Address by (MP) Cde Lindelwa Dunjwa on the Budget Vote Debate of the Department of Employment and Labour

21 July 2020

On behalf of the Portfolio Committee on Employment and Labour, I want to pay tribute to Minister Thulas Nxesi who is in self-isolation after testing positive for COVID-19, as well as other members of the Executive and Members of Parliament and their families. We wish them all a speedy recovery. We also extend our sincerest condolences to the families who have lost their loved ones.

Three days ago, we celebrated the birth of our icon, uTata uMadiba. The event was more sombre this year, as the Mandela family had laid to rest their last-born daughter, Comrade Zindzi on the previous day.

We were inspired by the tributes paid to the giant of our liberation struggle during the 19th annual Nelson Mandela memorial lecture, particularly the keynote speech by the Secretary General of the UN, his Excellency Antonio Guterres.

I personally took away the message that Neuroscience tells us; that pre-school education changes the lives of individuals and brings enormous benefits to communities and societies. In order to close the inequality gap, between the rich and the poor, developing countries must invest more resources to expand access to pre-school education.

**Context**

The International Labour Organization (ILO) announced in June that globally, job losses in the formal sector had risen to 400 million or 10.7 percent, owing to the lockdown measures implemented by governments.

The situation in the informal economy is four times worse as 1.6 billion workers (nearly half the global workforce) were in immediate danger of losing their livelihoods. The loss of income for millions of workers unfortunately means no food, no security and no future.

As we debate these Budget Vote Adjustments, we must spare a thought for these workers and their families. This situation reminds me of a verse in the working class song we sang in the trade unions, SOLIDARITY FORVER:

It is we who ploughed the prairies, built the cities where they trade;

Dug the mines and built the workshops, endless miles of railroad laid;

Yet we stand outcast and starving midst the wonders we have made;

But the Union makes us strong!

**Budget Vote Adjustments**

The Department of Employment and Labour has been thrust into the forefront of government’s socio-economic response to COVID-19. Through budget adjustments, the Department has suspended about R262 million from the main budget.

* Programme 1: Administration, the amount is about R72million;
* Programme 2: Inspection and Enforcement Services, R48.4 million;
* Programme 3: Public Employment Services, the amount is 50.6 million;
* Programme 4: Labour Policy and Industrial Relations, R90 million.

We commend the work done by National Treasury and the Department that the bulk of these adjustments do not affect the critical services.

**Recognition of work done by the UIF**

The Unemployment Insurance Fund has had to manage a massive project way outside of its normal scope, by disbursing COVID-19 relief funds to millions of workers. As a result, the fund experienced teething problems, as it had to stretch its human and financial resources to ensure that it played this role.

The challenge of undeclared employees who were not registered with the UIF by their employers added an administrative burden that contributed to the delays in the processing of claims. We must also commend the work done by Nedlac in facilitating the resolution of some of the problems encountered by the UIF.

The swift apprehension of suspects in the case of theft of R5.7 million in COVID relief funds meant for 1400 workers has restored our people’s trust in the law enforcement agencies.

The Portfolio Committee has welcomed the investigation of other cases and we call on the NPA to ensure that those who have been arrested are put behind bars and, where possible, their bail applications should be opposed. The Committee has also encouraged the UIF to close the loopholes in its systems in order to prevent the recurrence of such incidents.

**Adoption**

We believe that this House must adopt the Adjusted Budget Vote for the Department of Employment and Labour.