

MONITOR

A monthly briefing sheet to keep communities informed about what is happening in Parliament

Did you know?

A web-based service, which will empower small business with knowledge and tools to access finance, has been launched by the Department of Small Business Development. Find out more here: finfind https://www.finfindeasy.co.za

The Third National Imbizo Focus Week takes place from 30 November to 6 December 2015 under government's five year theme "Together we move South Africa forward". Government leaders will interact with communities around the country.

StatsSA reported that the country's unemployment rate rose to 25,5% in the third quarter of 2015. Of the working-age population of 36,1 million, 15,8 million are employed, 5,4 million are unemployed and 14,9 million are not economically active.

Life expectancy in the country has risen from 52 years in 2006 to 61 years in 2014. Child mortality has been halved over the past decade.

South Africa has taken over chairing the Open Government Partnership (OGP). OGP was launched in 2011, has 66 country members, and is an international platform to make governments more open, accountable and responsive to their citizens.

The Small Enterprise
Development Agency runs a
hotline for companies that
have not been paid by
government on time. The
hotline number is 0860 7663
729. Over R300 million in
payments have been resolved.

School Readiness for 2016

During a briefing on school readiness for next year, the Department of Basic Education reported that the education sector has this year strengthened its monitoring of system readiness to ensure an effective start to the academic year. Monitoring is split into two parts – monitoring ahead of the closure of the academic year and monitoring at the beginning of the academic year. The monitoring is common amongst all provinces and one of the requirements is the registration of all learners into the system by September of the preceding year. This assists the Department to prepare for the upcoming year by establishing which schools have a larger than normal number of applications as well as those that have had an outmigration of learners. It did note that although the deadline for most provinces was 30 September, the Department still had not heard back from the Limpopo and Eastern Cape provinces.

Despite extensive communication, many parents are still submitting late enrolment applications and this poses a problem for provinces in getting the proper support material. There are two reasons for this: parents who ignore the published closing dates and parents from rural communities who move to big cities at the beginning of the year to lodge applications. Informal settlements that spring up around established communities due to the influx from rural to urban areas also present a challenge as it is tricky to predict expected numbers ahead of the new year. This is particularly difficult for urban areas and impacts on a whole range of provisioning issues ranging from classroom space to teachers and textbooks. English Medium schools perceived as providing 'better quality' also face an annual challenge of managing and accommodating all the applications they receive. In provinces where learners are admitted on a 'first come first served basis' local learners who do not apply on time, experience challenges with placement. Other factors include insufficient schools in urbanised areas and the ever present demand for spaces at schools of choice and the tension between the rights of school governing bodies (SGBs) to determine the admissions policy in terms of SA Schools Act.

Another of the department's priorities is to deliver minimum infrastructure. This includes adequate classroom space for all learners registered in the system and work spaces for educators to enable proper teaching and learning to take place; adequate school furniture for both learners and educators; and basic services (water, sanitation, electricity) especially ensuring sufficient toilet seats for learners and teachers in line with school enrolments. Many of the predominantly rural provinces continue to struggle with infrastructure but provisioning has been strengthened in all these areas. The Department admitted that the school readiness assessment will also serve to source more accurate information on these issues as its information gathering processes – although greatly strengthened - continues to provide information that is not always accurate.

A DA MP pointed out that in the Eastern Cape, the 800 extra desks that were promised in a previous State of the Nation Address still have not arrived. In Limpopo, the R34 million budgeted for furniture for the current financial year has not been spent. Consequently, a large number of students are sharing chairs, desks or sitting on the floor. Members questioned why the Department is so focused on new buildings and not maintenance, were sceptical that provinces would meet the deadline for the delivery of textbooks and asked if the Department has a method to monitor curriculum delivery at the beginning of the year.

Socio-Economic Rights for All

The Minister of Water and Sanitation briefed lawmakers on the Bucket Eradication Programme (BEP) progress report. The Programme is focused on removing 57 329 bucket toilets in formal areas that were established before 1994. The verified number of **bucket toilets eradicated** as at 20 October 2015 is 15 544 which is 27% of the total. The outstanding 73% of the work still to be completed is 41 785 toilets, of which 13 420 will be completed by implementing agents, while the balance of 28 365 will be completed by the Department by March 2016. The Department initially aimed to achieve full eradication by 31 December 2015 but had to extend the completion date to March 2016. The Department explained that the extension was needed due to the negotiation of prices with subcontractors on standardised rates, hard rock conditions in the Northern Cape, choice of the type of sanitation solution, as well as the location of the structure. Members noted that this was a concurrent function but felt that due to the lack of capacity inherent in local municipalities, it would be better if all water and sanitation issues could be handed over to the National Department. Some were unhappy that the Department asked for an extension, as the challenges were known even before the programme started. Others questioned the verification figures, which claimed that there were no bucket toilets in certain provinces. They pointed out that the Department was lacking in monitoring and evaluation, pointed out the use of septic tanks needed to be investigated and asked whether the Department was sure about its new target timeframe of March 2016, as would it not be extended further?

The cost of tertiary education has been at the forefront of the national debate and the parliamentary agenda following unprecedented protests across the country, which led to the closure of university campuses, the storming of the parliamentary precinct by demonstrators and the eventual decision by the President to freeze fee hikes for higher education next year. The Minister of Higher Education and Training informed MPs that the protests were fuelled by a number of burning issues, the immediate one being the proposed 2016 increments in student fees. However two specific and more systemic issues underpin this: a) underfunding of the university system in general and b) the demand for free higher education. The Minister said that free education for the poor was a goal that should be fast-tracked and that the cost of the 0% fee increase would be shared between government and the universities, each according to their means. As a medium term solution, his department will explore the possibility of developing regulatory frameworks in the area of fee increments and interrogate the balance between the institutional autonomy of universities and the need for public accountability. The National Development Plan set a target of 500 000 university graduates every year for the next 15 years. This objective will not be achieved if additional funding is not chanelled into the system. The Committee expressed concern about where the money to fund the 0% fee increase would come, and the fact that the sector as a whole seemed to be underfunded. They noted the low level of university funding as a percentage of gross domestic product in South Africa, which was below global and continental averages. Some MPs voiced concern about the financial health of the universities, the National Student Financial Aid Scheme (NSFAS) disbursement mechanism and the failure of students to repay loans.

The Portfolio Committee on Labour continued its discussion on the proposed National Minimum Wage with a discussion document prepared by the parliamentary research unit, focusing on the impact such legislation would have on the agricultural sector. Some of the reasons for recent employment losses in the agriculture sector include the excess employment prior to the implementation of the sectoral determination and the higher wage bill which encouraged farmers to shed the excess unskilled labour and replace them with more skilled workers. Farmers anticipated the legislation and increased capital investment (tractors, machinery and implements) by 83%, thus displacing labour on the farms. Further research also suggests that "it is impossible to disentangle the impact of the minimum wage on employment from other factors that might have had an equal, if not worse impact on employment levels. Such factors include trade liberalisation, exchange rates movements and adverse weather conditions". To illustrate this, it was noted that from 1993 to 2001 – prior to the introduction of the minimum wage. but in the period in which trade liberalisation took effect - employment in agriculture fell by 32%. Members of the DA felt that the report was not impartial and was being used to further the ANC agenda, because when the statistics had initially been presented to the Committee, the tone of the study had been to shed light on the impact of a national minimum wage on the employment sector. They argued that it was unfair to place responsibility entirely on legislators, because employment as a whole -- and especially in the agriculture sector -- was on a downward spiral. In many other countries, the imposition of a national minimum wage usually led to a decrease in employment and widespread job losses. The ANC hit back to say that the Committee's oversight mandate included establishing how to implement a national minimum wage after a sufficient investigation and Members as elected officials would not benefit from a national minimum wage, but they were representative of the people who would. The researcher concluded to say that the agricultural sector faces many challenges that range from unique sectoral conditions, industrial strategy, trade dynamics as well as broader economic conditions (including domestic consumer demand) and all these have a critical role in determining how a sector performs. Hence, when designing a wage policy, broader macro-economic and sectoral challenges have to be considered to ensure a balanced policy outcome.

Legislative developments....

The National Assembly approved the <u>Criminal Matters Amendment Bill</u>. The Bill is intended to build safer communities by addressing the threat and damage that the theft of metal causes to essential infrastructure that is used to provide or distribute basic services to the public. Given the impact of this form of criminal activity, the Bill also introduces strict conditions for the granting of bail for those accused of committing these offences, as well as making minimum sentences applicable on conviction. The law still has one more hurdle to clear in the NCOP.

Cabinet approved two new Bills for introduction into Parliament: New Development Bank Special Appropriation Bill will enable South Africa to pay its first capital instalment of R2 billion to the BRICS-led New Development Bank for the 2015/16 financial year; and the Finance Bill which provides for the authorisation of unauthorised expenditure of R110 million between 2004 and 2011. The unauthorised expenditure was overspending incurred by The Presidency, the Department of Women, Children and People with Disabilities, the Department of Social Development and the Department of Trade and Industry in different years.

Cabinet approved publication of the National Health Laboratory Service Amendment Bill, 2015 in the Government Gazette, for public comments. The amendments strengthen the governance and funding mechanism of the National Health Laboratory Service so as to enhance access to health care.

The National Assembly passed the <u>Judicial Matters Amendment Bill</u> and sent it to the NCOP for concurrence. During the public hearings, civil society voiced their disagreement with regards to clauses 15 and 19, which sought to amend the reporting obligations under the Criminal Law (Sexual Offences and Related Matter) Amendment Act 2007 and the Child Justice Act (CJA) 2008, respectively. They argued that the proposed amendments would have the effect of lowering and watering down the current reporting standards. In their view, the amendments undermined the obligation on departments to collaborate with one another and to report in a consolidated manner. The changes would result in piecemeal reporting on progress on the implementation of the laws as such reporting would be dispersed across a wide range of Annual Reports. The removal of the requirement for dedicated reports would also in all likelihood reduce what should be high level, detailed, integrated reports to a few paragraphs in various departmental Annual Reports. The Department of Justice and Constitutional Development accepted the argument put forward by civil society and redrafted clauses 15 and 19 of the Bill to address their concerns.

Government intends to review of all agriculture-related legislation dating from the apartheid era. This legislative review is in addition to the current Bill being drafted on land ownership ceilings and land reform.

The Finance Minister has published a draft <u>Carbon Tax Bill</u> for public comment. Written comments should be submitted to Dr Memory Machingambi, email: <u>Memory Machingambi@treasury.gov.za</u> by 15 December 2015

The Minister of Higher Education and Training confirmed that a Higher Education Amendment Bill will be tabled in Parliament before the end of the financial year. Amongst other things, the proposed law will empower the Minister to determine transformation goals for the higher education system and institute appropriate oversight mechanisms.

The Portfolio Committee on Home Affairs adopted the <u>Local Government: Municipal Electoral Amendment Bill</u>. This paves the way for the Bill to be forwarded for consideration and approval by the National Assembly. Once in force, the bill will, amongst other things, provide for different modalities for payment of electoral deposits and provide for the electronic submission of candidates nomination documents.

The Department of Basic Education intends to introduce legislation that would curb the power of school governing bodies in the appointment of senior staff. A draft version of the Basic Education Laws Amendment Bill proposes that school governing bodies have no part in the appointment of school-level heads of department, deputy principals or principals. It proposes that that such appointments be made directly by the heads of departments of education in the nine provinces.

Comment is sought by 30 November on a <u>draft Debt Collectors Amendment Bill</u> that, once in force, will subject attorneys providing debt collection services to the jurisdiction of the Council for Debt Collectors.

In an introductory briefing to MPs, the Department of Rural Development and Land Reform explained that the **Extension of Security of Tenure Amendment Bill** sought to enhance existing legislation and strike a balance between the rights of the existing parties on the farms, such as the farm dwellers, farm labourers and the farmers. The Portfolio Committee on Rural Development and Land Reform agreed that a thorough process of public hearings was needed. This would be carried out in January 2016 across the country over a 2 - 3 week period.

The Minister of Environmental Affairs Minister published the <u>National Environmental Management Laws</u> <u>Amendment Bill 2015</u> for public comment.

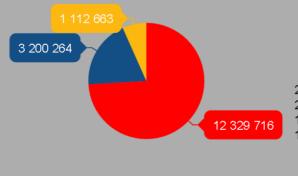
CONTACT PMG: Phone 021 465 8885, e-mail info@pmg.org.za

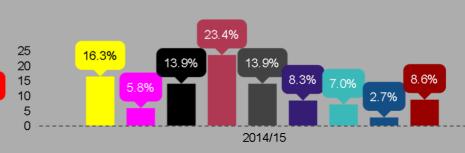
SASSA Beneficiaries 16 642 643 social grant benefits paid in





Social grants benefits per province: 2014/15





Children's grants (74%) 🔃 Older person's grants (19%)

in social grants

FS GP KZN LIM MPL NW NC WC

Disability grants (7%)

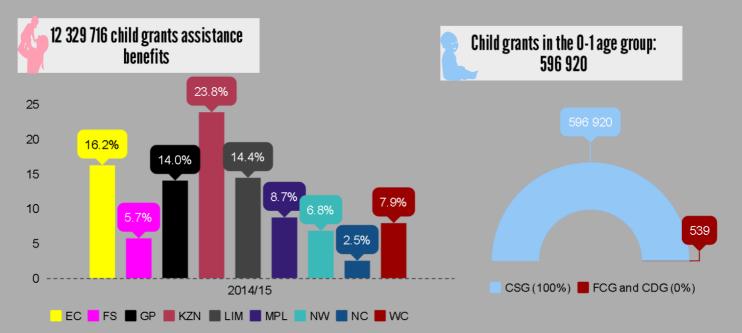
Child grants make up 74% of social grants 4.46% increase

Most grant allocations to KZN (23.4%), EC (16.3%) and GP & LP(13.9%)



Breakdown of children's grants per province for 2014/15





Most grants allocations to KZN (23.8%), EC (16.2%) and LP(14.4%)



