1. Social delivery

(1) *Reprioritisation of spending*

This year's budget sees nearly 60% of non-interest spending going to the social services and a total of R30 billion to the protection services. R19 billion is to be spent on building the economy and supporting industries. This commitment to social spending is approved and reflects the goals of RDP spending.

It will only be possible to pass comment on a number of the social service allocations once the provincial budgets have been tabled, as reductions in the national allocation are in some instances due to functions and budgets being devolved to the provinces. Specific central spending figures are thus misleading, as function shifts result in significant additional social spending by the provinces.

The Committee supports the underlying principles and the general thrust of the expenditure proposals, believing that they strike a balance between the key priorities in the country, while not losing sight of the need to stabilise public finances.

The Committee welcomes the retention of the RDP Fund as a channel for receiving financial assistance from external donor sources, and further supports its termination as a channel for allocating budgeted amounts to departments for RDP projects.

The Committee also notes that there has been an orderly winding down of the RDP Fund as a channel for departmental RDP project funding, as evidenced by the provision in the 1997-98 budget for carry-through costs of RDP projects amounting to R4 368 billion.

Evidence of reprioritisation of spending has begun to emerge in sharper relief in the 1997-98 budget, with a clear shift in priorities and spending towards poverty relief, social development and crime prevention. As regards crime prevention, it is a welcome development that the 1997-98 budget has achieved alignment with the National Crime Prevention Strategy by providing funding for the three-year programme, which includes—

(a) making the criminal justice system work better; and

(b) improving the functioning of the protection services.

In this regard the role of Business Against Crime is noted with appreciation as a clear statement that crime is as much the responsibility of society as it is of the government.

(2) *Poverty relief*

Poverty relief must always be a feature of government programmes, especially in times of transformation. In this regard, tax relief for the lower tax brackets and the allocation of an additional R375 million for specific poverty relief programmes are welcomed by the Committee. It is difficult to get an overall view of all spending on poverty relief in the budget. It would be useful to have a consolidated audit of spending on relief programmes. This would enable the Committee to assess the adequacy of spending on poverty relief programmes.

It is essential that we ensure that moneys spent on such programmes are carefully targeted and actually reach the people at which they are directed. The role of NGOs can be critical in this regard.

While the Committee endorses tax relief aimed at the lower tax brackets, concern has to be expressed that the tax burden on individual households continues to increase.

The Committee, in recognising the hardships brought on the poorer communities by their tax burden, places strong emphasis on the need for effective and well-managed poverty relief programmes, such programmes to be planned and introduced in conjunction with the tax reform process.

(3) *Job creation, infrastructure development and capital expenditure*

The GEAR strategy, as reflected in this budget, envisages a competitive private sector creating significant numbers of sustainable jobs, along with job-creating infrastructural investment.

The Budget Review indicates that growth in employment has actually declined by 1,5% in 1996, after growing by only 0,5% in 1995. While recognising that declining employment is a world-wide phenomenon, the Committee also realises that, unless between 300 000 and 400 000 jobs are created by the turn of the century, the South African economy and social fabric will be under extreme pressure.

Oral evidence suggests that the Budget Review figures are a "worst-case" picture. They exclude a number of job-creating programmes, including public works programmes (which have created approximately 25 000 jobs) and the destruction of alien vegetation initiative (7 000 jobs); they also exclude the inadequately recorded self-employed, micro and small business sectors and the unrecorded informal sector.

The budget is intended to create the environment in which job creation can accelerate. With this in mind, the government believes that structural changes in the economy (as discussed above) are starting to take effect and will result in a significant upturn in employment.

For instance, figures collected by Trade and Industry and the IDC suggest that adjustment to new lower tariff rates has been quicker than expected and that industries such as textiles, clothing and motor vehicle manufacturing should start to see employment growth.

Key job-creating programmes in the year ahead will include the following:

(a) Increased municipal infrastructure investment through per capita local government grants is estimated to create 242 250 jobs by the end of 1997.

(b) The recently approved supply-side measures and incentives (R1,5 billion in the budget).

(c) The almost dozen spatial development initiatives planned for the subcontinent, providing a range of attractive labour-intensive investment opportunities.

(d) Specific employment opportunities emerging from the DTI's industry-cluster studies, including tourism, down-stream chemicals and others.

It is the view of the Committee that during this period of economic restructuring, public works programmes have a critical role to play in *interim* poverty relief and skills training. The short term public works programme (which has received an additional R300 million in this budget, after receiving R250 million the previous year) is providing casual employment as poverty relief while addressing certain immediate community needs as well. The medium term programme intends to create slightly longer term jobs, which will include an important training component. The key to their success is the forthcoming Green Paper on Transforming the Construction Sector.

It is recommended that specific job targets on both these schemes, and the municipal infrastructure investment programme, be closely monitored and included in future Budget Reviews.

The Committee welcomes the government's commitment to public/private partnerships in relation to service delivery and infrastructure development where costs can be recovered. It is suggested that regulation of such initiatives must explicitly set and monitor employment targets.

The key to successful partnerships include an appropriate regulatory environment, inclusivity of all stakeholders and designing each partnership to reflect the uniqueness of the nature and context of each project.

The definition of capital expenditure in the budget is inadequate, as it includes items such as computers while not specifying certain types of infrastructural development. However, despite these definitional deficiencies, it is nevertheless disturbing that capital expenditure in the budget is down from 2,6% of the GDP (in 1996-97) to 2,1% in the year ahead. This must, however, be noted in tandem with the healthy capital expenditure of parastatals noted above.

There is little doubt that the development of small, medium and micro enterprises can make a meaningful contribution to job creation. However, concern exists at the extent of funding in the budget for such development as well as the capacity of the institutions created by the government to support this development. It is recommended that Parliament closely monitor progress in this regard, especially in the area of access to the state procurement process.

The role and effectiveness of all the development finance institutions also requires close monitoring. Where appropriate, the budget should in future explicitly assess the employment creation in this sector.

A key to job creation is improved productivity. While total factor and labour productivity have shown encouraging improvement, capital productivity remains stagnant, primarily due to the high level of real interest rates. Accelerated decline in personal consumption and government dissaving is required to provide relief in this regard. This imperative, therefore, further reinforces the need for the tight approach to fiscal discipline adopted in this budget.

A further concern in relation to productivity enhancement is a perception of the continuing failure of the private sector to significantly raise spending on training. While the government must improve the quality of output on its education and training spending, the private sector must—as a critical component of the new patriotism—increase the quantum and quality of its spending in this area.

While the clustering of ministries to address overarching issues such as employment is to be welcomed, it is nevertheless essential that next year's budget states explicitly, and in greater detail, exactly what success or failure is being experienced at all tiers of government and in the economy as a whole in relation to employment creating growth.

C. Monetary policy

1. Exchange controls

The Committee welcomes the relaxation of exchange controls announced in the budget, believing that they will allow a significant increase in the ability of residents, institutions and corporations to diversify their investment and contribute further to the development of the Southern African region.

The announced requirement regarding individuals and corporations to provide authorised foreign exchange dealers with their tax reference number and signed declarations of their good standing in respect of taxation obligations is welcomed.

Key steps of the reform include—

(1) increasing overseas travel allowances to R80 000 per adult and R25 000 per child;

(2) allowing individuals to remit capital abroad;

(3) allowing holding of property in SADC countries;

(4) enabling transfer for new ventures abroad of up to R30 million as a proportion of the investment, or R50 million in favour of SADC investment; and

(5) allowing individuals to maintain foreign currency deposit accounts with South African banks according to stipulated requirements.

2. *Interest rates*

The Committee expresses the hope that tight control of public finances and lower private credit extension will create the environment in which real interest rates can decline. The fact that interest rate policy is not linked exclusively to fluctuations in M3, is to be welcomed. It is our view that monetary policy, while fighting inflation vigorously, must also take cognisance of broader economic imperatives, especially in relation to employment creating growth.

D. Tax and revenue issues

1. *Tax proposals*

The Committee welcomes the government's commitment to keeping the overall tax revenue in relation to the GDP at approximately 25%. At present, the ratio is 26%. We particularly welcome the progressive relief measures announced by the Minister in his budget speech. The following are among the most important proposed measures:

(1) The increase of the primary rebate from R2 660 to R3 215.

(2) One tax bracket created for taxable incomes, ranging from R0 to R30 000.

(3) Taxpayers with taxable incomes from R40 000 to R45 000 will now be taxed at a reduced rate of up to 32%.

(4) The number of income brackets is reduced to seven as part of an ongoing rationalisation.

(5) The level at which tax returns are no longer required, has been increased from R50 000 to R60 000.

(6) Significant changes to tax on fringe benefits, specifically to undermine the practice of salary sacrifice. These include the following:

Excise duties:	Concern exists as to the possible increase in black market activity as a result of the increases in tobacco duties. This should be closely monitored during this financial year
Ad valorem Custom and Excise duties:	The decrease in existing rates from 37,5% to 32,5% and now to 15% and a further decrease for motor cycles with a capacity of less than 800cm^3 from 17,5% to 7,5% are welcomed
Diesel rebate:	The Committee recognises that there was abuse of the system, which necessitated the reforms. It is concerned about the impact on the farming community in the absence of a phasing-in process

2. Autonomy of SARS

The decision of the Cabinet to grant the SARS administrative autonomy is a significant step forward in improving the administration of revenue collection. Legislation in this regard is due to be tabled.

The proposed SARS Client Charter is welcomed as an integral part of improved service delivery.

Improved revenue collection for 1996-97 has been realised, with certain targets even exceeded. This performance, together with the 10-point management plan presented to the Committee, inspires confidence that the ambitious revenue targets budgeted for 1997-98 are achievable.

3. Tax amnesty/broadening tax base

The success of the tax amnesty has been shown by the fact that an amount of R966 million was recovered at a cost of R10 million, with R870 million written off. A total of 24 616 new taxpayers were included in the tax net, which signals a positive trend in the ongoing effort to broaden the tax base. In addition, the co-operation of Nafcoc in bringing their members into the system is noted.

E. Conclusion

The Committee takes pride in the fact that the Department of Finance has implemented many, and is making progress on most of, the recommendations of the Joint Standing Committee on Finance in its report on the 1996-97 budget. For this, the Committee wishes to congratulate and thank the Minister and his team. (Annexure B contains that committee's recommendations in the report on the 1996-97 budget, and indicates in parenthesis an assessment alongside each item.)

A key recommendation in that committee's 1996-97 budget report was that the government had to develop a comprehensive, co-ordinated, macro-economic framework which, indeed, was announced in June 1996. In this regard, the Committee notes that the 1997-98 budget translates into practice the central precepts of the GEAR framework. Consequently, the benefits of implementing the GEAR framework are beginning to be realised, for example:

1. The reduced debt costs as a result of accelerated deficit reduction, which, from the Committee's observation and experience regarding government spending, represents not just a stark choice between deficit spending and deficit reduction, but also addresses the problem of wastage and ineffective spending within departments, while also accelerating reprioritisation.

2. The focus on spending for social development and on infrastructure investment now takes place as part of the drive of the whole of the government at all its levels and through public/private partnerships rather than as a responsibility of the RDP Fund and Office.

Company cars:	An increase to 1,8% and 4% respectively imposed on the benefits of using company cars
Travelling allowance:	Where taxpayers do not keep an actual record of kilometres travelled, the assumed private use will be increased from 12 000 km to 14 000 km. Tax deductions on car allowances will increase from the present 35% to 40%
Housing & accommodation:	The Committee fully supports the eradication of salary sacrifice where it is used as a means of tax evasion. Further to the discussion held with the Commissioner of SARS on the possible impact of this provision on low-income earners, further submissions were received in this regard. The Committee asks the Commissioner to take cognisance of these inputs, especially in so far as they may affect the mining, energy and agricultural sectors.

Retirement fund industry:	The Committee welcomes the establishment of the National Retirement Consultative Forum, as recommended by the Smith Committee and the Joint Standing Committee on Finance. The rates are not increased but the following gains will be taxed: Dividends received from unit trust schemes in property shares as well as compensations received by lenders of interest-bearing instruments.

The removal of the levy on financial services, in the light of the imposition of VAT on these activities a year ago, is welcomed.

Equal tax treatment:	The Committee supports the equality principle and, therefore, endorses the implementation of the equalisation process of public and private sector funds
Marketable securities tax:	The further decrease of the MST from 0,5% to 0,25% and the deletion of exemption to non-residents in respect of purchasing shares also contributes to the principle of equality, while enhancing the competitiveness of our financial markets

Excise duties:	Concern exists as to the possible increase in black market activity as a result of the increases in tobacco duties. This should be closely monitored during this financial year
Ad valorem Custom and Excise duties:	The decrease in existing rates from 37,5% to 32,5% and now to 15% and a further decrease for motor cycles with a capacity of less than 800cm^3 from 17,5% to 7,5% are welcomed
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1. The reduced debt costs as a result of accelerated deficit reduction, which, from the Committee's observation and experience regarding government spending, represents not just a stark choice between deficit spending and deficit reduction, but also addresses the problem of wastage and ineffective spending within departments, while also accelerating reprioritisation.
2. The focus on spending for social development and on infrastructure investment now takes place as part of the drive of the whole of the government at all its levels and through public/private partnerships rather than as a responsibility of the RDP Fund and Office.

3. An institutional framework has begun to emerge for a new budget process which is inclusive through the Budget Council, Minmec and joint Cabinet and Premiers' meetings. The Departments of Finance and State Expenditure have also developed new comprehensive systems for a new budget process and the Cabinet has approved the MTEF. As indicated in the Report, the challenge now is to tie the process and roleplayers together to ensure that there is a common understanding and acceptance of the new process. In this respect, the Committee would like consideration to be given to the proposal that portfolio committees of Parliament are given regular briefings by their respective departments on the developing budget for 1998-99, focusing on process matters rather than figures. Finally, in the Committee's view, it was unfortunate that in the hearings an official of the Department of State Expenditure was singled out and accused of being a stumbling block in the path of budget reform. The Committee, however, does not share that view.

While the Committee commends the Minister and the department for these bold initiatives, it recognises that they pose a challenge in the sense that for the targets and goals to be met, it is going to require effective management at all levels of government. In the Committee's view, the emergence of a management system for policy co-ordination that runs through all tiers of government should ensure that at the micro level effective management is exercised in order to meet such targets and goals.

Finally, the Committee wishes to place on record the extreme pressures placed on it to process a serious policy statement such as the budget in a short time of seven days without adequate resources and back-up. This work is far too important to be handled in the manner that we had to do, and in this regard the Committee would like serious consideration to be given to its resourcing in terms of research capacity and personnel, as its work is very broad.

Annexure A: Public hearings—participants and topics

13 March 1997

1. Ms M Ramos: Director-General: Finance
2. Mr G J Smit: Director-General: State Expenditure
3. Mr T Manuel: Minister of Finance
4. Mr A Erwin: Minister of Trade and Industry

14 March 1997

1. Mr G J Smit: Director-General: State Expenditure
2. Mr T Theron: Department of State Expenditure
3. Mr P L de B Rademan: Department of State Expenditure
4. Dr F le Roux: Department of Finance
5. Ms M Ramos: Director-General: Finance
6. Ms D Jacobs: Budget Officer: Finance
7. Dr C Stals: Governor: SA Reserve Bank
8. Mr T Thahane: Deputy Governor: SA Reserve Bank

17 March 1997

1. Mr Younaid Waja: Spokesperson on tax: ABASA
2. Mr Veli Ntombela: Representative on tax: ABASA
3. Mr Marius van Blerck: Representative on tax
4. Ms J Balle: NGO National Coalition
5. Ms Deborah Ticke: Tax Partner:KPMG
6. Ms Emma Makatu: KPMG
7. Mr D J M Clegg: Partner: Ernst and Young
8. Mr P Liebenberg: CEO: SARS
9. Mr T van Heerden: Commissioner: SARS
10. Mr K Louw: Deputy Commissioner: SARS
11. Mr C Barnard: Director: Customs and Excise
12. Dr J Graaff: Katz Commissioner
13. Dr M Ncube: Investec
14. Mr H Bhorat: Senior Reseacher: School of Economics- UCT
15. Prof P le Roux: Director ISD: UWC
16. Mr I Adams: Department of Economics: UWC
17. Ms S Gordon: Economist: Syfrets

18 March 1997

1. Dr P Ncholo: Director-General: Public Service and Administration
2. Ms M Ramos: Director-General: Finance

3. Mr A Roux: Deputy Director-General: Finance
4. Mr G J Smit: Director-General: State Expenditure
5. Mr H J Jacobs: Deputy Director: State Expenditure
6. Mr N du Plessis: Chief Director: State Expenditure
7. Mr N J Marais: Deputy Director: State Expenditure
8. Mr M Morobe: Chairperson: FFC
9. Prof. L Loots: Commissioner: FFC
10. Ms T Ajam: Economist: IDASA
11. Ms L Walker: Economist: IDASA

19 March 1997

1. Ms V Taylor: Commissioner: Commission on Gender Equality
2. Prof. H Ngubane: Commissioner: Commission on Gender Equality
3. Dr F Essack: Commissioner: Commission on Gender Commissioner
4. Ms M Pheko: CEO: Womens National Coalition
5. Ms B Njobe-Mbuli: Director-General: Agriculture
6. Mr D Solomon: Business Map
7. Ms J Cargill: Business Map
8. Mr I Momoniat: Department of Finance
9. Mr D Ferreira: Manager—Private Sector Investments: DBSA
10. Mr V W Sikobi: Senior Marketing Planner: SANLAM
11. Mr C C W Kruger: Chief Director: Asset and Liability Management
12. Mr J D Redelinghuys: Director: Debt Management
13. Ms M Ramos: Director-General: Finance

20 March 1997

1. Mr N Coleman: COSATU: Parliamentary Officer
2. Mr Z Vavi: COSATU Assistant General Secretary
3. Mr K Creamer: Parliamentary Officer: COSATU
4. Mr M Tabata: National Small Business Council

5. Mr T Pasiwe: Western Cape NAFCOC
6. Ms P Mlambo-Ngcuka: Deputy Minister: Trade and Industry
7. Mr M Smith: Deputy Chairperson: LOA
8. Mr J Laubscher: Chief Economist: SANLAM
9. Mr C Newell: Convenor: Retirement Funds Committee of LOA
10. Mr G Joubert: Deputy Director: LOA
11. Mr J Liebenberg: Public Policy Consultant: Chamber of Mines
12. Mr R Gouws: Director and Economist: RMB
13. Ms P Hawkins: Economist: SACOB
14. Mr H P Langenhoven: Economist: SAFSEC
15. Ms L Gwagwa: Deputy Director-General: Public Works
16. Rev F Chikane: Director-General: Office of the Deputy President

Annexure B: Recommendations of JSCOF on 1996-97 budget and announced targets

1. Changes to budget format [No]
2. Fiscal policy:
   - — reduction of budget deficit and government dissaving [Progress]
   - — reprioritise government expenditure [Some Progress]
   - — reduce government consumption expenditure [No Progress]
   - — strengthen government fixed investment, especially in infrastructure [Progress]
   - — avoid increase in tax burden [Yes]
   - — provide stable & competitive environment for growth and development [Progress]
3. Comprehensive, co-ordinated macro-economic policy framework [Yes]
4. Improve quality of public debt management [Yes]
5. Restructuring of state assets [Progress]
6. State Expenditure to produce consolidated budget [Yes]
7. Strategic vision and MTEF to guide programme of reprioritisation [Progress]

8. Identify and eliminate blockages in delivery system to avoid roll-overs [No Progress]
9. Reversal of decline in capital expenditure and focus on infrastructural investment [No Progress]
10. Address lack of skills, high turnover in public service and excessive use of consultants [No Progress]
11. Build skilled, efficient, accountable public service [Some Progress]
12. Clear strategy to accomplish agreed rightsizing of public service [Progress]
13. Maintain all personnel records on common database [Yes]
14. Establish meaningful and appropriately funded human resource development component throughout government [No]
15. Consistent tax treatment of private and public sector funds [Progress]
16. Investigate effectiveness in reaching targeted sector with VAT zero-rating [No Progress]
17. SARS to develop user-friendly service culture and simplify procedures and provide practical assistance to small businesses [Some Progress]
18. SARS requires autonomy and appropriate CEO [Yes]
19. Monitor improved tax collection [Yes]
20. Co-ordinated tax and related information across departments [Some Progress]
21. Establish expert actuarial capacity in Department of Finance [Yes]
22. Speed up ratification and/or signing of double taxation agreements [Yes]
23. Reform budget process [Some Progress]
24. Norms and standards and revenue- sharing formula need to be agreed [No Progress]
25. Create Budget Council [Yes]
26. Give local government stake in national and provincial budget processes [Some Progress]
27. Move budget cycle forward [No Progress]

28. Focus more on vision of sustainable employment creation [Progress]

29. Improved evaluation of labour market [No Progress]

30. Disaggregated gender and poverty data and indicators collected in nine provinces [No Progress]

31. Co-ordination of policy between Minister of Finance and Governor of Reserve Bank [Some Progress]

32. Greater co-ordination within government on socio and macro-economic policy and affordability thereof [Yes]

33. Vigorous export drive through supply-side measures [Yes]

34. National database to be established and maintained, including measurement of impact on women [No Progress]

35. Improved response on FFC recommendations [No Progress]

The Committee recommends accordingly.

National Council of Provinces:

1. Report of the Select Committee on Security and Justice on the *Defence Amendment Bill* [B 14B—97] (National Assembly—sec 75), dated 24 March 1997, as follows:

> The Select Committee on Security and Justice, having considered the subject of the *Defence Amendment Bill* [B 14B—97] (National Assembly—sec 75), referred to it, begs to report that it has agreed to the Bill.
>
> The Committee notes that the Defence Act as a whole is in need of fundamental review and reformulation. The Committee therefore requests the ministry to give this matter immediate attention and introduce an amending Bill as a matter of urgency.

2. Report of the Select Committee on Security and Justice on the *Prescribed Rate of Interest Amendment Bill* [B 8B—96] (Senate—sec 75), dated 24 March 1997, as follows:

> The Select Committee on Security and Justice, having considered the subject of the *Prescribed Rate of Interest Amendment Bill* [B 8B—96] (Senate—sec 75), referred to it, begs to report that it has agreed to the Bill.

No 10—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

TUESDAY, 25 MARCH 1997

1. The House met at 14:20.
2. The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. The Chief Whip of the Majority Party moved: That, notwithstanding the provisions of Rule 11, the hours of sitting on Thursday, 27 March 1997, shall be as follows:

   09:30 to adjournment.

   Agreed to.
4. The Minister of Water Affairs and Forestry (for the Minister of Justice) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Hague Convention on the Civil Aspects of International Child Abduction* be referred to the Portfolio Committee on Justice, the committee to have power to confer with the Select Committee on Security and Justice of the National Council of Provinces.

   Agreed to.
5. The Minister of Water Affairs and Forestry (for the Minister of Justice) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Hague Convention on the Taking of Evidence Abroad in Civil or Commercial Matters* be referred to the Portfolio Committee on Justice, the committee to have power to confer with the Select Committee on Security and Justice of the National Council of Provinces.

   Agreed to.
6. The Minister for Finance (for the Minister for Posts, Telecommunications and Broadcasting) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Rascom Convention* be referred to the Portfolio Committee on Communications, the committee to have power to confer with the Select Committee on Labour and Public Enterprises of the National Council of Provinces.

   Agreed to.
7. The Minister of Water Affairs and Forestry (for the Minister of Transport) moved: That the request for approval by Parliament, in terms of section

No 21—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

TUESDAY, 25 MARCH 1997

ANNOUNCEMENTS:

National Assembly:

1. The Speaker:

(1) The following member vacated her seat in the National Assembly with effect from 17 March 1997:

Schreiner, J A.

National Council of Provinces:

1. The Chairperson:

Message from National Assembly to National Council of Provinces:

Bills passed by National Assembly on 25 March 1997 and transmitted for concurrence:

(1) *Post Office Amendment Bill* [B 12—97] (National Assembly—sec 75)—(Select Committee on Labour and Public Enterprises—National Council of Provinces).

(2) *Telecommunications Amendment Bill* [B 13—97] (National Assembly—sec 75)—(Select Committee on Labour and Public Enterprises—National Council of Provinces).

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister for Safety and Security:

List relating to Government Notices—27 December 1996.

2. The Minister of Justice:

Text of the—

(1) Grant Agreement between the Government of the Republic of South Africa and the Government of Switzerland on the President's Fund.

(2) Agreement between the Government of the Republic of South Africa and the Government of the Kingdom of Denmark on financial assistance to the President's Fund of the Truth and Reconciliation Commission.

National Assembly:

Bills:

1. The Speaker:

(1) *Abolition of Corporal Punishment Bill* [B 20—97]—(National Assembly—sec 75)—(Portfolio Committee on Justice—National Assembly).

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Public Works on the study tour to Argentina and Brazil, dated 11 March 1997, as follows:

The Portfolio Committee on Public Works, having undertaken a fact-finding tour to Argentina and Brazil, begs to report as follows:

A. Introduction

The Committee embarked on a study tour to Brazil and Argentina from 24 November to 5 December 1996. The delegation under the leadership of Mr M M Chikane (ANC) included Mrs L A Abrahams (ANC), Ms M M Maunye (ANC), Mrs B M Ntuli (ANC), Mr J H Nash (ANC), Mr A G Mohamed (NP), Mr D K Padiachey (NP) and Mr J H Slabbert.

During the tour of the two countries, the Committee was able to meet with and hear presentations from government officials, ministries, parastatals and private sector companies. The Committee visited projects undertaken to address issues of development in the poor communities. Projects visited included housing schemes, sports fields, health centres, roads and schools.

The Committee noted with appreciation that the visit took place at the time when the incumbent President of Brazil, Prof Fernando Henrique Cardoso, was on an official state visit to South Africa to foster relations between the two countries.

B. Purpose of tour

The purpose of the tour was to—

1. learn and benefit from the rich and varied experience of Argentina and Brazil in addressing issues of job creation and sustainable development;

2. look at programmes implemented to address unemployment and the involvement of government in job creation projects, in particular public works programmes; and

3. learn how other developing countries are addressing issues of sustainable development in respect of delivery of infrastructure and human resources.

C. Findings: Brazil

1. Brazil is a federal republic consisting of 26 states and federal districts. The territory of each state is subdivided into municipalities. Each municipality has a town as its seat and usually consists of urban and rural areas.

2. The national government deals with general planning and public works projects which require considerable investment.

The national plans and programmes are adapted and enforced through legal measures and investments at local level. The state of Sao Paulo is in charge of education and the largest portion of the public infrastructure such as water supply and distribution, the sewerage network, the distribution of electricity, roads and highways.

3. The Brazilian economy is essentially one of free enterprise. In the past there was considerable state and semi-state participation in all industrial sectors. Through the privatisation programme, which commenced in 1990, steel mills, chemical and petrochemical industries, part of the railway network, interstate highways and electricity supply commissions have successfully been privatised.

The government is in the process of privatising the telecommunications network and mining concerns.

Brazil is the tenth largest economy in the world, with the seventh largest manufacturing base. The trade balance in 1995 was R182 million in South Africa's favour.

4. The Committee visited three cities: Sao Paulo, Rio de Janeiro and the capital, Brasilia.

5. Sao Paulo is the main industrial and financial centre of Brazil. The huge metropolitan area has a population of over 18 million, and it generates about 25% of the produce. It is the richest state, with a strong economy based on agricultural products and manufacturing activities.

In the agricultural regions, the peasants were forced to move to urban areas as wage earners, and the small individual landlord was virtually eliminated. This affected the rural population, which dwindled to about 20% in 1990. This process led to rapid urbanisation, concentrated on the areas where industrialisation occurred faster.

The Committee observed that there is such a lag between demand and current levels of infrastructure that it will take decades of considerable investment and efficient management to rectify the problems facing the local authorities.

The city of Sao Paulo has a master plan, a broad strategic plan to define and enforce urban development and to direct or control public and private investment in the city.

D. Department of Labour and Job Creation

The official unemployment rate in Brazil is 15%, but this figure includes people involved in the informal sector. Informal trading is the responsibility of municipalities.

Economists say that to generate employment, the economy has to grow. Brazil's economy has been growing since 1992, but the problem of unemployment has not been solved. In order to solve this problem, the government aims to attract investors to Brazil, in particular to Sao Paulo.

Brazil has managed to attract $13 billion from foreign investors, and this resulted in the creation of a significant number of direct employment opportunities.

Against the background of having been a closed economy with import restrictions and high import tarriffs on most products, they have managed to attract multinational corporations such as Toyota, Honda, Gold Star, etc. These corporations are allowed to bring workers who impart technology. There are restrictions in terms of the money that can be taken back by multinational companies.

Textile industries have suffered a lot as a result of strong competition from Europeans and Koreans. With the envisaged restructuring, the agro-industries will experience job losses. Sector chambers have been created with the aim of finding markets for textile industries.

In the official bank, there are financial resources for people who want to establish their own companies and co-operatives, with offers of $120 to $5000. Persons with 13 years schooling experience are trained as technicians. NGOs were given funds with which they managed to train about 135 000 people.

In order to control dumping of cheap goods, there are certain restrictions on things one can bring into the Brazilian market. Due to the opening of markets, it has been difficult to control a lot of imported goods sold by street vendors. Before a foreign worker can get a work permit, he or she must have a job. Immigration regulations apply in cases of people seeking permanent residence.

E. Municipality of Sao Paulo: Housing and Urban Development Secretariat

1. Sao Paulo has 9,8 million inhabitants, and is still growing dramatically. In spite of its wealth, it has a large poverty belt. The existing housing facilities are not enough to accommodate thousands of newcomers. As a result, many people from the lower economy class end up living in slums and partition houses. The slums have no sanitation, whereas partition houses are densely occupied by several families, who share sanitary facilities in precarious and unhealthy conditions.

2. The population living in the slums is estimated to be 1 920 000. For the largest number of people to benefit, the municipality of Sao Paulo decided to prioritise the slum population, which is much larger than the partition houses population.

Due to the difficult living conditions, slums pose a large problem for the city as a whole. One of the suggested

solutions has been to move the slum population to the outskirts of the city. Since these people have to live very far from their workplace, other infrastructure problems arise.

3. The municipality of Sao Paulo, through the Housing and Urban Development Secretariat, tried to solve this problem with Prover—Programme for Verticalisation and Urbanisation of Slums—which was named Projeto Cingapura.

4. Projeto Cingapura is a very good solution for the slum population in large cities, and it combines environmental and social actions. It is geared towards the urbanisation of such areas through the improvement of infrastructure and implementation of basic sanitation systems like sewerage, power and garbage removal and through street paving and other improvements. In this way, the inhabitants will remain where the slums are now.

This programme includes verticalisation, which means the construction of apartment buildings in the slums. Such verticalisation is performed according to the specific slum population density, urbanisation needs, street paving and the establishment of social structures such as schools, kindergartens and medical and leisure centres. The beauty of this is that it integrates communities instead of segregating them.

Funding for acquisition of a unit is done through the Municipal Housing Fund, which provides subsidies to families. Properties are mainly bought and not rented. Great consideration is shown for the disabled, and they are mainly located on the ground floor. The Housing Department is responsible for safety and security and inspection of units.

5. Initially the society had a perception that the inhabitants of the slums were criminals, but that has changed.

In order to promote acceptance of those living in the slums, an educational programme, designed to bring information, direction and motivation to the population, was developed with the participation of sociologists, doctors, psychologists, social workers and teachers. This team identifies problems in the family, be it drug- or alcohol-related, and takes the person involved for treatment. If the problem is unemployment and there is someone who can work, that person is sent on a training course. The programme is non-discriminatory in the sense that it encompasses formal marriages as well as people just living together. The exception is persons living alone. Environmental educational efforts helped to instruct people to make better use of the new improvements and to obtain co-operation and support for the implementation of the project. This educational programme also deals with problems associated with drugs, alcoholism and unemployment.

6. The main co-ordinator of this programme is the Housing Secretariat, who has been working very closely with other social, political and entrepreneurial institutions in an effort to gain the support and agreement of the society as a whole.

F. Support service to micro and small industries of Sao Paulo (Sebrae)

1. Sebrae is a mixed institution, with involvement of both the government and the private sector. Its main sources of income are the tax collected from private companies, courses that are offered and publications. Action plans are developed in the field of trade. It also assists in organising trade fairs and exhibitions.

2. Important sectors are agriculture, small industries and services. Those sectors are assisted to create strong and competitive businesses that can be players in the global economy. A law was passed which forced each private company to pay 0,5% to Sebrae. A regulation pertaining to small business states that they must get 5% of government contracts.

3. Small companies have created 70% of the jobs in Brazil. Big companies are capital-intensive and as a result do not create many jobs.

4. Newspapers, marketing courses and exchange programmes are used as marketing tools.

5. The reality is that big companies are monopolising materials such as textiles, etc. Small businesses are brought together informally to act as a co-operative, and they work together when they need to buy raw materials such as cotton.

6. The ministry of External Affairs has an agency that helps in establishing technical co-operation agreements. This enables countries to send technicians for training and to visit projects. Funds for this purpose are available from multilateral organisations.

7. Information is disseminated through a regional agency, whose newspaper is given to local entrepreneurs, radio and television stations and is distributed at seminars and courses. In addition, municipalities are visited to explain to communities about the activities of Sebrae. These services are paid for to see whether people are committed.

G. Rio de Janeiro

Rio de Janeiro is one of South America's largest cities, a gateway for tourists as well as for entrepreneurs intending to do business in Brazil.

It has a sound economy, based on a wide range of activities in the sectors of services, commerce and industry, backed by an extensive transportation, communication and energy infrastructure.

The metropolitan region has a population of 9,6 million and its municipalities have an economically active population of approximately five million with a literacy rate of 91%. The city ranks as the second largest economy in Brazil.

H. PS Nova Holanda health project

1. The Committee embarked on a tour of the slum area to inspect the PS Nova Holanda health project. This project is situated in a poor and low-class area.

2. There is a federation of slums which deals with issues affecting the slums. NGOs, local councils and structures in the slum areas exchange information in handling health problems.

3. The communities identify and prioritise their needs, which are then given to the local councils and federal government for funding. Hospitals are very far from the communities, but with the new health projects the problem is alleviated as they deal mainly with primary health care, vaccination, preventative medicine, etc.

4. The payment of doctors and nurses is better than when it was facilitated by the federal hospital. Medication and consultation fees are sponsored by the city council and are free of charge.

5. When these projects were started, it was difficult to convince the community that they were meant to cater for emergency cases. The doctors provide a good service and put in a lot of time to attend to patients. It required a lot of hard work and courage for doctors to come and work in the slums. The government assisted by giving them incentives.

There were break-ins, graffiti painted on the walls and damages, but attitudes changed as communities began to feel a sense of ownership of the projects.

I. Presentation on housing and income-generating programmes

1. The housing policy of the Rio de Janeiro municipality is aimed at reducing the distance between the slums and the neighbouring urban areas. In fact, most slums are integrated into the neighbouring suburbs' work market, rendering of services, commerce, social equipment, means of transportation, etc. There is an economic relationship between the slums and the neighbouring areas, but there is also a kind of discontinuity that keeps them apart in terms of access, infrastructure and quality of life.

2. The main purpose of the implementation of these programmes is not only physical change, although recreational facilities are provided for the youth. Investment in sports, leisure and social contact within the communities play a most important role.

These investments include the building, complementation, recovery and supply of equipment for parks, multi-use courts and football fields. In addition to this, community centres are being introduced, including reading and meeting rooms, training facilities and income-generating activities.

Such programmes are important because they keep the youth busy, and those aged 12 to 20 years are normally targets for drug trafficking. The city council's legal power forbids drug dealers to walk around armed in these areas.

3. Shell is sponsoring sports courses for children, without any assistance from the municipality. Nestlé is sponsoring cultural courses for both adults and children.

4. Initially the slums were closed, having had only one street. The street networks have now been restructured, allowing for better services such as garbage collection, access for ambulances and distribution of bottled gas. New projects include garbage collection, sewage systems and sanitation.

5. The municipality is in charge of the delivery of infrastructure. The projects are funded by loans from the World Bank and Inter-American Bank and by regular service charges.

J. Brasilia—meeting with Director: Job Creation Programme, ministry of Labour

1. The contributions of the workers were used to establish a fund to create new jobs. Important actions were taken and, because of globalisation, this was an intensive process.

The fund aims at providing financing for companies of workers. The federal bank is responsible for allocation of funds. Specific guidelines are adhered to when establishing priorities for funding. Thus far, $2 billion have been allocated and a total of 300 000 people, both urban and rural, have benefitted.

Conditions of financing vary according to segments. The interest rate for established companies or co-operatives is 14%, and this is considered low compared to the private sector. The ministry conducts courses free of charge for its clientelé.

There is an insurance fund to assist farmers to cope during periods of drought or bad weather.

2. Funds for laid-off workers are guaranteed by the constitution through the unemployment insurance fund. This fund carries benefits of 28 million workers. Lots of segments, like tourism, fishing, community development, rural settlement, etc, are involved.

Imports from Asia affected the domestic market and workers. Every employer is obliged to inform the ministry of Labour about lay-offs and hiring of new employees. This assists the ministry in planning for the future. Sectors affected by imports from Asia are given government assistance through new technology and modernisation.

The informal sector contributes indirectly to this fund through taxation. Sales volumes and income generated determine whether a business is small, micro or informal. Joint ventures are mainly applicable to medium and large companies. There are no incentives for foreign companies.

3. The ministry conducts a survey of vacancies offered by the formal sector, and a list of people and their skills is compiled. People who do not meet requirements for vacant posts, are sent for further training to enable them to be absorbed in the labour market. $300 million has been spent on 700 000 persons attending courses for further development.

K. Findings: Argentina

1. Argentina is a democratic federal state, composed of 23 provinces that are in turn divided into localities or municipalities.

The national state and the provinces are governed by three powers, namely the executive, legislative and judiciary.

2. The political economy has changed business in Argentina. It has embarked on a privatisation programme, backed by loans from the World Bank and private sector investments. Many of the services that were offered by the state, have been transferred to the private sector.

Provinces and cities have already started a process of transformation in the areas of water and sanitation. These areas lacked investment in the past, and this resulted in a deficit in the provision of service.

3. The province of Buenos Aires has a population of about 14 million, which is one third of the total population of Argentina. The literacy rate in this city is 97,5%. The main economic activities are particularly in the industrial, farming, cattle breeding and service-oriented sectors.

4. There are about six million people without running water and sewerage services.

L. Meeting with provincial Minister of Services and Public Works—Buenos Aires

1. The Minister briefed the Committee on a wide range of issues, with specific reference to what his ministry has undertaken to do.

Buenos Aires is the largest province in Argentina. Its GDP is 14% more than that of Chile. Many exports come from this province.

The ministry deals with roads, transport, water resources and public works as separate divisions.

2. The province can take credits without authorisation from the federal government, because its budget has no deficit. The World Bank, the American Bank and Japan have given soft loans to assist Argentina with the privatisation process. This does not affect the economy of the province, because it follows the same policies as the national government.

3. Reforms geared at removing the élite as owners of industries such as gas, telecommunications and petroleum have been introduced. In telecommunications, for example, it took longer to get a telephone or have it repaired.

The state is responsible for judicial matters, education, health, etc. The state has also embarked on privatisation of state-owned companies. With the neo-liberal policies, a lower inflation rate has been achieved.

4. Labour unions have signed an agreement with the Minister, pledging support for his privatisation policies. Public enterprises had more workers than were necessary. Workers were given a choice between early retirement, redundancy benefits or working in any government department. Because of this, privatisation did not lead to social problems such as unemployment.

5. $2 billion has been allocated for privatisation. This money will go to Public Works for the provision of infrastructural facilities, sewerage, water, roads, housing, power works, schools, hydraulic works, etc. This provision of facilities will ensure sustainability of jobs.

Unemployment is a worldwide problem, but measures are implemented to eliminate it. In this province they hope to achieve this in two ways: Through immediate actions that involve any public works projects, and through the improvement of the quality of life and creation of employment.

Two programmes, worth $5 billion, will be implemented over a three-year period. This money came from abroad and through privatisation.

The aim of these programmes is to double the number of employed people by using labour-intensive methods during the construction of projects, but advances in technology create problems, for example where computers replace people. Another idea is to export finished products instead of raw materials.

A certain bank gives small loans of $5 000 to $10 000 to small entrepreneurs, and this is co-ordinated in conjunction with Public Works.

The specialisation of some retired persons enables them to form small businesses which tender for government contracts, such as reading water meters. Water works and power have acquired funds from the World Bank to pay workers who are not absorbed.

6. Illegal migrants from Bolivia, Brazil and Uruguay are attracted to Argentina because of the better wages, and this enhances social problems such as unemployment and lack of decent housing.

Squatters come mainly from within and from neighbouring states. Some own land and others reside on land they do not own. Families are given $4 500 to buy material to enable them to build their own houses.

7. The projects belonging to Public Works include hydraulics, schools, energy *(gas)*, ports, housing, environmental sanitation and hospitals.

With regard to tenders, there is a system in place requiring financial and technical guarantees, depending on the size of the project. This ensures that every company gets a share of the business. Large companies are given 10 schools, the medium-sized companies four to five schools and small companies one or two schools. In each school a minimum of 50 workers have to be employed.

M. Meeting with members of National Deputies—Public Works Committee

1. The Committee was briefed about their experiences regarding the privatisation of certain services and works. The amount of capital invested in basic works and public services has not been increased. In his briefing the chairperson of the National Deputies said that his party defended privatisation. His party has a liberal philosophy, arguing for the participation of capital in a share scheme, which is shared throughout the country. The idea is to have privatisation participants attack monopolies and oligopolies, and thereafter distribute the resources. According to him, the country would run into problems if a property is to be bought entirely by foreign capital.

2. Their greatest concern is unemployment, and there are no specific concrete plans to combat it. There is a draft law which would increase labour flexibility within labour and the executive.

3. It was pointed out that for a programme based on public works, like former President Roosevelt's New Deal, to succeed, the government must have the necessary financial resources.

4. Tenders are mainly awarded to companies who show that they can absorb more workers. In respect of housing there is the National Housing Fund, through which money obtained from taxes is distributed to the provinces. An index procedure, detailing the social situation and the number of houses required in each province, is used to access funding.

N. Meeting with State Undersecretary for Housing and Director of Programme on Housing

1. In 1992 decentralisation took place in the delivery of housing, which made the provinces more autonomous. The National Housing Fund is used to assist in the financing of the delivery of housing units. It is funded by contributions from the employers and the fuel industry, and these funds are distributed annually to the provinces, taking into account the housing needs of each. There is co-funding between the private sector and the government. This trust fund generates bonds which are placed on the domestic and international markets.

2. Studies have shown that direct and indirect employment is generated by the construction of houses. Another factor in the delivery of housing has been the involvement of small entrepreneurs. National agencies have decentralised to provinces who involve local governments in the hiring of small entrepreneurs.

3. Houses built under the housing fund are subsidised over a longer period at a low interest rate. This is done through the National Mortgage Fund. Two years ago the fund received a lot of money, due to economic stability, and 100 000 units were built. The funds are for new units and improvements to units.

Bank interest rates are very high, and the government is trying to lower them. The house itself is the guarantor, not the state. The maximum payment period of mortgage loans is 15 years, but it varies according to unit sizes.

With regard to low income groups, the policies that were adopted, are not severe. Only 15% battle to pay. Over the last two years economic problems have led the provincial governments to renegotiate the debts and terms of payment with people who battle to pay.

4. There is also the National Mortgage Bank, which deals mainly with the middle class. It receives projects from private companies, grades and sells them. Upon failure to pay, houses are repossessed.

5. The criteria used for allocation of houses is decentralised. A system is used to determine points. Relevant factors include income, family group, size of family and whether the person has previously owned a house.

Each province has its own selection criteria: Some have a lottery, while others use intermediate organisations or co-operatives who are given funds and have to make the decisions.

6. Within the Housing Undersecretariat, funds are available for emergency cases, such as a lack of water and power and dampness.

7. Around three million families need houses. To provide that, 100 000 units have to be built each year.

O. Meeting with Undersecretary for Water Resources

1. The world has been made a small place by technological advancement, and therefore it is necessary to establish relationships. Each province has the right to preserve and develop its own resources. The central government develops a co-operative way of working together with the provinces. One of the central policies is that water has a social and economic value.

2. There are two divisions in the water resources secretariat. One deals with water and sewerage throughout the country and the other with water provision and management.

There has been a move towards greater efficiency by privatising services such as water.

3. The secretariat plays a wider role in all provinces. Presently it manages 700 projects in different municipalities and provinces. These projects deal with the transformation of the water management systems.

Co-operatives are formed with the people involved, as some of these projects are subsidised. The subsidies are integrated with all the infrastructure and construction which have to be done in the different areas. The central activity is to privatise water and sewerage.

The new political formulation in Argentina is underpinned by the idea that all credits from the World Bank, the Development Bank or Japan should include training for the beneficiaries. They should also participate in this process of transformation.

4. It is the aim of the Argentinian government that by the end of 1998, 70% of the population should receive these services from the private sector. All the resources the government has, and those received from financial institutions, are not enough to meet the needs of the population.

5. With the creation of a common market in South America, projects like hydraulics will receive high priority from the government. In some cases the government plans to give certain works to private companies under a licence, and to continue administering works such as irrigation and non-energy works. Practically all hydraulics works have been privatised.

6. With regard to the privatisation process, the existing monopolies will be maintained, the reason being that in some provinces it is possible for one company to provide

all the services. In some provinces different companies provide services in different areas, but the government respects the current division as far as administration and management of these services are concerned.

7. The number of people to be employed, depends largely on the size of the project. Local labour is considered for projects in their own areas. Even though foreign companies import equipment and technology, they still use local labour.

8. Energy is not commercially exploited at present. The electric transformation system has three activities, namely generation, transport and distribution, which are controlled by different people. The people involved with generating, be it through thermic, hydro or nuclear power, sell their energy to the market, which is organised due to privatisation. This market is controlled by the state, but is also formed by private enterprise, and it sells the energy to different companies who have to pay transport costs.

Generation prices are not regulated, but depend on market prices. Distribution prices are regulated. The state revises the prices four times a year. Prices may fluctuate, but have not increased in four years.

9. Since negotiations started, it has been a difficult process for labour unions to adapt to this change. Generally, there is much goodwill towards it, but in some sectors the reception has not been good.

10. At present, the government handles all the infrastructure up to secondary or tertiary channels.

11. Industrial pollution is a great problem; the government does not have the credits to give to factories to enable them to resolve the problem of water pollution and pollution within their plants. The resolution of this problem within private companies requires longterm soft credits, otherwise it will impact on the economy of the plant.

If the different industrial plants are forced to obey the law, they close down, and this becomes a vicious circle. Therefore the government, through the Undersecretary of Environment, has established a plan for the gradual resolution of this problem in the main areas where there is pollution. Priorities have been established in two or three main areas which generate pollution, and this is backed by financial assistance and measures which must accompany the sanitation of the environment.

P. Meeting with private construction company—Construcciones Civiles J M Aragon S A

1. Employers and businessmen think that the problem of unemployment can be countered. According to them, one way of decreasing it would be to make the very rigid labour laws more flexible. The rigidity causes employers to let their employees work on holidays and over weekends, because they do not want to hire more personnel. Employees who work on holidays and over weekends, are given a

day off during the week. Employers are cautious about the incorporation of new personnel, because if they were to dismiss someone, they would have to pay a huge severance package. The government has introduced changes in order to reform the labour laws. They have run into problems with labour, who argues that it is not the only option to fight unemployment.

2. Argentina depends largely on foreign investment. The internal savings rate cannot generate much growth in the economy.

Aragon was born with clear objectives to position itself in a new Argentina. It is a company which is listed on the stock exchange. Its combination of light and heavy equipment allowed for the performance of special projects of great magnitude and complexity, and shortened completion terms. This has led to the encompassing of a wide range of undertakings in the area of public and private construction works.

It undertakes important projects on national level, such as highways, routes, bridges, tunnels, hydraulic projects, power projects, industrial plants, hospitals, schools, housing, etc.

The 90's arrived with great changes due to reform and restructuring. Many of the public services offered by the state were transferred to the private sector. Due to its diversification, Aragon has developed new undertakings, either alone or in partnership with its diverse corporations involved in different areas. It is currently participating in a 2 000 km road network granted under concession and 125 km of urban and semi-urban highways.

It has gained experience to offer others its technical know-how in the field of privatisation and concessions. With regard to that process, several companies come and bid for tenders together. They participate in these tenders with different percentages, and benefits are given proportionally.

3. In the construction industry, there is an unemployment fund to which employer and employee contribute. The funds are saved in the name of the employee so that he will receive it once he is dismissed.

Q. Meeting with Undersecretary for Public Works

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1. There are several clear ideas of what Public Works intends to do, as it has undergone important changes. It is no longer financed by public funds, as the private sector participates in any construction that takes place.

2. The delivery of roads infrastructure, especially national roads, has been privatised and licences are given out for a concession period. These licensees have established tolls on the roads. During the concession period, the licensee is monitored to check whether toll charges are correct and whether he keeps to his contract.

One of the main tasks of Public Works is to distribute funds efficiently amongst all highways, especially the ones which for economic reasons cannot be privatised. The aim is to keep roads in good condition and to do reconstruction work where necessary.

Priority is given to the regional integration taking place on the South American continent. There are two lines of action: Different passes across the Chilean border, and working with their main trading partner, Brazil, on passes, bridges and different highways to connect the two countries.

3. Each country develops its own institutions on the basis of its history and necessities. A division called the National Highway Department is responsible for the national highway network. The rural network is the responsibility of each municipality. Given the vastness of the country and the current state of highways, there is a large diversity of climates, areas and regions.

The best solution found by the government was the privatisation of great stretches of the highway networks. Three modalities were used during the privatisation process. The first was the concession of the highways which had the most daily traffic, for a 12- to 20-year period. The licensees had obligations imposed on their contracts. The first obligation was to get the highway up to an adequate level of security, which had to be met in the first year, and the second was maintenance. The user pays a fixed toll which is based on 100 km. This system is not beneficial for a person who uses the road for less than 100 km.

The second modality used was the BOT system, which means "build, operate and transfer". This was done on highways with lower frequencies of daily traffic. The third modality was the CREMA system. Tenders were open to the private sector to conserve the highways for five years. In this system, the World Bank financed 77% of the value of the works, and they gave approval for the type of highways that the investments would be used for. These three systems affect 24 000 km of the national highway system. The government guaranteed the loan from the World Bank.

Nowadays the construction of highways requires a lot of technology and machinery. Therefore, the relationship between labour and capital has varied a lot. Small projects to be undertaken in different municipalities have been planned. Projects planned include the repair of roads and the building of schools and hospitals. A budget of $300 million is available and the target is to create 100 000 jobs. With respect to the participation of private enterprise in

public works, offers have been made to domestic and foreign companies.

4. Rural roads are the responsibility of the provinces. These roads pose a problem for the dairy farmers, as they cannot use high technology transport on highways which are not in a good condition. In some areas grain and cattle can be transported without problems. With regard to services, the rural areas have power and there is no demand on water and sewerage services because of migration.

R. Techint

1. The Techint Group of Companies comprises more than 60 independent construction companies, which pride themselves on deep roots in all the countries in which they operate. They share a common philosophy: Long term presence, commitment to local development, support of export-oriented policies, and competitiveness in international markets.

They have a network of representative offices who support the industrial, engineering and construction activities with procurement and financial and commercial services.

2. Techint has decided to modify its structure into a business unit organisation. Each unit has highly specialised resources, and is responsible for the design and implementation of its own strategy and business plan.

Having achieved an integrated vision of the process, with the accompanying advantages in cost reduction and improved completion schedules, this new structure allows the company to—

(1) meet client expectations;

(2) respond promptly to changes;

(3) constantly improve the quality of projects and services;

(4) safeguard the environment; and

(5) constantly update operational techniques and procedures by incorporating state of the art technology.

They are actively participating in public sector companies which have been privatised, such as in respect of transport, roads, railways, water purification plants, sewage treatment plants, housing, multi-purpose pipelines, petrochemical plants, etc.

3. Every company that has been privatised, decreased their number of employees. Most private companies, however, achieve much greater efficiency in the delivery of service. There is transference of technology, as local labour is trained in the use of the company's technology and equipment. With specialised jobs like the installation of pipes, training is provided, due to the need for specialised skills.

4. The state retains part of the equity in privatised companies through a system wherein the private company receives 60% of the shares, the state 30% and the employees 10%.

They have programmes to develop small businesses through subcontracting companies to undertake certain projects.

No 4—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL COUNCIL OF PROVINCES

TUESDAY, 25 MARCH 1997

1. The Council met at 11:07.

2. The Chairperson took the Chair and requested delegates to observe a moment of silence for prayers or meditation.

3. Precedence given to Motions Nos 1 to 4.

4. [11:08] Mr M V Moosa (for the Minister of Justice) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Hague Convention on the Civil Aspects of International Child Abduction* be referred to the Select Committee on Security and Justice, the committee to have power to confer with the Portfolio Committee on Justice of the National Assembly.

   Motion agreed to in accordance with section 65 of the Constitution.

5. [11:09] Mr M V Moosa (for the Minister of Justice) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Hague Convention on the Taking of Evidence Abroad in Civil or Commercial Matters* be referred to the Select Committee on Security and Justice, the committee to have power to confer with the Portfolio Committee on Justice of the National Assembly.

   Motion agreed to in accordance with section 65 of the Constitution.

6. [11:10] The Acting Chief Whip of the Majority Party (for the Minister for Posts, Telecommunications and Broadcasting) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Rascom Convention* be referred to the Select Committee on Labour and Public Enterprises, the committee to have power to confer with the Portfolio Committee on Communications of the National Assembly.

   Motion agreed to in accordance with section 65 of the Constitution.

7. [11:10] The Acting Chief Whip of the Majority Party (for the Minister of Transport) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Protocol Relating to Intervention on the High Seas in Cases of Marine Pollution by Substances Other than Oil 1973* be referred to the Select Committee on Public Services, the

committee to have power to confer with the Portfolio Committee on Transport of the National Assembly.

Motion agreed to in accordance with section 65 of the Constitution.

8. [11:11] The meeting proceeded to the election of the Deputy Chairperson of the National Council of Provinces to fill the post vacated by the former Premier of KwaZulu-Natal, Dr F T Mdlalose.

The Chairperson of the National Council of Provinces called for nominations.

Dr Z L Mkhize, seconded by Premier E M Dipico, nominated Dr B S Ngubane for election as Deputy Chairperson of the National Council of Provinces in terms of section 64(3) of the Constitution.

The Returning Officer reported to the Chairperson of the National Council of Provinces that the nomination paper had been properly completed.

There being no further nominations, the Chairperson of the National Council of Provinces declared Dr B S Ngubane properly elected as Deputy Chairperson of the National Council of Provinces in terms of section 64(3) of the Constitution.

Dr B S Ngubane expressed his sense of the honour conferred upon him.

The delegation heads of all the provinces congratulated Dr B S Ngubane on his election.

9. Precedence given to Orders Nos 1 to 7.

10. FIRST ORDER: [11:30]

Consideration of *Public Accountants' and Auditors' Amendment Bill* [B 98—96] (National Assembly—sec 75) and of Report of Select Committee on Finance thereon (Announcements, Tablings and Committee Reports, p 106).

Order disposed of without debate.

Bill agreed to in accordance with section 75 of the Constitution.

11. SECOND ORDER [11:31]

Consideration of *Finance Bill* [B 102B—96] (National Assembly—sec 75) and of Report of Select Committee on Finance thereon (Announcements, Tablings and Committee Reports, p 106).

Order disposed of without debate.

Bill agreed to in accordance with section 75 of the Constitution.

12. THIRD ORDER [11:31]

Consideration of *Defence Amendment Bill* [B 14B—97] (National Assembly—sec 75) and of Report of Select Committee on Security and Justice thereon (Announcements, Tablings and Committee Reports, p 141).

Debate concluded.

Bill agreed to in accordance with section 75 of the Constitution.

13. FOURTH ORDER [12:28]

Consideration of *Prescribed Rate of Interest Amendment Bill* [B 8B—96] (Senate—sec 75) and of Report of Select Committee on Security and Justice thereon (Announcements, Tablings and Committee Reports, p 141).

Order disposed of without debate.

Bill agreed to in accordance with section 75 of the Constitution.

BUSINESS SUSPENDED AT 12:30 AND RESUMED AT 14:15.

14. FIFTH ORDER [14:16]

Consideration of *Land Survey Bill* [B 83B—96] (National Assembly—sec 75) and of Report of Select Committee on Land, Agriculture and Environmental Affairs thereon (Announcements, Tablings and Committee Reports, p 107).

Order disposed of without debate.

Bill agreed to in accordance with section 75 of the Constitution.

15. SIXTH ORDER [14:24]

Consideration of *Council of Traditional Leaders Bill* [B 25F—96] (National Assembly—sec 76) and of Report of Select Committee on Constitutional Affairs and Public Administration thereon (Announcements, Tablings and Committee Reports, p 111).

Debate concluded.

Question put: That the Bill be agreed to.

Declarations of vote made on behalf of the provinces of the Western Cape and KwaZulu-Natal.

The provinces cast their votes as follows:

AYES—7: Eastern Cape, Free State, Gauteng, Mpumalanga, Northern Cape, Northern Province, North-West.

NOES—1: KwaZulu-Natal.

ABSTAIN—1: Western Cape.

Bill agreed to in accordance with section 65 of the Constitution.

16. SEVENTH ORDER [16:06]

Consideration of *KwaZulu-Natal Ingonyama Trust Amendment Bill* [B 12F—96] (Senate—sec 76) and of Report of Select Committee on Land, Agriculture and Environmental Affairs thereon (Announcements, Tablings and Committee Reports, p 107).

Debate concluded.

Bill agreed to in accordance with section 65 of the Constitution.

17. [16:59] The Acting Chief Whip of the Majority Party moved: That the House adopts the recommendations contained in the paper produced by the National Assembly component of the previous *Ad hoc* Joint Committee on the *Report and Recommendations on the Remuneration and the Pension Dispensation for Members of Parliament, the Senate and Provincial Legislatures (Steyn Commission Report)*, which paper was tabled on 14 March 1997 (Announcements, Tablings and Committee Reports, p 108).

BUSINESS SUSPENDED AT 17:09 AND RESUMED AT 17:16.

Motion agreed to in accordance with section 65 of the Constitution.

18. The meeting adjourned at 17:28.

C J P LUCAS,

Acting Secretary to Parliament.

No 11—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

WEDNESDAY, 26 MARCH 1997

1. The House met at 15:05.

2. The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. [15:07] Interpellations.

4. [15:28] Questions.

5. [16:06] Consideration of the paper produced by the National Assembly component of the previous *Ad hoc* Joint Committee on the *Report and Recommendations on the Remuneration and the Pension Dispensation for Members of Parliament, the Senate and Provincial Legislatures (Steyn Commission Report)*, which paper was tabled on 14 March 1997 (Announcements, Tablings and Committee Reports, p 108).

   The Leader of the House moved: That the paper produced and recommendations therein be adopted.

   Agreed to.

6. FIRST ORDER [16:06]

   Resumption of First Reading debate—*Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate interrupted.

7. [18:15] The Minister of Finance, with leave, moved without notice: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Bilateral Agreement between the Government of the Republic of South Africa and the Government of the Republic of Namibia* be referred to the Portfolio Committee on Finance, the committee to have power to confer with the Select Committee on Finance of the National Council of Provinces.

   Agreed to.

8. [18:16] The House at the request of Mr G C Oosthuizen, discussed the following subject as a Matter of Public Importance in terms of Rule 129: Prisoners in obsolete mines.

   Debate concluded.

9. The House adjourned at 19:17.

C J P LUCAS,

Acting Secretary to Parliament.

No 22—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

WEDNESDAY, 26 MARCH 1997

ANNOUNCEMENTS:

National Assembly:

1. The Speaker:

   (1) Dr R H Davies has been elected chairperson of the *Ad hoc* Committee on Constitution of SADC Parliamentary Forum with effect from 25 March 1997.

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Speaker of the National Assembly and the Chairperson of the National Council of Provinces:

   Report of the Auditor-General on the accounts of the National Government for 1995-96 [RP 40—97].

2. The Minister of Finance:

   (1) Text of the Bilateral Agreement between the Government of the Republic of South Africa and the Government of the Republic of Namibia pertaining to the redemption of the Namibian Government's pre-independence South African Government guaranteed debt.

   (2) Explanatory Memorandum on the Agreement.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Agriculture, Water Affairs and Forestry on the *Genetically Modified Organisms Bill* [B 3—97] (National Assembly—sec 76), dated 26 March 1997, as follows:

The Portfolio Committee on Agriculture, Water Affairs and Forestry, having considered the subject of the *Genetically Modified Organisms Bill* [B 3—97] (National Assembly—sec 76), referred to it, begs to report the Bill with amendments [B 3A—97]

2. Report of the Portfolio Committee on Communications on the *Broadcasting Amendment Bill* [B 15—97] (National Assembly—sec 75), dated 26 March 1997, as follows:

The Portfolio Committee on Communications, having considered the subject of the *Broadcasting Amendment Bill* [B 15—97] (National Assembly—sec 75), referred to it, begs to report the Bill with an amendment [B 15A—97].

National Council of Provinces:

1. Report of the Select Committee on Finance on the *Development Bank of Southern Africa Bill* [B 2B—97] (National Assembly—sec 75), dated 26 March 1997, as follows:

The Select Committee on Finance, having considered the subject of the *Development Bank of Southern Africa Bill* [B 2B—97] (National Assembly—sec 75), referred to it, begs to report that it has agreed to the Bill.

No 12—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

THURSDAY, 27 MARCH 1997

1. The House met at 09:30.

2. The Deputy Chairperson of Committees took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [09:33]

   Resumption of First Reading debate—*Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

   Question put: That the Bill be now read a first time.

   Division demanded.

   The House divided:

   AYES—291: Abrahams, C O; Abrahams, L A; Ally, A; Appelgryn, M S; Arendse, J D; Asmal, A K; Badenhorst, M J; Bakker, D M; Baloyi, S F; Bam, N J; Beesham, A K; Bekker, H J; Belot, S T; Benjamin, J; Bester, B C; Bhengu, F; Bikitsha, P I; Biyela, N T; Blaas, A; Bloem, D V; Booi, M S; Bunting, B P; Cachalia, I M; Carelse, G M E; Carrim, Y I; Cassim, M F; Chait, E J; Chalmers, J; Chauke, P; Chiba, L; Chikane, M M; Chohan, F; Chuenyane, L D; Coetzee, M P; Coetzer, P W; Cronjé, P C; Cupido, P W; Davhana, M K D; Davies, R H; De Beer, S J; De Klerk, F W; De Lange, J H; De Villiers, D J; Dexter, P D; Diale, N L; Didiza, A T; Dlamini, B O; Doidge, G Q; Dowry, J J; Du Toit, D C; Duna, M W; Ebrahim, A G; Ebrahim, E I; Fani, L M; Fankomo, F C; Fazzie, E; Fazzie, H M; Feinstein, A; Ferreira, E T; Fihla, N B; Fourie, A; Fourie, W L; Fredericks, G A; Gandhi, E; Gcina, C I; Geldenhuys, B L; George, M E; Gillwald, C E; Gininda, M S; Gogotya, N J; Goniwe, T M; Goosen, A D; Gous, S J; Govender, D; Govender, P; Graaff, D d V; Green, L M; Groenewald, R H; Gumede, D M; Gxowa, N B; Hajaij, F; Hanekom, D A; Hangana, N E; Hlangwana, N L; Hofmeyr, W A; Holomisa, S P; Jana, D P; Janse van Rensburg, A P; Jassat, E E; Jordaan, D A; Jordan, P; Kasrils, R; Kathrada, Kati, Z J; A M; Kekana, N N; Kgauwe, Q J; King, T J; Koornhof, NJJvR; Kota, Z A; Kuzwayo, N E K; Landers, L T; Le Roux, J W; Leeuw, S J; Lekgoro, M K; Lockey, D; Loots, H G; Louw, S K; Love, J Y; Mabandla, B S; Mabudafhasi, R T; Mabude, N; Mabuza, M C; Madikizela, P; Mahlalela, A F; Mahlangu, G L; Mahomed, F; Maine, M S; Makume, N J;

Makwetla, S P; Malan, T J; Maloney, L; Malumise, M M; Mangaliso, Z K; Manie, M S; Manuel, T A; Mapisa-Nqakula, N N; Marais, J A; Marais, P G; Marcus, G; Maree, J W; Marivate, C T D; Mars, I; Marsh, D W; Marshoff, F B; Martins, B A D; Mashamba, H J; Masher, M G; Mashimbye, J N; Mathebe, P; Matosa, P Z; Matthee, P A; Maunye, M M; Mavuso, J S A; Mboweni, T T; Mbuyazi, L R; McKenzie, P C; Mdladlana, M M S; Mfayela, S B; Mfono, N B; Mgidi, J S; Mkhize, B R; Mlambo-Ngcuka, P G; Mlangeni, A; Mngomezulu, G P; Mnguni, L L A; Mnguni, Z D; Moatshe, P; Modise, K J; Modise, T R; Modisenyane, L J; Moeti, S E; Mohamed, A G; Mohamed, I J; Mohlamonyane, G M; Mokaba, P R; Mokgalong, M R V; Mokoena, D A; Mokoena, M L; Molekane, R S; Molewa, B G; Momberg, J H; Moosa, M V; Mpahlwa, M B; Mpehle, M; Mthembi-Mahanyele, S D; Mtintso, T E; Mtsweni, N S; Mushwana, G M; Myakayaka-Manzini, Y L; Naidoo, J; Nair, B; Nash, J H; Ncinane, Z I; Ndawonde, D; Ndlovu, M C; Ndou, J A; Ndou, R S; Neerahoo, H M; Nel, A C; Nel, A H; Netshimbupfe, M A; Ngwane, L B; Ngwenya, M L; Nhlanhla, J M; Niemann, J J; Njobe, M A A; Nkomo, S A; Nkosi, D M; Nqwemesha, K W; Ntaopane, T E; Ntsizi, T C; Ntuli, B M; Nwedamutswu, M J; Nxumalo, S D; Nyembe, N D; Nzimande, B E; Olifant, D A A; Oliphant, G G; Oliphant, R; Omar, A M; Oosthuizen, G C; Padiachey, D K; Pahad, A G H; Pahad, E G; Pandor, G N M; Phakathi, N E; Phenethi, M M; Pretorius, I J; Rabinowitz, R; Radebe, J T; Ramabulana, V E; Ramaremisa, N G; Ramgobin, M; Rantho, M M; Ratshitanga, R; Reeves, A E; Rhoda, R T; Richards, I; Ripinga, S S; Robertson, M O; Rockman, G; Routledge, N C; Schoeman, E A; Schoeman, R S; Seaton, S A; Sekgobela, P S; Seperepere, M S; September, R K; Shabangu, S; Shilubana, T P; Shope, N G; Shope, N R; Sigcau, S; Sigcawu, A N; Sikakane, M R; Simmons, S; Sisulu, L; Sisulu, M V; Sisulu, N A; Skosane, B M; Skweyiya, Z S T; Smit, F P; Smit, H A; Solomon, G; Sonjica, B P; Steenkamp, P J; Streicher, D M; Suttner, R S; Thabethe, E; Thomson, B; Tiry, M; Tolo, L J; Tsenoli, S L; Tshabalala, M E; Tsheole, N M; Tshivhase, T J; Tshwete, S V; Turok, B; Turok, M E; Vadi, I; Van den Heever, R P Z; Van der Merwe, S; Van der Merwe, J H; Van der Merwe, A S; Van Heerden, F J; Van Schalkwyk, M C J; Van Wyk, A; Van Wyk, J F; Van Zyl, I D; Vilakazi, B H; Vilakazi, M I; Viljoen, V; Vos, S C; Watson, A; Williams, A; Wyngaard, C A; Xingwana, L M; Yengeni, T S; Zitha, D A; Zondo, P; Zuma, N C D.

NOES—10: Andrew, K M; Botha, W A; Botha, W J; Chiolé, J; Gibson, D H M; Jordaan, J A; Louw, L; Mulder, C P; Mulder, P W A; Smuts, M.

Question agreed to.

Bill accordingly read a first time.

4. [13:06] The Minister of Finance, with leave, moved without notice: That the Report of the Portfolio Committee on Finance on the *Bilateral Agreement between the Government of the Republic of South Africa and the Government of the Republic of Namibia* be adopted and that, in terms of section 231(2) of the Constitution, the agreement be approved.

   Agreed to (Freedom Front dissenting).

5. SECOND ORDER [13:06]

   Second Reading debate—*Genetically Modified Organisms Bill* [B 3B—97] (National Assembly—sec 76).

   Order disposed of without debate.

   Bill read a second time.

6. THIRD ORDER [13:07]

Consideration of Bill as amended by National Council of Provinces—*Council of Traditional Leaders Bill* [B 25F—96] (National Assembly—sec 76).

Order disposed of without debate.

Bill agreed to (National Party and Inkatha Freedom Party dissenting).

7. The House adjourned at 13:08.

C J P LUCAS,

Acting Secretary to Parliament.

No 23—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

THURSDAY, 27 MARCH 1997

ANNOUNCEMENTS:

National Council of Provinces:

1. The Chairperson:

   Message from National Assembly to National Council of Provinces:

   Bill passed by National Assembly on 27 March 1997 and transmitted for concurrence:

   (1) *Genetically Modified Organisms Bill* [B 3B—97] (National Assembly—sec 76)—(Select Committee on Land, Agriculture and Environmental Affairs—National Council of Provinces).

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Arts, Culture, Science and Technology:

   Memorandum on Vote No 6—"Arts, Culture, Science and Technology," Main Estimates, 1997-98.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Finance on the *Bilateral Agreement between RSA and Namibia*, dated 27 March 1997, as follows:

   The Portfolio Committee on Finance, having considered the request for approval by Parliament of the *Bilateral Agreement between the Government of the Republic of South Africa and the Government of the Republic of Namibia*, referred to it, begs to

recommend that the House, in terms of section 231(2) of the Constitution, approve the said Agreement.

Report to be considered.

No 24—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

MONDAY, 14 APRIL 1997

ANNOUNCEMENTS:

National Assembly:

1. The Speaker:

   The Speaker has in terms of Rule 168(2) referred the following legislative proposal which has been submitted to her, together with the memorandum thereon, to the Portfolio Committee on Private Members' Legislative Proposals and Petitions:

   (1) *Fund for Victims of Violent Crime Bill* (National Assembly—sec 75), submitted by Mr D H M Gibson.

2. The Speaker:

   The following Bill has been introduced since 27 March 1997:

   (1) *South African Reserve Bank Amendment Bill* [B 21—97] (National Assembly—sec 75)—(Portfolio Committee on Finance—National Assembly) on 8 April 1997.

National Council of Provinces:

1. The Chairperson:

   (1) The following member will vacate his seat in the National Council of Provinces with effect from 1 May 1997:

   Jooste, J A.

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Home Affairs:

   Report of the Department of Home Affairs for 1996 [RP 44—97].

2. The Minister for Agriculture and Land Affairs:

(1) Statement in terms of section 65(2) of the Land Bank Act, 1944, of the Assets and Liabilities and the Profit and Loss Account of the Land and Agricultural Bank of South Africa, as at 31 December 1996.

(2) Statement of the Assets and Liabilities and the Profit and Loss Account of the South African Mortgage Insurance Company, Limited, of which the Land and Agricultural Bank is the sole shareholder.

(3) List of names of members of the Land Bank Board.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Transport on the *Shipping General Amendment Bill* [B 11—97] (National Assembly—sec 75), dated 14 April 1997, as follows:

> The Portfolio Committee on Transport, having considered the subject of the *Shipping General Amendment Bill* [B 11—97] (National Assembly—sec 75), referred to it, begs to report the Bill without amendment.

No 13—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

TUESDAY, 15 APRIL 1997

1. The House met at 14:17.
2. The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. Mr J H Momberg (for the Chief Whip of the Majority Party) moved: That, notwithstanding the provisions of Rule 11, the hours of sitting on Friday, 18 April 1997, and Friday, 25 April 1997, shall be as follows:

   09:30 to adjournment.

   Agreed to.
4. FIRST ORDER [14:21]

   Debate on Vote No 1—President, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate interrupted.
5. The House adjourned at 19:26.

C J P LUCAS,

Acting Secretary to Parliament.

No 25—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

TUESDAY, 15 APRIL 1997

ANNOUNCEMENTS:

National Council of Provinces:

1. The Chairperson:

   In terms of Rule 1 of the Preliminary Rules of the National Council of Provinces, read with Rule 52(1)*(c)* of the Standing Rules of the Senate, the Chairperson of the National Council of Provinces, on 14 April 1997, referred the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Bilateral Agreement between the Government of the Republic of South Africa and the Government of the Republic of Namibia* to the Select Committee on Finance.

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Speaker of the National Assembly and the Chairperson of the National Council of Provinces:

   (1) Report of the Public Protector in terms of the Public Protector Act, 1994: Report No 3 (Special Report)—Report on Progress and Integrity of the Senior Certificate Examination—1996 [RP 36—97].

   (2) Reports of the Auditor-General on the—

   (a) Urban Transport Fund for 1995-96 [RP 32—97].

   (b) Health Donations Fund for 1995-96 [RP 144—96].

   (c) Agricultural Research Council for 1995-96 [RP 150—96].

2. The Minister of Health:

   (1) Basic Co-operation Agreement between the Government of South Africa and the United Nations Children's Fund.

(2) Explanatory Memorandum on the Agreement.

3. The Minister of Trade and Industry:

Report of the Industrial Development Corporation for 1996.

4. The Minister of Environmental Affairs and Tourism:

List relating to Government Notice—14 March 1997.

5. The Minister of Transport:

List relating to Government Notices—14 February to 20 March 1997.

6. The Minister of Finance:

(1) Fifth Interim Report of the Commission of Inquiry into certain aspects of the Tax Structure of South Africa.

(2) List of Shareholders of the South African Reserve Bank as at 31 March 1997.

7. The Minister of Justice:

List relating to Government Notices—28 February to 12 March 1997.

8. The Minister of Arts, Culture, Science and Technology:

Report of The State Library, Pretoria, for 1996.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Home Affairs on Budget Vote 16: Home Affairs, dated 14 April 1997, as follows:

The Portfolio Committee on Home Affairs, having considered and examined Budget Vote 16: Home Affairs in terms of Rule 52(1)*(c)* of the Standing Rules for the National Assembly, begs to report as follows:

A. Introduction

On 14 April 1997, the Committee was extensively briefed by the director-general and deputy directors-general on the budget allocation for the Department of Home Affairs for the 1997-98 financial year.

The Committee noted that an amount of R520 429 000 is included in the government's budget for 1997-98 in respect of the department. This represents an increase of 32,7% (R128,243 million) compared to the budget allocation for the previous financial year. The largest percentage of this increase can be attributed to the introduction of a new Automated Fingerprint Identification System (AFIS) and on expansion of the passport section.

B. Programme 1: Administration—net increase R6,476 million, or 9,19%

1. The increase is attributable to the following:

(1) Personnel expenditure: Carry-through costs of salary improvements (R8,047 million), less R2,778 million for savings on vacant posts.

(2) Professional services: Increase in repatriation and deportation cases as well as specialised consultancy services.

C. *Programme 2: Service to citizens—net increase R126,62 million, or 70,56%*

1. The increase is attributable to the following:

(1) Personnel expenditure: Carry-through costs of salary improvements (R19,986 million), less R3,992 million for savings on vacant posts.

(2) The implementation of AFIS. The breakdown of the costs is as follows:

Stores	R13,5 million
Equipment	R63,1 million
Professional services	R16,7 million
Total	R93,3 million

(3) The expansion of the passport section (R11,096 million).

The Committee has noted with concern that there are at present 1 421 vacancies in the department.

The breakdown of these vacancies is as follows:

Directors	4
Deputy directors *	26
Assistant directors *	40
Snr administrative officers	108
Lower levels	1 234
Total	1 421

(* includes equivalent ranks)

The Committee has been informed that approximately half of these vacancies are in the process of being filled.

Part of the problem arises from the fact that in terms of public service directives, vacancies which occur by means of civil servants taking severance packages cannot be filled. These vacancies severely hamper the department in its efforts to provide an efficient and accessible service to citizens. The results are long queues at virtually all the department's regional and local offices.

The Committee has also been informed that 954 officials have applied for severance packages. A total of 493 applications have been approved, 293 have been rejected, and the rest are under consideration.

The Committee urges the department to, in its negotiations with the Department of Public Service and Administration, ensure that these posts are filled so that service to the public can be improved.

2. *Improvement of services to poor, rural and disadvantaged communities*

The Committee is concerned with the department's slow progress in opening offices in poor, rural and disadvantaged urban communities.

The Committee noted that the opening of additional offices was recommended in the following areas:

(1) *Western Cape*

(a) Khayelitsha (presently a service point).

(b) Mitchell's Plain (presently a service point).

(2) *Eastern Cape*

(a) Butterworth.

(b) Lusikisiki.

(c) Mount Frere.

(d) Ngcobo.

(3) *Northern Province*

(a) Elim.

(4) *Gauteng West*

(a) Soweto (to be opened on 1 June 1997).

The Committee urges the department to expedite the opening of these offices as part of the overall objective of service delivery by the government.

3. *Mobile units*

The Committee commends the department for its acquisition of mobile units that are to be deployed in rural communities on a regular basis. A total of 108 vehicles were ordered during October1996—60 have been delivered, 48 still being outstanding. The total cost for purchasing these vehicles was R10,8 million.

The vehicles will be allocated to regional directorates, to be used as mobile units in the various regions. The distribution will be as follows:

(1)	Eastern Cape	17
(2)	KwaZulu-Natal	6
(3)	Northern Cape	0
(4)	Northern Province	23
(5)	North West	46
(6)	Free State	2
(7)	Mpumalanga	10
(8)	Gauteng East	4
(9)	Gauteng West	6
(10)	Western Cape	5
	Total	119

Eleven vehicles were already used as mobile units by the department before October 1996.

4. *Home Affairs National Identification System (HANIS)*

An amount of R93,3 million has been allocated under programme 2 for the first phase of the implementation of HANIS.

HANIS will be implemented over an eight-year period at a rate of 30 000 registrations per working day.

The Committee noted with concern that the evaluation of the various tenders is expected to take between six and nine months. We are also concerned about the envisaged secrecy surrounding the tender evaluation. We urge the department to evaluate the tenders in an open and transparent process.

The Committee also urges the department to implement HANIS without any unnecessary delay.

5. *Agency functions*

The Committee noted that, with effect from 1 June 1997, 332 magistrates' offices will no longer render the following services on an agency basis for the department:

(1) Registration of births.

(2) Late registration of births.

(3) Marriages.

(4) Registration of deaths.

(5) Applications for identity documents.

Figures in respect of magistrates' offices where agency services are rendered on behalf of the department, are as follows:

Regional directorate	Number
Western Cape	46
Northern Province	5
KwaZulu-Natal	57
Eastern Cape	70
Free State	67
Gauteng East	5
Gauteng West	5
Mpumalanga	30
North West	12
Northern Cape	35
Total	332

The Committee requests the department to take appropriate steps to ensure that citizens are not further inconvenienced by the termination of this service.

6. *Transformation, rationalisation and restructuring of department*

The Committee noted that the department is about to begin a process of transformation through the launching of the national transformation unit on 17 April 1997. The department has also committed itself to a process of affirmative action, which seeks to address the following issues:

(1) Recruiting of candidates from historically disadvantaged communities.

(2) Achieving targets within the guidelines provided in the white paper.

(3) Training and development programmes.

(4) Transforming organisational culture to enhance diversity.

The Committee strongly supports the department in its attempts to fill posts within the parameters laid down by the public service staff code—chapter B.VII. This mechanism will ensure that all vacant posts are advertised in order to promote the creation of cultural diversity in the department. (*See* Tables A1 and A2.)

7. Gender

The Committee noted that the department has also demonstrated its commitment to gender empowerment through the creation of a gender desk. The gender desk is currently collecting input with a view to developing a departmental policy on gender-related issues and the empowerment of women.

The Committee urges the department to strive towards a more equitable distribution in respect of the employment of Black women, particularly in the middle and upper echelons.

D. Programme 3: Migration—net increase R2,083 million, or 1,883%

The Committee has noted that the Minister appointed a task group in December 1996 to draft a green paper on a new immigration policy. This task group will table its report in May 1997.

1. SADC exemption statistics on long-term undocumented migrants

Statistics on exemptions (amnesty) granted in terms of section 28 of the Aliens Control Act, 1991, to long-term undocumented migrants from SADC countries are as follows:

Grand total for the whole of Southern Africa:

	Received	Approved	Rejected	R/D...H/O #	Balance
LESOTHO	15647	6931	7607	0	1109
BOTSWANA	1626	877	278	0	471
SWAZILAND	2899	1245	1111	0	543
ANGOLA	144	70	38	0	36
NAMIBIA	89	76	12	0	1
ZIMBABWE	23404	15454	5688	2	2261
MOZAMBIQUE	146662	68690	68534	0	9438
ZAMBIA	1042	326	237	5	479
TANZANIA	207	85	35	0	87
MALAWI	7734	5189	2031	0	514
MAURITIUS	122	100	7	0	15
Total	199575	99043 *	85578	7	14954

Referred to regional director/head office.

Average percentage approvals: 50

* This figure is expected to increase as the number of rejections decreases due to submission of outstanding documents.

Average percentage finalised:	92,5
Average percentage rejected:	42,2
Still to be finalised:	7,5

2. *Exemptions*

The Committee has taken note of the report on the exemption of foreign mine workers. The report is as follows:

Particulars of exemptions: Mineworkers

Applications received:

Mozambique	Lesotho	Swaziland	Botswana	Malawi	TOTAL
9159	34 017	4 092	3 886	350	51 504

Exemptions approved:

Mozambique	Lesotho	Swaziland	Botswana	Malawi	TOTAL
8932	33630	4037	3749	344	50692

Applications on hand:

Mozambique	Lesotho	Swaziland	Botswana	Malawi	TOTAL
227	387	55	137	6	812

Applications rejected: None

3. *Undocumented migration*

The Committee noted that during 1996, 180 713 illegal immigrants were repatriated to their countries of origin. Mozambicans are by far the largest group affected by these deportations (157 425).

The Committee recognises the damage that will flow from uncontrolled and unregulated migration to South Africa. It awaits the green paper on a new immigration policy to deal with the question of economic migration to South Africa.

4. *Refugees*

The Committee noted the considerable backlog in the processing of applications for political asylum. At present the average waiting period is 12 months.

Summary of refugee applications:

Applications received:

Men	22 311
Women	1 540
Children	816
Total	24 667

Applications finalised:	
Men	9 295
Women	599
Children	494
Total	10 388
Outstanding applications:	
Men	322
Women	941
Children	13 016
Total	14 279

(*See* Table G1.)

The Committee recommends that more staff be appointed to expedite the processing of the outstanding applications for political asylum.

The Committee also recommends that a *Refugee Bill* be tabled in Parliament immediately after the adoption of a white paper on a new immigration policy.

5. *Programme 4: Auxiliary and associated services*

(1) *Film and Publication Board/Film and Publication Review Board—net increase R0,182 million, or 7,07%*

The increase is attributable to carry-through costs of salary improvements.

(2) *Computer services—net decrease R2,680 million, or 17,11%*

The decrease is attributable to the fact that costs in respect of computer services were separately budgeted for under the computer services subprogramme last year, and for this budget it has been included under the other three programmes.

(3) *Government printing works—net decrease R4,562 million, or 30,41%*

The decrease is a result of a cut by the national budget committee on a transfer payment to the government printing works in Umtata, compared to an allocation of R15 million the previous year.

(4) *Government transport—net increase R173 000, or 16,24%*

The increase can be attributed to the purchase of vehicles for new appointments in the inspectorate division and the replacement of old departmental vehicles.

(5) *Electoral Commission—no increase*

The reason for the nominal provision is because we are still waiting for approval of the new Electoral Act, which is anticipated to be after April 1997. Provisionally an estimated budget of R287 million was presented to State Expenditure for consideration, and it will be included in the department's first report for approval in September 1997.

PROGRAMME FOR AFFIRMATIVE ACTION: STATEMENT ON POSITION REGARDING FILLING OF POSTS - VARIOUS POPULATION GROUPS

REGION	WHITE		COLOURED		ASIAN		AFRICAN		TOTAL	RATIO PER PERSON AS ON 07-11-1994		RATIO PER REGION AS ON 31-12-1996		POPULATION GROUP RATIO PER REGION	
	M	F	M	F	M	F	M	F		White	Black	White	Black	White	Black
Free State	35	58	21	6	0	0	146	59	325	42%	58%	29%	71%	13%	87%
North West	25	37	6	1	0	0	196	307	572	9%	91%	11%	89%	8%	92%
Northern Cape	27	40	17	15	0	0	10	7	116	72%	28%	58%	42%	30%	70%
Eastern Cape	28	44	19	6	0	0	145	154	396	8%	92%	18%	82%	6%	94%
Western Cape	61	101	49	63	5	7	55	23	364	85%	15%	45%	55%	24%	76%
Kwazulu-Natal	53	111	3	9	35	19	134	61	425	46%	54%	39%	61%	7%	93%
Gauteng-East	110	173	6	12	1	0	149	86	537	59%	41%	53%	47%	31%	69%
Gauteng-West	73	122	10	13	3	2	147	124	494	60%	40%	39%	61%	31%	69%
Northern Province	30	44	0	0	0	0	223	133	430	24%	76%	17%	83%	3%	97%
Mpumalanga	53	83	1	3	0	1	187	63	391	43%	57%	35%	65%	10%	90%
Administration	51	159	3	5	2	0	66	71	357	72%	28%	59%	41%	13%	87%
Civic Affairs	81	535	20	70	0	0	95	115	916	88%	12%	67%	33%	13%	87%
Migration	25	91	4	4	0	1	7	21	152	96%	4%	76%	24%	13%	87%
Director-Gen. Secretariat	4	7	0	0	0	0	4	6	21	55%	45%	52%	48%	13%	87%
Government Printing works	332	298	9	18	0	3	168	195	1023	68%	32%	62%	38%	13%	87%
Publications Appeal Board	1	1	0	0	0	0	0	0	2	100%	0%	100%	0%	13%	87%
Directorate of Publications	2	3	1	2	1	0	0	0	9	70%	30%	56%	44%	24%	76%
Total	991	1907	169	227	47	32	1732	1425	6530	59%	41%	44%	56%	13%	87%

TABLE A1

DEPARTMENT OF HOME AFFAIRS
Personnel Composition: 02 January 1997

SUMMARY:

	Whites		Africans		Coloured		Indian		Total	%Blacks	%Whites
	M	F	M	F	M	F	M	F			
Director General	1	0	0	0	0	0	0	0	1	0	100
Deputy Director Gen.	1	0	1	0	0	0	0	0	2	50	50
CD/Equivalent	1	0	4	0	0	0	0	0	5	80	20
Directors Equivalent	13	0	8	0	0	0	0	0	21	38	62
Deputy Director Equiv	21	4	7	0	0	0	0	0	32	22	78
Ass.Dir.Equiv	22	20	18	5	0	0	0	0	65	45	65
Sen.Adm.Off.Equiv	41	37	19	10	1	0	2	1	111	30	70
Lower Levels	572	1580	1697	1299	157	204	46	29	5584		
Grand Total	672	1641	1754	1309	158	204	48	30	5816	60	40
Percentage	11,6	28,2	30,1	22,5	2,7	3,5	0,8	0,5			

Management Composition:

	Whites		Africans		Coloured		Indian		Total	%Blacks	%Whites
	M	F	M	F	M	F	M	F			
Senior Management	15	0	13	0	0	0	0	0	28	46	54
Middle Management	43	24	25	5	0	0	0	0	97	31	69
Junior Management	41	37	19	10	1	0	2	1	111	30	70
Grand Total	99	61	57	15	1	0	2	1	236	32	68
Percentage	41,9	25,8	24,2	6,5	0,4	0	0,8	0,4			

TABLE A2

APPLICATIONS IN THE RSA: HEAD OFFICE + SOMALIA, ANGOLA AND ZAIRE AT BRAAMFONTEIN, DURBAN AND CAPE TOWN, AS ON 97-02-28

COUNTRY	*APPLICATIONS RECEIVED*				*APPLICATIONS FINALISED*				*APPLICATIONS OUTSTANDING*			
	MALE	FEMALE	CHILD	TOTAL	MALE	FEMALE	CHILD	TOTAL	MALE	FEMALE	CHILD	TOTAL
AFGHANISTAN	7			7	6			6	1	0	0	1
ALBANIA	8			8	3			3	5	0	0	5
ALGERIA	78	3	1	82	3			3	75	3	1	79
ANGOLA	3482	218	185	3885	2995	168	183	3346	487	50	2	539
ARGENTINIA	1	1		2				0	1	1	0	2
AUSTRIA	1			1				0	1	0	0	1
ARMENIA	11	6	9	26	7	4	7	18	4	2	2	8
BAKASI	1			1				0	1	0	0	1
BANGLADESH	479	4	1	484	165	3	1	169	314	1	0	315
BELGIUM	2			2				0	2	0	0	2
BENIN	14			14				0	14	0	0	14
BOSNIA	19	7	3	29	3			3	16	7	3	26
BOTSWANA	1			1	1			1	0	0	0	0
BRAZIL	1			1	1			1	0	0	0	0
BULGARIA	399	165	68	632	38	12	6	56	361	153	62	576
BURKINA FASO	34	2	1	37	3			3	31	2	1	34
BURUNDI	435	63	43	541	72	4	5	81	363	59	38	460
CAMEROON	341	31	2	374	40			40	301	31	2	334
CANADA	1			1	1			1	0	0	0	0
CHAD	5			5	1			1	4	0	0	4
CHINA	379	106	17	502	104	44	8	156	275	62	9	346

COLOMBIA	1			1				0	1	0	0	1
COMORES	8			8				0	8	0	0	8
CONGO	445	76	8	529	20	2		22	425	74	8	507
CROATIA	5	5	2	12	2	2	2	6	3	3	0	6
CUBA	2			2	2			2	0	0	0	0
CZECHOSLOVAKIA	1			1	1			1	0	0	0	0
EGYPT	10	1		11				0	10	1	0	11
ETHIOPIA	640	200	9	849	382	92	5	479	258	108	4	370
GABON	11			11				0	11	0	0	11
GAMBIA	18			18	11			11	7	0	0	7
GEORGIA	4	2	2	8				0	4	2	2	8
GERMANY	1			1	1			1	0	0	0	0
GHANA	532	44	9	585	82	5	1	88	450	39	8	497
GREECE	2	1		3	1			1	1	1	0	2
GUYANA	1			1				0	1	0	0	1
GUINEA BISSAU	34			34	3			3	31	0	0	31
GUADELOUPE	1			1	1			1	0	0	0	0
HAITI	1			1	1			1	0	0	0	0
HUNGARY	3			3				0	3	0	0	3
INDIA	2123	34	27	2184	496	10	11	517	1627	24	16	1667
IRAQ	20			20	10			10	10	0	0	10
IRAN	14	1	2	17	11			11	3	1	2	6
IVORY COAST	336	17	3	356	9			9	327	17	3	347
JORDAN	2			2	1			1	1	0	0	1

KENYA	62	12	2	76	1		1	61	12	2	75	
KOREA	1			1	0		0	1	0	0	1	
LESOTHO	3			3	2		2	1	0	0	1	
LIBANON	2	1		3		1	1	2	0		2	
LIBERIA	362	5	3	370	147	1	3	151	215	4	0	219
LIBYA	2			2			0	2	0	0	2	
MADAGASCAR	1			1			0	1	0	0	1	
MACEDONIA	3			3	2		2	1	0	0	1	
MALAWI	13	2	5	20	12		12	1	2	5	8	
MUARITANIA	10			10			0	10	0	0	10	
MAURITIUS	4			4	1		1	3	0	0	3	
MOROCCO	81	7	2	90	4	2	6	77	5	2	84	
MOZAMBIQUE	7			7	2		2	5	0	0	5	
MALI	331	4	5	340	51		51	280	4	5	289	
NAMIBIA	1			1	1		1	0	0	0	0	
NIGER	1			1	1		1	0	0	0	0	
NIGERIA	2704	88	19	2811	225	12	2	239	2479	76	17	2572
PAKISTAN	1957	29	40	2026	1078	10	12	1100	879	19	28	926
PALESTINE	18	1	3	22	1		1	17	1	3	21	
POLAND	8			8	1		1	7	0	0	7	
PORTUGAL	2			2			0	2	0	0	2	
ROMANIA	23	16	8	47	4	4	4	12	19	12	4	35
RWANDA	521	44	35	600	173	14	23	210	348	30	12	390
RUSSIA	24	18	9	51	6	6	6	18	18	12	3	33
SAO TOME	2			2			0	2	0	0	2	

SENEGAL	1072	1		1073	45			45	1027	1	0	1028
SERBIA	34	11	11	56	1			1	33	11	11	55
SEYCHELLE	1			1	1			1	0	0	0	0
SIERRA LEONE	24	3		27	5			5	19	3	0	22
SLOVAKIA	1			1	1			1	0	0	0	0
SLOVENIA	1			1				0	1	0	0	1
SOMALIA	2268	86	62	2416	1144	56	28	1228	1124	30	34	1188
SRI LANKA	3	2		5	1	1		2	2	1	0	3
STATELESS	1			1				0	1	0	0	1
SUDAN	110	3	2	115	10			10	100	3	2	105
SWITZERLAND	1			1	1			1	0	0	0	0
SWAZILAND	2	1		3	2			2	0	1	0	1
TANZANIA	94	2	1	97	6	1	1	8	88	1	0	89
TOGO	35	2		37	2	1		3	33	1	0	34
TUNISIA	4			4	1			1	3	0	0	3
TURKEY	54	2		56	1			1	53	2	0	55
U.A.E.	1			1	1			1	0	0	0	0
UGANDA	152	32	12	196	29	3	2	34	123	29	10	162
UKRAINE	3	3	4	10	1	1	1	3	2	2	3	7
UZBEKISTAN	1			1				0	1	0	0	1
WEST.SAHARA	3			3				0	3	0	0	3
YEMEN	1			1				0	1	0	0	1
YUGOSLAVIA	61	33	28	122	30	17	16	63	31	16	12	59
ZAIRE	2302	138	160	2600	1820	122	157	2099	482	16	3	501

ZAMBIA	20	7	13	40	2	1	10	13	18	6	3	27
ZIMBABWE	5			5	2			2	3	0	0	3
TOTAL	**22311**	**1540**	**816**	**24667**	**9295**	**599**	**494**	**10388**	**13016**	**941**	**322**	**14279**

TABLE G1

No 14—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

WEDNESDAY, 16 APRIL 1997

1. The House met at 15:04.
2. The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. [15:04] Interpellations.
4. [16:10] Questions.
5. [16:46] The Minister of Health moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Basic Cooperation Agreement between the Government of the Republic of South Africa and the United Nations Children's Fund* be referred to the Portfolio Committee on Health, the committee to have power to confer with the Portfolio Committees on Welfare, Justice, Foreign Affairs and Education of the National Assembly and the Select Committees on Social Services, on Education, on Security and Justice and on Economic and Foreign Affairs of the National Council of Provinces.

   Agreed to.
6. The Minister for Welfare and Population Development moved: That the House, in terms of section 3 of the Correctional Services Amendment Act, 1996 (Act No 14 of 1996), extends the period of operation of section 1*(a)* of the said Act for a further period of one year, with effect from 10 May 1997.

   Agreed to.
7. FIRST ORDER [16:47]

   Resumption of debate on Vote No 1—President, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

8. The House adjourned at 17:21.

C J P LUCAS,

Acting Secretary to Parliament.

No 26—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

WEDNESDAY, 16 APRIL 1997

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Speaker of the National Assembly and the Chairperson of the National Council of Provinces:

   Report of the Public Protector in terms of the Public Protector Act, 1994: Report No 2 (Special Report)—Investigation concerning the Sarafina II Donor [RP 35—97].

2. The Minister of Health:

   White Paper for the Transformation of the Health System in South Africa.

3. The Minister for Agriculture and Land Affairs:

   Reports of the—

   (1) Department of Agriculture for 1995-96 [RP 47—97].

   (2) Department of Land Affairs for 1996.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Finance on the *Financial Institutions Amendment Bill* [B 10—97] (National Assembly—sec 75), dated 15 April 1997, as follows:

   The Portfolio Committee on Finance, having considered the subject of the *Financial Institutions Amendment Bill* [B 10—97] (National Assembly—sec 75), referred to it, begs to report the Bill with an amendment [B 10A—97].

PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

No 4—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

THURSDAY, 17 APRIL 1997

1. Members of the Extended Public Committee met in the Chamber of the National Assembly at 14:22.

2. The Chairperson of Committees, as Chairperson, took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [14:22]

   Debate on Vote 16—Home Affairs, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

4. The Committee rose at 18:10.

C J P LUCAS,

Acting Secretary to Parliament.

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

THURSDAY, 17 APRIL 1997

1. Members of the Extended Public Committee met in the Chamber of the National Assembly at 14:22.

2. The Chairperson of Committees, as Chairperson, took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [14:22]

   Debate on Vote 16—Home Affairs, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

4. The Committee rose at 16:10.

C J P LUCAS,

Acting Secretary to Parliament.

No 5—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

THURSDAY, 17 APRIL 1997

1. Members of the Extended Public Committee met in Committee Room E249 at 14:18.

2. The Deputy Chairperson of Committees, as Chairperson, took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [14:20]

   Debate on Vote 5—Agriculture, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

4. SECOND ORDER [17:07]

   Debate on Vote 22—Land Affairs, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

5. The Committee rose at 19:50.

C J P LUCAS,

Acting Secretary to Parliament.

PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

No 27—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

THURSDAY, 17 APRIL 1997

ANNOUNCEMENTS:

National Assembly and National Council of Provinces:

Bills:

1. The Speaker and the Chairperson:

   (1) Withdrawal:

   The Minister for Provincial Affairs and Constitutional Development withdrew the following Bill on 16 April 1997:

   Constitution of the Republic of South Africa Fourth Amendment Bill [B 64—96] (National Assembly and Senate).

National Assembly:

1. The Speaker:

   (1) The following member vacated her seat in the National Assembly with effect from 15 April 1997:

   Mtintso, T E.

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Speaker and the Chairperson:

   Budget of Income and Expenditure of the Office of the Auditor-General for 1997-98 [RP 51—97].

2. The Minister of Education:

   Report of the Department of Education for 1996 [RP 55—97].

National Assembly:

Bills:

1. The Speaker:

   (1) *Counterfeit Goods Bill* [B 22—97]—(National Assembly—sec 76)—(Portfolio Committee on Trade and Industry—National Assembly).

No 15—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

FRIDAY, 18 APRIL 1997

1. The House met at 09:35.
2. The Deputy Chairperson of Committees took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. The Chief Whip of the Majority Party moved: That Clause 3.2.2.2 of the Code of Conduct in regard to Financial Interests of Members be amended by extending from two to six months the intervals between required updating of entries in the Register of Members' Interests in regard to the receipt of gifts or hospitality.

   Agreed to.
4. The Chief Whip of the Majority Party moved: That the House—

   (1) extends its congratulations to Muslims throughout the world, and in particular Muslim citizens in South Africa, on the celebration of the holy day of Eid-ul-Adha, the Day of Sacrifice, which is one of the highlights of the annual pilgrimage, or Hajj;

   (2) wishes all Muslims a happy Eid-ul-Adha and calls upon them to join their compatriots to strive and sacrifice for peace and reconciliation in our communities; and

   (3) extends its sympathies and condolences to the families and loved ones of the pilgrims who lost their lives in the unfortunate catastrophe of the fire in the town of Mina in Saudi Arabia.

   Agreed to.
5. FIRST ORDER [09:37]

   Debate on Vote 31—SA Police Service, and Vote 19—Independent Complaints Directorate, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

6. The House adjourned at 13:54.

C J P LUCAS,

Acting Secretary to Parliament.

No 28—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

FRIDAY, 18 APRIL 1997

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Environmental Affairs and Tourism:

   Reports of the—

   (1) Department of Environmental Affairs and Tourism for 1995-96.

   (2) National Botanical Institute for 1995-96.

2. The Minister for Safety and Security:

   Policing Priorities and Objectives for 1997-98.

PARLIAMENT

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

FRIDAY, 18 APRIL 1997

TABLINGS:

National Assembly and National Council of Provinces

Papers:

1. The Minister of Environmental Affairs and Tourism:

   Reports of the —

   (1) Department of Environmental Affairs and Tourism for 1995-96.

   (2) National Botanical Institute for 1995-96.

2. The Minister for Safety and Security:

   Policing Priorities and Objectives for 1997-98.

No 16—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

MONDAY, 21 APRIL 1997

1. The House met at 14:17.
2. The Chairperson of Committees took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. FIRST ORDER [14:18]

   Debate on Vote 11—Education, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
4. The House adjourned at 18:54.

C J P LUCAS,

Acting Secretary to Parliament.

No 29—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

MONDAY, 21 APRIL 1997

ANNOUNCEMENTS:

National Assembly:

1. The Speaker:

   (1) The following member will vacate her seat in the National Assembly with effect from 19 May 1997:

   Ferguson, J.

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Environmental Affairs and Tourism:

   Reports of the—

   (1) South African Tourism Board for 1996.

   (2) National Parks Board for 1995-96.

2. The Minister of Public Works:

   Memorandum setting out particulars of the building programme for 1997-98 in respect of Programme 2 : Provision of buildings, structures and equipment of Vote 27 of the State Revenue Account—Land, buildings and structures, erection or purchase.

National Assembly:

Bills:

1. The Speaker:

   (1) *Close Corporations Amendment Bill* [B 23—97]—(National Assembly—sec 75)—(Portfolio Committee on Trade and Industry—National Assembly).

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Correctional Services on Budget Vote 10: Correctional Services, dated 17 April 1997, as follows:

The Portfolio Committee on Correctional Services, having considered and examined Budget Vote 10: Correctional Services, begs to report as follows:

A. Introduction

For the past week, the Committee has been deliberating on the Correctional Services budget vote: It held public hearings and received various briefings. These included a briefing from the Department of Correctional Services, as well as input from various other stakeholders, namely Sapohr, Cousa, Upsa, Popcru, the Human Rights Committee and the Centre for Victims of Violence and Torture. The issues raised by these organisations have been taken into consideration in the drawing up of this Report.

In comparison to last year's budget cuts, this year we have an increased budget allocation. It has increased from R2,59 billion to R3,319 billion, a 28,1% increase. In reality, however, the increase is a lot less if one adds the additional funds given to the department last year, bringing that budget up to R3,178 billion. The real increase would then be 4,42%.

The department has indicated that it faces a total shortfall of R284,256 million. This shortfall can be broken up into the following categories:

1. The department can accommodate, within the limits of the current budget, a daily average upper limit of 118 000 prisoners and 47 000 probationers, against projections of 128 000 prisoners and 61 000 probationers respectively. The projected shortfall will be R67,101 million.

2. There is also a deficit of R111 million in respect of the replacement of old equipment.

3. A critical shortfall is that in respect of accommodation. There is a shortfall of R106,157 million in respect of high priority capital projects.

At present our prisons can only accommodate 97 000 prisoners, thus a situation arises where they are about 30% overcrowded. Seven new prisons, under the Asset Procurement and Operating Partnership System (APOPS), will come under construction this year. This will alleviate some of the problems of overcrowding. Taking into account all these shortfalls, it is evident that this budget cannot cater for the needs of the department.

The department has increasingly emphasised that one of the main problems is overcrowding. This problem can in part be alleviated by the new prisons that are being built. The Committee and stakeholders feel that these new prisons will not be the sole solution to the problem. It is felt that the priorities and allocations in the present budget are not addressing the problem in the correct manner.

An additional concern is the one about the budget process and format. The Human Rights Committee, COUSA and the trauma centre strongly objected to the fact that the budget presented was uninformative. They felt that if an effective contribution is to be made, they would need to know the following: The objectives and priorities of the department and how they relate to the budget; time-frames for implementation of the programmes; the result and outcomes of spending priorities; and the evaluation and assessment of the effectiveness of spending on prisons. Issues that include the impact of the budget on vulnerable prison groups, such as mothers and infants as well as juveniles, are not made clear. The budget impact on victims of prison violence and prisoners with HIV and AIDS is also not clear. All these issues are important and do require explanation in the budget format.

The following issues were addressed during the hearings:

(1) *Staff Expenditure*

The current budget shows increases in both management expenditure (R174,832 million to R201,574 million) and personnel expenditure (R184,319 million to R207,89 million). The personnel expenditure increase is a favourable one, having been decreased last year, but not as favourable as the R407,017 million allocated to the department in 1995-96. Stakeholders have expressed concern about the shortfall in staff numbers. At present there is a shortfall of 8 410 staff. Although 1 214 new personnel are at present being employed, they will be placed in the new prisons in Goodwood and Malmesbury. There will be no new placements of staff in already understaffed facilities.

At present the member/prisoner ratio is 1:8. Due to the high number of staff in management and in administrative posts, this ratio really ranges from 1:15 to 1:40. Stakeholders indicated that, when one looks at this ratio, one sees a large discrepancy between rural and urban prisons. According to the Auditor-General's report, ratios of member/prisoner ranged from 1:0,8 to 1:8,7. According to COUSA, the ratio at Durban maximum prison at certain times is 5:800. In some prisons where juveniles are held, the ratio at night is 1:200. This only exacerbates the problem of the about 100 escapes per month from our prisons. By alleviating this problem, one will be making our communities safer.

Approximately 45% of all staff are in administration and management. The department indicated that headquarters are being downsized, against an increasing operational management allocation. More information is needed on this. The large percentage of administrative staff justifies the greater need for trained custodial staff with rehabilitation skills.

The high member/prisoner ratio has led to an increase in staff stress levels, which ultimately contributes to poor work performance and inefficient working conditions. Staff sick-leave has also been on the upswing, and this can only be ascribed to high stress levels. Overtime poses a major problem. Employee organisations expressed concern that many members are not being paid for working overtime.

This is important, as member/prisoner ratios are affected adversely even more when personnel refuse to work overtime.

(2) *Affirmative action and training*

The department indicated to the Committee that it is striving for a 70/30% ratio, and is quite positive that this will be achieved by the end of this year. During the past few months, new appointments have been made in the top management, indicating their commitment to this process. Although this may be correct, no documentation was given to the Committee on where other affirmative action posts are filled and what training these staff members are undergoing. Everyone felt that the affirmative action programme can only be judged by how many members from the lower strata benefit from it.

Popcru stressed again this year that a separate budget allocation is needed for affirmative action. This way it can be made clear how and where affirmative action takes place and how much is actually spent. This will ultimately mean that there will be better control over affirmative action and that, in respect of oversight, it will be more transparent.

Last year the department was demilitarised. This indicated a change in the approach to our prison system as a whole from being purely custodial to being rehabilitation-orientated as well. It is felt that, due to the amended legislation, training and retraining must be in line with this. This means that more money must be spent on specialised skills and rehabilitation needs of members of the department. Previously disadvantaged staff should be given complementary support and training in this regard, and existing staff should be retrained to come into line with the new function of the department.

(3) *Offender development*

There is a 33% increase in the allocation for offender development. A question to ask, is what programmes are being implemented. At present it has been arduously argued that little is being done in this regard. According to UPSA, 80% of the prison population are illiterate, which indicates that criminals are poorly educated. A more specific breakdown is needed of expenditure by the department in respect of administering the offender development programme and the educational needs of prisons. In terms of our Constitution, it is the right of every citizen in this country, inside or out of prison, to be educated and developed to his or her fullest potential.

Approximately 63% to 67% of prisoners that leave prison, eventually return. This is a strong indicator that rehabilitation programmes are not implemented. This does not only refer to educational programmes, but also to job training. It was recommended in previous years that the private sector and NGOs could be asked to help with prison offender development, by contracting out certain development and educational services to agencies on a large scale. Added to

this, training programmes could be implemented to provide prisoners with skills which would enable them to make things which they could sell. This would result in them having some form of savings when they leave prison. It must be stressed that most skills needed in the outside world are technical.

(4) *Overcrowding and community corrections*

The percentage allocated for incarceration has increased from 61,96% to 65%. The amount for community corrections has decreased slightly from 3,60% to 3,16%. Due to the now running National Crime Prevention Strategy, more people will be detained and more money will be needed.

It has been projected that by the year 2000 the prison population will be as high as 207 589 and will cost approximately R5,4 billion. This is an extra R2 billion, which the government cannot afford. At present there are 35 000 prisoners who should not be in prison. These include prisoners awaiting trial—25% of the prison population—and prisoners who are serving sentences of less than six months. These prisoners serving short sentences should be doing community service. It is unacceptable that most offenders are incarcerated. In Europe only one third of the sentenced population is incarcerated; two thirds are in correctional supervision.

The new parole and release legislation will in the long run increase the length of time inmates stay in prison, and only through increased monitoring of parolees under supervision can levels of recidivism of parolees decrease. It is imperative that the justice delivery system take a closer look at their interfacing roles and realise that community supervision can only be fully implemented once sentencing procedures have been re-evaluated.

(5) *New prisons*

The department announced that seven new prisons will be built under APOPS, co-ordinated by Public Works. This is aimed at facilitating structured public/private sector partnerships that target the provision of specialised public infrastructure together with associated operations and services. Two supermaximum prisons, two maximum prisons, two juvenile prisons and one awaiting-trial prison will be built. These will facilitate space for approximately 9 100 inmates.

Some of the organisations present at the public hearings expressed concern that this decision was made without consulting the Committee. It was felt that the Committee should be intimately involved in determining the location, size, design and cost of new correctional facilities and that it should not be the sole prerogative of the Minister and the Commissioner. They also expressed concern that the oversight of the budgets for the construction of these prisons does not lie with the Committee. They indicated that super-maximum prisons in other countries are in most cases not in line with international human rights norms, and

that the department must be made aware of this. They therefore urged the department to make sure that the new prisons are in line with our Constitution as well as with international human rights.

(6) *Independent inspectorate*

Sapohr, the Human Rights Committee and the trauma centre expressed the need for an independent inspectorate. It was asked whether independent complaints mechanisms existed to assist prisoners in airing grievances, whether civilian monitoring groups were able to monitor conditions, and whether external experts were called in to evaluate prison health, nutrition and education.

Although the new Act states that an independent inspectorate will be appointed, one needs to know the budget implications of this as well as the time-frames involved.

(7) *Financial control*

The Auditor-General's report indicated that the department was experiencing some problems in terms of financial accountability. It was noted in the report that R35 million—unauthorised expenditure—was used for canteens, messes and clubs. It was also noted that R29 million was used for private health clinics. These issues have to be addressed and stronger control measures need to be instituted. The report also indicated that computer systems implemented to help with financial control and auditing, were inconsistent and unreliable.

(8) *Outsourcing of information technology services*

The Committee deems the R14 million budgeted for the contracting out of information to be a large amount. It was indicated that before the department go out to tender for consultants, questions asked by the Committee should be answered. The Commissioner, Mr Sithole, guaranteed that there will be no tendering until this issue is discussed further within the Committee.

B. Conclusion

The department cannot be regarded as separate from policy and practice matters. It is crucial that the justice delivery system be interfaced, as each department has an impact on the next one. Thus the justice delivery departments must be considered in totality. This will be in line with the integrated National Crime Prevention Strategy. It is also crucial that a new form of budget process is implemented so that those involved in the process can have a better understanding and can participate in a co-ordinated manner.

Offender development must receive even more funds, and programmes have to start running correctly. Further programmes for offender development have to be identified. This will satisfy the need for requiring more skills and help bring down the crime rate. More emphasis must be placed on juveniles and health care systems in our prisons. This must include the co-operation of the Health and Welfare departments.

More staff is needed for existing prisons to bring down the current ratio. This can only be justified if there is a firm commitment to affirmative action programmes and if comprehensive training and retraining programmes are implemented.

The Committee has to play a stronger role in overseeing the building of new prisons and making sure that they are in line with our Constitution. Finally, we have to emphasise the need for the large number of prisoners awaiting trial to be reduced and for the implementation of an effective correctional supervision programme.

National Council of Provinces:

1. Report of the Select Committee on Finance on the *Bilateral Agreement between RSA and Namibia*, dated 21 April 1997, as follows:

   The Select Committee on Finance, having considered the request for approval by Parliament of the *Bilateral Agreement between the Government of the Republic of South Africa and the Government of the Republic of Namibia*, referred to it, begs to recommend that the House, in terms of section 231(2) of the Constitution, approve the said Agreement.

Report to be considered.

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

TUESDAY, 22 APRIL 1997

1. Members of the Extended Public Committee met in the Chamber of the National Assembly at 14:15.

2. The Deputy Speaker, as Chairperson, took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [14:16]

   Debate on Vote 12—Environmental Affairs and Tourism, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

4. The Committee rose at 18:19.

C J P LUCAS,

Acting Secretary to Parliament.

No 7—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

TUESDAY, 22 APRIL 1997

1. Members of the Extended Public Committee met in Committee Room E249 at 14:19.

2. The Chairperson of Committees, as Chairperson, took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [14:20]

   Debate on Vote 10—Correctional Services, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

4. The Committee rose at 17:02.

C J P LUCAS,

Acting Secretary to Parliament.

No 5—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL COUNCIL OF PROVINCES

TUESDAY, 22 APRIL 1997

1. The Council met at 11:08.
2. The Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. The Chairperson announced that Mr H G Makgothi had been appointed as Chief Whip of the Majority Party with effect from 24 March 1997.
4. The Chairperson welcomed a delegation from the Colombian Senate on the public gallery.
5. [11:11] The Chief Whip of the Majority Party (for the Minister of Health) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Basic Cooperation Agreement between the Government of the Republic of South Africa and the United Nations Children's Fund* be referred to the Select Committee on Social Services, the committee to have power to confer with the Select Committees on Education, on Security and Justice and on Economic and Foreign Affairs of the National Council of Provinces and the Portfolio Committees on Health, Welfare, Justice, Foreign Affairs and Education of the National Assembly.

   Motion agreed to in accordance with section 65 of the Constitution.
6. FIRST ORDER [11:12]

   Consideration of *Post Office Amendment Bill* [B 12—97] (National Assembly—sec 75) and of Report of Select Committee on Labour and Public Enterprises thereon (Announcements, Tablings and Committee Reports, p 196).

   Order disposed of without debate.

   Declaration of vote made on behalf of the National Party.

   Bill agreed to in accordance with section 75 of the Constitution (National Party dissenting).
7. SECOND ORDER [11:14]

   Consideration of *Telecommunications Amendment Bill* [B 13—97] (Na-

tional Assembly—sec 75) and of Report of Select Committee on Labour and Public Enterprises thereon (Announcements, Tablings and Committee Reports, p 196).

Order disposed of without debate.

Bill agreed to in accordance with section 75 of the Constitution.

8. THIRD ORDER [11:14]

Consideration of *Development Bank of Southern Africa Bill* [B 2B—97] (National Assembly—sec 75) and of Report of Select Committee on Finance thereon (Announcements, Tablings and Committee Reports, p 169).

Order disposed of without debate.

Bill agreed to in accordance with section 75 of the Constitution (Democratic Party dissenting).

9. FOURTH ORDER [11:15]

Consideration of Report of Select Committee on Labour and Public Enterprises (Announcements, Tablings and Committee Reports, p 196—*Rascom Convention*).

Order disposed of without debate.

Report adopted.

10. FIFTH ORDER [11:16]

Consideration of Report of Select Committee on Finance (Announcements, Tablings and Committee Reports, p 211—*Agreement between RSA and Namibia*).

Order disposed of without debate.

Report adopted.

11. SIXTH ORDER [11:17]

Review of policy of Minister for Agriculture and Land Affairs, as embodied in Vote No 5—Agriculture, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

Debate concluded.

BUSINESS SUSPENDED AT 13:15 AND RESUMED AT 14:18.

12. SEVENTH ORDER [14:18]

Review of policy of Minister for Agriculture and Land Affairs, as embodied in Vote No 22—Land Affairs, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

Debate concluded.

13. The Council adjourned at 16:13.

C J P LUCAS

Acting Secretary to Parliament.

No 30—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

TUESDAY, 22 APRIL 1997

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Environmental Affairs and Tourism:

   (1) Text of the Convention concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention).

   (2) Explanatory Memorandum on the request for ratification of the World Heritage Convention.

2. The Minister of Finance:

   List relating to Government Notices—25 October 1996 to 21 February 1997.

3. The Minister of Justice:

   List relating to Government Notices—20 March 1997.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Education on the *University of the Witwatersrand, Johannesburg (Private) Amendment Bill* [B 105—96] (National Assembly—sec 75), dated 22 April 1997, as follows:

   The Portfolio Committee on Education, having considered the subject of the *University of the Witwatersrand, Johannesburg (Private) Amendment Bill* [B 105—96] (National Assembly—sec 75), referred to it, begs to report the Bill with amendments [B 105A—96].

No 17—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

WEDNESDAY, 23 APRIL 1997

1. The House met at 15:00.
2. The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. [15:02] Interpellations.
4. [16:10] Questions.
5. [16:40] The Chief Whip of the Majority Party moved: That the House designates the following six members as members of the Judicial Service Commission in terms of section 178(1)*(h)* of the Constitution: De Lange, J H; Gibson, D H M; Groenewald, R H; Mahlangu, N J; Ngwane, L B; Van der Merwe, J H.

   Agreed to.
6. The Chief Whip of the Majority Party moved: That, notwithstanding the provisions of Rule 65A, the House appoints a standing committee on public accounts to consider and report on matters referred to it by the Speaker or by resolution of the House, the committee to have power to confer with a relevant committee of the National Council of Provinces.

   Agreed to.
7. FIRST ORDER [16:41]

   Debate on Vote 27—Public Works, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
8. The House adjourned at 19:20.

C J P LUCAS,

Acting Secretary to Parliament.

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

WEDNESDAY, 23 APRIL 1997

1. The House met at 15.00.

2. The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. [15:02] Interpellations.

4. [16:10] Questions.

5. [16:40] The Chief Whip of the Majority Party moved: That the House designates the following six members as members of the Judicial Service Commission in terms of section 178(1)(a) of the Constitution: De Lange, J H; Gibson, D H M; Groenewald, R H; Mahlangu, T I; Ngwane, L H; Van der Merwe, J H.

Agreed to.

6. The Chief Whip of the Majority Party moved: That, notwithstanding the provisions of Rule 65A, the House appoints a standing committee on public accounts to consider and report on matters referred to it by the Speaker or by resolution of the House, the committee to have power to confer with a relevant committee of the National Council of Provinces.

Agreed to.

7. FIRST ORDER [16:41]

Debate on Vote 37—Public Works, Appropriation Bill [B 16—97] (National Assembly—sec 77).

Debate concluded.

8. The House adjourned at 19:50.

C I P LUCAS,

Acting Secretary to Parliament.

No 6—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL COUNCIL OF PROVINCES

WEDNESDAY, 23 APRIL 1997

1. The Council met at 14:18.

2. The Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. [14:20] The Minister for Welfare and Population Development moved: That the Council, in terms of section 3 of the Correctional Services Amendment Act, 1996 (Act No 14 of 1996), extends the period of operation of section 1*(a)* of the said Act for a further period of one year, with effect from 10 May 1997.

   Motion agreed to in terms of section 65 of the Constitution (Inkatha Freedom Party dissenting).

4. [14:21] The Chief Whip of the Majority Party moved: That Clause 3.2.2.2 of the Code of Conduct in regard to Financial Interests of Members be amended by extending from two to six months the intervals between required updating of entries in the Register of Members' Interests in regard to the receipt of gifts or hospitality.

   Motion agreed to in terms of section 65 of the Constitution.

5. FIRST ORDER [14:22]

   Review of policy of Minister of Environmental Affairs and Tourism, as embodied in Vote No 12—Environmental Affairs and Tourism, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

6. The Council adjourned at 17:20.

C J P LUCAS,

Acting Secretary to Parliament.

MANAGING MELLOWCORTHOTIC CM

No 31—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

WEDNESDAY, 23 APRIL 1997

ANNOUNCEMENTS:

National Assembly:

1. The Speaker:

   (1) The following member will vacate his seat in the National Assembly with effect from 1 May 1997:

   Fredericks, G A.

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Justice:

   List relating to Government Notices—14 March to 4 April 1997.

National Assembly:

Bills:

1. The Speaker:

   (1) *Divorce Courts Amendment Bill* [B 24—97]—(National Assembly—sec 75)—(Portfolio Committee on Justice—National Assembly).

   (2) *Security Officers Amendment Bill* [B 25—97]—(National Assembly—sec 75)—(Portfolio Committee on Safety and Security—National Assembly).

   (3) *University of the Orange Free State (Private) Amendment Bill* [B 26—97]—(Prof D C du Toit) (National Assembly—sec 75)—(Portfolio Committee on Education—National Assembly).

   (4) *University of Durban-Westville (Private) Amendment Bill* [B 27—97]—(Dr B E Nzimande) (National Assemby—sec 75)—(Portfolio Committee on Education—National Assembly).

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Private Members' Legislative Proposals and Petitions on the proposed *University of the Orange Free State (Private) Amendment Bill* (sec 75), dated 23 April 1997, as follows:

   The Portfolio Committee on Private Members' Legislative Proposals and Petitions, having considered the proposed *University of the Orange Free State (Private) Amendment Bill* (sec 75), submitted by Prof D C du Toit and referred to the Committee, recommends in terms of Rule 168(4) that the proposal be accepted.

2. Report of the Portfolio Committee on Private Members' Legislative Proposals and Petitions on the proposed *University of Durban-Westville (Private) Amendment Bill* (sec 75), dated 23 April 1997, as follows:

   The Portfolio Committee on Private Members' Legislative Proposals and Petitions, having considered the proposed *University of Durban-Westville (Private) Amendment Bill* (sec 75), submitted by Dr B E Nzimande and referred to the Committee, recommends in terms of Rule 168(4) that the proposal be accepted.

3. Report of the Portfolio Committee on Public Enterprises on Budget Vote 24: Public Enterprises, dated 22 April 1997, as follows:

   The Portfolio Committee on Public Enterprises, having considered and examined Budget Vote 24: Public Enterprises, begs to report that it has concluded its deliberations thereon.

No 8—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

THURSDAY, 24 APRIL 1997

1. Members of the Extended Public Committee met in the Chamber of the National Assembly at 14:15.

2. The Chairperson of Committees, as Chairperson, took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [14:16]

   Debate on Vote 14—Foreign Affairs, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

4. The Committee rose at 17:48.

C J P LUCAS,

Acting Secretary to Parliament.

No 9—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

THURSDAY, 24 APRIL 1997

1. Members of the Extended Public Committee met in the Chamber of the National Assembly at 17:49.

2. The Chairperson of Committees, as Chairperson, took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [17:49]

   Debate on Vote 6—Arts, Culture, Science and Technology, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

4. The Committee rose at 20:39.

C J P LUCAS,

Acting Secretary to Parliament.

No 7—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL COUNCIL OF PROVINCES

THURSDAY, 24 APRIL 1997

1. The Council met at 14:17.
2. The Deputy Chairperson took the Chair and requested members to observe a moment of silence for prayer or meditation.
3. [14:18] The Chief Whip of the Majority Party moved: That, notwithstanding the provisions of Rule 16, the hours of sitting on Friday, 25 April 1997, shall be as follows:

   09:00 to adjournment.

   Motion agreed to in accordance with section 65 of the Constitution.
4. [14:20] Mr R Z Nogumla (on behalf of the Minister of Environmental Affairs and Tourism) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention)* be referred to the Select Committee on Land, Agriculture and Environmental Affairs, the committee to have power to confer with the Select Committee on Education of the National Council of Provinces and with the Portfolio Committees on Environmental Affairs and Tourism and on Arts, Culture and Language, Science and Technology of the National Assembly.

   Motion agreed to in accordance with section 65 of the Constitution.
5. FIRST ORDER [14:21]

   Review of policy of Minister of Education, as embodied in Vote 11—Education, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
6. The Chairperson made an announcement regarding the imminent retirement of the member Mr A Van Breda.

7. The Council adjourned at 17:26.

C J P LUCAS,

Acting Secretary to Parliament.

No 32—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

THURSDAY, 24 APRIL 1997

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Water Affairs and Forestry:

   List relating to Government Notices—28 February to 14 March 1997.

2. The Minister for Public Enterprises:

   Reports of—

   (1) Alexkor, Limited, for 1996.

   (2) Alexkor Development Foundation for 1996.

   (3) South African Forestry Company, Limited, for 1996.

3. The Minister of Arts, Culture, Science and Technology:

   Report of the Department of Arts, Culture, Science and Technology for 1996 [RP 49—97].

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Justice on the *Hague Convention on Child Abduction*, dated 23 April 1997, as follows:

   The Portfolio Committee on Justice, having considered the request for approval by Parliament of the *Hague Convention on the Civil Aspects of International Child Abduction*, referred to it, begs to recommend that the House, in terms of section 231(2) of the Constitution, approve the said Convention, subject to the following reservations:

   1. That the use of French in any application, communication or other document sent to the Central Authority of the

Republic of South Africa, as provided for in Article 24 of the Convention, is objected to, and that such documents shall not be accepted in French.

2. That the Republic of South Africa shall not be bound to assume any costs referred to in paragraph 2 of Article 26 of the Convention resulting from the participation of legal counsel or advisers or from court proceedings, except those costs which may be covered by the system of legal aid in terms of the Legal Aid Act, 1969 (Act No. 22 of 1969).

Report to be considered.

2. Report of the Portfolio Committee on Justice on the *Hague Convention on Taking of Evidence Abroad*, dated 23 April 1997, as follows:

The Portfolio Committee on Justice, having considered the request for approval by Parliament of the *Hague Convention on the Taking of Evidence Abroad in Civil or Commercial Matters*, referred to it, begs to recommend that the House, in terms of section 231(2) of the Constitution, approve the said Convention, subject to the following reservations, designations and declarations:

1. *Reservations*

That the Republic of South Africa excludes the following in terms of Article 33 of the Convention, namely—

(1) the application of the provision of paragraph 2 of Article 4 of the Convention, which provides that a Letter of Request shall be accepted in French; and

(2) the application of the provisions of Articles 15 and 16 of Chapter II of the Convention.

2. *Designation of Authorities*

That the Republic of South Africa designates—

(1) the Director-General of the Department of Justice as Central Authority in terms of Article 2 of the Convention and as the competent authority referred to in Article 8 of the Convention; and

(2) the division of the High Court of South Africa that has jurisdiction as the competent authority referred to in Articles 17 and 18 of the Convention.

3. *Declarations*

That the Republic of South Africa make the following declarations under the Convention:

(1) For the purposes of paragraph 4 of Article 4 of the Convention, a Letter of Request, if not in English, may also be sent to the Central Authority in any of the following languages:

Sepedi, Sesotho, Setswana, siSwati, Tshivenda, Xitsonga, Afrikaans, isiNdebele, isiXhosa and isiZulu.

(2) Members of the judicial personnel of the requesting authority of another Contracting State may, after authorisation by the competent authority referred to in Article 8 of the Convention, be present at the execution of a Letter of Request as contemplated in that Article.

(3) Evidence may not be taken in terms of Article 17 of the Convention without the prior permission of the competent authority referred to in that Article.

(4) A commissioner authorised to take evidence under Article 17 of the Convention may, in terms of Article 18 of the Convention, apply to the competent authority referred to in that Article to obtain the evidence by compulsion, subject to the measures of compulsion which are appropriate and prescribed by South African law for use in internal proceedings.

(5) Letters of Request issued for the purpose of obtaining pre-trial discovery of documents as known in Common Law countries, will not be executed as provided for in Article 23.

Report to be considered.

National Council of Provinces:

1. Report of the Select Committee on Security and Justice on the *Hague Convention on Child Abduction*, dated 21 April 1997, as follows:

The Select Committee on Security and Justice, having considered the request for approval by Parliament of the *Hague Convention on the Civil Aspects of International Child Abduction*, referred to it, begs to recommend that the House, in terms of section 231(2) of the Constitution, approve the said Convention, subject to the following reservations:

1. That the use of French in any application, communication or other document sent to the Central Authority of the Republic of South Africa, as provided for in Article 24 of the Convention, is objected to, and that such documents shall not be accepted in French.

2. That the Republic of South Africa shall not be bound to assume any costs referred to in paragraph 2 of Article 26 of the Convention resulting from the participation of legal counsel or advisers or from court proceedings, except those costs which may be covered by the system of legal aid in terms of the Legal Aid Act, 1969 (Act No. 22 of 1969).

Report to be considered.

2. Report of the Select Committee on Security and Justice on the *Hague Convention on Taking of Evidence Abroad*, dated 21 April 1997, as follows:

The Select Committee on Security and Justice, having considered the request for approval by Parliament of the *Hague Convention on the Taking of Evidence Abroad in Civil or Commercial Matters*, referred to it, begs to recommend that the House, in terms of section 231(2) of the Constitution, approve the said Convention, subject to the following reservations, designations and declarations:

1. Reservations

That the Republic of South Africa excludes the following in terms of Article 33 of the Convention, namely—

(1) the application of the provision of paragraph 2 of Article 4 of the Convention, which provides that a Letter of Request shall be accepted in French; and

(2) the application of the provisions of Articles 15 and 16 of Chapter II of the Convention.

2. Designation of Authorities

That the Republic of South Africa designates—

(1) the Director-General of the Department of Justice as Central Authority in terms of Article 2 of the convention and as the competent authority referred to in Article 8 of the Convention; and

(2) the division of the High Court of South Africa that has jurisdiction as the competent authority referred to in Articles 17 and 18 of the Convention.

3. Declarations

That the Republic of South Africa make the following declarations under the Convention:

(1) For the purposes of paragraph 4 of Article 4 of the Convention, a Letter of Request, if not in English, may also be sent to the Central Authority in any of the following languages:

Sepedi, Sesotho, Setswana, siSwati, Tshivenda, Xitsonga, Afrikaans, isiNdebele, isiXhosa and isiZulu.

(2) Members of the judicial personnel of the requesting authority of another Contracting State may, after authorisation by the competent authority referred to in Article 8 of the Convention, be present at the execution of a Letter of Request as contemplated in that Article.

(3) Evidence may not be taken in terms of Article 17 of the Convention without the prior permission of the competent authority referred to in that Article.

No 10—1997] FIRST SESSION. SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

FRIDAY, 25 APRIL 1997

1. Members of the Extended Public Committee met in the Chamber of the National Assembly at 09:33.

2. The Speaker, as Chairperson, took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [09:36]

   Debate on Vote No 15—Health, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

4. The Committee rose at 12:59.

C J P LUCAS,

Acting Secretary to Parliament.

No 10—1997] First Session. Second Parliament

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

FRIDAY, 25 APRIL 1997

1. Members of the Extended Public Committee met in the Chamber of the National Assembly at 09:33.

2. The Speaker, as Chairperson, took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [09:36]

   Debate on Vote No 15—Health, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

4. The Committee rose at 12:59.

C J P LUCAS,

Acting Secretary to Parliament.

No 8—1997] First Session. Second Parliament

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL COUNCIL OF PROVINCES

FRIDAY, 25 APRIL 1997

1. The Council met at 09:08.

2. The Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. [09:09] The Chief Whip of the Majority Party moved: That the constitution of the Southern African Development Community Parliamentary Forum be referred to an *ad hoc* committee for consideration and report, the committee to have power to take evidence and call for papers and, if it deems it necessary, to confer with a National Assembly committee established to deal with the same subject matter.

   Motion agreed to in accordance with section 65 of the Constitution.

4. [09:10] The Deputy Chairperson of the Council (Mr B T Ngcuka) moved: That the Council adopts the following resolution pursuant to section 45(1) of the Constitution:

   (1) *Establishment*: The Joint Rules Committee envisaged in section 45(1) of the Constitution is hereby established.

   (2) *Composition*: The Joint Rules Committee consists of the Rules Committee of the National Assembly and the Rules Committee of the National Council of Provinces sitting together.

   (3) *Powers and Functions*: The Joint Rules Committee must make rules and orders, and attend to other matters, concerning the joint business of the National Assembly and the National Council of Provinces.

   (4) *Voting*: The Joint Rules Committee agrees on any matter when that matter is supported—

      (a) by the majority of the members of the Rules Committee of the National Assembly; and

      (b) by the representatives of at least five provinces in the Rules Committee of the National Council of Provinces.

(5) *Minority party participation*: A political party represented in the National Council of Provinces that is not represented in the Rules Committee of the Council may designate one of its delegates to attend, and to speak in, the Joint Rules Committee, but that delegate may not vote.

(6) *Local government participation*: When necessary, the Joint Rules Committee must invite the representatives of organised local government in the National Council of Provinces to designate one of them to attend, and to speak in, the Committee; but that representative may not vote.

(7) *Chairpersons*: The Joint Rules Committee is co-chaired by the chairpersons of the Rules Committee of the National Assembly and the Rules Committee of the National Council of Provinces, or their alternates.

(8) *Tabling*:

(a) A joint rule made by the Joint Rules Committee must be tabled in the National Assembly and the National Council of Provinces.

(b) A joint rule binds the Assembly and the Council unless it is rejected by either House on its first sitting day after the day on which the Joint Rule was tabled in it.

(c) A joint rule rejected by either the Assembly or the Council must be reconsidered by the Joint Rules Committee.

(9) *Matters for priority consideration*: The Joint Rules Committee must, on appointment, give priority consideration to—

(a) procedures to be followed if either House delays implementing decisions of the Joint Rules Committee; and

(b) consequences of the refusal by either House to ratify decisions of the Joint Rules Committee.

Debate concluded.

Motion agreed to in accordance with section 65 of the Constitution.

5. FIRST ORDER [09:25]

Review of policy of Minister of Correctional Services, as embodied in Vote 10—Correctional Services, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

Debate concluded.

6. [11:08] The Council took leave of Mr A van Breda, who would retire with effect from 1 May 1997, after 31 years as a member of Parliament and 46 years in active politics.

7. The Council adjourned at 11:37.

C J P LUCAS,

Acting Secretary to Parliament.

No 33—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

FRIDAY, 25 APRIL 1997

TABLINGS:

National Assembly:

Bills:

1. The Speaker:

   (1) *Pharmacy Amendment Bill* [B 28—97]—(National Assembly—sec 75)—(Portfolio Committee on Health—National Assembly).

No 34—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

WEDNESDAY, 30 APRIL 1997

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Trade and Industry on Budget Vote 35: Trade and Industry, dated 23 April 1997, as follows:

The Portfolio Committee on Trade and Industry, having considered and examined Budget Vote 35: Trade and Industry, begs to report as follows:

The Committee is generally satisfied that the Department of Trade and Industry continues to make progress in reprioritising both its activities and the deployment of resources. It also appears that the department has been allocated sufficient funds in the 1997-98 budget to carry out the important tasks assigned to it.

The main trends in the department's budget are the following:

1. A further decline (by one third of the 1996-97 level) in anticipated payments under the General Export Incentive Scheme (GEIS). GEIS, which will be phased out by the end of 1997, is expected to account for 34,7% of the department's total budget in 1997-98, compared to 48,6% in 1996-97.

2. An increased allocation to various supply-side measures, which will absorb approximately R1,5 billion, nearly half the budget.

3. The allocation to small, medium and micro enterprises (SMMEs) of an estimated R873,8 million, including SMMEs' share of supply-side measures. This represents 26,2% of the total budget.

All these trends are not, however, immediately evident from the information provided in the printed estimates [RP 2—97]. For example, the published estimates appear to indicate that only 2,9% of the department's budget will be allocated to small business development. It was only during a video conference with the top management on 14 March 1997 that we were informed that the item under this heading in the printed estimates represented only part of the funding to

be made available to small business—that channelled through the chief directorate of small business promotion. When funding to be channelled through other directorates in the department were also taken into account, the amount available to support small business, we were told, would in fact be as follows:

Ntsika (non-financial support services)	R46,4 million
Khula (capacity-building for retail financial services)	R36,8 million
National Small Business Council (private sector development)	R3,6 million
Other directorates within the department:	
Small and Medium Enterprise Manufacturing Development Programme	R92 million
Competitiveness Fund	R5 million
Export Marketing Assistance	R13 million
Sector Partnership Fund	R9 million
Equity, Loan and Credit Guarantee: Small Business Development Corporation	R240 million
Khula	R250 million
TOTAL	R873,8 million

This example highlights a general problem that the Committee believes needs to be addressed in budgetary reform: The current standard format and presentation of the budget do not provide readily accessible information that enables the public or Parliament to assess the effectiveness of transformation of departments or the reprioritisation of resource allocation. It is impossible, without further clarification, to identify what resources are being allocated to what activity or envisaged outcome—as distinct from bureaucratic division within a department. Furthermore, the standard presentation does not indicate what outputs and outcomes are envisaged, what performance targets have been identified and how performance has been measured and assessed in previous years.

The Committee was pleased to learn that the department is engaged in a process of financial management reform and, within the framework of overall budgetary reform, is preparing to relate programmes to defined outcomes and introduce performance criteria. The Committee welcomes these initiatives, and would appreciate the opportunity to meet with the department on these matters, not just after tabling of the next budget, but also in the course of the year, when that budget is being prepared.

A further matter of concern is the open-ended nature of GEIS payments. The scheme works on the basis of claims by businesses, which meet the criteria laid down. Qualifying businesses have a right to these payments, whether or not sufficient funds have been budgeted. The Committee is aware of concerns in the department that growth in the export of manufactured goods could create a situation in which claims exceed the amount budgeted and in which GEIS payments considerably reduce funds which should be deployed for supply-side programmes. This matter has been put to the Nedlac trade and industry chamber. The Committee supports an active exploration within Nedlac of options to avoid the GEIS programme, which is in any case

being phased out, impinging on funds that should be allocated to other programmes essential to meet the challenges facing us.

Other matters which, the Committee believes, need attention, are the following:

(1) The efficiency of, and the extent to which we are getting value for money from, a number of the new programmes—including cluster studies, tax incentives and SMME support programmes. The Committee appreciates the importance of each of these, but is aware that existing programmes in these areas have had mixed results and are being refined to improve delivery.

(2) The impact on employment of various measures being proposed and implemented. While we are aware of the difficulty of measuring this in some cases, promoting employment is the fundamental objective of many programmes, and some criteria for measuring progress in this regard, as well as for generally measuring trends in employment accurately, are urgently needed.

(3) The process of staff restructuring. Voluntary severance packages accounted for most of the department's additional expenditure in the 1996-97 adjustment estimates. We were told that the department expects its staff complement to decline by 30%, but it anticipates that its skills base in respect of strategic capacity will improve. Monitoring the process to assess the extent to which such expectations are being realised, is clearly a matter of major importance.

The Committee looks forward to receiving regular briefings on the abovementioned and other relevant matters in due course.

2. Report of the Portfolio Committee on Housing on Budget Vote 17: Housing, dated 25 April 1997, as follows:

The Portfolio Committee on Housing, having considered and examined Budget Vote 17: Housing, begs to report as follows:

1. Introduction

On 23 April 1997, the Committee held an extensive discussion with the Department of Housing, represented by the Director-General, Mr Billy Cobbett, the Chief Director: Corporate Services, Mr Johan Jooste, and the Director: Financial Services, Mr Tom Bouwer.

It was noted that the Housing budget for 1997-98 is R4 037,766 million, which is R2 463,203 million (156,437%) more than the comparative figure of R1 574,563 million for 1996-97. Should the amount of R1 766,379 million, as approved in the adjustment estimates for 1996-97, be added, the comparative figure for 1997-98 reflects an increase of R727,748 million (21,986%).

More important than the figures given above is the fact that the Committee and the department discussed the new budget cycle, questions of management and administrative restructuring and the policy gaps that impact on the budget.

2. Changes in budget process

(1) Previously the South African Housing Fund, a statutory fund under control of the National Housing Board, held all the housing funds, and the director-general, who is the

accounting officer, would apply to the board for funds, for which he then had to account to Parliament. In the 1997-98 financial year, this has changed. All funds, except subsidies, are on the budget of the department, and they all have programme managers.

(2) The housing fund holds the funds for subsidies. The R2,408 billion that the Minister of Finance announced as additional capital to the housing fund for 1997-98, will be transferred to the provinces. This will be done according to the subsidy policy and subsidy manual.

(3) The department has an internal budget committee, to which programme managers have to submit motivations when they need funds.

(4) The department, together with other state departments, has begun to work on a three-year budget cycle. This is an advantage to Housing, which in production terms has often worked on an 18-month to two-year cycle, yet on a one-year budget. This in part explains the roll-overs. The other reason for the roll-overs is insufficient capacity at provincial and local government level in respect of managerial, technical and administrative skills and resources.

(5) The department has requested the nine provinces to submit cash-flow budgets, and this is already happening. The provinces have to indicate how much money they will need and in which month. Provinces cannot commit funds which have not been authorised at national level, and it is therefore important that provincial finance teams work very closely with their national counterpart.

(6) The provincial projections of cash-flow budgets need to be as accurate as possible, taking into account possible disruptive elements that may affect production on the ground, such as bad weather, strikes, problems with developers and with shortages of materials, break-downs in local government, etc.

(7) The department manages cash-flow on a national basis to maintain national targets.

(8) The department seeks to ensure that all subsidies in the provinces are active. Therefore, if a province has 5 000 inactive subsidies and applies for a new allocation from the central government, it will be difficult for that province to get it, as provinces should ensure that they reactivate and exhaust their subsidies before new ones are allocated.

(9) The Committee identified a serious deficiency in the budgeting process, in the sense that the Committee itself is not involved. The Committee resolved that in future budgets it must be involved in the process from inception, not only in the final stage. A subcommittee of the Committee must be charged with the responsibility of being part of the budget process without delay.

3. Delivery

When dealing with Housing, it is important to always refresh

Parliament's memory about delivery statistics. While the following table does not fit perfectly into the budget year under discussion, it does demonstrate the extent to which delivery has been effected:

PROVINCE	% OF ONE MILLION HOUSING TARGET TO BE MET	ACTUAL NUMBER OF HOUSES TO BE BUILT IN ONE MILLION HOUSING PROGRAMME	TOTAL NUMBER OF SUBSIDIES APPROVED: MARCH 1994 TO MID-APRIL 1997	TOTAL NUMBER OF HOUSES BUILT OR UNDER CONSTRUCTION: MARCH 1994 TO MID-APRIL 1997
EASTERN CAPE	15,2%	152 000	39 000	6 210
FREE STATE	6,9%	62 000	38 000	15 513
GAUTENG	24,3%	243 000	155 000	70 599
KWAZULU-NATAL	19,5%	195 000	90 000	20 680
MPUMALANGA	5,3%	53 000	50 000	19 072
NORTHERN CAPE	1,8%	18 000	10 000	7 626
NORTHERN PROVINCE	8,6%	86 000	47 000	8 057
NORTH WEST	7%	70 000	56 000	20 340
WESTERN CAPE	11,4%	114 000	70 000	24 720
TOTAL	100% *	1 MILLION *	555 000 *	192 815 *

* MARGIN OF ERROR IS BETWEEN 2% AND 3%.

4. Resource items

The department's personnel expenditure for 1997-98 is R22,93 million, administrative expenditure comes to R6,05 million, stores to R1 million, equipment to R5,6 million, and professional and special services to R41,8 million.

A number of consultants are from time to time utilised by the department. The Committee asked how many consultants have been used and what amount has been paid to them, but the department was unable to provide these figures at the meeting. The Committee then resolved that the department should furnish it with the required statistics. These should include consultants at national and provincial level.

The department has initiated an information system, which will be available on a new computer-based data collection and monitoring system. This means that for the first time the department will produce reliable up-to-date figures on subsidised housing and house construction progress in every locality, region and province in the country.

The system will be updated every 24 hours, and is designed to speed up the housing provision programme, monitor the delivery and performance of the new housing provision and identify areas where action needs to be taken.

5. Facilitation programmes

R150 million has been set aside in the 1997-98 budget for housing support initiatives which will fund housing support centres. This money is allocated to provinces to be used for housing support centres, over and above subsidies.

R77 million has been set aside for hostels and R3 million for a

series of processes to look at policy issues around hostels. The money for both the housing support initiatives and the hostels come from roll-overs from the previous financial year.

6. *Contributions*

The department has made contributions to housing support organisations: The Mortgage Indemnity Fund—R15 million; R220 million as additional capital for the National Housing Finance Corporation; R525 million in respect of densification; R40 million to Servcon; and R1 million to Nurcha.

The Committee will be visiting these structures to assess their work, impact, progress and general contribution in respect of housing delivery.

7. *Policy gaps*

A number of policy gaps, which impact on housing, were identified by the Committee:

(1) Rural and farm worker housing.

(2) Hostels.

(3) Rental housing.

(4) State housing and speculators.

(5) Minimum standards.

The Committee expressed strong views on the fact that progress with both policy and implementation in respect of hostels, rural housing and farm workers' housing has been slow. Although a number of initiatives and discussions have taken place in respect of the latter two, the Committee and the department need to take urgent steps to ensure that a clear policy is in place and that visible implementation takes place.

An ongoing discussion should take place between the government and relevant stakeholders, such as the National Union of Mine Workers, hostel organisations and rural organisations and unions organising farm workers in respect of rural and farm workers' housing policy and its implementation.

The Committee also expressed the view that the government should look into mechanisms of protecting state housing against speculators. A minimum period, within which beneficiaries of state subsidies may not sell their houses, should be investigated.

Furthermore, the question of setting minimum standards with regard to the structure which subsidy money should produce, should also be looked into.

8. *Conclusion*

The Committee is of the opinion that some of the policy gaps and issues should be dealt with in the *Housing Bill* that will be introduced in Parliament.

It was further agreed that more information-sharing and continuous contact with the department is crucial. The Committee will be visiting the department's offices in Pretoria to have discussions with various directorates and units. The Committee also agreed that its budget subcommittee will be more intimately

involved with the department and the Department of Finance on the budget process. This subcommittee will brief the Committee from time to time on the budget process, and will also receive mandates on crucial issues pertaining to the budget.

No 18—1997] FIRST SESSION. SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

MONDAY, 5 MAY 1997

1. The House met at 14:17.

2. The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. Mrs E J Chait moved without notice: That the House congratulates Mr Tony Blair and the Labour Party with the election results and wish them the very best.

   Agreed to.

4. The Chief Whip of the Majority Party moved: That, notwithstanding the provisions of Rule 11, the hours of sitting on Friday, 9 May 1997, and Friday, 16 May 1997, shall be as follows:

   09:00 to adjournment.

   Agreed to.

5. Mrs G N M Pandor (for the Minister of Environmental Affairs and Tourism) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention)* be referred to the Portfolio Committee on Environmental Affairs and Tourism, the committee to have power to confer with the Portfolio Committee on Arts, Culture and Language, Science and Technology of the National Assembly and the Select Committees on Land, Agriculture and Environmental Affairs and on Education of the National Council of Provinces.

   Agreed to.

6. Mr J H van der Merwe moved: That leave of absence be granted to Dr K Rajoo for the period 22 April to 16 May 1997.

   Agreed to.

7. FIRST ORDER [14:20]

   Debate on Vote No 24—Public Enterprises, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

8. The House adjourned at 18:00.

C J P LUCAS,

Acting Secretary to Parliament.

No 35—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

MONDAY, 5 MAY 1997

ANNOUNCEMENTS:

National Assembly:

Bills:

1. The Speaker:

   The following Bills have been introduced since 25 April 1997:

   (1) *National Advisory Council on Innovation Bill* [B 29—97]—(National Assembly—sec 75)—(Portfolio Committee on Arts, Culture and Language, Science and Technology—National Assembly) on 2 May 1997.

   (2) *Medicines and Related Substances Control Amendment Bill* [B 30—97]—(National Assembly—sec 76)—(Portfolio Committee on Health—National Assembly) on 2 May 1997.

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Speaker and the Chairperson:

   Reports of the Auditor-General on the—

   (1) Status of the implementation of the findings of the Judge White Commission (formerly Browde Commission), and the resultant recoveries as at 30 September 1996 [RP 50—97].

   (2) South African Medical Research Council for 1995-96 [RP 57—97].

2. The Minister of Water Affairs and Forestry:

   White Paper on a National Water Policy for South Africa.

3. The Minister for Agriculture and Land Affairs:

   Report of the Board of the Land and Agricultural Bank of South Africa for 1996.

4. The Minister of Finance:

   Treasury Memorandum on changes in the form of the Estimates, 1997-98.

   Referred to the Standing Committee on Public Accounts.

5. The Minister of Housing:

   Report of the Department of Housing for 1996 [RP 59—97].

6. The Minister of Justice:

   (1) Reports of the South African Law Commission on—

   (a) The declaration and detention of Persons as State Patients under the Criminal Procedure Act, 1977, and the discharge of such persons under the Mental Health Act, 1973, including the burden of proof with regard to the mental state of an accused or convicted person [RP 100—96].

   (b) Report on money laundering and related matters [RP 31—97].

   (c) Report on speculative and contingency fees [RP 37—97].

   (d) Access to minor children by interested persons [RP 107—96].

   (2) Reports of the—

   (a) Department of Justice for 1995-96 [RP 58—97].

   (b) Judicial Service Commission for 1995-96 [RP 43—97].

National Assembly:

Bills:

1. The Speaker:

   (1) *Public Service Commission Bill* [B 31—97]—(National Assembly—sec 76)—(Portfolio Committee on Public Service and Administration—National Assembly).

   (2) *Public Service Laws Amendment Bill* [B 32—97]—(National Assembly—sec 76)—(Portfolio Committee on Public Service and Administration—National Assembly).

COMMITTEE REPORTS:

National Assembly:

1. Report of the *Ad hoc* Committee on constitution of SADC Parliamentary Forum, dated 23 April 1997, as follows:

   The *Ad hoc* Committee on constitution of SADC Parliamentary Forum, having considered and examined its terms of reference, begs to report as follows:

   The Committee recommends that the House approve the constitution of the SADC Parliamentary Forum and that the Parliament of the Republic of South Africa participate in the Forum on the terms provided in the said constitution.

The Committee was presented with a negotiated and agreed document, which it understood not to be subject to amendment at this stage. The Committee nevertheless wishes to make the following observations:

1. The constitution provides for a "Parliamentary Consultative Assembly", but envisages this "developing into a regional Parliamentary structure". The timing of this transition, as well as the form a future regional Parliamentary structure may take, are, in the view of the Committee, matters that cannot be specified at this stage. Yet Article 8(3)*(b)* provides for the Plenary Assembly, as constituted in the present constitution, to ". . .upon the Forum becoming a Parliamentary structure, be the legislative body. . .". This is premature in our view. The establishment of a legislative body would, in our understanding, require a formal international agreement, and possibly changes to member states' constitutions. If and when the Forum becomes a legislative body, there may well be a need to revisit a number of matters, including the way in which the Plenary Assembly is composed—currently all member countries have equal representation.

2. Article 8(3)*(f)* provides that all "decisions of the Plenary Assembly shall be on the basis of consultation and consensus. . .". This should not, in our view, be interpreted to mean that each individual member of the Assembly will hold a veto over its decisions. The rules of the Assembly will need to define more precisely what this "consensus" should mean.

The Committee recommends accordingly.

Report to be considered.

No 19—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

TUESDAY, 6 MAY 1997

1. The House met at 14:20.
2. The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. FIRST ORDER [14:21]

   Debate on Vote No 17—Housing, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
4. The House adjourned at 17:31.

C J P LUCAS,

Acting Secretary to Parliament.

No 36—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

TUESDAY, 6 MAY 1997

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Finance:

   Resolutions of the Joint Standing Committee on Public Accounts for 1996 and replies thereto obtained by the Department of State Expenditure: Fourth Report, 1996.

   Referred to the Standing Committee on Public Accounts.

National Assembly:

Bills:

1. The Speaker:

   (1) *Contingency Fees Bill* [B 33—97]—(National Assembly—sec 75)—(Portfolio Committee on Justice—National Assembly).

   (2) *Insurance Amendment Bill* [B 34—97]—(National Assembly—sec 75)—(Portfolio Committee on Finance—National Assembly).

   (3) *Medical, Dental and Supplementary Health Service Professions Amendment Bill* [B 35—97]—(National Assembly—sec 76)—(Portfolio Committee on Health—National Assembly).

   (4) *National Council of Provinces (Permanent Delegates Vacancies) Bill* [B 36—97]—(National Assembly—sec 75)—(Portfolio Committee on Constitutional Affairs—National Assembly).

COMMITTEE REPORTS:

National Council of Provinces:

1. Report of the Select Committee on Economic and Foreign Affairs on the *Board on Tariffs and Trade Amendment Bill* [B 106—96] (National Assembly—sec 75), dated 6 May 1997, as follows:

The Select Committee on Economic and Foreign Affairs, having considered the subject of the *Board on Tariffs and Trade Amendment Bill* [B 106—96] (National Assembly—sec 75), referred to it, begs to report that it has agreed to the Bill.

2. Report of the Select Committee on Social Services on the *Nursing Amendment Bill* [B 4B—97] (National Assembly—sec 76), dated 6 May 1997, as follows:

The Select Committee on Social Services, having considered the subject of the *Nursing Amendment Bill* [B 4B—97] (National Assembly—sec 76), referred to it, begs to report the Bill with amendments [B 4C—97].

No 20—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

WEDNESDAY, 7 MAY 1997

1. The House met at 15:03.
2. The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. [15:04] Interpellations.
4. [15:51] Questions.
5. FIRST ORDER [16:30]

   Debate on Vote No 35—Trade and Industry, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
6. The House adjourned at 19:28.

C J P LUCAS,

Acting Secretary to Parliament.

The Select Committee on Economic and Foreign Affairs, having considered the subject of the *Board on Tariffs and Trade Amendment Bill* [B 106—96] (National Assembly—sec 75), referred to it, begs to report that it has agreed to the Bill.

2. Report of the Select Committee on Social Services on the *Nursing Amendment Bill* [B 4B—97] (National Assembly—sec 76), dated 6 May 1997, as follows:

The Select Committee on Social Services, having considered the subject of the *Nursing Amendment Bill* [B 4B—97] (National Assembly—sec 76), referred to it, begs to report the Bill with amendments [B 4C—97].

No 37—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

WEDNESDAY, 7 MAY 1997

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Speaker and the Chairperson:

   (1) Special Report of the Auditor-General on the shortcomings in Management Measures and Financial Control and the effects thereof at the Independent Broadcasting Authority: April 1997 [RP 66—97].

   (2) Reports of the Auditor-General on the—

   (a) Independent Broadcasting Authority for 1995-96 [RP 67—97];

   (b) Performance audits completed during the period 1 January 1996 to 31 December 1996 [RP 39—97].

   Referred to the Standing Committee on Public Accounts.

2. The Minister for Welfare and Population Development:

   Report of the Department of Welfare and Population Development for 1996-97 [RP 80—97].

3. The Minister of Environmental Affairs and Tourism:

   List relating to Government Notice—25 April 1997.

4. The Minister of Justice:

   List relating to Government Notices—27 March 1997.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Trade and Industry on the *Close Corporations Amendment Bill* [B 23—97] (National Assembly—sec 75), dated 5 May 1997, as follows:

The Portfolio Committee on Trade and Industry, having considered the subject of the *Close Corporations Amendment Bill* [B 23—97] (National Assembly—sec 75), referred to it, begs to report the Bill with amendments [B 23A—97].

National Council of Provinces:

1. Report of the Select Committee on Finance on the *Appropriation Bill* [B 16—97] (National Assembly—sec 77), dated 7 May 1997, as follows:

   The Select Committee on Finance, having considered and examined the *Appropriation Bill* [B 16—97] (National Assembly—sec 77) and the other papers referred to it, begs to report that it has concluded its deliberations thereon.

2. Report of the Select Committee on Education on the *South African Institute for Drug-Free Sport Bill* [B 94B—96] (National Assembly—sec 75), dated 7 May 1997, as follows:

   The Select Committee on Education, having considered the subject of the *South African Institute for Drug-Free Sport Bill* [B 94B—96] (National Assembly—sec 75), referred to it, begs to report that it has agreed to the Bill.

No 11—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

THURSDAY, 8 MAY 1997

1. Members of the Extended Public Committee met in the Chamber of the National Assembly at 14:20.
2. The Deputy Speaker, as Chairperson, took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. FIRST ORDER [14:20]

   Debate on Vote 38—Welfare, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
4. The Committee rose at 17:19.

C J P LUCAS,

Acting Secretary to Parliament.

No 12—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

THURSDAY, 8 MAY 1997

1. Members of the Extended Public Committee met in Committee Room E249 at 14:17.

2. The Chairperson of Committees, as Chairperson, took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [14:18]

   Debate on Vote 33—Sport and Recreation, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

4. The Committee rose at 17:01.

C J P LUCAS,

Acting Secretary to Parliament.

No 38—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

THURSDAY, 8 MAY 1997

ANNOUNCEMENTS:

National Assembly:

1. The Speaker:

(1) The Speaker has referred the reports of the Auditor-General tabled on 12 February 1997, 19 February 1997, 26 March 1997, 15 April 1997, 17 April 1997 and 5 May 1997 to the Standing Committee on Public Accounts.

TABLINGS:

National Assembly:

Papers:

1. The Speaker:

(1) Report from the Minister of Justice on women's empowerment and the eradication of violence against women and children, submitted to the Speaker in compliance with the resolution adopted by the National Assembly on 7 November 1996.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Finance on Budget Vote 13: Finance, dated 6 May 1997, as follows:

The Portfolio Committee on Finance, having considered and examined Budget Vote 13: Finance, begs to report as follows:

The Committee wishes to express its appreciation for the comprehensive presentation on the department's vision, organisational changes and work programme, which together provide the department with a sound basis from which to effectively fulfil its role in the management and implementation of the government's macro-economic programme.

The department is to be commended for developing clear objectives and for its achievements with regard to the following:

1. The establishment of a Budget Office, with clearly defined responsibilities in respect of—

(1) financial planning;

(2) macro policy; and

(3) intergovernmental fiscal relations.

2. The establishment of the Office of Asset and Liability Management.

3. The establishment of a Financial Management division, which pulls together a wide spectrum of institutions and centres of finance domestically, regionally (SADC) and internationally.

4. The establishment of the SA Revenue Service, and a clear movement towards granting that service administrative autonomy.

2. Report of the Portfolio Committee on Finance on Budget Vote 32: SA Revenue Service, dated 6 May 1997, as follows:

The Portfolio Committee on Finance, having considered and examined Budget Vote 32: SA Revenue Service, begs to report as follows:

The Committee realises that the SA Revenue Service (SARS) is in an early stage of transformation into an autonomous body. The Committee wishes to express the belief that—

1. with the completion of the new management structure;

2. with the identification of a clear purpose and long-term objectives;

3. with the identification of critical success factors;

4. with the existence of a code of conduct and anincentive scheme for personnel; and

5. with the necessary administrative autonomy,

SARS should be well positioned to exercise its function as an effective administrator of the government's revenue and customs legislation.

3. Report of the Portfolio Committee on Finance on Budget Vote 34: State Expenditure, dated 6 May 1997, as follows:

The Portfolio Committee on Finance, having considered and examined Budget Vote 34: State Expenditure, begs to report as follows:

The Committee wishes to express its appreciation for the comprehensive presentation on the department's programme in respect of the following:

1. Restructuring and rationalisation of the department.

2. New management philosophy and practices of the department.

3. A programme of promoting representativity and affirmative action within the department.

4. Establishment of the Institute for Public Finance and Auditing in order to improve the capacity in respect of financial management within government departments.

5. A programme for human resources development.

6. A comprehensive programme of corrective steps, including the following:

   (1) Budget reform.

   (2) Improving internal departmental service delivery.

   (3) Public procurement reform, as encapsulated in the Green Paper on Public Procurement Reform.

   (4) Establishment of the Programme Management Service, following the closure of the RDP Office.

The department is also commended for supplying a simple but comprehensive and useful handbook, namely "Introduction to Accounting", that would be helpful to all levels of government as well as to public representatives.

National Council of Provinces:

1. Report of the Select Committee on Land, Agriculture and Environmental Affairs on the *Genetically Modified Organisms Bill* [B 3B—97] (National Assembly—sec 76), dated 8 May 1997, as follows:

   The Select Committee on Land, Agriculture and Environmental Affairs, having considered the subject of the *Genetically Modified Organisms Bill* [B 3B—97] (National Assembly—sec 76), referred to it, begs to report the Bill without amendment.

No 21—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

FRIDAY, 9 MAY 1997

1. The House met at 09:00.
2. The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. Mrs G N M Pandor (for the Chief Whip of the Majority Party) moved: That leave of absence be granted to Mr S Phohlela for the period 17 April to 13 May 1997.

   Agreed to.
4. Mrs G N M Pandor (for the Chief Whip of the Majority Party) moved: That leave of absence be granted to Prof B Turok for the period 1 April to 30 June 1997.

   Agreed to.
5. Mrs G N M Pandor (for the Chief Whip of the Majority Party) moved: That leave of absence be granted to Mr A J Gumede for the period 24 April to 15 June 1997.

   Agreed to.
6. FIRST ORDER [09:03]

   Debate on Vote 36—Transport, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
7. The House adjourned at 11:37.

C J P LUCAS,

Acting Secretary to Parliament.

No 22—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

MONDAY, 12 MAY 1997

1. The House met at 14:17.
2. The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. FIRST ORDER [14:18]

   Debate on Vote No 13—Finance, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
4. SECOND ORDER [16:21]

   Debate on Vote No 34—State Expenditure, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

   BUSINESS SUSPENDED AT 18:51 AND RESUMED AT 20:05.
5. THIRD ORDER [20:05]

   Debate on Vote No 32—SA Revenue Service, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
6. The House adjourned at 21:01.

C J P LUCAS,

Acting Secretary to Parliament.

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

MONDAY, 12 MAY 1997

1. The House met at 14:17.

2. The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. FIRST ORDER [14:18]

Debate on Vote No 13—Finance, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

Debate concluded.

4. SECOND ORDER [16:21]

Debate on Vote No 34—State Expenditure, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

Debate concluded.

BUSINESS SUSPENDED AT 18:51 AND RESUMED AT 20:05.

5. THIRD ORDER [20:05]

Debate on Vote No 32—SA Revenue Service, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

Debate concluded.

6. The House adjourned at 21:01.

C J PLUCAS,

Acting Secretary to Parliament.

No 9—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL COUNCIL OF PROVINCES

MONDAY, 12 MAY 1997

1. The Council met at 14:17.
2. The Deputy Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. FIRST ORDER [14:21]

   Consideration of *South African Institute for Drug-Free Sport Bill* [B 94B—96] (National Assembly—sec 75) and of Report of Select Committee on Education thereon (Announcements, Tablings and Committee Reports, p 251)—Minister of Sport and Recreation).

   Debate concluded.

   Bill agreed to in terms of section 75 of the Constitution.
4. SECOND ORDER [14:43]:

   Consideration of *Genetically Modified Organisms Bill* [B 3B—97] (National Assembly—sec 76) and of Report of Select Committee on Land, Agriculture and Environmental Affairs thereon (Announcements, Tablings and Committee Reports, p 256)—Minister for Agriculture and Land Affairs).

   Order disposed of without debate.

   Bill agreed to in terms of section 65 of the Constitution.
5. Precedence given to Order No 4.
6. FOURTH ORDER [14:44]

   Review of policy of Minister of Health, as embodied in Vote No 15—Health, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
7. THIRD ORDER [16:53]

   Consideration of *Nursing Amendment Bill* [B 4D—97] (National Assembly—sec 76) and of Report of Select Committee on Social Services thereon

(Announcements, Tablings and Committee Reports, p 248)—(Minister of Health).

Debate concluded.

Bill agreed in terms of section 65 of the Constitution.

8. The Council adjourned at 17:48.

C J P LUCAS

Acting Secretary to Parliament.

No 39—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

MONDAY, 12 MAY 1997

ANNOUNCEMENTS:

National Assembly:

1. The Speaker:

(1) The vacancy which occurred owing to Mr G A Fredericks vacating his seat with effect from 1 May 1997, was filled with effect from 9 May 1997 by the nomination of the following member:

Langa, Z.

2. The Speaker:

(1) Mr Y I Carrim has been elected chairperson of the *Ad hoc* Committee on Membership of Legislatures with effect from 12 May 1997.

(2) The following members have been appointed to serve on the Standing Committee mentioned, viz:

Public Accounts:

Andrew, K M; Beesham, A K (Alternate); Botha, W J; Chiba, L; Doidge, G Q; Ebrahim, A G; Fani, L M; Feinstein, A (Alternate); Gillwald, C E; Groenewald, R H; Gumede, D M; Hlangwana, N L; Hogan, B A; Leeuw, S J; Le Roux, J W; Nair, B; Nel, A H (Alternate); Ntaopane, T E; Van Zyl, I D (Alternate); Watson, A; Woods, G G.

(3) The following changes have been made to the membership of Committees, viz:

Agriculture, Water Affairs and Forestry:

Appointed: Diale, N L (Alternate); Kati, J Z (Alternate); Mabude, N; Matosa, P Z (Alternate); Mfono, N B; Seperepere, M S (Alternate); Tolo, L J (Alternate); Van Wyk, J F (Alternate).

Allegations by Dr W A Odendaal and Deputy Minister E G Pahad:

Appointed: Botha, C J van R.
Discharged: Fourie, A.

Arts, Culture and Language, Science and Technology:

Appointed: Benjamin, J; Marivate, C T D; Mtsweni, N S.
Discharged: Ferguson, J; Fredericks, G A; Nkomo, S A; Pandor, G N M; Ramgobin, M; Xingwana, L M.

Communications:

Appointed: Hajaij, F (Alternate); Mtsweni, N S; Rantho, M M; Sekgobela, P S; Thompson, B; Vilakazi, B H (Alternate).

Constitutional Affairs:

Appointed: Chohan, F I; Coetzee, M P; Kondlo, N; Kota, Z A; Matosa, P Z; Netshimbupfe, M A; Tsenoli, S L; Van Wyk, J F.
Discharged: Fraser-Moleketi, F J; Mabandla, B S; Pahad, E G.

Correctional Services:

Appointed: Bloem, D V; Diale, N L (Alternate); Fazzie, H M; Sosibo, J E (Alternate); Tolo, L J.
Discharged: Duna, M W; Hofmeyr, W A; Jana, D P.

Education:

Appointed: Belot, S T (Alternate); Benjamin, J (Alternate); Mayimele, H W (Alternate); Mokgalong, M R V; Vijoen, V.
Discharged: Mahlangu, G L.

Environmental Affairs and Tourism:

Appointed: Mandela, N W; Matosa, P Z; Van Wyk, J F; Vilakazi, B H; Xingwana, L M (Alternate).
Discharged: Mokoena, D A; Nkomo, S A.

Finance:

Appointed: Feinstein, A; Gillwald, C E; Ndou, A J D (Alternate).
Discharged: Fani, L M; Saloojee, E.

Foreign Affairs:

Appointed: Du Toit, D C (Alternate); Ebrahim, E I; Hendrickse, P A C (Alternate); Makume, N J (Alternate); Mtsweni, N S; Richards, I (Alternate); Seperepere, M S; Solomon, G (Alternate); Van den Heever, R P Z (Alternate).
Discharged: Jordaan, D A.

Gambling and Lotteries Legislation:

Discharged: Meshoe, K R.

Health:

Appointed: Tambo, A F; Twala, N M.

Home Affairs:

Appointed: Bam, N J; Cachalia, I M; Gcina, C I; Lekgoro, M K (Alternate); Mahomed, F; Maunye, M M; Tolo, L J (Alternate).
Discharged: Suttner, R S.

Housing:

Appointed: Oliphant, R; Sosibo, J E.

Mineral and Energy Affairs:

Appointed: Hani, L; Mtsweni, N S; Van der Merwe, S C (Alternate); Van Wyk, J F; Zitha, D A.
Discharged: Gumede, D M.

Public Enterprises:

Appointed: Feinstein, A; Gcina, C I; Gumede, D M; Mohlamonyane, G M; Mpehle, M; Tolo, L J.

Public Service and Administration:

Appointed: Belot, S T; Biyela, N T.
Discharged: Gordhan, P J; Nkomo, S A; Rantho, M M; Ripinga, S S; Vadi, I.

Reconstruction and Development Programme:

Appointed: Seperepere, M S.
Discharged: Sisulu, M V.

Rules:

Appointed: Cronjé, P C.

Safety and Security:

Appointed: Bloem, D V; Goniwe, T M; Mnguni, L L A; Modise, T R; Oliphant, R (Alternate); Sosibo, J E; Yengeni, T S.
Discharged: Hofmeyr, W A; Mabudafhasi, R T; Mashimbye, J N; Molekane, R S; Mtintso, T E.

Sport and Recreation:

Appointed: Balfour, B M N; Malumise, M M (Alternate); Oliphant, R (Alternate).
Discharged: Booi, M S; Doidge, G Q.

Trade and Industry:

Appointed: Belot, S T; Feinstein, A; Hajaij, F (Alternate).

Transport:

Appointed: Arendse, J D; Kati, J Z; Makume, N J; Maunye, M M; Rockman, G (Alternate); Turok, M E (Alternate); Zitha, D A.
Discharged: Hendrickse, P A C; Montsisi, S D.

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Trade and Industry:

   List relating to Proclamations and Government Notices—2 October 1996 to 27 March 1997.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Communications on the *Rascom Convention*, dated 12 May 1997, as follows:

The Portfolio Committee on Communications, having considered the request for approval by Parliament of the *Rascom Convention*, referred to it, begs to recommend that the House, in terms of section 231(2) of the Constitution, approve the said Convention.

Report to be considered.

No 2—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

JOINT SITTING

TUESDAY, 13 MAY 1997

1. Members of the National Assembly and the National Council of Provinces assembled in the Chamber of the National Assembly at 14:17.
2. The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. Welcoming address by Mr B T Ngcuka, Deputy Chairperson of the National Council of Provinces.
4. [14:24] Address by His Excellency Martti Ahtisaari, President of Finland.
5. Vote of thanks by Mr M V Sisulu.
6. The Joint Sitting rose at 14:47.

C J P LUCAS,

Acting Secretary to Parliament.

NOTICE MEETING

No 23—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

TUESDAY, 13 MAY 1997

1. The House met at 15:02.

2. The Deputy Speaker took the Chair.

3. Dr W A Odendaal, with leave, made a personal explanation concerning a remark he had made in the House yesterday and apologised.

4. The Chief Whip of the Majority Party, with leave, made a statement regarding remarks with a racist connatation made in the House.

5. The Chief Whip of the Majority Party, with leave, altered his notice of motion and moved: That the House, whilst wishing to place on record its profound condolences for the victims of the multi-vehicle accident which took place on the N2 outside Cape Town on the morning of 10 May 1997 and to express both its sympathy for their families and its best wishes for a speedy and complete recovery to those who suffered injury on that morning—

   (a) appeals once again to all motorists to prepare themselves for the inevitable occurrence of adverse motoring conditions associated with seasonal weather changes and to take extreme care to reduce their speed and to exercise vigilance whilst driving under such conditions;

   (b) appeals to Provincial Departments of Transport to review their emergency traffic safety and control procedures with a view to implementing measures which could help to minimise the risk of such accidents;

   (c) appeals to the National Department of Transport to communicate to the public, through all appropriate channels, those elements of its Road Traffic Management Strategy which will impact most directly on road and driver safety issues; and

   (d) extends its heartfelt thanks to the persons who so courageously risked their lives to save persons trapped and in danger of losing their lives and conveys to all the helpers and to our emergency rescue services the gratitude and appreciation of the nation by saying: Well done.

   Agreed to.

6. The Chief Whip of the Majority Party moved: That the House adopts the following resolution pursuant to section 45(1) of the Constitution:

(1) *Establishment*: The Joint Rules Committee envisaged in section 45(1) of the Constitution is hereby established.

(2) *Composition*: The Joint Rules Committee consists of the Rules Committee of the National Assembly and the Rules Committee of the National Council of Provinces sitting together.

(3) *Powers and Functions*: The Joint Rules Committee must make rules and orders, and attend to other matters, concerning the joint business of the National Assembly and the National Council of Provinces.

(4) *Decisions*: The Joint Rules Committee agrees on any matter when that matter is supported—

(a) by the majority of the members of the Rules Committee of the National Assembly; and

(b) by the representatives of at least five provinces in the Rules Committee of the National Council of Provinces.

(5) *Minority party participation*: A political party represented in the National Council of Provinces that is not represented in the Rules Committee of the Council may designate one of its delegates to attend, and to speak in, the Joint Rules Committee, but that delegate may not vote.

(6) *Local government participation*: When necessary, the Joint Rules Committee must invite the representatives of organised local government in the National Council of Provinces to designate one of them to attend, and to speak in, the Committee, but that representative may not vote.

(7) *Chairpersons*: The Joint Rules Committee is co-chaired by the chairpersons of the Rules Committee of the National Assembly and the Rules Committee of the National Council of Provinces, or their alternates.

(8) *Tabling*:

(a) A joint rule made by the Joint Rules Committee must be tabled in the National Assembly and the National Council of Provinces.

(b) A joint rule must be approved or rejected by the Council on its first sitting day after the day on which the Joint Rule was tabled in it, and by the Assembly by or on its fifth sitting day after the day on which the joint rule was tabled in it.

(c) A joint rule rejected by either the Assembly or the Council must be reconsidered by the Joint Rules Committee.

(d) A joint rule approved by the Assembly and the Council binds them.

(9) *Matters for priority consideration*: The Joint Rules Committee must, on appointment, give priority consideration to—

(a) procedures to be followed if either House delays implementing decisions of the Joint Rules Committee; and

(b) consequences of the refusal by either House to ratify decisions of the Joint Rules Committee.

Agreed to.

7. The Chief Whip of the Majority Party moved: That the House adopts the following new rule:

Leader of the Opposition

28A. The leader of the largest party in the Assembly that is not in government must be recognised as the Leader of the Opposition.

Agreed to.

8. FIRST ORDER [15:12]

Consideration of Report of Portfolio Committee on Justice (Announcements, Tablings and Committee Reports, p 225—*Hague Convention on Child Abduction*).

Order disposed of without debate.

Report adopted.

9. SECOND ORDER [15:12]

Consideration of Report of Portfolio Committee on Justice (Announcements, Tablings and Committee Reports, p 226—*Hague Convention on Taking of Evidence Abroad*).

Order disposed of without debate.

Report adopted.

10. THIRD ORDER [15:13]

Second Reading debate—*Close Corporations Amendment Bill* [B 23B—97] (National Assembly—sec 75).

Order disposed of without debate.

Bill read a second time.

11. FOURTH ORDER [15:13]

Second Reading debate—*Financial Institutions Amendment Bill* [B 10B—97] (National Assembly—sec 75).

Debate concluded.

Bill read a second time.

12. FIFTH ORDER [15:32]

Second Reading debate—*Broadcasting Amendment Bill* [B 15B—97] (National Assembly—sec 75).

Order disposed of without debate.

Bill read a second time.

13. SIXTH ORDER [15:32]

Second Reading debate—*Electoral Amendment Bill* [B 90—96] (National Assembly—sec 75).

Debate concluded.

Bill read a second time.

14. The House adjourned at 16:07.

C J P LUCAS,

Acting Secretary to Parliament.

No 10—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL COUNCIL OF PROVINCES

TUESDAY, 13 MAY 1997

1. The Council met at 10:05.
2. The Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. The Chairperson announced that President Martti Ahtisaari, President of Finland, would address the Joint Sitting of Parliament at 14:15.
4. [10:06] Questions.
5. FIRST ORDER [10:28]

   Review of policy of Minister for Welfare and Population Development, as embodied in Vote No 38—Welfare, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

   BUSINESS SUSPENDED AT 13:15 AND RESUMED AT 15:03.
6. SECOND ORDER [15:03]

   Review of policy of Minister of Housing, as embodied in Vote No 17—Housing, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
7. THIRD ORDER [17:42]

   Review of policy of Minister of Public Works, as embodied in Vote No 27—Public Works, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
8. The Deputy Chairperson announced that a meeting of the Joint Rules Committee would take place tomorrow morning.

9. The Council adjourned at 20:09.

C J P LUCAS,

Acting Secretary to Parliament.

No 40—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

TUESDAY, 13 MAY 1997

ANNOUNCEMENTS:

National Council of Provinces:

1. The Chairperson:

   Message from National Assembly to National Council of Provinces:

   Bills passed by National Assembly on 13 May 1997 and transmitted for concurrence:

   (1) *Electoral Amendment Bill* [B 90—96] (National Assembly—sec 75)—(Select Committee on Social Services—National Council of Provinces).

   (2) *Financial Institutions Amendment Bill* [B 10B—97] (National Assembly—sec 75)—(Select Committee on Finance—National Council of Provinces).

   (3) *Broadcasting Amendment Bill* [B 15B—97] (National Assembly—sec 75)—(Select Committee on Labour and Public Enterprises—National Council of Provinces).

   (4) *Close Corporations Amendment Bill* [B 23B—97] (National Assembly—sec 75)—(Select Committee on Economic and Foreign Affairs—National Council of Provinces).

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Finance:

   (1) Report of the Bank Supervision Department of the South African Reserve Bank for 1996 [RP 33—97].

   (2) List relating to Proclamation and Government Notice—25 April 1997.

2. The Minister for Provincial Affairs and Constitutional Development:

   Report of the Department of Constitutional Development for 1996 [RP 60—97].

3. The Minister of Justice:

   Reports for 1996, in terms of section 5(6) of the Attorney-General Act, 1992, of the Attorneys-General—

   (1) Natal.

   (2) Cape of Good Hope [RP 48—97].

   (3) Eastern Cape [RP 56—97].

   (4) Witwatersrand Local Division.

No 24—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

WEDNESDAY, 14 MAY 1997

1. The House met at 15:15.
2. The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. [15:15] Interpellations.
4. [15:44] Questions.
5. FIRST ORDER [16:15]

   Second Reading debate—*National Council of Provinces (Permanent Delegates Vacancies) Bill* [B 36 and B 36A—97]—(National Assembly—sec 75).

   Order disposed of without debate.

   Bill read a second time.
6. SECOND ORDER [16:17]

   Debate on Vote No 37—Water Affairs and Forestry, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
7. The House adjourned at 18:50.

C J P LUCAS,

Acting Secretary to Parliament.

No 11—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL COUNCIL OF PROVINCES

WEDNESDAY, 14 MAY 1997

1. The Council met at 14:18.
2. The Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. FIRST ORDER [14:20]

   Review of policy of Minister for the Public Service and Administration, as embodied in Vote No 25—Public Service and Administration, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
4. SECOND ORDER [17:07]

   Consideration of *Board on Tariffs and Trade Amendment Bill* [B 106—96] (National Assembly—sec 75) and of Report of Select Committee on Economic and Foreign Affairs thereon (Announcements, Tablings and Committee Reports, p 247)—(Minister of Trade and Industry).

   Order disposed of without debate.

   Bill agreed to in terms of section 75 of the Constitution.
5. THIRD ORDER [17:18]

   Review of policy of Minister of Trade and Industry, as embodied in Vote No 35—Trade and Industry, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
6. The Council adjourned at 20:03.

C J P LUCAS,

Acting Secretary to Parliament.

No 41—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

WEDNESDAY, 14 MAY 1997

ANNOUNCEMENTS:

National Assembly and National Council of Provinces:

1. The Speaker and the Chairperson of the National Council of Provinces:

(1) Assent by the President of the Republic in respect of the following Bills:

(i) *Post Office Amendment Bill* [B 12—97]—Act No 11 of 1997;

(ii) *Telecommunications Amendment Bill* [B 13—97]—Act No 12 of 1997; and

(iii) *Development Bank of Southern Africa Bill* [B 2B—97]—Act No 13 of 1997.

National Assembly:

1. The Speaker:

(1) The Speaker has in terms of Rule 168(2) referred the following legislative proposal which has been submitted to her, together with the memorandum thereon, to the Portfolio Committee on Private Members' Legislative Proposals and Petitions:

Council of Traditional Leaders Amendment Bill (National Assembly—sec 76), submitted by Inkosi M W Hlengwa.

(2) Mr K M Andrew has been elected chairperson of the Standing Committee on Public Accounts with effect from 14 May 1997.

National Council of Provinces:

1. The Chairperson:

Message from National Assembly to National Council of Provinces:

Bill passed by National Assembly on 14 May 1997 and transmitted for concurrence:

(1) *National Council of Provinces (Permanent Delegates Vacancies) Bill* [B 36B—97]—(National Assembly—sec 75)—(Select Committee on Constitutional Affairs and Public Administration—National Council of Provinces).

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Constitutional Affairs on the *National Council of Provinces (Permanent Delegates Vacancies) Bill* [B 36—97] (National Assembly—sec 75), dated 14 May 1997, as follows:

The Portfolio Committee on Constitutional Affairs, having considered the subject of the *National Council of Provinces (Permanent Delegates Vacancies) Bill* [B 36—97] (National Assembly—sec 75), referred to it, begs to report the Bill with amendments [B 36A—97].

2. Report of the Portfolio Committee on Constitutional Affairs on Budget Vote 9: Constitutional Development, dated 14 May 1997, as follows:

The Portfolio Committee on Constitutional Affairs, having considered and examined Budget Vote 9: Constitutional Development, begs to report as follows:

1. Introduction

The third budget review of the ministry and the Department of Provincial Affairs and Constitutional Development took place from 23 April to 13 May, after an eventful year:

(1) Mr M V Moosa succeeded Mr C Fismer as Minister.

(2) Mr Z Titus was appointed director-general of the department.

(3) Prof M Mchunu was appointed deputy director-general responsible for intergovernmental relations and co-operative governance.

(4) Mr A Boraine has left the department.

(5) The National Council of Provinces has replaced the Senate.

The Committee extends sincere congratulations to all the appointees mentioned above.

2. Purpose of hearings

The purpose of the hearings was to assess and make recommendations on the following:

(1) The mission and priorities of the department for 1997-98.

(2) Whether the organisational structure and resource allocations are appropriate.

(3) The main policy issues and process of policy formulation.

(4) Changes in the structure of the department.

3. Departmental response to 1996 budget review

Budget reviews can only be meaningful exercises if the ministry and the department respond positively to observations and

recommendations. What has been the response to the 1996 review?

(1) *Mission of department*

The mission and priorities of the department are being shaped anew under new leadership. Clearly a new phase has been reached in respect of the three matters raised in the last report: The implementation of the 1993 Constitution, the development of a provincial system, and managing the transition and development of the local governance system.

(2) *Structure of department*

The Committee's long-held view that a dedicated local government branch in the department was essential, has now become a reality, with many beneficial effects.

(3) *Monitoring of provincial financial management*

This is an issue that must still be pursued, not only with this department, but also with the Department of Finance and the Auditor-General.

(4) *Policy formulation*

The proposals in the white papers on local government, co-operative governance and traditional leaders, placed before the Committee, go some way towards addressing this concern.

(5) *Rationalisation of programmes*

The Committee is satisfied that concerted efforts are being made to realign and synergise the various programmes and acknowledge the interrelatedness of many of the issues.

On the whole, the ministry and the department have made significant progress in responding meaningfully to the recommendations made by the Committee in its report of May 1996. This is substantiated by the action of the ministry and the department.

4. *Organs funded by department*

(1) *Commission on Provincial Government*

The work of this commission has been concluded.

(2) *Volkstaat Council*

The Committee wishes to thank the Volkstaat Council for its report and for very frank dicussions on its work and future. The following concerns were raised by the Committee:

(a) The work of the council appeared to transgress its research and investigation mandate. The council appeared to engage in advocacy of a particular position.

(b) The council has exhausted the research required, and the debate on its report should best be dealt with by political parties and formations.

(c) The work of the council should be wound down and preparations should now be made for participation of advocates of selfdetermination in the proposed commission for the promotion and protection of rights of cultural, religious and linguistic communities.

(3) *Training board*

The Local Government Training Board has a central role to play in the transformation of municipalities. The numerous problems experienced over the past three years in establishing a functional board and a reorganised and reorientated training system were viewed in an extremely negative light by the Committee. There is an urgent need to address the following:

(a) A new legislative framework for the training of councillors and officials.

(b) The rationalisation of training institutions and resources.

(c) The apparent disparity in the salaries of, and payments to, trainers/consultants.

(d) The appropriateness and qualifications of trainers in the new constitutional and developmental context within which municipalities work.

(e) The distinction between technical/artisan training and the building of governance capacity of councillors.

5. Policies and programmes of department

(1) *Constitutional matters*

(a) Education

Constitutional education is an indispensable part of creating a new democratic and nation-building ethos, and every effort must be made to include this in schools' curricula immediately and to find adequate funding for this programme.

(b) Litigation

The total costs of constitutional litigation involving all spheres of government must be investigated, and more intensive and creative efforts must be made to avoid costly litigation and give effect to the letter and spirit of co-operative governance. In this regard a significant role can be played by the NCOP.

(2) *Co-operative governance/intergovernmental relations*

The 1996 Constitution provides a framework for the further development of intergovernmental relations and for the inculcation of the principles and values of Chapter 3. The formulation of a white paper will provide an invaluable opportunity to lay a policy foundation for this development. The issues to be examined, are the following:

(a) The need to establish the status of Minmec decisions, and the obligations of participants in such decisions.

(b) The development of "horizontal co-operative government", in particular co-ordination between different Minmecs.

(3) *Provincial system*

The precise status of the development and implementation capacity of provinces requires vigorous examination. This will guide the development of appropriate support programmes at national level.

(4) *Local government support*

The creation of a national, comprehensive database on municipalities is an indispensible point of departure for any substantive programme of development and support in respect of local government. A more systematic and concerted effort must be made in this regard.

The white paper on local government will indicate which additional programmes should be instituted by the department.

(5) *Local government finance*

The appointment of a chief director and the creation of this chief directorate is timely and will make a valuable contribution towards a sensitive and important aspect of local government. The department is commended for Project Liquidity/Viability. A major issue to be resolved, will be the respective roles of the departments of Finance and of Provincial Affairs and Constitutional Development. There must be a complementary, constructive and co-operative approach to policy development and financial management.

(6) *Municipal infrastructure and services*

Significant progress has been made with the development of both short-term and medium-term plans for improving the delivery of municipal services. Several issues will require further attention of, and discussion by, the Committee:

(a) Whether integrated development planning and a systematic restructuring of municipal areas are taking place.

(b) Whether current infrastructure projects are reinforcing old spatial patterns or changing them.

(c) The stark disparity with regard to spending in urban and rural areas is obviously unacceptable, and special measures must be taken by both provincial governments and the national government to overcome any problems.

(d) The precise form, content and terms of partnerships between the state and other groups require careful investigation and further discussion to ensure optimal delivery of essential services and benefits to all South Africans.

(7) *Traditional leadership*

The transformation of the relationship between elected government institutions, particularly at local level, and traditional leaders is an important challenge for all concerned in the forthcoming year. The establishment of a chief directorate, the development of policy and the creation of the Council of Traditional Leaders will make a constructive contribution to further this process.

6. *Staffing*

The Committee has noted the significant improvement in the implementation of representativity and affirmative action. However, concern was expressed about the staff complement of the department, especially with regard to women in senior positions, as a low percentage of these positions are filled by them.

The policy of the department in trying to recruit women still seems unconvincing, although the department has appointed its first female chief director. The number of women applying for senior positions needs to increase.

7. *Acknowledgements*

The Committee wishes to thank the Minister, the director-general of the department and all its officials, the representatives of the training board and the Volkstaat Council, the Select Committee on Constitutional Affairs and Public Administration of the NCOP and the various political parties who participated in the deliberations.

8. *Conclusion*

The Committee commends the positive changes in structure, staffing, policy formulation and programmes within the department. We welcome the co-operative spirit in which the Minister and director-general are approaching their relationship with the Committee and the inclusive and participatory approach to policy-making. The Committee will continue to be a critical, objective and constructive partner in the creation of a system and culture of governance which is guided by the principles and values of the RDP and the Constitution.

No 25—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

THURSDAY, 15 MAY 1997

1. The House met at 14:15.
2. The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. Rev K R Meshoe, with leave, made a personal explanation concerning a remark he had made during debate on 25 April 1997 and withdrew the remark.
4. Mr J H Momberg (for the Chief Whip of the Majority Party) moved: That leave of absence be granted to Dr N E K Kuzwayo for the period 7 May to 30 June 1997.

   Agreed to.
5. Precedence given to Order No 3.
6. THIRD ORDER [14:17]

   Debate on Vote No 8—Central Statistical Service, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate conculded
7. FIRST ORDER [15:03]

   Debate on Vote No 28—SA Communication Service, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate conculded
8. SECOND ORDER [16:26]

   Debate on Vote No 7—Central Economic Advisory Service, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded

9. The House adjourned at 16:57.

C J P LUCAS,

Acting Secretary to Parliament.

No 12—1997] First Session, Second Parliament

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL COUNCIL OF PROVINCES

THURSDAY, 15 MAY 1997

1. The Council met at 14:16.
2. The Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. The Chief Whip of the Majority Party moved: That, notwithstanding the provisions of Rule 16, the hours of sitting on Friday, 16 May 1997, shall be as follows:

   09:30 to adjournment.
4. FIRST ORDER [14:17]

   Consideration of Report of Select Committee on Security and Justice (Announcements, Tablings and Committee Reports, p 227—*Hague Convention on Child Abduction*).

   Order disposed of without debate.

   Report adopted in terms of section 65 of the Constitution.
5. SECOND ORDER [14:19]

   Consideration of Report of Select Committee on Security and Justice (Announcements, Tablings and Committee Reports, p 228—*Hague Convention on Taking of Evidence Abroad*).

   Order disposed of without debate.

   Report adopted in terms of section 65 of the Constitution.
6. THIRD ORDER [14:20]

   Review of policy of Minister of Justice as embodied in Vote No 20—Justice, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
7. FOURTH ORDER [17:28]

   Review of policy of Minister for Provincial Affairs and Constitutional

Development, as embodied in Vote No 9—Constitutional Development, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

Debate concluded.

8. The Council adjourned at 19:22.

C J P LUCAS,

Acting Secretary to Parliament.

No 42—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

THURSDAY, 15 MAY 1997

ANNOUNCEMENTS:

National Assembly:

The Speaker:

1. The following changes have been made to the membership of Committees, viz:

Environmental Affairs and Tourism:

Appointed: Benjamin, J (Alternate); Kota, Z A (Alternate); Mokoena, D A (Alternate); Mokoena, M L (Alternate) Mpehle, M (Alternate); Netshimbupfe, M A (Alternate); Ratshitanga, T R; Shope, N R (Alternate).
Discharged: Van Wyk, J F.

Housing:

Appointed: Gordhan, P J (Alternate); Hani, L (Alternate); Matosa, P Z; Maunye, M M (Alternate); Moatshe, P; Sosibo, J E (Alternate); Tsenoli, S L.

Reconstruction and Development Programme:

Appointed: Sisulu, M V (Alternate).

Safety and Security:

Appointed: Goniwe, T M (Alternate); Mabudafhasi, R T; Mathebe, P; Mnguni, L L A (Alternate); Modise, T R (Alternate); Molekane, R S; Phakathi, N E; Vadi, I; Yengeni, T S (Alternate); Zondo, R P.
Discharged: Gumede, A J.

Sport and Recreation:

Appointed: Malumise, M M; Oliphant, R.
Discharged: Jordaan, D A.

Transport:

Appointed: Benjamin, J.

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Executive Deputy President:

   Report of the South African Communication Service for 1996.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Labour on Budget Vote 21: Labour, dated 14 May 1997, as follows:

The Portfolio Committee on Labour, having considered and examined Budget Vote 21: Labour, begs to report as follows:

A. Introduction

The Committee extended an invitation to interested and affected parties to submit oral and/or written representations on the budget, on the basis of Rule 52(1)*(c)* of the Standing Rules for the National Assembly, relating to the functions of Portfolio Committees. This invitation was sent via our mailing list during April and May 1997. We were unable to publish it in the printed media due to logistical constraints.

Public hearings were scheduled for 12 and 13 May 1997. The hearings were, however, only held on 13 May 1997. Submissions were received from the following organisations:

1. Afrikaanse Handelsinstituut (AHI)—oral.

2. Congress of South African Trade Unions (Cosatu)—written and oral.

3. Federation of Unions of SA (Fedusa)—written.

4. National Industrial Chambers—written.

5. South African Chamber of Business (Sacob)—written.

The Department of Labour appeared before the Committee on 6 May 1997, preceded by the Commission for Conciliation, Mediation and Arbitration (CCMA) on 5 May 1997, which reported on progress made to date.

From representations to the Committee, it is evident that the participation in these hearings remain consistent, except that the number of oral submissions are becoming fewer. Representatives of business and labour gave valuable input in this process.

The Committee wishes to express its sincere appreciation to all parties that responded to its invitation. We wish to restate our commitment that we will continue to work with all stakeholders in order to ensure that Parliament remains accessible, transparent and accountable to the public.

B. General observations

1. Organisations and parties once more welcomed the culture of openness and transparency in the public hearing process on this budget vote, except that the effective implementation of the budget reform process still needs to be realised.

2. Participants stated in their submissions that the budget process still does not assist in determining to what extent reprioritisation of expenditure has taken place in the department, particularly when the annual report of the department and the report of the Auditor-General for the previous financial year have not yet been published.

3. The reduction in the labour budget from R804 million in 1995-96 to R657 million in 1996-97 and R620 million in 1997-98 was noted with mixed feelings. It may have varying repercussions for business, labour and the government. This issue remains contentious, considering the balance between the government's fiscally driven policy development and the major expansion of activities envisaged by the new department.

4. Concerns were also raised about budget cuts in respect of items such as the National Productivity Institute and Human Resources Development, with specific reference to state-aided training centres and training of unemployed persons. Lack of adequate resources for occupational health and safety is not reconcileable with the government's policy pronouncements for a healthy and safe working environment in South Africa.

5. Parties warned against the danger of underfunding key dispute resolution institutions such as the CCMA. The possible ineffectiveness of this institution due to inadequate resources is likely to lead to enormous economic costs.

6. The plight of the unemployed was sharply raised by all parties. A co-ordinated job creation strategy still needs to be realised. Similarly, some small employers feel disempowered by complicated labour legislation being passed by Parliament without corresponding capacity-building programmes.

The ministry and department have also been commended for the visible progress made, which has a direct impact on the South African society. The following were mentioned as progress indicators, in varying degrees: The ministry's five-year programme, the ILO and labour market commission reports, Gear and the RDP, respectively. A clearer vision still needs to be formulated.

In the context of the above observations, and while more information is still awaited from the department's annual report and other relevant reports, we are still unable to comment fully on the results of the budget allocated for the previous financial year.

C. *Proposals*

1. The budget preparation process needs to be transformed in line with the requirements of the new Constitution. This will improve transparency and accountability of the government. Members of Parliament need to be empowered in this process, which will also enable stakeholders to make meaningful contributions.

2. The budget reductions and lack of increase in respect of programmes without explanatory notes were brought into sharp focus, particularly with regard to areas such as work centres for the disabled and workshops for the blind, inspections and investigations at the workplace and the underfunding of the CCMA. These should be addressed.

NB: Some parties welcomed the budget cuts in general, but were unable to accept the consequences associated with such cuts. All parties, however, agreed that labour market transformation, job creation and workplace democracy should not be compromised due to insufficient resources.

3. Budgetary items relating to strengthening civil society and Nedlac need consistent improvement and proper monitoring mechanisms.

4. The department's annual report and the relevant report of the Auditor-General must precede parliamentary debate on the following year's budget.

5. The department should take the lead in empowerment of vulnerable groups such as the unemployed, the disabled, small business and the unskilled.

D. Conclusion

The Committee wishes to state its appreciation for the interest shown in this budget, and also recognises the good work that has gone into compiling the budget.

The Committee will continue to co-operate fully with the ministry, the department and all stakeholders to bring about a new order conducive to economic growth and social justice.

National Council of Provinces:

1. Report of the Select Committee on Constitutional Affairs and Public Administration on the *National Council of Provinces (Permanent Delegates Vacancies) Bill* [B 36B—97] (National Assembly—sec 75), dated 15 May 1997, as follows:

The Select Committee on Constitutional Affairs and Public Administration, having considered the subject of the *National Council of Provinces (Permanent Delegates Vacancies) Bill* [B 36B—97] (National Assembly—sec 75), referred to it, begs to report that it has agreed to the Bill.

No 26—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

FRIDAY, 16 MAY 1997

1. The House met at 09:05.
2. The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. Mrs G N M Pandor (for the Chief Whip of the Majority Party) moved: That the House expresses its sincere condolences to the people of Iran in the wake of the devastating earthquake in that country and extends its deepest sympathies to and solidarity with those who were injured and the families of those who so tragically lost their lives.

   Agreed to.
4. Mrs G N M Pandor (for the Minister of Finance) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Convention between the Government of Japan and the Government of the Republic of South Africa for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income* and the *Agreement between the Government of the Republic of South Africa and the Government of the Republic of Mauritius for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income* be referred to the Portfolio Committee on Finance, the committee to have power to confer with the Select Committee on Finance of the National Council of Provinces.

   Agreed to.
5. Mrs G N M Pandor (for the Chief Whip of the Majority Party) moved: That, notwithstanding the provisions of Rule 11, the hours of sitting on Friday, 23 May 1997, shall be as follows:

   09:00 to adjournment.

   Agreed to.
6. FIRST ORDER [09:10]

   Debate on Vote No 9—Constitutional Development, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

7. The House adjourned at 12:33.

C J P LUCAS,

Acting Secretary to Parliament.

No 13—1997] First Session, Second Parliament

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL COUNCIL OF PROVINCES

FRIDAY, 16 MAY 1997

1. The Council met at 09:31.

2. The Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. The Chief Whip of the Majority Party, on behalf of the Minister of Finance, moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Convention between the Government of Japan and the Government of the Republic of South Africa for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income* and the *Agreement between the Government of the Republic of South Africa and the Government of the Republic of Mauritius for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income* be referred to the Select Committee on Finance, the committee to have power to confer with the Portfolio Committee on Finance of the National Assembly.

4. FIRST ORDER [09:34]

   Consideration of *National Council of Provinces (Permanent Delegates Vacancies) Bill* [B 36B—97] (National Assembly—sec 75) and of Report of Select Committee on Constitutional Affairs and Public Administration thereon (Announcements, Tablings and Committee Reports, p 289)—(Minister for Provincial Affairs and Constitutional Development).

   Debate concluded.

   Bill agreed to in terms of section 75 of the Constitution.

5. SECOND ORDER [09:37]

   Review of policy of Minister for Safety and Security, as embodied in Vote No 31—SA Police Service, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

6. The Council adjourned at 13:42.

C J P LUCAS,

Acting Secretary to Parliament.

No 43—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

FRIDAY, 16 MAY 1997

ANNOUNCEMENTS:

National Assembly:

1. The Speaker:

(1) The following member has vacated his seat in the National Assembly with effect from 15 May 1997:

Jordaan, D A.

The vacancy was filled with effect from 15 May 1997 by the nomination of the following member:

Dlulelane, B.

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Finance:

(1) Explanatory Memorandums on the Double Taxation Agreements between the Republic of South Africa and—

(a) Japan;

(b) Mauritius.

(2) Text of the Double Taxation Agreements between the Republic of South Africa and—

(a) Japan;

(b) Mauritius.

National Assembly:

Bills:

1. The Speaker:

(1) *Promotion of National Unity and Reconciliation Amendment Bill*

[B 37—97]—(National Assembly—sec 75)—(Portfolio Committee on Justice—National Assembly).

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Mineral and Energy Affairs on Budget Vote 23: Minerals and Energy, dated 14 May 1997, as follows:

The Portfolio Committee on Mineral and Energy Affairs, having considered and examined Budget Vote 23: Minerals and Energy, begs to report as follows:

A. Introduction

The Committee's invitation for an open and focused debate on the budget was welcomed by the Department of Minerals and Energy. The Committee appreciated comments from stakeholders during public hearings on Wednesday, 16 April 1997. It was a relief to find that stakeholders had many issues in common, especially since they do not always share the same point of view. The interaction was most pleasing and needs to be encouraged further.

B. General response

1. The first observation is that the presentation of the budget makes it very difficult to do an analysis on allocation and expenditure. Data provided by the department may satisfy State Expenditure, but it is of little use for parties outside the government.

2. There is always a need for information on associated institutions. On 12 March 1997 a meeting was held with the department. There is a further need for interaction and sharing of information. We may have to allocate more time for this process. It may be very important for the Committee to get first-hand information on developments in respect of the Central Energy Fund.

3. Sufficient information is necessary to deal with existing or new policies. The process of drawing up the budget has to be made more accessible, as the process followed at present renders it impossible to make any effective contribution.

4. Clarity on the level of government involvement as a matter of government policy, as opposed to the maximum application of free market principles, is important, because it will influence allocations in respect of departmental involvement. The budget should provide the department with the necessary funds to carry out its urgent and important functions. The impression is that departmental staff are under too much pressure and under-resourced, even in terms of reforming their own budget.

5. The budget debate should be one of Parliament's more powerful instruments in respect of planning and approving and monitoring the activities of the Executive and the administration.

6. Despite the budget appearing to be large, most of it is taken up by transfers to associated institutions such as the AEC,

leaving the department under-sourced in respect of its joint functions. Possibly the most important function in instituting the required fundamental changes is reprioritising the budget. Successful reprioritisation must include effective input from outside the department.

C. Conclusion

The budget does not seem to provide adequately for new government priorities. The impact of small-scale mining on health and safety is huge, and it needs to be assessed and understood. Capacity-building, training and technical and financial assistance are important. Most critical will be the issues of mineral land rights, land use planning, mining in protected areas, etc.

The department's allocation in respect of mine health and safety has not increased after ratification of the Mine Health and Safety Act.

In view of the focus on mining activities and the possibility of a new minerals policy, the annually updated mines inventory at the department may be a very important source of information.

No 27—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

MONDAY, 19 MAY 1997

1. The House met at 14:20.
2. The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. The Chief Whip of the Majority Party moved: That leave of absence be granted to Mr P D Dexter for the period 26 May to 23 June 1997.

   Agreed to.
4. FIRST ORDER [14:26]

   Debate on Vote No 21—Labour, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
5. The House adjourned at 17:21.

C J P LUCAS,

Acting Secretary to Parliament.

No 28—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

TUESDAY, 20 MAY 1997

1. The House met at 14:15.

2. The Deputy Chairperson of Committees took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. Ms B M Ntuli moved: That the House, noting—

   (1) the critical importance of the development of small businesses for the redistribution of growth, employment creation, redistribution and black economic empowerment;

   (2) the fact that the National Small Business Development Strategy as outlined in a White Paper in 1995 drew widespread support from all sectors of society; and

   (3) that the institutions envisaged in that White Paper are now in place and beginning to function,

   therefore calls on—

   (a) all departments and spheres of government, and not just the Department of Trade and Industry, to devise concrete programmes to assist small businesses, as envisaged in the National Small Business Act of 1996;

   (b) tender boards at all levels of government to ensure that small businesses are assisted in participating in government contracts;

   (c) Members of Parliament and other elected representatives to devise concrete programmes in constituency and committee work in order to assist in the implementation of the Small Business Development Strategy; and

   (d) the Ministry of Trade and Industry to report to Parliament, before the end of 1997, on the progress made by various departments and parastatals in supporting Small, Micro and Medium-sized Enterprises (SMMEs) through affirmative procurement.

   Agreed to.

4. FIRST ORDER [14:19]

   Debate on Vote No 20—Justice, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

Debate concluded.

5. [18:44] Mr J H Momberg, with leave, moved without notice: That Rule 194 be suspended tomorrow for purposes of allowing the Executive Deputy President an opportunity to make a statement in the House before interpellations are proceeded with.

   Agreed to.

6. SECOND ORDER [18:45]

   Second Reading debate—*University of the Witwatersrand, Johannesburg (Private) Amendment Bill* [B 105B—96] (National Assembly—sec 75)—(Prof I J Mohamed).

   Debate concluded.

   Bill read a second time.

7. The House adjourned at 19:24.

C J P LUCAS,

Acting Secretary to Parliament.

No 44—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

TUESDAY, 20 MAY 1997

ANNOUNCEMENTS:

National Assembly and National Council of Provinces:

1. The Speaker and the Chairperson of the National Council of Provinces:

(1) Assent by the President of the Republic in respect of the following Bills:

(i) *South African Institute for Drug-Free Sport Bill* [B 94B—96]—Act No 14 of 1997;

(ii) *Genetically Modified Organisms Bill* [B 3B—97]—Act No 15 of 1997;

(iii) *Board on Tariffs and Trade Amendment Bill* [B 106—96]—Act No 16 of 1997; and

(iv) *National Council of Provinces (Permanent Delegates Vacancies) Bill* [B 36B—97]—Act No 17 of 1997.

National Assembly:

1. The Speaker:

(1) The following changes have been made to the membership of Committees, viz:

Finance:

Appointed: Ndou, A J D (Alternate).

Foreign Affairs:

Appointed: Molekane, R S (Alternate).

Safety and Security:

Appointed: Kondlo, N.

National Council of Provinces:

1. The Chairperson:

Message from National Assembly to National Council of Provinces:

Bill passed by National Assembly on 20 May 1997 and transmitted for concurrence:

(1) *University of the Witwatersrand, Johannesburg (Private) Amendment Bill* [B 105B—96] (National Assembly—sec 75)—(Select Committee on Education—National Council of Provinces).

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister for Posts, Telecommunications and Broadcasting:

   List relating to Government Notice—6 May 1997.

2. The Minister of Justice:

   Report for 1996, in terms of section 5(6) of the Attorney-General Act, 1992, of the Attorney-General of the Free State.

National Assembly:

Bills:

1. The Speaker:

   (1) *Marriage Act, Extension Bill* [B 38—97]—(National Assembly—sec 75)—(Portfolio Committee on Home Affairs—National Assembly).

   (2) *Reporting by Public Entities Amendment Bill* [B 39—97]—(National Assembly—sec 75)—(Portfolio Committee on Finance—National Assembly).

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Trade and Industry on the *Counterfeit Goods Bill* [B 22—97] (National Assembly—sec 76), dated 19 May 1997, as follows:

   The Portfolio Committee on Trade and Industry, having considered the subject of the *Counterfeit Goods Bill* [B 22—97] (National Assembly—sec 76), referred to it, begs to report the Bill without amendment.

   Faced with the opinion of the state law advisers, and faced with the view of the directorate of legal services of the Department of Trade and Industry that "we are hardly in a position to override that opinion", the Committee for the moment finds itself obliged to accept that this Bill and the *Intellectual Property Laws Amendment Bill* follow the procedure specified in section 76 of the Constitution. The Committee nevertheless wishes to express the following reservations:

   1. In the absence of any qualification or definition of "trade" in Schedule 4 of the Constitution, the state law advisers have based their opinion on a broad dictionary definition that covers both "the buying and selling of goods and services" and a number of other matters related thereto. Yet, as the directorate of legal services points out, much of

the department's legislation falls within a "grey area", where there will "invariably be scope for divergent and conflicting opinions". The decision whether or not to regard "trade-related" matters such as intellectual property law as "trade", falls in our opinion precisely within such a "grey area". In our view, intellectual property law, with its international ramifications, should be a national competence. Indeed, were provinces to attempt to introduce their own intellectual property legislation, it would create an untenable situation that could undermine the economic union of the country.

2. Furthermore, the decision that the Bill follows the section 76 procedure could create a precedent with potentially serious implications for the passage of other legislation to be introduced by the Minister of Trade and Industry. The Committee therefore recommends that the Minister explore options to clarify the constitutional issues raised during the passage of the Bill.

2. Report of the Portfolio Committee on Environmental Affairs and Tourism on the *World Heritage Convention*, dated 20 May 1997, as follows:

> The Portfolio Committee on Environmental Affairs and Tourism, having considered the request for approval by Parliament of the *Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention)*, referred to it, begs to recommend that the House, in terms of section 231(2) of the Constitution, approve the said Convention.

Report to be considered.

National Council of Provinces:

1. Report of the Select Committee on Land, Agriculture and Environmental Affairs on the *World Heritage Convention*, dated 20 May 1997, as follows:

> The Select Committee on Land, Agriculture and Environmental Affairs, having considered the request for approval by Parliament of the *Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention)*, referred to it, begs to recommend that the House, in terms of section 231(2) of the Constitution, approve the said Convention.

Report to be considered.

No 29—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

WEDNESDAY, 21 MAY 1997

1. The House met at 15:03.
2. The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. [15:04] The Executive Deputy President made a statement on the situation in the Democratic Republic of the Congo.
4. [15:40] Interpellations.
5. [16:43] Questions.
6. [17:15] Mr A Blaas, with leave, moved without notice: That the House—
   (1) expresses its deep regret at the death on 20 May 1997 of Mr Dan Wellington Makhanya, and desires to place on record its appreciation of his invaluable service to the people of this country, also as a member of Parliament; and
   (2) conveys its sincere sympathy in their bereavement to the relatives of the deceased.

   Agreed to unanimously.
7. Notice of Motion No 1 stood over.
8. The House adjourned at 17:21.

C J P LUCAS,

Acting Secretary to Parliament.

No 13—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

EXTENDED PUBLIC COMMITTEES

OF

NATIONAL ASSEMBLY

WEDNESDAY, 21 MAY 1997

1. Members of the Extended Public Committee met in the Chamber of the National Assembly at 17:25.

2. The Chairperson of Committes, as Chairperson took the Chair.

3. FIRST ORDER [17:25]

   Debate on Vote No 23—Minerals and Energy, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

4. The Committee rose at 20:20.

C J P LUCAS,

Acting Secretary to Parliament.

No 45—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

WEDNESDAY, 21 MEI 1997

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Defence:

   Supplementary Memorandum on Vote No 30—"S A National Defence Force", Main Estimates, 1997-98.

No 30—1997] First Session, Second Parliament

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

THURSDAY, 22 MAY 1997

1. The House met at 14:20.

2. The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. The Speaker announced that she and the Chairperson of the National Council of Provinces would shortly recommend, for the consideration of the House, the appointment of Mr S G Mfenyana as the Secretary to Parliament, Mr C J P Lucas as General Manager, Mr K Hahndiek as Secretary to the National Assembly and Ms L L Matyolo as Head of the Legislative Support Services Division.

4. Mr S E Moeti moved: That the matter of the resignation of councillors of the Independent Broadcasting Authority be referred to the Portfolio Committee on Communications for enquiry and report, with a view to the House advising the President, in terms of section 4(1) of the Independent Broadcasting Authority Act, 1993 (Act No 153 of 1993), on the filling of the relevant vacancies after the resignations have taken effect.

   Agreed to.

5. FIRST ORDER [14:24]

   Debate on Vote No 30—SA National Defence Force, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.

6. SECOND ORDER [17:02]

   Subject for discussion (Chief Whip of the Majority Party): The National Party's withdrawal from the Truth and Reconciliation Commission.

   Mrs G N M Pandor, with leave, altered the Subject for Discussion in the name of the Chief Whip of the Majority Party to read: The National Party's threatened withdrawal from the processes of the Truth and Reconciliation Commission.

   [18:56] Mr M A Mncwango, having disregarded the authority of the Chair, was ordered to withdraw from the Chamber for the remainder of the day's sitting.

   Whereupon the member withdrew.

Debate concluded.

7. The House adjourned at 19:09.

C J P LUCAS,

Acting Secretary to Parliament.

No 46—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

THURSDAY, 22 MAY 1997

ANNOUNCEMENTS:

National Council of Provinces:

1. The Chairperson:

   In terms of Rule 1 of the Preliminary Rules of the National Council of Provinces, read with Rule 52(1)*(c)* of the Standing Rules of the Senate, the Chairperson of the National Council of Provinces, on 21 May 1997, referred the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Agreement between the Republic of South Africa and the World Health Organisation for the hosting of the 47th session of the World Health Organisation African Regional Committee* to the Select Committee on Social Services.

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Health:

   (1) Text of the Agreement between the Republic of South Africa and the World Health Organisation for the Hosting of the 47th Session of the World Health Organisation African Regional Committee.

   (2) Explanatory Memorandum on the Agreement.

2. The Minister of Finance:

   Report of the Registrar of Unit Trust Companies for 1995 [RP 46—97].

3. The Minister of Justice:

   (1) Report for 1996, in terms of section 5(6) of the Attorney-General Act, 1992, of the Attorney-General of Transvaal [RP 82—97].

   (2) Report of the South African Law Commission for 1996 [RP 76—97].

4. The Minister for the Public Service and Administration:

Reports of the—

(1) Department of Public Service and Administration for 1996 [RP 45—97].

(2) Public Service Commission for 1996 [RP 42—97].

(3) Public Service Commission on the Rationalisation of Public Administration in the Republic of South Africa, 1994-1996 [RP 70—97].

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Justice on the *Abolition of Corporal Punishment Bill* [B 20—97] (National Assembly—sec 75), dated 21 May 1997, as follows:

The Portfolio Committee on Justice, having considered the subject of the *Abolition of Corporal Punishment Bill* [B 20—97] (National Assembly—sec 75), referred to it, begs to report the Bill with an amendment [B 20A—97].

The Committee wishes to report further, as follows:

1. During its deliberations on the Bill, its attention was drawn to the fact that the abolition of corporal punishment may further limit sentencing options for juveniles, and that South Africa does not at present have an adequately established physical and human resources base capable of supporting the imposition of alternative punishments in respect of juveniles.

2. This state of affairs is of concern to the Committee.

3. The Committee recommends that the Minister of Justice be requested to—

(1) urge the South African Law Commission to urgently finalise its investigation in respect of sentencing (Project 82) and its investigation to develop draft legislation to introduce a juvenile justice system for South Africa (Project 106);

(2) direct urgently that the Department of Justice investigate short-term proposals in respect of alternative sentences for juveniles; and

(3) submit the above-mentioned proposals to it for consideration as soon as possible.

2. Report of the Portfolio Committee on Justice on the *Promotion of National Unity and Reconciliation Amendment Bill* [B 37—97] (National Assembly—sec 75), dated 21 May 1997, as follows:

The Portfolio Committee on Justice, having considered the subject of the *Promotion of National Unity and Reconciliation Amendment Bill* [B 37—97] (National Assembly—sec 75), referred to it, begs to report the Bill with an amendment [B 37A—97].

3. Report of the Portfolio Committee on Transport on the *High Seas Pollution Intervention Protocol*, dated 21 May 1997, as follows:

> The Portfolio Committee on Transport, having considered the request for approval by Parliament of the *Protocol Relating to Intervention on the High Seas in Cases of Marine Pollution by substances Other than Oil, 1973*, referred to it, begs to recommend that the House, in terms of section 231(2) of the Constitution, approve the said Convention.

Report to be considered.

No 31—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

FRIDAY, 23 MAY 1997

1. The House met at 09:02.

2. The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.

3. Mrs G N M Pandor (for the Minister of Health) moved: That the request for approval by Parliament, in terms of section 231(2) of the Constitution, of the *Agreement between the Republic of South Africa and the World Health Organisation for the hosting of the 47th session of the World Health Organisation African Regional Committee* be referred to the Portfolio Committee on Health, the committee to have power to confer with the Select Committee on Social Services of the National Council of Provinces.

   Agreed to.

4. FIRST ORDER [09:03]

   Second Reading debate—*Promotion of National Unity and Reconciliation Amendment Bill* [B 37B—97] (National Assembly—sec 75).

   Order disposed of without debate.

   Bill read a second time.

5. SECOND ORDER [09:04]

   Consideration of Report of Portfolio Committee on Communications (Announcements, Tablings and Committee Reports, p 263—*Rascom Convention*).

   Order disposed of without debate.

   Report adopted.

6. THIRD ORDER [09:05]

   Debate on Vote No 18—Improvement of conditions of service, Vote No 25—Public Service and Administration, Vote No 26—Public Service

Commission, and Vote No 29—SA Management Development Institute, *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

Debate concluded.

7. The House adjourned at 12:36.

C J P LUCAS,

Acting Secretary to Parliament.

No 47—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

MONDAY, 26 MAY 1997

ANNOUNCEMENTS:

National Assembly:

Bills:

1. The Speaker:

   Withdrawal:

   The Minister of Arts, Culture, Science and Technology withdrew the following Bill on 19 May 1997:

   (1) *National Lexicography Units Bill* [B 103—96] (National Assembly—sec 75).

National Council of Provinces:

1. The Chairperson:

   Message from National Assembly to National Council of Provinces:

   Bill passed by National Assembly on 23 May 1997 and transmitted for concurrence:

   (1) *Promotion of National Unity and Reconciliation Amendment Bill* [B 37B—97] (National Assembly—sec 75)—(Select Committee on Security and Justice—National Council of Provinces).

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister for Posts, Telecommunications and Broadcasting:

   Report and Financial Statements of the South African Broadcasting Corporation for 1996.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Trade and Industry on the *Intellectual Property Laws Amendment Bill* [B 1—97] (National Assembly—sec 76), dated 19 May 1997, as follows:

The Portfolio Committee on Trade and Industry, having considered the subject of the *Intellectual Property Laws Amendment Bill* [B 1—97] (National Assembly—sec 76), referred to it, begs to report the Bill with amendments [B 1A—97].

Faced with the opinion of the state law advisers, and faced with the view of the directorate of legal services of the Department of Trade and Industry that "we are hardly in a position to override that opinion", the Committee for the moment finds itself obliged to accept that this Bill and the *Counterfeit Goods Bill* follow the procedure specified in section 76 of the Constitution. The Committee nevertheless wishes to express the following reservations:

1. In the absence of any qualification or definition of "trade" in Schedule 4 of the Constitution, the state law advisers have based their opinion on a broad dictionary definition that covers both "the buying and selling of goods and services" and a number of other matters related thereto. Yet, as the directorate of legal services points out, much of the department's legislation falls within a "grey area", where there will "invariably be scope for divergent and conflicting opinions". The decision whether or not to regard "trade-related" matters such as intellectual property law as "trade", falls in our opinion precisely within such a "grey area". In our view, intellectual property law, with its international ramifications, should be a national competence. Indeed, were provinces to attempt to introduce their own intellectual property legislation, it would create an untenable situation that could undermine the economic union of the country.

2. Furthermore, the decision that the Bill follows the section 76 procedure could create a precedent with potentially serious implications for the passage of other legislation to be introduced by the Minister of Trade and Industry. The Committee therefore recommends that the Minister explore options to clarify the constitutional issues raised during the passage of the Bill.

No 32—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

TUESDAY, 27 MAY 1997

1. The House met at 14:20.
2. The Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. The Speaker welcomed His Excellency Mr Yoweri K Museveni, President of the Republic of Uganda.
4. The Deputy Speaker introduced His Excellency Mr Yoweri K Museveni.
5. [14:26] Address by His Excellency Mr Yoweri K Museveni.
6. Vote of thanks by Mr B H Vilakazi.

   BUSINESS SUSPENDED AT 15:09 AND RESUMED AT 15:20.
7. FIRST ORDER [15:20]

   Debate on Vote No 13—Finance (Broadcasting Services), *Appropriation Bill* [B 16—97] (National Assembly—sec 77).

   Debate concluded.
8. The House adjourned at 17:46.

C J P LUCAS,

Acting Secretary to Parliament.

No 48—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

TUESDAY, 27 MAY 1997

TABLINGS:

National Assembly:

Bills:

1. The Speaker:

   (1) *South African Police Service Amendment Bill* [B 41—97]—(National Assembly—sec 75)—(Portfolio Committee on Safety and Security—National Assembly).

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Education on the *Medical University of Southern Africa (Private) Amendment Bill* [B 18—97] (National Assembly—sec 75), dated 27 May 1997, as follows:

   The Portfolio Committee on Education, having considered the subject of the *Medical University of Southern Africa (Private) Amendment Bill* [B 18—97] (National Assembly—sec 75), referred to it, begs to report the Bill without amendment.

Tuesday, 27 May 1997

[B 18—1997] First Session Second Parliament

PARLIAMENT

of the

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

TUESDAY, 27 MAY 1997

TABLINGS

Mr. Speaker:

(1) South African Police Service Amendment Bill [B 41—97]—(National Assembly—sec 75)—(Portfolio Committee on Safety and Security—National Assembly).

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Education on the arrested Universities of Southern Africa (Private) Amendment Bill [B 18—97] (National Assembly—sec 75), dated 27 May 1997, as follows:

The Portfolio Committee on Education, having considered the subject of the Medical University of Southern Africa (Private) Amendment Bill [B 18—97] (National Assembly—sec 75), referred to it, begs to report the Bill without amendment.

No 33—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

WEDNESDAY, 28 MAY 1997

1. The House met at 15:05.
2. The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. [15:06] Interpellations.
4. [16:03] Questions.
5. FIRST ORDER [16:34]

   Consideration of Report of Portfolio Committee on Environmental Affairs and Tourism (Announcements, Tablings and Committee Reports, p 302—*World Heritage Convention*).

   Order disposed of without debate.

   Report adopted.
6. SECOND ORDER [16:36]

   Consideration of Report of *Ad hoc* Committee on constitution of SADC Parliamentary Forum (Announcements, Tablings and Committee Reports, p 244).

   Debate concluded.

   Report adopted.
7. The House adjourned at 17:29.

C J P LUCAS,

Acting Secretary to Parliament.

PUNTOS DE OBSERVACIÓN

1. BARRIO DE OBSERVACIÓN

No 49—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

WEDNESDAY, 28 MAY 1997

TABLINGS:

National Assembly and National Council of Provinces:

Papers:

1. The Minister of Justice:

   List relating to Government Notices—18 April 1997.

National Assembly:

Bills:

1. The Speaker:

   (1) *South African Citizenship Amendment Bill* [B 42—97]—(National Assembly—sec 75)—(Portfolio Committee on Home Affairs—National Assembly).

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Finance on the *Insurance Amendment Bill* [B 34—97] (National Assembly—sec 75), dated 21 May 1997, as follows:

   The Portfolio Committee on Finance, having considered the subject of the *Insurance Amendment Bill* [B 34—97] (National Assembly—sec 75), referred to it, begs to report the Bill without amendment.

CONNECTED BY CHAIN DYNAMICS FOR MULTICOMPONENT

No 34—1997] FIRST SESSION, SECOND PARLIAMENT

REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

NATIONAL ASSEMBLY

THURSDAY, 29 MAY 1997

1. The House met at 14:18.
2. The Deputy Chairperson of Committees took the Chair and requested members to observe a moment of silence for prayers or meditation.
3. FIRST ORDER [14:29]

   Second Reading debate—*Shipping General Amendment Bill* [B 11—97] (National Assembly—sec 75).

   Debate concluded.

   Bill read a second time.
4. [15:16] The House at the request of Mr D H M Gibson discussed the following subject as a Matter of Public Importance in terms of Rule 129: The circumstances surrounding the termination of employment of the Director-General of Housing, Mr Billy Cobbett, and the actions of the Minister of Housing concerning this matter.

   Debate concluded.
5. The House adjourned at 16:54.

C J P LUCAS,

Acting Secretary to Parliament.

No 50—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

THURSDAY, 29 MAY 1997

ANNOUNCEMENTS:

National Council of Provinces:

1. The Chairperson:

   Message from National Assembly to National Council of Provinces:

   Bill passed by National Assembly on 29 May 1997 and transmitted for concurrence:

   (1) *Shipping General Amendment Bill* [B 11—97] (National Assembly—sec 75)—(Select Committee on Public Services—National Council of Provinces).

TABLINGS:

National Assembly:

Bills:

1. The Speaker:

   (1) *Magistrates' Courts Amendment Bill* [B 43—97]—(National Assembly—sec 75)—(Portfolio Committee on Justice—National Assembly).

COMMITTEE REPORTS:

National Assembly:

1. Report of the Portfolio Committee on Finance on the *RSA-Japan/Mauritius Double Taxation and Fiscal Evasion Convention/Agreement*, dated 27 May 1997, as follows:

   The Portfolio Committee on Finance, having considered the request for approval by Parliament of the *Convention between the Government of Japan and the Government of the Republic of South Africa for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income* and the *Agreement between the Government of the Republic of South Africa and the Government of the Republic of Mauritius*

for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, referred to it, begs to recommend that the House, in terms of section 231(2) of the Constitution, approve the said Convention and Agreement.

Report to be considered.

No 51—1997] FIRST SESSION, SECOND PARLIAMENT

PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

FRIDAY, 30 MAY 1997

ANNOUNCEMENTS:

The National Council of Provinces:

1. The Chairperson:

   (1) The following member vacated his seat in the National Council of Provinces with effect from 27 May 1997:

   Van Breda, A.

   The vacancy was filled with effect from 30 May 1997 by the nomination of the following member:

   Marais, P G.

COMMITTEE REPORTS:

National Assembly:

1. Report of the Standing Committee on Public Accounts on the study tour to Brazil, Argentina and Chile, undertaken by a delegation of the previous Joint Standing Committee on Public Accounts, dated 28 May 1997, as follows:

   A delegation of the previous Joint Standing Committee on Public Accounts having undertaken a study tour to Brazil, Argentina and Chile in November/December 1996, the Standing Committee on Public Accounts begs to report as follows:

   A. Introduction

   1. Purpose of visit

   The purpose of the visit was to gain an understanding and learn from a comparative analysis of other countries' (specifically Brazil, Argentina and Chile) public sector financial management systems, and to see how these systems relate to the executive, to Parliament and specifically to their public accounts committees.