**UNREVISED HANSARD**

**NATIONAL ASSEMBLY**

**TUESDAY, 29 NOVEMBER 2022**

***PROCEEDINGS OF HYBRID NATIONAL ASSEMBLY***

The House met at 14:00.

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

**CONSIDERATION OF REPORT OF STANDING COMMITTEE ON FINANCE ON RATES AND MONETARY AMOUNTS AND AMENDMENT OF REVENUE LAWS BILL**

**CONSIDERATION OF REPORT OF STANDING COMMITTEE ON FINANCE ON TAXATION LAWS AMENDMENT BILL**

**CONSIDERATION OF REPORT OF STANDING COMMITTEE ON FINANCE ON TAX ADMINISTRATION LAWS AMENDMENT BILL**

The ACTING CHIEF WHIP OF THE MAJORITY PARTY (Mr B A Radebe):

Chairperson, I move:

That the Reports be adopted.

There was no debate.

Motion agreed to.

Report on Rates and Monetary Amounts and Amendment of Revenue Laws Bill accordingly adopted (Democratic Alliance and Freedom Front Plus dissenting).

Report on Taxation Laws Amendment Bill accordingly adopted (Democratic Alliance and Freedom Front Plus dissenting).

Report on Tax Administration Laws Amendment Bill accordingly adopted (Democratic Alliance and Freedom Front Plus dissenting).

# RATES AND MONETARY AMOUNTS AND AMENDMENT OF REVENUE LAWS BILL

(First Reading debate)

# TAXATION LAWS AMENDMENT BILL

(First Reading debate)

# TAX ADMINISTRATION LAWS AMENDMENT BILL

(Second Reading debate)

*Xitsonga*:

Tat M J MASWANGANYI: Ahee, va ka hina. Hi twa ku hisa ka haleno Cape Town. Dokodela George, ah! Sarupen. [Hleka.]

*English*:

Thank you, hon Chairperson. Hon members, as the hon Chairperson has alluded, I am here to present the Report on the three Bills: The Rates and Monetary Amounts and Amendment of Revenue Laws Bill, the Tax Administration Laws Amendment Bill and the Taxation Laws Amendment Bill. The Bills were presented or tabled by the Minister as he was tabling the budget and the Medium-Term Budget Policy Statement, MTBPS.

Hon Chairperson, just a background that we are presenting these Bills when we have got weaknesses in the economy locally and globally with high levels of unemployment poverty and inequality. In short, it is called the unemployment poverty and inequality, UPI. A path towards the fiscal sustainability should take into account this underlining dynamics of the

economy. The government should ensure that resources for measures to transform the structure of the economy and to alleviate the suffering associated with unemployment, poverty and in equality.

Chairperson, the economic structure in South Africa remains highly concentrated and in adequately diversified. It is important to say this, Chairperson, so that we don’t just present these Bills like it is compliance matter or administratively, but we are dealing with tax which should not only serve a particular income group but should serve also those who have been previously disadvantaged. Also Chairperson, it should be noted that many households are experiencing a cost of living crisis as a result of high inflation. The inflation is quite very high, Chairperson, and what is also unfortunate is that the Reserve Bank has got a responsibility to defend the rand, as a result of high inflation they respond by hiking the repo rate and resultantly the banks also increase the interest rates.

As we speak, so many people find it very difficult to service their house bonds, their car loans and other loans more specially from the *small and medium-sized enterprises*., SMEs. It is a method that we have raised with the Minister that many

people including the middle income at the stage in which we find ourselves. I think it includes even members of this House find it very difficult because you do not have housing subsidies to service the loans from the bank as a result of the ever high inflation and high interest rates. For those who are employed real wages are declining and so are our household disposable incomes.

I think you have realized that it is very difficult these days to see people pushing trolleys when they go to the supermarkets as a result of the disposable income which is ever eroded by high inflation and ever increasing interest rates. On this one, on the issue of food security, Dr George and Sarupen who are members of our committee and De Villiers, will agree on this one. There are other issues where we differ but on the issue of food security is a problem and all of us have to attend to this matter. I

It is like come February, I am not a sangoma or a prophet but it looks like there will be another interest rate hike. Where does it live the working class and the middle class to? At the end people are left with no income to buy food and to send children to school. We are only left with money to service our bonds and our car loans. If you look more specially at the

independent schools, there are so many parents who are defaulting. It is just that at the public schools, children have got the right to attend, you can’t do anything. However, at independent schools they are finding it very difficult to sustain themselves as a result of parents who can’t afford school fees.

Chairperson, where is this leading us to? it is a debate that we have to take up. I am giving this background so that, as I have said, it should not just be like an administrative matter to present tax issues. High inflation and tax rates are further eroding the household disposable incomes. The low and middle income households and *small and medium-sized enterprises* are seriously impacted by macroeconomic development. The tax system should be used to redistribute wealth and income to the majority who live in poverty.

Chairperson, what we are saying is that as government has got a responsibility to raise revenue and as this Parliament we take a decision through appropriations like tomorrow or next week where we will decide where money goes. Money is distributed or gets shared to municipalities for instance through equitable share formula. However, we have areas,

municipalities like Tshwane, where we take a decision here to distribute the equitable share but neglect the townships.

House Chair, you will find that in the townships sewage is spilling and there are potholes all over, but if you go to the east of Pretoria it is like you are in Europe and when you go to the west of Pretoria it is like you are in the third world. Yes, and the same applies, Comrade Fayez, here in Cape Town.

So, tax is better governance when you only allocate it to the affluent areas and neglect the township? It can’t be, Dr George, it can’t be you as a public representative who says that. We can’t be passing Bills where this tax that we are deciding here today, money is not distributed equitably. It can’t be.

Those who have been previously disadvantaged in the apartheid continue to be disadvantaged. They stay in a mkhukhu (shack) and as I have said that unemployment is very high. Hunger is a reality. There are people who go to bed without having put anything in their stomachs. So, this tax that we are talking about here should be distributed equitably to deal with unemployment more specially youth unemployment. Youth unemployment is quite very high I think it is 74% or so, to

deal with poverty which is the reality and to deal with inequality.

House Chair, South Africa I think is the most unequal country in the world, if it is not amongst. When we pass these legislations it should be able to address this triple challenges. The youth, the women and people with disabilities are the people who are highly affected by the inequitable distribution of revenue. We commend Sars, hon Chair, in the manner that it is administering the tax. They have improved a lot. However, there is an area where every year we continue to raise which is the issue of the digital tax. Failure to reach the global consensus on a digital tax is compromising revenue collection.

Lots of businesses today are done on the digital platforms. There has been debates in the Organisation for Economic Co- operation and Development, OECD, and other platforms but no concrete decision yet has been taken. Hon Minister of Finance raised this matter in the international platforms because that is where money is flowing today. Things are no longer the same like they used to be ever before. This is a matter that should be attended. We commend Sars in the manner that they are administering tax as I have indicated. When they were

celebrating the 25th anniversary, they took us through the off center and they have done a lot to improve the digital project at the Sars in Brooklyn, Tshwane, and we commend Sars for them.

Moving towards the conclusion, Chairperson, as a committee we received inputs in the form of public participation through the stakeholders on the three Bills; on the Tax Administration Laws Amendment Bill, on the Tax Laws Amendment Bill as well as on the Rates and Monetary Amounts and Amendment of Revenue Laws Amendment Bill. There were issues that were raised by the public that Treasury and Sars have to address, more especially the issue of the fuel levy. As we have said before, we call upon the Minister of Finance and the Minister of Mineral Resources and Energy to deal with this matter of the fuel price. Fuel is very expensive today, even to us as members here, at least we get subsidised by coming by bus. I am not sure if we were using our cars would afford to come here.

Chairperson, what about ordinary workers who work at shops and all over here, low skilled. Even public transport is very expensive as we speak as a result of the fuel price. It also spikes even the increase of food inflation. This is a matter that has to be attended to. We acknowledge that there are

challenges; in Ukraine and in all over Saudi Arabia, those who have oil producing countries. The two Ministers the sooner they meet and direct on how this matter is being addressed the better.

We also call upon Treasury to fast-track the review of the excise policy and those who are in the tobacco and the liquor industry have raised quite a number of issues and the Treasury and Sars have agreed that they will expedite the review of the excise policy. The sooner they deal with this matter the better, including the vapor. You know the new way of smoking. Yeah, there is another way of smoking, vapor. I think the young people can explain to you better. They argue that there is no nicotine and all sorts of stuff. The excise policy will deal with that. Hon Chairperson, I move for the adoption of the Report on the three Bills.

*Xitsonga*:

Ndza khensa.

Dr D T GEORGE: Chairperson, tax is theft if government mismanages the people’s money. The tax laws reflect government’s fiscal policy and fund its budget. To ensure tax

compliance, we need an environment where taxpayers perceive at least some value for money.

Tax Administration Laws are meant to find the fine balance between the right of taxpayers to fair treatment and South African Revenue Service, SARS, obligation to collect revenue. The SARS was seriously compromised when it was captured. And although action was taken against management consultants, who in effect stole billions from the South African taxpayers, the ANC-led government was never held to account. We will never know how much was siphoned out of SARS, and it will take a very long time before the public trust is restored in our tax authority.

Although not of their making, SARS is the mechanism for government to fund the consequences of mismanagement of our economy. Under these circumstances, taxpayer rights must enjoy priority. It is their money that enables government to function at all.

We do not support the amendments to the Tax Administration Bill. They do not do enough to support taxpayers to obtain advanced rulings and directives. Hard working South Africans

are already paying amongst the highest tax rates in the world and receive far too little in return.

Our education system produces learners who are not equipped to earn a living. Our public health service doesn’t deliver a healthy population. The police service is unable to keep us safe. Hard working tax payers fund the very comfortable lifestyles of the millionaire managers who bloat the public service and pay the interest on the mountain of debt that government has accumulated for consumption expenditure and not for infrastructure spending and growing our economy.

Last year, R51 billion of public money was lost to irregular spending. Before the pandemic began, our economy was already on its knees because government made the wrong choices.

Instead of offering taxing senses to attract investment capital and encourage entrepreneurs and small businesses to take the risks necessary to get new ventures off the ground in government, government backed state-owned enterprises with hundreds of billions without anything to show for it, except a few fabulously rich political crony tenderpreneurs.

Instead of offering incentives to generate more energy and install solar panels, government wants to pile at least R200

billion of Eskom debt on to the already massive mountain of national debt that would exceed R5 trillion next year. That debt needs to be serviced by hardworking taxpayers can’t even boil a kettle for a cup of coffee, where in return for their investment they get rolling black outs. If government was a business, it would be in business rescue. And if it was a household, it would be heading for debt review.

The Minister of Finance in the Medium-Term Budget Policy Statement, mentioned trade-offs, the choices that the choices that needs to be made with the people’s money. He never mentioned the cost of living crisis, not even once. And made no attempt to alleviate pressure on the 81% of households that cannot put enough food on their table.

Tax laws can lower the fuel price by reducing the fuel levy and can expand the zero rated food basket. If government did not make the trade-offs that it has chosen such as the R30 billion bailout to Denel, Transnet and South African National Roads Agency SOC Ltd, Sanral, and better managed the public sector wage bill, it would have more than enough fiscal space to zero-rate borne in chicken, tin beans, beef, wheat flower, margarine, peanut butter, tea, coffee, baby food and soup powder.

If government made the necessary, labour reforms scrapped economy draining black economic empowerment, BEE, and injected private sector efficiency into the state-owned enterprises, our economy would grow and tax revenue with it. We can build an enterprising economy if government lets go of its unworkable dream of placing a corrupt and hopelessly incapable state at the centre of our economy.

Instead of guarantees to pay the debts of bankrupt state-owned enterprises, government could instead guarantee the social grants that it would soon be unable to pay as debts servicing costs crowd out more and more service delivery. The Minister cannot assure vulnerable South Africans that the Social Relief of Distress grant will continue, let alone introduce a basic income grant that a DA government would fund of economic growth.

We will soon introduce a responsible spending bill to contain national debt and debt servicing costs. The DA will not agree to tax increases and do not support increased levis and tariffs under circumstances where government is incapable of spending it to the benefit of the people. We do not support the Bills. Thank you, Chairperson.

Ms H O MKHALIPHI: Hon Chairperson, let me check with the deputy president. We will come back after hon Buthelezi.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you. The hon Buthelezi.

Inkosi E M BUTHELEZI: Chairperson, in a country like ours where the majority are poor and the slow rate of growth the economy is experiencing, we are forced to stretch ourselves still and do a lot with the little we have got. We know the good work that the South African Revenue Service, SARS, is doing in collecting taxes even though there is much more room for improvement in their administrative capacity, efficiency and compliance.

What is most important in our country right now is a government that understands the plight of our people and more so, understanding their needs. It doesn’t matter how much money is collected by government if people are not seeing it being used to benefit and contribute to their quality of life through the delivery of proper and adequate services due to them.

Hon Chair, we have come to a point where lack of capacity, political will and inaptitude by government has resulted in our people avoiding the duty to pay their taxes. Even when they do so, they do so through a long howl which we can understand not excused because there is a long stream of precedence set by this government to prove that their money will be mismanaged. Issues of maladministration, wasteful expenditure and corruption have laid bare just how wasteful the government is and how it refuses to contribute to the lives of our people.

It is high time that the attention is given to quality assurance of all service delivery and targets as opposed to more collection and distribution of the resources being our main focus. Quality assurance should be a vital component of service delivery and one that government puts at the core of its operations. Our people will only start there and to willingly comply with tax payment as they would be seeing the fruits of paying their taxes.

The public perception is that taxes paid to fund lifestyle of government officials has been embezzled by politicians and the government’s attitude towards service delivery enables this understanding to a large extent. The imposing of tax should be

done fairly and not in a manner that will discourage business investment. For example, the proposal to impose a flat rate on vaping or electronic non-nicotine delivery system products regardless of nicotine content is unsubstantive. A product with high nicotine content should not be treated the same as that with lower nicotine content.

This not only limit the growth of vaping industry and investment that comes with it but also put a strain on the country’s healthcare system, which is barely coping with cigarette as being proven to be true that smoking is more harmful than vaping. As taxpayers, we are not just paying our dues, the government should also do their part to fulfil the needs of our people. Taxes are the lifeblood of government and nobody should be exempted from paying where it is reasonable due.

Hon Chairperson, one day, we wish to see lines of people voluntarily queuing to disclose and pay taxes not because they are demanded to do so or summoned to do so. But because they see the value for their money and trust that the money that they are paying will trickle down to services offered to them report. The IFP supports the report. Thank you, hon Chair.

Ms H O MKHALIPHI: The deputy president is experiencing network problems. But I will make the declaration.

The HOUSE CHAIRPERSON (Mr C T Frolick): Please continue.

Ms H O MKHALIPHI: Thank you very much, House Chair. The processing of Revenue Laws and Tax Bills is one of the most important functions of Parliament that is neglected and has been reduced to a rubber stamp exercise on an annual basis. While Bills such as the Tax Administration Laws Amendment Bill, deal with administrative issues of the South African Revenue Service, SARS, and technical matters such as pensions and retirement fund interest, definition of what is an invoice and other issues like that. The rates in monetary amounts and amendment of revenue laws and the Taxation Laws Amendment Bill deals with tools that we can use as redistributive tools in fiscal policy and are important, and we will deal with just a few fundamental structural issues.

Firstly, despite our insistent and repeated submission, SARS has failed to present a convincing and believable plan to collect maximum revenue from new booming online trading platforms. The rate at which SARS is moving means we will not have a comprehensive approach to revenue collection from the

likes of Takealot, Google, Amazon, and many other ... [Inaudible.] ... that continue to aggressively avoid tax and have post boxes and headquarters in tax havens.

We still don’t have a clear plan to overhaul legislation to deal with it in a much more comprehensive way, with illicit financial flows, base erosion and profit shifting. And one of the reason why there is some reluctance in the ANC is because their President keeps U.S. Dollars inside his furniture. Only a criminal like some drug smugglers will keep stolen foreign currency in his mattress. We need to admit that all sectors not just the mining sector are involved in some form of illicit financial flows, base erosion and profit shifting. And this has serious consequences for our ability to collect revenue that is rightfully ours to fund free, quality, decolonized education, pay social grants, fixed our healthcare system and eradicate the infrastructure backlog that is sitting in billions of rands. While we lose trillions of rands in revenue.

We cannot give this important work to the National Treasury and SARS, as they have not sufficiently demonstrated that they are not interested including failing to build a robust capacity. The EFF will hold a webinar early in 2023 to engage

with all stakeholders to revive and finalise an Anti-Tax Avoidance Principle Bill that must be introduced and be finalized before the end of the Sixth Parliament.

House Chairperson, alcohol consumption is extremely high in South Africa and clearly, tax measures to discourage consumption are not working yet. The damage alcohol is causing to our communities, to our youth and infrastructure runs in billions of rands. We agree with the committee that we must put non-tax measures in place and one of them is an alcohol ban. We cannot have alcohol advertised everywhere. Even targeting children. It must be difficult to come across alcohol.

The tax relief that was provided to motorists from March until May 2022, was not enough. As things stands, the majority of workers are going to work simply to buy petrol. Many will soon stop buying foods to buy petrol because they cannot afford to stay at home. We must find a much more sustainable approach to the fuel levy. In its current form, it is misguided like the division of revenue formula, which incorrectly assumes that municipality can collect enough revenue to cover 70% more of their operational costs. When our people do not have money and are unemployed. We still have value-added tax, VAT, that was

increased to 15% with some commitment to review it and workers are still waiting. We still have a Corporate Income Tax that is supposedly untouchable because those in charge of tax policy are puppets of big white-owned corporations.

Chairperson, lastly, we were shocked that SARS is refusing to tell the public how much it gave to the alleged rogue unit members because of some of the recuperation processes chaired by advocate Thuli Madonsela. We wrote to the SARS Commissioner and he refused point-blank to be transparent. What does that tell you? Why do you give people money if you are not going to tell to the public how much you are giving them, especially those with serious allegations, who never answered in front of the judge, but the charge dropped due to some corrupt National Prosecuting Authority, NPA, backroom deal? The EFF rejects the Revenue Laws Amendment Bill. Thank you very much, Chairperson.

The HOUSE CHAIRPERSON (Mr C T Frolick): Speaker from the EFF.

Ms H O MKHALIPHI: Yes, Chair, the Deputy President has got a problem of network. I will take it, Chair.

The HOUSE CHAIRPERSON (Mr C T Frolick): Please continue.

Ms H O MKHALIPHI: House Chairperson, the processing of Revenue Laws and Tax Bills is one of the most important functions of Parliament that is neglected and has been reduced to a rubber stamps exercise on an annual basis. While Bills such as the Tax Administration Laws Amendment Bill deal with Administrative issues of the SA Revenue Service and Technical Matters such as pensions and retirement fund interests’ definition of what is an invoice and other issues like that.

The rates and monetary amounts and Amendment of Revenue Laws and the Taxation Laws Amendment Bill deal with tools that we can use as redistributive tools in fiscal policy and are important and we will deal with just a few fundamental and structural issues.

Firstly, despite our assistance and repeated submission the SA Revenue Service, Sars, has failed to present a convincing and believable plan to collect maximum revenue from new booming on line trading platforms. The rate at which Sars has moving means we will not have a comprehensive approach to revenue collection from the likes of takealot, google, amazon and many other upskills that continue to aggressively avoid tax and have post boxes as headquarters in tax heavens. We still don’t have a clear plan to overhaul legislation to deal it at much

comprehensive way with illicit financial flows, base erosion and profit shifting.

And one of the reason why there is some reluctance in the ANC is because their President keeps US Dollars Bills inside his furniture. Only a criminal like some drug smugglers will keep stolen foreign currency in his mattress.

We need to admit that all sectors not just the mining sector are involved in some form of illicit financial flows, base erosion and profit shifting. And this has a serious consequence for ability to correct revenue that is rightfully ours to fund free quality decolonised education, pay social grants, fix our healthcare system and eradicate the infrastructure backlog that is sitting in billions of rends while we lose trillion of rends in revenue.

We cannot give this important work to the National Treasury and Sars as they have no sufficient demonstrated that they are not interested including failing to build the robust capacity.

The EFF will hold a webinar early in 2023 to engage with all stakeholders and revive and finalise an anti-tax avoidance

bill that must be introduced and be finalised before the end of the Six Parliament.

House Chairperson, alcohol consumption is extremely high in South Africa and clearly tax measures to discourage consumption are not working yet. The damage alcohol is causing to our communities, to our youth and infrastructure runs in billions of rends. We agree with the committee that we must put non-tax measures in place and one of the is an alcohol ban. We cannot have alcohol advertised everywhere even targeting children. It must be difficult to come across alcohol.

The tax relief that was provided to motorist from March until May 2022 was not enough. As things stands now the majority of workers are going to work simply to buy petrol. Many would soon stop buying food to buy petrol because they cannot afford to stay at home. We must find a much most stable approach to the fuel levy. In its current form it is misguided like the Division of Revenue formula which incorrectly assume that municipality can collect enough revenue to cover more 70% of their operational cost when our people do not have money and are unemployed.

We still have Value-Added Tax, VAT, that was increased to 15% with some commitment to review it and workers are still waiting. we still have company income tax that is supposedly untouchable because those in charge of tax policy are puppet of big white owned corporations.

Lastly, Chairperson, we were shocked that Sars is refusing to tell the public how much it gave to the alleged rogue unit members because some of reparation process chaired by Adv Thuli Madonsela. We wrote to the Commissioner of Sars. He refused point blank to be transparent. What does that tell you? Why you give people money If you are not going to the public to tell how much you are giving them especially those with serious allegation who never answered in front of judge but a charge droped due to some corrupt National prosecuting authority, NPA, backroom deal. The EFF reject Revenue Laws and Tax Bill, Chair. Thank you very much, Chairperson.

Mr W W WESSELS: House Chair, it is important to incapacitate the revenue collector and specially to improve the administrative capacity and the efficiency of the SA Revenue Service, Sars.

But Chairperson, it is important that government should earn taxes and not only collect taxes. Currently this government is collecting tax revenue and then misappropriating funds and allowing corruption, allowing money to be looted. That is the wrong way to do it. That has not earned the trust of tax payers, has not instilled confidence in what is currently happening. Hon Maswanganyi blames the ill distribution, according to him, of tax money for the decay and poor service delivery in certain areas. But that cannot be. It is because of the looting and corruption of money that infrastructure is decaying and that we have the budget deficit currently.

We have the collapse in infrastructure due to the fact that money, and let’s take one example of the hon Maswanganyi Comrade, Ace Magashule, that spent and allowed R225 million to be spent on the counting of asbestos roofs in the Free State. That money was stolen. How many houses could have been built for that R225 million?

And that is one example. The government collects tax revenue but then does not spend it on the right priorities. The government is allowing public hospitals to be mortuaries rather than to serve the ill and provide health care as dictated to by the Constitution of South Africa. That is what

to be blamed. Not the tax system, and not the distribution of tax money but the fact that there are wrong priorities, money is not being spend on actually addressing the priorities.

The hon Maswanganyi says money must be spend to address youth unemployment. But tax money must be spend to create conducive environment for the private sector to create jobs, then youth unemployment will be addressed. Currently money is being wasted, the government does not earn taxes but is wasting tax money and we cannot support these Bills. I thank you.

Mr S N SWART: House Chair, the ACDP would firstly like to commend Sars on revenue collection which has exceeded projections, resulting in the gross tax revenue estimate being revised upwards by R83,5 billion to R1,68 trillion. Well done to a re-purposed Sars under the leadership of Commissioner Kieswetter and his team. We appreciate, however, that this tax windfall is dependent on several variables, particularly that economic growth is sustained at the projected level. We also appreciate that these taxes must be properly spent by government as is a requirement for the government to be good stewardship of state funds. This is required and it is sorely lacking at the moment given high levels of fraud and corruption that we have seen.

It is noteworthy, however, when it comes to the tax that even before this additional tax windfall, February’s 2022 Budget contained no measures to raise additional tax revenue. This the ACDP, we welcome as the ACDP as it supports hard-pressed households and businesses.

Further tax relief was also provided by not adjusting the general fuel levy and the Road Accident Fund, RAF, levies was fully adjusting the personal income tax brackets and rebates for inflation. Now the ACDP supports these measures but believes far more can be done to alleviate the fuel levy pressure. And in this regard we keen awaiting the outcome of the review that has been promised as we believe that this will go a long way to lift the pressure on households.

The ACDP also shares the view expressed in the Report that the illicit trade in alcohol and tobacco is a serious problem in society and believes more needs to be done. We agree with the National Treasury’s approach that problems related to alcohol consumption and abuse require a comprehensive package of tax and non-tax measures to address these effectively. And these of course include social interventions when one has abuses in this regard.

The ACDP also support the fact that far more needs to be done to stop illicit financial flows, base erosion and profit shifting which is costing the country billions in lost revenue.

Lastly, the Taxation Laws Amendment Bill and the Tax Administration Laws Amendment Bill deal with technical amendments which we do not believe go far enough to address the issues raised by tax payers in this regard. It is aimed to enhance tax compliance ... [Interjections.] ... Thank you.

House Chair?

The HOUSE CHAIRPERSON (Mr C T Frolick): Please continue, hon Swart of the ACDP. Hon Masondo has his microphone switched on. But please continue.

Mr S N SWART: The Taxation Laws Amendment Bill and the Tax Administration Laws Amendment Bill deal with technical amendments and a number of submissions were received where concerns were raised about the number of issues raised in these Bills. And was Sars and National Treasury tried to approach these from a tax compliance method obviously one has also to bear in mind that it is taxpayers money that is being

involved here and these issues are a matter of concern for the ACDP. I thank you.

Mr A M SHAIK EMAM: Thank you, House Chairperson. I just want to apologise that I am on the road, so I will have my video off, if it is okay with you. [Interjections.]

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

Mr A M SHAIK EMAM: Thank you, House Chairperson. What the NFP wants to reiterate is that we need to do more with less. Now we expected, with... We did not anticipate additional revenue, but because of the high commodity prices and more importantly because of the export of coal - if you saw what happened in the Richards Bay terminal from 450 tons we have exported four- and-a-half million tons – which is now taking advantage of

the war between Russia and Ukraine.

We would have expected there to be more tax relief rather than wanting to increase the tax, particularly on the 13% of people in South Africa who pay taxes. How much more can we get from that 13% of the population? The other issue is that I have heard one of my colleagues talking about equitable share,

particularly to local government. Shouldn’t the question be: When and how will we improve the capacity at local government level before we provide them with further revenue?

Let me just say this again: I have just come back from Newcastle and Ladysmith, Chairperson. If you look at the CBDs alone, they are in shocking conditions. It clearly indicates that we do not have the necessary capacity at these local government elections. On the issue of vaping, particularly in the absence of any evidence that it is less harmful, I think that we would agree that, yes indeed, we should increase taxes.

The other problem we have is on the sugar taxes, which we have supported a few years ago, but very little or nothing has been done with that money to ensure that we reduce the level of diabetes in the country. In fact, there is an increase in terms of diabetes. When we talk about the fuel levy, we are saying we should scrap it and take this Road Accident Fund and privatise it, so that it is in the hands of insurance companies and motors then can pay through their licensing.

So, the NFP is making these suggestions so that we would have less of an impact in increasing taxes, particularly for this

small percentage of population that is carrying this entire country. Thank you very much.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you, hon member. The DA, I see! The AIC!

Mr S M JAFTA: No participation in debate Chair!

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you. The Cope! Al Jama-ah! The hon Sarupen!

Mr M NYHONTSO: Why are you skipping the PAC, Chair?

The HOUSE CHAIRPERSON (Mr C T Frolick): Excuse me, I didn’t hear you, hon member, from the PAC.

Mr M NYHONTSO: I am saying you skipped the PAC, and you are not... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): You did not give any indication that you are participating in the debate. So, you are not on the Speaker’s List. However, if you want to make a comment, you may do so, hon member.

Mr M NYHONTSO: No, pass, Chair. The omissions of the PAC name... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): You are ... [Inaudible.] ... hon member. Don’t waste our time! The DA! Hon Sarupen, please continue.

Mr A N SARUPEN: Thank you very much, House Chair Frolick. Let me start my remarks, today, by saying finally someone in the governing party has heard what the DA is saying, and I would like to welcome the comments from the hon chair of the Standing Committee on Finance around the cost of living crisis. We hope that he will work with us to expand the list of zero-rated items for food, so that we can slash a lot of food bills by 15% going forward.

On to my main remarks, let me state this: Taxation is a part of a social contract and people who pay taxes - all South Africans pay taxes - because of that, expect a high level of trust between the state and the citizens. In return for their taxes, they expect things in this country to work. However, the government has made a habit of breaking trust with taxpayers.

If you will allow me to prosecute the case, I have got five exhibits of evidence. Exhibit A is state capture, in which: R250 billion of taxpayers’ money was stolen; state-owned companies were looted; and the tax authority was systematically decimated. Exhibit B is that in the last year alone, R51 billion in irregular expenditure was incurred.

Exhibit C is that there is a breach of trust in the state of our public services.

Go and visit a police station or public hospital and see the decaying infrastructure, the under-resourced staff, or the fact that we have got all these government-appointed millionaire managers, which is, exhibit D. There are 30 000 millionaire managers and this government seems to be good at appointing millionaire managers rather than police or nurses or doctors. These managers do have only one job. They are post boxes: They receive information; and then click the forward button in their email inbox to send it to someone else. A million Rand per year for a lot of these - 30 000 of them!

Then we have got exhibit E - the greatest case we can prosecute against the government. That is the way the ANC has run local governments into the ground. I invite you to visit Ditsobotla Municipality in the North West province. You have

got parcels the size of craters there. The reason is because there are two warring factions of the ANC, who each appointed their own mayor and municipal manager, and services were ground down to nothing.

Instead of dealing with their members, what did they do? They just dissolved the municipality. They say ‘let’s have a fresh election’, rather than prosecuting their own members. So, all of these exhibits demonstrates a case that we can prosecute here: That the state is not living up to its half of the social contract; and a failure by the state is now becoming a long-term trend with no sign of reversal. As such, we cannot support these Bills until the state rebuilds its social contract with the taxpayers. I thank you

Mr X S QAYISO: Hon Chair, each year we are called upon as the Standing Committee on Finance, to assess the proposals from the National Treasury. Revenue proposals designed to generate revenue on finance, the policy demands of the Medium Term Strategic Framework. MTSF, and the related policy demands of the governing party’s manifesto. In addition, these three Bills have to respond to the demands of providing revenue to finance the operations of the state and respond to our international binding commitments.

Therefore, these Bills reflect the policy choices that inform the level and the extent of adjustment to generate such revenue. Given that these matters directly impact upon these millions-plus employees who earn above the minimum threshold. The ANC takes seriously what has come out of the public participation process.

We are a representative democracy based on a system of proportionality, and therefore, the interests and demands of the people are very important. These Bills are not about technicalities, as some things. They have a real impact on the economy and revenue that the state can use to finance policy programs and statutory obligations.

With regards to the raised Bills, they directly address concerns that the people have raised around the cost of living, especially transport. The adjustments reflect the changes made in 2022, regarding temporary relief on the fuel levy, as well as the postponement of the effective date of an increase in fuel levies - I mean, in health promotion levy to 2023.

Again this postponement which arises out of public engagement provides space to address concerns. This is a progressive move

designed to bring relief to millions of people and to assist business, and by extension employment creation.

With regards to threshold of personal income tax: Yes, the rich people must subsidise the poor people.

The ANC-led government has for a long time been progressively lifting the threshold providing relief and support to low- income earners. The raised Bills change rates and monetary threshold to the personal income tax and ensures that the wealthy people cross-subsidise the needs of the state, and by extension, the needs of the society.

Some disappoint! Most of the key issues from the public hearings on the rates and monetary Bills were on the general increase in the excise duty, on alcohol and tobacco. Again, the benefits that the ANC-led government has brought through the rates Bill is that there are no measures to raise additional tax revenue, which has been done in order to support household and business.

If one takes this, together with other tax relief measures to support household, by not adjusting the general fuel levy and the road accident fund levies, and the adjusting of personal

income tax brackets and rebates for inflation, we will urge with evidence that the Rates and Monetary Bill is progressive and the reflects orientation of the ANC-led government.

On the Tax Administration Laws Amendment Bill, which is really about the administration of taxation -and it is not a money Bill. It deals with what came in February 2022 Budget, in so far as it impacts upon the administration of the seven and other pieces of legislation. Some of the key issues that arose from the public participation was the imposition of an understatement penalty for employment tax incentives being improperly claimed. A corrupt practice which the amendmending Bill seek to resolve. Again, evidence of an ANC-led government, through law, dealing with corrupt practices that arise from the private sector.

Another corrupt practice that the Administration Laws Amendment Bills deals with is that of tax compliance abuse and submission of the so-called ‘nil returns’ in order to appear compliant. This is a risk management matter for Sars, where a taxpayer applies for a tax compliance status and nil returns have been submitted. All these amendments are aimed at improving such administrative capacity efficiently and enforcing compliance.

On the matter of Taxation Laws Amendment Bill, this deals directly with national taxes, levies, duties and surcharges. In summary, for anyone who is employed and has savings, the proposals specifically deal with reviewing accrual of variable remuneration interest exemption, a capital case, tax annual exclusion, interest in retirement fund versus rights when transferring to a public sector fund, retirement of provident fund members and tax-neutral transfers from pension to a provident fund.

Public participation was vibrant and multiple issues were engaged, keywords being: Customs and excise; electronic nicotine and non-nicotine products on the carbon tax. carbon tax raised proposal from 2023 to 2030, electricity price neutrality extension, energy efficiency savings tax, incentive and on-income tax, individual savings and employment.

Over a hundred submissions were made during the consultative process. National Treasury and Sars held workshops over two days, on 8 and 9 September 2022, to workshop the draft Bills with stakeholders. This is a very progressive development, something other departments should do, especially on complex legislation like these three Bills.

On the vaping tax proposals in the Bills, we understand that there would always be disagreement on the rate structure of new proposed taxes on electronic nicotine. On the proposed increases in carbon tax, we agree that there is a need for a deep urgent emissions reductions and the implementation of the carbon tax that is meaningful, avoids double incentives and underpins increases proposed, as a well below what experts recommend as necessary to meet the goals of the Paris Agreement. Here, business was being accommodated.

With regards to the opposition parties, very little strategic value was added to the debate, other than vested interest and not broader society concerns. So, it is not your business - instead of attending and discussing about this Bill – to bring an issue of ANC factions. You have to deal with your own DA problems of expelling blacks in your own party and leave the ANC alone. [Time expired.] The ANC supports this Bill. Thank you very much.

The DEPUTY MINISTER OF FINANCE: House Chair, good afternoon hon members, firstly, I would like to extend my appreciation to the Standing Committee on Finance for their consideration and oversight of the 2022 tax proposals that were announced in February.

These Bills seek to implement contribute towards economic growth, boost employment and reduce the cost of living. These Bills include an expansion in the employment tax incentive to incentivise firms to employ more of our youth and freeze in the general fuel levy in order to cushion the impact of high prices on households.

This year was the government provided a further R10,5 billion in tax relief to counter the cost of living crisis, through temporary reductions in the fuel levy.

Other measures sought to raise revenue through increasing excise duties on alcohol and tobacco. We also included provisions to begin to tax electronic cigarettes.

The Bills also include a higher carbon tax rate over the years, as we try to proactively combat climate change by doing our part as a country to reduce carbon emissions. We have already seen the detrimental impacts of climate change on our communities through damages from floods and we must do our part to reduce the impact.

These proposals have led to strong and vigorous debates, both within the public workshops that were held by the National

Treasury and in the hearings and sessions by the Standing Committee on Finance and in today’s parliamentary session. We welcome these debates as they help us to consider all the consequences of tax policy changes in our endeavour to create a tax system that is fair and that raises sufficient revenue for our expenditure needs.

Let me briefly reflect House Chairperson, on some of these debates that we have heard in those platforms that I have just mentioned. In terms of the excise duty proposals, the health fraternity has implored upon us to make even more higher increases on alcohol and tobacco.

The industry has called upon us to continue to combat the illicit trade of tobacco. I want to emphasize that SA Revenue Service, SARS, is doing a lot to remove illegal cigarettes from our streets. Furthermore, excise duties are an important tool to reduce a consumption of these products and improve health outcomes of our people.

Yes, we are not paternalistic as government to prescribe on how people should live their lives. We believe in boldly autonomy of adults. It’s our responsibility however, to provide health services to sickly bodies.

Smoking tobacco and excessive consumption of alcohol is not good for human bodies. The healthy population is both happier and more productive with lower costs of health care and a higher levels of economic growth.

The 2022 Budget announced an inflationary increase on the Health Promotion Levy, which is also known as Sugar Tax. However, after consultations with his colleagues, the Minister announced a postponement of the increase to next year, 1st April. This postponement has been welcomed by the industry and labour as a means to assist employment and grow the sector.

Government’s intention to tax electronic cigarettes was announced in previous budgets, due to the growing evidence that these products are harmful. The introduction of the new the tax will go ahead, but the effective date has been delayed from 1 January 2023 to 1st January 2023.

We’ve also announced the tax rate trajectory to give policy certainty over the short, medium and long term, to create a more certain policy environment that will encourage investments towards a green economy. [Interjection.]

Mr N SINGH: House Chair!

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Deputy Minister, will you just pause for a moment. Hon member, why are you rising?

Mr N SINGH: House Chairperson, I couldn’t understand the hon Deputy Minister when says the date will be changed from 1 January 2023 to 1st January 2023.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Deputy Minister

...

The DEPUTY MINISTER OF FINANCE: 1st June 2023...

The HOUSE CHAIRPERSON (Mr C T Frolick): ... hon members, I think it will also assist if you stop sitting and chatting while the Deputy Minister is on the podium on both sides. From there, where you sitting hon Singh and from this side. So you turn to lose the track of the discussion. But there’s a concern expressed hon Deputy Minister about the date, can you just clarify that please. Now, can we please follow the debate. Hon Deputy Minister will you continue?

The DEPUTY MINISTER OF FINANCE: ... thanks House Chair, the delay is from 1st January 2023 to 1st June 2023. Like I said

House Chair, that we have also announced the tax rate trajectory to give policy certainty over the short, medium and long term, in order to help create a more certain policy environment that will encourage investments towards a green economy.

The move towards a lower-carbon future has the opportunity to create new areas of production that can create economic growth.

House Chair, I really want to thank all again for your time and commitment in helping us strive to create a tax system that raises the revenue we need as a country in a manner that leads to increased levels of employment, improved health outcomes and economic growth. I thank House Chair and hon members.

Debate concluded.

Question put.

Agreed to.

Bill read a second time (Democratic Alliance, Economic Freedom Fighters, Freedom Front Plus and African Christian Democratic Party dissenting).

# RATES AND MONETARY AMOUNTS AND AMENDMENT OF REVENUE LAWS BILL

(Second Reading)

Question put.

Democratic Alliance, Economic Freedom Fighters, Freedom Front Plus and African Christian Democratic Party dissenting.

Agreed to.

Bill read the second time.

# TAXATION LAWS AMENDMENT BILL

(Second Reading)

Question put.

Democratic Alliance, Economic Freedom Fighters and Freedom Front Plus dissenting.

Agreed to.

Bill read the second time.

# CONSIDERATION OF REPORT OF PORTFOLIO COMMITTEE ON POLICE ON PROTECTION OF CONSTITUTIONAL DEMOCRACY AGAINST TERRORIST AND RELATED ACTIVITIES AMENDMENT BILL

The CHIEF WHIP OF THE MAJORITY PARTY: Hon House Chair, I move that this House adopts this report. Thank you

Question put.

Agreed to.

Report accordingly adopted.

# PROTECTION OF CONSTITUTIONAL DEMOCRACY AGAINST TERRORIST AND RELATED ACTIVITIES AMENDMENT BILL

(Second Reading)

The MINISTER OF POLICE: Hon House Chairperson, hon members, protocol observed. Despite the major terrorist attacks on the international level which occurred prior and subsequently to

11 September 2001, such attacks in Washington and New York ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Minister, since you are in the NA sitting I kindly request you to remove your hat.

The MINISTER OF POLICE: That is done, Chairperson.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you. There will be an opportunity for Farewell Speeches Minister, then you will gladly wear your hat.

The MINISTER OF POLICE: I would love that opportunity.

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

The MINISTER OF POLICE: On the African soil, the almost simultaneous bombing on 07 August 1998, in front of the United States of America Embassies in Nairobi, Kenya and Dar es Salaam in Tanzania was a stuck reminder that no country is immune from terrorist attacks. Two hundred and twenty-four

people died in the blast and more than 5 500 people were wounded. In the adoption of the effective legislation to counter terrorist attacks and the international terrorism in general including the financing of terrorism, South Africa has the advantage of SA Law Reform Commission project to review the South African Internal Security Act of 1982 in the aftermath of the global response to the international terrorism. The SA Law Reform Commission produced a comprehensive report which to the adoption of the Protection of the Constitutional Democracy Against Terrorist and Related Activities Amendment Act, Act No34 of 2004.

The most serious terrorist strikes during the transition period in South Africa was the Boeremag phase which occurred before the adoption of the Protection of the Constitutional Democracy Against Terrorist and Related Activities Act of 2004 but led to the various convictions for treason. Since then, there had been isolated incidents in South Africa which were indicative that effective legislation to counter terrorism is necessity in South Africa.

One Muhamad was arrested in South Africa and handed over to the Federal Bureau of Investigations, FBI and was convicted and sentenced to life imprisonment in the United States for

having actively participated in the perpetration for the bombing of the Dar es Salaam Embassy. There had also been five convictions in respect of terrorism, related activities namely that of Thulsie twins who pleaded guilty of trying to leave South Africa to join the Islamic state in Syria. Tony-Lee Thulsie was sentenced to 11 years in prison and his brother Brandon-Lee received eight-years prison sentence. Two members of the National Christian Resistance Movement known as crusaders who were plotting the murder of black people as well as overthrowing the government, Eric Donald Abrams, 55, and Errol Abrams, 50, were found guilty and sentenced to eight- years imprisonment for planning terrorist activities.

The Abrams brothers also receive a five-year sentence for financing terrorism, unlawful possession of prohibited firearms, unlawful possession of ammunition and unlawful possession of more than 200 cartridges, running concurrently with the sentence of eight years. Harry Johannes Coetzee who led and formed part of the Crusaders organisation that planted and conspired to overthrow the democratically elected government of South Africa and replacing it with government led organisation.

This objective was to carry out attacks on military and police installations as well as informal settlements occupied by African people. He was also convicted and is awaiting sentence. Henry Okah a citizen of Nigeria was charged with 13 counts relating to terrorism under the Protection of the Constitutional Democracy Against Terrorist and Related Activities Act. Six counts arose from two car bombs detonated successfully meanwhile in Nigeria on 15 April 2010. Six additional counts related to the further double car bombings six months later in Abuja, Nigeria on 01 October 2010. One person was killed in the bombings and at least eight people were killed in the Abuja bombings. Injuries and damages in both bombings were extensive. He was sentenced imprisonment to a term of 24 years.

Constitutional Court in this matter confirmed the constitutionality of the extraterritorial jurisdiction provided for in the Act. The methods by which terrorism is being committed have evolved over time linking to new international instruments to ensure that uniform crimes are developed globally and at bombing, high jacking of aircrafts and airplanes and attacks against ships and fixed platforms at sea. The financing of terrorism, hostage taking and attacks against diplomatic personnel.

The international law developed in this regard from the 12 conventions and protocols adopted before 2004 to a total number of 19 such conventions and protocols. In addition, there are also regional counter terrorism conventions and protocols such as the Organisation of African Unity Convention on the Prevention and Combating of Terrorism and subsequent protocols adopted by the African 12:45/15:00 ... [Inaudible.] In addition, by binding resolution of the United Nations Resolutions Security Council taken under Chapter 7 of the United Nations.

South Africa is the member of the Eastern and Southern African Anti-Money Laundering group and the Financial Action Task Force, FATF, which also published a report on the mutual compliance visit to South Africa 2021. Whilst the FATF’s recommendations do not constitute internal law, they are binding on South Africa by virtue of the fact that South Africa has given its political commitment to the implementation of the FATF’s recommendations and to subject herself to the FATF’s peer review in the form of the mutual evaluation and the follow up processes.

As the FATF member, South Africa is required to demonstrate full compliance with all its guidance. With subsection 134 in

the principal Act, specifically South Africa was found to be partially compliant on the implementation and this contributed to the rating of the low level of enforcement and terror financing. Given the severe consequences where peer review shows that tough member is unwilling to implement tough recommendations and in South Africa it will result her being put on the grey list. This means that these recommendations should be regarded as binding on South Africa.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Minister, there is another member also on the platform. Hon Petterson. Can you just mute that member or switch off the Minister?

The MINISTER OF POLICE: The Protection of the Constitutional Democracy Against Terrorist and Related Activities Amendment Bill of 2002 is aimed at aligning the Act with the latest International Law requirement and to establish the crimes and define them at the subsequent international list instrument. It furthermore responds to the issues raised in respect of the Act following the respective compliance reasons. The Bill, in particular provides for the exclusion of just liberation struggles from the definition of terrorism activities.

The repeal of the motive requirements and respect of terrorism activities provides for combating cyber terrorism, the phenomenon of foreign terrorist fighters and enhances the freezing of 00:33/15:15 ... [Inaudible.] to the funding of support of the Terrorism Act. The Bill also provide for the penalties aligned to the seriousness of an offence. It is therefore clear that effective legislation on counter terrorism and adherence to the convention and protocols which South Africa is part too, is a necessity to protect the public and its citizens from terrorist related attacks. [Time expired.]

Ms T M JOEMAT-PETTERSSON: Hon House Chairperson, hon Chief Whip, Ministers, Deputy Ministers and members of the House. Last week the House considered the second reading debate on the General Laws Anti-Money Laundering and Combating Terrorism Financing. The hon Minister of Finance referred to the protection of constitutional democracy against Terrorist and Related Activities Bill as the second piece of the legislation as this is needed to avoid possible grey listing.

Indeed, as the hon Minister of Finance noted, the processing of both these Bills shows the commitment of government and Parliament to not only avoid grey listing but root out

corruption in South Africa. This is indeed a collective responsibility.

Although the two Bills speak to each other, and are both instrumental in our legislative framework of counter terrorism, the two Bills differ fundamentally as one is administered by the Minister of Finance and the other by Minister of Police.

Hon Chief Whip, hon House Chairperson, we wish to thank the Minister for bringing this Bill to the committee. It was a very difficult Bill and it was highly technical. We received over 20 000 public submissions so we did thorough work in terms of public consultation.

It does not only address the issues identified in the mutual evaluation process related to possible grey listing. It looks at the deficiencies that are identified by the United Nations Counter-Terrorism Executive Directorate.

In addition to all the requirements which were given to us by the United Nations, we then looked at the disparity between the sentencing regime in terms of which a more severe penalty may be imposed in respect of money laundering as opposed to

terrorist financing and the lack of any reference to administrative sanctions for violating asset fringes and orders.

In addition, Pocdatara Bill addresses the findings made in 2019 with the mutual evaluation conducted by the Financial Action Task Force of its anti-money laundering and the combating of the financing of terrorism system.

As it was stated during last week’s second reading debate on the General Laws Anti-Money Laundering and Terrorism Amendment Bill, South Africa was rated poorly in the mutual evaluation published in October 2021. The Pocdatara Bill addresses deficiencies identified during the mutual evaluation and are such that the Bill is a fundamental component to avoid this grey listing and effectiveness of our system to address the risk of money laundering.

The deficiencies that must be addressed in the Pocdatara relate largely to the terrorist funding, sanctions related to terrorism, terrorist financing, freezing orders and the publication of notices by the United Nations Security Council.

Under the Terrorism Amendment Related Activities Bill, there are two core areas that we are considering and covering which is absolutely required for our country to avoid grey listing. Hon Chief Whip and hon Chair, even though we want to avoid grey listing, we did not rush through this Bill, we even extended the term for public consultations. Those who were complaining that there was a particular agenda against certain individuals and institutions, it is actually not true.

I would like to allow all the members of the House to read this Bill because it is one of the most important Bills that will be passed since our Constitution was amended.

Under the apartheid regime, terrorism was related to everything that was black. If Janusz Walus was a black person and Chris Hani was a white person and Janusz Walus killed Chris Hani under apartheid and he was black, he would have been called a terrorist. Janusz Walus was sentenced under an apartheid law but after the new Constitution his life sentence through hanging was converted to life imprisonment.

He in fact has his life and owes his life to this ANC government. In essence, this is what the Bill is covering, the definition of who and what is a terrorist. So, it was a very

uncomfortable reminder for those who are on the right of my right hand side of the House who were ordinarily convinced and the public was convinced that all of those sitting on this side were terrorists commonly because they were black, secondly because the swart gevaar, black danger, thirdly because they were communists and they had to be killed.

Hon members, I am not speaking about anything on the side so please do not say I am casting aspersions but for us to have this after we have had this detailed public participation, international organisations came to speak to the committee. This Bill is long overdue. It comes at the right time.

Hon Chief Whip, I wish to the say that we as an ANC government and ANC cadres, we can correctly say that what is important is that hon members, let me rather say comrades, with this Bill, we can safely say to our Chris Hani’s widow, your tears have not been in vain, we cannot go any further, our liberation struggle is not in vain. We cannot go any further with certain people seen as terrorists as our legal state advisor, the Office of the State Law Advisor, National Treasury and the Financial Intelligence Centre and our committee staff actually worked. We literally went through this word by word because no one after democracy unless you are legally found to be a

terrorist should be deemed a terrorist on the basis of your skin colour.

The committee is confident that the Bill was processed in line with the Rules of the National Assembly and the legislative processes were well executed.

Hon members, I wish to thank the opposition for all their hard work. We met twice a week to do our work as a committee and process the Bill. I would like to thank all the members of the committee who worked diligently, we know we pushed them hard.

I wish to thank our Chief Whip, thank you for having patience with us. I would also like to thank the Minister and the Deputy Minister, we had more than 11 meetings on this Bill.

The Deputy Minister attended each and every meeting. The Minister received a report after each and every meeting. This was the type of interest we had as the ANC government on what was happening on this Bill.

The staff who worked tirelessly particularly Nicolette van Zyl-Gous did a sterling job. We as the committee really owe her our gratitude. Mr Ramaru’s entire team in the civilian secretariat, the legal advisor in civilian secretariat, Ms

Delt and the team. We made changes and worked right through the night and wanted to meet the deadline without doing shoddy work. Hon Minister of State Security, hon Minister of Police, and hon Minister of Finance, I can safely say you have your Bill. Hon Chief Whip, hon House Chair, the ANC supports this Bill.

Mr A G WHITFIELD: House Chairperson and hon members, our primary responsibility as Members of Parliament is to legislate and make good laws and pass good laws that are good for our country and for her people. There is a duty of extreme care which should be given to this responsibility and no amount of executive pressure should force this House to pass bad laws.

Sadly, this House for the most part is the first to the executive when it comes to legislation rather than being the originator of legislation within our own committee. In this particular instance while I have several concerns remaining surrounding the Bill, I want to commend members of the committee for making several constructive inputs which have resulted in a Bill effectively becoming a committee Bill. The chairperson of the committee is also to be thanked for acceding to our request to reopen the public participation

process which yielded excellent additional inputs for the committee to consider.

A major victory for the committee was the deletion of section 3(a), a section which the DA vehemently opposed. This section dealt with the prohibition of publication of materials and would have unreasonably limited a person’s right to freedom of expression which would have led to arbitrary abuse. The DA also raised concerns on section 24(a) and section 24(b) which would have led to the violation of freedom of expression and certainly a violation of the audi alteram partem rule. These sections too were deleted.

The Bill however, in spite of some improvements, remains problematic and will cause anxiety amongst South Africans due to the fact that in many instances the police often abuse their existing powers and responsibilities and are now being given more. This was proven during the initial COVID-19 lockdown period and this Bill gives rise to those fears that the SA Police Service, SAPS, may arbitrarily violate the feelings of those who challenge the state and arrest may be made purely for political means or reasons as the reality sets in for the ANC that it is going to fall below 50%.

The state has failed to address why existing legislation cannot already deal with crimes relating to terrorism or why the Criminal Procedure Act fall short in the line of the SAPS to adequately operate in relation to terrorist activities. We cannot legislate for bad police work. We need to strengthen the capabilities and skills of our police service so that we create an environment in which terrorism and related activities specifically money laundering cannot proliferate.

The committee and the public raised concerns regarding the definition of terrorism which remains problematic in the Bill. Given more time I believe the committee could have found consensus on a definition. Despite the committee’s efforts to address this and other shortcomings in the Bill and to extend the process to sufficiently address this, it was very clear from the onset that this executive Bill was to be expedited through Parliament purely to avoid grey listing. This Bill was introduced in Parliament on 19 July 2022, nine months after the publication of the Mutual Evaluation Report by the Financial Action Task Force in October 2021. Here we are just four months since its introduction in July to pass it.

The Protection of Constitutional Democracy Against Terrorist and Related Activities Amendment Bill has been on the schedule

of Bills since 2018 and so much like the DNA Bill which set in Cabinet since 2017 and was only passed this year. It appears that the executive continues to sleep on the job resulting in knee-jerk reactions which place pressure on Parliament. These two Bills demonstrate very clearly that when it comes to legislation Parliament should not wait for the executive to wake from its slumber. Most of the contentious and contestant amendments in the Bill were not specifically required by the Mutual Evaluation Report and there was a general agreement by the public and many members of the committee that many of the technical amendments were not problematic, and that they should be separated from the other amendments in order to ensure that we find consensus to pass the Bill unanimously. My request to separate these amendments and only deal with those amendments affecting grey listing so that we can debate the content amendments further another time, was not supported.

As I conclude I would like to express my concern that should this Bill be signed into law in its current format that there may very well be serious implications for freedom in our country as the political landscape changes towards 2024. We must make laws that are good for our country’s future, and not just its immediate present. We need to have a vision for that future for our country, its people and their freedoms first.

Dealing with this Bill I was reminded of the immotile words of esteemed legislator and philosopher Edmund Beck whose words should echo in the hearts and minds of all legislators. He said, and I quote:

Bad laws are the worst form of terrorism ...

[Time expired.]

The DA will not support this Bill.

Mr H A SHEMBENI: Chairperson, the EFF welcomes it and it is in support of the Protection of Constitutional Democracy Against Terrorist and Related Activities Amendment Bill. The fight against terrorism requires global solidarity, and not just against those the west define them as enemies – fight against all those intent on causing destruction in the lives of millions of the people. South Africa is not immune to these global threats of terrorism and it is in fact vulnerable of being used as a conduit of terrorist funds and fighters because of our weak security mechanisms.

We also appreciate that this Bill is an attempt to meet the international standards set by the Financial Action Task

Force, a global antiterrorism and antimony laundering standards body. This body has as far back in 2021 highlighted that South Africa has fallen behind some key legislative aspects relating to global financing of terrorism and risks grey listing if these are not addressed. While legislative development should never ever be imposed by external bodies, this piece of legislation is needed to deal with the always eminent threats to terrorism in this country.

We are particularly pleased with the extension of police powers to investigate offences in respect of entering, departing from or transiting through or remaining in any country for purposes of joining or supporting terrorist groups. This would address the problem of having foreign terrorist fighters using our country as a base from which to launch their activities and destabilisation actions elsewhere.

Equally, we are in support of the provision that makes it an offence to hold or facilitate the holding of a property on behalf of persons or entities known to be pursuing terrorist activities.

In light of the involvement of South Africans, particularly white former SA National Defence Force, SANDF, operatives in

terrorists and mercenary activities around the world, we are in support of the criminalisation and strong penalties for those who want to leave this country to wedge unholy wars outside the country for a profit. This must extend to developing strong domestic capabilities to investigate and detect training of these terrorists and mercenaries inside the country. Most of these training activities are disguised as self-defence actions by a few farmers. The reality however is that some white people are training each other for war, either inside or outside the country. The government must be able to deal with them in as comprehensive manner as possible.

Our country’s experience and development of the law after the arrest and detention of Henry Aucamp should have knocked some sense of urgency to develop comprehensive legislation to deal with non-nationals who come to this country with the sole purpose of organising terrorist activities in their own countries. We need a proactive crime foreign intelligence capacity to detect these sorts of crimes.

The destruction of both the crime intelligence capacity and the use of the State Security Agency for narrow political interests of the ruling elite is a present and future danger of the country’s security.

We are however not pleased with the blanket exclusion of academics and journalists from scrutiny for possessing material that may be used for terrorist purposes. While we understand that some academics study terrorism phenomenon and that some journalists genuinely report on these activities, we do think that those must be carefully prescribed so as not to allow the use of these professions by people with all ill intents.

We are in support of the Bill and we are convinced that it will make the country compliant with its international obligations. I thank you, Chair.

Ms Z MAJOZI: Hon House Chairperson, we live in a day and age

...

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Majozi, before you proceed ... Hon Masondo, on the virtual platform, you have been appearing I don’t know how many times now. Please, those who have his number just call him. Thank you. Proceed, hon Majozi.

Ms Z MAJOZI: Hon House Chair, we live in a day and age where terrorism and its related horrific activities are a reality

which must be actively countered by capable nation state intelligence and police services. Co-operation and information sharing partnerships with aligned intelligence agencies from other nation states should not only be encouraged but actively pursued if we are to capably prevent terror cells from flourishing within our borders, striking their targets both nationally and internationally. Such casualties are usually in the form of innocent victims who fall prey as collateral damage to their diabolical ideologies.

For far too long South Africa, through its policies of non- intervention in the fight against global terrorism, has allowed terrorism to flourish at times within our borders. Well, now we find ourselves in the unfavourable position of having both terror cells training and operating not only in our neighbouring states but also reportedly within our borders.

Since 2017 the province of Cabo Delgado in Mozambique has been under sustained terror attacks from the terror group, Ahlu Sunna Wal Jammah, ASWJ, which has reportedly pledged its allegiances to the Islamic state and now conducts its operations under the directive of the Islamic State Central Africa. This group, as of the end of last year, was primarily

responsible for the deaths of 4 000 civilians and the displacement of 670 000 people.

South African nationals were amongst the most significant number of foreign nationals affected by the violence, and 43 South African citizens required emergency evacuation and medical care. South African citizen, Adrian Nel, was the first South African to be brutally killed by members of ASWJ when they attacked a lodge in Palma.

We can no longer stand by with our posture of non- interventionism in terror-related activities, training and recruitment within and outside our borders. South Africans involved with such organisations, as well as terrorists who are foreign nationals but currently within our borders, should find no safe haven or refuge here.

House Chairperson, South Africa remains fertile ground for terrorist activity with our porous borders, and widespread public service corruption particularly in our security cluster and in the localised offices of Home Affairs.

It is also no secret that funding of terrorist activities is often secured within our borders and has been since the

reported leak of the classified National Intelligence Agency, NIA, report in 1998 which detailed the fundraising efforts of certain individuals linked to the Taliban and other religious extremist groups. Violent extremism has no place in South Africa, its neighbouring states nor any democracy in the rest of the world and should be met with equal and opposite lawful response justly executed by our South African Police Services, SAPS, and other organs of our state security apparatus, duly empowered by legislation such as is presented the Bill before us. We must remember however that with such great power comes even greater responsibility by those that wield it. This Bill and its powers, once enacted, must not be abused or used as political weapons by those that push political agendas and who might seek to weaponise these powers against political opponents.

Subject to the above serious concern, the IFP supports the Bill. I thank you, House Chair.

Dr P J GROENEWALD: Hon House Chair, I want to start by saying that the aim of this Amendment Bill is part of the process to ensure and to prevent that South Africa is not grey listed.

So, yes, it is an important Bill and it is good that we amend the Bill. I also want to put on record that I cannot think

that there will be anyone that is against the fact that we have to fight terrorism, and therefore I can say and put it very categorically that the Freedom Front Plus also believes that the fight against terrorism should be improved and not have a situation where we depend on the United States Intelligence Services for alerts of threats in South Africa. That is not a good sign for the intelligence services of South Africa. I understand the Minister tried to defend it but the fact of the matter is that it is a serious problem as far as crime and terrorism is concerned in South Africa.

Hon House Chair, looking at this Amendment Bill, I want to quote specifically the substitution of subsection 5, and it reads as follows,

Notwithstanding any provision in any other law, a political, philosophical, ideological, racial, ethnic, religious or any similar motive, shall not be considered for any reason, including for purposes of prosecution or extradition, to be a justifiable defence in respect of an offence of which the definition of terrorist activity forms an integral part.

Now, hon House Chair, that is the problem that the Freedom Front Plus has with this Bill. I can assure you that one of

the motives of the Freedom Front Plus is that we have a political motive to ensure that the ANC ... and if you look at this definition and this wording then it is quite clear that a government can misuse this clause to act against opponents and by that undermining the democracy of South Africa.

*Afrikaans*:

Ek wil dit baie duidelik stel dat daar baie aspekte is. Kom ek verwys byvoorbeeld na artikel 235 - bepaalde kultuurgemeenskappe het die reg tot selfbeskikking. Dit kan baie maklik deur die regering, spesifiek die ANC, geïnterpreteer word dat dit deel van ’n terroristiese aksie is. ’n Mens kan nooit die ANC as ’n regering vertrou nie.

Daarom sal die VF Plus nie hierdie Wetsontwerp ondersteun nie. Ons stem daar teen, want die ANC kan nie met die tipe van sensitiewe wetgewing in hul hande vertrou word nie. Ek dank u.

The HOUSE CHAIRPERSON (Ms M G Boroto): This time I am not sure whether I should call Rev Meshoe or Rev Thring. Whoever ... [Interjections.]

Mr W M THRING: Hon House Chair, Rev Meshoe is having some connectivity challenges so I will be speaking on his behalf.

The HOUSE CHAIRPERSON (Ms M G Boroto): Yes, that is why I said that because I was informed. Thank you. Hon Thring, proceed.

Mr W M THRING: Thank you, House Chair. Hon House Chair, the ACDP is aware of the need to amend certain definitions of the principal Act so as to bring it in line with developments in international law and Constitutional Court judgments.

Additionally, we understand the need to address the problem of terrorism and simultaneously prevent the grey listing of South Africa, with its resultant economic consequences.

The ACDP notes that the Portfolio Committee on Police received seven public submissions on the POCDATARA Bill, and the submissions made raised serious concerns with some of the amendments. The ACDP asserts that clause 1 of the Bill, relating to the definition of terrorist activity is too broad, and raises our concern that this wide definition has the potential to enable the state to criminalise normal citizens who criticise or challenge the government’s policies or legislation, as encouragement or indirect facilitation of terrorism. We concur with FORSA who have proposed that clause 3, relating to the Prohibition of Publication with Unlawful Terrorism Related Content be scrapped due to the limitation of constitutionally protected speech.

We further caution that the provisions which intend to grant greater powers to the police may infringe unfairly on many fundamental rights including the rights to freedom of religion, expression, and association. The House be reminded that in terms of section 8(1) of the Constitution, the Bill of Rights applies to all law, and binds the state, including Parliament and that section 7(2) requires the state to respect, protect, promote, and fulfil all the rights in the Bill of Rights.

The ACDP believes that this Bill, in its current form, opens the door for widespread abuse to silence and imprison critics of the government or its policies. We do not have to look far for examples, for in 2022 it was reported that internal emails within the Department of Health described groups opposed to government’s proposed health regulations as ‘instigating terrorism’ and ‘sabotage’. This is a clear indication of how this Bill could potentially be used to criminalise normal citizens. The ACDP does not support this Amendment Bill. I thank you.

Mr A M SHAIK EMAM: House Chairperson, I want to ask for your indulgence. I am still on the road. Thank you very much. So my video will be off. I think what is very clear is that we as

government are under tremendous pressure and that has been made ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Are you still there, hon Munzoor?

Mr A M SHAIK EMAM: ... will not criticise or condemn acts of regime change and terrorism against other ordinary civilians or regime change in many nations all over the world. It is also very clear that with the grey listing, the added pressure that we have been put on recently. Now when you look at this Bill, yes indeed I must admit that there are terrorists’ threats in South Africa, in the SADC region, in the continent itself, but all over the world. Yes, indeed.

Now what this Bill does not address or deal with is particularly the international communities that fund institutions or organisations who are terrorists’ organisations in their own right by changing regimes and things in different countries, violating the rights of human beings all over. But those are the very same people that are funding institutions in South Africa, NGOs, NPOs, civil society organisations, political parties, and very little or nothing happens to all of them. The second thing of concern we

have is does SAPS have the capacity - first of all - to understand this Bill and its entirety to be able to implement it? And the other concern, of course, is that will they have the necessary financial resources to be able to do that as well? And the answer is clearly, no. They do not have the necessary capacity.

You know SA Police Service is currently having great difficulty in even dealing with cybercrime which is something new, and here we are introducing something else which we clearly believe that the SA Police Service will not be able to do. The other problem that we have is exactly what is this Bill trying to achieve? Are we talking about terrorist to what extend? What activities conducted by individuals, NGOs, NOPs, institutions or society will be regarded as terrorist activities and not? Now this is what is very important for us to understand. And then we have another added problem and that is the suppression of information, particularly when it comes to the media and things.

So the NFP has serious concerns about this. However, we want to reiterate that any attempt to deal with terrorism anywhere in the world must be dealt with. But let us be equally mindful of the rights of those people that are becoming terrorists

because they have no other option but to become terrorists to protect their own rights. Thank you very much, House Chairperson.

Ms N P PEACOCK: House Chair, a special greeting to the Chief Whip of the Majority Party, and to all our members ... what’s your issue? Thank you. The area that gathered the most resistance in deliberations of the Protection of Constitutional Democracy against Terrorist and Related Activities Bill was on the definition of terrorist activity as defined in the principal Act. The actual amendments proposed in the Bill was only to insert the use of weapons for mass destruction in terrorist activities and actions intended to overthrow our government or any other government. The concerns were based on the broadness of the definition and was regarded as a cash all provision. It was important to get this right as the definition of terrorist activity is the core of the entire Act.

After significant deliberations, we accepted that the approach towards the definition was crafted in 2004, had to be isolate actual terrorism from other crimes to effectively combat terrorist activities. A particular offense established in terms of existing international instruments. But also, to be

proactive, to provide a general definition which is wide enough to combat terrorism. But not too wide to allow abuse of legislation for other purposes than combating terrorism. To ensure prosecution under the Protection of Constitutional Democracy against Terrorist and Related Activities, two principles must be present. First, an act must be committed and secondly the intent must be proven. This is the craft of definition of the terrorist activity. Although it is broad, the intent must be proven.

We have significantly appreciated also the public submission received and the majority of the comments were incorporated into the Bill. Naturally, the committee could not accept all the submissions as some arguments were just plainly ill- conceived. For instance, AfriForum argued the proposed deletion of section 25 and 26 of the principal Act unjustifiably translates the doctrine of the separation of powers by removing parliamentary supervision in terms of resolutions of the United Nations Security Council. Had they considered their approach, they would have realised that Parliament does not the power to amend, approve or reject the resolution by the United Nations Security Council.

The deletion nearly brought the publication of proclamation in line with the existing requirement of the ... [Inaudible.] ... Act. In practice, the publication of notification was done by the President, but it has proven to be a cumbersome process that also delayed the publication of such notices. As the committee, we have listened to the public during the public participation process and have improved the Bill.

We have inserted the definition of crypto asset as used in the definition of property to clarify reference to money, movables, immovable properties, corporeal and incorporeal things. Crypto asset and any rights privileges claims and securities and any interest therein and all process thereof as submissions by the Banking Association of South Africa, and we have included that the provisioning of terrorist related training is an offence and not only receiving such training, and that such training is an offence whether in person, online or any other matter. We thank the ... [Inaudible.] ... for pointing out this important issue.

The committee has deleted the proposed incision of section 38 relating to the prohibition of publication with unlawful terrorist related content. The deletion was based on concerns to the freedom of expression and potential constitutional

challenges. The committee has further deleted section 24 relating to the application of description direction as this is already captured in the Cybercrime Act. We have reviewed the proposing session of section 24B relating to orders to dissemble access to internet or social media sites. The clause now refers to others to the take down or disabled assets to tourism publication and is more in line with the protection of individual rights.

In conclusion, we believe that through this Bill, counter- terrorism related legislation is strengthening significantly and not only bring our legislation on par with international counterparts, but also protects our constitutional democracy against terrorists and related activities. I thank you.

M.Gen O S TERBLANCHE: House Chairperson, this is indeed an important Bill. South Africa is on the brink of being grey listed by the international community. All while the country is already desperately struggling to stay afloat economically. This is yet another example ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Order, hon members.

M.Gen O S TERBLANCHE: ... and proactive steps were ignored, putting us in an awkward position as usual - again. During a compliance visit by the United Nations Counter-Terrorism Executive Directorate in 2008 and the 2019 financial action task force findings, the country rated poorly in that it failed in 20 out of 40 Financial Action Task Force, FATF course standard at all 11 effective measures scoring moderately low. Therefore, the Bill and other general laws like the money laundering and combating terrorism financing were submitted to Parliament for urgent processing.

*Afrikaans*:

Die openbare deelnameproses was wyd geadverteer en het baie groot belangstelling uitgelok. Dear South Africa alleen het 25 652 persone verteenwoordig. Deelnemers se doel was uitsluitlik om bestaande regte te probeer beskerm. Hulle was deurgans bekommerd dat wysigings so vaag bewoord is dat vergrype deur die regering moontlik sou wees.

Die volgende regte is dit wat hulle bekommerd het: vryheid van godsdiens, vryheid van spraak, vryheid van assosiasie, vryheid van beweging, veiligheid, eiendomsregte, ensovoorts.

*English*:

The threat of a possible grey listing of South Africa is very real. A research report initiated by Business Leadership South Africa indicates that there is 85% possibility that this is likely to happen. The economic impact could be in the 1 to 3% range of GDP. An obvious question then is what should be done to avert this from happening? A very short answer’ ... [Inaudible.] ... intervention by most spheres of government.

The challenge is even bigger as far as Protection of Constitutional Democracy against Terrorist and Related Activities Bill is concerned. While the government belated effort is welcome, it is sadly a matter of too little, too late again. Extensive rebuilding of institutional capacity in various government departments is required and will have to be driven ... The DA do not support this Bill. Thank you. [Time expired.]

Mr A M SEABI: House Chairperson, Chief Whip of the Majority Party, Ministers and Deputy Ministers present, and hon members in the House, there 19 international and regional conventions protocols aimed at counterterrorism to which the Protection of Constitutional Democracy Against Terrorist and Related Activities Amendment Bill, Pocdatara, must conform.

As a member state of the United States and the African Union, we are duty-bound to implement such measures that are required from member states including the adoption of legislation to combat terrorism.

As the hon chairperson of the committee stated earlier, the UN has, in addition to the Financial Action Task Force, FAFT, identified deficiencies that must be addressed in our domestic counterterrorism legislation to aid in combating terrorism.

Terrorism is a serious offence. Under the Principal Act, there has been only five convictions since its enactment in 2004.

These five convictions span a period of 18 years. The scarcity of convictions should not be seen as a failure, but rather as an indication of the exceptional serious nature in which the offences provided for in the Act are regarded. This is also aligned to the approach followed in other democratic legal systems.

The seriousness of the offences in terms of the Pocdatara is further supported by section 16 that requires the written authority of the National Director of Public Prosecutions to institute a prosecution in terms of the Pocdatara. The high threshold included in section 16 emphasises the serious and

exceptional nature of prosecutions of this nature. The threat of arbitrary arrest and prosecution on terrorism-related charges are extremely limited under the Pocdatara.

Initially, the committee considered to classify illegal mining as terrorism due to the enormous threat to the economy and the safety of communities. However, we were advised by legal experts that it will not be advisable to classify this as terrorism as the burden to prove intent will be significant in that the proceeds of illegal mining must be directed specifically to fund terrorist groupings. In theory, it means that the illegal mining may in future be prosecuted as terrorism if the NDPP is satisfied that the case will be proved and that the requirements of the amended offence are met.

Instead, we have identified several deficiencies in the legislative framework to combat illegal mining as these operations are currently able to thrive within an ineffective and fragmented regulatory framework. These are included in the consolidated report on oversight visits conducted by the Portfolio Committees on Police, Mineral Resources and Energy and Home Affairs. These defects will be rectified to bring an end to illegal mining in South Africa.

The concerns raised by members that the Bill has been somehow fast-tracked due to failures of government to act timeously, and now pushed through Parliament, is blatantly untrue. We have dealt with the Pocdatara Bill in detail and at length.

The ANC supports the Bill and believe that it, together with the principal Act, will ensure that South Africa is in a position to act decisively against terrorist attacks or the support of terrorist activities. To the contrary, this Bill is not about electioneering, but to make sure that the citizens of the country and the world feel safe when they are in the Republic of South Africa. There is no need for hon Whitfield, Groenewald, and others to panic. It is this ANC government that repealed unpopular apartheid laws. It is this ANC government that said everybody is equal before the law. It is this ANC government that brought the notion of reconciliation despite atrocities committed by the apartheid government against freedom fighters who in the main are black. Therefore, there is no need to ring alarm bells. The ANC supports the Bill. Thank you.

Debate concluded.

Question put.

Agreed to.

Bill read a second time. (Democratic Alliance, Freedom Front Plus, and African Christian Democratic Party dissenting).

# CONSIDERATION OF REPORT OF AD HOC JOINT COMMITTEE ON FLOOD DISASTER RELIEF AND RECOVERY

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon House Chairperson and hon members, on 18 April this year a National State of Disaster was declared by His Excellency the President in response to the severity and magnitude of floods in KwaZulu- Natal, Eastern Cape and North West provinces. We must also remind ourselves that floods and natural disasters have become the order of the day. As early in the year youth sections of South-East Australia, Los Angeles in the United States of America and also lately Pakistan and Bangladesh have been affected by floods. The declaration by the President was in the main meant to facilitate the release of resources required to respond effectively to the disaster and to enable better disaster response co-ordination. In response Parliament established a Joint Ad Hoc Committee on Flood Disaster Relief and Recovery, with the main objectives to focus, amongst others, an engaging the relevant government departments and

entities to assess the overall impact of the damage responses and relief measures by the national departments, also to oversee the response and implementation of the relief measures by the government and to confer with the relevant committees both at national, provincial and local government to facilitate co-ordinated oversight activities.

The ad hoc committee undertook fact-finding oversight visits to the three affected provinces, but due to the extent of damage in KwaZulu-Natal more time was spent there. In total,

10 government departments and entities, three provincial governments and seven municipalities and two Chapter 9 institutions were engaged. The ad hoc committee supplemented all its engagements in the provinces with specific in local inspections to the damage caused and an assessment of the current rehabilitation and reconstruction efforts. In total, more than 24 in local inspections have taken place as well as an unannounced visit. The floods in April-May caused the most extensive devastation in KwaZulu-Natal with 448 reported fatalities and hon members some of these bodies have not been recovered yet.

The Eastern Cape was a second most affected where seven people lost their lives, and it was the Port St Johns Local

Municipality or area in the O R Tambo District Municipality that was affected the most. The North West was least affected, but most of the damage could be seen in uninhabitable areas such as Deelpan Village. The floods also disproportionately affected marginalised communities with particular devastation in informal settlements, especially those in flood-prone areas such as floodplains. The flood warnings had the limited ridge and those communities who received the warning notices of the impending flooding havoc that not seem to know what to do under the circumstances. Much confusion existed around the billion rand in the form of a National Emergency Response Fund that was announced by the President to provide immediate relief. Initially, impression was that the billion rand was dedicated to KwaZulu-Natal while subsequent briefings indicated that it was envisaged as a National Emergency Response and not only for KwaZulu-Natal. In fact, the amount appropriated also fall short of the estimated R17,8 billion that is required to deal with the post-disaster recovery in KwaZulu-Natal only.

While the declaration of the State of Disaster was supposed to facilitate the release of resources required to respond effectively to the disaster and to enable better disaster response co-ordination, many of the presenters that we engaged

stressed that none of these objectives were satisfactory achieved. With exceptions, interdepartmental co-ordination and co-ordination among the three spheres of government have also been in the main poorly executed. The response by the relevant sector departments to the National State of Disaster also lack the expected agency and agility as the announcement from the President indicated that we are dealing with a national disaster. In certain instances the impact of the floods has highlighted by many of the presenters could have been mitigated by relatively inexpensive proactive measures, such as the regular cleaning and unblocking of waterways and culverts and stricter implementation of municipal bylaws in respect of erecting settlement structures in unsuitable habitants.

The general dilapidation of infrastructure due to aging and poor maintenance also exacerbated the impact. The impact of the support provided to municipalities to enable them to comply with the conditions and requirements for access disaster relief funding have not been decisive. In her submission to the ad hoc committee the Auditor-General makes the following key finding, and I quote:

In summary the government’s overall responsiveness to the National Disaster was very slow when measured against its plans.

This finding is also being endorsed by the Human Rights Commission who comes to the same conclusion. In respect of time I wish to focus on some of the recommendations. The National Treasury and the National Disaster Management Centre should improve the support provided to disaster impacted organs of state to ensure that there is timely and accurate submission of funding requests, and to ensure that the quality of the submitted information is satisfactory. The National Disaster Management Centre, NDMC, in particular should also equip municipalities with the requisite skills to develop credible disaster management plans, and it should also further strive to ensure that all provinces meet a minimum set of requirements in terms of disaster response. It seems also as if the funding for disaster relief is hamstrung by legislative requirements to ensure prudent financial management as outlined in the Public Finance Management Act and the Municipal Finance Management Act.

The National Treasury and Co-operative Governance and Traditional Affairs, Cogta, should work together to reconsider

some of these provisions to ensure that funds are released immediately when a State of National Disaster has been declared, and municipalities should enforce stricter implementation of bylaws to erection of human settlement structures in unsuitable habitants. Two weeks ago the hon Nyambi and myself undertook an unannounced visit to some of the areas that were affected in KwaZulu-Natal, and to our horror we found out at one of the mass care centres, they had the last visit that was done to the centre was when the ad hoc committee was there. Now, we must get away, Chief Whip, from all this funfair of service delivery. Service delivery should not be an event, it should happen on a continuous basis, and they should not wait for parliamentarians to arrive when all of a sudden you see the member of the executive council, MEC, you see the mayors and everyone there. It must happen on an ongoing basis.

Finally, I want to state that the response from government departments has been mixed, but there are some shining lights, and some of the practices of the Ministry and Department of Public Enterprises is well following. Finally, House Chairperson, there is a call from parties on the ad hoc committee even though we have reported to re-establish this committee to finish the outstanding work. Therefore, I also

want them to acknowledge the good work that is being done by the support staff to the committee and all the different role- players who presented to this committee. We are also grateful for the extensive contributions of Members of Parliament and in most respect their commitment as well as the assistance that has been provided by the provincial governments and local municipalities where we went to do oversight. Thank you very much.

Mr D W MACPHERSON: House Chair, the story of the floods that devastated KwaZulu-Natal and in parts of the Eastern Cape is a story of the worst of Mother Nature, colliding with the incompetence of the ANC. It is a story of the most vulnerable of society being left to fend for themselves, while politicians, Ministers, mayors, premiers, and MECs promised action while delivering misery.

There can be no doubt that when the first warnings were issued and ignored, the state led down residents at every turn. What this report attempts to paint in large brushstrokes is ANC government arrogance on a grand scale, where excuses came first and the needs of residents came last. Death and destruction from flooding like this was always going to be

inevitable. But the suffering of those that lost loved ones and their homes did not have to be so profound.

The suffering originated when the President ...[Inaudible] ... into KwaZulu-Natal on 13 April, to promise R1 billion to assist in flood damage rebuilding. In a desperate moment for relevance and to be seen to be doing something, the President unleashed the crooked, corrupt and worst elements within government, knowing that payday was just around the corner.

Except on that very moment, the Minister in the Presidency and the Minister of Finance were desperately opening the drawers of government, trying to find the money their President had promised the public, only to find there was none.

Chairperson, months and months of fighting finger pointing and disagreement in government, hampered the rebuilding process.

The former Premier of KwaZulu-Natal Sihle Zikalala, was scathing of the President and national government in our interactions with him repeatedly telling the committee that no money was forthcoming. What the President did in his desperate attempt to seek adulation from the public, was to create an unrealistic expectation that R1 billion was just an eWallet away. But in truth, this disaster exposed the underbelly of our financial problems, that there were no contingency reserve

funds available because they had been spent on SA Airways, SAA, Eskom and other failed state-owned enterprises, SOEs after years of ANC mismanagement.

Fast forward to present day, seven months after the disaster took place, there are still 4 000 people living in shelters or community halls. And to quote from the report, it says:

The time being spent in shelters is fast becoming indefinite. Only 1 042 of the expected 4 100 temporary residential units have been built.

The answer is quickly condemning citizens to a life of zero dignity and further suffering. But why is this? Why has not more been done and what happened to the money? A recent parliamentary reply from the President to the Leader of the Opposition revealed that, R145 million of the Provincial Disaster Response Grant was never made available because no applications had been received from KwaZulu-Natal. It further revealed that, only 17% of the R326 million available from the Provincial Emergency Housing Grant had been used. Of the

R460 million available from the Municipal Disaster Response Fund, only R25 million had been spent, and not a single rand

from the R120 million Municipal Emergency Housing Grant has been spent because no applications have been made.

And finally, of the reprioritised grants for the eThekwini Metropolitan Municipality of nearly R464 million, little or no expenditure has taken place, according to the President. What is the kind of government doesn’t spend money available to help the most desperate of society? An ANC government of course. But there’s a good reason why the ANC government in KwaZulu-Natal does not want to spend this money, that is because the Auditor-General and the ad hoc committee was watching them. They were unable to put money in their pockets. So instead of helping suffering people and spending money correctly, they chose not to because ANC comrades couldn’t make any money out of it. You have to be a special kind of heartless individual or organisation to do that. But that's exactly what government has become.

But however mark my words, now that the ad hoc committee has done its job, the corruption will start emergency procurement and section 36 awards will start to be issued to fix what’s broken, and then they’ll claim victory. It’s a sick game that the ANC governments have played all at the expense of the most vulnerable. The report fails to apportion blame to anyone for

these failures, nor does it hold the eThekwini Mayor responsible for his failure to lead the city through the flood disaster and other latest crisis where large parts of the city are sinking and sewage, or the former KwaZulu-Natal Cooperative Governance and Traditional Affairs, Cogta MEC, Sipho Hlomuka who was entirely absent as the point person for the state of disaster in the province. He was too busy trying to find a job as a provincial official.

In the end, this report is a monument to failure. The ANC governments at all sphere that puts people last and which will not be forgotten by the time the elections come around in 18 months’ time. I thank you House Chair.

*IsiXhosa*:

Nksz N V MENTE: Mandibulele Sihlalo.

*English*:

Today is rather one of those sad days, where a very progressive report will mean absolutely nothing. At first I want to state categorically clear that, we agree with a report and we welcome it. But Chairperson, it was in April this year when days of torrent rains left thousands of people in KwaZulu-Natal, the Eastern Cape and the North West destitute,

without homes and without food. These floods left 455 people dead and almost 10 000 people were homeless.

*IsiXhosa*:

Ukuba besikwilizwe Mbhexeshi Oyintloko elikhathalayo, elinobuntu, elenza yonke into ngobunono nelikhathalele isizwe, ngesithetha ukuba namhlanje yonke into eyathi yayintlekele eyenzeka KwaZulu-Natal, eMpuma Koloni naseMntla Ntshona idlulile. Ayidluli ke kuba simnyama kwaye asikhathalelwanga ngurhlumente wethu omnyama.

*English*:

While the national state of disaster was declared on 18 April and this committee was established on 11 May, the response of the various levels and departments of government to this natural disaster provides a window through which the country should assess the suitability of the ruling party to govern this country. Chairperson ...

*IsiXhosa*:

... wafika uMongameli KwaZulu-Natal wathembisa ngesigidi sezigidi. Le mali isisigidi sezigidi iqale yangundabamlonyeni isaziwa njengemali yaKwaZulu-Natal njengoko usihlalo etshilo.

Kodwa kwaye kwabakho ukukhombana ngeminwe kusithiwa ngubani ofanele ukukhupha imali.

*English*:

The National Treasury ...

*IsiXhosa*:

... ityhola oomasipala isithi abakwazi ukufaka izicelo zemali. Ngexesha sihlala apha sisithi, le yintlekele yesizwe, besithetha ukuba uNondyebo weSizwe makaphume aye ebantwini.

Asizange sithume oomasipala singakhange sithume amaphondo. Kodwa ke njengoko nibona, kwahlalwa iinyanya ezine kukhonjwana ngeminwe ukuba ngubani na oza kuya ebantwini ngurhulumente osiphethatyo norhulumente ongakhange asikhathalele.

*English*:

Four months later on 12 August, the National Treasury reported to have approved some provincial and municipal grants, towards the relief of programmes in the affected provinces. By government’s own estimation and admission, over R18 billion is required to comprehensively deal with a humanitarian crisis caused by these floods KwaZulu-Natal alone. And yet, the authorities have been unable to spend even the little that have been provided for.

Chairperson, that is not the most horrifying of the neglect of government. It has been reported by Cogta that, the departments can only work on the reprioritisation of budgets in order to address the impact of these floods by only April 2023.

*IsiXhosa*:

Baza kuba bephi abantu Mbhexeshi Oyintloko ngelo xesha? Kuza kuba kusenzeka ntoni kubo? Abafundayo nababhalayo sithetha nje, babhala phantsi kweemeko emasikizi behlala kwezo zindlu zingamkelekanga nezingafanelanga abantu abaphilayo.

*English*:

Seventy-two people are still missing in KwaZulu-Natal, and the government has all but stopped assisting the families to help search for these missing people.

*IsiXhosa*:

Abantu abahlala ePalmridge Hotel ngabantu abazakukhethwa ngoluphi uhlobo? Ngabatheni abantu abafanele ukuhlala emaholweni, ingabatheni ekufuneka baye kubekwa ehotele? Ephondweni kwimizi engaphezu kwama-50 abakwancedwa nanamhla. Liphondo likaMbhexeshi Oyintloko ke elo, iMpuma Koloni apho imali eyaphumayo yaziwa kuphela ngabaphetheyo be-ANC ukuba

yatshona phi. Xa sibuza imibuzo KwaZulu-Natal, sixelelwa ukuba umhlaba awukafumaneki.

I-EFF yayilapha inicela ukuba siphumeze uMgaqo-siseko oza kuthi umhlaba mawuthathwe xa ufunwa ngabantu. Namhlanje abantu bafuna umhlaba, umhlaba awufumaneki. Sithatha eli thuba ke sibulele uMongameli we-EFF. Sibulele ...

*English*:

... the commissars and fighters of KwaZulu-Natal ...

*IsiXhosa*:

... abathe ngexesha lokuba abantu bengakhathalelwanga mntu, bolula isandla sabo befaka oko kuncinane banakho ukukufaka. Sithi nangamso kwi-EFF ize nibakhumbule abantu bakuthi kuba siya kwikrisimesi besahlala kula maholo. Ningakhe nilinge nibalibale.

Sihlalo, into eyenzeke KwaZulu-Natal yinto ebekumele ukuba ayenzekanga ukuba oomasipala bethu bebewenza umsebenzi wabo. Ukuba oomasipala bethu abantu abatya imali yokukuqinisekisa ukuba imibhobho yelindle ivulekile, kubekho imali yokuba iindlela zisebenza ngendlela ephucukileyo nokuba amanzi afumaneke kakuhle, bebebanjwa izitshixo zilahlwe kude,

namhlanje ngesingathethi le nto siyithethayo. Into eyenziwa ngurhulumente kubantu baseDeelpan eMntla Ntshona yinto engamkelekange nengasoze iphinde yamkeleke.

Isicelo sethu sithi, yibani nobuntu. Abantu baseDeelpan kuza kuphinda kunethe, baphinde bahlale emanzini. Ukuphuma kwabo kula manzi abanakuphumela etyotyombeni. Khuphani abantu baseDeelpan nibakhele imizi. Ukuba bayakwazi ukuzakhela, bancediseni. Siyabulela Sihlalo.

Mr M HLENGWA: Let me say from the outset, hon Chairperson, the IFP accepts this report. The floods have devastated our provinces and had a disastrous effect on the lives of our citizens. The subsequent failure in disaster relief has highlighted the intersectionality and extremity of the problems facing our country and our government.

The problems have swept away the façade that prior to these disasters our government had been adequately maintaining its roads and infrastructure or effectively taking care of its rivers, people or environment. The report correctly highlights how the impact of the floods was both exacerbated by general dilapidation and poor maintenance and could have been mitigated through relatively inexpensive and proactive

measures such as the cleaning of waterways and the stricter enforcement of bylaws.

Simply put, the basics have not been done for the longest time. On 18 April 2022, a National State of Disaster was declared in response to the severity and magnitude of these floods. The purpose of this declaration was to enable a release of resources and facilitate more agile and effective co-ordination between different government departments as well as with the affected communities. It never happened.

This said the report highlights how the Public Finance Management Act and Municipal Finance Management Act can present barriers to timeous and effective disaster relief as several municipalities experienced delays in accessing funding due to inadequate technical capacity or ability to complete even the most basic requisite forms.

A special dispensation for disaster situations should be considered however, a lack of trust and transparency in the government means safeguarding the release of funds remains a priority and a challenge to a dynamic disaster relief strategy. The slow pace of the government’s response lacks the

urgency of a National State of Disaster and highlights an inability to address post-disaster recovery.

Ethekwini currently faces a sewage crisis as only 20% of their wastewater treatment plants are functional resulting in the contamination of rivers and oceans. In KwaZulu-Natal, 4 983 dwellings were reported as destroyed, however, only 254 Temporary Residential Units, TRUs, have been built.

Furthermore, the TRUs that were completed were done so to an unacceptable standard with 100% of the units constructed being defective. South Africans are left, without psychosocial support to face the trauma of these events while approximately

2 000 trained and unemployed social workers in KwaZulu-Natal remain unutilised.

In considering this report, it must dawn on us that the development of a context-specific, credible and dynamic disaster management plan must be prioritised in each municipality.

*IsiZulu*: Bakithi ...

*English*:

... it’s a crime against humanity to steal money that is aimed at relieving our people from the worst of disasters. We must applaud Parliament for taking a proactive step but it must not end now. We need to continue with this oversight because quite frankly the challenges are many.

*IsiZulu*:

Abantu basahlala emahholo. Izingane zinezinkinga ezikoleni. Abantu abanawo ukudla. Baphezu kosizi. Imigwaqo ayiphelile. Izingqalasizinda azilungisiwe. Ukufika kwemali kuhamba kancane. Ngakhoke ...

*English*:

... I want to thank the Chairperson of the National Assembly and the NCOP and all my colleagues for the good work that we did. I think we worked well ...

*IsiZulu*:

... ngoba kwesinye isikhathi abantu bakithi abayidli ipolitiki, badla usizi, badla ukuhlupheka ekudinga uma sifika la singapolitiki kodwa sizivume izinkinga ukuthi zikhona sizilungise.

*English*:

The IFP supports this report.

Mr I M GROENEWALD: Hon Chair, when we speak of disaster management, we must start at its roots which is disaster risk reduction. Why, may you ask, must we start at the roots? That is due to the fact that a big portion of the tragedy that we have seen in the recent floods could have been avoided if we had a caring government that put its people first. Let me give a few examples of how disaster risk reduction, specifically for flooding, is being implemented internationally:

Dresden in Germany has a nature-based solution. This is generally referred to as the sustainable management and use of nature for tackling societal and climate challenges, water and food security, human health and disaster management.

Indonesia, Italy and Portugal all use educational materials, community engagements, workshops and training, social and other campaigns, exhibitions and museums to educate and create a community-based awareness of floods and what to do should it happen as part of their readiness for disasters.

South Africa’s Disaster Management Act gives a legislative responsibility to all three levels of government to develop, maintain, report, access, plan and review strategies,

occurrences, and awareness, and to fund them. If for any reason any of these structures cannot fulfil its mandate, it must be reported and must take any such steps as deemed necessary to secure compliance, but due to lawlessness, arrogance and corrupt, power-hungry deployed ANC cadres who only attend to disasters after they have happened, the loss is greater than it should be.

The loss of infrastructure could have been less if maintenance plans were in place and adhered to. Humanitarian challenges could have been less if it were properly planned for and had there been less corruption in the ANC government structures.

Water could have been effectively provided had there not been local mafias that want the supply contracts. Had there been co-operation between departments and different levels of government and not a silo-working approach, there could have been an effective and quick response. Citizens acted better,

quicker, and more effectively in the time of need than the ANC government.

The true heroes of the disaster-stricken areas are not uncaring, “look at us, we give a billion rand to save you” government, but those citizens that had nothing and still assisted their neighbours, family and friends. The government

failed those citizens because it did not have disaster strategies and plans in place that had been reviewed and adjusted to save lives. The ANC did not comply with their legislation. The ANC did not care enough to attend to the matters that could save lives. The ANC is the monster robbing citizens of their right to a safe and clean environment. The ANC is the monster robbing local economies to rebuild, after a disaster, and the ANC is the monster that did not educate the children of this country on how to act in a time of disaster. Shame on you!

*Afrikaans*:

Wetgewing is daar om die burgers van die land te beskerm. Hier sien ons weer dat, indien wetgewing nagekom is en die nodige planne in plek gestel is, vele lewens sonder twyfel gered sou kon word. Sou volhoubare herstelplanne in plek gewees het, sou werksverliese beperk kon word.

Sou volhoubare strategieë in plek gewees het, kon verdere werksverliese soos wat in die toerismebedryf in KwaZulu-Natal plaasgevind het voorkom gewees het en sou ekonomiese skade beperk kon word.

Swak munisipale infrastruktuur, wat bygedra het tot die skade en die dringendheid van die herstel daarvan, dra by tot verdere krisisse en kan uitloop op verdere humanitêre rampe.

Sou wetteloosheid en korrupsie nie daar gewees het nie, kon dit die belastingbetaler se sakke gered het.

Die monster wat die oorsaak is van die ramp na die vloede, is geïdentifiseer. Sy naam is ANC. Dankie

Mr W M THRING: Hon House Chairperson, as we consider this report, the ACDP remembers the many lives that were lost in the floods, and this should spur everyone on to learn from the lessons of the devastating floods so that the areas of omission are never again repeated. The devastation, brought by the floods, wreaked havoc, washing away or damaging thousands of homes, including roads and key infrastructure.

In KwaZulu-Natal, the three districts most impacted were Ethekwini, Ugu and iLembe. In eThekwini alone, 31 220 jobs were affected and the damage to the Toyota plant caused some

30 000 employees to become temporarily unemployed. Water and electricity outages added to the misery of millions of residents, whereas in eThekwini, in access of 100 power

stations were severely affected by the floods. Additionally, the cost to the business sector and the economy was estimated to be around R25 billion.

One would have thought that after coming out from one of the most unnecessary and harshest lockdowns in the world, where over three million jobs were lost, only to be faced with a natural flood disaster, our government’s disaster relief programmes would kick in speedily. That, however, would be wishful thinking, as this report clearly states that sustained follow-up by state departments in the aftermath of the flood disaster has not been forthcoming. Rather it was the church, and other religious and nongovernmental organisations, like Church Alliance for Social Transformation, that stepped in to provide humanitarian support where the government failed.

The MR559, or Milky Way Road, leading to the community in which I serve, and to thousands of other communities in KwaNdengezi, Mpola, Tshelimnyama and Shongweni was washed away, together with the pipes directing a stream into the nearby river. A diversionary route of rocks and sand over the stream has been created and this is completely unsustainable. This is but one example of failed promises, failed service delivery, and the missing R1 billion. Much of the damage

caused to homes, businesses, water and sanitation infrastructure, roads, and bridges, could have been avoided or minimized had proper infrastructure maintenance and repair been done in the first instance.

For goodness’ sake, let’s not blame our deteriorating infrastructure on global warming. The ACDP welcomes and supports this frank report. I thank you.

Mr A M SHAIK EMAM: Thank you, House Chairperson. I am back, so, I can put my video on. You know, Chairperson, had we known that we were spending a lot of taxpayer’s money, to send this committee to come back to insult and criticise each other, then maybe it would have, on second thought, not sent them, because I think that they had a purpose and correctly so, let me welcome this report, it’s a true reflection of exactly what is happening on the ground.

Thank you to hon Frolick and team, for giving us an insight in some of the problems, of course, many of which we know for a long period of time, one of them being of course, the lack of capacity as local government level, to be able to deal with, not just for disaster, but in a normal work. If you look at the crumbling infrastructure and the things that have given

rise to situations they find themselves in, I think that the flooding has only aggravated it.

But, had there been no flooding at some stage, they were still going to have a problem because ... [Inaudible.] ... infrastructure any way. I think that, what must come of this, Chairperson, is that, there must be some consequences for these people that, despite allocating the source of the disaster management, they are not able to spend it timeously, and yet, they have not solved the problem.

I must also admit that, perhaps the avenue of the environment is not conducive for some of them to actually know. If you look at what is happening in eThekwini, with the massive scandal that has just taken place out of the water tankers, I can tell you, Chairperson that, water tankers scam is a norm in KwaZulu-Natal in particular. Also, in most of the municipalities where they have water crisis, that is a problem.

They are bringing in these water tankers, it’s another way of the night sleeping money out of them. So, I think that, what is important to note is that, the report that we have, gives us an indication of a serious situation we find ourselves as

the local government. Secondly, what are we going to do, to prepare these very same municipalities, if there is going to be another disaster? Thirdly and very importantly, what are we going to do to get them to up their game, to provide capacity and on keeping with management for those that can’t do their work?

You know, and of course, more importantly, I must take it to hon Frolick, why must national Parliament go to local government? What are they getting paid for? Why are they not doing their work? They need national government to now spend money and their time, and go out there to conduct oversight, to ensure that, they spend the money timeously and deal with the challenges that they face, as a result of flooding.

For me, this flooding is just another excuse for them because of their failure over a long period of time, Chairperson. So, the NFP will support this report with the hope that there will be some consequence management, for these people that are failing to provide the services that they are paid for. Thank you very much.

Ms D R DIREKO: Thank you, Chairperson, Deputy Ministers, Chief Whip and members. As the ANC, we have learnt not to lose our

heads in crisis, but to tell the truth and come up with tangible solutions to the problems that we are facing. This is something that the DA knows nothing about, because all that they know, is to use the unfortunate situation of our people, to score cheap political points.

It is necessary in this phase that we are facing, not to want to grandstand. Such behaviour of the DA, is like the one that their great grandfathers used on our grandmothers, to use the unfortunate situation to score political points. This is very heartless, and it lacks the spirit of Ubuntu. Hon Groenewald, your approach towards this discussion is really, really disappointing. It is a perfect example of a desktop oversight.

You were never there when we were going all around. You just came here to present whatever you wanted to present, hence you were speaking about the monsters, it is because you had nothing to say. You were so important to come with us to make your white feet dirty in the sandy crowd of KwaZulu-Natal, the Eastern Cape and the North West. Hence you say whatever you wanted to say because you were never in that situation. You just had to come here and say something.

Hon Chairperson, as the ANC, we are concerned about the pace of discovery in KwaZulu-Natal, the Eastern Cape and the North West flood disaster impact. It is really disappointing that, nearly eight months after the disaster, we still have people living in shelters, which raises questions as to, how long will those people be staying in those shelters? How long will those people be transferred to the temporal residential areas? When are they going to be transferred to the permanent residents?

Also, how long will that process take place because, the Temporal Residential Unit, is not supposed to be more than a year? But they have been staying in those shelters for almost eight months, and that environment is not a conducive one? As we speak now, the situation that we are facing is really lacking sense of urgency, consciousness, political will and administrative leadership in all the spheres that are affected in this matter. This has resulted to the delay to the response that we needed in this disaster.

The level of delay and displacement of families who continues to live in the shelters and Temporal Residential Unit, necessitates the immediate intervention by the government. We are now facing festive season, where most of the families are

going to spend time with their families. Unfortunately, for the disaster victims, it will not be the same because, they have been deprived an opportunity to spend time with their families, because of our slow pace on addressing this matter of the disaster.

To avoid history from repeating itself, we must draw some lessons from this disaster. There should be proper co- ordination, effectiveness and a reasonable timeframe for addressing our challenges. These should be our priority as the government. However, despite the difficulties that I’ve just mentioned, there were some positive stories that we’ve also observed in some of the municipalities and the government departments after our first visit.

We’ve also seen an improved forces of allocating Temporary

Residential Units, TRU, the restoration of damaged bridges by SA National Road Agency, Sanral, in some of the municipalities such as Amanzimtoti and others. We call on national, provincial, municipal leadership and public servants to make an urgent intervention to ensure that, all skills are utilised to rebuild and reconstruct the destruction which has been caused by the disaster, as the public representatives.

We expect the various spheres of government to respond to the commitment of the President, which enjoined all the organs of state to act together, and also to make sure that they deliver what they are supposed to do to our communities because, our responsibility is to serve our people. It is really disturbing that, the President went to KwaZulu-Natal and made some commitments, and on the other side, those who are supposed to implement, have failed on duty. So, someone is sleeping on duty, and there is a need for consequence management.

We must acknowledge and commend some of the critical interventions by the government, although they were late. The lack of sufficient disaster management capacity, resulted in the President deploying the SA Defence Force, to assist with the rescue mission and rebuilding of ... [Inaudible.] ... and infrastructure. Despite the shortfalls, the national government also, was able to respond helpfully, by drawing from all relevant departments and their entities. The hon member from the DA also asked, what happened to the money?

This is really funny because, all of us were part of the Auditor-General’s meeting, where the Auditor-General was explaining exactly the expenditures which were used during this disaster.

So, on the Auditor-General’s report, he explained what exactly happened with the money, unless if that DA member was not there, then he don’t know what happened. But, all the means of communication were there. Therefore, everybody was able to hear what the Auditor-General was saying. We were even given an opportunity to ask questions regarding this matter. So, it is really funny and so unfortunate that, we will try to come here to grandstand and speak about elections. We are not speaking about elections, we are speaking about the livelihood of our people.

So, those one with funny characters, you will see them in situations like this. The heartless organisations that only cares about themselves, but nothing else. The DA monster. The Department of Social Development has also provided social protection by working with civil societies and various partners from different provinces and businesses, who ensures that, affected families and residents have food, although it was not enough. But we must also commend the level of solidarity displayed by the South Africans and the government at all levels. The spirit of Ubuntu displayed by the nation, should also be one of the issues that we learn from this disaster because, it really made an impact.

It shows that, if we can stop blaming one another and work together, we can achieve more. We have expressed a concern with the pace of recovery and reconstruction in restoring the people’s lives to normality, as some continue to live in temporary accommodation, despite funds being allocated, while other victims still lacks continuous support of food.

Chairperson...

*Sepedi*:

... re ile ra ya ...

*English*:

... in one of the shelters, where we met a young boy who was about 18 years, and they were there in that unconducive environment. We then asked him, how does he survive? He said that, the fact that I am able to wake up every morning, hope keeps me alive. That statement alone speaks to us as the government to say, if we have the government that people have voted for, and have trusted it with their lives, when they are in that situation, they speak about hope. This means that, somewhere somehow, we need to find a way of correcting mistakes that we have committed so that we bring hope back to our people.

This must be done by the government, not any political parties like what the DA is doing, by coming here to blame the ANC. All of us in these days, we are government, and we have a responsibility to ensure that, we provide services to our people. Also, this disaster did not only happen to the ANC-led municipalities, but it also happened to some of the municipalities that belongs to the opposition, and we also experience challenges in those municipalities. But because in this committee we work as the one team, we were able to come up with solutions.

So, it is very funny that others will come here to grandstand. It is really embarrassing, and it does not represent our committee very well. The problem of the municipalities and provincial departments, leading to develop project plan and application as required by Treasury for allocation of funds, has resulted on the delay of the project, and we really need to come up with the solution. We must find a way of releasing the funds immediately when we have disaster, because when we were there to deal with the issue of disaster, it took some of the municipalities two to three months before they could apply for the funds of the disaster.

This happened because, they were unable to master the red tapes and the systems, hence there was a delay. So, it is important that, the Departments of Cooperative Governance and Traditional Affairs and Treasury come up with the way that will be able to make the government to effectively deal with the disaster. [Interjections.] [Time expired.]

Mr M H HOOSEN: Hon Chairperson, may I start by saying to hon Direko that she shouldn’t actually be blaming the DA for the ANC’s failures. When one reads this report and all the details in it, you will see very clearly in this report how Parliament exposes the ANC for its own failures. So actually, hob Direko**,** it’s not the DA that you must blame for the ANC’s failures.

You guys are doing a fine job all on your own and this report actually proves that.

If there is ever an opportunity to test the responsiveness of any institution or government department, it comes at a time of a crisis. The floods of April 2022 was an ideal opportunity to test our different levels of government’s ability to respond in a manner that brings hope for its people.

Within days of the disaster, President Ramaphosa announced a R1 billion flood relief fund, but to this day, seven months

later, some departments have yet to spend that money to provide the relief that the President had promised.

When one reads this report, it exposes exactly how poorly all levels of our government have responded to the flood disaster. At the outset, I must mention, to the credit of both chairpersons of the committee, that this ad hoc committee acted in common purpose across all political parties, which was very positive. Regardless of our political backgrounds, it is fair to say that all members of this committee were genuinely committed to ensuring that there was an effective response to the flood disaster that impacted on thousands of families.

What we found as a committee was that, although in many areas there was some good progress being made in respect of repairs to damaged infrastructure, there was however a common lack of urgency, extraordinary delays and poor response from almost all levels of our government from local to national government departments. To this day, since April this year, there are still hundreds of people — men, women and children — sleeping alongside each other in community halls here in KwaZulu-Natal. Hundreds of other families have been relocated several times already with little or no respect for their dignity. No amount

of complaining is yielding any results, which is why it took the DA to lead a march recently to the Human Rights Commission to speak up for those flood victims because our government in KwaZulu-Natal simply does not care, nor do they respond with the urgency that the situation requires.

For example, public infrastructure in eThekwini remains in a serious state of disrepair and the longer it takes the more expensive it will become to repair. Every single day without fail in Durban, you will find sewage flowing onto the streets and into rivers. Dozens of damaged sewer pump stations that were destroyed during the floods have yet to be repaired and most of this is flowing onto the beaches in Durban.

If any of the hon members here are planning a beach holiday in Durban this December, just remember our beaches are full of kak [faeces]. The ANC government in eThekwini is fast asleep. These days, the mayor is also nowhere to be found. He didn’t even bother to turn up to brief the committee on eThekwini’s response to the flood disaster when the committee first visited eThekwini.

I do believe that this committee has done well to expose the weaknesses and poor responses by provincial and municipal

governments. The reality is that this report is actually a scathing report by this Parliament against ANC-run governments and exposes their inability to operate efficiently and effectively at a time of crisis.

Where we as the DA believe that the report is lacking is in terms of its recommendations. While most recommendations make sense, the report fails to recommend strong and stern action against politicians and officials who have dragged their feet at a time when urgent action was required. Sadly, once again like many reports that appear before this House, there is no accountability for poor performance and unsurprisingly all of these poor performers are ANC-run governments. So, the one big takeaway from this very good oversight work that this committee has undertaken is simply that ... [Inaudible.]

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you very much. Your time has expired. Thank you, hon Hoosen. Hon Hoosen, your time has expired. Hon Mangcu? Oh, before you there is hon Hope.

Mr A H M PAPO: House Chair, I wanted to check whether that word which the member used is parliamentary or not. He used the word kak [faeces] in the House.

The HOUSE CHAIRPERSON (Ms M G Boroto): Oh, I didn’t hear that but I will revert to Hansard and then I’ll come back to the House. Thank you. Hon Mangcu? Hon De Villiers ...

*Afrikaans*:

... is ek reg?

*English*:

Mr J N DE VILLIERS: Yes, Chairperson. I would just like to say that as an Afrikaans speaker, that word was used correct technically.

The HOUSE CHAIRPERSON (Ms M G Boroto): No, hon member! Hon member?

Mr J N DE VILLIERS: It’s a ... [Inaudible.] ... swear word.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon member, I’ve already ruled on that one. Please don’t try. No, don’t do that. Order, hon members! Hon Mangcu is one the podium. Hon De Villiers and hon ...

*Afrikaans*:

... asseblief Radebe! Moet nie worry [bekommerd wees] nie. Ek sal daarna kyk. Gaan aan, agb lid Mangcu.

*English*:

Mr L N MANGCU: House Chairperson, Chief Whip of the Majority Party, Ministers, Deputy Ministers and fellow South Africans, firstly, we should once more send our condolences ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Please wait. There is a lot of echo, ICT. I don’t know. It has been happening, but going down, happening, going down. Thank you. Proceed.

Mr L N MANGCU: ... in particular those who lost their lives and those who still have missing persons. We particularly remember the life of Sgt Busisiswe Mjwara who lost her life while conducting a search in the Msunduzi River. Sadly, she also lost a dog named Leah that was assisting her to recover people. There are many others whom we have not mentioned by name. Our hearts and prayers go out to them. These are the people whom we should be remembering as we present this report here today, which amongst many things has proven that if we work together we can achieve more and if we listen, unlike what hon Hoosen didn’t do — he didn’t listen — you will understand that this devastation affected municipalities

across political lines. However, we never went there to look at who is running this municipality. We went to look at what our people were suffering from. This is what this report presents.

Climate change is not a distant reality for the earth and our country but we are in the midst of it. Climate change poses a significant risk to the country’s development because floods and other disasters can reverse our infrastructure development gains. Therefore, all spheres of government must develop and prioritise adaptation and mitigation strategies to learn and to listen of the negative impact of climate change on infrastructure development, especially as the roll out of infrastructure through the Economic Reconstruction and Recovery Plan happens.

The flood disaster created an estimated loss of about R25 billion and the post recovery is estimated at about R17,8 billion. The floods impacted negativity on the logistical transport modes of road, rail and sea.

In terms of Transnet Freight Rail’s rolling stock, it was indicated that a total of 433 wagons and 100 electric diesel locomotives were damaged. Transnet is also assessing the

damage to the rail network. I don’t know where the ANC’s failure came in there. Where a flood damages Toyota, I don’t know where the ANC’s failure comes in there. That is why it is very disheartening ... that is why it is very disheartening when you hear people grandstanding here.

Transport infrastructure, in terms of the road, rail and port infrastructure of KwaZulu-Natal, needs to be restored urgently as this is the transport infrastructure which is the gateway to the major inland.

As all previous speakers have said, progress has been slow, but with increased funding by government through the Division of Revenue Amendment Bill for areas that experienced flooding, implementation progress needs to be accelerated. Road development has been allocated an extra R1 billion.

Implementation of infrastructure plans for transport is critical for economic development and growth.

We as the ANC welcome the establishment of a climate change unit to develop adaptation and mitigation plans for the port. This project also needs to be accelerated and we cannot continue discussing plans to infinity.

Social infrastructure was also impacted upon, with homes and schools being destroyed, which has resulted in a disruption in teaching and learning. I think the hon Hlengwa highlighted those particular areas.

We note that the KwaZulu-Natal provincial government has commenced developing temporary residential units, TRUs, but one thing that we as a committee noted is the inconsistency, for instance in the pricing of these TRUs. In one province the price is different to the other one. It’s something that we highlighted and we think there should be uniformity.

The issue of spatial development or the usage thereof of land is something that government has to take very, very seriously. As I said, the government has thus far allocated R1 billion as a national response. Treasury has, at the 12 August 2022 meeting, which some colleagues mentioned, approved a total of R429,8 million in provincial and municipal disaster response.

So, there is no money that is missing. All the money ... If you listened to Treasury and you listened to the live audits of the Auditor-General of SA, AGSA, you will know that there is no money missing. Well, I wouldn’t be surprised because the colleague who talked most about things never bothered to go to

any other place other than eThekwini. So, that’s why his input could only have been focused on eThekwini. He was never in Port St Johns, he was never in the northern parts of KwaZulu- Natal and he was never in the North West, yet he comes and grandstands here as if he was in all those things. So, he was never there. We know whom we are talking about. He went to one place. I didn’t even want to tie his party to him because I think other people in his party could’ve done better. It was the wrong deployment, Chief Whip of the DA. Next time you must

... [Inaudible.]

Mr W M THRING: Let’s be clear its hon Wayne Thring and I was in the other provinces as well.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Thring, please. Are you ... What is ... Hon Thring? Okay, I think ... Proceed.

Mr L N MANGCU: The government’s weaknesses concerning maintenance in the lack of planning and budgeting as a percentage of infrastructure expenditure didn’t go unnoticed. The focus on developing new infrastructure will result in a reciprocal decline in the capacity of the services provided. This will happen due to the nonfunctionality of the

infrastructure. The report highlights that and many colleagues have said that specifically.

Electricity supply is also being normalised, although the beaches as we have been told with that word which I don’t know how to repeat ... However, all of these are being normalised and faults are being dealt with. Most of the roads have been reopened and where it is required, rehabilitation has commenced. Bridges were also restored while some bridges were under construction. A lot has been said about the response, Public Enterprises and the Minister, as well as the former premier there, in that regard.

Work on the 23 hospitals and 24 clinics which the floods had damaged is carrying on and ... need to continue servicing the community’s health needs. However, we believe that most of the health facilities in the province of KwaZulu-Natal are now functional. The reconstruction of the Bayhead Canal has already been mentioned.

In conclusion, the ANC supports this report and once more we thank ... Vuyo has already thanked the leadership of hon Frolick and hon Nyambi, and the working together of every person in that committee. It was such a wonderful team to work

in and we think that a lot more can be achieved. We also need to congratulate the emergency workers from different provinces that went out there, even those who came from the DA-led Western Cape. They went there to save people. We thank each and every one who went out there. Their purpose was to save lives. That was the primary purpose. Our going out there as an ad hoc committee and as a collective was to see where the lapses were. To the FF Plus, shame on you! Shame on you! That with such a disaster you should come and mislead people by saying that there is missing money. There is no money missing because you were never there. You were missing in action.

Shame on you!

An HON MEMBER: Well done!

Debate concluded.

The CHIEF WHIP OF THE MAJORITY PARTY: House Chair, I move that this report be adopted with all its recommendations because it is going to take this country forward, having seen most of the political parties united on what must be done. Thank you.

Question put.

Motion agreed to (Democratic Alliance dissenting).

Report accordingly adopted.

# RULING

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon members, on

8 November 2022 during Members’ Statements hon Peacock said the ACDP are openly homophobic and has endorsed outlandish ideas about COVID-19 vaccines.

The hon Swart rose on a point of order and asked the chair to consider whether it is parliamentary for a hon member to accuse a party, which includes its members, of being homophobic?

At the time, I said I will look into the matter and revert back to the House with a considered ruling.

Having studied the Hansard, I rule as follows: Hon Peacock indeed said that the ACDP are openly homophobic. It is clear from the record that hon Peacock was not referring to a specific member but to a political party in general.

Whilst the rules clearly and necessarily prohibit reflections on members, they do not forbid reflection on formations or groupings such as government or a political party in general.

We have always drawn a distinction between allegations against members of the House and the expression of opinion about the beliefs and policies of political parties.

References made against a political party are made frequently in this House and have not been ruled unparliamentary. It has been consistently ruled in this House that reference to a political party are not unparliamentary, even when those references may be considered unparliamentary if they had been directed at specific members of this House.

Hon members, our Constitution affirms and celebrates us in our individuality, our commonality and our diversity. Let us respect each other at all times and uphold these constitutional values. Let us reflect this in type of discourse we have in this House as a public representative. I want to thank you.

Hon members, I will ask the secretary to read to the last Order ...

Mr W M THRING: Hon House Chair!

The HOUSE CHAIRPERSON (Ms M G Boroto): Yes, hon Thring?

Mr W M THRING: Hon House Chair, I’ve had my hand raised and I’m not sure if you’ve seen it?

The HOUSE CHAIRPERSON (Ms M G Boroto): I can see it now, hon Thring. Yes?

Mr W M THRING: Chair, on behalf of the ACDP I just want to thank you for your ruling but also just clearly state the ACDP is not homophobic, we differ, but we are not homophobic. Thank you.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon member, it was not necessary. That was just a ruling. Thank you very much.

# CONSIDERATION OF BUDGETARY REVIEW AND RECOMMENDATION REPORT OF PORTFOLIO COMMITTEE ON EMPLOYMENT AND LABOUR

There was no debate.

*Declarations of vote*:

Dr M J CARDO: Hon chairperson, the budgetary review and recommendations report of the Portfolio Committee on Employment and Labour is a good example of fiddling while roan birds.

Like this Parliament, engulfed in flames, thanks to a combination of negligence and indifference, the country faces another coming conflagration; the slow burning anger of over

11 million unemployed South Africans.

Our committee doesn’t seem too bothered by it. What other than laxity and apathy could account for this meaningless report?

The product of the ANC’s hallmark mediocrity.

Joblessness will destroy our society but the ANC couldn’t be bothered to do anything about it, that is why the unemployment rate keeps on rising.

In 1994 the official unemployment rate was 20%, today it sits, as we know, from the third quarterly ... [Interjections.] [Inaudible.] ...

*Afrikaans*:

Die HUISVOORSITTER (Me M G Boroto): Ag nee, agb Moss.

*English*:

Hon Moss, please!

Continue, Dr Cardo!

Dr M J CARDO: ... today that rate sits at 32,9%. The Department of Employment and Labour has failed to tackle its expanded mandate of job creation.

The department should be focusing its efforts on supporting labour intensive sectors like light manufacturing and tourism to create new jobs and take on new workers. This is where the opportunity for growth and access to a global market of seven billion consumers lies.

Through labour markets deregulation, the department should be making it easier for businesses to absorb large numbers of relatively unskilled workers into productive employment and it should be championing the course of small business owners who are choked by the extension of collective bargaining agreement and other onerous labour regulations.

In the face of these challenges, the observations and recommendations in this report are feeble and the DA cannot support them. Thank you.

Ms C N MKHONTO: Chair, the budget review and recommendation report by the Portfolio Committee on Employment and Labour is yet another demonstration that we have turned such an important role of the committee into malicious compliance.

The department oversees two important entities responsible for managing billions of rands on behalf of workers, the Compensation Fund and the Unemployment Insurance Fund, UIF. They both failed to submit financials to the Auditor-General.

The Compensation Fund is managed by one of the most incompetent administrator whose arrogance and close proximity to the director-general is the only reason why he continues to earn a salary while his performance is a disgrace. The Compensation Fund has failed to implement endless turnaround strategies, but every time he comes to Parliament is like he was employed yesterday. He tells members of Parliament that the Compensation Fund is delivering but turns around and tells service providers that they owe money that they don’t have money. They continue to receive bad audits.

Officials don’t want to disclose their financial interests because there are no consequences.

The department has failed to fill its critical positions including inspectors. This is not new.

We don’t know why Productivity SA exists and why we continue to spend money on it.

Mpumalanga and Limpopo branches of the department are as good as closed.

To support this report is to endorse incompetence, corruption and betrayal to our vulnerable workers; let alone the millions of unemployed young people. The EFF rejects this non- performance report, Chair. Thank you.

Inkosi R N CEBEKHULU: Thank you very much, House Chairperson, I am standing here on behalf of my colleague hon Ngcobo who is not available today. In light of the latest unemployment statistics released by South African Statistics we are all acutely aware of how severe South Africa’s unemployment crisis truly has become. The 44% of South Africa’s working age population is unemployed. This is not only unsustainable, but

should be a primary concern of the government and the Department of Employment and Labour and its entities. The median age of … [Inaudible.]is 27,6 years and this is an entire young population which should be active and working to grow failing economy but there is a lack of jobs and opportunities. As the IFP, we echo the youth’s frustration.

The government needs to do more to add drive and create jobs.

The report also echoes the same sentiments recommending that the Department of Employment and Labour needs to do more to collaborate with other departments and public agencies to populate employment figures and encourage small business to create more employment, especially for youth and women. The committee also noted the material conditions that exacerbated the level of unemployment including COVID-19 which can no longer be used as an excuse for the failure of the department to promote and create job opportunities.

This same … programmes are failing in other departments just as it is failing our people. It is concerning that an entity which is created to create jobs cannot fulfil its core mandate. The supported Employment services inability to generate ... Thank you.

*IsiZulu*:

I-IFP iwuxhasile nokho umbiko.

Ms H DENNER: Thank you, House Chair, the expanded unemployment rate for the third quarter is 43,1%. This means that nearly half of the economically active population in this country is unemployed.

*Afrikaans*:

Dit is ’n fratsgolfkrisis wat daagliks dreig om Suid-Afrika te verswelg, met die privaatsektor as enigste skans tussen ons en die vloedwater. Die Departement van Arbeid en Werkskepping, wat veronderstel is om die werknemers en werkgewers van hierdie land te beskerm, bemagtig en bevorder skiet ongelukkig ver tekort. Verder, as sodaniges se lot slegs aan hierdie departement oorgelaat was het ons lankal verdrink, want dieselfde foute word herhaaldelik gemaak.

*English*:

Chairperson, the BRR Report of the Department of Labour and its entities insufficient as it is highlights many persisting problems in this department, one of which is a lack of consequence management. The Auditor-General also notes this in their report stating that the material areas identified within

the department itself, Nedlac and Supported Employment Service are due to inadequate audit action that plans that fail to address the root causes and a culture of consequence management that is still not implemented effectively

*Afrikaans*:

Eweneens is dieselfde probleem, wat jaar na jaar voorkom en telkemale deur die komitee of laat ek liewer sê die opposisie uitgewys word, steeds ewigteenwoordig. Dit wil voorkom of die ouditaksieplan om die Ongevallekommissarisfonds om te keer of te stadig is of glad nie werk nie. Steeds is hierdie fonds nie gereed om geoudit te word nie, met die Openbare Beleggingskorporasie, wat in ongelyste entiteite belê het en hierdie entiteite wat voetesleep met die voorsiening van finansiële inligting wat as verskoning voorgehou word.

Weereens, die skreiende gebrek aan verantwoordbaarheid, want nie net moet dit ’n institusionele kultuur wees nie, maar moet verantwoordbaarheid ook van filiale vereis word.

Dieselfde waarnemings, dieselfde voorstelle, gesaniteer deur die ANC meerderheid op die komitee, maar steeds gebrekkige vordering. Die VF Plus ondersteun nie hierdie verslag nie.

Dankie.

Mr A M SHAIK EMAM: Thank you, House Chairperson, once again, this department is being reckless when it comes to irregular expenditure. Well, it seems to be the norm, with almost 34% of our people unemployed in this country. And of course, the youth going to about 70%. what is really this department doing to protect the employees, particularly of South Africans and our own people?

I have a ... Chairpersons, with the Minister and this department on numerous occasions of the violation of our workers’ rights in South Africa, where the Chinese are paying our workers R60 a day and this is consistent through the length and breadth of South Africa.

This department even gave a commitment that they will meet, have done very little or nothing about it, and the question that arises - why? Let’s look at the issue of the UIF and particularly maternity benefits. Did you know, Chairperson, before this mother went through already whatever she did in giving birth to this baby, gets that money when the child is already walking. That’s how bad it is as far as the department is concerned. The Auditor-General has already raised question about fruitless and wasteful expenditure. This department is doing nothing in this country to protect the rights of the

workers and in any event, they talk about a high unemployment rate but what is it doing when the Chinese businesses employ locals and foreigners in this country with no benefits whatsoever. How is it then that they are protecting ordinary South Africans that they are right? What is the purpose of having a minimum wage of R4000 and people are getting paid R60 a day? But this department will do nothing about it. So, I think this department should shutdown. They are wasting our time and wasting taxpayer’s money. Thank you, Chairperson.

*IsiNdebele*:

USIHLALO WENDLU (Kkz M G Boroto): Hayi, babu Basopu, oh, Dr Basopu, hayi, yazi awuthomi namhlanje, ngiyabawa. Nangabe uyangizwa, usitshwenye khulu. Siyadludla kuwe.

Ragela phambili, baba.

Mr M J WOLMARANS: Thanks, Chairperson and the House, the stats that are normally bandied around, especially of 1994 are opportunistically used and we know that a lot of analysts are not in agreement as the TBVC states were not yet included in such statistics. So, the DA assertion of those statistics are wrong informed

Chairperson, we are delighted with a continuous improvement that the Department of Employment and Labour and its entities demonstrate in the management of their finances. The improvements that I’m referring to are the ones that have been noted by the AG having been amplified by the CCMA that has obtained unqualified audit opinions. So, the department and its entities are working around the clock to achieve unqualified audit opinions and the CCMAs accomplishments shows us that this can be achieved.

Hon members, it should be noted that even before COVID-19 pandemic, our country’s economy was on a sort of a recession, amongst others, due to existing structural constraints. COVID-

19 exacerbated the economic conditions and which were already dire. The department helped in as far as making sure that a lot of our workers are cushioned from this devastating blow and many businesses were saved. They are busy rebuilding and picking up the pieces and everything is going in that direction.

I conclude by saying, we must not only comply but we must be seen as agencies from the department and importantly so to contribute immensely in reconstruction and development. We see the department is moving in that direction with regards to a

lot of opinions that have come through and for that matter the ANC is supporting this report. Thank you, Chair.

Question put. That the Reported be adopted.

Declarations of vote made on behalf of the Democratic Alliance, Economic Freedom Fighters, Inkatha Freedom Party, Freedom Front Plus, National Freedom Party and African National Congress.

Motion agreed to (Democratic Alliance, Freedom Front Plus, African Christian Democratic Party and Economic Freedom Fighters dissenting).

Report accordingly adopted.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon members, I am going to request you to stand and wait for the maze to leave the Chamber. The Serjeant- at- arms. That is how we should be doing it. Thank you very much. The House is now adjourned.

The House adjourned at 17:31.