**THE NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**2745. Mrs E N Ntlangwini (EFF) to ask the Minister of Trade and Industry:**

(1) On what date was his department first made aware of G4S’s refusal to abide by its Broad-based Black Economic Empowerment (BBBEE) Employee Share Ownership Plan, whereby 13% of the company would be allocated to a G4S staff trust to comply with its BBBEE agreements, with employees becoming shareholders and being entitled to dividends after five years of uninterrupted service;

(2) whether his department is investigating the matter; if so, (a) what is the status of the investigation and (b) on what date did the investigation start? NW3038E

**Response:**

1. According to the Broad-Based Black Economic Empowerment Commission (“B-BBEE Commission”), some G4S employees visited its offices on 13 June 2017 for informal guidance and process to be undertaken on a matter where employees believed there may be a violation of the B-BBEE Act. The employees were advised to lodge a complaint and provide details of the issue for consideration by the B-BBEE Commission.

On 5 April 2018 following a media report on the G4S employee ownership scheme, the B-BBEE Commission decided to intervene on its own initiative in the absence of a complaint to gather details of the scheme to determine if the scheme is compliant to the B-BBEE Act. A letter was dispatched to G4S on 13 April 2018 requesting the entity to provide all relevant documents in relation to the trust and its B-BBEE status for the B-BBEE Commission to determine whether the scheme is compliant to the B-BBEE Act.

Pursuant to receipt of requested documents, a meeting was held on 21 June 2018 with representatives of G4S to obtain further clarity on the ownership structure of G4S in detail with specific focus on the employee trust as one of the reported black shareholders in the company. Further documents and information were received from G4S subsequent to the meeting.

Subsequent to the B-BBEE Commission’s intervention, the B-BBEE Commission received a formal complaint on 16 July 2018, which is being considered in terms of the B-BBEE regulations as part of this process. The matter is receiving attention and the B-BBEE Commission will communicate its decision regarding the matter in due course in the interest of the public.

1. According to the B-BBEE Commission, the matter is under consideration in line with regulation 15 of the B-BBEE Regulations, and the B-BBEE Commission is not in a position to communicate on this matter at this stage as this may prejudice the complaint process and the parties thereto.