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PROCEEDINGS OF THE NATIONAL COUNCIL OF PROVINCES

The Council met at 14:03.

The House Chairperson: Committees, Oversight, Co-operative Governance and Intergovernmental Relations took the Chair and requested members to observe a moment of silence for prayers or meditation.

ORDER OF BUSINESS

WELCOME

The HOUSE CHAIRPERSON (Mr A J Nyambi): Order, members! I have been informed that the Whippery has agreed that there will be no notices of motion or motions without notice.

Before we proceed, I would like to take this opportunity to welcome our special delegates - I can see a lot of them from our respective

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provinces - and also extend a word of welcome to the Deputy President to this august House, the NCOP.

Hon members, it would be in order to remind you that there is an allocated time for the supplementary questions, which is two minutes. So, if you want to do your preamble, you will use part of your two minutes for that. The supplementary question must also be linked to the original question. Hon Julius?

Mr J W W JULIUS: I apologise for delaying the proceedings, Chairperson. I would just like to know whether your efforts to remind us of the Rules are, in any way, wanting to restrict us or to protect someone. Thank you. [Laughter.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): No. No, hon members. Let me assist you. It was just to assist the House so that you don't compromise the decorum of the House. It was specifically meant for that, with nothing else besides, just to make sure we don't compromise the decorum of the House. Hon Labuschagne?

Ms C LABUSCHAGNE: Thank you for this, Chairperson. I really urge this House to sort out what goes against the Rules and what falls within the Rules before we are in the House and inform all of us -

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because it is a Rule, that it should not have more than five subdivisions. It is not an issue that should have been solved in this House. It should have been communicated to all of us before the sitting. There was enough time for that. Thank you.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Your point is, indeed, in order. Without much ado, let me take this opportunity to state, in terms of the Rules of the House, if the member who has asked the question is not in the House, then you would make an arrangement by having it in writing. The first question to the hon Deputy President is by the hon Mohai, who is not in the House. However, an arrangement has been made, and the hon Parkies will be standing in for the hon Mohai.

QUESTIONS TO DEPUTY PRESIDENT

Question 13:

The DEPUTY PRESIDENT: Chairperson, without a doubt, current efforts are beginning to yield positive results in terms of skills development, job creation and economic growth. However, a lot more still needs to be done.

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The intention of the National Industrial Policy Framework is to effect structural changes in our growth path towards a more labour-absorbing and value-adding economy. In this process, it was important to prioritise areas of economy and diversify the geographic spread of industrial development. This also includes a focus on skills development through the integration of SMMEs into value chains and incubation programmes.

To expand the skills base that supports industrial development, government is implementing programmes aimed at addressing the shortage of scarce and critical skills across the key sectors of our economy. This includes government's renewed focus on apprenticeships and the development of artisans, particularly focusing on and promoting youth employment.

Through targeted bursaries, opportunities are provided to enhance the development of scarce and critical skills, including international studies in partnership with countries abroad. More importantly, partnerships between industry and higher education institutions are clearly geared towards aligning industry-skills demand with the supply of critical skills by our higher education system.

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One of the core objectives of the National Industrial Policy Framework is the promotion of a broader-based industrialisation path characterised by greater levels of participation by those who were historically disadvantaged and marginalised. It focuses on identifying and addressing the cross-cutting and sector-specific constraints and opportunities prevailing in the industrial economy through 13 strategic programmes. One of the strategic programmes is Spatial and Industrial Infrastructure, which is important in fostering industrial clustering.

Support has been expanded from the Industrial Development Zones, IDZs, to include the creation of Special Economic Zones, SEZs. These economic zones are central to government's strategic objectives of industrialisation, regional development and employment creation. The Special Economic Zone Programme was specifically developed to promote the creation of a regionally diversified industrial economy by establishing new industrial hubs in underdeveloped regions of our country.

The total number of designated Special Economic Zones has, to date, increased to nine. The majority of these were designated as IDZs and are presently in the process of transitioning their institutional,

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governance and ownership structures in compliance with the requirements of the Special Economic Zones Act.

The designated SEZs continue to show positive progress in terms of the number of investors operating in those zones. More importantly, there has also been a significant increase in the number and value of secured investment in those zones. The number of operational investors in designated Special Economic Zones has increased from 72 to 80, with an investment value of over R10 billion. The number of direct jobs created, to date, is 13 722. The number of secured or signed investors stands at 86, with a total investment value of R52,2 billion.

These Special Economic Zones include the Richards Bay IDZ, Saldanha Bay IDZ, Dube Trade Port SEZ, Coega IDZ, East London IDZ, Gauteng IDZ, Maluti-a-Phofung SEZ, Atlantis SEZ, and the Musina-Makhado SEZ. Some of these SEZs and IDZs, such as Musina-Makhado, Saldanha Bay, Maluti-a-Phofung and Atlantis, are in previously marginalised areas.

Work is under way between the Department of Trade and Industry and the provinces on the planning and implementation of SEZs in the following previously marginalised communities: Nkomazi, in

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Mpumalanga; Bojanala, in the North West; Upington, in the Northern Cape; and Tubatse, in Limpopo.

Additionally, in order to bring about full-scale industrialisation and inclusive growth, government initiated a structured programme for the revitalisation of industrial parks located in old industrial areas across our country. The programme has identified 11 state-owned industrial parks that have to be revitalised. This is to be implemented through national government in partnership with the provinces, their agencies and municipalities.

I am advised by the Department of Trade and Industry that, to date, a total of 65 854 jobs has been created within these state-owned industrial parks across the country. These cover townships and underdeveloped areas, such Botshabelo, Seshego, Ga-Rankuwa, Nkowankowa, and Isithebe, to name but a few.

In the last two years alone, government has invested approximately R511 million in revitalising the basic infrastructure of 10 industrial parks across South Africa to address the challenges of industrial development infrastructure, such as electricity, water, and sewage systems. This has assisted in arresting the decline in

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industrial park infrastructure so as to encourage further and further investment. Thank you very much. [Applause.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon members, allow me to extend a word of welcome to learners from the Stellenbosch Girls' High School, in our gallery. You are welcome. [Applause.]

Mr J P PARKIES: Hon Chair, we welcome the response from the Deputy President. My follow-up question is as follows: It is so very troubling that there is a constant attack on our government, stating we are creating makeshift jobs without quality. It would have been very important for the Deputy President to give and highlight the quality of jobs that we have created in these Special Economic Zones and industrial parks he is talking about, and on the level of the skill and the relevance of the skill that we have created or we are creating. In the current situation, the skills people are earning and acquiring are said not to be relevant to demands of the market. Thank you.

The DEPUTY PRESIDENT: Chair, the quality of our skills in the country on a day-to-day basis is becoming better and better. All those given an opportunity to train must remember training will always be an ongoing process. You move from one phase of training to

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another, until you are highly skilled. Therefore, training is a process.

I can guarantee you that in these Special Economic Zones, people are investing and, of course, will require certain skills. Training will take place in those Special Economic Zones, incubation will happen, until our young people reach a high level of expertise. No, it is not an easy process for a country to acquire the best skills that its economy needs. This will require more collaboration between industry and the training institutions, so that the theory that our young people get in their training is put into practice in the world of work, in industries. Thank you.

Mr O S TERBLANCHE: Chairperson, hon Deputy President, in your response, you referred to the National Industrial Policy Framework, and the human resource development strategy and your intentions regarding that. Will you please indicate whether those are the only two elements of the economy that you are currently focusing on; or are you focusing on the total restructuring of the economy? Thank you, sir.

The DEPUTY PRESIDENT: Chair, government is focusing on all the sectors that constitute our economy. However, the industrial policy

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framework includes a lot of sectors, like leveraging public expenditure to intervene in the economy. It includes innovation and technology, what the Department of Science and Technology is doing. You may have noticed the launch of the 64-dish MeerKAT space technology. That is a very important project in the country which seeks to lay a firm basis for research and innovation.

Our industrial policy framework also looks at finance for small and medium enterprises. It looks at spatial and industrial infrastructure. It looks at the competition policy and regulation. We are looking at a number of programmes that will rekindle our economy. Thank you very much.

Mr L V MAGWEBU: Hon Chairperson, the Deputy President has indicated in his response that these initiatives dealing with marginalised townships have a lot of public funds - billions - invested in them. Here is my question, and I would like the Deputy President to listen carefully to it: The Dr W B Rubusana region in Mdantsane, in the Eastern Cape, has, over this weekend, elected Phumlani Mkolo, who you may not know. However, I will tell you who he is. He currently faces fraud and corruption charges relating to the funeral of former President Nelson Mandela. Yet, he has been elected as regional chairperson in this region, which includes Mdantsane.

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My question is: Firstly, is the ANC running out of leaders and having to elect leaders like this; and secondly, Mdantsane, being the second largest township or do you agree with what the ANC is doing, that is, hijacking and stealing cities and metros, like Nelson Mandela Bay and Tshwane, that have been democratically and constitutionally won? [Interjections.] What is your response? [Interjections.] You will need men and women of integrity to handle billions of public funds. What is your response, Deputy President?

The HOUSE CHAIRPERSON (Mr A J Nyambi): Order! Hon members, I don't need assistance, and you are making it difficult because we must hear the question. Can you take your seat, hon Magwebu? Hon members, let me go back to my remark. I will leave it to the hon Deputy President. I outlined when we started that, if you ask a supplementary question, it must be directly linked to the original question. So, I am leaving it to the Deputy President, should he be interested in commenting on it.

The DEPUTY PRESIDENT: Thank you very much, Chair. Well, it is a good question that we can discuss. Unfortunately, in the context of what we are busy with, currently, it becomes irrelevant. [Laughter.] [Applause.]

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The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon members, order!

[Interjections.] Hon Magwebu! [Interjections.] Hon Deputy President, we come to the second Question asked by the hon Julius. Yes. Those were the only hands. Hon Deputy President, we come to the second Question asked by the hon Julius. [Interjections.] Come on.

Mr L V MAGWEBU: Chairperson, with all due respect, I thought I had seen you nodding when the hand of the hon Whiteley went up for a follow-up question.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hand of what?

Mr L V MAGWEBU: I thought when he raised his hand to ask a follow-up question - my colleague next to me, Andrew Whiteley, on my left - that you had recognised him. Am I right?

The HOUSE CHAIRPERSON (Mr A J Nyambi): I nodded when you raised your hand. I missed it.

Mr L V MAGWEBU: He raised his, as well, and I thought you had recognised him.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Whose hand?

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Mr L V MAGWEBU: He raised his hand.

The HOUSE CHAIRPERSON (Mr A J Nyambi): No, it won't do any harm. I am sorry. I missed it. We are supposed to have four supplementary questions, and we had three. I missed the fourth one.

Mr L V MAGWEBU: Yes. I appreciate that, sir. Thank you.

The HOUSE CHAIRPERSON (Mr A J Nyambi): I missed it. I was nodding in recognition of your hand. It was your hand. This is the last supplementary question in terms of the first Question. I am sorry I missed his hand. Hon Whiteley, special delegate from the Eastern Cape?

Mr A WHITELEY (Eastern Cape): Thank you very much, House Chair. Hon Deputy President, I am sure we can agree that in the interests of economic growth and previously marginalised communities in areas like Nelson Mandela Bay, township communities, like KwaZakhele, Motherwell, New Brighton, Veeplaas, and KwaNobuhle, that since 2016, over 85% of the municipal budget has been redirected to previously marginalised communities. This, in the interest of stimulating economic growth by providing infrastructure that can create opportunities for the people in those communities.

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However, the ANC-led government seems to be doing the opposite in the Eastern Cape. Under the leadership of MEC Xasa, who is seated here, today, an unlawful council meeting took place on Monday last week, which removed Executive Mayor Athol Trollip from the municipality. [Interjections.]

Does the Deputy President believe that local government stability and progress in local governments should be prioritised in the interests of previously marginalised communities? [Interjections.]

Does he believe that the council meeting that took place in the afternoon of Monday last week was in the interest of economic growth in previously marginalised communities? Thank you.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon members, don't just create unnecessary problems. It's entirely up to us to make sure we don't compromise the decorum of the House. If a member is asking a question that is not linked to the original question, as presiding officer, I will leave it to the Deputy President to decide whether he is interesting in commenting, and we will take it from there. Hon Deputy President?

The DEPUTY PRESIDENT: Thank you very much, Chairperson. For progress and growth in our country, it is very important that we always try

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very hard for peace and stability. In the case of Nelson Mandela Bay, the parties there decided, on their own, to go into a coalition. Some of us were, of course, just spectators when they said they would agree to work together. Down the line, they disagreed and the entire marriage collapsed.

That is, unfortunately, the problem with coalitions. They are not stable. Unfortunately, you are part and parcel of that unstable environment. [Interjections.] Find a way of stabilising it for the sake of the people of Nelson Mandela Bay. [Applause.]

The DEPUTY PRESIDENT: Thank you, Chair. As part of the support to the Minister of Basic Education, His Excellency the President, accompanied by myself held a breakfast on the 14 August where the Sanitation Appropriate for Education, SAFE, initiative was launched.

The aim of the launch was to invite the private sector and other generous South Africans to pledge financial resources and other technical support in alleviating the problem of inappropriate sanitation in school, in particular pit latrines. The Department of Basic Education was advised to develop a plan informed by the audit of the current state of sanitation in schools across the country.

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The Presidency will monitor and provide support throughout the implementation of the plan.

In addition to the above support, we will continue to solicit more support from the private sector. To enhance collaboration, I will engage other departments that have a role in the provision of sanitation such as water and sanitation, Cogta and Environmental Affairs as well as the local sphere of government to play their part. We will implore communities to support the SAFE initiative and discourage them from disrupting the construction projects on site, once they have started.

Mr J W W JULIUS: Deputy President, let me just bring you back to the last time you were in the NCOP, I asked you a question on the allegation of how you acquired land corruptly in your province? I asked you whether you will actually go and report yourself to open that case. And your answer was do you want me to kill myself. I find it appalling. I am again, putting it to you today - first let me go to your response - you know you say funds raising and other people that are sabotaging projects will be - but nothing happens to corruption. Because people's pride you go and raise funds and then someone steals it for toilets.

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When it comes to you, will you agree that Parliament's efforts should include an investigation by Scopa on the large scale misappropriation of funds from the budget of the Mpumalanga department of education to finance your own personal political party interests as alleged by the *New York Times* article. The money which the *New York Times* alleged that you stole was supposed to do exactly what SAFE initiative is mandated to do; to improve schools infrastructure and eliminate pit toilets. If you will not support the investigation like you said last time from Scopa; is it because you are afraid that you would be found guilty?

The DEPUTY PRESIDENT: Deputy Chairperson, the funds that are going to be contributed by the private sector will be administered by the national education collaboration trust as the fund holder and they will make it a point that they are being utilised correctly.

Now with regards to any maladministration, misuse of money, any investigation that will help us to discover the misuse is welcome, whether it is Scopa or whoever. We welcome any investigation. We would subject ourselves to the law and will always be the law abiding citizens. Thank you.

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Mr M KHAWULA: Deputy Chairperson, I greet you Deputy President, I am happy to be with you. Hon Deputy President, one of the programmes for infrastructure in education Acidi which is responsible for mud-school eradication is notorious for underfunding. Some provinces in the infrastructure grant programmes have been underspending for years. The National Treasury report is that education infrastructure grant for new and replacement schools in 201-18 was spent well below target.

Now, how do you justify underspending in view of infrastructure challenges like you have said that schools are experiencing in the country.

The DEPUTY PRESIDENT: Deputy Chairperson, infrastructure underspending will never be justified. I am aware that provinces are struggling with a number of factors. Of course, to say they are struggling with a number of challenges does not make it right to under spend on the infrastructure. Provinces are challenged in terms of planning. Before you build a school, you must identify a site together with the municipality, design the school before time. When the financial year kicks in procurement processes must start so that you can spend the money within the appropriate year.

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So, provinces are challenged because they go and budget the money to build the school and when the financial year start; they start to go and identify a site; after having identified the site they enlist the support of professionals to design the school and that takes long. Up until the end of the financial year, when they start the procurement process the year is finished and they have not spent that money.

To say money is committed does not mean a thing. Money must be used. You have committed it then it means it must be rolled over into the next financial year. So, most of our provinces are challenged in terms of planning. But when we look at the amount of the work that has been achieved, it's quite impressive but with the money that is available in the country we could have achieved even better. Thank you.

Siswati:

Ms L C DLAMINI: Ngiyabonga kakhulu Sihlalo. Ngibonge nakuSekela Mengameli kanye nakuhulumende ngikutsi asukumela etulu ngendzaba yetindlu tangasense etikolweni. Sekela Mengameli lohlon, ngesikhatsi kushona lomntfwana waseMbizana eMpumalanga Kapa, sasikhona le njengeMkhandlu Wavelonkhe Wemaprovinsi.

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Lesakucaphela-ke kutsi letindlu tangasense tinkhulu kunalabantfwana ngobe lenkhulisa, ECD, ingene emva kwekutsi letindlu tangasense setakhiwe. Umbuto wami-ke utsi kungabe ikhona yini indlela yekutsi nakucala lomklamo sicale kwakhe tindlu tangasense letilingene nalabantfwana; bese-ke silandzelisa ngekwakha tindlu tangasense letetayelekile?

The DEPUTY PRESIDENT: Deputy Chairperson, our programme of early childhood development, though very important and appreciating the fact that currently early childhood development where is conducted the environment is not safe for the children, I mean it is not conducive for learning but that does not mean we can simple take them into a primary school and find a class for them. No. Early childhood development requires specific and specialised infrastructure because it is designed for children under the age of seven. So, even their sanitation is different, their chairs are different, and during the day there must be space and time to allow them to go and sleep. They can't be active the whole day. So, you need specialised infrastructure for them. So, I agree with you that we discourage primary schools to just accept these Grade R for the sake of increasing the numbers without the necessary infrastructure that would back the inclusion of early childhood development. Thank you.

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Ms L L ZWANE: Deputy Chairperson, 486 ablution facilities have actually been built in the entire country, and of those 181 were developed in the province of the Eastern Cape in the Department of Basic Education. Further than that 148 state of the art schools were built further providing appropriate ablution facilities. One would appreciate the fact that a lot of work has been done in this regard.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Sorry hon Zwane, hon Julius, why are you doing what you are doing? Okay, let me hear the point of order.

Mr J W W JULIUS: House Chairperson, I don't think the hon member is here to answer questions today, we hold the Deputy President accountable. It is typical ANC style to answer on behalf of ... [Interjections.] we are all accountable to hold the Deputy President accountable, but the ANC members will always answer on behalf of ... [Interjections.] you are not elected as a Deputy President, let us hold him accountable and he is capable of answering question - and he should do it. Don't give answers!

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Julius, order members! Hon Julius, you know very well that when it was your turn to ask a question, when you started by doing the remarks you were not even

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stopped. So, let us refrain from doing anything that will compromise this thing. Are you done with your question, hon Mangethe?

Ms L L ZWANE: Thank you, Chairperson. Nonetheless, one would recognise the fact that whilst a lot of work has been done, a lot of work still lies ahead. We regret the loss of life of the learners as a result of lack of appropriate ablution facilities. My question is in light of the fact that your government is approaching the private sector to come in as partners because we all agree that education is a societal issue, is there any visible evidence of commitment on the part of the private sector to come and partner with us to improve the standard of infrastructure in the Department of Basic Education?

The DEPUTY PRESIDENT: Deputy Chairperson, I agree with your observation. Well, we have covered enough ground but there is still a lot of work ahead of us. In that breakfast meeting we got R145 million commitments on that day. This is the money that will be transferred to the body that will keep the money and work with the department of education so that they accelerate the building of safe sanitation infrastructure. A further R50 million was made in pledges so all in all during that breakfast meeting we were able to raise R195 million. [Applause.]

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Now, this R195 million will go to approximately 4 000 sanitation infrastructure which is to be distributed all over the country. But we are going to start with the schools where they don't have any ablution facilities. In the country as a whole we have got 37 schools that are without an ablution facilities; we have 8 702 schools that are still using pit latrines. We have 7 433 schools that are using very improved ventilated pit latrines. And we have 92 schools that use chemical toilets - shame on us as a country with our background where we come from. [Interjections.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): Order members!

The DEPUTY PRESIDENT: We are coming from a situation where some learners did not even have a school. They were learning under the trees. [Interjections.] I am not very sure how hon members are not touched about this situation. We are talking about children - we are talking about children that deserve education. But you will know very well that the kind of education that we have inherited was meant for few people, not for the majority of our people. some of our people in the rural villages did not have a school, water, road, a clinic and nothing! Thank you.

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The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon members, let me remind you again, whilst heckling is allowed but you can't be drowning the speaker at the podium. You can't even be debating with the speaker on the podium. Hon Mokwele, why are you standing?

Ms T J MOKWELE: Chair, I am disturbed - you will rule me out of order if I am out of order, there is a special delegate from North West, he is a member of the DA. According to my understanding and the manner in which we have counted our votes in my province, North West, DA doesn't qualify for a special delegate in this House. So, I am checking with you Chair if it is allowed for a DA to have a special delegate in this House and according to the votes that they have received in the North West they don't have a stand to send a special delegate in the House. It is only the ANC and the EFF. Thank you.

The HOUSE CHAIRPERSON (Mr A J Nyambi): No. let me assist, hon members, can you put your hand down hon Labuschagne. You were correct to say I will rule it either in order out of order. Allow me in our next sitting to make an appropriate ruling about it but let us not divert and deal with it now; because it has to do more about our rules, and how we conduct our business of today. Hon member, not unless you are rising on a different matter I have made a ruling you

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can't be questioning my ruling. If you have a problem with it there is a clear procedure on how to deal with it. What is something else?

The HOUSE CHAIRPERSON (Mr A J Nyambi): a point of order to whom?

Ms B A ENGELBRECHT: Chairperson the rule in this House is that when there is a point of order ... [Interjections.] it's a point of order, Chair. The rule in this House is that when there is a point of order the speaker sits down; however the Deputy has not sat down once. Can you please ask him to follow the rules of this House?

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Deputy President, if they are rising only on a point of order then you have to use the seat there - if it's is a point of order, but now there is no point of order - you are fine.

Ms N P KONI: I wanted to see if he was going to take his seat.

The HOUSE CHAIRPERSON (Mr A J Nyambi): No he is doing that, you are out of order hon Koni. Hon Deputy President we coming to the following question asked by hon Mhlanga.

Question 15:

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The DEPUTY PRESIDENT: House Chair, we all agree that we should pursue national unity, we should pursue peace and we should pursue reconciliation so as to pave the way for the reconstruction of our society. Our common desire should be to ensure that all of us, including corporate citizens, participate and co-operate in the self-driven reconstruction and development of our country.

There is a special and general acceptance that the goals we defined for ourselves as we adopted the Constitution have not been fully realised. Currently, the situation demands of us to act together more than before and to resolve our national challenge of inequality and wealth disparities, which in the main is derived from land dispossession and landlessness.

It is this skewed ownership patterns that should mobilise all justice-seeking people and equality activists to continue in the building of a united and prosperous South Africa anchored on the values of our Constitution.

We must confront the historical fault lines and injustices that continue to threaten our peace and stability so that finally we can move forward as one people, one nation and one South Africa founded on our shared values.

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The reality is that our land reform programme, in its current construct, remains hopelessly inadequate to mitigate the negative impact of the legacy of colonialism and apartheid. This state of affairs continues to be a huge source of frustration and resentment to those who were dispossessed of their land.

It is therefore imperative for us to execute a comprehensive land reform programme which, in its implementation, will enable us to truly transform our country into a nonracial, nonsexist, humane and equal society. Our land reform programme must exhaust all available mechanisms to address the past injustices.

Our land reform programme has been very slow and has been causing a lot of frustration amongst claimants due to budgetary constraints and a willing-buyer, willing-seller approach. The land reform programme, in its current shape, is clearly unable to meet even the modest and very conservative targets that we have set for ourselves.

It is a fact that the bulk of the land in this country is still firmly in the hands of a very few people. The question that confronts us is that our political emancipation project remains meaningless for as long as it does not translate into economic

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emancipation, and land ownership is at the heart of such emancipation.

The market-led mechanism of pursuing land reform has proved to be cumbersome, protracted and inappropriate. No political stability, peace and democracy are imaginable as long as the bulk of the land is in the hands of the few. In reality, the positive prospects of our shared destiny are largely dependent on our ability to resolve this land question in a very responsible and fair manner.

If we do not take the necessary decisions that will address the current state of inequality, and concretely deal with past injustices with necessary firmness and determination, we will be postponing the inevitable social friction that would pull us backward instead of launching us as a people into a prosperous and shared future.

As government we have engaged in a process that is transparent and responsible, and one that provides the required leadership on how we should finalise land expropriation without compensation.

Comprehensive land reform, as a means of addressing past injustices that has produced the prevailing triple challenge of poverty,

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unemployment and inequality, is necessary for our country to move forward as a nation that is united in its diversity. Without this historic redress, we risk having endless social, racial and class frictions.

As the government of the ANC, our preoccupation is in fulfilling the vision of a united, nonracial, nonsexist, democratic and prosperous society. Through each election, we have made a social contract with the people of South Africa, to resolve the land question in a manner that is inclusive, responsible and mutually reinforcing in order to attain a better life for all our people.

It is no coincidence that at government level, we have established the interministerial committee, IMC, on land reform. The task of this committee is to provide political oversight on the work being undertaken with regard to the implementation of land reform and related antipoverty interventions on land and agrarian reforms.

In our engagement with the agricultural sector, we have assured farmers – who by the way have come together and agreed to co-operate as different farmer unions – that we will work with them as the IMC and a panel of experts that the President will appoint. This panel will assist all of us in providing a unified perspective on

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expropriation of land without disrupting our productive capacity and economic growth.

We are encouraged by the goodwill of farmers, both black and white, who have expressed their support of this process. They have expressed their unequivocal commitment to work with government and to find practical solutions to the land reform challenges.

As government, we are encouraged by white commercial farmers because of their willingness to partner with government in implementing different models in order to address the land question, including donating land currently in their hands.

The farmers' unions under Agri-sector Unity Forum, ASUF, were emphatic that as the agricultural sector, they do not need other organisations outside of this formation to speak on their behalf as they are capable of doing so themselves.

In the final analysis, this country belongs to all of us. We must continue to work together in building a country of Nelson Mandela's dream. We must ensure that social cohesion remains our mantra. Thank you very much. [Applause.]

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IsiZulu:

MnuM T MHLANGA: Sihlalo ngiyabonga ngiphinde ngibonge ...

English:

... the response from the excellent Deputy President. Chair, I just have one follow up question around the issue of ... Seeing that we still have this divided ... [Inaudible.] ... of a country wherein you find a certain population of our society, being South African, choosing to sit alone as a segregated society, for example, Orania. Are places like Orania not compromising the project of social cohesion? That will be my question. Is that area not compromising our project of social cohesion?

The DEPUTY PRESIDENT: Well, in our understanding of freedom, freedom means freedom of association, freedom of speech, freedom to choose where you want to live. I don't think we should describe our differences in terms of where we live because we are living in one country and that country is South Africa.

The practical question that we must face as a country is to change the mindset of those who were oppressed and the oppressors. They must come to terms with the fact that there should be redress. Those who were oppressed were dispossessed of what belonged to them and

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that is land. And until we redress that, it will remain a sore point for generations and generations to come.

Mr J W W JULIUS: Thank you House Chairperson. Deputy President, you know you are implicated on alleged corruption on both the issue of land and education. I find it very, very patronising to say the least that someone can come here and say we blame our difficult past of apartheid, when you had the opportunity to eradicate that past for those children there, and of land. You had the opportunity. Instead, you are alleged to have taken it away from them and today you come here and say you blame apartheid.

Let me tell you what Nelson Mandela said about blaming apartheid. We still have to eradicate the past, Deputy President, but let me paraphrase what he said in 2003 already. He said we are now almost 10 years into democracy. We cannot forever blame apartheid for tardiness. In this case its corruption. We cannot blame apartheid alone for tardiness. [Interjections.]

Deputy President, before even hearing the opinion of the Khoisan and other people in the Western Cape with regard to public participation, the President announced his support for expropriation without compensation. He announced it already. It makes me wonder

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what the point of public participation, Taking Parliament to the People and other such mechanisms are, if they are not considered.

These democratic processes are being undermined by the executive authority of our country. Do you agree that it was irresponsible of the President to announce your party's position on land expropriation before these hearings were completed, and what do you think is the right process as Leader of Government Business. What is the right process in this regard, in terms of public participation?

The DEPUTY PRESIDENT: Thank you very much. I'm sure I'm going to concentrate of the latter part of your speech ... question, and not on the other part of the question. [Interjections.]

An HON MEMBER: Dodging that first part.

The DEPUTY PRESIDENT: Well, I'm not dodging that first part.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Order members! Order members!

The DEPUTY PRESIDENT: To answer the first part, I said in my answer that the current land reform model that we are utilising is proving to be unworkable. The process and the pace at which we are moving is

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frustrating to the claimants and its causing a lot of resentment.
[Interjections.] Now, it's not achievable because land is getting more and more expensive.

Now ... [Interjections.] ... government ... the proposal that we have put in the House that has led to the constitutional review process ... Remember that was sponsored by the ANC supported by the EFF. [Interjections.] Remember ...

An HON MEMBER: No, no, the EFF supported by the ANC.

The DEPUTY PRESIDENT: ... and remember that the ANC went into its own conference and in the conference the ANC took a resolution ...
[Interjections.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): Order members!

[Interjections.]

The DEPUTY PRESIDENT: The ANC took a resolution that we are going to transfer land through expropriation without compensation. We were the first to sponsor that. So I don't know why we are criticising the President of the ANC when he advocates that resolution of the ANC.

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All parties have the right to advocate the policies of their own parties. So, the President was advocating the resolution of the ANC. [Interjections.] It is our intention, and we have made that intention clear in Parliament, that we want to amend this section of the Constitution. That has culminated in a process of consultation but we have made the intention clear right from the beginning; in saying that we want to amend it. Let's hear what the people are saying. And that intention is still valid, even today. Thank you.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Thank you. Let me take the point of order from hon Khawula. Deputy President, it's a point of order now. Hon Khawula?

Mr M KHAWULA: Thanks, hon Chairperson. According to the rules regarding oral questions and responses, the person responding is not supposed to talk to questions of a party political nature. Those are the rules Chair. He cannot respond to questions of a party political nature, which means that responses also cannot be responses of a party political nature.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Can you take your seat? Hon Khawula, you have raised your point of order but unfortunately it's not sustained because when members do not stick to the original

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question, they make remarks. We leave it to the hon Deputy President as to whether he is interested in commenting on it. So I cannot say you can't go beyond that because the comments are beyond that.

[Interjections.] No hon Khawula, I've made my ruling. There is a procedure if you are not ... Hon Mokwele? Hon Mokwele? Hon Faber, take your seat. It's hon Mokwele.

Ms N KONI: Faber, you are not recognised. No, you are not recognised. [Interjections.]

Ms T J MOKWELE: Faber, take your seat.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Yes, it's hon Mokwele. The third supplementary question is from hon Mokwele. Hon Mokwele? [Interjections.] Hon Deputy President, you can stand; it's a supplementary question.

Ms T J MOKWELE: Thank you, Chairperson. Deputy President, it's a supplementary question. You can sit down. It's not a problem either way. [Laughter.]

I want to ask the Deputy President ... he is aware that the chunk of the land is in the hands of white people. According to the

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statistics, 13% is owned by blacks who are in the majority, and 87% is in the hands of the white minority. Out of that 87%, a total of 46% of the land is in the hands of foreigners.

Now, my question is ... I know that Parliament is busy with public participation in terms of the amendment to the Constitution. Would you say in your submission Deputy President, that if ever we allow the processes to continue and at the end section 25 of the Constitution gets amended, would you then as the ruling party say that the state should be the custodian of the land? And what is your position in terms of communal land and the arable land that history and statistic facts show is in the hands of the white minority?

The DEPUTY PRESIDENT: Our land reform model seeks to transfer land to individual owners so that they can have titles to the land. It doesn't help the state to keep the land to itself because it does not transfer the value of the land to the users.

Whatever we are going to do ... Whether we as government avail land for human settlements, that land will finally translate into an individual title deed going to a person. Right? [Interjections.]

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Now, our land restitution ... the land is going to go to those people who were dispossessed of their land. [Interjections.] Now, part and parcel of this land that we are talking about ... we are talking about the land that is out there that has owners, it's underutilised or it's unused. We have absent landlords. We are talking about the land that is currently held by ...

An HON MEMBER: Whites.

The DEPUTY PRESIDENT: ... commercial farmers. We are saying to those commercial farmers we don't want to destroy the productive capacity of the land. They must step forward and share the land. They must step forward and share the land. They must know that from the onset the land was dispossessed from someone. We are not chasing anyone. We are all South Africans. According to our Freedom Charter, "The people shall share in the country's wealth", and we want to share in the country's wealth. [Applause.]

We are not going to chase anyone away but say, let's share. Let's share this land. We are encouraging people to come forward with different models that says I'm prepared to give these labour tenants that have always been on this farm part of the farm so that they can

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farm and be like me. They can't be poor forever in their own land
[Interjections.] Thank you.

Ms E PRINS: Thank you, hon House Chairperson. Hon Deputy President, there are people who ascribe the technical downgrade of the country to the expropriation of land. These rumours, within and also outside of the country, can create fear amongst people and can have a negative impact on foreign investors. What measures does the government have in place to allay these fears and to counter the negative propaganda?

The DEPUTY PRESIDENT: Thank you very much. We are quite aware that our people are scared that the ruling party is not going to handle this process in a very responsible way. [Interjections.] We want to assure everyone that this land reform programme is going to be handled in a responsible manner. We are going to make it a point that it does not destroy our productive capacity but that it opens up new entrances in the agricultural sector. There should be new people that must come and farm, and we must allow that.

[Interjections.]

So we want to assure you that, going forward, we want to do this in a constitutionally accepted process. That is why we are taking the

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constitutional review process, so that the supreme law of the country is respected at all times.

Our intention is to amend the Constitution to give government that right to expropriate land without compensation, where necessary, to ensure that we redress ... we give those people that were dispossessed of their land ... [Interjections.] But be careful. We are not going to disrupt the food that we get that is being produced now by our farmers. [Interjections.] But we want these farmers to acknowledge the fact that this land where they are farming today was dispossessed from other people.

Question 16:

The DEPUTY PRESIDENT: House Chairperson, according to Statistics SA's Quarterly Labour Force Survey of the third quarter of 2017, more than 18 million citizens above the age of 20 have educational levels below that of the National Senior Certificate. More than 3,3 million youth aged between 15 and 24, and 4,6 million aged between 25 and 34 who were not in education, were not in employment or in training.

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Despite some improvements on the 2000-based figures, it is clear that the challenge of youth not in education, nor in employment or training remains with us.

Over 200 000 individual workers, employed and unemployed have participated in programmes funded by the sector education and training authorities, Setas.

In terms of bridging the gap between the country's economic needs, the Human Resource Development Council, HRDC, was instrumental in driving focussed interventions with respect to the production of artisans. As a result, the number of artisans qualifying increased from fewer than 10 000 in 2010, to more than 22 000 in 2017.

The Department of Higher Education and Training has renewed its focus on apprenticeship and the implementation of the policy on artisan trades, particularly focussing on promoting youth employment. This further complements other initiatives of skills development and learner exchange programmes that we implement through various partners with other countries.

There has also been an expansion in the number of young people engaging in programmes that are occupationally directed and funded through Setas.

The National Student Financial Aid Scheme, Nsfas, the National Youth Development Agency, NYDA, the National Skills Fund, provincial government and municipalities ... all of these are assisting in skills development.

The partnership with industry and higher education institutions have also contributed much towards addressing gaps that exist in the job market.

The 2017 report of the Organisation for Economic Co-operation and Development, OECD, entitled "Getting Skills Right in South Africa" has called for the provision of tailor-made career advice services to students based on the skills of our country.

Provincial human resource councils continue to do work to ensure that career development is accessible to all our young people.

For its part, organised labour has committed to support access to training for the unemployed. This commitment includes supervising

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and mentoring unemployed learners into the workplace in accordance with the agreed-upon ratio for the sector. Organised labour is also committed to supporting skills training as part of its commitment to job creation and resource mobilisation.

Government, through the Department of Higher Education and Training, will ensure that the necessary financial resources to support these initiatives are made available. Thank you.

Mr M KHAWULA: Deputy President, you say in your response that the strategy emphasises the importance of technical and vocational training programmes as a response to the challenges of skilling. Now here are the challenges and the blockages that I would like here to respond to.

The budget for Nsfas for 2018-19 is R23 billion. Of that, R17 billion goes to universities. Only R5 billion goes to Tvet colleges.

For the past 10 years, Tvet have not been allocated any budget for maintenance programmes. The Tvet funding - which is supposed to be at 80% by government - is today standing only at 54%. The report by the Minister of Higher Education and Training states that only one

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university in the country is accredited to offer qualifications for Tvet college educators.

The certification of students is very poor. The strategy says that certification should take place within three months, but colleges report that the first cohort of students who completed National Certificate Vocational, NCV, qualification in 2009 ... some of them, up to this day, have not yet been certificated. It's a lot more, sir.

My question is, with all these frustrations now in the Tvet programmes responsible for skilling, how do we hope to achieve the objectives of Vision 2030, and what is the role of HDRC in unblocking those blockages?

The DEPUTY PRESIDENT: House Chairperson, when it comes to the budget that is allocated for skills development, especially with our Tvet colleges, it is not only Nsfas that provides money to learners who are training there. Provincial departments are also providing bursaries. Municipalities are also providing bursaries. A number which are not quantified ... but cities are also providing ...

[Interjections.]

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So, there are a number of agencies that are collaborating in order to ensure that the students gain the necessary skills.

However, the question of the quality ... The quality is a point that has been noticed. That is why we are saying as government, each and every Tvet college must be adopted by industry so that those who are in Tvet colleges can gain their theory and there should be a time during which they do their practicals in industries and the two must now qualify this student to get accredited and to get a certificate. [Interjections.]

Now, we say it's poor because they only go there and get the theory. When it comes to practise, they don't know anything. So, skills development, in the main, in its form, requires practical education.

Therefore we must, as we continue going forward, match our training initiatives with industry. Because, finally, these people we are training must be absorbed by industry. Thank you.

Ms N P KONI: Deputy President, you know, it's very painful from what you ... from your response to the follow-up question of hon Khawula, because the bursaries you to which you are referring, unfortunately and painstakingly so, belong to a selected few. You must have a

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certain surname in order to qualify for them or you must know who is who before you can qualify for those. Sometimes it's even worse: you must sleep with somebody before you get allocated those bursaries. But let's leave that for now.

We can never bridge the gap between the economic needs of the country and skills needed if we do not develop all our people and skill them.

Now, too many young South Africans qualify for institutions of higher learning. The problem we are sitting with is the space in those institutions of higher learning.

Number two is because some of them come from very poor families. So the issue of bursaries comes here now again.

So problem number one is money. I'm not talking about Nsfas because that is a loan. We are trying to talk about free education. Once education is free and is of a high quality, then we will have economic transformation and then we will actually have people that we will skill. We will have created jobs and done all those things.

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Now, my question to you, Deputy President, is, we want to know whether the government has any plans to increase numbers in the higher institutions. Numbers of classes ... the spaces ... because, now, too many years ago ...

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Koni, please conclude your question. Your time has expired.

Ms N P KONI: Deputy President, we want to know whether you have any intention of creating more spaces in the institutions of higher learning. Thank you.

The DEPUTY PRESIDENT: Hon member, you made a lot of comments that trigger me to respond.

It will be wrong to say bursaries ... children who want to go to school ... as we offer these bursaries, we become selective. It's very wrong. Those who are in leadership must not do that. Because when you are in leadership you are leading everyone. So, give children bursaries regardless of where they come from, on the basis of merit and need.

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I'm sure as the country goes forward on its own development path, more and more universities are still going to be built in the country. More and more Tvet colleges are still going to be built. The country is now in the process of completing two universities - the one in Mpumalanga and the other in the Northern Cape. They are going very fine. The number of learners are increasing each and every year. They are completing the classes. That is two additional universities.

But, in a growing economy, you need to place an emphasis on skills. Skills development ... skills that are required by your economy. Our economy as a country ... the backbone of our economy rests on the two sectors that are big, namely the mining and agricultural sectors.

Those two sectors ... we must ensure that at any given point in time, we have enough workforce that is skilled to pursue production in those two. If you want to go to the higher level of even beneficiating processing our agricultural produce, further processing our minerals, that will require the necessary skills that we must develop.

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Now, universities and Tvet colleges become very important. However, we have a high number of young people who have not reached the required level for them to be accepted in a Tvet college. So, we must create colleges below a Tvet college level that can accommodate ... community colleges that will give our young people the necessary skills so that they can contribute positively to our economy. Thank you. [Applause.]

Nks T WANA: Sekela Mongameli, umbuzo wam ukule ndawo yobuchwepheshe bezandla. Urhulumemente wenza njani? Uyidibanisa njani le nto yophuhlizo lwezakhono namashishini abucala, kuba kumashishini abucala banazo eza mviwo bazenzayo njengase-Olifantsfontein...

English:

... when you are going to be an artisan in terms of mechanical issues? As the department...

IsiXhosa

... ke ngoku eyenza le nto iyidibanisa njani ukuze aba bantu bakugqitywa ukuqeqeqshwa bafakwe kula mashishini abucala akufutshane ukwenzela uqoqosho lwethu luphuhle? Enkosi.

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The DEPUTY PRESIDENT: I think I have mentioned this somewhere in my answer. I said, for very successful skills development in the country that will be qualitative and for successful artisan development, we must at all times try and link the two. Link whatever you do in skills development with what is obtaining in the industry. Offer your young people whom you are training an opportunity to go and do practical work on a factory floor. Make that a qualification requirement so that when someone has completed a certain skill, that skill consists of theory and practice. Thank you.

Ms G G OLIPHANT: Deputy President, in terms of producing more PhDs ... [Interjections.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Faber! [Interjections.] Order members. Hon Faber, refrain from what you are doing; you know it's unparliamentary and totally out of order. [Interjections.] You are protected, hon Oliphant. Please continue with your question.

Ms G G OLIPHANT: How are we progressing?

The DEPUTY PRESIDENT: The production of PhDs and doctorates ... as a country, I think we are doing very well. I can get the latest

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statistics in terms of yearly output from the various universities. I think we are doing very well as a country. We are undertaking a lot of research programmes as a country.

So, more and more, qualitatively as a country, we are moving to a higher level.

Of course, there is an outcry that we are ignoring science and technology. We must insist that our young people take science and mathematics as their subjects because, down the line, they need to pursue careers that require science and mathematics.

The Department of Science and Technology is doing everything that it can to expand its research capacity. This research capacity will need young men and women who have qualified through our education system to go and work in those research institutions.

Research and innovation are very important for progress. We must try a lot of things as a country. We must innovate in order to move to the next level. It's important.

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Our education system is doing very well. There is constantly an output that we can be happy with as a country ... that is going to join the labour force.

Of course, there are those who have dropped out of the system. That remains a problem. Those who have failed to complete their primary level ... those who have failed to complete their matric level ... this continues to be worrying to the country. Those are the people whom we must ensure are skilled with the necessary skills below the Tvet colleges. Thank you.

Question 17:

The DEPUTY PRESIDENT: President Cyril Ramaphosa has, in terms of section 91(2) and 91(4) of the Constitution of the Republic of South Africa, delegated to the Deputy President the responsibility to promote social cohesion. In this regard, the Deputy President is also the patron of the moral regeneration movement.

However, it is important to point out that this delegation of responsibility does not take away the functions of line departments, which are mandated to deal with various aspects of government's anticorruption initiatives.

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The mandate delegated to the Deputy President includes the creation of broad-based partnerships between and amongst civil society, private and public sectors to reflect on measures that should be encouraged to reconstruct the social values of a democratic South Africa. These values are nonracialism, nonsexism, equality, transparency, honesty, integrity, administrative fairness and professionalism.

In respect of impacting on the work of government, we have adopted the Batho Pele principles that are essentially about services to the people. The ANC government has been consistent in the implementation of the resolutions of the governing party in fighting crime and corruption. In this regard, government is doing everything in its power to strengthen existing systems and mechanisms designed to combat this challenge in all its manifestations. This includes, amongst others, our resolve to strengthen the institutions of criminal justice system by adequately resourcing them and ensuring that they remain independent and impartial.

Similarly, the establishment and resourcing of integrity management units across various government departments and public institutions is intended not only to promote ethical conduct, but to protect the overall integrity of government systems.

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Where cases of fraud and corruption are suspected, integrity management units are tasked to investigate and make specific recommendations to ensure that perpetrators are dealt with in terms of applicable criminal and disciplinary procedures.

The vetting of senior managers in government goes a long way in enabling government to detect integrity challenges which have a potential to compromise the work of government.

On an annual basis, the Department of Public Service and Administration ensures that all senior government officials submit and disclose their financial interests. This allows government to detect the potential for conflicts of interest in instances where government employees do business with government. Government has resolved that no officials are allowed to do business with government. Where this is detected, disciplinary actions are taken.

The Public Service Commission's anticorruption hotline also continues to be an effective platform to inculcate an ethical and responsive public service. Fraud and corruption complaints reported through this hotline are investigated for action to be taken where incidents of fraud and corruption are detected.

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Among other risk management measures is our focus on strengthening financial management systems to reduce the prevalence of supply chain management irregularities within government. The supply chain management environment is receiving special attention in order curb high levels of irregular expenditure as published by the Auditor-General.

Over and above strengthening government institutions and systems, there is a clear government commitment towards building a cadre of senior public servants whose work is anchored on ethical leadership and sound moral values.

As a patron of the moral regeneration movement, I fully support the work done by this movement in relation to fighting crime and corruption. The main aim of the moral regeneration movement, which works in close partnership with other organisations and sectors of society, is to galvanise the rest of society into action with the goal of rekindling our moral fibre of South Africans.

One of the flagship projects of the moral regeneration movement is the conversation series across the country in promoting the charter of positive values. This charter is anchored in the universal values of all of humanity, the founding values of the Constitution of the

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Republic and various aspects of the Bill of Rights. It also finds resonance in the Batho Pele principles to which all public servants must adhere.

In this regard, the fight against social ills, crime and corruption across all sectors is at the centre of the programme that the moral regeneration movement drives. Among key initiatives, this movement is seized with a programme focusing on ethical and value-driven leadership". This forms part of the induction of government officials as they enter government employment.

Through our partnership with Corruption Watch and Ethics SA, we aim to export the values of this programme beyond government into broader society.

At a local government level, there is collaboration between our moral regeneration movement and the South African Local Government Association, Salga, to promote ethical leadership. Through this initiative, our councillors, especially the newly elected cohort, are taken through orientation on the fundamentals of ethical leadership.

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This initiative does indeed speak to our commitment to not only fighting crime and corruption but to also ensuring that we reduce and eliminate fraudulent and corrupt practices within government.

Our stance is that a moral and ethical society must have zero-tolerance to corruption, irrespective of who the perpetrator may be, whether a senior government official, a powerful politician or an influential business person. All of them must face the law as and when they are found to have been involved in acts of impropriety.

This is the culture that we seek to inculcate and cultivate across society through this movement. However, this moral regeneration project will only meet its intended goals to the extent that it has optimal support from across the entire spectrum of society. It is not about playing to the gallery for the purposes of narrow, sectarian point scoring but it's about building a truly united, equal and prosperous nation. Thank you very much. [Applause.]

Ms C LABUSCHAGNE: Hon House Chair, I would like to thank a concerned citizen, Mr Deputy President. The DA received information contained in the passenger manifest of a flight owned by the Guptas - Bombardier *Global 6000* aircraft, from Johannesburg to Moscow, on October 26, as well as its return, three weeks later, on 14

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November. It is public knowledge that you were on board this aircraft for both these flights. What is not public knowledge is that the passenger manifest reveals that one of your five fellow passengers was Ruslan Goring, who is a senior Russia government tasked with negotiating mining deals between Russia and foreign governments.

Mr Deputy President, in the spirit of the moral regeneration movement and as you quoted specific [15:45:05] values of a democratic South Africa such as honesty and integrity, did you ever meet an individual by the name of Ruslan Goring and if so, please clarify the reason for this meeting and sketch the details of what was discussed as the patron of the moral regeneration movement?

The DEPUTY PRESIDENT: Well, for your sake, I will try and help you. I was taken to Moscow in a very terrible condition. I can't even tell you who was in that flight that was taking me to hospital. The only thing that I have noticed is that I was in a flight. Throughout the flight, I was on very high pain medication. For a person that has been offered this assistance to get to hospital, my attention on my health.

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I am happy with the Russian government that admitted me to its hospital, which is a public hospital. I am happy with all the people that assisted me to get up on my feet like I am today. [Applause.] I have said before and I am saying it now, there is nothing between me and the Guptas and the Russians, except that I went to a Russians Hospital in Moscow and was assisted. [Interjections.] I don't know.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon members, when afforded an opportunity to ask a question, we must listen thereafter. When the hon Deputy President is responding to the question, you can't be doing what you are doing.

Mr J P PARKIES: Let me welcome the opportunity. My follow up question will start with a comment that it is our collective expectancy that we ought to ask questions to the authorities without any sense of obliquity.

Now, my question is: Deputy President, what is the institutional strength and monitoring mechanism in place to monitor the progress we are making or the progress we will be making on the fight against parasitic looting of public resources, regardless of social status of those who are alleged or involved? Thanks.

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The DEPUTY PRESIDENT: As a country we have set up a lot of mechanisms. The biggest mechanism that we have set up is in the supply chain. The supply chain mechanism is closely monitored by our National Treasury. Our National Treasury can tell you wherever you are that you have spent so much.

The challenge that we are facing is whether that municipality or province has followed the necessary procurement procedures before spending that money. That is why from time to time you find the Auditor-General talking about an irregular expenditure or a fruitless expenditure. That emanates from the supply chain processes that must be followed by officials who are dealing with supply chain.

Beyond that, we have the Public Service Commission, PSC, which has been tasked with the process of the anticorruption hotline. They will receive a number of cases, for instance, the PSC has received a total of 882 cases from across the provinces. In the Eastern Cape they received 28, Free State they received 10, Gauteng received 22, KwaZulu-Natal received 10, Limpopo received 18, Mpumalanga received 11, North West received 8, Northern Cape received 3, and Western Cape received 16. From the South African Social Security Agency,

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Sassa, they have received 594 while from national departments they received 162.

These are cases that are reported by people. The PSC will then go into a process of investigating. Out of the 882, the PSC has finalised 785 reported complaints including the 594 from Sassa cases. Twelve of 23 officials were found guilty and were dismissed while the rest out of the 23 were served with final written warnings.

I am trying to say that we have systems that we use to intervene. Practically, we must have people that love their own country. Patriotism is very important because no matter what strong system that can be put in place, as long as that system is managed by human beings, they will fiddle with it if they don't have patriotism sense. Thank you very much. [Applause.]

Ms T G MPAMBO-SIBHUKWANA: To you Deputy President, from your utterances, I want to know from the whole trip that you undertook being in pain were there no painkillers for you on the alleged poisoning? Did any doctor accompany you on the trip?

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The DEPUTY PRESIDENT: I was discharged from a hospital when I was taken to Moscow. Of course, I had medication from the doctors from where I was discharged. I used those tablets. I must say it was horrible air trip that I have taken in my entire life.

Whether there was a doctor ... but no one administered a tablet to me. I carried my own tablets. I used them whenever I felt I needed to use them. [Interjections.] Oh, well, according to you, I was not very sick. Thank you.

Question 18:

The DEPUTY PRESIDENT: House Chair, the increases in fuel prices is a matter of concern to government, its social partners and the broader society. Increases in petrol and fuel prices are mainly due to global factors that are beyond government control. Some of these factors include the dollar denominated price allocations, political challenges in Venezuela and the imminent US sanctions on crude oil exports from the Islamic Republic of Iran. Unfortunately, the developing economies particularly in sub-Saharan Africa have been the hardest hit.

The Minister of Energy and the Minister of Finance are seized with the matter. As indicated by the Minister of Energy in his address to

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the Portfolio Committee on Energy on 21 August 2018, a joint task team comprising senior officials from the two departments has been set up to come up with proposals on how to alleviate the current situation of fuel hikes. The team is expected to report back to the two Ministers by end of September 2018. The Minister of Energy is having engagements with his counterparts in the region with a view of obtaining a more favourable dispensation for South Africa. We appeal to this House and our people to allow this process to conclude and have the report on what should be done to ease the pressure on South Africans so that it can be presented to Cabinet. Our government has nonetheless taken interventions to address the fuel price increase that came into effect on Tuesday. The projected 25 cents per litre increase was cushioned through the government's energy slate account that is normally reserved for fluctuations to balance out erratic price movements.

Without doubt, the increase in the value-added tax, VAT, has negatively affected many households. However, government has made necessary provisions to zero-rate a number of products for VAT. These products include brown bread, maize meal, samp, milk, rice, vegetables, eggs and fruits. For those receiving social grants government has made a provision for an additional allocation of

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R2,6 billion over the Medium-Term Expenditure Framework in order to effect an above inflation increase which will help cushion low income households from the effects of VAT increase.

Furthermore, the Minister of Finance has established an independent panel of experts to consider and review the list of zero-rated items. The panel submitted their report on 6 August this year to the Minister of Finance and it was subsequently released for public comments on 10 August 2018. The report recommends the following additional items to be included in the basket of zero-rated goods, namely, white bread, bread flour and cake flour; sanitary products, combined with the free provision of sanitary products to women and girls; school uniforms, subject to further investigation; and nappies, including cloth and adult nappies. For each of the recommended items, the panel suggests that the National Treasury must do further work to ensure that the benefits of zero-rating accrue to consumers. The Minister will then finalise his response to the report of this panel taking into account public comments that were received by the deadline of 31 August 2018. Through this process, the recommendations will be evaluated to ascertain if they have the potential to significantly benefit affected poor households. Following this process, the Minister of Finance will

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determine which recommendations to consider for implementation and possible incorporation into current or future tax regime. Thank you.

Mr E MAKUE: Chairperson, we acknowledge the progress that has been made in the tax exemptions and also the petrol increases that government has absorbed. We also acknowledged when you were responding to the first question of the industrial development zones, IDZ, and the special economic zones, SEZ. However, there is a Cabinet statement - Cabinet statement 1(4) of yesterday - which says, and I quote:

The rising volatility in global markets and the gross domestic product, GDP, outcome requires that government accelerates efforts to unblock constraints to economic growth while providing support to vulnerable groups.

We, from the ANC, have made the statement where we urged government to urgently implement an economic recovery package. Listening to all that you were saying can you unpack further for us the Cabinet statement, or can you give the vulnerable groups out there an indication of a time frame. Thank you, Chair.

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The DEPUTY PRESIDENT: Well, I am not the Cabinet spokesperson, but, Members of Parliament, I must convey this information to you that yesterday Cabinet discussed this matter very extensively. When the Minister of Energy went to go and make the public statement he was allowed to leave Cabinet to go and address the public. From that address of the Minister we were quite aware that it's a short-term intervention. Now that our people are going to pay 5 cent more instead of 25 cent is a temporary and short-term measure.

From the lekgotla where we come from, we discussed the economic situation at length and we came to a conclusion that government must intervene. That means government must find money elsewhere to intervene in the economy. Some people call that intervention a stimulus package that government must tie and stimulate the economy.

There are a number of sectors that government is targeting. Out of all these sectors government is targeting agriculture. Agriculture needs to be stimulated. There should be additional money that government must invest in agriculture to get our agricultural sector produce more and more. You would have realised that agriculture has gone down - our production has gone down. If you look at the economic growth of the quarter we are in, it's agriculture together with manufacturing that have dragged us down. These are the sectors

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which government will probably look at and find way of stimulating them by using the stimulus package.

I want to reserve that for the President to exactly announce the stimulus package and how best to intervene in this situation. I want to assure all our people, all South Africans, that as a country we are capable and we will get out of this situation. I can understand that currently it is tough. Indicators from the second quarter of the year indicate that we are in a technical recession. I am sure that as a country we will work very hard and apply all sorts of interventions to help the economy to get out of this situation. Thank you.

Mr W F FABER: Chairperson, first, thank you Mr Deputy President for acknowledging and at least clarifying not knowing Mr Ruslan Gorring who was in the same Gupta-owned flight to Russia. But let's get to the fuel situation, Mr Deputy President.

HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Dlamini and hon Essak, hon Faber is protected. You are protected!

Mr W F FABER: Thank you so much, hon Chairperson. Actually, it's hon Dlamini. [Interventions,] Yes! An amount of R525 million of the

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state funds was just spent to ensure that the petrol price increase by 5 cent only, and we are not even going to talk about the other increases. This is only a temporary measure, however, and after there is only enough money in the state funds for one more bail out of this time. What are your plans once these funds are depleted?

International fuel prices keep on rising and the rand in our economy is collapsing day by day. The petrol price has doubled in ten years. This means that transport and food of ordinary South Africans is costing more and more. People are going hungry and struggle while you and your cronies live in the lap of luxury. You expect us to take your scraps and applaud you for temporary fixers such as the urgent temporal fuel price intervention measure which is just another patch on a sinking ship steered by your ANC government.

Mr Deputy President, what are your plans once these funds have been depleted?

The DEPUTY PRESIDENT: Well, I have said to you that this is a short-term intervention. We are quite aware of that, but this cushion is necessary - it is necessary. We have made some strides and I'm grateful that the President has taken the lead. In view of the situation, the President took a lead to go out and secure investment

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himself. The situation looks very positive. Very soon we will have a few investors coming into the country to invest. We are quite aware that those investments will only accrue towards our economy in a very long-term. Looking at a long-term horizon we know as a country we will get out of this situation if we secure the necessary investment now. We are not going to sit and rely on international investments. That is why we are talking of what is it that government can do to invest into the economy, to put a stimulus that would reactivate the economy - those sectors that are now slugging behind. It's not all sectors that are doing poor. It is a few sectors that are doing very badly. We need to motivate these sectors through the stimuli that the Minister of Finance and the President will announce.

We also need to be mindful of the mining sector. The mining sector is doing very well now. We need to finalise the process of the Mining Charter so that we give certainty into that sector. We are quite aware of the areas that we must fix to get out of this situation. Now that we have secured international investments we need more and more domestic investment and we need to attend to certain policy gaps, then we are home and dry. Thank you.

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Ms N P KONI: Chairperson and Deputy President, this government has declared war especially on the poor of this country. You raised VAT and you increased petrol prices because you don't have enough revenue. Revenue could have been found in many other places but the choices and policies of the ANC government led us to a revenue deficit. For years, billions if not trillions of rand, have left the country illegally through illicit financial flows of multinational corporations and government has purposefully ignored this. Now you want to come and tax the poor when the rich haven't been paying taxes for years.

Did Cabinet ever discussed alternatives of raising VAT; and was clamping down illicit financial flows one of those alternatives considered? Thank you.

The DEPUTY PRESIDENT: We are part of international treaties and we work together with a lot of countries to deal with illicit flows. This is a security matter, but I am saying as a country we are not just folding our arms and let people get out and run away with our money and taxes. We have followed a lot of people. We have recovered a lot of our taxes. So we have a very strong revenue system.

[Interjections.] Well, I agree very well that our poor people are

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now feeling the burden. Everyone in the country is feeling the burden of the 1% VAT increase.

The 1% that we have added into our VAT goes into good use. You will see more and more of our people in tertiary education getting education. That is a good investment for the future. Well, it's a painful process now as we pay this money but the benefits are very huge in the future because we will have a very skilled society and a very capable workforce that can take this country forward. It's not going to be a walk in the park. Our road to development will be accompanied by pain. But down the line we are going to reap the benefit.

We are in a process of reconstructing our country. We are not going to cry and say we are like this. We are aware of what we are today because of our past. Now we need to take ownership of the problem and move forward. The only way to take ownership is to come up with ways and means on how best we can take ourselves forward. We acknowledge however that along the way we could have done better. There could be one or two mistakes that we have done along the way and out of those mistakes I think we have emerged wiser to now do better for the country. Thank you very much. [Applause.]

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HOUSE CHAIRPERSON (Mr A J Nyambi): Hon members, we sometimes take it for granted as we are the House that represent the interests of provinces. Today, we have our special delegates, MEC from the Eastern Cape, Deputy Speaker from Gauteng, the Chief Whip of KwaZulu-Natal, the Speaker of Limpopo, the Chief Whip of Limpopo, the Deputy Speaker of Limpopo and special delegates from the Eastern Cap and the North West. It was a full house with people that we are representing their interest coming.

On behalf of the leadership of the NCOP under the leadership of the capable hand of Mme Modise and the Chief Whip Mohai, I would like to take this opportunity to thank you, special delegates. I extend a word of gratitude to you Deputy President for availing yourself to answer questions in the NCOP.

The Council adjourned at 16:18.