members are turning against you because you were telling the truth. [Interjections.]

Secondly, we need to agree, as a nation, on the measures we must take to deal with them. Reducing inequality and ending poverty must be at the centre of our efforts. This requires a growing, inclusive economy, the creation of jobs for all our people, the provision of quality education and the development of skills. It requires government support to the poor through comprehensive social security systems, affordable health care and the provision of housing and land.

It is only by ensuring that everyone has the opportunity to acquire useful skills, to find decent employment, to earn a living wage, to have a house and to feel safe that we will be able to effectively heal the wounds of the past. At the same time, we need to build families, communities, and workplaces

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that are cohesive, stable, and peaceful. That places a responsibility on all of us to act, at all times, with dignity, honesty, respect, and goodwill. That will ensure we are able to bring up our children to value and to live by these principles.

We are on our way to building the kind of society that Mam' uWinnie Madikizela-Mandela and many of our great leaders dedicated their lives to but we still have some distance to travel. We still have many wounds to heal. Mr Maimane, I would like you to join all of us to continue healing these wounds that were inflicted by our past experience. Thank you very much.

[Applause.]

The CHIEF WHIP OF THE OPPOSITION: House Chairperson, I would like to address you in terms of Rule 85, as it relates to casting and accusing members of improper motives.

[Interjections.] If anybody in this House can appreciate that one shouldn't believe what one reads in the Sunday papers, it should be the hon Ramaphosa. [Interjections.]

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The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member. That is not a point of order. It doesn't apply in this instance. It is a matter for debate and discussion. Hon Malgas, do you have a follow-up question? [Interjections.] Order, hon members!

Ms H H MALGAS: Chairperson, I will pass and agree ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Malgas, would you please start again? We didn't hear the first part of what you said.

Ms H H MALGAS: Alright. President, we acknowledge the wounds of our past and agree that there are measures that need to be taken to deal with the damage of the past, the legacy of which remains with us. We have committed ourselves to nation-building, guided by former President Nelson Mandela's vision of the nature and the character of the future society we want to build.

With this understanding, what is your assessment of our progress in bringing together our different strata, communities and key

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stakeholders in the construction of the future we collectively desire to have? I thank you.

The PRESIDENT OF THE REPUBLIC: Hon House Chair and hon Malgas, we are still trapped by our past. Much as we seek to move away from the impact that apartheid has wrought on us, that past still traps us. It still holds us back. The shadow of our past still casts its vision on our future. Indeed, we need to take many, many steps to move forward, to move out of the shadow of apartheid. All of us are called upon, therefore, to do everything we can to move away from this sad past and to heal the wounds.

There are many active steps we can take to heal that past. As I said earlier, the first, clearly, is to admit that that past is not a fable. That past is a reality. It is only when we accept the reality of what we have gone through that we are able to deal with the wounds of the present and heal them so that the future may be a lot better for all of us.

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So, we need to deal actively with poverty, because poverty, clearly, is that gaping wound of our past. We need to deal with inequality, as it continues to be the festering wound of the past that was handed down to us by an ugly system - that of apartheid. Indeed, these days, we also have to deal with unemployment. Employment becomes our constant, ugly visitor because many of our people remain unemployed, and that is another wound that we need to dress, to heal, and that must be attended to.

The violence that continues to rage in our society is a violence that is born out of the desperation that many of our people have to face, on a daily basis. When people are poor, they resort to desperate means, desperate ways of resolving their problems. That is what we need to address, so that people who are desperate right now become less desperate as their livelihoods improve, as they get jobs, and as their children get better educated.

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That is the task that we have, as a nation, as leaders, and as a people. It is this that we, the people of South Africa, have to do as a major project, to move our people out of this desperate situation of poverty, inequality, and unemployment. It is only when we have done so that we will be able to say we have healed the wounds of the past.

So, we are all invited to be doctors and nurses and to provide medicine to heal these wounds that were inflicted by the horrible system that we had in the past. Thank you very much.

Ms L L VAN DER MERWE: Hon President, I agree with you that if we talk about the wounds of our past and we talk about our socioeconomic challenges, we must talk about the crisis that is gender-based violence. I have often asked you about this because I simply believe that government is not doing enough to fight gender-based violence: To that end women are not safe in their homes; women are not safe in our streets; and women and children are just not safe.

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So, my question to you is: Will your new administration prioritise the fight against gender-based violence? Do you believe that the hon Mduzuzi Manana - who has already been found guilty of abusing one woman, is now alleged to have abused his domestic worker and then bribes her to drop the case - is still suitable to be a Member of Parliament, MP, for the ruling party? If so, why? [Applause.]

The PRESIDENT: Yes, we would like our government to continue prioritising the campaign against the abuse of women and children: To do so through the various interventions and measures that we continue to put in place so that women and children who are abused are able to find refuge in their communities, in government institutions. Our justice and prosecutorial system does indeed need to be more responsive to the challenge that is faced by the many women and children in our country who continue to be abused.

I have heard occasion, as I have been travelling around to interface with police officers who have to address this issue on

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a specific basis as their task. They often tell me that it is a challenging job. It is most distraught and depressing as they have to deal with really terrible situations of abuse of women and children. Each time I have spoken to them though, they have said: We will not give up. They say: All we now need from you as government is to give us more resources so that we can carry on with this struggle.

It is precisely this that we are going to be committed to giving them. I would like to see more attention being given to this matter in my discussions with the Minister of Police. This is an area of focus that we want to shine a light on. Of course, admittedly, these things often in a privacy of their homes, where there isn't enough public attention that is given.

However, we would like to raise the consciousness, particularly of man in our society, about the issue of abuse of women and children.

We want to raise this more prominently but at the same time strengthen the government systems that are going to be there to

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support women and children. We must also pay tribute to the many organisations in our country that have focused in this area on their mandate and their agenda as non-governmental organisations, NGOs. We applaud them because many of them do thankless tasks but they plod on and continue doing this piece of work.

The issues of a Member of Parliament, Mduduzi Manana, have not been made known to me ... [Interjections.] ... in the exact detail that you are describing. Clearly, even he, Mduduzi Manana, has to go through his own party's systems of accountability and we need to allow that to happen. It is all very well to sit here and say all this. He needs to go through all this.

Yes, I would have seen it in the public arena but he does need to go through the various processes in his own party. I think it is best to leave it there because that is when the real evidence does come through. Thank you very much. [Applause.]

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Mr L M NTSWAYISA: Hon President, one of the wounds of the past is the issue of land. Can you please elaborate on the smart system that is going to be used to deal with this issue so that there is no violence at all? Thank you.

The PRESIDENT: I am going to be addressing the issue of land in a while. All I can say is that: Clearly, as we address this and a whole number of other challenges that we face, violence should be removed from the equation at all times. Violence is not the way to resolve problems. Problems are easily resolved: Through dialogue; through consensus building; through people sitting around the table, exchanging views; and arriving at a mutually beneficial and a mutually acceptable outcome.

So, violence, land grabs, where people resolve to self-help measures is not the way to go. In fact, we will not allow anarchy and disorder in South Africa when it comes to resolving issues of land. The question of land is being addressed right now through various structures of government and indeed through this Parliament.

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We are going to arrive at a solution that will be all-encompassing and acceptable to all of us as we increase the dialogue that we are already engaged in. So, violence is not the way to resolve the land question at all. Thank you very much.

[Applause.]

Prof N M KHUBISA: Your Excellency, the President, with regard to the same issue, I think it fits that we just convey our condolences to the family that had eight people dying through the fire when their shack was torched. Of course, I think this reflects and refers to some structural inequalities that still bedevil our country.

According to the survivor there, she said that almost all those who died, excluding the children, were unemployed. So, it is very painful. It is alleged that this is an act of arson killing. I know that the police are still going to work on that one.

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Now, hon President: What is your agenda with regard to youth unemployment and also the issue of housing? This is because these incidents have to do with some socio-structural inequalities that are still affecting our country. They are part of the gapping wounds that we still face in this country. Thank you.

The PRESIDENT: Hon House Chair and hon Khubisa, we have made the challenge and the problem of youth unemployment one of the key areas of focus in our various government programmes. This is being focused on by various departments in government. Indeed, as we started off the year, we launched a programme that is going to have an impact on up to 1 million young people over a three-year period.

We want to embark on many others at provincial level and at local level so that we draw many more of our young people into employment, into entrepreneurship and into proper training where they will gain skills. Our young people are ready. They are waiting for those opportunities. They want to have access to

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those opportunities that we can put on the table for them. This is precisely what we are seeking to do.

What we launched some two months ago is but one of the many initiatives that we have in mind to get young people into the world of work, into training and into entrepreneurship. We are going to be rolling out more and more of our programme with regard to getting young people into entrepreneurship. We have got fantastic partners, both locally and globally, who have already come to the fore, having seen what government is doing and focusing on in relation to the Youth Employment Service, Yes.

They also want to participate. They want to lend a hand. They want to be part of this process of empowering young people. So, young people are the key focus, both in the rural areas and in the urban areas of our government programmes. We will continue to do so. We are looking for every opportunity through which we can send young people into the various streams that will keep them engaged.

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I was in London recently, as you know, and I met a few university professors. They said: Mr President, send your young people to us. Send your young people. We will give them scholarships and we will bring them into our universities. I told this to a number of young people I met in the North West. They were overjoyed - overjoyed because they saw a pathway being open for them.

That, hon Khubisa, is one of the things that we want to do on an ongoing basis: To send as many young people as possible, both to learning institutions here and abroad, so that they come back with good skills that they can patriotically deploy in our country. So, our focus is young people. Thank you very much.

Question 10:

The PRESIDENT OF THE REPUBLIC: Hon House Chair and hon members. For South Africa to grow faster and to build a transformed and inclusive economy, clearly land reform is necessary. But it is not only necessary, it has become very urgent. We will advance

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the three elements of land reform: redistribution, restitution and security of tenure through inclusive dialogue.

We will explain to potential investors, as Mr Maimane has asked, that land reform is not incompatible with agricultural productivity and economic development. As the historical experience of some South East Asian countries or economies such as South Korea have demonstrated.

Land reform, which will include the mechanism of expropriation without compensation, will be implemented in a way that contributes to a stronger economy, job creation and economic freedom. We will do so without jeopardizing economic development, agricultural production and food security.

In our investment law we will provide - and as we say, we provide - significant guarantees to domestic and foreign investors. In our engagements at the World Economic Forum meeting in Davos during investor road shows in the United States, US and in the United Kingdom, UK; and at the recent

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roundtable discussions with Chief executive Officers, CEOs, in London, And indeed in our exchanges with a number of other leaders on the African continent in Kigali, we found that foreign investors do appreciate the need for South Africans to find sustainable solutions to the inequitable distribution of land and wealth in our country.

In their investment decisions, investors take a long-term view on the market opportunities, sector policy and support and regulatory environment. They are looking for stability, certainty, policy certainty as well, also looking for clear and direct messages that they themselves will be able to analyse.

Our envoys will indicate that steady progress is being made in consultation with industry, labour and communities on the finalization of the mining charter.

We will soon be finalizing our approach on the allocation of spectrum which will build the requisite capacity for modern inclusive economy.

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Government is levelling the playing field for investors and businesses entering concentrated markets through amendments to the competition legislation.

It is significant that Moody's Ratings Agency recently decided to keep South Africa at an investment grade and changed its outlook from negative to stable, affirming the country's recent political and economic developments.

Foreign investors that we have interacted with over the last few months are increasingly optimistic about the prospects for the South African economy and looking with great interest at possible investment opportunities.

Rather than look at the issue of land reform, the correction of this terrible deed that was done many years ago where land was taken away from our people in negative light, I say let's look at it in positive light. Let's look at it as a great opportunity that all of us have as South Africans to contribute to this debate. So far, I'm told that 140 000 submissions have already

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been made by the people of South Africa in the initiative that was commenced by this Parliament, this National Assembly. They are sending submissions on an ongoing basis and they all have views, suggestions to put forward, certain positions that they want these hon members who are here to heed; and I'm saying, let's allow that dialogue to continue. Soon, the structure that we put in place will be going around the country to hold consultations and to listen to our people. Our people have views, ideas, let's give them that opportunity. Rather than to sit here and pontificate; rather than to sit here and think that we are wiser than our people as a whole, 140 000 people have already submitted. And I think it is likely to top even half a million soon.

There had been two other processes that our people have engaged in: Firstly, when the Freedom Charter was drafted. Thousands and thousands of our people participated; they wrote their submissions and some were written on brown paper, some were written on newspaper pages, some were even written on toilet paper and sent through to the Congress of the People to

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deliberate on the aspirations of our people. That resulted in the endorsement and the drafting of the most important document that we have ever had in our country apart from our Constitution, a document whose pronouncements have found their way in our Constitution, the Freedom Charter.

Secondly, it was when our people participated in the drafting of our Constitution. More than a million people made submissions. And the National Assembly or the Constitutional Assembly that met in this very House considered the various views that our people had to give and we did not pontificate, we listened to our people, and finally we came to a conclusion, a conclusion which resulted in the Constitution that governs how we function here.

I am saying; let us give our people an opportunity to voice their feelings and their aspirations about land. Land remains a deep wound that was inflicted on our people, let our people go through their healing process and deal with the issue of land as effectively as they want to. So, let us engage in dialogue. Mr

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Maimane, allow our people to express their views and once that process is done, we will then, with the hindsight of wisdom that would have come from our people, we would then be able to take a decision. Right now, we have a constitutional construct that has set in motion various process and principles. Our people are saying, we want this wound to heal. Let us address this wound and let us listen to our people because they are talking. Thank you very much. [Applause.]

Mr L G MOKOENA: On a point of order, House Chair. I noticed that the Deputy President looks very tired [Interjections.] He's been in and out of sleep for a while so I thought the President could take him for walk outside. [Inaudible.] ... ten minutes and take him for a walk.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member, that's not a point of order. We can't allow the President to leave the podium now, he's busy answering questions. Hon Maimane!

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The LEADER OF THE OPPOSITION: Hon President, I think I must affirm this point of talking about wounds of our past that in the Constitution of the DA is adopted value of fairness. It is an explicit acknowledgement that our country remains unequal on the basis of race. And I think every member who sits here, black or white, stands committed to addressing that injustice. And I feel it's critical that when we enter this discussion, it cannot be on the basis of putting one race versus another, it ought to be on the basis of all races working together to address that injustice. [Applause.]

Having said that, I welcome your input on the inputs South Africans have made. I want to speak specifically about the one you made in the UK; where you spoke to a newspaper and affirmed the fact that the land reform processes of any future that will be implemented will happen within the perimeters of the Constitution.

But my challenge, Mr President, is that there are statements that are made by members of your National Executive Committee,

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NEC, and I want to quote Mr Ronald Lamola in a nationally televised debate, when he said:

In fact, without doubt, the commitment to expropriate without compensation does not only reflect to farms, but the ANC is explicitly targeting urban residential properties for seizure.

What I'm trying to understand, Mr President, is that overseas we defend the Constitution but in South Africa it seems it's open for negotiation. Can you explain to us, what is the policy of your party so that we get certainty as to whether we will defend the Constitution or is Mr Lamola correct in that it's property seizures; which is it exactly, Mr President? Thank you very much. [Applause.]

The PRESIDENT OF THE REPUBLIC: Thank you, hon House Chair, and thank you very much, hon Maimane. The process that we have started here, which really arose from the resolution of the governing party in December when it resolved that we need to

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address this whole issue of land reform through the mechanism of expropriating land without compensation, is clearly a process which, having been embraced by this House, is going to lead to an outcome. It is an outcome which, I'm sure Mr Maimane, you are going to be part of as you are part of this House. We are now currently involved in this very process.

Clearly, the policy of the governing party is very clear. We need to move on with land reform and restore the dignity of our people. But for me more importantly, is to look at land with new eyes as it were; to look at land as an economic resource that was taken away by force from the majority of our people; and to restore that economic resource into the hands of our people so that they can have a livelihood and they can have an economic capability which is going to improve their lives.

The Freedom Charter is very clear on this. It says ... As early as 1955 our forebears complained about this and said, or raised an aspiration or articulated an aspiration, that the land shall be shared amongst those who work it.

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Therefore, we want land to be shared amongst our people. Our people must be able to share the land, and I'd like those who say that the land must not be shared, to stand up and say we are not prepared to share the land. [Interjections.] I want them to stand up and say so because that is the most important. And if you like, that is the most reasonable demand from our people. They are not saying they want the land to the exclusion of everyone else. They are saying they want the land, as it was said by our forebears in 1955, to be shared amongst those who work it.

If we come to urban land, indeed there is land there that has been kept away from our people, and they are in need of housing. They don't want to eat the land. They don't want to abuse the land. They want to utilise the land to have houses. Those who say that our people must not have houses must stand up and say we do not want you to have houses ... [Applause.] ... because that is the most important demand that poor people are making.

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Our job, and our task, is to respond to the needs of our people. We have to respond and, Mr Maimane, we have got to find ways and means. The Mayor of Johannesburg has been taking buildings that are derelict and where quite a bit of money is owed. He's been taking them without any form of compensation ...

[Interjections.] ... and transforming them into living abodes for our people. If that is not true then it is something that needs to be looked at.

Our people need housing and we need to respond to housing, and share living abodes. Those who do not have houses must also have houses. Those who do not have land must also have land ...

[Applause] ... and therefore land must be shared amongst our people.

The CHIEF WHIP OF THE OPPOSITION: [Inaudible.]

The PRESIDENT OF THE REPUBLIC: Mr Steenhuisen, that is a demand which will never go away. For people who think that the issue of land in South Africa will be swept under the carpet, I say wake

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up my friend and smell the coffee. It is not going to happen.
Our people want the land. [Applause.]

So our task ... and I want to repeat what I said earlier, even to those who are seeking to go around the world to mobilise the international community against their own country, I want to say to you, come back home, let us sit around a table and let us find a solution to this issue of land. Our people have shown the best form that they have by making submissions. They have come forward and they have put submissions on the table. Let us engage with those submissions.

In the end, the decision that will be taken on this issue is going to be a decision that will be owned by all of us and it will be borne out of dialogue, it will be borne out of consensus seeking, and it is the type of decision that will take this country forward. This country is ready to take off. Let us use land to make South Africa move forward. [Applause.]

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Ms T V TOBIAS: Thank you, hon Chairperson. Your Excellency, Mr President, as we forge a social compact, how will government address the original sin of land dispossession, which the Constitution of the Republic of South Africa enjoins us to address within the growth targets and the developmental plan by addressing expropriation without compensation, as our people are starting to lose patience. Indeed, we need to address this original sin. We also welcome the proposal that you have put on the table. We just need to know how government will move forward with the social compact.

The PRESIDENT OF THE REPUBLIC: Hon House Chair, clearly government in the end will implement the decisions on this matter of land that have been taken by the governing party. But it is also going to take its cue from what this House is going to decide with regard to the issue that is now in our Constitutional Review Committee, and once that process has been concluded with the inputs of all our people, government will then be able to move forward.

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As it is now, government indeed is moving ahead to address the issue of the restitution of land, the redistribution of land, and making sure that there is security of tenure. There are a number of people in our country that do not have security of tenure and who have real serious challenges with regard to their own rights. A number of them are labour tenants who are being kicked off the places where they are, where they grew up and where they were born. Those rights need to be secured because they have been degraded and indeed, there are quite a number of other people who are entitled to restitution. Some are entitled to their title deeds. Government needs to move ahead with and address all those matters.

In some cases there has been a slow pace with regard to restituting land to them. We are now looking at all of that and saying they must be fast-paced. We must make sure that, indeed, land is handed back to them.

All this is being done within the constitutional parameters that we have because we are a country that is governed by the rule of

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law. As we move forward to a social compact which I hope and trust we will be able to cement once this process reaches fruition, as a government we will then be able to move ahead to implement this.

Clearly, implementation is going to be the key issue here. We are going to make sure that we do implement the decisions that will have been taken. We will make sure that we do not sit on our laurels whilst our people are hungry for land. We will want to implement whatever decision that will have been taken. So implementation is going to be the key determinant. We must say that in the past it may have been slow but we are now going to fast-pace this implementation process so that we address this key issue that our people have wanted to see address over a long time. Thank you very much, House Chair. [Applause.]

Mr N F SHIVAMBU: Thank you very much, House Chairperson.

Yesterday the secretary-general of the EFF collected a Bachelor of Laws, LLB, degree from the University of SA with 18 distinctions. [Applause.] He says that it is common cause that

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the expropriation of land without compensation discourse has been championed by the EFF. [Interjections.] Of course, the ANC took a resolution in the 54th conference which said that there must be, as part of the mechanisms, expropriation of land without compensation.

However, there is beginning to be some quasi-legalistic, narrow nonpolitical views from members of your national executive committee. Charlatans like Enoch Godongwana and Jeremy Cronin are double-tongued when they begin to speak about whether we are going to expropriate land without compensation and whether we are going to change the Constitution ... [Inaudible.]

Mr P D N MALOYI: Point of order, House Chair.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Shivambu, can I just take the point of order please? Yes, hon member?

Mr P D N MALOYI: Is it parliamentary to call a Member of Parliament a charlatan? [Interjections.]

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The HOUSE CHAIRPERSON (Mr C T Frolick): No. Hon Shivambu, let's address the members in respectful terms, and withdraw that remark please.

Mr N F SHIVAMBU: Yes, we will deal with that. The ...

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon Shivambu, you must withdraw that remark.

Mr N F SHIVAMBU: Mr Cronin, yes.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, just withdraw the word charlatan.

Mr N F SHIVAMBU: Mr Cronin. But the word charlatan means a person who claims to know something ... [Inaudible.]
[Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): No, just withdraw the remark please.

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Mr N F SHIVAMBU: But there's no rule that says ... [Inaudible.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Let's get on with the business, and withdraw the remark.

Mr N F SHIVAMBU: Okay, that's fine. Let me withdraw. I'll come back to ... [Inaudible.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you. You have a few seconds left to ask your question.

Mr N F SHIVAMBU: In your response, President ...

Xitsonga:

Nkul. N F SHIVAMBU: Eka nhlamulo ya n'wina, Muchaviseki Phuresidente, a ha ha mi twisisi kahle leswaku mi lava ku vula yini. Swi tikomba mi nga ha ri ka yona mhaka ya ku tekiwa ka misava handle ka ndziriso. A hi mi twi kahle sweswi, onge na n'wina mi sungula ku hi lahlekela eka mhaka leyi. Xana ha teka misava kumbe a hi teki ke? Xivutiso hi leswaku ...

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English:

So the question is, are we going to expropriate land without compensation? Are we going to change the Constitution? Because the mandate of this House is that we should expropriate land without compensation and we must engage in a process which ultimately should amend section 25(2) of the Constitution that says all expropriation should be subject to compensation. Please come out clearly this time.

Xitsonga:

PHURESIDENTE: Nkul Shivambu, xiboho lexi nga tekiwa eka Khomferense ya ANC ya vu54 na tshemba leswaku mi yi hlayile kahle, loko mi hetile mi tlhela mi vona swi fanerile leswaku n'wina tanihi EFF, mi tsutsuma swinene mi ta fika eka Yindlu leyi mi vula leswaku xiboho lexi tekiweke eka khomferense se mi lava ku xi endla xa n'wina. [Nkavanyeto.]

Mr N F SHIVAMBU: On a point of order, Chair. [Interjections.]

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The HOUSE CHAIRPERSON (Mr C T Frolick): What is the point of order, hon member? [Interjections.] Order, hon members! What is the point of order?

Mr N F SHIVAMBU: So the common cause I spoke about earlier ...
The President is ...

The HOUSE CHAIRPERSON (Mr C T Frolick): What is the point of order?

Mr N F SHIVAMBU: The President is misleading the House deliberately ... [Interjections.] ... because the founding manifesto of the EFF ...

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member ...

Mr N F SHIVAMBU: ... the election manifesto of the EFF which happened before the ANC's conference ...

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The HOUSE CHAIRPERSON (Mr C T Frolick): ... that's a point for debate.

Mr N F SHIVAMBU: ... has got a clear commitment to expropriation without compensation.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Shivambu, that is a point for debate. Please take your seat now.

Mr N F SHIVAMBU: We did not take anything from the ANC. Instead, the ANC is learning from us in terms of this particular position. [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Shivambu, please take your seat now. Thank you. Hon President?

Ms H O MKHALIPHI: President, the first cardinal pillar of the EFF ...

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The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member, please take your seat.

Ms H O MKHALIPHI: ... is land expropriation without compensation.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon President, will you respond please?

The PRESIDENT OF THE REPUBLIC: Hon House Chair, I can see that I have touched a very sensitive chord. [Interjections.] Hon Shivambu, I was just merely stating the historical evolution of how this resolution came to Parliament, by basically saying that in December the governing party, at its 54th conference, took a resolution on the expropriation of land without compensation. [Interjections.] It's a very clear position. I want to repeat that soon after that resolution was taken, the EFF was the first in class to come to this Parliament to say they were now going to appropriate that resolution of the ANC; they were now going

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to put it before Parliament. And that's what you did. Now, I want to credit you ...

Mr N S MATIASE: House Chair, point of order.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon President, will you just take your seat. Why are you rising, hon member?

Mr N S MATIASE: I'm rising on a point of order because the President is misleading this House and the public in this way. [Interjections.] He says ... His account ... It's a ...

Mr P D N MALOYI: House Chair, just before that. [Interjections.]

Mr N S MATIASE: Chair, I'm standing on a point of order. Can you please protect me? [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members!

Mr N S MATIASE: Can you please protect me?

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The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, I will come back to you. [Interjections.] I'll come back to you. Order hon members! Yes, make your point, hon member.

Mr N S MATIASE: The President deliberately misled the House and the public in this way. He says in his answer ... He gives an accurate account of the evolution of the resolution and the public discourse on land expropriation without compensation.

The HOUSE CHAIRPERSON (Mr C T Frolick): So what is your point of order?

Mr N S MATIASE: Now here is the right and correct evolution.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member, we have gone through this. Really!

Mr N S MATIASE: House Chair?

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The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member, I think you must take your seat.

Mr N S MATIASE: I'm saying the President is misleading the House deliberately.

The HOUSE CHAIRPERSON (Mr C T Frolick): Please take your seat, hon member. Please take your seat. Why are you rising, hon member?

Mr P D N MALOYI: Chairperson, the member says the President is deliberately misleading the House. [Interjections.] Saying he is deliberately misleading the House is unacceptable and is casting aspersions on the person of the President.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, did you say the President is deliberately misleading this House? Then you must withdraw it. [Interjections.] If you don't want to withdraw it, hon member, then you must leave the House. [Interjections.]
Hon Matiase?

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Ms E N NTLANGWINI: Point of order, Chair.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member, I'm busy. Take your seat. I'll come back to you. I'm busy dealing with the hon Matiase. I'll come to you.

Ms E N NTLANGWINI: No, but Chair, he is ... [Inaudible.] ... in the House, and ... [Inaudible.] You are protecting the wrong things again!

The HOUSE CHAIRPERSON (Mr C T Frolick): No, take your seat, hon member. Please take your seat. Hon Matiase, are you going to withdraw the remark?

Mr M M DLAMINI: Chairperson, you know we are doing very well here and you are messing everything up. Hon Matiase is not going anywhere. Matiase is not going anywhere.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member.

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Mr M M DLAMINI: This House is proceeding very well. Now you are messing up everything ... [Inaudible.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Take your seat, hon member. Take your seat.

Mr M M DLAMINI: Matiase is not going anywhere!

The HOUSE CHAIRPERSON (Mr C T Frolick): Take your seat! Hon Matiase?

Mr N S MATIASE: The President, Mr Cyril Ramaphosa, is deliberately misleading the House and the public. I'm not prepared to withdraw ... [Inaudible.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Matiase, will you please leave the House. [Interjections.]

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Mr M M DLAMINI: He's not going anywhere. You must call those bouncers now. He's not going anywhere. If you leave we are going to leave with you.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Matiase, I've asked you to leave the House.

Mr M M DLAMINI: No!

The HOUSE CHAIRPERSON (Mr C T Frolick): You are refusing to withdraw the remark. It's a serious allegation that you are making in saying that the President is deliberately misleading the House. Hon Matiase, will you leave the House please.

Mr N F SHIVAMBU: [Inaudible.] House Chairperson, can you respect this process here?

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Shivambu, take your seat please.

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Mr N F SHIVAMBU: But I'm addressing you. You must listen first.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, I'm not. I'm dealing with hon Matiase. I'm dealing with this point of order now.

Mr N F SHIVAMBU: No, but you must listen first.

The HOUSE CHAIRPERSON (Mr C T Frolick): May I request the Serjeant-at-arms to escort the hon Matiase out of the House please? [Interjections.]

Ms H O MKHALIPHI: Chair, why is the microphone off? Chairperson?

The HOUSE CHAIRPERSON (Mr C T Frolick): I'm dealing with this point of order that I made a ruling on. I'll come back to you afterwards. [Interjections.]

Mr L G MOKOENA: Hon Chair?

The HOUSE CHAIRPERSON (Mr C T Frolick): Yes, hon member?

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Mr L G MOKOENA: There are technical things that you are making mistakes on here. First of all you didn't ask the member to answer as to why he said deliberately ... [Interjections.] ... so that he can justify his ... [Inaudible.] [Interjections.] That's one and two ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, I'm ... Hon member! Order, hon members!

Mr L G MOKOENA: I'm not done. Secondly, can you show us in the rules book where it says one can't say a person is deliberately misleading the House? Can you show us those rules?

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, please take your seat now. I have made a ruling in this regard and ...

Mr N F SHIVAMBU: House Chairperson ...

The HOUSE CHAIRPERSON (Mr C T Frolick): I'm still busy, hon Shivambu. Take your seat.

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Mr N F SHIVAMBU: ... I'm ... [Inaudible.] ... an urgent motion.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Shivambu, please take your seat.

Mr N F SHIVAMBU: I'm raising an urgent motion for you to step down from that ... [Inaudible.] ... and allow someone else to preside there.

The HOUSE CHAIRPERSON (Mr C T Frolick): Please take your seat, hon member.

Mr N F SHIVAMBU: But I'm rising on an urgent motion!

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, your member raised a point of order and I'm dealing with that point of order now.

Mr N F SHIVAMBU: Can you please entertain that? Then you must come back to me.

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The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, please take your seat.

Mr N F SHIVAMBU: Entertain ... [Inaudible.]

The HOUSE CHAIRPERSON (Mr C T Frolick): I've dealt with that point of order and the hon Matiase has left the House. So that point of order has been dealt with. If you have any ...

Mr N F SHIVAMBU: Can you entertain an urgent motion?

The HOUSE CHAIRPERSON (Mr C T Frolick): If you have any particular reason why you question my ruling, which by the way I stand by, then you must approach the Rules Committee ...

Mr N F SHIVAMBU: But we have an urgent motion on you!

The HOUSE CHAIRPERSON (Mr C T Frolick): ... to deal with the matter. We want to get on with questions to the President now.

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Mr N F SHIVAMBU: But we have an urgent motion on you!

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member, please take your seat.

Mr N F SHIVAMBU: But we have an urgent motion ... [Inaudible.]

The HOUSE CHAIRPERSON (Mr C T Frolick): You are challenging a ruling. You are challenging a ruling and I want you ...

Mr N F SHIVAMBU: It's not challenging a ruling. I want an urgent motion on you ... that you must step down now!

The HOUSE CHAIRPERSON (Mr C T Frolick): ... to take your seat, hon Shivambu. I'm sorry; it's not going to happen.

Mr N F SHIVAMBU: But I have an urgent motion on you!

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The HOUSE CHAIRPERSON (Mr C T Frolick): I've got a ruling that I dealt with and that motion that you want to raise is not relevant to these proceedings now. Hon President?

An HON MEMBER: Chair, before the President ...

The HOUSE CHAIRPERSON (Mr C T Frolick): No, take your seat, hon member. I want to proceed with the President now.

[Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Please take your seat, hon member. Please take your seat. We want to proceed with questions to the President now.

Mr L G MOKOENA: Chair, you have not ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, I have given you the rule that you must follow in dealing with this matter.

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Let's get on with questions to the President now. The hon
President?

Mr M M DLAMINI: Sorry, Mr President, just a ... [Inaudible.]

The HOUSE CHAIRPERSON (Mr C T Frolick): What is your point of
order?

Mr M M DLAMINI: Maybe you must start taking leadership. That guy
sitting there is useless! [Inaudible.] ... for no reason. I
don't know for what. [Inaudible.] [Interjections.]

An HON MEMBER: ANC! ANC! ANC!

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, please take
your seat. Please take your seat. [Interjections.] Continue, hon
President.

Ms E N NTLANGWINI: On a point of order, Chairperson.

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The HOUSE CHAIRPERSON (Mr C T Frolick): What is the point of order, hon member?

Ms E N NTLANGWINI: Firstly, we want you to step down because you are doing the same ... [Inaudible.] ... when Zuma was the President ... [Inaudible.] You must step down! You can't chair the House! You must step down! We want you to step down!

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member. Hon member, please take your seat. Please take your seat. Hon member, I'm afraid it's not going to happen.

Ms E N NTLANGWINI: We want another person to chair the House! You must step down! We want another member to chair the House.

The HOUSE CHAIRPERSON (Mr C T Frolick): Take your seat! Take your seat, hon member! Hon member, please take your seat. Hon President, will you respond to the question that has been ... [Inaudible.] [Interjections.] No hon member, I'm not taking further points of order on this matter. [Interjections.]

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Ms H O MKHALIPHI: You said you are going to recognise me.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member, your party is raising exactly the same point. I've dealt with this point of order. [Interjections.] If you are unhappy with the point of order that was raised ... [Interjections.] ... you must take it to the Rules Committee. Please take it to the Rules Committee. [Interjections.] You also. No hon members, take your seats. [Interjections.] Hon Shivambu, take your seat. We want to proceed with questions to the President.

Mr N F SHIVAMBU: But you must allow members to speak! You can't prevent us from speaking!

The HOUSE CHAIRPERSON (Mr C T Frolick): I've made a ruling and I stand by my ruling. Continue, hon President. [Interjections.] I'm not recognising you, hon member. Take your seat.

Mr L G MOKOENA: I'm rising on a different point.

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The HOUSE CHAIRPERSON (Mr C T Frolick): Please take your seat.

[Interjections.] Hon member, please take your seat ...

Mr L G MOKOENA: No, please, I need to speak.

The HOUSE CHAIRPERSON (Mr C T Frolick): ... and let's allow the President to proceed.

Mr L G MOKOENA: Can I speak?

The HOUSE CHAIRPERSON (Mr C T Frolick): I have made a ruling and I responded to you, hon member.

Mr L G MOKOENA: I'm standing on a point of order.

The HOUSE CHAIRPERSON (Mr C T Frolick): Is it a different point you wish to raise now?

Mr L G MOKOENA: Yes.

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The HOUSE CHAIRPERSON (Mr C T Frolick): Let me hear what you have to say.

Mr L G MOKOENA: Chair, these proceedings have been going on ...

The HOUSE CHAIRPERSON (Mr C T Frolick): What is your point of order, hon member?

Mr L G MOKOENA: These proceedings have been going on very well and the President has been doing very well.

The HOUSE CHAIRPERSON (Mr C T Frolick): Yes ... yes.

Mr L G MOKOENA: You are messing up a very good process.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, I'm applying the rules of the House. Take your seat. Please take your seat now. You are now saying exactly what you said previously.

Mr L G MOKOENA: No, I've never said this before.

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The HOUSE CHAIRPERSON (Mr C T Frolick): Take your seat please.

An HON MEMBER: Chairperson?

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, take your seat. I'm not going to allow any further points of order on this matter. [Interjections.] I want the President to proceed.
[Interjections.]

Ms H O MKHALIPHI: Chair, I just want to address you.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member. Hon members of the EFF and I'm also requesting the ANC's Whip ...

Ms H O MKHALIPHI: Chairperson, can you allow me to speak?

The HOUSE CHAIRPERSON (Mr C T Frolick): No, take your seat, hon member.

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Ms H O MKHALIPHI: But I'm a member of this Parliament! I want to speak!

The HOUSE CHAIRPERSON (Mr C T Frolick): Take your seat. I'm asking you to take your seat.

Ms H O MKHALIPHI: But why don't you allow me to speak?

The HOUSE CHAIRPERSON (Mr C T Frolick): Let us allow the President to proceed.

Ms H O MKHALIPHI: No, I want to raise something. You see now? You are messing up here ... [Inaudible.] ... you are better.

The HOUSE CHAIRPERSON (Mr C T Frolick): Take your seat. Please take your seat. Continue, hon President.

Mr N F SHIVAMBU: On a point of order.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Shivambu, why are you rising? [Interjections.]

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Mr N F SHIVAMBU: Yes, but he can ... [Inaudible.] ... a point of order. What rule is preventing you from putting a special urgent motion against you to step down now ... [Inaudible.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, we are dealing with questions to the President.

Mr N F SHIVAMBU: But we are proposing that you step down ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, take your seat.

Mr N F SHIVAMBU: ... and you can't decide over that because it's you.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, I'm not going to step down. You can be assured of that. I've made a ruling and I stand by my ruling.

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Mr N F SHIVAMBU: But you can't be the one who decides on ...

[Inaudible.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members!
Order! Take your seats! Hon President, will you continue please.
[Interjections.] Hon President, will you continue please. Hon
President, will you continue please. [Interjections.] Take your
seat please.

The PRESIDENT OF THE REPUBLIC: Thank you hon House Chair. Hon
Shivambu ...

Ms N R MASHABELA: On a point of order.

The HOUSE CHAIRPERSON (Mr C T Frolick): I'm not recognising any
further points of order on this matter. [Interjections.]

Ms N R MASHABELA: Recognise me.

The HOUSE CHAIRPERSON (Mr C T Frolick): We are going to proceed.

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Ms N R MASHABELA: Can you recognise me?

The HOUSE CHAIRPERSON (Mr C T Frolick): We are going to proceed, hon members. Really. Really.

Ms N R MASHABELA: Can you recognise me?

The HOUSE CHAIRPERSON (Mr C T Frolick): Please take your seats. I've made a ruling on a point that you are unhappy with and you can pursue the National Assembly Rules Committee on this matter. Hon member, is it different to what has been said earlier?

Ms N R MASHABELA: Thank you very much. Before the President continues, please just step down so that the President can continue. Please step down.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, take your seat please. Take your seat! Continue, hon President.

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The PRESIDENT OF THE REPUBLIC: Thank you, hon House Chair. I was at the point of ...

Mr S P MHLONGO: Point of order, Chairperson.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon members, you are making repetitive points of order about the same matter ...

[Interjections.] ... and I am not going to entertain a further point of order on this matter. I want us to proceed.

[Interjections.] Take your seat please. [Interjections.] I want us to proceed. Order! Hon President?

The PRESIDENT: Hon House Chair, I would like to answer hon Shivambu's question. I was on the verge of saying ...

Mr N F SHIVAMBU: Chairperson, on a point of order: ...

Microphone, please! Microphone, Chairperson!

The HOUSE CHAIRPERSON (Mr C T FROLICK): Hon Shivambu, the President ...

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Mr N F SHIVAMBU: As Members of Parliament, we are allowed to speak.

The HOUSE CHAIRPERSON (Mr C T FROLICK): But you are raising the same point of order.

Mr N F SHIVAMBU: But allow members to speak. You don't know what I am going to say. Allow them to speak.

The HOUSE CHAIRPERSON (Mr C T FROLICK): No, hon Shivambu. As the Chief Whip of your party, can you please take your seat now?

Mr N F SHIVAMBU: Allow them to speak. I am ... [Inaudible] My members must be allowed to speak here.

The HOUSE CHAIRPERSON (Mr C T FROLICK): Hon members, you are raising repetitive points of order on the same matter. I am not going to allow it.

Mr N F SHIVAMBU: Listen to our members! Listen to our members!

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The HOUSE CHAIRPERSON (Mr C T FROLICK): I am not going to allow repetitive points of order.

Mr S P MHLONGO: Chairperson, our country finds itself at a crossroad simply because of the distortion of the history. The same happened with the Sharpeville massacre. The same thing happened in the 1976 uprisings. Today, it is the question of land, which we are ...

The HOUSE CHAIRPERSON (Mr C T FROLICK): Hon member, take your seat. You are making a speech now.

Mr S P MHLONGO: No, it is not a speech.

The HOUSE CHAIRPERSON (Mr C T FROLICK): What is the point of order?

Mr S P MHLONGO: Distortion of facts. All we are saying is ...

The HOUSE CHAIRPERSON (Mr C T FROLICK): Let us allow the President to respond.

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Mr S P MHLONGO: No, Chairperson, please. As a member of this House, will you allow ... [Inaudible] ... voice to be heard?

The HOUSE CHAIRPERSON (Mr C T FROLICK): Hon member, with all due respect, will you take your seat now, please.

Mr S P MHLONGO: You have not heard me, Chairperson. You have not heard me.

The HOUSE CHAIRPERSON (Mr C T FROLICK): I have heard what you said. No, take your seat. Hon members, the President is about to respond to a question raised by your Chief Whip, hon Shivambu.

Mr S P MHLONGO: You have not heard me, Chairperson.

The HOUSE CHAIRPERSON (Mr C T FROLICK): The President will respond to that question now. If we do not allow the President to respond, then it will create a further difficulty for us that we do not want to go into. So, can we allow the President to respond to this question, please.

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Mr S P MHLONGO: Chair.

The HOUSE CHAIRPERSON (Mr C T FROLICK): No, hon ember, I am not going to recognise you. I recognised you on three occasions and you raised exactly the same point.

Mr S P MHLONGO: I have a new point.

The HOUSE CHAIRPERSON (Mr C T FROLICK): Hon President, I am going to request you to continue.

Mr S P MHLONGO: Useless. You are very useless.

The PRESIDENT: Hon House Chair, I thank you for giving me this opportunity once again to respond to hon Shivumbu's question, hopefully, without any interruption this time.

Mr P G MOTEKA: Chairperson, the attitude you have, tells us that you must now step down, because you tired. You are creating another Zuma here.

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The HOUSE CHAIRPERSON (Mr C T FROLICK): No, hon member. Hon President, please, continue. I am no longer taking anymore points of order on the matter.

Mr P G MOTEKA: Order!

The HOUSE CHAIRPERSON (Mr C T FROLICK): No, hon member, take your seat.

Mr P G MOTEKA: No, that is not going to happen. You must listen. You must switch on this thing. It is not ... Switch on this thing! It is not yours. I want to address you on a point of order.

The HOUSE CHAIRPERSON (Mr C T FROLICK): I am not recognizing you. Take your seat. Continue, hon President.

Mr P G MOTEKA: I will recognise myself.

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The HOUSE CHAIRPERSON (Mr C T FROLICK): Hon members, you are not the only members in this House. There are 380 other members waiting to listen to the President. What you are doing now is gross disorderly conduct and I can no longer tolerate that. I have made a ruling and I stand by that ruling. I am not going to change that ruling. If you are not willing to be part of these proceedings, then you are more than welcome to leave so that we can continue with the business of the House. This is really unbecoming. You can have your own issues and your disagreements with my ruling, but I stand by my ruling.

Ms N R MASHABELA: Chair, on a point of order: ...

The PRESIDENT: Thank you, hon House Chair, ...

Ms N R MASHABELA: Order!

The HOUSE CHAIRPERSON (Mr C T FROLICK): Continue, hon President.

I am not recognizing that member.

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The PRESIDENT: Hon Shivambu, I ...

Ms N R MASHABELA: Order, Chair! Order, Chair! We want to allow the President to continue nicely.

The HOUSE CHAIRPERSON (Mr C T FROLICK): No, hon member, I am not going to recognize you.

Ms N R MASHABELA: President, may you please sit down?

The HOUSE CHAIRPERSON (Mr C T FROLICK): Hon Mashabela, will you please take your seat. I want to allow the President to continue. [Interjections.]

The PRESIDENT: Hon House Chair, I wanted to say to hon Shivambu that following the passing of the resolution of the governing party, the EFF introduced the motion here, which, in a number of ways - the adoption of that motion - has unleashed a wonderful process of debate, dialogue, discussion throughout the length and the breath of the country. Indeed, as the motion states, as

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the resolution was that we should now look at land in a different way, we should be able to use various mechanisms to deal with the land question. One of those is the expropriation of land without compensation, taking into account that as we do so, we should not harm the economy; we should increase agricultural production as well as food security. That is the motion or the resolution of the African National Congress, which I believe in and which was passed by the 54th Conference, to answer your question directly.

What we have now unleashed is this wonderful all-empowering process, which, as I said is already proving to include quite a number of people in our country. Let us allow that process to continue so that our people get fully engaged in this discussion and debate and dialogue. And we will end up with a very wonderful product where all South Africans will have a sense that they now are part of the outcome that will have been arrived at - one of dealing with land.

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With that, hon Shivambu, I say, let us continue and engage on this issue. The EFF is entitled to put forward its view, as is the ANC, as is the DA, and indeed, all other parties represented here on this issue. Let us be sure that there are quite a number of other people outside of this National Assembly who also want to put their views forward and they should be allowed to do so.

So, let the discussions ensue and let people get engaged in these discussions. Let us persuade one another and let us find one another as we seek to persuade one another.

Afrikaans:

Ek sê ons moet nou aangaan en ons moet mooi praat en ook lekker praat. Ons moet ook saamwerk, sodat die einde van hierdie debat 'n baie mooi debat sal wees, waar almal van ons ...

English:

... can say that we engaged in a debate where each one of us has contributed to the further development and building of our

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democracy and ensuring that South Africa becomes a successful country.

Afrikaans:

Laat ons nou aangaan. Dankie.

Mr N F SHIVAMBU: Chairperson, on a point of order: In the Rules of the National Assembly, there is a Rule that specifically says that you must not cast aspersions on Members of Parliament. Now, the President says we opportunistically took up the issue of land when it is in the founding manifesto of the EFF. It is in the elections manifesto which is public. So, to suggest that we opportunistically took up land issue because it is an ANC resolution, is casting aspersions on members of EFF that have raised the motion. It is decidedly and contrusively wrong and must be addressed here in this House without having to do it in a way of chasing our member out illegally. You must step down stalwart.

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The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, the point that you are raising is a point of debate between members of this House and the different parties that are here.

Inkosi R N CEBEKHULU: Hon President, does this foreign investment that you are talking about include continueing to sell land to foreigners as well as the governments of other countries when there is much thirst for land ownership amongst the citizens of South Africa?

The PRESIDENT OF THE REPUBLIC: Hon House Chair, a number of countries around the world have a clear rule on the issue of land being either sold or dealt with in whatever way to foreigners. They resort to the least of land to people who want to invest in their countries and that lease does not ... ownership of land. And in a number of countries, they give your either a 30-year lease, 60-year lease, 99-year lease and so, which is renewable, as you go on. We have looked at this and we have felt that these are things that can also be well applied in our country as well.

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Where there is land hunger, there is nothing wrong, nothing wrong at all in dishing land to people from outside of your country. It happens in countries in the northern hemisphere, on the African continent, in south East Asia. And, indeed, in many other places that is the norm. So, there is nothing that stops us from doing precisely that. Thank you.

Question 11:

The PRESIDENT OF THE REPUBLIC: House Chair and hon members, the World Bank report on poverty and inequality places strong emphasis on the importance of jobs and skills in achieving faster growth that improves the lives of people.

The report notes that it is critical to raise the overall productivity and competitiveness of the South African economy so as to increase the number of people who can be employed.

These findings are in line with the National Development Plan, NDP, as well as the Medium-term Strategic Framework.

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The report itself does concur with current policy emphases. In order to ensure that growth measures have a meaningful impact on reducing inequality, we must accelerate efforts to improve the quality of basic education and access to tertiary education. We must improve delivery of these and other key government services. This is critical, given that we still need to devote resources to ensuring that South Africa's fiscal position is suitably robust to withstand shocks from either global or domestic sources.

As outlined in the Budget Review 2018, some of the measures we need to take to improve investment and raise productivity include efforts that we must take to improve investor confidence, institute telecommunications reforms, lower barriers to entry, reform transport infrastructure and support tourism and agriculture.

The World Bank report confirms our view that it is not sufficient to accelerate economic growth alone. We need to ensure that such growth is accompanied by the creation of jobs

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so that we do not have jobless growth. But it must also be the type of growth that should lead to support of the poor people of our country.

It is for this reason that we began preparations with our social partners for a job summit later this year so that we can collectively start focusing on tackling the whole challenge of unemployment.

Our expectation is that these efforts will have further increase the impact of recent labour market support policies, including the Employment Tax Incentive, the National Minimum Wage, and indeed the Youth Employment Service.

While the World Bank report presents a sobering view of the challenges in our economy, it provides useful recommendations that are supportive of and consistent with the programmes we are currently implementing.

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The World Bank report is a mirror that we should use to look at ourselves and to look at the effectiveness of the policies that we have embarked upon. We have good policies that we keep improving on an ongoing basis and when the World Bank issues such a report, we pay heed because, through their reports, we are able to compare ourselves to what is happening in other economic environments across the world. Thank you.

Ms J L FUBBS: Mr President, I share the view expressed in the World Bank April 2018 report that government's NDP directly addresses the triple challenges of poverty, unemployment and inequality. The World Bank report, as you know, Mr President, further acknowledges that this plan for the implementation of government's policy is moving in the right direction. The report, economic update, jobs and inequality show that government's improvement in education among the poor is beginning to show results, with the disadvantaged people gaining skills and their share of labour income increasing, albeit slowly.

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In recognising the slow economic growth experienced by the country, the World Bank suggests improvements in economic growth, coupled with the interventions already expressed in the NDP, and of course, we see, Mr President, that you are addressing this as a start with your investment journey around the world ... [Interjections.] ... and the appointment of envoys ... [Interjections.] and that the improvements ... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members!

Ms J L FUBBS: ... in education are supported by teachers' capacity, accountability and financial support for poor university students. [Interjections.]

So, please, Mr President, tell this House and fellow South Africans what other interventions government is driving to cut the poverty rate by more than half, from 10,5 million to 4,1 million, and how ... [Interjections.]

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Listen!

... and how we are reducing the Gini index of inequality.
[Interjections.] Sixty-three and 2017 to 56. And under your
presidency, how we will create ... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, your time
has now expired.

Ms J L FUBBS: ... these 80 000 jobs and so tell us finally what
your position is on the findings. I thank you. [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member! Your time
has expired! Hon President?

The PRESIDENT OF THE REPUBLIC: House Chair, we are as a
government ...

The CHIEF WHIP OF THE OPPOSITION: That was injury time!

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The PRESIDENT OF THE REPUBLIC: ... focusing our attention on how best to improve the lives of our people, and how best we can ensure that the education outcomes in our country are a lot better than they have been in the past, and how we can address the health condition of our people in terms of dealing with various diseases, and more importantly, how we can continue to reduce poverty and inequality and unemployment in our country.

The programmes that we have in place are huge. They are all-encompassing and they are the types that have in many many ways improved the lives of our people. Much as poverty has reared its head once again to a point where some 50% or so of our people are living in poverty, we need to do exactly much more that we have done in the past. Around 55%, or 30 million people in our country live below the national poverty line of R992 per month. This is a matter of great concern to all of us. We need to make sure that we do move beyond this. In the past, we have, and now with the economic conditions having worsened in the way that they have, we have indeed found that we have backtracked.

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But, having done so, we are quite aware of the fact that the policies that we have can be made more effective. We can address the challenges that our people are facing if we become more focused, if we implement precisely the policies that we have.

The governing party is determined to root out the impediments, the challenges and the barriers that have in the past made it difficult to address these challenges that are faced by ordinary South African on an ongoing basis. We believe that once those barriers are addressed, we should then be able to be much more effective in addressing all those challenges. We will be able to build more houses, more clinics, and more hospitals. We will be able to improve the transportation in our country so that our people are able to travel safely and comfortably to their workplaces, and that they are able to live nearer to places of work. We will be able to move the lives of our people much higher up than where they are.

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The problems are known to us. We are aware of the hardships and the challenges that our people have, and we are determined that we are going to address those hardships. Thank you.

The CHIEF WHIP OF THE OPPOSITION: House Chairperson ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Yes?

The CHIEF WHIP OF THE OPPOSITION: I find it very odd that the President had a pre-prepared response.

The HOUSE CHAIRPERSON (Mr C T Frolick): What is the point of order, hon member?

The CHIEF WHIP OF THE OPPOSITION: It's in terms of the supplementary question Rule. It's supposed to be spontaneous.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, you are making an observation. That's not a point of order.

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The CHIEF WHIP OF THE OPPOSITION: But is the President a clairvoyant seeing that he's able to determine what questions are coming ... [Inaudible.] ... written response?

The HOUSE CHAIRPERSON (Mr C T Frolick): That's not a point of order! I want to ask your leader to ask his question. Hon Maimane?

The LEADER OF THE OPPOSITION: House Chair, I am very impressed with the President's talent and ability to prepare an answer to a question that's spontaneous.

But, be that as it may, Mr President, it's become clear that we're trapped in a cycle of high levels of inequality and poverty. Our society is still unequal. I think the biggest devil of inequality is those who have a job and those who don't have a job. It's the South Africans who are unemployed - the 10 million - that we ought to answer questions for.

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My challenge here, Mr President, is that your government has proposed a minimum wage to come into South Africa. But your Treasury, your own government, has already proposed that, if that proposal goes through, over 715 000 South African will lose their jobs. [Interjections.]

So, surely, Mr President, is it not time ... I want to hear from you, what plans do you have to mitigate against those who will lose jobs and whether it is not time to consider a jobseekers' grant to help South Africans who are unemployed, get work.

The PRESIDENT OF THE REPUBLIC: Hon House Chair ...

The CHIEF WHIP OF THE OPPOSITION: Do you have a pre-prepared one for this?

The PRESIDENT OF THE REPUBLIC: Thank you. I'm glad you are very impressed with ...

The CHIEF WHIP OF THE OPPOSITION: With your clairvoyance?

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The PRESIDENT OF THE REPUBLIC: Yes, clairvoyance and all that!

[Laughter.]

Now, Mr Maimane, if you have been paying attention to this whole issue of the National Minimum Wage, firstly, you would have notices that the demand for the minimum wage started in 1955 when our people gathered in Kliptown, complained about the poverty wages that were being paid then, and said, we want a national minimum wage because a national minimum wage will eradicate these poverty wages that the people of our country were being paid. Back then, the economy of our country employed far less than 4 million people.

Now, that was the complaint then. With time, this demand kept on growing. It kept on being articulated by working people in our country. When President Zuma said that we should immediately look into the issue of the minimum wage, we did so. As we did so, Mr Maimane, top-class professors in our country did research and told us in their report that there are some 6,6 million

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people in South Africa who earn, on a monthly basis, less than R20 an hour.

The CHIEF WHIP OF THE OPPOSITION: [Inaudible.]

The PRESIDENT OF THE REPUBLIC: They also said that there are people in our country who earn ... who are working ... working people ... given that we have 16 million people in our country who work ... working people earn R750 per month ...

The CHIEF WHIP OF THE OPPOSITION: [Inaudible.]

The PRESIDENT OF THE REPUBLIC: ... who earn R1 500 per month.

Now, those are truly poverty wages. [Interjections.]

The demand has been made throughout history for a living wage in our country. And, in collaboration - and listen to this - with the unions, with community-based organizations, and indeed with businesses ...

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The CHIEF WHIP OF THE OPPOSITION: What about ... [Inaudible.]

The PRESIDENT OF THE REPUBLIC: ... many of who support your party ...

The CHIEF WHIP OF THE OPPOSITION: What about the unemployed?

The PRESIDENT OF THE REPUBLIC: Hardnosed businesspeople who are focused on profit finally said, yes ... [Interjections.] ... it is important that we should have a national minimum wage because we can no longer, as we signed the Ekurhuleni Accord, have a situation in our country where people earn poverty wages. That was a collective decision. The wisdom of people who applied their minds and ... by the way, many of the businesspeople who were there are people who run businesses, who know what they are doing, who are eking out a living running their own businesses. They said, this is precisely what this country needs to do.

Remember, we are not the only country in the world that has embraced a minimum wage. Many countries ... actually, if you go

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to the International Labour Organisation, ILO, they will tell you that more and more countries around the world are embracing a national minimum wage. [Interjections.] They are embracing it, including developing economies. You look at Brazil, you look at a number of countries in South East Asia ... [Interjections.]

And shut up, you, Steenhuisen, and listen! [Interjections.]

You look around the world ...

An HON MEMBER: On a point of order, Chair! [Interjections.]

The PRESIDENT OF THE REPUBLIC: I want you to shut up!

[Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Order! Order! Hon President ...

The PRESIDENT OF THE REPUBLIC: I do want you to shut up because ... [Inaudible.]

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The HOUSE CHAIRPERSON (Mr C T Frolick): Order!

The CHIEF WHIP OF THE OPPOSITION: House Chairperson ...

[Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members!

The PRESIDENT OF THE REPUBLIC: Hon Steenhuisen continues to make a noise!

The CHIEF WHIP OF THE OPPOSITION: Hon Chairperson!

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members! Hon President ... [Interjections.] Hon President, will you take your seat, please. Why are you rising, hon Steenhuisen?

The CHIEF WHIP OF THE OPPOSITION: House Chairperson, the hon President told me to shut up. [Interjections.] I'd like him to answer, but "shut up" is unparliamentary. [Interjections.] If you are going to hurl EFF members out for telling the President

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that he is deliberately misleading the House, the Rule must apply to him. He must withdraw.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon President, will you withdraw, please?

The PRESIDENT OF THE REPUBLIC: I am prepared to withdraw, but I would like hon Steenhuisen to listen ... [Interjections.] ... because ... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members! Order! [Interjections.]

The PRESIDENT OF THE REPUBLIC: You know, you are touching on a very sensitive issue.

He continues, hon House Chair, to make a noise which is ... [Interjections.]

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The HOUSE CHAIRPERSON (Mr C T Frolick): Hon President, there is another point of order that I want to take. Yes, hon member?

The MINISTER OF HIGHER EDUCATION AND TRAINING: Hon Chairperson, I have been observing that there have been constant interjections by the hon Waters and the hon Steenhuisen. I'm not surprised that that remark was made ... [Interjections.] ... because some of the interjections border on the offensive. I ask you to rule. [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you. Hon members, please take your seats.

The CHIEF WHIP OF THE OPPOSITION: House Chairperson ...

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon Steenhuisen, I've not recognised you. [Interjections.] I have not recognised you. Please take your seat.

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The CHIEF WHIP OF THE OPPOSITION: Will you recognise me after you respond, thank you?

The HOUSE CHAIRPERSON (Mr C T Frolick): No, I am responding to the hon member.

Mr H P CHAUKE: Point of order! [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon members, just calm down.

Mr H P CHAUKE: Point of order.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, no! Hon Chauke, if you read the Rules, you will see that when I deal with a certain point of order, you cannot raise another point of order immediately. [Interjections.]

I have heard what the hon member has said and may we maybe just ... because we want to conclude this session in a way that

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allows the President to respond to these various questions and, when there are points of order, to deal with it. But let's not do it in a way that could potentially derail the business of the House.

I will appeal to all members in the House that we allow the President to respond. The President has withdrawn the remark and I want to continue...

An HON MEMBERS: No! He hasn't! [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick) Hon members! Hon members, just calm down. [Interjections.] Calm down! [Interjections.]

The CHIEF WHIP OF THE OPPOSITION: He's the one who needs to calm down!

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, I'm not in dialogue with you. I've made a ruling. The hon President has withdrawn.

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An HON MEMBER: He has not withdrawn!

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Steenhuisen, why do you want to be heard again?

The CHIEF WHIP OF THE OPPOSITION: House Chair, the President, if you examine the Hansard, did not withdraw. He said he would be prepared to withdraw, and then went on to a conditional rant. He's the one who lost his temper.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon Steenhuisen, take your seat.

The CHIEF WHIP OF THE OPPOSITION: You know, when you're the President, you need to remain calm! This is not the NEC; this is Parliament!

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Steenhuisen, please take your seat! [Interjections.] I want the hon President to continue.

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The PRESIDENT OF THE REPUBLIC: Hon Steenhuisen, I'm being very calm.

The CHIEF WHIP OF THE OPPOSITION: But you told me to shut up!

The PRESIDENT OF THE REPUBLIC: I think you should listen. We are discussing a very serious matter that has to do with the lives of poor people. [Interjections.] It is your continued interjection which included "You're talking nonsense" and other expletives, so I responded in the way that I did. Your leader has asked a question which I'm seeking to respond to. I did say "shut up" and I have withdrawn that. [Interjections.] I should possibly have said, Mr Steenhuisen, please keep quiet while I'm talking.

HON MEMBERS: Yes!

The PRESIDENT OF THE REPUBLIC: So, in future, Mr Steenhuisen - and I'm saying it very calmly - please keep quiet ...

[Interjections.] ...I'm talking. [Applause.] [Laughter.]

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The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members.

The PRESIDENT OF THE REPUBLIC: So, what I was elucidating ...

The CHIEF WHIP OF THE OPPOSITION: House Chairperson ...

[Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Steenhuisen, why are you rising now?

The CHIEF WHIP OF THE OPPOSITION: I'd like to address you in terms of Rule 85, if I may?

The HOUSE CHAIRPERSON (Mr C T Frolick): Yes, hon member.

The CHIEF WHIP OF THE OPPOSITION: The President said that I had used expletives against him. This casts a deep aspersion on me, and I would ask him to please clarify what expletives I used, otherwise he must withdraw or bring a substantive motion.

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The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon member. No. Hon Steenhuisen, take your seat.

The CHIEF WHIP OF THE OPPOSITION: House Chairperson, the President has accused me of using expletives. I have never used an expletive against the honourable gentleman.

The HOUSE CHAIRPERSON (Mr C T Frolick): Please take your seat now, please. Please take your seat.

The CHIEF WHIP OF THE OPPOSITION: He needs to toughen up. This is not the MTN board, or the NEC.

The HOUSE CHAIRPERSON (Mr C T Frolick): For the last time, please take your seat.

The CHIEF WHIP OF THE OPPOSITION: It's Parliament. It's a robust environment and he should learn to navigate it a little better.

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The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, take your seat.

Hon members, I've made an appeal ...

The PRESIDENT OF THE REPUBLIC: Toughen up! [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): ... to both sides of the House that we allow each other to engage in a respectful manner. Let's do so. [Interjections.]

The PRESIDENT OF THE REPUBLIC: Are ... [Inaudible.] ... giving you cigars? [Interjections.] Toughen up!

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members. Yes, hon member?

Mr M M DLAMINI: Chairperson, I have a point of order. You know

...

IsiZulu:

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... uyabona Mongameli yingakho abelungu bekhuluma nawe kanje. Nibanikeze umhlaba, anifuni siwuthathe. Yingakho besukuma bavele banidelele nje. Musani ukwenza ... [Ubuwelewele.] basithathele umhlaba yikho labelungu sebedelela nje.

English:

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you hon member, please take your seat.

The PRESIDENT OF THE REPUBLIC: No, what I was elucidating was the ... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hold on hon members!

The PRESIDENT OF THE REPUBLIC: ... hon Maimane, with 6,6 million people earning way below R20 an hour we, collectively with business, labour, community-based organisations and government, we are faced with a choice of having to say, do we leave those 6,6 million people to their own fate where they continue to earn less than R20 an hour and say market forces will continue to

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look after you or do we say, we are going to pack minimum wage at a much higher level - which would have wiped out quite a lot of employment - and we chose the middle course. The middle which we believed was a much more reasonable way of addressing the plight of 6,6 million people but at the same time ensuring that we do not destroy jobs. Now, yes, a report came through that if you implement the R20 an hour you would be able to wipe out 750 000 jobs. And we asked ourselves, what is the lesser of all the evils? Do we pack the minimum wage at R12 000 where we would wipe out maybe 8 million jobs. Do we leave those earning less than R20 an hour to their own wiles or do we embark on a middle course? A middle course, yes, which would result in 750 000 people losing their jobs, we chose the latter but we also said, we are going to allow those companies that are going to face great difficulties in paying the R20 an hour to come forward and apply for exemptions so that we do not get people losing their jobs and as it has turned out, a number of those companies have come forward and when they do come forward they have to apply and justify why they are not able to pay that minimum wage and

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through that we are going to be able to minimise the loss of those 750 000 jobs.

We are going to be able to lift 6,6 million people out of income poverty or low wages and at the same time we are also going to take care of those workers who work in the farms and those workers who work in our houses, domestic workers. We are going to give those employers an opportunity to upgrade those wages over time. So, with that, we then had a process which we believe can work for our economy given the fact that all over the world there is a wave of minimum wage processes where countries are beginning to embrace the minimum wage movement if you like and we had the best world experts from the International Labour Organization, ILO, from our universities, from a number of countries both developed economies and developing economies and we had the best advice - if you want to know - to arrive at this minimum wage that we crafted. Now this is a foundation. This is not a living wage as we have said. This is a wage below which no worker in South Africa should be paid except for domestic workers as well as for those workers who work on our farms, only

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for a limited period, and they will also be lifted to the level of the minimum wage. Now, the minimum wage is going to be regulated by an employment commission which is going to be able to review this minimum wage on an ongoing basis.

And for those who say that it is far too low we want you to keep in mind that, if we had raised it a bit too high, many people were going to lose jobs and for those who say that the R20 is too high, we have 6,6 million people that we as a country, as a nation, needs to look at improving their livelihoods. So, faced with all this, we were able to craft this minimum wage and we believe that it is going to lift 6,6 million people out of income inequality Mr Maimane and I am sure you can agree to that as well. Thank you very much. [Applause.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Lekota, why are you rising?

Mr M G P LEKOTA: Chair, on a point of order: I did not want to interrupt the response of the President but just before the

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President did that input, this gentleman here, next to Mr Shivambu - I forgot ... Dr ... I forgot your surname I am sorry - [Interjections.] hon Dlamini ... [Interjections.] No, no, I must say this. He addressed you and then he turned to say, to the President ...

IsiZulu:

... abelungu sebesho kanje, sebekhuluma kanjena ngoba nabavumela ukuthi bathathe umhlaba.

English:

Now, I am rising on this issue. That is a racist statement.

[Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Lekota! Thank you.

Mr M G P LEKOTA: That is a racist statement that should not be allowed in this House. You must go and listen to the Hansard ...

[Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Lekota!

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Mr M G P LEKOTA: ... no, let me make my request.

The HOUSE CHAIRPERSON (Mr C T Frolick): No, hon Shivambu, let me just do this point of order.

Mr M G P LEKOTA: Let me make my point. You must listen to that statement and get your Table to assist you. You must return a ruling on this ... [Inaudible.]

The HOUSE CHAIRPERSON (Mr C T Frolick): No, thank you.

Mr M G P LEKOTA: We cannot allow people to address each other here in racial terms.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you hon Lekota, please take your seat.

Mr M G P LEKOTA: We cannot do that. The context is very clear, it is racist.

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The HOUSE CHAIRPERSON (Mr C T Frolick): Take your seat now hon member. No, I will listen to the recording and look at the Hansard.

Mr N F SHIVAMBU: House Chair, on a point of order: I want to plead that we must ignore the ideological confusion of Terror Lekota ... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): No hon Shivambu, I said I will look at it.

Mr N F SHIVAMBU: ... and continue with this process.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you!

Mr M HLENGWA: Hon House Chairperson ...

IsiZulu:

... mhlonishwa Mongameli ...

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English:

... whilst we are dealing with pushing back the frontiers of inequality, the biggest challenge of course in so far as inequality is concerned is that women bear the brutal brunt of inequality twice particularly black women. They are first oppressed because they are women and secondly oppressed because they are black in terms of the economic outlook is concerned and of course the gender pay gap depending on what statistics you look at is anything between 15% and 27%. And so whilst you are dealing with this inequality what measures are you going to put in place to ensure that whatever growth South Africa realises pulls women out of the challenges that they face currently whether it is work pay, the oppression in the workplace because it is all good and well to electioneer around slogans, Phansi Women Abuse and so on but it needs to form part of a broader package ... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member your time has now expired.

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Mr M HLENGWA: ... and ... [Inaudible.] President, those at the far end of the economic spectrum receives grants through SA Social Security Agency, Sassa, and in the main vulnerable women.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, your time has expired

Mr M HLENGWA: What will be done to ensure that those women are also assisted in a Sassa that actually works ...

[Interjections.] [Inaudible.] having problems that have been going on.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Hlengwa, your time has expired and I must remind you that we should not ask multiple follow-up questions

Mr M HLENGWA: There was a ... [Inaudible.] question which set a precedent ... [Interjections.] [Inaudible.]

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The HOUSE CHAIRPERSON (Mr C T Frolick): There is one follow-up question.

The PRESIDENT OF THE REPUBLIC: Hon House Chair, yes indeed the issue of equalising pay between men and women is an important one and it is a challenge that we have got to address because it continues to be a burden on many women in our country where women are paid unequal pay for equal work and we are saying women should be paid equally as men are paid for the equal work that they perform and this is what we would like to see being enforced through our labour department because it is discriminatory, unfair, it actually also violates the human rights of women in our country. So if you are doing a piece of work that is equal to a man's work you should never be paid anything less than what a man gets paid. But unfortunately that keeps on happening not only in our country but all over the world. Many of us will have read about how in a number of countries even in your more developed economies, women continue to be paid much less than what men get paid. And in our own country we need to meet this challenge and address it so that we

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eliminate it. We cannot talk about equality between men and women in terms of our constitutional precepts but at the same time when it comes to remuneration, benefits, the treatment is unequal. We therefore need to ensure that it is equal treatment and equal remuneration, equal benefits for work that is done on an equal basis. So that we will want to move on and ensure that it does indeed happen and our labour department will be ensuring that it does happen. Thank you very much.

Prof N M KHUBISA: House Chairperson, hon President it is true that a plethora of socioeconomic challenges still impact negatively on our country and of course that includes inequality, poverty and unemployment but of course there are these issues of fronting and labour brokerage that still bedevil the work situation and job creation. What is it that the government is tangibly doing to deal with these issues because there are these companies who continue to use labour brokers and also this fronting? People find themselves in companies and they are not paid anything and they do not know whether they are called directors whereas they are not getting anything for being

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directors of companies. What is it that the government is tangibly doing to deal with those issues? Thank you.

The PRESIDENT OF THE REPUBLIC: House Chair, the issue of labour broking has been raised on a number of occasions by our colleagues and fellow citizens in the labour movement. It continues to be a huge problem that they encounter and they have raised it on a number of occasions. I know for a fact that the labour department has sought to address this through regulations but still labour movement colleagues are still feeling the effects of the regulatory processes that have been put in place.

And when you look at it you find that, yes, the labour brokers tend to earn a lot of money, much more than what they pay the people that they put in employment and of course the complaint is, in the end those workers who are brought through in to employment through labour brokers do not enjoy the benefits, they do not get permanent employment and they are tossed from pillar to post and they are employed for certain periods and then tossed out. Now this clearly in my view still needs to be

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addressed. We need to find a solution that is going to be satisfactory to all and sundry. We cannot continue having a situation where our labour movement colleagues continue to complain about exactly the same thing in a way that continues to manifest itself. I will be seeking to have in-depth discussions with the Minister of Labour so that we find a better way of addressing this issue of labour brokers because it has gone on for too long and workers feel that they are suffering at the hands of labour brokers and indeed we need to also of course hear what these companies that are involved in this sector have to say but our primary concern must in the end be to address the issues have been raising through their trade unions. So I will want to see it addressed more effectively. Thank you very much.

Question 12:

The PRESIDENT OF THE REPUBLIC: Hon House Chair, hon members, small and medium enterprises are an important part of South African economy, they support more than 60% of employment in our country and are engines for growth and transformation. It is therefore critical that we continue to pursue measures that will

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open up the economy for small businesses in South Africa. The Competition Act and the competition authorities, including the Competition Commission itself, are important institutions and instruments that are aimed at addressing not only matters relating to competition but also economic concentration and public interest.

When investigating whether a merger cannot be justified, the Competition Commission must consider the impact on employment and on the ability of a small business, and especially firms controlled or owned by historically disadvantaged South Africans to compete in their chosen market. The competition authorities are required to apply a case by case test on the appropriateness of imposing conditions on mergers. With respect to the specific decisions of the Competition Commission that were referred to by the honourable member in 11 of the 12 approved mergers, the commission found that the proposed transaction was unlikely to sustainably prevent or lessen competition in any market and did not raise any public interest issue. In one case, namely the acquisition of the cast products of division of score metals,

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the transaction was approved on condition that, among other things, the proposed merger would not result in any retrenchment of employees for 18 months after the implementation of the merger.

South Africa has led the way globally on matters of public interest. Many authorities around the world are now beginning to recognise the importance of these responsibilities to support the public interests through their competition laws. There are a number of instances where the efforts of government and our competition authorities have led to the opening up of markets and the protection of important industries and jobs. Some 58 000 jobs were saved and 6 500 jobs were created through conditions stipulated by the competition authorities through mergers proceedings between the 2014-15 and 2015-16 financial years.

In its Budget Vote later this week, the Economic Development department will provide details of the latest in this financial year. As a country we have begun to more effectively use our

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competition laws as well as institutions as instruments of economic development and transformation and as indicated in the state of the nation address, we are working to amend the Competition Act with more public interest prominent in the decisions of the competition authorities. The Organisation for Economic Co-operation and Development, OECD, is one of those institutions, which, having looked at our competition laws, found that our competition laws, in as far as public interest is concerned, is indeed far ahead of many countries. This is because we have focused our public interests area as an area that has an empowering type of aspect and tends to look more closely on how we can show up the interests of ordinary people, not only in as far as their employment is concerned but also on areas of skills development and a number of other areas.

I can confidently say that on this issue, we have been ahead of the curve because the world has been learning from what we have been able to do. Much remains to be done. This is being looked at more closely as we begin the process of amending our Competition Act so that it can also deal with issues of

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concentration. Our Competition Act again deals with issues of how we can utilise the Competition Act as fostering empowerment amongst the people who were previously prevented from entering certain businesses and certain sectors. This is an area of greatest development for us and it is an area that, having addressed it in the state of the nation address, we want to focus more attention on because it is where we want to foster more change and development in our competition laws. Thank you very much.

Mr M P GALO: Through you hon House Chair, let me thank you President for your answer. Mr President, it is common cause that small and medium-sized enterprises generate employment and unlock the economic prowess of the county's outlook as you have also alluded to that fact. Adam Smith has written quite extensively on this. What steps have you undertaken to interlock the work of the Ministry of Small Business Development in promoting local enterprises with the Competition Commission's assessments of mergers and acquisitions? We are raising these questions, hon President, because we are worried that this

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neoliberalism kind of approach is not going to benefit the people, more especially in the rural areas. We are very much concerned, hon President. Thank you.

The PRESIDENT OF THE REPUBLIC: Hon House Chair, as I was saying earlier that we are focusing our efforts on the Competition Act amendment - on how best that amendment can lead to the empowerment of those who were previously disadvantaged and prevented from entering various areas of business, indeed we want a great interface not only between Small Business Development Ministry but as well as what we do in terms of competition and throughout government so that we do not work in silos. We want to address all those challenges that you are talking about because it is important if we are going to foster radical economic transformation trajectory that the governing party is committed to that we should empower the small and medium enterprises not only in word but in effect and give them the way withal, the capacity and the capability of being able to do precisely that. This is an area that we are focusing on. We have shown a light on this area and we want to utilise these

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instruments that we have and it is part of the Competition Commission to ensure that small and medium enterprises are indeed given greater opportunities, greater avenues are open for them and great pathways are also being created for them. Thank you very much.

Mr N SINGH: Through you hon Chairperson, thank you for your response, Mr President. There is nothing inherently wrong with mergers and businesses getting together because they are bringing in more capital, more infrastructure, and sometimes cheaper prices. Mr President, your response focus mainly on the job side - that we protect jobs. I want to focus my question on the supply side and the abuse of dominance. We have a number of companies that come together. For example, let's take Walmart, and a number of retail companies in the textile industry, in the accommodation industry, you will find them coming together. The thing is what opportunities are being given to small and medium enterprises to be continued suppliers of products. We find textiles from India, China, Bangladesh and all over the world and we find imports rather than giving small businesses an

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opportunity. Mr President, are you satisfied that the measures that we have in place to protect small and medium businesses as suppliers to this big conglomerates are in place, and if not, what would be done about it? Thank you.

The PRESIDENT OF THE REPUBLIC: Through you hon House Chair, thank you hon Singh. No, I am not satisfied, I would like to see more action being taken to open up greater opportunities for small and medium enterprises and the competition arena gives us greater optionality and opportunities to be able to do precisely that. During his Budget Vote the Minister of Economic Development is going to also address specifically this issue of how through our competition amendment laws we are going to be able to empower small and medium enterprises and make sure that as we do so we look at the full value chain, which is precisely where the blockage is - where small and medium enterprises are blocked or have barriers that they cannot get over. And those are channels that need to be opened so that they are able to act. If we do not do so from a legislative or regulative point of view, they will never be able to make headway because they

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will always find that opportunities that lie ahead, across a particular barrier, are forever lost to them.

So, our task as government is not only to give lip service to the empowerment of small and medium enterprises, but it is actually to empower them in real effect and open up all the opportunities, particularly where there is dominance because in certain sectors there are players that so dominate a sector as to be able to keep out other players. We have embraced a mixed economy trajectory in our country where competition should be the order of the day, where those who are good at doing particular things, for example producing goods and services, should be given that opportunity without facing barriers that are going to make it impossible for them to thrive and succeed.

Given the fact that 60% of employment is generated by small and medium enterprises, it is all the more reason why we need to be focusing more attention on promoting small and medium enterprises and in fact promoting entrepreneurship. And entrepreneurship can thrive much more effectively when

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entrepreneurs realise that their pathways, their channels are open rather than closed off by type of barriers that can be created through the dominance of certain sectors of the economy by certain players. So, our competition regulations and laws are going to be addressing precisely that as well. Thank you very much.

The LEADER OF THE OPPOSITION: Mr President, you have always said that we need to work together to deal with the issues of the economy. Small, medium and micro-sized enterprises, SMMEs, are without doubt job creators and the backbone of the economy.

I am of the firm view that the future of countries is cities because they play a key role in breaking down regulatory burdens, etc. In the cities that we govern either alone or in coalition - Johannesburg, Tshwane, Nelson Mandela Bay and Cape Town - we have ensured that SMMEs actually have centres to which they can go to get advice. We've shown ultimately that we've opened funding for people.

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So, my request to you is that, if that became true in places like Johannesburg and Tshwane where we're showing that jobs can be created, can I ask you to help with the metros that the ANC governs, so that we can ensure that the programme is rolled out, that we have SMME hubs there so that people can actually get helped to start their businesses and actually create work for our people. Could I ask you to do that, Mr President?

The PRESIDENT OF THE REPUBLIC: You just took my answer sheet. Where is the answer sheet? [Laughter.]

Hon Maimane, the support that needs to be given to SMMEs is quite broad. It is what, in my book, is not complex. It's something that can be done very quickly, very easily. It just requires focus. What you are saying about where it has been rolled out, is very good news indeed.

We have found that, through hubs that can be created ... and some of those are hubs where we create situations where small and medium enterprises are able to get support. I know for a

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fact that these hubs are being opened in a number of places throughout the country. If you like, we can bring you the evidence. It's not only, I would say, in the cities that you have mentioned; it goes even beyond that. I know, for instance, that there are such hubs in the Rustenburg area. In the Durban area, there are such hubs. And indeed in a number of other places, those are being set up to assist.

What you are merely confirming is that through hubs like these that assist small and medium enterprises, entrepreneurs are assisted to get a move on. They get the support. They get assistance. We want to roll out more and more of these.

The Minister of Small Business, when she does her Budget Vote, will be able to outline precisely the steps that are being taken by her department at national level and demonstrate effectively that it is a programme that she is rolling out in a number of areas.

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So, while we applaud the work that is being done in the areas that you have mentioned - Cape Town, Pretoria, and so on - it is certainly something that is being done elsewhere but it needs to be broadened.

I have taken the view that, if we were able to create up to, say, if you like, one thousand such hubs in our country, and spend, say, R1,5 billion, we will be able to create up to a million jobs. With that, we would then be able to create a number of entrepreneurs who are supported. They, in turn, would employ others.

We have seen how this, in practical terms, is able to assist a number of people to, indeed, create their own businesses.

Now, I am happy to come with you, but I would like you to come with me as well to those other areas where this has taken root, where success has actually been achieved. So you and I can go around the country and look at all of this.

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Actually, I say that in earnest. I say ...

The CHIEF WHIP OF THE OPPOSITION: Can I come with you?

The PRESIDENT OF THE REPUBLIC: Yes, you can come with us, Mr Steenhuisen. [Laughter.]

I say that in earnest because I would like to see members of the opposition and the governing party being able to act and work together in certain areas where our people need to see that indeed, through the parliamentary process and what have you, we are able to work together.

So it is for that reason that I'm going to invite you, Mr Maimane, as Minister Zulu leads us to some of her hubs so that we can go and see it together. So, come accompany me when I go with Minister Zulu. Thank you.

Dr S S THEMBEKWAYO: Mr President, one of the most devastating deterrents to the growth of small businesses in this country is

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the free flow of goods and services from foreign countries. That free flow stifles any opportunity our industries have for growth of. A typical example is the death of our own poultry industry as a consequence of foreign countries, including the USA, and trading blocs like the EU dumping their cheap chickens here.

A large number of finished goods and products that enter South Africa are not adequately taxed.

Are you, Mr President, planning to increase tariffs on imports of goods and services that we can produce locally in order to encourage the growth of our own small businesses? Thank you.

The PRESIDENT OF THE REPUBLIC: House Chair, tariffs are an instrument that you use from time to time to achieve certain gains and to defend some of your sectors and some of your markets. So, we cannot ever have a situation where we say we are going use tariffs on a blanket basis. We need to use them wisely. We need to use them on a targeted basis.

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But the issue that you are raising ... what is behind that, is our own ability to innovative, to be efficient insofar as producing goods here that the South African consumer wants to buy and wants to have.

Now, there are quite a number of instances where we have indeed allowed those from outside our country to gain market share. In some of those cases, it has been through our own inefficiencies. It has been through our own lack of innovation. Where we can innovate, where we can improve our efficiencies, you will find that we are able to gain more and more market share around those.

In the end, there are moments when, yes, you do need to utilise tariffs. Obviously, when we do utilise tariffs, we have to utilise them within the broader scheme of the world club that we are a part of which is the World Trading Organisation, which monitors our utilisation of instruments such as tariffs on an ongoing basis.

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But the important thing, of course, is that we as South Africans need to be encouraging more and more of our own producers to produce goods efficiently, to produce them innovatively and to utilise technology to be able to out-perform our competitors.

I will give you a very good example. On Workers' Day, I wore a cap that was made in China. I was sitting next to the president of Cosatu, and I said, let me see the cap that you are wearing. He took off his cap and showed me. We noticed that it was also made in China. I said to the president of Cosatu, this is precisely what we need to be addressing as South Africans, as the labour movement, yes, and as government. We agreed that that was an issue and a challenge that we need to address as South Africa so that we begin to promote the "Made in South Africa" process. We must make things here. There are areas where we can do that. We will be able to do by focussing our own ... for instance, our own incentives on incentivising some of our own businesses to produce locally.

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One is not really arguing for a blanket import substitution type of process, but I am arguing for the ability to produce certain goods so that we are able to protect jobs.

Minister Patel was one of those who led us in protecting a number of textile jobs. We were able to do so by being innovative and by getting companies that operate in that field to become more efficient. By doing so we were then able to keep outside competitors out.

Now, it requires quite a lot of effort. I know he is focusing on that. We need government as a whole to begin focusing on how we can promote the Made in South Africa campaign. We need to get more and more of the things that we wear - including the red jacket that you are wearing - to also be made in South Africa. Thank you.

The House adjourned at 17:03.