



WESTERN CAPE PROVINCIAL PARLIAMENT

COMMITTEE SECTION

ROUTE FORM

Contact person: Zaheedah Adams

Ext: 1641 Date: 15 March 2019

Instructions:

- a) "Subject" must be clear.
b) Please complete designation where the \* is indicated.
c) Complete "For Attention" with a checkmark.
d) Use the code list to complete the "request" - column.

Subject:

- Report of the Standing Committee on Economic Opportunities, Tourism and Agriculture on Vote 11: Agriculture in the Schedule to the Western Cape Appropriation Bill [B1 - 2019]
Report of the Standing Committee on Economic Opportunities, Tourism and Agriculture on Vote 12: Economic Development and Tourism in the Schedule to the Western Cape Adjustments Appropriation Bill [B1 - 2019]

Table with 5 columns: FOR ATT., PERSONS INVOLVED, REQUEST, INITIAL, DATE. Contains entries for Zaheedah Adams, Lizette Cloete, Mario Sassman, Jabu Nkabinde, and Jasmin Glass.

Code List

- 1 For your information
2 For your information and forwarding
3 For your information and signature
4 Approval
5 Approval and forwarding
6 Approval and signature
7 Further instruction
8 See comments
9 Further attention

COMMENTS:

Horizontal lines for writing comments.







# Wes-Kaapse Provinsiale Parlement Western Cape Provincial Parliament IPalamente yePhondo leNtshona Koloni

Ref Number: 11/4/2

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Report of the Standing Committee on Economic Opportunities, Tourism and Agriculture on Vote 11: Agriculture, in the Schedule to the Western Cape Appropriation Bill [B 1–2019], dated 15 March 2019, as follows:

The Standing Committee on Economic Opportunities, Tourism and Agriculture, having deliberated on the subject of Vote 11: Agriculture, in the Schedule to the Western Cape Appropriation Bill [B 1–2019], referred to the Committee in terms of Standing Rule 187, reports that it supports the Vote.

In accordance with Standing Rule 86, the African National Congress expressed its minority view to abstain from the Vote.

## 1. Findings/Concerns

- 1.1 The Western Cape experienced a devastating period of drought in the past year, coupled with the outbreak of Avian Influenza, which almost paralysed the poultry industry. Furthermore, the Comprehensive Agricultural Support Programme (CASP) funding from National Government has been significantly reduced by 52.83%, which means that the Western Cape's Department of Agriculture (the Department) has had to support less emerging farmers;
- 1.2 The Department's conservation agricultural practices meant that many farmers in the Western Cape were able to absorb the impact of the drought. The Department spent R38 million on mitigating the impact of the drought, and received a further R170 million from CASP funding;
- 1.3 Despite the challenges, the Western Cape experienced the lowest rural unemployment rate, and the Department's independent study on the support of land reform projects showed a 72% success rate in the Province;
- 1.4 The protection of the Philippi Horticultural Area (PHA) remains critical for the Western Cape, especially in terms of protecting the food basket for urban areas. The City of Cape Town (the City) has taken on urban farming as a key strategic focus. Furthermore, the City has also released a strategic document called "Our Shared Water Future", which speaks to the protection of the PHA's aquifer for the future of water resilience as well as for the future of farming;
- 1.5 There are areas in the Karoo and along the West Coast where the soil and plants will not recover after the drought. The Department will have to adopt a long term approach in terms of thinking about seed banks so that farmers will be able to re-seed their farms; and
- 1.6 The lack of skills in the agricultural sector remains a concern. There should be more focus on traditional agricultural skills and expediting the process of producing more skills in the sector. The Department should focus on bringing youth into the agricultural sector by focusing on technology and innovation in the sector; however, this is a challenge as mathematics is often required for careers in the agricultural and agri processing sector, but it is not always offered at

school level. The Department has initiated drone training and certification aimed at attracting youth to the sector.

## **2. Requests for Information**

The Committee REQUESTED from the Department of Agriculture the following information:

- 2.1 A report on the number and types of agri processing businesses and projects assisted by the Department to date;
- 2.2 The report on indigent households under government support in the Western Cape, as discussed by the Department in the meeting;
- 2.3 The Memorandum of Agreement between the Department and its Entity, Casidra;
- 2.4 The report on agri processing as discussed by the Department in the meeting;
- 2.5 The Department's independent study on the support of land reform projects in the Western Cape; and
- 2.6 The strategic document released by the City of Cape Town called "Our Shared Water Future".

**MR T SIMMERS, MPP**

  
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**CHAIRPERSON, STANDING COMMITTEE ON ECONOMIC OPPORTUNITIES, TOURISM AND  
AGRICULTURE  
15 MARCH 2019**



# Wes-Kaapse Provinsiale Parlement Western Cape Provincial Parliament IPalamente yePhondo leNtshona Koloni

Ref Number: 11/4/2

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Report of the Standing Committee on Economic Opportunities, Tourism and Agriculture on Vote 12: Economic Development and Tourism, in the Schedule to the Western Cape Appropriation Bill [B 1–2019], dated 15 March 2019, as follows:

The Standing Committee on Economic Opportunities, Tourism and Agriculture, having deliberated on the subject of Vote 12: Economic Development and Tourism, in the Schedule to the Western Cape Appropriation Bill [B 1–2019], referred to the Committee in terms of Standing Rule 187, reports that it supports the Vote.

In accordance with Standing Rule 86, the African National Congress expressed its minority view to abstain from the Vote.

## 1. Findings/Concerns

- 1.1 One of the biggest challenges for the Department of Economic Development and Tourism (the Department) over the past year was the impact of the drought on the tourism sector. The decline in tourism numbers in the Western Cape, as a result of the drought, has negatively impacted the sector in terms of job growth, and this in turn has continued to impact on the Province;
- 1.2 The Department is championing a demand-led economy going forward in terms of up-skilling; however, the challenge is creating demand for employment. A period of low economic growth, policy uncertainty, the Eskom crisis and drought, has resulted in businesses not employing more people. The Department's challenge has been to look at how to stimulate the business environment so that businesses will employ more youth;
- 1.3 There are far too many youth that are unemployed. The Department is focused on bringing youth in line with the types of employment needed in the new economy going forward. Overall, there are 600 000 unemployed persons in the Province, which is a concern; however, the Department is focused on stimulating the demand for goods and services that are produced in the Province, especially in the manufacturing sector, in order to stimulate job growth in the next five years;
- 1.4 A large portion of the Department's work has been to find ways to unblock unnecessary red tape that stifles opportunities for economic growth. Red tape has hampered Small Medium and Micro Enterprises (SMMEs) from thriving in this economy and growing in to big businesses;
- 1.5 Not all businesses in the "township" or informal economy want to be formalised. It is a very costly exercise to become a formalised business because of costs associated with registration fees, employing an accountant, proper book keeping for tax purposes etc. The Department is in the process of conducting a study as part of its new Five-Year Strategic Plan that will focus on assisting micro-traders with challenges that they need assistance with;

- 1.6 The Halaal market is a massive global market and it is not the easiest environment to navigate, as there are different vetting agencies for Halaal certification in South Africa and different rules to abide by when exporting to different countries. There is a concern that non-Halaal businesses will be excluded from the sector with the promotion of Halaal certification; and
- 1.7 There are fewer jobs required on the operational side of renewable energy; however, many jobs can be created on the manufacturing side. Currently, the country is not capturing all the manufacturing jobs that it could be. For example, at the moment, South Africa imports all its solar panels from China. This could change if all the solar panels were manufactured in South Africa instead. Currently, the manufacturing industry for renewable energy in South Africa is not being utilised optimally.

## 2. Resolutions

None

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