Address by (MP) Cde Nombulelo Lilian Hermans on the Budget Vote Debate of the Department of Employment and Labour

21 July 2020

Budget Vote 31 is debated when our country is in the peak of the COVID-19 pandemic. This is a particularly difficult time for workers, particularly frontline health workers, who literally risk their lives every day to save the lives of South Africans.

I dedicate this speech to the workers of our country and employers and managers who have done all they can to ensure that they protect the lives of workers in the frontlines of service delivery and provision of essential goods and services since the national lockdown was declared in March.

The Portfolio Committee has recommended that funds must be moved from other programmes where the need is less urgent to ensure that the CCMA is able to employ more commissioners as its workload is expected to increase dramatically, owing to the rise in disputes in the workplaces. In this regard, the National Treasury must be approached for increased funding of NEDLAC, in order to increase its capacity to facilitate consultations on lockdown regulations and on the social compacts that are necessary for the economic recovery from the fallout of COVID-19.

South Africa has achieved a progressive labour law and regulatory framework through the struggles by millions of workers who forced the apartheid regime to recognise trade unions and the right of workers to collective bargaining.

Since 1994, the overwhelming majority of the working class have given the ANC a mandate to advance labour policies and industrial relations that the uphold high standards envisaged by the International Labour Organisation. The Basic Conditions of Employment Act, the LRA and Employment Equity Act constitute the foundations of South African labour law. Contrary to the allegations made by some in our society, these pieces of legislation play a crucial role in facilitating job creation and economic growth.

**Dealing with the fallacies of the right wing**  
The advances of workers must be guarded with vigilance at all times, because there are those – such as the DA, Freedom Front Plus and their allies – whose mission is solely to return the South African economy to the apartheid levels of exploitation of workers.

Their argument, which is replete with falsehoods and fallacies is that our labour laws place a burden of so-called “red tape” on SMMEs, give trade unions too much power and that the minimum wages that are too high. Besides the fact that these arguments are in conflict with the Bill of Rights in our Constitution which guarantees the rights of workers and employers to engage in collective bargaining, it is not based on facts. Research conducted by the Fiscal Policy Institute showed that countries that have raised their minimum wages have experienced better employment and small business growth than those that have not. Research shows that the cost shock of the minimum wage is small relative to most companies' overall costs. A study by the Berkeley Institute in the United States found no evidence of employment loss in states that have increased the minimum wage and more evidence that suggests employment increases faster when there is an increase in the minimum wage. Economists explain that higher wages place more money in the pockets of workers, and their spending boosts SMMEs, which contributes to economic growth and job creation.

According to the ILO, South Africa has experienced positive wage growth starting from 2016 after a phase of mostly zero growth during the period 2012–16. However, this growth is distorted by the fact that it occurred mostly in the public sector. Wages in the private sector have been stagnant for more than a decade. We would argue that, as the ILO explains in the 2019 Global Wage Report, stagnating wages are an obstacle to economic growth and rising living standards. The ILO recommends that governments should explore, with their social partners, ways to achieve socially and economically sustainable wage growth.

**Mobilisation of workers and society to fight COVID-19**  
The ANC calls for the mobilisation of workers and society at large to commit to adhering to government regulations to curb the spread of COVID-19. As the President has said, quoting uTata Mandela, it is in our hands to defeat the invisible enemy - coronavirus. As our experience in the fight against HIV/AIDS has taught us, the tendency for people who have tested positive to be stigmatized in our communities and workplaces undermines the efforts to curb the spread of the pandemic.

**Mobilisation of workers to combat sexual harassment**  
We call on the organised working class, and women in particular, to wage a struggle against sexual harassment in the workplace and gender-based violence and femicide in our society. These phenomena grow in society when people develop a level of tolerance for the undermining of the human dignity, the achievement of equality and the advancement of human rights and freedoms; all of which are the foundational principles of the Constitution.  
We call on workers to advocate for the amendment and enforcement of Code of Good Practice on the handling of sexual harassment cases in the workplace.

**Pseudo-left sloganeering of the EFF**  
We need to dismiss the pseudo-left sloganeering of the EFF. The EFF thrives on misinformation and making wild promises that are not grounded in the socio-economic and political realities of South Africa and the world.

The EFF has been vocal in calling for a hard, national lockdown with no end in sight, ostensibly to save the lives of our people. At face value, this position seems reasonable. However, if we drill down to the essence, the jingoistic attitude of the EFF is exposed in the words of the EFF leader who said on 28th May: “We should do like we did during apartheid - we must refuse to comply and stay at home. We must engage in a stayaway. If this white economy collapses, let it collapse. If we are going to die of hunger, let us rather die with our boots on than dying protecting the white monopoly economy. It is not our economy. If death comes, let it come - but we must die proud that we defied protecting the white economy.”

These are the words of a man who lives in a predominantly white suburb, earns a salary of an MP and enjoys the life of the wealthy and well-fed.

Unfortunately, the majority of workers do not have this option to choose to die of hunger in the name of wanting to collapse the economy. The ANC as a responsible government also does not have this option of asking people to choose death.

The ANC government cannot lift all the lockdown regulations, as the DA, FF Plus and other right-wing hacks have been demanding.

That is why we call for a balanced approach that saves lives and livelihoods.

**Conclusion**  
As we support the adoption of the Adjusted Budget Vote, we endorse the recommendations in the Committee report, including the advertising of the services of Public Employment Service programme to potential users in Public and Private sector to boost placement of registered work-seekers in registered work-opportunities.