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

***ASSEMBLY***

\_\_\_\_

Members of the mini-plenary session met on the virtual

platform at 16:30.

The Deputy Speaker took the Chair and requested members to

observe a moment of silence for prayer or meditation.

**ANNOUNCEMENT**

The DEPUTY SPEAKER: Hon members, before we proceed, I would

like to remind you that the virtual mini-plenary is deemed to

be in the precinct of Parliament and constitutes a meeting of

the National Assembly for debating purposes only. In addition

to the Rules of the virtual sittings, the Rules of the

National Assembly including the Rules of the debate apply.

Members enjoy the same powers and privileges that apply in a

sitting of the National Assembly. Members should equally note



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that anything said in the virtual platform is deemed to have

been said to the House and may be Ruled upon.

All members who have locked in, shall be considered to be

present and are requested to mute their microphones and only

unmute when recognised to speak. This is because the

microphones are very sensitive and will pick up noise which

might disturb the attention of other members. When recognised

to speak, please, unmute your microphone and connect your

video. Members may make use of the icons on the bar at the

bottom of their screens which has an option that allows the

member to put up his or her hand to raise points of order. The

Secretariat will assist in alerting the Chairperson the

members requesting to speak.

When using the virtual system, members are urged to refrain or

desist from unnecessary points of order or interjections.

We shall now proceed to the order which is; Debate on Budget

Vote No.31: Employment and Labour, Appropriation Bill. I now

recognise the hon Minister, Thulasi Nxesi.

*Sesotho*:



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Ntate, bua le rona.

**APPROPRIATION BILL**

Debate On Budget Vote No 31: Employment and Labour:

The MINISTER OF EMPLOMENT AND LABOUR: Thank you very much, hon

Deputy Speaker; members of this House; Cabinet Ministers;

Deputy Ministers present; particularly the Deputy Minister of

Employment and Labor; the hon Chair; members of the portfolio

committee; the director-general; senior management of the

department and its entities; invited guests; ladies and

gentleman. I want to begin, hon Deputy Speaker by flagging a

South African achievement, a successful fifth global

conference for the Elimination of Child Labour held in Durban

last week. A success in the face of adversity.

It is only weeks after the devastating floods in KwaZulu-

Natal. We deliberated hard on whether we should even continue

with the event. But no, we concluded that what the province

needed now was to restore its economy and bringing 3 000

conference delegates to the province would contribute to the

tourism and hospitality sector, with thousands more viewing on



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the virtual platform and able to see what South Africa can

offer. Of course, it was important that we continue to provide

this important platform to bring together social partners and

civil society from all over the world to engage and share

information and best practice for the purpose of eliminating

child labour by 2025, in line with the sustainable goals set

by the United Nations.

So, our thanks to the team at the Department of Employment and

Labour, the officials of the International Labour Organisation

and the support from across government, from the Presidency to

the national departments to the premier of the province to the

municipality and all participating stakeholders. This is

another reminder that when we practice joint up government,

good things happen. With the Budget Vote, strategically, the

department seeks to leverage its existing programs to

intensify its employment mandate whilst continuing to play a

regulatory role in the labor market promote safe and decent

work and provide social protection to the workers.

The approach underpins our efforts to reconfigure the

department to strengthen their employment on mandate. These

tasks are made all the more difficult by the unprecedented



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levels of unemployment currently standing at 35,3%. The

factors behind this are well known. The economy was already

sluggish before the pandemic reflecting structural weaknesses,

the lockdown to curb the spread of the COVID-19 came at the

heavy price, a 7% fall in economic activities and shedding up

of up to 2 million jobs. As the economic activity started to

recover last year, we were hit by the July riots, further

destroying jobs and livelihood. Again, most recently, KwaZulu-

Natal faces the most devastating floods which destroyed the

lives, infrastructure and jobs. Internationally, trends have

generally not assisted with the exception of the rise in the

commodity prices.

Under the current circumstances of high unemployment, the

state has to intervene. Hence, the number of interventions

that we’ve made, including the presidential employment

stimulus, that has already benefited some 800 000 South

Africans and the youth in particular. In the recent years, the

department has received a favorable unqualified report from

the Office of the Auditor-General, AG, SA. In respect of the

2021-22 audit, that is currently underway, it is envisaged

that once again an unqualified audit opinion would be

received. The same applies for the Commission for



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Conciliation, Mediation and Arbitration, CCMA, and

Productivity SA. We also anticipate improved findings for the

two funds.

Plans are being implemented to fundamentally review the

organisational architecture, the systems and processes of the

two funds. This will not happen, of course, overnight and

there are no shortcuts. Forensic auditors have been engaged to

address the widespread fraud and corruption which occurred in

the funds. The benefits, in the case of the Unemployment

Insurance Fund, UIF*,* COVID-19 test program are already being

felt with the return of nearly a R1 billion, in irregular and

illegal payments.

The audit action plans were implemented to address the areas

identified by the Office of the Auditor-General, AG. The

Unemployment Insurance Fund, UIF, has already moved from a

disclaimer to a qualified audit, a small gain achieved in the

face of massively increased claims for unemployment and relief

benefits. We can agree that the key to improve performance is

strengthening good governance, fighting fraud and corruption.

Let us remind ourselves that the pandemic is still with us and

we are now into the 5th wave. In 2020, we announced the



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addition of 500 Occupational Health and safety, OHS,

inspectors and their work is yielding results. In 1920, there

were 28 000 Occupational Health and safety inspectors. In

2021, this jumped to 62 000 inspections conducted by quarter

three. Like the department’s 126 labour centers, as the

Occupational Health and Safety, inspectors have a national

footprint across every province.

Last year, there were 36 000 compliant and 26 000 noncompliant

employers. The most common forms of noncompliance relate to

the general safety regulations, COVID-19 directions, hazardous

chemical substances, environmental regulations for workplaces,

electrical installation regulations and facilities

regulations. To deal with these challenges, the branch has

established pedestal roving team and develop the national

megablitz inspection plans to cover the backlog in the

priority areas. In an effort to ramp up our inspections, the

inspectors will visit 839 000 workplaces over the next five

years, enhancing Social Security for workers is one of our

priorities.

The compensation fund implemented the new claims management

system and results include an improvement in the adjudication



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of claims. As of 31 December 2021, a total of over 90 000

claims were received, of which 79% were adjudicated within 30

working days of the project or of receipt. Now, I want to

strongly flag these, Deputy Speaker, when the compensation

fund seeks to strengthen an efficient online system to manage

verified claim that brings the fund into conflict with vested

interest. The third party middle man and the industry that

grew up exactly, because of the past inefficiencies of the

fund. If the fund successfully reforms itself, the reason for

their existence falls away. Perhaps, that’s why their

supporters or their shop steward in Parliament are so vocal

because they want us to keep the middle person.

The fund continues to ensure that medical service providers

are paid. Of the 533 claims received as at 31 December 2021,

87% were finalised within 30 working days’ of receipt. Some

8 000 request for preauthorisation of specialised medical

interventions were received during this period and 97% was

finalised within 10 working days or receipt. So, the fund paid

a total of R3,3 billion towards the benefit of which 93% was

paid within five working days. I believe that the members of

the portfolio committee witnessed the smooth processing of

claims for both the funds on their oversight visit to the



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Eastern Cape. When the commissioner tries to stamp out bad

practice and demands accurate and verified documents before

paying out the claims, I believe he deserves your support.

The compensation fund continues with the rehabilitation

program which includes provision of assistive devices. Persons

with disabilities are enrolled in vocational rehabilitation

programs through the post school education and training

institutions and they are fully funded. Return to work

programs also ensure that those who are injured in the

workplace are reintegrated into the labour market. The

Unemployment Insurance Fund, UIF, played a significant role

during the lockdown period. In a drive to cushion workers and

businesses, over R64 billion has been spent by the

Unemployment Insurance Fund towards the COVID-19 tax benefits,

helping sustain economic activity across every province and

community.

In response to the July riots, Temporary Employer Employee

Relief Scheme, Ters, funded another program. Workers affected

by the unrest, and that we call it, Wabu, to date 4 000

employees were paid the relief at the expenditure of about



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R14 million. More workers affected by unrest, Wabu, payments

will be made upon completion of the due diligence process. In

response to the jobs crisis, the Unemployment Insurance Fund

has created and saved jobs through investment with Investment

Development Co-operation, IDC, to the tune of R5 billion over

five years. The Investment Development Co-operation through

the Unemployment Insurance Fund, has currently approved 41

qualifying transactions totaling to R2,3 billion, of which

R150 million was for the companies in distress and relating to

job preservation.

So, the transactions supported the Small, Medium and Micro

Enterprises, SMMEs, black industrialists, women-owned

companies and startups. Through the Unemployment Insurance

Fund Labor Activation Program, which we call, Lap, the

department contributes to training of unemployed as part of

the government initiative to stimulate the creation of jobs in

the labour market. For the year 2022-23 financial year, the

Unemployment Insurance Fund’s Labor Activation Program has set

aside a budget of R3,1 billion to fund the training of the

unemployed, the normal Temporary Employer Employee Relief

Scheme and the business turnaround and normal re-engineering.



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Labor Activation Programs facilitate the training of recruits,

the creation and the sustaining of the jobs.

Through the training of the unemployed program the fund

implements projects with implementing partners with employment

guarantees at the end of the term of the project. To this end,

the KwaZulu-Natal Department of education, for instance, has

already absorbed over 14 000 participants from one of the

projects funded through the Labor Activation Program. The

Temporary Employer Employee Relief Scheme, provides support to

distressed companies that seek to retain their employees.

under the scheme, the Unemployment Insurance Fund funds 75% of

the employee basic salary up to the maximum amount of R17 000

per month for a maximum period of 12 months. So, the business

turnaround and the recovery program is funded by the

Unemployment Insurance Fund to provide support enterprises

facing economic distress and initiatives aimed at preventing

job losses.

Deputy Speaker, of importance is that the Labor Activation

Program has taken a strategic direction that training of the

unemployed should be demand-led and lead to employment at the

end of the training period. So, the employers and the partners



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who participate in the program commit to ensuring that the

learners will be absorbed. In the Medium-Term Expenditure

Framework, MTEF, period, the Labor Activation Program has

planned for 75 000 participants in the program that enhance

their employability. The Unemployment Insurance Fund will

continue to pursue the government’s drive to pay suppliers

within 30 calendar days. As at the end of the quarter three of

2021-22, the fund has paid 98% of its received invoices within

30 calendar days. The fund will seek to achieve 100% in the

2022-23 financial year.

To look at the policy and the legislation to promote equity

and equality in the workplace, Parliament on 29 November 2021

ratified the International Labour Organization Convention 190,

concerning the elimination of violence and harassment in the

workplace. In order to fulfill the international applications

that emanate from this, the department developed in

consultation with the social partners, a code of good practice

on the prevention and elimination of harassment in the

workplace. Released from 18 March 2022, these guidelines

provide a comprehensive set of practical proposals, including

step-by-step guidance on adoption of Convention 190, and the



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necessary supporting processes and structures to ensure

enforcement.

Over the last year, the department has extended 26 collective

agreements to nonparties. This is critical in fighting

persisted poverty and inequality experienced by so many of our

working people and for achieving the principles of decent work

in our labour market. The Minimum Wage Act was assented was

assented to in November 2018, setting a historic precedence in

the protection of the low earning vulnerable workers in South

Africa and provided a platform for reducing inequality and the

huge disparities in income in the labour market. The 6,9%

adjustment of the National Minimum Wage increased rates from

R21,69 to R23,19 per hour, effective from 01 March 2022

applicable to all sectors including farming and domestic

workers. This increase will benefit about 892 000 domestic

workers, who are overwhelmingly women and 800 000 farmworkers.

Contrary to the oppositions believe that the introduction of

the minimum wage would have a negative impact on employment

levels, findings indicate that there is no major negative

impact on the employment as a result of the National Minimum

Wage.



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The department’s Public Employment Services branch, which

drives the implementation of the labour market policies

including the provision of the free career counseling, jobs

facing retraining and upskilling, strives to create an

enabling environment for employment. At an operational level,

the Department of Employment and Labour continues to provide

support to many desperate works seekers for the period April

2021 to 28 February 2022, 839 000 work seekers were enrolled

by the department on its employment services of South Africa,

the employment services of South Africa, ESSA, system.

About 257 000 work seekers were provided with employment

counseling services by the department’s employment counselors

while 124 000 job opportunities were conversed with their

employers and 59 000 unemployed work seekers were placed in

the employment opportunities. It is important that this

service be utilised across the economy and across the public

sector. So, the department also actively participates in the

digital pathway network management system, which as January 22

offered 674 000 job opportunities. Over the two phases of the

presidential youth employment stimulus, 596 000 appointments

of school assistants have been married, making this the single



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largest youth employment program in the country, supporting

the aims of the presidential youth employment intervention.

The department will also extend training projects aimed at

creating jobs, particularly, for the youth in the fiber

optics, food handling and mixed farming sectors. So, the

projects are undertaken through the Unemployment Insurance

Fund program. We will also establish 10 specialised youth

centers over the coming two years in addition to our 126

labour centers. Part-time centers, mobile centers and

departmental buses expand the physical reach of employment

services to more remote areas. During the 2021-22, a total of

991 workers with disabilities and 48 administrative staff were

subsidised. A total of R20,9 million was paid to these workers

as at the end of the quarter four of 2022 to support this

employment program.

The Commission for the Conciliation, Mediation and

Arbitration, the CCMA, section 189(a) processes for the period

01 April 2021 to 31 December 2021, resulted in 44% of jobs

being saved, that’s 14 000 jobs of those employees stretching

with retrenchment. The Employment Equity Amendment Bill has

now been passed by Parliament and is intended to expedite the



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pace of transformation in the labor market and ensure that

those noncompliant organisations that resist transformation do

not continue to financially benefit from the state contracts

or doing business with any organ of the state. Parliament has

also finalised compensation for the occupational industries

and the diseases, that’s by the Amendment Bill.

The other pieces of legislation for legislators’ consideration

include the Occupational Health and Safety Amendment Bill,

OHS, and the Employment Services Amendment Bill. The draft

national labor migration policy has been released for comment.

In addition, the department is conducting a national roadshow

to engage stakeholders in the workforce. The policy seeks to

balance the constitutional rights of all to labor protection,

the expectation of South Africans to excess with our

international obligations and treaties and the needs of the

economy for scares skills. So the department has also led the

process of developing the SA National Employment Policy in

collaboration with the International Labour Organisation and

leading local experts. Following a rigorous situational

analysis, the first wrap of the policy has been completed for

consultation with the social partners.



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Finally, let me thank the Deputy Minister, the staff of the

department, the commissioners and the executives of the

entities led by the director-general, DG, for their commitment

and hard work in achieving targets and continuing to provide

services in the difficult conditions. Hon Deputy Speaker, I

hereby Table the budget of the Department of Employment and

Labour for 2022-23 financially, an amount just short of

R6 billion. I thank you.

Mr M NONTSELE: Thank you, Deputy Speaker. May I request that I

close my video because of network challenges?

The DEPUTY SPEAKER: It’s okay, Sir. Go ahead.

Mr M NONTSELE: Deputy Speaker, Minister, Deputy Minister,

Chairperson of the Portfolio Committee on Employment and

Labour, Ministers and Deputy Ministers, hon members and fellow

compatriots, good afternoon. This presentation is dedicated to

the memory of the late Palestinian journalist, Shireen Abu

Akleh, an Al Jazeera journalist killed by the apartheid

Zionists Israeli regime in cold blood in Jenin whilst on duty.

It also includes our own patriots, who continues to be victims

of gender-based violence and femicide. The names of Hilary



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Gardee and Namhla Mthwa are included. May their souls rest in

peace.

House Chairperson, the ANC supports Budget Vote 31. The period

leading to this important day is characterised by a number of

important events that have in many ways shaped our thoughts

towards the realisation of the goals we hereby affirm and

pronounce on as part of our firm support of Budget Vote 31.

This includes - but not limited to - the state of the nation

address, the Budget Policy Statement and Employment and Labour

Portfolio Committee Report. We also draw inspiration from the

seminar documents of our revolutionary movement, the ANC and

the South African Constitution - the principle guide to

matters of government’s economic dispensation and our daily

lives.

It is now just days since we have successfully hosted the 5th

Global Conference on the Elimination of Child Labour. That has

been ably led by our government through the Department of

Employment and Labour, as a lead department and the

Elimination of Child Labour, ILO. We thus say the validity of

our argument with regard to how labour market legislation must

be shaped and remains an inspiration to the global community.

It is in this backdrop that it must be evaluated than the near



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liberal school of fraud as passed by the opposition parties.

Their continued absence in this important platform signifies

in difference, not only to rights guaranteed by our

Constitution, rather to their ability to share and test their

views on a global state.

His Excellency, President Matamela Ramaphosa, during the state

of the nation address, noted and affirmed the commitment of

the ANC-led government to respond to the unemployment crisis

that has galvanized our country when he said:

There is agreement among a broad and diverse range of

South Africans that fundamental reforms are needed to

revive economic growth.

The key challenges around unemployment, poverty and inequality

provide fertile grounds for all manners of challenges,

including unabated child labour. Today as a country, we have

seen unemployment rate increase by a record of 35,3% in the

4th of 2021. This being an increase from a previous high of

34,9% in the 3rd quarter that is of the same year. It is also

important to note that in the same period, there has been a



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market increase in employment of about 540 000. This being in

response to the seasonal increase in the demand for labour.

An increase in labour force is a positive development in the

labour market. Similarly, it is also important to note that

during the same period, we have seen the drastic decline of

the numbers of those discarded work seekers by almost 56 000.

This therefore saw the decline marginally of the expanded

unemployment rate by 0,4% to 46,2%. We also need to take into

account that we have to respond and content with the adverse

conditions imposed by the onset of the COVID-19 pandemic, and

hard lockdown at the time, which was necessary. This being the

consequence wherein we have lost about 2 million jobs. As a

result, one of the important task that the democratic state

has undertaken has been to tackle the Economic Reconstruction

and Recovery Plan during the previous year, as a direct

response to this mammoth challenge.

It is in this context that the assertions made by His

Excellency, the President, during the state of the nation

address when calling for a new consensus:



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This should be consensus which embraces our shared

responsibility to one another and acknowledges that we

are all in this together.

The Medium-Term Expenditure Framework, MTEF budget projection

indicated an increase in government spending at an average of

3,2% from R2,8trillion in 2021-22 to R2,2 trillion in 2024-25

financial years. Most ... [Inaudible.] ... is directed to the

social wage which includes health, education, housing, social

protection employment programmes and local amenities. This

provides necessary stimulus to create more jobs and by

extension limit the negative impact of the current economic

conditions. Linked to this, an amount of R18,4 billion

allocated to support youth employment and the creation of

short time jobs.

As the Portfolio Committee on Employment and Labour, we have

received the strategic plan of the department that is for 2020

to 2025. The Annual Performance Plan for 2022-23 financial

year and the budget review of the department and its entities.

It is based on the presentation made to the Portfolio

Committee on Employment and Labour on the 16, 23 and 30 March

2022. That the committee made the following observations and



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recommendations: That the Department of Employment and

Labour’s budget increase from R3,8 billion in 2021 to

R3,95 billion in 2022-23 financial year. It is also worth

noting the decline of budget for public employment services

that has decreased it terms of economic classification. That

is in real terms, the budget of the cost of employees

decreased from R1,43 billion in 2021-22 to R1,430 billion to

2023-24.

The budget for compensation of employees constitutes 36% of

the total budget for the department, while goods and services

budget constitutes 18% of the total budget. The committee

notes with disappointment that some entities of the department

such as supported employee employment enterprise continue to

struggle to be financially stable. The entity which is home to

South Africans living with disabilities, needs support from

government departments to at least spend 10% of their budget

spend to support these entities to survive.

Today as a country, we have been confronted by prolonged

strikes in some sectors are a product of ravages occasioned by

the triple character of the South African struggle of race,

class and gender. This particularly so in the mining sector



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through migrant labour system where people have been made to

sweat for peanuts, while bosses live large on profit made

through their blood and sweat. The upset payment of

R300 million to the CEO of Sibanye-Stillwater. Yet, the same

company is refusing to settle the strike for the demand of

R1000 increase per month per worker, is a situation that

cannot be left unchallenged.

This situation is made more acute by the budget cuts from the

critical instrument at the hands of our social partners, that

is the Commission for Conciliation, Mediation and Arbitration,

CCMA. The CCMA is being paralysed by budget cuts. The CCMA as

an instrument available to the social partner that is capable

of working beyond the point of call and resolving labour

disputes must be allocated sufficient resources.

The reprivatisation from those ... [Inaudible.] ... centres

are deemed incapable to spend so that the critical

institutions such as CCMA are placed on a sound financial

footing. The benefits derived from this are immeasurable in

terms of labour peace. As the portfolio committee, we have

just recently concluded an oversight visit to labour centres

in the Eastern Cape. We have acquainted ourselves with the



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real challenges those are facing, and this includes being able

to establish facts from fiction with regard to the operations

of the Unemployment Insurance Fund, UIF. As we will be tabling

that report soon, we don’t want to be pre-empted by going over

the edge with regard to the challenges faced by the UIF until

we have presented the report to this House.

Our recommendation will - in our view - not just temper with

the current challenges faced by the UIF. Rather, we will

hopefully provide a lasting solution. We remain indebted to

this entity in terms of its meaningful interventions made

during the ... [Inaudible.] ... of the COVID-19 pandemic. The

role and support rolled remains immeasurable in insulating

most vulnerable sectors from the ravages of the pandemic.

Hon Minister, as the portfolio committee, we will continue to

conduct our vigorous oversight on the compensation fund

because at the end of the day those poor audit outcomes of

that particular entity must come a thing of the past. The team

that is there at compensation fund now, which is working on

their financial books, when it completes its work, perhaps

before it even finishes, good results must reflect in front of

our eyes. All entities must manage finances effectively and



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efficiently, and must be able to account for each and every

cent. Deputy Speaker, the ANC support Budget Vote 31. Thank

you very much.

Dr M J CARDO: Hon Deputy Speaker, unemployment should be South

Africa’s top policy priority. Instead, the ANC is focused on

erecting flags and building graveyards for its struggle

heroes. The more squalid its current rule becomes, the more

the ANC tries to make something sacred of its past. However,

symbols don’t create jobs. Living in the past doesn’t create

jobs. Flags and graves will not stop President Ramaphosa from

being hounded out of May Day rallies by his own alliance

partners.

The fact is that unemployment in this country is a plague – a

rapidly growing pandemic. However, rather than administering

the right medicine, the ANC behaves like a medieval quack.

Government fuels the contagion.

The numbers are well-known. There are almost 12 million South

Africans without a job. We have the highest unemployment rate

in the world: 46,2% if you include people who have given up

looking for work, and almost 70% among the youth. The



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government incubates the virus. In ANC-run provinces and

municipalities, service delivery has been gutted. The

environment is rotten and putrid and unconducive to job

creation.

No water, no lights, and sometimes no passable roads – all of

this deters investment, strangles growth and kills jobs. It

frightens away businesses, or forces them to close down, and

starves communities of jobs.

The collapse of the state has been caused by the ANC’s

criminality, corruption and incompetence. State failure breeds

poverty and joblessness. It spawns crime and allows social

ills to fester.

The main reason South Africans don not have jobs is because

the ANC has failed to make this country a viable place in

which to operate a business and employ people. Nationally, the

government’s policy choices have been a disaster – from the

crony enrichment scheme of Black Economic Empowerment, through

repeated threats to property rights, to the way money is

poured into state-owned sinkholes like South African Airways.



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And now we have the Employment Equity Amendment Bill on the

President’s desk – a job-destroying jackhammer which allows

the Minister of Employment and Labour to set racial targets

for national economic sectors. It is another nail in the

coffin of private enterprise.

The private sector in South Africa is shackled by the State,

stifled by a plethora of policies, laws, and regulations that

choke job creation and drive up unemployment. Irrationally,

our labour legislation provides for the automatic extension of

collective bargaining agreements to small businesses. This

could be undone at the stroke of a pen, and it would free up

small enterprises and incentivise them to create jobs. Yet the

Minister of Employment and Labour is not interested.

Through its acts, actions and inaction, the ANC has made South

Africa an increasingly uninvestable destination. The party is

not fit to run a modern, industrial economy. Meanwhile, the

Department of Employment and Labour is not working.

Over the past six months the Unemployment Insurance Fund, UIF,

has been paying out more in claims than it has been receiving

in contributions. The UIF is becoming financially



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unsustainable. And those who are lucky enough to be paid out

often have to wait long, gruelling periods before pay day.

For years, the Compensation Fund has been a financial and

administrative quagmire. It is still is. Yet the Minister

comes here today and tries to downplay the disaster. He is

trying to pull the wool over our eyes. And now he wants to

sever the only link in the chain that works. He wants to cut

out third-party administrators blaming them for everything

under the sun, while he covers up the funds incompetence. This

move will backfire.

Productivity SA has not produced the goods in making South

Africa more productive. Our productivity growth and overall

competitiveness consistently languish at the bottom of

international rankings.

As for the National Economic Development and Labour, Nedlac,

nearly half its budget is spent on salaries, but what has this

talk shop achieved for the unemployed? The Nedlac is a cosy

tea party for big business and organised labour; the jobless

do not feature on its radar. We hear endlessly about social

compacts and accords, but the unemployed are accorded nothing.



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Their interests have been crumpled and compacted into

smithereens, vanishing into thin air – unseen, unheard,

uncared for.

Just about the only departmental entity that provides bang for

its buck is the Commission for Conciliation, Mediation and

Arbitration. However, its revenues have been macheted just as

workers are being retrenched hand over fist.

The Department of Employment and Labour’s budget amounts to

almost R4 billion, but it does nothing to oil the wheels of

job creation in the private sector.

In 2022-23, the department’s Programme 4: Labour Policy and

Industrial Relations will be allocated almost R1,3 billion or

one-third of the budget. We should be channelling those funds

into an overhaul of labour market policy to stimulate

employment creation, instead of blaming foreign nationals for

the death of jobs.

Only the private sector can create jobs at scale and rapidly

absorb predominantly low skilled workers into the economy.

This means we need to unleash the private sector.



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We must scrap the extension of collective bargaining council

agreements to those who did not sign them in the first place.

We must make it easier for firms to hire workers and to tackle

youth unemployment with a real Youth Wage Subsidy.

We must empower individual economic sectors to set their own

minimum wages, and offer tax exemptions to small businesses to

help them absorb the cost of minimum wages. If the ruling

party is serious about the private sector creating jobs – as

President Ramaphosa assured us in his state of the nation

address – then it will wholeheartedly endorse these measures

that the DA has outlined today. The time to act is now, before

the plague of unemployment demolishes the foundations of our

social order. Thank you, Deputy Speaker.

Ms C N MKONTHO: Hon Deputy Speaker, thanks very much for the

opportunity. The EFF rejects the proposed Budget Vote of the

Department of Employment and Labour. We also reject the

committee’s report.

Hon Deputy Speaker, perhaps we can all agree to change the

name of this department, from employment and labour to



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unemployment and labour. For this is what the department and

the incompetent Cabinet of Mr Cyril Ramaphosa has become.

There are more that 11 million people who are willing, capable

and ready to work. Some are even tired of looking and given

up. According to official definition the unemployment rate is

35,3%, the highest since Statistics SA began conducting

Quarterly Labour Force Surveys.

Even when we have reached crises levels, Minister Thulas Nxesi

and his department and the entities are continuing to operate

as if it is business as usual. Instead of being at the

forefront advocating for nationalisation of strategic sectors

of the economy, building state and capacity delivery of free

education, health, houses and sanitation, and massive

protected industrial development to create millions of

sustainable jobs, it is not clear what the Minister is saying.

It is not clear what his department is doing to create jobs.

Al we are told is that the department’s five-year target is to

monitor and report on the target of creating 275 000 jobs a

year, when the number of unemployed of people is more than

11 million in this country.



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We know that the noise about the labour migration is driven by

the state of our African brothers and sisters. There are no

people from Malawi, Zimbabwe, Mozambique, Lesotho and other

African countries who are taking jobs from South Africans.

These people do not employ themselves. They get employed and

are exploited because this department is failing to employ

enough labour inspectors. It is not practical for just under

2 000 labour inspectors to travel all nine provinces and visit

all employers. We must employ additional labour inspectors. We

must start by filling the 166 vacancies within three months.

We must never allow a position of a labour inspector to be

vacant for more than a month when there are unemployed and

qualified labour inspectors.

However, the reality is that the economy is failing to create

jobs. There is no migration labour policy that is resolving

the crises of unemployment in this country. To focus on

regulation of employment of foreign nationals is backward. We

know that this is targeting our African brothers and sisters.

The obsession with the World Competitive Index for an economy

that exports raw material and imports finished goods is



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misguided. Unless we begin to beneficiate mineral resources

and manufacture finished goods, any form of competitiveness is

misguided.

Productivity SA must begin to focus on supporting local

industries to demonstrate the benefit of competitiveness that

creates jobs instead of low taxes for big companies.

The majority of Commission for Conciliation, Mediation and

Arbitration, CCMA, offices are in major towns and big cities.

However, workers are exploited and unfairly dismissed,

everywhere mostly on farms and in rural areas. The CCMA must

bring back the model of part time commissioners and use

rigorous appointment processes to ensure that appointed part

time commissioners do not collude with employers.

The Compensation Fund continues to fail despite multiple

turnaround strategies. Money is stolen, payments are made

without a paper trail and no one is held accountable,

especially the commissioner. He feels and he is allowed to

implement countless and meaningless strategies. If the

Compensation Fund was working properly, medical service

providers were not to rely on administrators and prefunders.



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The solution to the Compensation Fund challenges is to place

the fund under administration and clean it up from scratch.

Hon Deputy Speaker, believe you me, the Minister will ever in

any of his speech put Compensation Fund and audit outcomes in

one sentence. The Unemployment Insurance Fund, UIF, has

completely collapsed, basic systems are not working. Public

servants and companies that receive the money fraudulently are

not arrested. The UIF monies are invested in suspicious

companies and the money is lost without any accountability.

We want to commend the EFF labour desk for the good work they

are doing. If it is being not for the EFF labour desk, we know

that some employers were just going to continue to exploit

workers. We want to tell the workers that the EFF offices are

always open. The EFF rejects this proposed Budget Vote, Deputy

Speaker. Thank you.

Mr S L NGCOBO: Thank you very much hon Deputy Speaker. The

grim reality of the national unemployment rate of 35,3% and

that, over 7,6 million South Africans are looking for work,

should be the driving force prompting government to take

urgent action to create job opportunities. We can no longer



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sit and listen to presentations from the department on means

and measures to stimulate employment opportunities and

investments, while we see very little of it in practice.

Our people are starving of hunger and has been abandoned by

the government, that continues to fail to deliver on its

constitutional mandate. We therefore need to scrutinise the

department’s performance and actively question whether it is

fulfilling its mandate.The department recently published a

Draft National Labour Migration Policy and Employment Services

Amendment Bill, amending the employment of the foreign

nationals for public comment. It becomes apparently clear on

consideration of the Labour Migration Policy, which is

described as the policy framework that will guide labour

migration impact on South Africa, how little effort has been

made since the dawn of the democracy to address the reality of

labour migration.

It is only now that the government has decided to actively

investigate this aspect, and to ensure a co-ordinated

government response to inform policy and prospective

legislation. The reality is that, there is a strong growing

sentiment that foreign nationals are being employed over and



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above South Africans, in jobs that do not demand critical or

scarce skills. The IFP has heard the cries of our young

people. We have listened to our youth who, despite matric

cannot find any work and do not have access to decent work.

There IFP in the past two years, has taken the lead and

prepared a Private Members Bill proposing to amend the

Employment Services Act of 2014, to regulate the recruitment

of foreign nationals in certain economic sectors, and the

strengthening understand from this current regulatory

framework regarding the recruitment of such nationals.

The IFP, however, strongly opposes xenophobia and we do not

propose as the government does the introduction of quotas,

which we believe is not only unconstitutional but also

dangerous, as it might ignite further xenophobia. We believe

in the introduction of flexible informed numerical targets,

which are must be adhered to by employers in the certain

sectors, to ensure that South Africans are prioritized. Above

all, it is critical that proper consultation is done with all

relevant stakeholders to ensure that, the introduction of such

numerical targets is a rationally justified and backed by

evidence,



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On further consideration of the department’s latest annual

performance plan and budget, the IFP strongly endorses the

portfolio committee’s recommendation, that plans to review the

organizational structure of the Unemployment Insurance Fund

must urgently be attended to in order to improve its

efficiency. The backlog at the fund and the slow progress in

assessing claims has been shocking. The fund has been plagued

by irregular wasteful expenditure as pointed out by the

Auditor-General. The IFP will carefully monitor progress

reports on the organizational structuring of the fund which

serves a critical purpose. The IFP accepts the Budget Vote.

Thank you very much Chair.

Mr W W WESSELS: Hon Deputy Speaker, the Minister tries to

sketch a very pretty picture of achievements, plans and

programmes that will enhance the lives of workers in South

Africa. But what is a worker without work? The mandate of this

department is not only the protection of employees, but also

stimulating job creation. The Minister can say whatever he

wants, but the proof lies in the facts, the statistics like

the official unemployment rate. This is the only testimonial

that can be taken seriously. This clearly shows that this

department and government is failing.



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The department should maintain a healthy balance between

ensuring that employees’ rights are protected, and that they

are not exploited. On the other hand, playing a pivotal role

to ensure a conducive environment for the private sector to

create much needed job opportunities. This cannot be done

whilst in particular, this department’s attitude towards

private business is hostile. The unemployment crisis will not

be addressed whilst there is this hostility, and whilst

government makes it increasingly more difficult to do

business, invest and expand.

How ironic that this department government as a whole and in

particular the ruling party, creates the impression that they

are good proud socialists, who always act in the interest of

the working class and the work protecting them against the

evil awful capitalist businesses, whilst they are the ones who

fail workers the most. When the ANC fail fails to pay the

employees, where is the department and its labour inspectors?

When ANC-run municipalities failed to pay third party payments

as deducted from employees’ salaries, where is this

department?



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Currently, 62 employees of the Mafube Local Municipality are

entitled to retire but they can’t, as their pension deductions

were never paid over to the pension fund. This municipality

owes the pension fund R173 million. Where are you Minister?

Why so silent on the statutory transgressions of ANC-run

municipalities and departments? But when there is just a

rumour of an allegation or a transgression of labour

legislation by a big business or by a farmer, the department

is all the sudden vocal. Why these double standards? Why this

inconsistent behaviour?

Workers wait for years and years on end to be paid the

Unemployment Insurance Fund, UIF or Compensation Fund

benefits, because of the incompetency of this department and

its entities. Is this because of the big bad employers or the

failures of this so called caring government? It is very clear

that the Minister is not himself dependent on these entities,

because if he was, he would know that the statistics he is fed

is wrong, or he would know that he is talking nonsense when he

says 87% of the Compensation Fund claims have been paid within

40 days. That is untrue, UIF funds are stolen and defrauded by

fraudulent Public Investment Corporation, PIC. Where is the

accountability? There is none.



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When the department or an entity like the Compensation Fund is

indeed held accountable, then the department does everything

to avoid such accountability. Part of the problem is the ANC

members of this Portfolio Committee on Labour. Because you see

hon Deputy Speaker, it seems these members as mistaking their

oversight role with that of a ... [Inaudible] ... role on

behalf of this department.

Hon Deputy Speaker, government cannot create jobs. All the

factors mentioned by the Minister are contributing, but it is

because of the ANC government and its policies. South Africans

deserve jobs, development and wealth creation. South Africans

deserve better than the ANC. I thank you.

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR: Hon Deputy

Speaker and members of this august House, Minister of

Employment ad Labour, Mr Nxesi, the Acting Chairperson and

members of the Portfolio Committee on Employment and Labour,

all Ministers and Deputy Ministers who are part of this debate

today, the director-general of the department, senior managers

of the Department of Employment and Labour and its entities,

invited guests, ladies and gentlemen, I greet you all. I bring

greetings from the Fifth Global Conference on the Elimination



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of Child Labour that took place in Durban on 15 to 20 May

2022.

A successful conference we were proud to host as the

Department of Employment and Labour supported by national

departments with the assistance of the International Labour

Organisation, ILO, officials, gave us a clear message that

South Africa must take the lead in the total realisation of

the elimination of child labour by 2025.

Allow me with reference to the input of the Minister, to put a

few points into perspective. I think we must also indicate

that populism is redefining the politics, but we all know that

when the cameras switch off, the real politics set in. So, we

will lose nothing if we always humble ourselves.

So, first and foremost, I must indicate that this Budget Vote

is a product of a thoroughly consulted process guided by the

National Treasury and aims to respond to the Sona commitments

and the NDP vision 2030. This Budget Vote is tabled against

the highly cost contained restrictions, due to the very low

revenue base from our battling economy.



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Secondly, that this Budget Vote is also a direct response to

the Performance Agreement signed with His Excellency, hon

President Cyril Ramaphosa.

Thirdly, this Budget Vote demonstrate advances that we are

taking in ensuring what hon Nonsele spoke about, which relates

to the instructions that are given to us by the Constitution.

Of course, this is collaborative effort, hence the Minister

spoke about the pathway network management system. So, this is

a collaborate effort.

So, I noted earlier on, the views of some hon members,

especially those who oppose the tabling and adoption of this

budget. We note your descent to this Budget Vote, hon members.

Opposing this budget vote is the same as opposing service

delivery and also demonstrates a disregard for those who

cannot afford to feed their families but rely on state

interventions and policy statements such as this Budget Vote.

It is through the Budget Votes that it is possible for us to

be on this virtual platform, which is not for free. The same

Budget Votes make it possible for members to hold the

executive to account and it is the same Budget Votes that make



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it possible for the department to comply with parliamentary

prescripts and eases the burden of poverty from our people and

delivers services at the doorsteps of communities and

strengthens oversight.

I must say, opposing this Budget Vote means a big “No” to all

these important functions of our parliamentary work. I think

in the future it must be clear that members who don’t support

the Budget Votes should not benefit from what they didn’t

support.

The District Development Model, DDM, and the outreach programs

have resulted into a lot of impactful interventions for our

people. The 126 labour centres, which remain our

infrastructure for collaborations at the doorsteps of

communities have remodelled the DDM towards perfection. When

the time is right, with thorough consultations, we will start

the process to pursue the 24-hour shift operation functions in

the labour centres, and this will include rendering services

on Saturdays. This will be carefully consulted, I repeat, this

will be carefully consulted upon and when the time is right,

we will rollout 24-hour services at our labour centres.



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I also think when the time is right, we need to showcase and

demonstrate our achievements and say nothing at all and leave

those who speak, but do nothing for our people to continue

talking.

We will parade our achievements, the payments of claims,

registration of work seekers and the jobs that we have created

through these interventions for everyone to start appreciating

our one-plan approach and the collaborative efforts with other

departments, the districts and the local municipalities in the

delivery of services.

This will give a clear distinction between those who are

grandstanding for votes and those who seek proximity to our

people by doing nothing at all, and those who do the hard

work, but never seek for attention.

It is common knowledge that South Africa has a very stubborn

unemployment. It is this structural unemployment that is

linked to a system that was well designed to disempower the

majority in this country who remain the disenfranchised. We

need a structural response to this phenomenon and this can

never be an overnight success.



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Let me further elaborate on the point made by the Minister

earlier. The UIF, through its Labour Activation Programmes has

set aside R551 million for these three projects for 19 921

beneficiaries – 70% of which are former UIF contributors who

lost their jobs – to undergo training in the following skills:

14 771 beneficiaries as chief food handlers; 5 000 ... [Time

expired.] As the Department of Employment and Labour, we

encourage our members to support this Budget Vote, but also to

note that the Employment Equity Bill is also on its way. Thank

you.

Mr V ZUNGULA: Minister, given the record-high unemployment in

South Africa, this department should be renamed the department

of unemployment. You have dismally failed to influence the

corporate and public sector to be labour absorbing. We note

the various international treaties that you need to observe,

but those treaties are meant to supplement and support our

national obligations, not undermine them.

The ATM is not getting the impression that you are loyal and

faithful to the people of South Africa. As the core of your

work, you must place South Africa at the centre of your

thinking.



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Minister, the laws of this country compel you to drive the

prioritisation of South Africans, so that they can be active

participants in the economy of our country. You cannot

misunderstand the role of international treaties, when our

country has a 46% unemployment rate and for young people, it

is more than 65%.

Minister, affirm the dignity of South Africans in the only

country where they can be first beneficiaries of job

opportunities. The failures of this department to ensure that

the labour market operates within the law, only creates

tension and conflict with the people. These failures benefit

capital who get cheap labour and the exploitation of migrants.

Capital pays undocumented migrants slave wages, pays them with

food and alcohol and there are other human rights abuses done

by capital on undocumented migrants.

The tension and conflict for scares resources, exploitation

and human rights abuses are enabled by this department, as it

lacks the political will to enforce the existing labour laws.



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There was conflict in Robertson. Only then did the department

appeared to be doing something. The are many other areas where

the conflict is likely to occur, yet, the department is not

being proactive.

Finally, Minister, the ATM is advising you to urgently embark

on professionalising your inspectors to be sector-fit and

proper. Inspectors that work in the construction sector must

know something about civil engineering. Your inspectors should

be qualified to inspect if the electrical wiring in factories

is up to scratch to avoid the unnecessary burning of factories

that results in job losses.

If your department was serious about the laws under your

leadership, section 53(4) of the Employment Equity Act would

have been promulgated, so that there are consequences for

companies that are not complying with the pertinent provisions

of the Employment Equity Act. Minister, if you understood the

equity representation, as espoused in the Employment Equity

Act, there would be no need for Private Members’ Bill to

regulate the employment of non-South Africans. The Employment

Equity Act, as it currently stands, is more than enough to



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deal with the challenge of equitable representation of South

African workers. I thank you.

Mr B N HERRON: Thank you, Deputy Speaker, the CCMA has played

a fundamentally important role in the democratic era. It is a

vehicle that has given practical expression to the rights of

workers, who in the apartheid era had no rights and simply had

to do what they were told. Its establishment signalled the end

of hundreds of years of discriminatory labour practices built

on the bask up unfairness and injustices in which workers were

afforded no protection by the law. Amongst the CCMA’s greatest

strengths was its accessibility. People who felt hard done by

at work could walk in and receive professional assistance and

advice on lodging a claim against an employer. It wasn’t

perfect, but it was important because it brought some balance

to the skewed power relations in the workplace. It was the

champion of the rights of the underdogs so to speak that was

before COVID and economic crunch times. What’s been happening

over the past several years is like post offices, CCMA offices

appeared to become an endangered species.

Now, instead of workers being able to walk in and receive

assistance, most are expected to tackle the process online



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which assumes that the working class has access to computers,

smartphone and overpriced data which we know many don’t have

and implies a level of technical proficiency which we also

know most of us don’t have. The impact of all this is the

growing disconnect between the CCMA and the very people it was

formed to protect. People like Nomfundo Matheza someone who

approached us recently, a domestic worker whose recent attempt

to fight her unfair dismissal at the CCMA in Cape Town was met

with closed doors. Instead of receiving practical help she was

turned away and told she needs to fill in the form online in

English. What sense does it make, Deputy Speaker, in a country

that does not boast the highest level of literacy to expect

low-income earners to navigate complex, legal and procedural

terrain on their own and online.

The greatest beneficiaries of workers not having access to

procedural assistance are exploitative employers. Once again

in our country, it’s a case of why bother about breaking the

law if there is little chance that you’re going to be caught.

If we keep defunding the foundations in which millions of

South Africans depend to defend themselves economically, we

are perpetuating the cycle of poverty and deepening

inequality. Deputy Speaker, we must reinvest and reinvigorate



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and restore the CCMA urgently. There are thousands of people

out there like Nomfundo who depend on its protection. Thank

you.

Ms A S ZUMA: Thank you, Deputy Speaker, Ministers and Deputy

Ministers, hon members, chairperson of the committee, hon

Dunjwa, Chief Whip of the Majority Party, Pemmy Majodina, the

African Congress support Budget Vote 31.

*IsiZulu*:

Sekela Somlomo, indlu yegagu iyanetha. Ngifuna ukuqala

ngoMhlonishwa u-Wessels ukuthi ngaphambi ngowe-1994 babenzani,

le UIF akhuluma ngayo babefakela obaba bethu ezimvilophini o-

R2,50 engingakubiza ngokuthi opondo ababili nesihlanu. Imiholo

ababebanikeza yona babebanikeza amashumi amahlanu ngeviki

njengoba ethi uNgqongqoshe uThulas Nxesi yonke into

ayikhulumayo iyinonsensi(nonsense). Ngicabanga ukuthi

Umhlonishwa u-Wessels kwasayena naye le nto ayikhulumayo nayo

iyinonsensi (nonsense)ngoba obaba babo babekade bewoNgqongoshe

kodwa babe no-Std 6.

*English:*



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Whenever I travel around my constituency of uMsinga as a

mother and a grandmother, my heart bleeds when I see young

people standing around street corners, some of them begging

for loose change and others hustling for money for food or

possible alcohol and drugs. I see the loss of hope in these

children’s eyes. I ask myself what can I do to change their

lives so that they can celebrate youth month with more hope

for their future. At 77% youth unemployment is a national

disaster and I think it should be treated as such by all of us

like the deadly COVID-19 pandemic. Unemployment is not a

matter of political point scoring. It is an issue that I

believe must be treated as a national disaster in a similar

way we have dealt with COVID-19.

*IsiZulu*:

Dadewethu, lunga elihloniphekile Mkhonto kumele sibambisane.

Umsebenzi usafana nayo i-COVID-19 le ebikade ihlasele abantu

bakithi.

*English:*

I am making this call on behalf of my constituency and all

other regions in the country, including the DA-run City of

Cape Town where I have seen thousands of young people,



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Coloured, African, White and Indian every morning sleeping on

the sideways in the biting cold and rain of Western Cape

winter with no hope of getting a job in their lifetimes.

Without R350 social relief of distress grant which almost 10

million South Africans benefit from, the desperation would be

far worse.

*IsiZulu:*

Lungu elihloniphekile u-Cardo, Mhlonishwa wami, I-Cape Town

inobugebengu, indlala, i-whoonga, izidaka mizwa. Njengoba

ukhuluma nje uthi akukho okwenziwa uMnyango, sibuka i-Cape

Town ukuthi uphi uSodolobha wakhona. Nikuphi ukuze nilekelele,

nitakule labantu abalala emigwaqeni, abangadli lutho. Asikaze

sinibone niya kubona, nibabamba nibaxhawula nangezandla

nikhombisa ukubathanda kakhulu.

*English*:

The Department of Employment and Labour and its entities must

play a critical role in defining its expanded mandate of job

creation in a practical way. It must facilitate collaboration

efforts among government departments and social partners to

create jobs across all the sectors. All the entities that

report to Department of Employment and Labour are crucially



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drivers of labour-market transformation and job creation in

this country. In the portfolio committee, we are working flat

out to ensure that they indeed perform accordingly.

*IsiZulu:*

Mhlonishwa uZungula uma nikhuluma kwinkulumompendulwano nenza

sengathi abantu baseNingizimu Afrika niyabathanda, kodwa

asiniboni nikhona niza kumakomidi ePhalamende [portfolio

committee] ukuze le zinto eniziphakamisayo niziphakamise phela

sibone ukuthi abantu nibakhathalele.

*English:*

As a committee, we have recommended that support must be

mobilised for supporting employment enterprises, particularly

by the government department, SOE’s and provinces. If we agree

that youth unemployment is a national disaster, we must act in

a dynamic manner that improves efficiency and speed of

responding to challenges. At the same time government

strengthen its internal controls to prevent those who could

use the situation to embezzle funds.

We reiterate our call to the department to work with National

Treasury to ensure that ... must receive preferential



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procurement status from government departments and the state

organs. Our committee will be meeting with the finance

committee in order to take up this discussion with the

National Treasury. In addition, the public employment services

branch of the department should be restructured, repurposed

for job creation, including interdepartmental and private

sector activities.

If the light of populist mobilisation in subjecting foreign

nationals in particular, we call on the department’s

inspection and enforcement services to continue its mega

bleeds inspections targeting the hospitality and agriculture

sectors. The inspectorate must test compliance with on the

National Minimum Wage Act, NMWA, Occupational and Safety Act,

OSA, Basic Conditions of Employment Act,BCEA, Unemployment

Insurance Act and Compensation for Injuries and Diseases Act,

COIDA. This approach must also serve to advise, educate and

provide technical information and support to both workers and

employers about the service offered by the inspectorate.

The Department of Home Affairs and the SAPS must form part of

the inspection to ensure that as many companies as possible

are fully inspected for compliance with our national laws. The

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employers must be informed so that they prepare the necessary

documentation prior to the visits and that their books are in

order. At the beginning of this term of Parliament, the

Compensation Fund was struggling, but due to the efforts of

the Minister and the Deputy Minister, together with their

team, I do want to say without any fear or contradiction that

now there is a light at the end of the tunnel.

The Compensation Fund has ... encountered a number of

challenges one of them being inefficient IT systems. To

address this, the fund commissioned a new claims management

system called CompEasy since 2019. The fund started to realise

the benefits that came with the new system which includes

improved controls and efficient processing of claims. This

resulted in the reduction of long processes taken to

adjudicate claims and further address the issue of backlogs.

Presently the fund is also able to clear the high rate of

litigants and received over the years. For the financial year

2021, over 100 000 claims were registered, of which 79% were

adjudicated within 30 working days.

*IsiZulu:*



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Kade bematasatasa bebiza abantu bekhala ngezicelo [claims]

ngoba kungabangani babo. Sesiwuvalile ke umpompi

siyilelikomidi elinamalungu e-ANC.

*English:*

The ANC supports the recommendations of the committee of the

Compensation Fund. This includes ensuring speedy review of the

entity’s organisational structure so as to further improve its

efficiency. Deputy Speaker, we see others crack their skulls

and suck their thumbs trying to think what they should say to

rubbish the good work of the ANC government. On our side, we

are focused on sharing with fellow South Africans recorded

performance of hard work being done. If you go the

compensation fund, they will tell you and furnish you with

evidence of the return to work programme that ensures that

beneficiaries are reskilled through institutions of higher

learning to enable them to participate in the economy. They

will tell you and provide evidence of beneficiaries and their

dependants, including youth and persons with disability who

are assisted to study different trades that include farming,

jewellery etc.



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The National Economic Development and Labour Council, Nedlac,

has facilitated ongoing and intensive engagements to respond

to the COVID-19 pandemic through the work of its COVID-19

Rapid Response Task Team. The social partners have

participated in the vaccination rollout programme, made inputs

to ensure that economy could be opened safely, agreed with on

management on COVID-19 in the workplace and exercise oversight

over the provision of relief for workers and the unemployed.

In respect of Economic Recovery and Reconstruction Programme,

the social partners over the last year have collaborated to

advance the implementation of key structural reforms,

especially energy stability improving the movement of goods.

Nedlac is not only relevant in respect to co-ordinate the

response of social partners to key social economic issues. The

social partners also make inputs into key policy, legislation

and regulation. Nedlac, in fact co-ordinated the response of

the social partners to the public violence that broke out in

Gauteng and in my home province in KwaZulu-Natal in July 2021.

Social partners agreed on a comprehensive package of measures

and interventions to provide relief to those affected by the

violence. These measures were subsequently taken up by

government.

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*IsiZulu:*

Babekuphi? Asibabonanga beza emakhaya. Beza ngoba bafuna

ukukhankasa bafuna amavoti bekhohlisa abantu bakithi

abamnyama.

USEKELA SOMLOMO: Isikhathi sakho sesiphelile.

*English:*

Thank very much, hon member.

Mr A M SHAIK EMAM: Deputy Speaker, Chairperson, allow me

before I start, to extend condolences to the family and

friends and EFF, for the loss of their members including a

councillor who died in an accident in Mpumalanga, I am told,

early hours of today. Indeed, a great tragic situation.

Hon House Chairperson, the responsibility of this department

is twofold:1 To promote the interest of workers and labour;

and very importantly, to coordinate and ensure that job

creation is one of their responsibilities and tasks.

Now, my understanding is this that the Department of

Employment and Labour is not doing this. And let me tell you



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why. First of all, I raised the concern previously about

labour in the country, particularly the Chinese. Who without

any doubt in the length and breadth of South Africa, pay the

worker R60 a day and I see the Deputy Minister talking about

the minimum wage, R60 a day!

Now you tell me how would South African businesses compete

with their Chinese counterparts if the pay R60 a day while a

South African businesses had to pay a minimum wage of R4000 a

month? How is that possible, but the question is deeper than

that? Why despite raising a concern again and again. This

matter has not been raised.

Where are those inspectorates that have a responsibility of

visiting these businesses and they do that all the time? What

is it that getting back and they come into businesses and come

out from there and do very little or nothing about it. That’s

the question we need to ask. Why the department is doing

nothing about it and what is it that the inspectors are doing

... [Inaudible.]

South Africa has a very high unemployment rate; we cannot deny

that, but we have a massive shortage of plumbers,



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electricians, carpenters, shoemakers, welders. What is this

department doing to assist ... [Inaudible.] ... very little or

nothing is being by this particular department.

Let’s look at the issue of the Unemployment Insurance Fund,

UIF. The corruption, the time period that people have to wait,

to get their benefits which they have paid for years, more

often than not they don’t get on time. Some people actually

die waiting for the benefit from this particular department.

Very little or nothing has been done to improve this

situation.

And, I noticed many departments, like the Labour, Home Affairs

and many others continue to concern about the identity

documents, ID system which I am told is the responsibility of

State Information Technology Agency, SITA, don’t think it’s

time you realise that this not working, that you need to do

something different about it.

How much more must the South Africa labour force who have been

paying for so long go through, before you decide that you need

to pay them. But no you wouldn’t do that. Let me tell you that

many, many of the labourers on the ground that are employed.



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Do you what shocking condition some of them are employed

under, particularly in the farms? You have done very little or

nothing to go out there and inspect and look at the living

condition of this people on the farms. Why you not done

anything about it.

These are of the issues I think you need to raise. Eighty

percent of the youth in this country are unemployed and yet

your department does very little about ensuring that you put

in programmes and policies. Let give an ideal example. You

have state employees that are employed and hold two positions,

one as councillors and the other as teachers in a school, but

yet we such a high level of unemployment in this country. But,

you do absolutely nothing about it. How do you do justice,

being a councillor, which is like a full time position at

moment, if you can look what is required by the community, at

the same time you supposed to do justice a school. Where is

the department to discuss with Public Service Commission to

put policies in place so that more people can be employed,

rather have one having two jobs and 20 not having a job? Why

is the department not looking at this? So these are of things

I think the department needs to look at.



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Eleven million people of this country are currently unemployed

it’s getting worse by the day. We are sitting on a ticking

time bomb. Thank you very much House Chairperson.

The ACTING CHAIRPERSON (Ms R M M Lesoma): Thank you very much

hon member. I’ve just been checking on the platform; it seems

like hon Hendricks is not on the platform but for completeness

I recognise hon Hendricks, from Al Jama-ah. Yes, I am correct.

We shall proceed hon members, I recognise now hon Bagraim of

the DA. Over to you, sir.

Mr M BAGRAIM: House Chairperson, on behalf of the DA, I stand

here to express my absolute disgust. We have an unemployment

rate at almost 50%, youth at 80% and it’s growing. The Arab

Spring in 2011 was caused by an unemployment rate of 30%. The

Minister has the gaul to expect political parties to approve

and endorse a budget which is not working.

Every entity within the department has failed. Even the entity

that demonstrates excellence, the Commission for Conciliation,

Mediation and Arbitration, CCMA, has had its budget cut

destroying its efficacy. One could imagine that we are living

through “Alice through the Looking Glass”. “Don’t keep him

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waiting, child! Why, his time is worth a thousand pounds a

minute”. This is not our current Minister of Employment and

Labour but the guard on this fictional train trip.

The Minister expects an endorsement for a department that

presides over the second worst productivity in the world and

almost the highest unemployment in the world. This is the very

department that failed the workforce during COVID-19 and

largely refuses to help injured workers through the

Compensation Fund.

We are not living in Alice in Wonderland but South Africa in

2022. The government wants to blame the unemployment crisis

on foreign workers who make up less than 2% of the actual

workforce. Meanwhile we have almost twelve million unemployed

South Africans who are willing and able to join the job

market. Even the long-time trusted sweetheart trade union

movement Congress of South Africa Trade Unions, COSATU, have

at last found their members to have woken up and realised that

the ANC and President Ramaphosa are using them as voting

fodder. It is clear that the government is doing nothing for

the unemployed and it is becoming more and more obvious that

they are doing nothing for those who are currently in jobs.



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The workers of South Africa must know by now their numbers are

dwindling and with the current system under an ANC government

those jobs are being threatened. I appeal to the workers of

South Africa to have a careful look at their alliance partners

and see both the ANC and the Communist Party don’t even pay

their own direct workers. To the workers of South Africa; how

can you trust the ANC and their circumstances. Your members

have spoken out loud and clear this year in the May Day

celebrations.

It in fact turns out that May Day in South Africa in 2022 was

not a celebration but a declaration of a dead alliance. Every

year they applaud what they themselves have done and ask South

Africans to spend hard earned income on broken entities within

the Department Employment and Labour. It was Mark Twain who

said: “Get your facts first, then you can distort them as you

please”. The problem here is that the Minister hasn’t got the

facts but he is even distorting the Director General’s fantasy

of performance.

It is a crying shame to see that the unemployed of South

Africa have no voice at all. Government set up a talk shop,

the National Economic Development and Labour Council, Nedlac,

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which does not represent the twelve million unemployed hungry

people. We have been told time and time again that it is small

business that will be the engine room for job creation.

The ANC government refuses to deregulate small business an

uncouple them from the bargaining councils. Our previous

Minister of Finance, Mboweni, called for this uncoupling and

he was rudely condemned. It would have cost us nothing and

created a million jobs. Cosatu’s post May Day statement talks

of the growing frustration among workers in South Africa.

They are pushing for change.

The first step is to rid ourselves of the ANC government,

2,2 million workers lost their jobs in the last two years.

Even this fell on deaf ears in the ANC government. Cosatu

calls for a dismantling of the system of power and says, “If

workers sit down and do nothing, it will mean that they accept

the death sentence that is being handed to them by the

political and business power structure”.

I call on the workers of South Africa to join hands with the

DA and to talk to a political party that they can trust. Our

President a decade ago was a director of Lonman. We all



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recall the murder of 34 miners and the wounding of 78 workers.

This happened just after our President call the police to act

firmly against these dastardly criminal “trade unionists”.

Workers must also remember the three-year wage agreement

signed by the ANC government and the ANC Administration. After

honouring the first two years this cowardly government hid

behind a technical point to try and save them from the

embarrassment of an increase which they couldn’t afford. This

duplicitous behaviour become the hallmark of an ANC

government.

A DA government in 2024 will negotiate in good faith and will

create jobs. A DA government in the Western Province can point

to fair treatment, honest negotiation and job creation. I

thank you, House Chairperson.

The ACTING CHAIRPERSON (Ms R M M Lesoma): Thank you, hon

member. I now recognise hon Wolmarans of the ANC. While he

moving towards the platform, hon members you are courtesy urge

as much as possible that the background that you use should

reflect Parliament or a blank wall because you are deemed to



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be in Parliament and the decorum of the House must be

preserved. Over to you, hon Wolmarans of the ANC.

Mr M J WOLMARANS: Thank you hon Chair, hon Minister Nxesi, hon

Deputy Minister Moloi, chairperson of the portfolio committee,

Whip of the committee, committee members and hon members on

the platform, ladies and gentlemen good evening.

The ANC stands to support the budget vote 31 of the

department. Hon Chair, amongst its mandate, the Department of

Employment and Labour is also tasked with saving existing jobs

and creating new jobs through various programmes and its

entities.

Now hon Bagraim, some employers in South Africa exploiting the

lack of a clearly articulated policy framework in the

management of labour migration. This generates anger, creates

tension and causes conflict in many communities.

We are pleased that the department is developing a national

labour migration policy. We see this as an intervention to

address the inadequacy of the existing policy framework. This

policy aims to regulate the labour market and bring about



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stability to workplaces as well as the communities where

migrant workers are employed, where they do business and where

they live.

In some instances, communities decide to take it upon

themselves and deal with the situation and unfortunately not

in a manner that enhances social cohesion. We are looking

forward to the department’s conclusion of public consultation

that have been done throughout the country on this policy by

the end of this month and further consultations in Nedlec.

Hon Minister, it is important to set aside sufficient time and

resources for this purpose and process. The ANC would not want

to pay leap service to the consultation process. This process

needs genuine consultation and proper communication with all

stakeholders we think you would be in a position to manage.

Hon Chairperson, the CCMA, Commission for Conciliation,

Mediation and Arbitration, has been kept very busy as record

numbers of workers approached it over labour disputes amid

jobs [Inaudible.]. We welcome that the budget of the CCMA

increase by R56 million in the 2022/23 financial year.



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However, we are concerned that the budget is projected to

decrease to R1,060 billion in 2023/24.

We are also worried that the suspension of the utilisation of

part-time commissioners due to budget constraints has had an

impact on the capacity of the commission to deal with all the

referrals.

The budget vote 31 in spite of the fiscal constraints, the

CCMA was able to save 58 165 or 42% of the jobs of the 138 816

jobs that would have been lost due to the retrenchment and

challenges brought by Covid-19 last year.

It had 99,8% of the concealable cases within 30 days at first

event and 99,95% arbitration awards rendered were sent to

parties within 14 days. Now, that’s a little bit of efficacy

and capability that must also be commended.

The CCMA recorded its highest number in large scale

retrenchment of our section 89(a) referrals in our 2020/21

financial year which represents an increase of 54% from the

729 to 1124.



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Indeed, we accept the tremendous difficulties faced by many

companies during the various stages of national lockdown.

However, there is evidence that some trigger happy employers

tend to see retrenchment of workers as the option or first

resort rather than the last.

These are people who find refuge in the DA and FF Plus. The

proud political descendants of H.A Verwoerd and Eugene Terre

Blanche. We call on the DA and the FF Plus to persuade their

constituencies that keeping South African jobs is good for

social stability and we all benefit as a nation when people

have work.

Hon members, we heard from hon Wessels of the FF Plus that

there is a loud noise that comes the department when there’s a

transgression from the farmers. In essence he says the

department is on farmers’ side and the department cries the

loudest when there’s a transgression. I commend him for this

observation. However, it is also a true revelation of who he

is and what his party stands for. They are very loud in their

silence when the same transgressions are committed by both

farmers and big businesses.



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This happens to a lot of our defenceless workers and the

majority of which are black. We are happy that the CCMA will

continue to enhance its digital offering to ensure increased

accessibility and lessen the time and cost of travel for

vulnerable users in terms of travelling to the CCMA offices.

The CCMA will also pursue strategic partnerships with other

public entities and state organs to increase advocacy and

awareness as part of its social protection programmes. This

will also help in saving jobs. When it comes to retaining

jobs, all spheres of government have to work together with

workers, businesses and communities to resolve problems of

service delivery. We’ve heard the calls by the organised

working class to the government to focus on resolving the

challenges facing the local sphere of government.

If these are not dealt with, we face the risk of private

sector companies leaving certain regions thus deepening the

crisis of unemployment, underdevelopment particularly in the

more rural provinces.

Cosatu, the largest federation of workers in the country has

described the deteriorating state of basic services is the



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biggest threat in the jobs of millions of workers as a

possibility of companies closing down their operations and

relocating to better service sites growths.

Equally concerning are the energy infrastructure logistics and

transportation services provided by the state owned

enterprises such as Eskom, Transnet and Prasa. SOEs, state

owned enterprises, should therefore play a key role in saving

and creating jobs in mining, manufacturing and agricultural

sectors amongst others.

An efficient metro rail will enable workers to get to work

safely at an affordable price and on time and a strong

Transnet will assist to move coal efficiently to the coast to

meet the demand of our trading partners.

All our public and private financial resources must be

mobilised to stimulate economic growth and make our country

work. These efforts must include a massive buy local campaign

that includes government SOEs, business workers and consumers

and target locally produced goods. Pension and investment

funds must play their part in supporting investment in local

companies.



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The National Planning Commission’s report titled The Digital

Futures, South Africa’s digital readiness for the Fourth

Industrial Revolution as highlighted that there have been

institutional failures in the state when it comes to digital

transformation. There’s also has shortage of skills and fear

that new technologies will lead to loss of jobs and less

skilled workers.

These concerns must be addressed in social compact and just

transitions. The truth is that none of us can stop the wheel

of technology advancements. If we try to stop modernisation

the world will leave us behind and our economy will be less

competitive.

The float paid state of employees wellbeing barometer 2022

launched two weeks ago, measured and analysed the experience

of a sample South Africans working population. We show that in

South Africa, losses in productivity equated to 128 billion

days which accounted for R38 billion or around 2% of the GDP,

gross domestic product.



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Productivity South Africa must enhance its role of promoting

employment, growth and productivity and contribution to South

Africa’s socio economic development and competitiveness.

It is sad to know that our country was ranked position 62 out

of 63 countries in terms of World Competitiveness Index.

Productivity South Africa will help us drive the national

productivity strategy. As a country we need to promote a

culture of productivity in the workplace, maintain a database

of productivity, and competitiveness systems and publicise

such and undertake productivity related research.

The UIF, Unemployment Insurance Fund, had challenges and some

allegations. However, hon Mkhonto, it is not all doom and

gloom as the EFF would like us to believe. The UIF achieved

some unprecedented fits in our fight to save lives and

livelihoods during the world’s outbreak of Covid-19 pandemic.

We must praise the ingenuity of the UIF for finding innovative

ways to support millions of workers and hundreds of thousands

of companies in distress. However, we condemn those who abuse

this period to lie in the pockets with public funds.



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We congratulate the Hawks and other law enforcement agencies

for apprehending many suspects in recovering and returning

millions of stolen public funds to the state.

[Inaudible.] follow the money process which entails auditing

all Covid-19 payments has added the capacity of government and

must be replicated in other entities that award grants and

loans to companies.

We call on the department to get to the bottom of the

scandalous reports of UIF monies that have been lost owing to

questionable investments involving the PIC, Public Investment

Corporation in a number of companies.

Our interaction as the committee with the department shows

signs of this budget going a long way in executing the mandate

and mitigating the challenges in the department. For this

reason, the ANC supports this budget. I thank you.

The MINISTER OF EMPLOYMENT AND LABOUR: Chairperson, let me

thank the hon members for their contribution and also thank

others or some with their empty rhetoric; at least they’ve

said something.



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Hon Cardo, I must respond to this. The unemployment challenge

of our beloved country is linked to centuries of depravation

of the indigenous people. The reason why this unemployment

challenge is deep seated, systemic and structural, it is

because it was designed to be so by the erstwhile, brutal,

vicious, cruel white minority government. And, hon Cardo, this

unemployment that was created by that white racist government

ensured that those whose colour is black should never get

skills, they must never get trained and they must never be

developed, thy must never be empowered. The black majority in

this country were deprived a quality education. This is the

reason, hon Cardo, we have this unemployment rate, which keeps

on rising. And the politics of the DA which brand the words

like equality and transformation does not assist the country

to move away from what that white racist government created.

And there was a stage, hon Cardo, that as a country we were

second to Brazil, in terms of inequality, but now we are

leading in that particular respect.

Let me also say this, the government through the President has

presented an Economic Reconstruction and Recovery Plan with a

number of pillars: energy, security, industrialization and

localization, employment stimulus, infrastructure development,



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macro-economic intervention, the green economy, agriculture

and land reform, tourism and so on. Instead of critiquing the

plan and strengthen it by showing the gaps and weaknesses, and

monitor that it’s being implemented, you come with all these

empty accusations. Jobs will come from this particular plan. I

think you need to understand that very well; by a

collaboration of the different departments, different spheres

of government and also the private sector. I think you need to

understand that.

Let me also say this, on an issue which has been raised by hon

Comrade Nontsele. Just about Sibanye, where there’s a big

strike as we speak, and give some perspective that this is the

time of the year when, typically, across many sectors, wage

negotiations take place and some of them lead to strikes. But

one positive thing that South African has, a robust collective

bargaining, which in the majority of the cases heads to

settlements of the disputes. The issue here is extraordinary

length of the strike and intransigents of the parties. They

need to agree on a process of facilitation to find reasonable

common ground. This is a process issue which can be addressed;

and when we have to intervene as government and department in

particular, we will do so. Clearly, this needs to be addressed



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before the situation degenerates further. It does not seem to

be just about money. If Sibanye can afford, and you are right

hon Nontsele, to pay the chief executive officer, CEO,

R300 million at a time like this, what is difficult to pay the

workers a thousand rand, which does not collectively come to

that R300 million? These are the inequalities and the wage gap

we’ve talking about. I’m just listing ... what a contradiction

from calling for the workers, from hon Bergman, to work with

the DA, when they fundamentally are anti-trade unionism. Even

what they were saying here today, they are anti-trade

unionism. So, there are deeper issues involved here, the

historical legacy of massive in equality, which still makes us

as one of the most unequal countries in the world. There are

few places in the world where the wage gap between the CEO and

the worker is as vast as South Africa. This is part of the

apartheid legacy and clearly continues to haunt us. The

products of apartheid today, product of apartheid privilege

like hon Wessels and hon Cardo are trying by all means to

defend the apartheid inherited privileges. Turkeys ...

[Inaudible.] did not vote for Christmas.

On the issue of deregulation. Responsible employers realize

that regulating the labour market is beneficial to all



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concerned, in terms of health and safety, basic labour right,

decent working conditions and wages, and the provision of the

social protection through the Unemployment Insurance Fund,

UIF, and all those. So, responsible employers’ relations to

stabilize the labour market.

The National Economic Development and Labour Council, Nedlac,

processes have produced results in this particular country.

The legislation which we are having has been produced by those

Nedlac processes. I don’t understand the people who all of a

sudden now are saying we don’t need the Nedlac. So, the DA

does not agree. Seemingly it longs for the past conditions,

the slave labour, the starvation wages and workers stripped of

their basic labour rights, that is not going to happen,

certainly not under the ANC.

I don’t want to even say anything about what the hon member

from the EFF was saying, because they continue to flip-flop

from this position to the other. They went to inspect for the

foreign workers and when they came back they changed their

positions. I don’t even want to say because there’s nothing

they’ve ever supported. Thank you very much.



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Ms H O MKHALIPHI: Minister, stop saying those things because

they are not true.

The ACTING CHAIRPERON (Ms R M M Lesoma): Hon Mkhaliphi, order!

Ms H O MKHALIPHI: [Inaudible.] ... EFF labour desk, we are

fighting.

The ACTING CHAIRPERON (Ms R M M Lesoma): Hon Mkhaliphi,

please. Order, hon members!

Debate concluded.

The mini-plenary rose at 18:23.

