

PARLIAMENTARY NEWSWATCH

Keeping Business Informed.

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BUSA
BUSINESS UNITY SOUTH AFRICA

Parliamentary Newswatch

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Balancing the BUDGET

BUSA presented its submission on Minister Pravin Gordhan's 2011 National Budget to Parliament on 2 March. Acting Director of Economic Policy, Mr Coenraad Bezuidenhout, delivered the presentation before a joint sitting of Parliament's Standing Committee on Finance and Select Committee on Finance.

BUSA welcomed the opportunity to comment on the Budget, which offered a realistic assessment of South Africa's economic prospects and primary challenges.

As with previous years, emphasis on the need for a united effort between business, labour and broader civil society on the one hand, and government on the other, was a recurring theme of the Budget Speech. Business continues to remain committed to a collective effort, whether through direct consultations with government departments, social dialogue or submissions to Parliament and other regulatory bodies.

Generally, BUSA believes that the 2011 Budget fulfilled its key functions in terms of:

- Setting spending, taxation and borrowing in support of economic objectives
- Allocating resources to political priorities
- Providing necessary information to improve the quality and effectiveness of spending

BUSA noted that:

- SA's primary deficit needed to be eliminated as soon as possible given the current levels of government borrowing that tend to reduce rather than promote the supply of capital
- The degree to which decent jobs aspirations can be realised will depend on the competitiveness of our enterprises
- In terms of skills development, more consistent delivery was needed and access to national skills funds must be promoted, in addition, the private sector should play a greater role in directing SETAs
- Business would engage government on the mooted employment subsidy at Nedlac
- On the R9 billion jobs fund and R20 billion tax incentives, BUSA urged the prioritisation of employment creation in the private sector for maximum, sustainable benefit
- Funding allocations for SMMEs were welcomed; BUSA encouraged the use of the newly established Development Finance Institutions Council to ensure that allocations were actively used to pursue the goals of vigorous entrepreneurship, food security and rural development

National Climate Change Response Paper

BUSA's Submission to Parliament

Dr Laurrainne Lotter, Overall Business Convenor at Nedlac, presented BUSA's submission on the National Climate Change Response Green Paper to the Portfolio Committee on Water and Environment on Wednesday, 9 March.

BUSA's submission called for:

- Clear processes for the development of national mitigation and adaptation plans
- Clear allocation of responsibilities to departments
- Identification of resources required and sources
- Clear understanding of constraints and impacts
- Mechanisms to implement conditionality of commitment

The BUSA submission highlighted the need for a national emissions profile that would detail the energy consumption and emissions profile of local industries. The profile could then be used to develop South Africa's mitigation responses, and identify approaches to overcome constraints and minimise negative impacts.

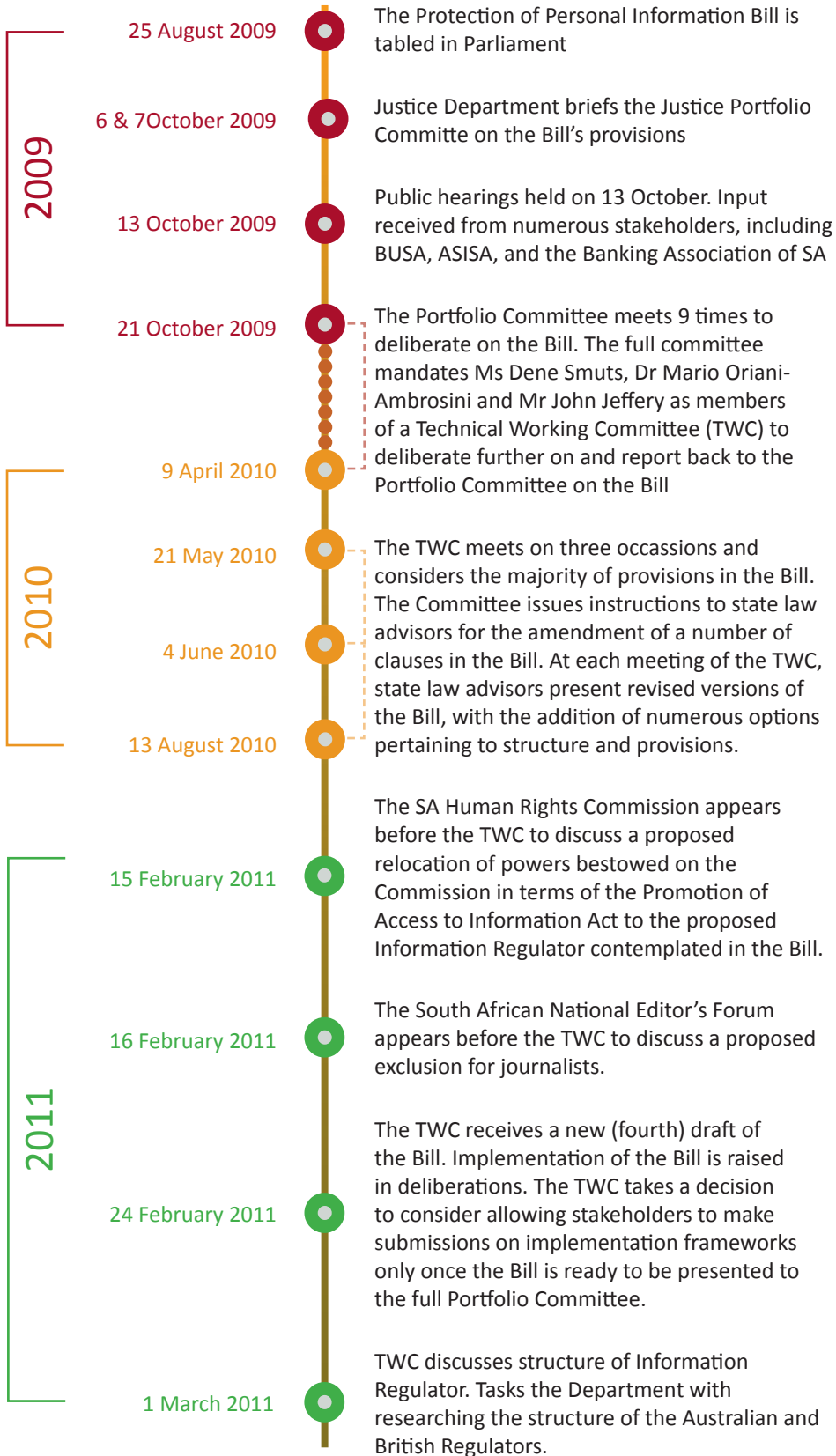
Following the presentation of the submission, Chairperson of the Portfolio Committee, Adv Johnny De Lange, requested BUSA to provide the committee with a more detailed analysis of the Green Paper in terms of Business' concerns with individual clauses, and items that Business would like to see included or amended. Adv De Lange also instructed the Department to meet with Business to further discuss the policy.

The Chair's recommendations were an important recognition of Business' role in climate change policy making. The Committee is hoping to finalise the National Climate Change Response White Paper (government's final policy paper) before South Africa hosts the 17th United Nations Framework Convention on Climate Change (COP 17) in Durban in December 2011.



PROTECTION OF personal information BILL

Timeline of Deliberations



Further meetings have yet to be scheduled.

The Aims of the Bill

- » promote the protection of personal information processed by public and private bodies
- » introduce minimum requirements for the processing of personal information;
- » establishment of an Information Protection Regulator;
- » provide for codes of conduct;
- » regulate unsolicited electronic communications and automated decision-making; and
- » regulate the cross-border flow of personal information

New Issues: Funding

A new provision in the Bill proposes that the Regulator be funded through annual fees payable by private bodies (s41(1)(b)).

For more information or to request the latest version of the Bill email: bpo@busa.org.za

Implementation

The chairperson of the TWC, Mr John Jeffery, has recently stated that the committee will "hopefully pass the Bill by the end of the year".

With 10 months to go, it is likely that the Bill will go undergo significant alteration prior to being finalised. Committee members are keen for business to begin preparing for implementation of the Bill, but are aware of practical constraints given its draft nature.

Responding to requests from our members, BUSA's Parliamentary Office has been advocating for Business to be allowed to make further submissions on implementation timeframes. The chairperson of the TWC has indicated his willingness to engage with business, to the extent that discussions will help provide greater clarity on challenges faced, and prevent implementation problems at a later stage.



COMPANIES AMENDMENT BILL

| Approved
...in the nick of time. |

The Portfolio Committee on Trade and Industry concluded deliberations on the Companies Amendment Bill late Thursday night, 10 March.

The Bill was subsequently approved by the National Assembly (NA) on Tuesday, 15 March. It been referred to the National Council of Provinces (NCOP) for that Houses concurrence. It is unlikely that the NCOP will alter the draft approved by the NA as the Bill has no implications for the Provinces.

If all goes to schedule, the Bill will be signed into effect by the President by the 1 April when the Companies Act is due to become operational.

In a late development, on 4 March the Committee requested and was granted permission from the NA to amend clauses not originally contained in the Amendment Bill.

The new amendments were necessitated by previously unforeseen effects of the Amendment Bill on other provisions contained in the principle Act.

The BUSA Parliamentary Office has obtained a copy of the finalised Bill as well as the Committee's report of amendments agreed to.

Email bpo@busa.org.za to request a copy of the finalised Bill