

CLOSING REMARKS OF MINISTER TW NXESI DURING MINISTERIAL BRIEFING IN THE NCOP ON 13 OCTOBER 2020

Thank you to all honourable members for your comments and contributions. We learn and improve from constructive criticism and suggestions.

- This Coronavirus attacked us like a coward. It gave us absolutely no time to prepare. It gave us no time to research. It gave us no time to put together a comprehensive plan, that we would have tested several times to ensure that it would stand the complex operations during lockdown period. It gave us no time to pilot any plans. It gave us no time to even borrow working methods and templates that are effective somewhere else and that would only need us to adjust and adapt to our conditions.
- The question was asked as to what we are doing to mitigate the expected large scale retrenchments – in the region of 2 million?

This is a question about the National Economic Reconstruction and Recovery Plan – which will be announced by the President on Thursday.

- I can say this: that the Presidency has consulted fully with all sections of government, as well as the social partners in Nedlac. Indeed, all partners – business, labour and community – were specifically invited to make their proposals.
- From my side, I would add that, in addition to the stimulus measures, there are plans for mass employment programmes. But let us wait for the President to pronounce on that.
- The issue raised about the National Minimum Wage was not actually on the agenda for today's engagement. But I will say, that the world over, different rules apply to the security and intelligence services.

For the record, the employer – in Nedlac – agreed to this arrangement as part of the engagement around the adoption of the National Minimum Wage Act.

- In my initial input, I have listed all the measures taken to implement the A-G's recommendations. These measures are well underway – and we are working closely with the A-G's Office in this respect.
- In relation to the provincial plans presented here today, these are linked to the sustainability of the UIF and Compensation Fund. Their health is linked to the level of economic activity across the country.
- For the record, before the UIF committed to pay Covid19 Ters benefits – this was done after consultation with the Board and the Actuaries.
- Initially we budgeted for R40 billion. With the extension of the lockdown – and the continuing need for income support to laid-off workers - we projected that we would need to budget for R60 billion.

I can assure you that we are closely monitoring the liquidity and sustainability of the Fund – and this will not be put at risk.

- Equally, Covid19 TERS payments and ordinary UIF benefits are an important part of the economic activity and resources available in the provinces – these benefits contribute to economic activity in the provinces – and in every corner of the country.

Thank you, and keep safe.