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***PROCEEDINGS OF MINI-PLENARY SESSION - NATIONAL ASSEMBLY***

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Members of the mini-plenary session met on the virtual

platform at 10:00.

House Chairperson Mr C T Frolick took the Chair and requested

members to observe a moment of silence for prayer or

meditation.

The Chairperson announced that the virtual mini-plenary

sitting constituted a meeting of the National Assembly.

**APPROPRIATION BILL**

Debate on Budget Vote No 39 – Trade, Industry and Competition:

The MINISTER OF TRADE, INDUSTRY AND COMPETITION: House

Chairperson, hon members, fellow South Africans, good morning,

last year, I addressed this House and set out five areas of

focus, namely, the pursuit of a more inclusive model of



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growth, greater local production, an increase in trade,

stronger investments and green industrialisation.

We have made progress on these fronts despite the strong

global headwinds that are afflicting economies everywhere.

What I have seen is the practical embodiment of the resilience

that I spoke of in my 2020 Budget Vote speech.

Over the last 12 months, South Africans have set about quietly

and with purpose, rolling up their sleeves and getting the job

done. I have seen displays of this determination and

resilience across the country – firms and entrepreneurs

bouncing back in the wake of adversity: The South African

economy began to recover from the first wave of Covid-19,

growing at 4,9% last year; manufacturing exports were the

highest in at least a decade; the agriculture and auto-value

chains had their best export performance yet; Africa opened

its first anaesthetic production facility in the same year

that pharmaceutical exports reached record levels.

But despite our collective efforts and our progress, the

economy and ordinary South Africans still face many great

challenges, some of which are persistent and enduring, some of

which are new. Our response to these challenges must grow the



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number of jobs more, expand the industrial base and confront

poverty and inequality.

Today I want to speak about the risks that we face and my

department’s strategic intent to contribute to de-risking our

economy so as to protect the livelihoods of all South

Africans, to build forward better.

Since the last Budget Vote a year ago, we faced three new

shocks or headwinds that impacts on the economy and our well-

being: Firstly, the July 2021 unrest in KwaZulu-Natal and

parts of Gauteng that led to loss of life and the destruction

of infrastructure, dented business confidence and disrupted

supply chains.

Secondly, the war in Ukraine that has already resulted in fuel

price increases and rising costs of fertilizer, wheat, edible

oils and other foodstuffs.

Thirdly, the recent floods on our eastern seaboard that have

led to loss of life and washed away homes, shops, factory

assets and railway lines and reminded us of the cost of

climate change.



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Hon members, shocks – however hard they hit us - are often the

prelude to new insights in societies. Disruption can inspire

innovation. The damage caused by the July unrest last year in

some districts required a more agile and responsive state, as

firms saw their factories, machinery and even their financial

records go up in smoke.

The Department of Trade, Industry and Competition entities

changed their way of working and within three days of the

onset of the unrest, the Department of Trade, Industry and

Competition had established a 24-hour hotline to support

companies threatened by the unrest. Within a week engagements

had begun to help companies rebuild, and within two weeks’

officials were on the ground to survey the damage and help

firms get back on their feet.

We must all learn from the misfortunes that we encounter and

adapt and find ways to de-risk for the future. There are three

standout lessons from the new shocks of the past year, hon

members, which reinforce what we have learnt from the systemic

shocks of climate change and the Covid-19 pandemic: One lesson

is that economies and supply chains are vulnerable and that

building greater industrial resilience needs even greater

prominence in policy-making. The other lesson is that



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societies need a capable and a responsive state that is agile,

and equipped to quickly marshal what is needed when risks

materialise.

Above all, we have to grasp the lesson that the absence of

economic justice places the burdens of climate, social or

geopolitical disruptions on those in society that can least

afford to shoulder these burdens. These shocks are disturbing

permanently the old ways of doing things. Business as usual is

no longer an option – for the private sector, for government,

for development agencies, for all of us.

We must innovate and adapt to this new normal – an often

volatile, uncertain, complex, ambiguous and fractious world.

De-risking and diversifying supply chains is becoming a

business imperative for domestic and multinational

corporations.

Policy-makers are talking more about regionalisation of supply

chains to address geopolitical risk and the new fault lines

developing in the global economy. I have heard from more

global chief executive officers and business leaders raising

with me the matter of risk-proofing their own sourcing

locations.



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There is both danger and opportunity in the new landscape. The

question is how will we as South Africans respond? Can we de

risk so that we reduce our exposure to the downside, and

increase our exposure to the upside of a world that is rapidly

changing?

At home, we can remain trapped by our petty fights, focused

only on the short-term, wrapped in gotcha-politics and

fighting selfishly over a small cake – a zero sum race to the

bottom. Or we can look up and beyond and see how the world is

changing, which will allow us to shift drastically and build a

real consensus on the hard choices, and with discipline and

focus grow the economy inclusively so that it can create jobs

and opportunities for young people, and in a way that shares,

rather than concentrates wealth.

We remain over-dependent on offshore sourcing for our own

economy, and on a few products - mainly commodities - to drive

our growth, leaving us as price-takers and with our economic

performance over-dependent on what happens in global commodity

markets.

This means that we risk losing out on the greater opportunity

that this new wave of diversification and regionalisation can



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bring. South Africa can play a more prominent role in this

world of regionalised production hubs. But we can do so only

if we step up our focus on improving the dynamism and capacity

of our industrial base and create opportunities for firms in

our market to grow by: Intensifying industrialisation; by

spearheading transformation to build an inclusive economy, and

by building a capable state to execute our strategy. We set

out in the Annual Plan of the department about 150 specific

actions and indicators, and is published in the Department of

Trade, Industry and Competition website\*.

Our pursuit of industrialisation seeks to expand the level of

local output, both to secure part of the local market lost to

imports and to boost value-added exports. Our efforts in this

regard, have focused on strategic industries, as defined by

their capacity to be labour absorbing many jobs or providers

of critical public goods when it helps care or significant

earners of foreign exchange.

The initiatives, be it in the area of encouraging localisation

of production, social compacts in the form of masterplans,

strong industrial supply chains to underpin our response to

Covid-19 and create an African medical productive hub, or our

work on the Africa Continental Free Trade Area, have all



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sought to provide local industry with the space and the

opportunity to acquire the know-how and the capabilities to

develop dynamic firms.

Our work on spearheading transformation seeks to create

opportunities for all South Africans. This involves ‘de-

concentrating’ our economy, opening up exclusive product and

service markets to participation by all. It is also about our

enduring commitment to support the black industrialists and

workers who were previously denied access to the opportunities

for economic ownership and participation.

Furthermore, hon members, it is also about ensuring that the

spatial strategy that informs how we build and support a new

model of special economic zones and industrial parks in

secondary towns and core hubs, is informed by the principle of

trying to expand industrial activity beyond its concentration

in the urban metropolitan areas.

Transformation is about building an economy that works where

our people are, bringing development to rural provinces and

districts. Our revised approach to spatial industrial policy,

informed by the District Development Model, will see the

Department of Trade, Industry and Competition supporting



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projects that create jobs, infrastructure and innovation in

districts across the country.

The capable state is about administrative capability and

efficiency but its more than that. It’s about working in

partnership with business and labour, aligning our work with

other parts of the state, such as with our counterparts

overseeing the energy, logistics and security-related areas of

focus; and building a social compact brick by brick,

partnership by partnership, within and across the state, and

even more importantly, across our society.

This integrated vision of industrialisation and transformation

is only as strong as our capability to turn them into reality.

So, to execute this strategy, we will address our weaknesses

but we will also build on our successes. There has been

progress in a number of areas, from new production lines in

our auto, food sector and healthcare sectors; progress with

beneficiation, the sugar and clothing masterplans, new

investment projects and jobs created, small businesses

supported and action against corruption.

A new focus on inclusive growth saw about 100 000 additional

workers securing shares in their firms in the past year



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through competition settlements with Shoprite, Burger King and

Imperial Logistics, bringing the recorded worker shareholding

in the economy to over 400 000 to date.

I will not detail the many other positive stories this

morning, Deputy Minister Gina, will do some of them but we

will also release a short summary of some of the key

achievements in the past year.

I want to highlight instead the details of our plans for the

year ahead, which turn the de-risking strategy that I have

outlined to this House today into reality.

To fuel the economic recovery and deepen industrialisation,

the Department of Trade, Industry and Competition entities

together will offer R22 billion in customised support packages

to companies over the next twelve months. This will be

complemented by strategic support to deepen implementation of

our masterplans, including the launch of a new R400 million

Furniture Growth Fund in partnership with manufacturers and

retailers.

To support our localisation efforts, we will aim to achieve a

R40 billion increase in the production of targeted local



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industrial output, which brings us closer to our five-year

target of R200 billion.

Our investment facilitation and promotion activities will aim

to unlock at least R120 billion in investment from the private

sector in the next twelve months.

Last year, I outlined the first steps we will take to embrace

the opportunities in green industrialisation through the green

hydrogen and electric vehicle roadmaps. We have made

considerable progress in researching practical options,

costing them, identifying possible funding, publishing a draft

green paper and receiving feedback from stakeholders.

We will now table our draft Green Hydrogen Commercialisation

Strategy in Cabinet for consideration and guidance by the end

of August and our Electric Vehicles Roadmap by the end of

October.

In a rapidly evolving and disrupted global trade environment,

hon members, the department’s officials from entities will

work hard to secure at least R600 billion in manufacturing

exports with a package of support to grow and diversify South

African exports, and to secure our trading future on the



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African continent. We hope we can do more but let’s aim for no

less than that.

The Competition Commission is conducting a market inquiry into

online services like eCommerce, tourism, accommodation, food

and other online deliver platforms, to be completed during

this year and it will also launch a new inquiry into fresh

produce markets, which I hope will bring insights and relief

to consumers faced with high and rising food bills.

Hon members, we will commence the next phase of the African

Continental Free Trade Area, AfCFTA, negotiations by

developing draft protocols on competition, intellectual

property and investment. Our work in these important areas

will enable firms to manage their expansion into the rest of

Africa, and we will also make available a multi-billion-rand

facility in risk coverage to strategic exports, through the

Export Credit Insurance Corporation.

This facility will complement our efforts to launch more

export networks with entrepreneurs to share knowledge and co-

ordinate government support among exporters. By the end of the

year, we will have introduced a revised approach to spatial

industrial policy, with a cross-cutting framework for Special



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Economic Zones, Industrial Parks and the interventions to

enable and support the township economy; and focus on

industrial development in at least 25 districts across South

Africa.

Fellow South Africans, building an enabling environment for

industrialisation requires securing our key network

infrastructure, such as energy and logistics, and protecting

our electrical grid and rail network from the continued threat

of scrap metal syndicates. By the end of July, we will have

developed and tabled a draft policy on scrap metal, which will

introduce a blend of domestic and export measures to address

illegal trade in copper cable and scrap metal.

Energy and logistics is vital to the success of our

industrialisation efforts. Minister Pravin Gordhan and I have

agreed to launch a forum to bring together Eskom, Transnet and

other entities together with industrialists in key sectors to

enhance collaboration, advance planning, and problem solving.

This will enable a better climate for investment and job

creation. This is being jointly-announced by my colleague who

is also giving his Budget Vote right now.



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We must make it easier to do business. The Deputy Ministers

and I have requested the Department of Trade, Industry and

Competition entities by December to have concrete measures to

cut red tape, streamline their processes, and make them

accessible and less onerous, for entrepreneurs and citizens.

This will align with the commitment that the President made on

cutting red tape in the state of the nation address in

February this year.

Hon members, we will shift from red tape to smart regulation

that helps those who want to build and protect the system

against those who seek to abuse it at the expense of the poor

and the vulnerable.

This work will also include a process to consolidate the

sprawl of entities within our ambit, creating a leaner and

more responsive and relevant set of institutions. The point is

that we must all learn from the past and adapt for the future.

We must continue to show resilience as we build and de-risk

our economy, which is essential to our vision of a truly non-

racial, democratic society.

Over the next 12 months, we can expect a number of concrete

actions: This month has already started solidly with the VW



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plant in Kariega, Eastern Cape producing the one millionth

Polo for export, we launched a new food factory Kerry

Ingredients in KwaZulu-Natal, Corobrick opened its production

facility and a new Black Industrialist Export Network was

launched; and by the end of the month the Industrial

Development Corporation, IDC, will have launched the pilot

Township Economy Programme to improve access to finance and

de-risk SMMEs through business support measures.

By June, Consol will open its new glass container production

plant in Ekurhuleni with an investment value of R1,5 billion.

A new steel manufacturing facility plans to open in Thaba Nchu

in the Free State. The Japan-South Africa Business Forum will

be launched. The first disbursements will take place from the

IDC’s new Social Employment Fund. And Trade Ministers will

meet at the World Trade Organisation, WTO, to address key

trade policy matters.

By July, a new call centre, Sigma International will open its

doors and offer jobs to young people from Mitchells Plain and

Khayelitsha. The Saudi Arabia - South Africa Business Council

will be finalised and Cabinet will consider the nomination of

South Africa to host the next African Growth Opportunity Act,

Agoa, Forum.



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By August, the new Photo Voltaic production plant of Seraphim

will open in East London, supported by IDC facilities. The

Google new fibre-optic submarine cable to improve South

Africa’s link with other African and European

telecommunication hubs will have been launched. At least 55

deals would have been finalised under the JP Morgan small

business partnership with the Department of Trade, Industry

and Competition.

The first new capacity will come online for six black-owned

poultry farms supported by the IDC, which will produce about

2 million birds per month, creating jobs in North West,

Mpumalanga, Limpopo and the Free State. And the Companies

Amendment Bill will be submitted to Cabinet for consideration.

By September, production of industrial helium will start in

the Free State - one of only eight countries globally

producing this gas. A company Rayal Industrial will complete

its tile manufacturing facility. A new South African food

exporter network will be launched.

We aim to conclude the Southern African Customs Union’s formal

tariff offer to the AfCFTA covering 90% of all tariff lines,

and the Department of Trade, Industry and Competition



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supported film. The Woman King, will release worldwide. Filmed

in Cape Town it tells an African story, of an all-female

military unit in the 18th Century West African kingdom of

Dahomey.

By October, the Tshwane SEZ aims to complete eleven Automotive

component plants in support of Ford’s R16 billon investment,

employing about 2 000 workers in the new zone. The SA Steel

Mills aims to complete its production plant announced at the

Investment Conference and a draft Patent Bill will be

submitted to Cabinet for consideration.

By November, a bio-pharmaceutical company, Biovac, will begin

producing Pfizer vaccines in South Africa. The expansion of

SAPPI Saiccor dissolving Paper Mill will be ready for an

official opening. We will have commenced the next phase of

AfCFTA negotiations with the draft protocols; and we will host

an award ceremony for local production innovation, showcasing

the successes we are starting to achieve.

By December, the PF Nonwovens new textile production line will

have been opened in Atlantis and we will host a Conference of

black exporters to help identify new markets and new

opportunities.



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By January next year, we expect the completion of a new

clothing manufacturing facility and dye house in KwaZulu-

Natal, with 1 500 new workers; a review of the sugar master

plan will have been done and the new anti-corruption unit at

the Department of Trade, Industry and Competition will be

operational.

By February, Orion Carbon Engineering aims to complete a

pipeline and tank storage facility at the Port of Ngqura to

supply black carbon to the auto industry. The First African-

developed mRNA vaccine will start clinical trials and our

efforts to cut red tape will be boosted by new draft

regulations to deal with trade tariff investigations and

safeguard measures.

By March, Defy will have completed its white goods

manufacturing investment facility in Ezakheni, valued at more

than R300 million. The Department of Trade, Industry and

Competition will have an industrial profile report for all 52

districts in South Africa and a report on women and industrial

funding will be completed; and we will also complete a draft

anti-alcohol abuse policy based on discussion with different

departments of government.



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By April, 200 black, women and youth businesses and persons

will have been assisted with export training and support and

the IDC-funded local technology will be used in a platinum

mine in North West to make its smelting process greener and

more efficient.

And by May next year, which is just after the 5th Anniversary

of President Ramaphosa’s announcement of the investment

target, we intend to have met or exceeded the R1,2 trillion

commitments that the President sought for us to secure and

Formex will complete their automotive stamping press plant in

the Eastern Cape.

Hon members, many wise words have been spoken about that quiet

persistence in getting on with the job, such as Madiba’s

advice ‘Don’t judge me, he said, by my successes, judge me by

how many times I fell down and got back up again. Or that

beautiful poetess Maya Angelou, who reminds us that, and I

quote: ‘I can be changed by what happens to me. But I refuse

to be reduced by it’. In this context, hon members, hard work

matters. Kindness and decency matters. Optimising about the

future matters.



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And so, to rephrase the advice of the ages, it is our

responses to the shocks we face not the shocks themselves that

defines us and determines how our nation will develop.

I want in conclusion, hon members, to thank Deputy Ministers

Majola and Deputy Minister Gina for the sterling work that

they have undertaken; and the team of staff led by Acting

Director-Generals, Malebo Mabitje-Thompson and Shabeer Khan,

for their invaluable contributions to the board and the

leadership of the Department of Trade, Industry and

Competition agencies. Thank you. And to our social partners

for the work done this past year. It is my pleasure therefore,

to table the Budget of the Department of Trade, Industry and

Competition today before the National Assembly. Thank you,

House Chairperson.

Ms J HERMANS: Hon House Chairperson, hon Ministers and Deputy

Ministers, hon members, and fellow South Africans, the ANC

supports this Budget Vote No 39. The Portfolio Committee on

Trade, Industry and Competition, engaged the Department of

Trade, Industry and Competition, DTIC, and its entities on its

allocated financial resources and how it will be utilised in

the 2022-23 financial year. This budget allocation of



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R10,9 million allows the DTIC and its entities to carry out

their mandate.

The allocated budget is in support of operations of the

department’s incentives and transfers to its entities. The

DTIC sets out to focus on three outcomes namely;

industrialisation to promote jobs and rising incomes,

transformation to build an inclusive economy and a capable

state to ensure the improved impact for public policies.

The committee welcomes the government strengthened three

pronged approach about to address the challenges facing the

economy. However, the committee recognise that greater co-

operation amongst all spheres of government is essential to

achieve these desired outcomes.

In its oversight over the DTIC and its entities allocated

budget and performance plans, the committee will continue to

oversee their mandate of promoting structural economic

transformation that will ensure economic growth and increase

employment, implement economic programmes that broader

participation of previously disadvantaged particularly

facilitating the creation of opportunities for black people,

women and youth in economic activities and developing and



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implementing legislation to facilitate a predictable,

competitive, equitable and socially responsible environment

conducive to investment trade and enterprise development.

In its engagement with the DTIC, the committee noted the

reduction in the budget due to fiscal constraints along with

the reduction in funding that had been prioritised for COVID-

19 Relieve Interventions in the previous financial year.

However, the committee was encouraged by increased co-

ordination of work in the department and of its entities which

assist in maximising the available resources.

In line with the current fiscal constraints, the committee

noted the DTIC’s decision to review its current industrial

financing interventions for all sectors to maximise impact. It

will oversee this during the financial year. The Industrial

Financing Programme was of particular interest to the

committee as it allocated the largest share of the

department’s budget approximately 46% of the total budget.

As the ANC we welcome this as we believe that infrastructure

spending remains a lever through which industrial development

in which economic growth can be sustained.



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Furthermore, through this programme the DTIC provide support

to companies and leverages investments that facilitates the

growth of the South African economy and create jobs. The

revival of the South African economy is critical for the

creation of jobs and reducing inequality. Hence the committee

welcomes the various measures that the DTIC will finance

through this budget such as the Sectoral Masterplans,

Localisation and Beneficiation. Regional integration and

facilitating both global trade which it continues to use in

aiding the implementation of the Economic Reconstruction and

Recovery Plan.

To date, six industry masterplans which include automotive,

poultry, sugar, furniture, steel and textile and clothing have

been completed and implementation is at different phases.

These masterplans are critical in growing in growing our

industrial base and building the necessary resilience needed

for our economy in the face of global uncertainty.

In the state of the nation address delivered by President

Ramaphosa in February this year, he emphasized the need to

strengthen the facilitating of localisation. The committee is

encouraged that the DTIC’s second largest programme industrial

policy programme which supports the development and



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implementation of policies that facilitate diversifying the

manufacturing sector and promoting local production has been

allocated R1,7 billion in this financial year.

Public procurement is one of the key policy instruments

identified by the government for industrial development.

Through public procurement, the government is able to utilise

its significant purchasing power to stimulate economic

development and transform the economy.

In addition, the Industrial Development Corporation, which is

an entity of the DTIC, through its funding vehicles will

continue to support businesses that produce locally. In the

2022-23 financial year, the DTIC aims to facilitate

localisation worth R7,5 billion.

The President also highlighted the creation of dedicated

capacity in the Presidency to focus on reducing the red tape

across government and improve doing business. In line with

this priority in this financial year, the DTIC introduce

measures to reduce the red tape in all its programmes.



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The committee acknowledge the importance of this, in improving

the ease of doing business, consequently attracting

investment.

One of the areas that the DTIC and the Companies Intellectual

Property Commission have done well in and contributed in the

ease of doing business has been the reduction of company

registration in just one day. The mechanism has already been

put in place and now anyone can register a business in a day.

To contribute to broad and inclusive economic development, the

DTIC continues to revitalise old industrial parks in rural and

township areas, by building infrastructure that will make

those areas more attractive for investment. Investment into

these areas will consequently lead to the creation of job

opportunities. This is an important area of oversight for the

committee.

Recently, the committee visited the Ekandustria an industrial

park in Mpumalanga where it engaged with different companies

operating in that park. Practical work is underway to

revitalise industrial parks across the country.



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In Seshego Industrial Park R21,09 million was invested to

revitalise the industrial park. Consequently, attracted an

investment of a value worth R58,28 million. The scope of the

project comprises the renovation of 11 factories, the

development of digital harps and the rehabilitation of store

water channel.

In conclusion, the committee supports this Budget Vote, for

the Department of Trade, Industry and Competition as it will

be an abler to inclusive economic growth and job creation

which is envisaged in the Economic, Reconstruction and

Recovery Plan. The role of the state has become ever more

relevant as we seek to put our economy on a sustainable growth

through trajectory that is inclusive of all South Africans. We

seek to build a developmental state and the development of the

state cannot be left to the wins of the market. The

responsibility of government is to strategically think about

how state-led investments can help to shape citizen’s long-

term prospect. We encourage the department to build forward

better. I thank you.

Mr D W MACPHERSON: House Chairperson, at every engagement or

budget debate we have, Minister Patel’s standard, and somewhat



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predictable response to the DA, is that we are grandstanding

and being personal.

He believes that pointing out the economic failures of the

government he serves in and economic policies that he

champions, is somehow an attack on his dignity or character. I

want to assure him from the outset of this debate that today,

we will be no different. Because the truth of the matter is,

that what he does or doesn’t do is deeply personal for

60 million people in South Africa.

The choices he makes, the battles he chooses, or the sides he

takes, is the difference between putting food on the table or

entrenching poverty, and at that time, it’s the difference

between life and death. It is the choice between entrenching

state-sponsored anti competitiveness and lowering costs for

consumers.

Sadly, Minister Patel, given the choice, will almost always

pick the side which most harms our country and the people who

live in it. Because being a trade unionist, his natural

instinct is always to gravitate towards and align himself with

the “insiders” and to do everything possible to shut out those

on the “outside”.



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Take for example the debate about poultry prices and the

effects that tariffs have on it. Millions of South Africans

rely on poultry as the cheapest form of protein. However, over

the last few years, prices have steadily increased because

multi billion rand, Johannesburg Stock Exchange, JSE, listed

businesses have been given state sponsored protection from

imports.

This was in reaction to the very same companies who were

selling seawater for the price of chicken by brining products

with up to 80% seawater. So they needed a miracle to save

their businesses and found it in the form of tariffs

championed by the Department of Trade and Industry, DTI. While

they have swelled their profits on the back of South Africans,

ordinary people are required to pay more.

The DA has warned the Minister and the department this day was

coming, yet they have not listened. The have hidden behind all

sorts of excuses about protecting industry, but in truth they

don’t care about working class South Africans.

If the Minister and his department really cared, they would

immediately heed our call and drop all duties on imported



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chicken for at least six months to allow consumers to source

the cheapest source of protein in these most trying of times.

Minister, are you prepared to work with the DA to achieve

this, and if not, you should tell us today why you don’t

believe South Africans should have access to cheap poultry to

feed their families? Being the internationalist that you are,

I am sure that you will know that Mexico has done this, with

immediately effect.

Minister, for far too long, ordinary South Africans have been

locked out of being a part of the R1 trillion in government

procurement each year because of Broad Based Economic

Empowerment, BBBEE. It has become the ultimate system of ANC

political patronage where value for money and social

responsibly is not the main driver for delivery. BBBEE is the

enabler of the grand rip off and I think that government is

finally waking up to this reality. And I know this to be true

because the tender documents for the port operator of Durban

harbour and Coega exclude BBBEE as a requirement, for the

first time. This is a major step and one which the DA fully

supports.



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This “new dawn” in thinking by government has encouraged the

DA to finalise our Social Impact Bill which will leverage

state procurement to benefit communities through Sustainable

Development Goals, and not through patronage and corruption.

Ordinary South African’s, particularly low income black South

Africans, will finally have the opportunity to benefit from

government procurement, which will drive economic growth and

create jobs. That’s why the DA is encouraged by a letter from

The Congress of South African Trade Union, COSATU, that

supports the DA’s inclusion of Sustainable Development Goals,

SDGs, as a form of redress through government procurement in

our Bill. COSATU are half way down the road to supporting this

historic piece of legislation, we thank them for that.

Minister, the DA is personal with you about issues of the

economy and your record in government because it is so

personal for millions of people. In KwaZulu-Natal, KZN,

children are eating sand to keep hunger at bay. This is no

accident either. It’s the result of three decades of failed

economic policy.

You have been involved in this for 10 years, or nearly a third

of it. This is why we cannot be nice about these issues. There



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are no pleasantries to be passed around when nearly 200

children under the age of five have died of hunger in January

and February alone. There are no handshakes and backslapping

to be had when 40% of our country is unemployed.

You and your ANC colleagues must account for these failures.

Stop blaming everyone else and take the bold decisions now. If

you want the so called grandstanding and personal attacks to

stop, then put something on the table for us to support. You

can start by halting tariffs on chicken and food imports for

six months and support out Bill to end BBBEE. Let me finish

off with quote my own by the progressive poet and author,

Marco Betsy Johnson when he said:

You can believe in whatever you like, when whatsoever you

like, but the truth remains the truth no matter how sweet

the lie may taste.

I thank you.

Mr M TSHWAKU: House Chairperson, the EFF rejects the budget

vote because the department’s primary function is to create

jobs. And, the annual plans are not the concrete plans to



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create jobs and grow the economy. And even their so called the

master plans, are no plans at all.

The department is confused about its core function. It starts

by saying that the Department of International Trade, DIT,

strategic plan and annual performance plan is informed by

country’s imperatives, to address high levels of unemployment,

poverty and inequality, improve the economy, ensure that every

citizen of this country participate in the economy.

Later in their own document it changes the tune and it says,

job creation is not their core mandate. The South Africans

must forget that there will ever be anything tangible coming

out from this department.

Everything is in a planning phase, they have a series of task

teams that continue to research the reports that they

compiled. A department that still talks about a job

opportunity that are created, must be taken you know

seriously. The economic policy zigzag has led the economy that

is not growing, not creating jobs.

White population continuing to own the economy. Poor quality

of life, increase the gap between the rich and the poor. It



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must clear that no jobs will be created under the department

of Trade and Industry as they contradict themselves by saying

that it is outside their scope.

It must be put on record that their key performance indicators

are reports conferences, appearances on television, tv. And,

nowhere it says that this year, so many jobs will be created.

The department has adopted neo liberal policy that can create

jobs and still make economic growth.

The department is anti-state led development, even though its

President agreed with EFF, that the needs be a state-led

development to stimulate economic growth.

The delay in the finalising of the special economic zone is

another indication that the department is not interested in

the creation of jobs. The department has allowed South Africa

to be a dumping ground of low grade manufactured goods. The

international trade policies still allow goods that could be

manufactured locally, to be imported, for an example,

chickens.

Mr Ramaphosa had series of investment conferences and called

the so called big businesses to pledge amongst that they



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indicated that they will invest and they never did. The ...

[Inaudible.] ... a job’s bloodbath.

The is no clear understanding on the department that the

private sector cares about making profits. And, will do

everything to ensure that profits are maximize. Even through

exploitation of workers. We are still waiting for the report

from the department, as to how many jobs are created by the

wasteful expenditure of the investment conference by

Ramaphosa. And of those who pledged how many have invested in

the economy of this country.

South Africa is the most unequal society where, the rich are

getting richer and the poor is getting poor. And, there’s no

plan for the department to address this issue.

Twenty-eight years down the line, the social architecture of

white rule formed over three centuries has created the most

unequal society in the world. The ANC has not wiped away the

apartheid legacy; it has maintained the status quo. With the

white people only 10% of the population owning 85% economy of

this country.



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The department has failed to supply the portfolio committee

with the list of industries that have been financed and

operational and the number of jobs that are created. The

financing entity such as the Institutional Deposits

Corporation, IDC, and National United Front, NUF, are delaying

approving application of potential black industrialists,

because they are not politically correct or the IDC officials

are not able to benefit from the deals.

The department fails to support small scales sugarcane farmers

by acquiring a simple mealy machine. This could have been a

massive assistance to them, as would stop to relying on some

white farmer’s mealy machines, of which its usage favours the

white sugarcane farmers.

This indicates that the department lacks the understanding

that true small scale farming massive jobs can be created. The

entities such as the South African Bureau of Standard, SABS,

are under administration. At the same time, there’s an alleged

corruption and maladministration at the state lotteries.

Slow acting by the department leaves much to be desired. It

can be viewed as a serious attempt to privatise SABS and other

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entities. If it succeeds, it could be used to prevent black

majority from owning industries.

It must be put on record now, as long as government does not

own means of production, such as land and minerals,

nationalise the bank to be able to finance projects for

general masses of our people. The economy of this country will

remain in the hands of the whites and it will never grow.

And, again if this government does not increase import

tariffs, to stimulate local manufacturing, goods will still be

imported and no jobs will be created in South Africa, it will

be created internationally.

And, again if it does not support the small scale farmers, no

massive jobs will be created at all. And also if it does not

finalise – because it’s playing hide and seek in terms of

finalisation of the spatialized economic zones, with special

tax incentives. These zones will not be attracting to build

industries, where people can start to actually create jobs.

Now, the EFF vehemently rejects the budget vote because, it

lacks substance. It doesn’t show whether this department is

serious in terms of you know the creation of these jobs, they



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keep on having what is called, master plans after master

plans. When I joined this committee, there are master plans

after master plans, and these master plans they’ve never been

concluded.

So with their researchers, with the so called brilliant

economist, it is not even easy for them to say; this economy

is not growing, so let us look at a different economic policy,

such as an economy that will be state-led. Thank you very much

my House Chairperson.

Mr S L NGCOBO: Hon Chairperson, the mandate of the Department

of Trade, Industry and Competition and its ability to give

effect to its key priorities must be measured against the

stark reality of South Africa’s economy. With a staggering

unemployment of 35,3% coupled with the devastating economic

damage following the July 2021 riots which cost South Africa

an estimated R50 billion, little faith remains in government’s

ability to rebuild and rebrand South Africa.

In the President’s state of the nation address, much emphasis

was placed on ... “unblock specific obstacles to investment

and business growth” and to simplify processes, and to attract

investment and trade. These words were greatly welcomed at the



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time of the speech, but again, these lofty promises mean

little if we do not see clear government commitments and

enforcement to this effect.

On consideration of the department’s latest annual performance

plan, APP, and budget, it is concerning that although the

department set out to reduce red tape across all its

programmes as per the President’s state of the nation address,

no specific measures and practices were identified in the APP

requiring action. This failure is critical and leaves little

faith that the department has fully interrogated these

commitments and identified obstacles in the programmes, which

complicates, and hence, stifles investment opportunities.

Furthermore, this failure hinders the portfolio committee from

interrogating the performance of the department and demanding

accountability on behalf of the people.

The failure to set out clear achievable outcomes in the APP is

an aspect seen throughout the department’s programmes. The IFP

shares the portfolio committee’s concern that the lack of

qualification of outcomes is critical. Failure cannot and

should not be tolerated. It is vital that the public is

provided with clear targets to measure the department’s

performance.



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The IFP furthermore agrees with the portfolio committee that

the budgetary cuts of R1,79 billion to the industrial

financing programme of the department raises much concern and

is in stark contrast to government’s commitment to attract and

retain investment. This programme serves a vital function to

stimulate economic activities by offering incentives in the

form of grants, loans and tax allowances to qualifying

enterprises.

The department of ... special economic zones, SEZs, and

industrial parks by the department is a good initiative to

develop local, regional and rural economies. However, for this

initiative to stand any chance, we need local government to be

strong and functioning.

These initiatives may be completely derailed by failing

municipalities that are unable to guarantee consistent service

delivery. We need to closely monitor this initiative, as

proper co-ordination and strong oversight is vital.

The people of South Africa deserve a committed and accountable

government that will steer economic policy with clear targets,

direction and transparency. The department, as the custodian

of the government’s economic policy development, has a mammoth



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task ahead and the IFP will closely interrogate each

performance in the coming financial year. The IFP accepts the

Budget Vote. Thank you, Chairperson.

Mr F J MULDER: Hon House Chair, the Department of Trade,

Industry and Competition has 16 entities. Of these, only three

are self-funded. These are the Companies and Intellectual

Property Commission, the National Empowerment Fund, NEF, and

the National Lotteries Commission that has been stuttering

under a scandal after the term of its former chairperson

Alfred Nevhutanda ended in November 2020.

*Afrikaans*:

Die Spesiale Ondersoekeenheid het gedurende Maart 2022 na ’n

ondersoek van die komitee meegedeel dat die *Nasionale*

*Loterykommissie* se raad sowat R300 miljoen verduister het;

geld wat bedoel was vir dwelm rehabilitasiesentrums,

ouetehuise asook die bemagtiging van vroue en die jeug. Meer

as 50 afsonderlike sake van korrupsie en wanbesteding word

ondersoek en slegs 12 van die 50 sake is tot dusver

afgehandel. Intussen vorder die proses om ’n nuwe raad en

voorsitter aan te wys maar stadig in die komitee.

*English*:



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The SA Bureau of Standards, SABS, was placed under

administration by the department in October 2018 and a three-

year turnaround strategy was implemented, but the financial

state of the once proud institution deteriorated, to the

disadvantage of quality control in South Africa.

The Department of Trade, Industry and Competition could be

seen as the broad-based black economic empowerment, BBBEE,

flagship of the government, with race an issue driven by the

Black Industrialist Forum, the BBBEE Commission and the

Competition Tribunal**,** amongst others.

In August 2021, the Competition Commission prohibited a

proposed takeover of Burger King in South Africa by an

international private equity fund over the lack of

historically disadvantaged persons amongst the new owners. The

Competition Commission has therefore become yet another

enforcement agency for black economic empowerment that is not

mandated.

The hon Minister Ebrahim Patel will remember that we debate

quite often in the committee on the ANC government’s economic

development policies. The Department of Trade, Industry and

Competition is probably the key driver to contribute towards



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economic growth, and specifically economic recovery, during

the aftermath of state capture, corruption and the devastating

effects that COVID-19 regulations had on the South African

economy.

However, the way that BBBEE has manifested in South Africa

resulted in the widening of the gap between rich and poor

since 1994; in fact, amongst the highest in the world. Despite

the ruling party’s mandate to redress inequality, the number

of black business owners has decreased, with the result that

BBBEE only benefitted a few. Broad-based black economic

empowerment has already failed. The ANC’s policies have

created new inequalities, and simply enforcing the very same

policies will most certainly result in the same enhancing

legacy of poverty and destruction, which of course will be

remembered in the future as a legacy of the ANC government. I

will repeat this. The destruction and poverty will be talked

about or thought of in the future as a legacy of the ANC

government.

The report before the House states that over the strategic

five-year period from 2020 to 2025, and for the 2021-22

financial year, the department’s budget is focussed on the

implementation of policies, strategies, programmes and



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incentives aimed at promoting industrial development and

broadening participation in the economy. Unfortunately, ...

just more of the already failed policies.

The purpose of the development of SEZs as a way to promote

inclusive economic transformation and to industrialise the

economy through the development of SEZs, industrial parks and

the black industrialist programme is already under threat

because of the fact that Eskom is in no position to provide

electricity to support these initiatives. And, as with the

district municipality model, local government is failing South

Africa and cannot supply the support as far as electricity,

water, roads, etc is concerned.

South Africa needs a total new relook and even a new

dispensation as far as economic development and growth is

concerned. Therefore, the FF Plus will not support this Budget

Vote. Thank you, Chair.

Mr W M THRING: Hon House Chairperson, the ACDP acknowledges

that this department’s budget has to be applied but in a

constrained international and domestic environment. The ACDP

also notes that despite the mandate of moving South Africa

towards a dynamic industrial and globally competitive economy,



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South Africa has one of the highest unemployment rates in the

world, sitting at 35,3% and the expanded definition at 46,2%.

Additionally, our gini coefficient places us as one of the

unequal nations in the world. Simply stated, after 28 years of

democracy under the ruling party, unemployment and poverty has

increased to some of the highest levels ever. The ACDP notes

the potential of the master plan as an intervention for

industrialisation and economic recovery. This however, are not

without their challenges. For example, regarding the sugar

industry, cane production here is increasing ... [Inaudible.]

... are closing down. This is a recipe for disaster,

particularly for our small cane growers. The ACDP calls for

the scraping of the health promotion levy or sugar tax as it

is counterproductive in that the affected industries purchase

less sugar and then use sugar alternatives which are more

harmful than the sugar itself.

The ACDP has at times been the loan champion of beneficiation

as a policy tool for economic and employment growth. South

Africa has some of the richest mineral deposits in the world,

and we cannot in perpetuity export the majority of our raw

materials only to import the finished product. By doing so, we

create jobs outside of South Africa rather than internally,



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and we perpetuate the colonial dogma that Africans will remain

consumers of goods, rather than being producers and

innovators.

With that said, it would be remiss of me not to warn political

parties and the people of South Africa about the World Health

Organisation governing body and the World Health Assembly

meeting to be held in Geneva, Switzerland this weekend, where

provisional agenda 16.2 will be discussed. If these amendments

are agreed to by countries like South Africa included, it will

grant the World Health Organisation universal powers to

dictate their own policies on health care, obligating

signatory nations to seek their national health care

sovereignty to the World Health Organisation.

This body will then have decision-making authority to

intervene in government policies of any nation in the world

without our permission. This is not about health, but a daring

attempt, a totalitarianism and global dominance under the

great reset where you will own nothing and be happy. All

freedom loving South Africans and citizens of the world must

... [Time expired.] ... and failure to do so will make our

Davis Tax Committee’s, DTC, economic growth interventions

obsolete. I thank you.



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Ms R M MOATSHE: Hon House Chair, hon Minister and Deputy

Minister, hon members, fellow South Africans, the ANC supports

the Vote. The budget takes place in the midst of the continued

threat of COVID-19 to the livelihoods of many people across

the globe, global uncertainty brought about by conflict

between economic powers and essential threat of climate change

to the planet.

The ANC-led government has shown resilience and determination

in its gesture to transform the lives of South Africans under

the difficult circumstances. The Budget Vote for the

Department of Trade, Industry and Competition gives practical

expression to the economic reconstruction and recovery plan

will put our economy back on a growth trajectory. The budget

allocates R5 billion to the industrial financing programme.

Through this programme, the Department of Trade, Industry and

Competition support the implementation of the Economic

Reconstruction and Recovery Plan and the reimagined industrial

strategy by providing incentives through the Automotive

Investment Scheme, Black Industrialists Programme, Agro-

Processing Support Scheme, Strategic Partnership Programme,

Aquaculture Development and Enhancement Programme, and

Clothing and Textiles Competitiveness Programme.



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Approximately R3,6 billion is allocated for transfer to the

Department of Trade, Industry and Competition entities which

support small and medium-sized businesses. The spatial

development programme promotes inclusive economic

transformation through industrialisation of the economy by

developing and funding special economic zones, SEZs,

industrial parks and the Black Industrialists Programme. This

will be driven through the District Development Model. The

focus will be on governance and strong commitment from all

spheres of government, the development of strong and credible

investment promotion and facilitation plans, community

involvement and facilitation hybrid ownership and feasible

financial models.

Special economic zones are essential areas of economic growth,

localisation and structural transformation. We have seen the

rapid growth of special economic zones such as Coega, Dube

TradePort, East London, the Tshwane Automotive Sector which

demonstrates the significant role played by SEZs programmes in

the country. This and other SEZs are showing great potential

and are attracting domestic and foreign investments to date.

There were 10 special economic zones with an investment of

R22 billion to date. Nineteen thousand jobs have been created



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from SEZs. As part of the economic reconstruction and recovery

plan, the SEZs will be an important element of reigniting

manufacture-led industrialisation in an isolated manner. The

revival of industrial parks is essential in promoting the

centralisation of industrialisation to the less economic

activities, and areas such as township and semi-rural areas.

The revitalisation programme is meant to improve industrial

infrastructure which has aged because of the exit of investors

in the last few decades. Working with provincial government

investors is being sourced to settle in these parks and create

jobs. Hon Tshwaku ...

*Sepedi*:

Mmuṧo woo o eteletṧwego pele ke ANC o ema nokeng dikgwebo tṧa

bathobaso. O hlohleletṧa gore go be le meṧomo ya go hlabolla

ekonomi ya naga ya rena. Profenseng ya geṧo ya Limpopo,

Koporasetlhabollo ya Diintasteri e hlatloṧitṧe dipeeletṧo tṧe

R40 billione tṧeo di tlilego ka meṧomo ye 22 000 . Re lebogiṧa

batho ba go swana le Rolland Rakhuduwe wa go tṧwa Phalaborwa,

Limpopo. O hlotṧe meṧomo ye 71.

*English*:



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He also runs the only black industrial gas company which

supplies gases oxygen to Phalaborwa Copper.

*Sepedi*:

Re lebogiṧa gape Zoe Ragana wa go tṧwa Polokwane, yoo a nago

le kgwebo ya go dira dithaele tṧa konkoriti. O hlotṧe meṧomo

ye 67.

*English*:

The South African township economy is estimated to be about

R100 billion and it is therefore essential industrial parks

must also be catalyst for the township and rural economy. This

means that the parks must respond to how it plays a

facilitation role to promote any emerging township and rural

enterprises. A lot needs to be done to identify used

innovations, and be nurtured into sound business promotions.

This places an obligation on government through the District

Development Model. To ... [Inaudible.] ... to roll out the

programmes in our community, our economy is therefore founded

on our SEZs and industrial parks whose success is critical for

sustained inclusive economic growth.

In conclusion, I wish to quote the former General-Secretary of

the United ... [Interjections.]



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The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, there

seems to be difficulty with your connection and you are no

longer audible.

Ms R M MOATSHE: ... when he said: “Saving our planet,

advancing growth ... [Inaudible.] ... between climate change

... [Inaudible.] ... to grow our economy for the betterment of

South Africans, we must equally ensure that we build

resistance and policies of the ANC-led government are working

towards this. We therefore believe that this Budget Vote

entails exactly what our economy needs. The ANC supports the

Budget Vote. I thank you.

The DEPUTY MINISTER OF TRADE, INDUSTRY AND COMPETITION (Ms N

Gina): Thank you very much House Chair. Greetings to you House

Char, Minister and Deputy Ministers that are here, chairperson

and the portfolio committee, hon members and fellow South

Africans.

When we presented the budget vote last year, that is 2021, our

key running theme was our economy resilience. At the time, we

were on the second year of Covid-19 adjusted lockdowns, having

survived the 2020 hard lockdown that saw our economy shutting



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down, whilst globally, confronted with massive supply chain

disruptions.

But the robustness of our economic base, our sophisticated

financial institutions and other advanced sectors of our

economy, demonstrated resilience in the face of shocks and

tailspins. The strength and stubbornness of our economy has

been further demonstrated, notwithstanding the massive

joblessness it has brought and the weakening of corporate

balance sheets, by the survival and solid response to last

year’s July unrest, the current East European War and the

recent coastal floods.

House Chairperson, in underlining the above resilience, we are

not oversimplifying the negative economic blows that we are

receiving nor our covering ourselves in glory. As a result of

all the above challenges to the economy, we are confronted

with a sustained weak growth, extreme fiscal pressures,

deepening poverty and a real threat of food shortages and the

advent of rising food prices because of the Russian/Ukrainian

conflict.

This has prompted a new thinking in us, including what

Minister Patel alluded on, with regard to the positioning of



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South Africa for multinationals regional hubs, which is going

to be a new response to global supply chains risk proofing.

Hon members, if there is one thing that is urgent and mostly

required in manifold from our side, as government, it is to

shoulder up this small yet sophisticated economy to grow

stronger, it is building a capable state. A capable state

plans extensively, coordinates and also build its institutions

to outlive every political leadership elected in public

offices.

Such a state drives decisive developmental projects even in

risk areas that the private sector cannot dare going. Such a

state, where it mobilizes businesses in risk areas, it

develops a mechanism to de-risk the private investments for

the greater good of business and developmental objectives.

But a capable state must enjoy partnership with business, and

drive trade and industrialization policy for growth. Such a

state should be incorruptible, with its institutions staffed

with sound technical know-how and patriotism. Minister Patel

has spoken extensively about our path on capable state

anchored on the District Development Model.



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House Chairperson, for some time the DTIC, Department of

Trade, Industry and Competition has been implementing the

Spatial Industrial Development, SID. This has been driven by

the designation and the establishments of the special economic

zones and industrial parks in various cities and regions

across the country to build regional economies has been

unfolding. But this approach has been limited to those metros

and districts with industrial parks legacy infrastructure,

only for us to revitalize and attract investors.

For SEZs, few regions had a capacity to apply for

designations; and this meant the rest of other districts in

the 44 of them had no spatial industrial plan and development.

The new approach seeks to bog down all 44 Districts and 8

metros, with provincial government anchored by the DTIC to

plan and coordinate industrial hubs of different shapes.

However, we have since realized that for this amount of work

to succeed all three spheres of government must get involved.

In that context, we seek to impose mechanisms of a capable

state in the building of economy in all three spheres of

government through this new approach to play a role.



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District Development Model approach in the spatial economic

development will see the DTIC planning and putting resources

per each district municipality, with a provincial government

also putting resources in establishing economic hubs, economic

zones and industrial parks.

District municipalities will play a pivotal role in driving

the economic growth, which will be a new mandate to districts.

The task of job creation in the economy must be seen as a

collective responsibility of all spheres of government.

District Municipal LEDs working with national government

economic cluster departments and provincial government

involved in the economic development will now be entrenched in

this approach that the DTIC brings. At the centre of

catalysing industrial hubs, parks and special zones, is the

drive to fast tract the level of localisation as a fundamental

policy of industrialization and resilient national economy

that is self-sufficient and strong.

Our excessive exposure to imports has exposed us during the

pandemic when global supply chains were disrupted. Hon House

Chair and hon members, it is interesting to note that what

started as a far-fetched dream from President Ramaphosa to



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launch an investment drive has already produced commitments of

more than 95% targets, despite Covid-19 fears.

This achievement translates to R1.14 trillion of the

R1.2 trillion overall target by the President when he

announced this initiative in 2018. We recently opened an

Ireland multinational ingredients company in Hammarsdale,

Durban. The Kerry Group invested R650 million and will play a

significant role in the food ingredients sector in the

continent as a whole, creating more jobs directly and through

SMMEs, small micro medium enterprises, contracting.

Hon Chair, we need to share more with the hone members for

them to know exactly that we see the fruits of the commitments

that were made in the Presidential Investment and the

commitments are adhered to. We see those investors coming into

our country. That’s one area where we must be open so that hon

members are aware of this and do not criticise from the

unknown background.

One of the key pillars of re-industrialization is the building

of economic social compacts. With the experience of the

automotive, sugar, clothing, textile, leather and shoes

masterplan, steel and furniture masterplans, we can deduce



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that there is no stakeholder in all economic sectors that is

not committed to the re-industrialization agenda.

The tripartite engagement between government, business and

organized labour, often gets intense on the terms of the

ultimate goal of the plan and how to reach there in terms of

targets, but ultimately all parties emerge as committed to the

implementation.

Whilst covid environment created some slow pace in steaming

ahead with implementing some of the targets in the automotive

sector, but sugarcane sector is already implementing its

elements, working with stakeholder partners.

Let me make a few examples of the achievements that we have

seen in our master plans to prove that it is not just master

plans but it is a working plan where we plan and implement

whilst still in discussions with all the role players within

the sector.

In the Steel Master Plan, the DTIC has supported 11 projects

in the value chain resulting in disbursements to the value of

R209 Million; R1.3 billion investments leveraged and 2 439

jobs supported. We are not just planning, we are implementing.



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In the Poultry Master Plan, 10 Black contract growers have

been established leveraging investment of R336 million, with

122 new jobs created.

In the Sugar Master Plan, Shoprite is partnering with the SA

Cane Growers to promote the sale of locally produced sugar in

its 1,189 stores. There are so many discussions that we are

with when it comes to the Sugar Master Plan. Right now we know

when we have listened to the Minister of Agriculture, we are

together in ensuring that when it comes to this master plan,

the black growers need to benefit. It is what we are engaging

with as the Department of Trade, Industry and Competition.

In the Autos Master plan, the Automotive Industry

Transformation Fund is supporting six companies with funding

of R82 million but more importantly, access to orders of

R1.8 billion.

We are generally encouraged by the collegiality and commitment

of all sectors that have achieved the signings of the master

plans. We see no retreat and backhand auto manoeuvring by some

stakeholders.



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Chairperson, one other thing, I would like to touch on the

African free continental trade area progress.

The HOUSE CHAIRPERSON (Mr C T FROLICK): Deputy Minister, your

time has expired. Thank you.

The DEPUTY MINISTER OF TRADE, INDUSTRY AND COMPETITION (Ms N

Gina): Thank you very much Chair.

Mr C N MALEMATJA: Thank you, hon Chairperson. Hon Ministers,

Deputy Ministers, hon members and fellow South Africans, as

the African National Congress we support the Budget Vote

number 39. It is a great honor and privilege to be of service

to the people of South Africa. Let me start by quoting Amilcar

Cabral when he said:

Always bear in mind that the people are not fighting for

ideas, for the things in anyone’s head. They are fighting to

win material benefits, to live better and in peace, to see

their lives go forward, to guarantee the future of their

children ...

It is along this line that the ANC has been given a mandate by

the people of South Africa to defeat unemployment, poverty and



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inequality. They trusted us structurally to transform our

economy to do away with over concentration of our economy and

ensure their participation in the life of people. Apartment

has left country with an economy characterised by extreme

level of concentration of ownership and control as well as the

lack of participation by all South Africans. Apartheid regime

actively promoted national champion in different sectors

through the development of industrial state-owned enterprise

monopolies and agricultural property that was later

privatised.

The regime also condoned industrial cartels in their efforts

to promote the interest of a minority. The ANC-led government

is hard work to challenge all of these and ensure that the

vast majority of South Africans do not remain barrier in the

land of their forefathers. The economic recovery plan places

considerable emphasis on reindustrialisation export promotion

in key local areas. The primary through which this will occur

it through sectoral master plan. In support of this, the

Competition Commission has activated its exemption provision

for the steel, sugar, agriculture and manufacturing sectors.

This will enable deeper co-operation amongst ... [Inaudible.]

... to support localisation and export promotion among



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business and firms owned by the previously disadvantaged

person.

This will be instrumental in decentralising in our economy

making it more inclusive as the evidence has shown that high

level of concentration of high of ownership in many sectors of

economy are ... [Inaudible.] ... to growth the entry of the

black South African into economy effectively. Inclusive growth

must mean that black people are no longer relegated to being

laborers forever. Inclusive growth is to have a real meaning

in South Africa embrace the need to increase the participation

of black people; women and youth in all aspect of business

including as shareholders’ managers’ entrepreneurs.

It increased budget of R87 million to the competition will

ensure that the commission is sufficiently empowered to work

towards ensuring that we have a growing, decentralising and

inclusive economy.

*IsiZulu*:

Mhlonishwa ...

*English*:



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... the recent research by the Competition Committee has

found that the economy remain concentrated 15 years since the

Act was promulgated. As a result of high level of

concentration, the Competition Amendment Act was promulgated

in 2019 with the specific aim of adequately equipping the

Commission to address to the system structural constraint in

the South African economy, namely; the high level of economic

concentration in the economy and the skewed ownership profile

of economy. If we do not deal with this structure of our

systematic ... [Inaudible.] ... we will not be able to

transform the economy.

*Sepedi*:

Mohlomphegi ...

*English*:

... greater competition, foster greater efficiency, innovation

from ... [Inaudible.] ... and insult to introduce prices to

the benefit of other ... [Inaudible.] ... in the economy

delivered by the state purchasing product, services and

consumers. A more competitive economy is largely in higher

growth, job creation by enhancing the ability of domestic

theme to replace, import, expand export and greater innovation

also creating new opportunities for businesses. The



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Competition Act further seeks to also ensure that such growth

is more inclusive, addressing the past inclusive through

actively promote transformation and small, medium and micro

enterprises, SMME, participation as a public interest

objective in its enforcement action.

The work of the commission through its market enquiry sought

to protect the South African public from the ... [Inaudible.]

... The data enquiry found that the data prices were

excessively high and anti-poor. A settlement agreement was

reached with the network provider to reduce data costs by 35

to 50% to offer extensive zero rate of educational and

government websites along with some daily free data. Business

ensured that the poor are not left behind considering the

digital era we live in. The Commission also worked tirelessly

to monitor the prices of food in the market on a quarterly

basis. This meant to protect ordinary South Africans from the

unjust ... [Inaudible.] ... by the ... [Inaudible.] ...

merits, reducing barriers to entry and increasing the

participation of small business important contribution to

dynamic and transformation of ownership in the economy.

Small business are the greatest creators of employment and the

support provided by the commission in protecting small



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business in this regard is necessary and critical for our

transformation.

*Sepedi*:

Batho ba baso, le tsebiṧwa gore borakgwebopotlana kamoka ba

swanetṧe go tsenela phenkgiṧano ya moruo wa naga. Kgoro e

tloṧitṧe dilo kamoka tṧeo di bego di dira gore le se ke la

kgona go tsena. Go tloga mamohla, re le ...

*English*:

... the African National Congress, we believe that the budget

will further empower and strengthen the important role that

the Competition Commission ensures to improve the lives and

the living conditions of our masses. We therefore want to take

this opportunity to further say ...

*Xitsonga*:

Muchaviseki, ... [A swi twali.] ... swa hina swa tsakisa.

*English*:

Thank you.

Mr M G E HENDRICKS: Thank you very much, hon House Chair. Hon

House Chair, this report of Trade and Industry take the vision



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and mission of President Ramaphosa seriously. We just heard

the criticism now about data nothing is being done by Trade,

Industry and Competition with regard to ensuring that South

Africans, especially those in poor areas, don’t have access

but they have a right to 1Gig of data. So, Al-Jama-ah does not

think that the Department of Trade, Industry and Competition

take anything seriously with what the President said to the

nation.

We haven’t heard a response to the ... [Inaudible.] ... side

business opportunities the President alluded to. This is the

responsibility of many departments including the Department of

Trade, Industry and Competition. While it is acknowledged that

South Africa has a conspicuous presence and firm foothold in

the African Union and Brazil, Russia, India, China, and South

Africa, Brics, can we proudly say that South Africa is playing

a meaningful role in its own interest and that of the

continent? I don’t think so. Can we argue that in the African

Unions South Africa has contributed substantially? And if so,

how then has South Africans gain from members of factory in

the socioeconomic loans that the country encounters.

Since South Africa became a member of Brazil, Russia, India,

China, and South Africa, Brics, have we gained a win-win



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scenario bearing in mind that we hold the smallest position

financially? We either allow them with their bigger projects

to engage in forced removals and to demolish homes. The export

marketing assistance scheme must be transparent on how the

poor sector of our population benefit from the scheme and the

support for the businesses adversely affected by the riots in

July last year. The South African pavilion project that

organises exhibits in Dubai and other countries should play a

more inclusive role for ... [Inaudible.] ... roles to benefit

economically from such exhibitions.

It is indeed good to know that South Africa has access to

large economic markets such as North America, Western Europe

or the European Union, EU, but what efforts does South Africa

make to retain the interest of the smaller markets where

innovation and growth also take place with smaller risk? We

will hear the President and the Minister talk and address some

of these issues. The department support for dynamic companies

that we ... [Inaudible.] ... in economic inclusion, to what

extent is this inclusion of the marginalised communities? The

marginalised communities should be included. This Department

of Trade, Industry and Competition has a record of being in

bed with big business. I hope the President and the Minister



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can respond to Parliament and tell us that they are not in bed

with big businesses. Thank you very much, hon House Chair.

Mr M J CUTHBERT: Hon House Chairperson, cognitively dissonant

towards the long-term consequences of government-led import

substitution, Minister Patel, has forged ahead with his plans

to localise up to 20% of all non-petroleum goods. There is a

certain emotive appeal of “local is lekker” that resonates

with South Africans who find themselves out of work, living in

poverty and looking for a convenient scapegoat upon which to

lay the blame.

The reality is that localised goods for which there is no

specialisation will soon start to decline in terms of quality

and increase in price due to diminished competition and a lack

of international market access. Ultimately, economic growth

starts to slow as other countries put in place retaliatory

measures and workers who rely on the export of goods lose

their jobs.

This policy is being pursued in the context of rising cooking

oil, fertiliser, transport and wheat prices as a result of the

Russian invasion of Ukraine. Coupled with inflation gathering

pace towards the outer limit of the targeting band and we find



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ourselves in a full blown cost of living crisis. As much as

the governing party like to virtue signal about fighting

inequality, poverty and unemployment, this comes across as

inauthentic. The fact is they are the cause of the very

challenges they claim to be fighting.

Virtue-signaler-in-chief, Minister Ebrahim Patel, will talk

about how he envisions an inclusive and transformed economy,

but what he fails to admit is that he protects special

interests at all costs. Under the auspices of localisation, we

have also seen industrial policy become more vertical with the

creation of industry master plans and working groups that get

to pick the winners and losers in a given economic sector. His

latest localisation hobby horse being the total ban on the

export of scrap metal. It is difficult to accept that he is

acting in good faith on this issue considering his track

record and, therefore, it is naïve not to question his bona

fides.

There is no doubt that the industrial scale theft and

vandalism of our public infrastructure is an issue that needs

to be urgently addressed. This was confirmed in a joint

statement released in July 2021 by Telkom, Eskom, Prasa and

Transnet, which said that both cable theft and infrastructure



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vandalism contributed to a direct loss of R7 billion and a

R187 billion knock-on effect on the economy per year. In

particular, this scourge has crippled our export economy,

local government service delivery and public transportation.

However, a blunt instrument is not the cure, even though

Ministers Gordhan and Mbalula would have you believe so.

As the editorial in last week’s *Business Day* remarked:

It would be a mistake to apply such a heavy-handed

approach as it would punish legitimate dealers, and the

ban could create a thriving black market. The unintended

consequences of the ban on the sale of alcohol and

cigarettes in 2020 should be a cautionary tale for

policymakers.

It concludes by saying, “SA has a crime problem rather than a

trade policy problem”. On this score, the DA agrees. It is as

a result of this government’s failure to enforce the law that

we find ourselves in the situation we do. This is why we have

put forward a series of local, provincial and national

interventions that we believe will go a long way in addressing

this crisis. For the purposes of this speech, I will share the



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national interventions we have proposed to you and your

colleagues in Cabinet:

Proper implementation of the Second Hand Goods Law of 2009;

Giving copper theft its own crime code and making the theft of

it a priority crime at the SAPS; Creating a specialised SAPS

unit; Setting copper theft reduction targets at parastatals;

Close co-operation between law enforcement and metal recyclers

to assist in the tracking of illicitly-traded metals;

Empowering the Non-Ferrous Theft Combatting Committee, NFTCC,

through legislation and its own dedicated budget; Establishing

a reward hotline; Eradicating the backlog of scrap dealer

licenses; Multi-agency co-operation and information sharing;

and Standardised transaction recording of scrap metal sales.

The onus is on you, Minister, to cost the interventions that

fall within the purview of your department and investigate how

best to include them in your budget. Despite our respective

parties’ clear policy differences, I’m sure that we can both

agree that if we fail to safeguard our country’s

infrastructure then we fail to protect our economy. I thank

you, hon House Chair.



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Prince Z BURNS-NCAMASHE: House Chair, hon Ministers, Deputy

Ministers, hon members fellow South Africans, the ANC supports

the Budget Vote 39. The ANC Strategy and Tactics highlights to

us the relationship between the state and private capital, and

it reads:

The relationship between the national democratic state and

our private capital, including monopoly capital is one of

unity and struggle, cooperation and contestation.

As indicated by President Cyril Ramaphosa in the state of the

nation address, the private sector has a cooperative role to

play with the public sector to transform our economy and

create the necessary jobs, for the vast majority of

unemployed, unemployed South Africans. Far from the deliberate

mischievous misrepresentation of the trust of his assertion.

What I do know is that the representatives of white capital in

Parliament, will never run out of spurious and nefarious

negative things to say about the public sector.

The Department of Trade, Industry and Competition will forever

be their target, because its mandate seeks to strengthen our

resilience as an inclusive economy. Unsettle and dismantle the

historical ... [Inaudible] ...of oligopolistic oligarchs,



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institutionalized by colonial and apartheid establishment, so

as to transform the face of our industries to be more

representative of the demographics of our country. Their wish

is to relegate Black Africans to the slaves of white capital,

who remain deprived of access to economic opportunities and

ownership of strategic assets, which are means of production.

According to them, black people are not worthy of being black

industrialists, being captains of industry and producing their

own goods and finished products. This is why they are against

the industrialization and localization efforts of our

government. We also have amongst us populist demagogues who

masquerade as revolutionaries in red overalls. But in all

honesty, we know them to be wolves in Louis Vuitton and Gucci

sheep cloaks, who are also in bed with white capital and are

beneficiaries thereon.

*IsiXhosa*:

Baxhaphe umhluzi wamanqina abawutya bewugxeka. Umqolo wabo

uphandle kweli sebe lenkawu likrelekrele basithele ngalo.

*English*:

The introduction of sector masterplans is predicated on the

reimagined industrial strategy, which is laying out the plan



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for achieving greater, greener and more inclusive growth with

more jobs, and is meant to resuscitate our industrial and

manufacturing capabilities. Our sector master plans will help

us achieve in bringing together the role of government with

other social partners as the Economic Recovery and

Reconstruction Plan puts it. We are determined not merely to

return our economy to where it was before the coronavirus

outbreak, but to forge a new economy in a new global reality.

At the centre of forging this new economy, is the intricate

role that the state has to play in public investment schemes.

There are people who are direct beneficiaries of this, who

without the support of the government and our black

empowerment policies, would otherwise never have had the

opportunity to participate in the life of our economy. Thus,

the Black Economic Empowerment Policy compendium is a

strategic imperative, we are neither ashamed no apologetic to

implement.

That is why we applaud people like Beverly Mhlabane, who lives

in Benoni. She is a poultry farmer empowered by the Poultry

Master Plan. She has 6 500 hens for her egg laying business,

which is expanding now into broiler production. An amount of

R1,79 billion is allocated to the Industrial Policy, which



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supports the development and implementation of policies that

facilitate diversifying the manufacturing sector and promoting

local production.

Many more previously disadvantaged people will be empowered

through this programme. In addition, the Industrial

Development Corporation through its funding vehicles, will

continue to support businesses that produce locally. In the

2022-23 financial year, the Industrial Development

Corporation, IDC aims to facilitate localisation worth

R7,5 billion. The IDC has funded and is providing support to

people like my Matshela Maloka and Kate Machaba who are

running an asphalt company where they manufacture hot mix

asphalt and does placement of difference surface seals, with

an onsite logistics offering. They have thus far created 30

jobs.

The firm boasts one of the few technologically advanced and

fully automated plants in the country. Without the support of

government and black economic empowerment policies, these

young people may never have had this opportunity.

*IsiXhosa*:

Asigungqi, siyaqhuba singenadyudyu bethanda bengathandi.



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*English*:

The state can never be left to be a spectator in the economy,

as the reality of the matter is that, free markets themselves

are products of state intervention. In other words, markets

are not freestanding realms in which states can intervene for

good or ill, but rather, they are outcomes of public as well

as private action. Therefore, the logic that the state should

not intervene in the economy, is without merit and not

scientific as some amongst us want us to believe.

Hon House Chair, South Africa is part of the continent. Trade

facilitation through the African Continental Free Trade Area,

will be instrumental in opening up markets and creating value

chains in the continent. This will be highly beneficial for

our black industrialists, and presents an opportunity for

industry and for new industrial entrepreneurs to build

sustainable businesses. It will further be instrumental in

building resilience for the continent, reducing the reliance

from the powerful global forces.

There are already a few South Africans who are expanding their

business throughout the continent. Ntsiki Biyela who sells

wine to Ghana, Thami Gxowa who exports cooler boxes to



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Mozambique and Doron Barnes who sells steel to the Democratic

Republic of Congo, DRC.

*IsiXhosa*:

Obu bubungqina bokunaba bomzila wokunaba kwabantu bakowethu

kwilizwekazi abayinxalenye yokuphila kulo, bengeyiyo

imigqakhwe, bethobela kwaye behlonipha imithetho yorhwebo

nentengiselwano.

*English*:

In this regard, we are steadfastly determined to create new

industries. Work he is underway to create opportunities for

farmers in the hemp and cannabis industries, which has the

potential to create in excess of 130 000 jobs for unemployed

South Africans in the Eastern Cape and KwaZulu-Natal. With the

opening up of markets through the African Continental Free

Trade Area, AfCFTA, the future can only be limitlessly bright

for the industry. The department, together with the Department

of Agriculture, Land Reform and Rural Development is working

on a legal framework to ensure that South Africans benefit

fully from this. Yet again, the role and investment of the

state will be critical in ... [Inaudible] ...in the private

sector to create these anticipated job opportunities.



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*IsiXhosa*:

Abantu bephondo leMpuma Kapa neKwaZulu-Natal, inene asifikanga

sigalelekile. Sizimisele ukuthethathethana nabantwana begazi,

iikumkani, iinkoi noluntu jikelele ukuze kudalwe amathuba

ngokuveliswa kwentsangu.

*English*:

In conclusion House Chair, serving our people is the greatest

honour that can be bestowed upon anyone. The ANC has changed

the lives of many people, and continues to do so. Yes, it is

not enough, a lot more needs to be done. As Karl Marx said:

If we have chosen the position in life in which we can most

of all work for mankind, no burdens can bow us down, because

they are sacrifices for the benefit of all; then we shall

experience no petty, limited, selfish joy, but our happiness

will belong to millions, our deeds will live on quietly but

perpetually at work, and over our ashes will be shed the hot

tears of noble people

House Chair, let me as a parting shot, respond to the issue of

Russia and Ukraine. the anticommunist, anti-Russian and anti-

Cuban deep seated hatred by the fascist DA will not deter

peace loving real South African democrats to appreciate the



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role of Russia and Cuba in our struggle for hard-earned

freedom and liberation. We are not oblivious and amnesiac to,

your historical role against the cause of our liberation.

Hence, your hysterical nostalgic psychosis about Russia and

Cuba.

*IsiXhosa*:

Kufuneka sinihlangule kwizabatha nezirhintyelo zobungqondo-

gqwirha, nihlambuluke kwingqakaqha yentiyo nenzondo. Makube

chosi, kube hele!

The MINISTER OF TRADE, INDUSTRY AND COMPETITION: House chair,

thank you to the various parties for their contributions. I,

in particular, have taken note of some important comments by

hon Hermans, hon Moatshe, hon Malematja, hon Ngcobo, hon

Burns—Ncamashe, hon Thring and Hendricks, that pointed to

specific areas that we will be following up.

The work of the department is always enriched out of a debate

in Parliament. What the debate has confirmed? It’s confirmed

that there are two narratives in South Africa. First, is the

narrative of the DA and the EFF, filled with doom and gloom,

unable to see what South Africans are doing, what firms, small

business, in partnership with government is doing in the



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difficult circumstances to create jobs, to help to grow the

economy, to feed the nation.

The second narrative is a more balanced one. That recognizes

our challenges and our hardships, but also tell the inspiring

stories of South Africa. Let’s take, as an example, few of the

issues that have come up. I’m going to highlight, in my

response, that the debate has demonstrated the inconsistencies

and the extremism of some of the approaches and views.

Let’s take poultry as an example, it’s an area that has been

raised by two speakers here, two hon members and I think what

the poultry example demonstrates, are a number of

contradictions in the views of some members of the opposition.

It’s the DA versus the EFF as the first contradiction. So, hon

MacPherson versus hon Tshwaku. On the one hand the DA says you

have got your tariffs too high, just abolish them, make them

zero. On the other had the EFF says you have your tariffs too

low, just raise them up so that nothing can be imported at

all.

It seems to me that the ANC-led government’s approach is a

more balanced approach, it’s a more mature position that

avoids these two extremes. What we’ve done is we’ve looked



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case by case and the evidence before us, based on that

evidence we’ve been able to ensure that there is sufficient

protection for South African producers, for people who create

jobs here. At the same time, we’ve got to keep pressure on the

poultry industry, the domestic poultry industry, to ensure

that South Africans have access to affordable pricing, that

our people are able to afford the protein that comes from that

industry; and it’s an important one.

Of course, globally poultry prices have been rising. We’ve

seen food price inflation going up across the world. I can

regale hon MacPherson on all the results here on your food

price inflation, 13,5% for Brazil, almost 10% for the United

States, 8,6% for the European Union. I can also take you

through what has happened to poultry prices in different

countries in the world, if facts matter as we believe they

should matter. If you take, as an example, the year-on-year

growth in poultry prices, globally by April 2022 it was 19%,

that had nothing to do with South African policy-making, it

had to do with a surge in prices of foods across the world

caused by supply chain disruptions, caused by geo-political

tensions and the war in Europe, caused by a number of factors.

And what we trying to do is to build the domestic poultry



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industry that can supply food to South Africans and ensure

that South Africans have access to livelihoods too.

And that brings to another contradiction. It’s the

contradiction of the hon MacPherson versus the hon MacPherson;

it’s the DA versus the DA. On the one hand hon MacPherson says

just cut these tariffs, just remove them. The fact that 50 000

jobs in poultry farming, in the manufacture of poultry feed

and the associated industries would be affected, is just

conveniently forgotten. But in that same speech hon MacPherson

then comes back and says create more jobs, it’s 40%

unemployment, you’ve got to do more on jobs. Hon MacPherson,

one is got to be able to have internal consistency in one’s

position. You can’t argue on the one hand, hon member, that we

should take a set of policies that will destroy local jobs and

on the other hand bemoan the fact that there is high

unemployment. South Africans need affordable poultry, South

Africans need jobs and government is trying to find ways in

which we can balance these important, both are important,

objectives and that’s what we doing in our work.

Hon MacPherson gives us an interesting challenge; a challenge

that I want to accept. He says: Why don’t you give us

something that we can support as the DA? Why doesn’t



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government or the ANC-led government put something on the

table? Let me take a cracker at it, hon MacPherson, because

it’s a good thing that you’ve raised. Let me give the auto

industry as an example and say: Why don’t you support our

efforts there? In the last 12 months, just since the last

budget speech, Mercedes Benz has started to produce the new C-

Class vehicle in Buffalo City. One of only three locations in

the world that makes this vehicle. The others being Beijing in

China and Bremen in Germany. Toyota in eThekwini launched its

locally-made Corolla Cross hybrid vehicle; bringing locally-

made lower emission vehicles to our roads. And Isuzu produces

its new D-Max bakkie in Gqebera; that farmers can use to take

their products to market. Why didn’t you support that, hon

MacPherson? It creates jobs, it provides opportunities for

South Africans, it localizes what we need to localize.

Let me take another example. Let me take Tshwane. In Tshwane

we finance the building of a new special economic zone, that

this past year has seen three new factories already in

operation. Two years ago it was an open veld. A year ago it

was just yellow metal, trucks in and dust and mud all over as

construction took place. Today you go there and you see

factories that are actually producing components. And by

October this year we expect a further eight factories to have



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opened; that’s 2 000 real jobs, hon MacPherson. Jobs that

South Africans need. Why don’t you support that?

We’ve had private investment of R4,3 billion that is committed

by these contractors and factory owners in the special

economic zones and we’ve invested money in bulk infrastructure

and top structures with 45% of that infrastructure budget

spent on small and medium enterprises. Why don’t you support

that, hon MacPherson?

But hang on, the DA leader, hon John Steenhuisen, has already

tried to claim credit for the Tshwane special economic zone

last year in a photo opportunity in the run up to the Local

Government Elections. So, the DA says, well, here is a great

thing, at the same time the DA has to recognize because the

facts speaks for themselves that the Department of Trade,

Industry and Competition, DTIC, budget has helped to make that

possible, has put the money there. That our meeting with Ford

has brought that production to South Africa, has made it

possible, indeed, for South Africa to manufacture components

using the labour of young South Africans, people in Gauteng

that are able to produce those goods. So, there we have it

then, hon MacPherson, just to take some small examples.



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Let me give other examples. Why don’t you back us and the work

that the DTIC has done to ensure that we have the industrial

capability to produce covid products here in South Africa? Let

me take the example of vaccines as one clear example. By

October or November this year we will have the biovac factory

that the Industrial Development Corporation, IDC, has

supported. That factory that, in fact, government has some

equity in, they will be producing the Pfizer vaccine. In

Gqebera the Johnson & Johnson, J&J, vaccine has been produced

by a South African company called Aspen Pharmacare. And the

factory that they are using was supported by the incentive

schemes that the DTIC has administered.

We’ve worked with Patrick Soon-Shiong, a South African-

American, who has announced that he wants to open up the

NantSA factory in South Africa.

We’ve worked with Afrigen, who has reverse engineered the mRNA

vaccine technology and they now will have clinical trials

early next year.

We’ve been able to produce outsider vaccines, hon MacPherson.

The continuous positive airway pressure, CPAP, ventilators,

20 000 of them that have been used, largely in public



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hospitals. But the other day I was in a meeting with the chief

executive officer, CEO, of a private hospital and he

congratulated government for that effort. He said they too had

use it when they ran out of stocks in their own hospitals. Why

don’t you support us, the fact that the first anaesthetic

plant on the African continent has opened? You ask for things

that we can put on the table that you can support. I’ve put

just a small sprinkling of things on the table, I hope you

will be able to support this now.

Hon Thring, I look forward to your support for the DTIC

budget. You raising an important issue around beneficiation.

And I’m happy to say that we provided the detailed information

recently at the mining indaba on things that we doing on

beneficiation. Take, for example, that South Africa’s first

fuel cell factory started production in the Dube TradePort

using South African platinum group metals, PGM, minerals. A

greater proportion of our local scrap metal has been used in

our foundries. Further beneficiation actions include a

vanadium electrolyte manufacturing plant in the East London

Industrial Development Zone, IDZ, using South African mined

vanadium oxide to create energy storage solutions and a nickel

sulphate facility in North West using the bi-products of the



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PGM mining process to create components for lithium batteries

used in electric vehicles.

Let’s look at the Industrial, Development Corporation, IDC,

which is a key strategic partner to Bushveld minerals, which

is leading in the development of the domestic vanadium value

chain essential for grid scale renewable energy storage

facilities.

Or look at the support we now giving to Loanex and Thakadu

mineral battery material investment which produce high purity

battery grade nickel sulphate.

Or the support for Gilgamesh that entails the processing of

coalbolt nickel and copper that’s earmarked for the electric

vehicle and energy storage markets.

And I can give many examples in the steel industry. The South

African steel mills project, the score metals one, the support

that the IDC is giving to the aluminium value chain and to

veer aluminium.

What these illustrate, is taking a vision and implementing it

in very concrete and practical ways.



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Hon Tshwaku, you raised the issue of support for small scale

sugar famers and you say: Where is the support? I encourage

you, visit small scale sugar farmers and you will see examples

there, you will see that last year just over R200 million of

tangible support was given as a result of the sugar master

plan to small scale farmers. You would have seen the report

that we tabled at the Portfolio Committee on Trade and

Industry, at which the SA Farmers Development Association,

SAFDA, which is the body for small scale farmers, have

indicated in writing and a press release that they published

on the 29th of January this year. There’s strong support

there, appreciation and congratulation to government for the

efforts that government has taken to support small scale

farmers. I can add to that, also the work we’ve done with

retailers to ensure that they buy from small scale farmers.

The work with Coca-Cola to ensure that it too uses sugar

produced by small scale farmers. And these are some of many

examples.

Hon Hendricks made an important point that we must get more

value from our trade agreements. We agree. We now have a whole

set of very concrete actions in our annual performance plan.

Hon Hendricks, you’d be delighted to know and I’m happy to

provide more information.



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Hon Cuthbert, I like what you say, that local is lekker. And

you right that we must ensure that our quality and price don’t

disadvantage South Africans and that we, in fact, work

together to improve the dynamism and strength of local

industry, because when we buy locally, when we support these

programmes we create jobs for South Africans. That 40% of

South Africans that need jobs, that are unemployed, they not

going to get jobs out of air, it’s out of us, building those

kind of capabilities. And I hope you’d be able to support us

on this. You’ll also find that many of the work we doing on

scrap metal is helpful and some of those you might well see

that we’ve done work on the areas that you’ve indicated, but

you’ll see we’ve gone even beyond that.

Let me begin to wrap up by saying, there’s lots that we’ve

done and I you at least things, hon members, there was more

time that we can point of the many other excellent examples of

work done by the DTIC and its entities building South African

capacity. We’ve just brought together 50 black exporters in

areas like food, engineering, auto components, beauty

products, getting them to work together to unlock

opportunities elsewhere in the world. We just had a successful

investment conference where we’ve had more than R300 billion

committed. And over the last number of years it’s ensured more



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than 167 000 jobs that have been unlocked in just support

[Time expired.]

Let me conclude by thanking all hon members for the support,

thank you very much. I think what this illustrates is we have

a plan, we have concrete actions and I look forward to the

support of all Members of Parliament as we take this journey

to create jobs and promote industrial development. Thank you

very much.

The mini plenary rose at 12:01.

