

Remarks during the SONA debate, 13 February 2019
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Honourable President and Speaker
Honourable Members
Fellow South Africans

Over the past year there has been a tangible change in the general mood in our country, though not always reflected in the proceedings in this House.

This change has been occasioned by your message of inclusivity, by your appeal, Mr President, for South Africans to put aside what divides us and to unite behind a common, patriotic effort to address the challenges of our society.

On Thursday last week, with your moving call to action, Mr President, it has become more difficult than ever to be in the opposition.

You call on them, along with all South Africans, to contribute constructively to building our country. Some Opposition parties chose to marginalise themselves.

Honourable Members, in the six days since SONA and the two days of debate, the country has been confronted with two competing versions of reality and two competing visions for our nation.

On the one hand, President Ramaphosa addressed the nation with an action list of what government has done, an acknowledgement of real challenges we still face and what we will do about them, and an optimistic vision of SA and its future.

On the other hand, the MPs from some of the Opposition parties defined themselves in the margins through a litany of complaints, whinges, smears, personality attacks and negativity packaged for an election campaign, not for building a country. Severe case of 'electionitis', clearly.

It is difficult to be in the opposition.

It is a difficulty that the Honourable Maimane was rudely reminded of when presenting the DA attempt at an alternative SONA last week.

A member of the diplomatic corps, the consul general of Portugal in Cape Town, reportedly told him bluntly that business people seem impressed by the work that President Ramaphosa is doing and “are ready to take their votes from the DA and give them to the ANC.” He said this was not only the view of business people of Portuguese origin but also from many other South African business people in Cape Town.

Yes...it has become difficult to be in opposition.

I was tempted to start my remarks by sharing data from our work in government, many examples of real solid progress in the past year

But on reflection I realised that facts don't fit into the story-line that the Official Opposition is desperately clinging to.

It is not easy to be in the opposition. In fact, it's stressful.

So I recommend to the Honourable Maimane and his advisers a thoughtful book by Hans Rosling entitled “Factfulness”. Its main theme is that a major stress-reducing habit is to take a deep breath, clear your mind, and only carry opinions for which you have strong supporting facts

Adrian Gore, a South African entrepreneur and founder of Discovery, has a similar view. He recently diagnosed accurately the malady from which much of the opposition suffers. On the basis of global research, he called it (I quote):

“"declinism" — the belief that our country and public life are on an irreversible downhill trajectory and that the future will undoubtedly be worse than the past and present ...in spite of facts to the contrary, driven largely by our stubborn ignorance about the way national development indicators have actually improved.

Gore offers some reasons as to why this irrational pessimism matters, and it is worth quoting him again:

First, we don't see our country's progress, and there has been plenty.

As an example, our GDP is 2.5 times the size it was in 1994 on a dollar basis, formal housing increased by 131% from 1996 to 2016,

new HIV infections went down 60% from 1999 to 2016, and the murder rate per 100,000 dropped 50% from 1994 to 2017.

Linked to this, we undermine our size and relevance when we ought not to. Our provinces square up against other countries in terms of GDP. And our economy is substantial: in terms of stocks traded in 2017 ... SA trumps the Middle East and North Africa region, Singapore and Norway; and it holds 82% of the pension fund assets in Africa, 18 times that of its second-ranked peer, Nigeria.

But perhaps Honourable Maimane will discount Mr Gore's comments as they do not fit his party's framing of South Africa.

So let's go to a think-tank that is above all identified with the DA worldview, namely the SA Institute of Race Relations, which published a statistical compendium late last year, called 'Life in South Africa – reasons for hope'.

Yes, they **are** critical of the ANC, particularly the past 10 years but they also state, and I am now going to quote them:

"...in the course of ...[our] work we are ... confronted with considerable evidence of real substantive progress in building a better country. This is not cherry-picking some successes here and there. All the trends that follow in this report are examples of substantive improvements in economic performance and the living standards of millions of people – sustained over a long period.

... real GDP per capita increased ...by over 30%.

... Employment data provides a vivid reflection of the progress that has been made. It is not true, as many populist activists and politicians allege, that South Africa has suffered two decades of 'jobless growth'. Rather the number of black people with a job increased from 4.9 million in 1994 to over 12 million last year, while the total number of employed people roughly doubled...

...The impact on the living standards and independence, dignity, and self-respect of households was considerable.

"... As much as it courts controversy we stand on the point that service delivery was one of the key successes of the African National Congress in government. This is not to overlook ... failures

... in the extent and in the quality of services delivered . But the numbers below are so great that they speak to a profoundly important raising of the living-standards floor in our country.

Consider that the number of formal houses increased by 131% after 1996, the number of families with electricity by 192%, and the number with access to clean water by 110%.

This is a substantively better society to live in than it was in 1994.”

I end the quote here Honourable members.

POLICY

Though we made progress, we accept we need to do more.

To build a strong and transformed economy, we are taking a number of steps. These include

1. **Boosting investment**, which we are doing through the engagement with investors such as at the Investment conference
2. **Addressing business and consumer confidence**, which you see is already growing as a result of our **anti-corruption actions**
3. **Strengthening institutions**, which the appointment of new boards and cleaning up of SOCs are examples of
4. **Enabling access to markets**, which our Africa integration project is championing; but also through increased domestic demand that comes from addressing inequality, poverty and joblessness
5. **Developing a skilled workforce**, which the fee-free higher education policies will support and reskilling workers for the new technologies
6. **Supporting township businesses and SMEs** through changes in competition law
7. **Improved infrastructure investment**, like the new R100 billion Infrastructure Fund;
8. Special facilities to **incentivize job creation**, which we are now expanding; and
9. **Partnerships**, which the Summits and social dialogue is promoting.

Unlike Opposition claims and promises, we act together with many inspiring South Africans and we can see the results of the turnaround.

CASE STUDIES OF PROGRESS

1. Honourable Members, while Honourable Julies grandstands about farmers, the ANC-led Government takes action to support small-scale farmers, like:

- Solomon Masango, an ex-mineworker who was given support from a competition-linked Fund.

He has become a successful small-scale farmer, now cultivating a piece of land the size of 560 FNB Stadium soccer pitches. He employs permanent and part time workers and grows maize, soya and sugar beans. And there are a growing number of black farmers like Solomon.

2. While the DA puts up billboards, Government supports world-class businesses like:

- Hulamin, a Pietermaritzburg-based company that is the only supplier anywhere in the world that can produce a crucial fitting for wifi connections on airplanes and “manufactures very specialised products that are used in electric vehicles (like the Tesla)”.

It is estimated that Hulamin now has half the global market for ultra high-end aluminium products.

3. While the Honourable Lekota is in full election mode, desperate to have his 30 seconds of fame, supporting Afriforum one moment, then furiously throwing outrageous smears to make the next headline, the ANC is involved in active delivery to our people

- like 28-year old Tshepo Mokwena who manages patients’ data at the new Mothiba Village Clinic in Limpopo that opened in June last year, able to take 1 000 more patients a month than the old clinic, providing healthcare access to South Africans.
- Keitumetse Konko is a 17-year old matric student at Soshanguve East Secondary School in Gauteng, which was completely replaced with hi-tech smart facilities in 2017, doubling the capacity for learners. The school is just one of the nearly 600 new and

replacement schools built across the country during this administration.

4. While some in the Opposition bad-talks South Africa internationally, this government mobilises foreign investment to create jobs and opportunity.

- Meet Siyabonga Matyumza, a worker at the BAIC auto-plant in Nelson Mandela Bay, whose foreign-owned company invested in the local economy last year. And his company is not alone: Reserve Bank data shows a net R70 billion inflow of FDI into SA for the first nine months of last year.

5. While Honourable Hill-Lewis contemptuously talks about ladles full of syrupy hope, we can proudly note

- We've had a record soya-bean harvest and we are processing the bean locally into value-added products.

South Africa produced its highest crop of citrus ever in SA, and we are now the world's second biggest citrus exporter. In fact, one in ten citrus fruit exported anywhere in the world was grown here in SA.

Exports of beef to China went from zero in to R390 million in six years. Syrupy hope indeed.

6. While the DA talks about exporting plans, the ANC rolls up its sleeves and opens up markets for locally-produced products.

- Manqoba Mkhize is a worker at the Volvo Truck plant in KZN you visited last year Mr President. South Africa is the biggest exporter of trucks to the rest of Africa; and the biggest exporter of paper, plastics, fruit and mining machinery to our continent. We are also the largest exporter of catalytic convertors to Germany.

7. While Hon Groenewald condemns blackness in the economy, whatever that is, we promote young innovators

- Like Soweto-born Ruli Diseko who is setting up a Nickel Purification Plant that will manufacture and produce high purity nickel sulphate used in lithium-ion batteries for electric vehicles, stationary energy storage and consumer electronics.
- We are focusing on practical beneficiation processes; and we continue to be the world's biggest producers of platinum, manganese and chromium ore.

8. While Honourable Cassim complains about new skills development for the industries of tomorrow, we are empowering new youth, like:

- Atsile Itumeleng, from Morokweng village in North West who has just registered for an Honours degree in Data Science at one of South Africa's two new universities, Sol Plaatje University in Kimberley. He's is one of more than 1000 graduates from the two new universities.
- Meet Malvin Nkomo from a company called Hailer, who developed South Africa's answer to Uber. Or Refilwe Lediga, who developed a machine to 3D print concrete structures able potentially to change the way low cost housing is developed

9. While the DA plays the critic on joblessness, we are taking steps to create jobs, like at Highveld Steel, now reborn as a major industrial hub of 1 000 workers; or Celrose factory in Tongaat which created more than 600 jobs over the past 2 years.

It's hard to be the opposition, Mr President, when you have an ANC-led government that acts, and all they do is grandstand.

Each of these stories is about what you called, Mr President, the "triumph of hope over despair" - that is the story of South Africans, that's who we proudly are.

We and our people, workers, investors and entrepreneurs, are building this economy, which now generates R5 trillion in GDP every year; creating

jobs, with 16,5 million people currently employed, the highest number yet in our history.

In the last quarter of 2018, the economy created 149 000 new jobs; and for last year as a whole, 358 000 new jobs.

And yet, the ANC-led government recognises that though we have made many gains, there are still much to do – there are millions of people without work, young people who need opportunities and gaping income and wealth inequalities in SA.

ECONOMIC CONCENTRATION AND INCLUSION

The key strategic priority is now deeper, faster, bolder economic inclusion – growing the economy and transforming it so that millions more young people and the unemployed can find opportunity as entrepreneurs or workers.

The Manifesto of the ANC commits the Party to address monopolies and the structure of the economy in order to boost growth and economic inclusion.

The ANC Manifesto commits the governing party to ensure competition authorities have the legal power to address the problems of monopolies, the excessive economic concentration and abuse of dominance by large players that keep SMMEs and cooperatives out of the mainstream economy; and ensure broad-based ownership, including worker ownership, in companies during merger proceedings.”

Earlier today, at 1pm President Ramaphosa signed the Competition Amendment Bill into law and over the next number of months, we will implement the new law in phases.

This law directly responds to the call in the ANC Manifesto for a more inclusive economy in which young people, small businesses, new entrants and young innovators can enter markets and large incumbents are not allowed to create closed-shop markets.

It responds to the big imbalance in power between small spaza shop owners and large supermarkets; between township panel-beaters and the insurance industry; between small clothing manufacturers and large retail

chains; between small tilers and bricklayers and large construction companies.

The law is the first on our statute books that promotes the inclusion of workers in shareholding structures of companies and the next logical step will be to have workers represented on boards of large companies.

The law is about opportunity, about enterprise, about inclusion. It supports innovation and investment. Big players who dominate markets have left millions of our people as hewers of wood and drawers of water. This law is a step to change that.

It is about giving effect to the Freedom Charter's call for the wealth to be shared by all.

It was signed today by the President, a mere six days after SONA, as a signal of our focus not on grandstanding, but on action and implementation.

DA-GOVERNANCE

DA speakers stated that our people in areas under DA-governance fared better than areas under ANC-governance. But all South Africans are under national ANC governance.

The claim that jobs are the result entirely of what the DA does in provincial or local government is weak and wrong, airbrushing out the role of national government.

But let's play the DA at its claim, just for a moment - what do the facts show?

Under ANC-governance between 2004 and 2009, the W Cape economy grew faster than the period of DA-governance. That's right. Under the ANC the Western Cape grew by an annualised 5.5%, but under the DA it's been 1.9%.

Manufacturing output in the Western Cape grew much faster under five years of ANC-governance (27%) than under 8 years of DA control (2,6%).

During the period of ANC-governance in the province, the W Cape had the lowest levels of unemployment in SA a position it has retained over

the years: sorry, Honourable Hill-Lewis, that is clearly not a result of DA-governance. Since the DA took office in the W Cape, the number of unemployed has gone up by 86 000 persons.

This is in spite of strong efforts by national government to promote economic activity in the W Cape, like the investment by the IDC in the continent's largest gas-storage facility in Saldanha; or the R2 billion IDC support for many companies in the Cape last year; or the provision of tax benefits for the new SEZ in Atlantis and Saldanha; or the support that national government provided to the City of Cape Town to deal with the water crisis. I can quote many more.

Even in this Trumpite era, when respect for facts seem to be out of fashion, even in this era, it is still remarkable that Honourable Cassim, Hill-Lewis and Maimane can just make up numbers.

They clearly failed to realise that new employment figures came out at 11.30am yesterday morning. They used wrong figures and compounded it with false and incorrect claims.

So, did the Western Cape "create" half of new jobs in the last year?

The facts show otherwise:

- Gauteng created the largest number of jobs in 2018 with 172 000 new jobs;
- KZN was second with 135 000 new jobs,
- followed by Limpopo with 59 000 and then
- Western Cape with 29 000 new jobs.

Similarly, the claims about job numbers in the period the DA has been in power is also shockingly wrong. It seems Honourable Hill-Lewis mixed up the numbers for the growth in the labour force (which includes employed and unemployed) with the number for jobs created.

I have a complimentary copy of the StatsSA Report that I will provide to the DA.

When the DA talks about the ability to govern, it's the same party engulfed in turmoil about BEE - now they back it, now they don't - prisoners of their past and struggling to embrace their future.

When the DA talks about the ability to govern, let's hear what Gwen Ngwenya, the Head of Policy wrote in her most revealing resignation letter:

“On my arrival I conducted a skills audit of the researchers in the policy unit. It was soon apparent that for all of them this was their first serious research job and that they had recently graduated from university. We were trying to extract from those researchers more than they could reasonably deliver. The policy offer for the national government in waiting should not rest on the shoulders of 3 inexperienced researchers.”

Three inexperienced researchers writing your policies Honourable Maimane? She goes on to say she can't fire them without breaking the labour laws and says

“The party spends more on temporary billboards and other marketing than it does on developing a longer-lasting comprehensive policy blueprint for the country.”

You can't run a large and complex economy with policies by three inexperienced researchers who you wish you could fire.

You can't run Africa's most sophisticated economy through gimmicks like billboards and other marketing. Governance is serious business. It's not child's play.

CONCLUSION

Honourable Members, the ANC stands for the building of a strong, vibrant non-racialism that recognises that South Africa belongs to all who live in it, black and white; that our public discourse should not be pockmarked by racial slurs and polarisation of our people, that all South Africans working together have this as their home.

At the same time, the ANC stands for a fair society, in which all shall share in the wealth of the country, where we challenge inequality and privilege and we build an inclusive society.

In this context, it was regrettable that in desperation, exposed in their nakedness on policy, some in the the Opposition resorted to character

assassination and a sordid attempt to take us into the mud. My earnest appeal is to get out of the mud and focus on vision and action.

We can be proud of the 25 years of democracy; and optimistic about the future.

In the words of Guillermo Del Toro:

Optimism is the hard choice, the brave choice...these days, the safest way for someone to appear intelligent is being skeptical

History and fable have both proven that nothing is ever entirely lost. David can take Goliath.. Bravery can topple the powerful. These facts are often seen as exceptional, but they are not. Every day, we all become the balance of our choices—choices between love and fear, belief or despair. No hope is ever too small.

Optimism is not uncool; it is daring, rebellious and vital.

Look around you now and decide between the two.

As South Africans, we combine optimism and action as we build our country. Join us in this great nation-building project.

Thank you.