

PARLIAMENT OF THE PROVINCE OF THE WESTERN CAPE

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

MONDAY, 25 JUNE 2018

COMMITTEE REPORTS

1. **Annual Committee Report of the Standing Committee on Economic Opportunities, Tourism and Agriculture for the 2017/18 financial year, dated 6 June 2018, as follows:**

Members

The Committee comprised of the following members:

Schäfer, BA (DA) (Chairperson)
Joseph, B (EFF)
Maseko, LM (DA)
Mnqasela, M (DA)
Nkondlo, N D (ANC)

Alternate Members

Hinana, N E (DA)
Mackenzie, R D (DA)
Simmers, T A (DA)
Tyatyam, S G (ANC)

1. Introduction

The mandate of the Committee is to:

- 1.1 Maintain oversight over the executive members and the Departments concerning the way in which they perform their responsibilities, including the implementation of legislation and to hold them accountable; and
- 1.2 Consider and report on legislation, other matters and the annual reports referred to it by the Speaker.

In fulfillment of its mandate the Committee must:

- 1.2.1 Facilitate public participation and involvement in the legislative and other processes of the Committee.
- 1.2.2 Conduct its business in a fair, open and transparent manner.
- 1.2.3 Promote cooperative governance.
- 1.2.4 Report regularly to the House.

2. Reporting Departments and Entities

- 2.1 Department of Agriculture
- 2.2 Cape Agency for Sustainable Integrated Development in Rural Areas (CASIDRA)
- 2.3 Department of Economic Development and Tourism
- 2.4 Western Cape Destination Marketing, Investment and Trade Promotion Agency (WESGRO)
- 2.5 Saldanha Bay Industrial Development Zone Licencing Company SOC Ltd

3. Overview of Committee's activities

Number of Committee Meetings	17
Number of Public Hearings	9
Number of International Study Tours	0
Number of Oversight Visits	1
Number of Provincial Bills considered	3
Number of NCOP Bills considered	3
Workshops/conferences attended	0

4. Oversight activities

The Standing Committee on Economic Opportunities, Tourism and Agriculture conducted its oversight responsibilities and produced a high level of output, holding a total of 17 meetings and nine public hearings during the 2017/18 financial year.

4.1 Legislation

A considerable amount of the Committee's time at the start of the 2017/18 financial year was spent deliberating on various Bills that were referred to the Committee. In April 2017, the Committee held public hearings on the Plant Improvement Bill [B 8B–2015] (NCOP) (S76) and Plant Breeders' Rights Bill [B 11B–2015] (NCOP)(S76). The public hearings took place in Robertson, Citrusdal and Calitzdorp, and received approximately 430 submissions per Bill. After consideration of the submissions, Negotiating Mandates on both Plant Bills were considered and adopted by the Committee on 27 September 2017.

The Committee considered submissions received on the Mineral and Petroleum Resources Development Amendment Bill [B 15D–2013] (NCOP) (S76) and adopted its Negotiating Mandate on the Bill on 3 May 2017.

Other bills considered included the Western Cape Adjustments Appropriation (Emergency Funds) Bill [B5–2017], the Western Cape Adjustments Appropriation Bill [B 6–2017] and the Western Cape Appropriation Bill [B 3–2018].

4.2 Inquiry into the Impact of Abalone Poaching on Small-Scale Fishing Communities in the Western Cape

During the 2016/17 financial year, the Committee resolved to host public hearings in order to form a better understanding of the extent of the socio-economic challenges experienced by small-scale fishing communities as a result of abalone poaching. In June 2017, after consideration of the inputs received at the public hearings, the Committee adopted the Report on the Impact of Abalone Poaching on Small-Scale Fishing Communities in the Western Cape. The Report was then considered and adopted on 14 June 2017.

The Report found that abalone poaching has a strong and undisputed link to gangsterism and that poached abalone worth millions of Rands has been given to international crime syndicates in exchange for materials used in the manufacture of drugs such as crystal methamphetamine. Furthermore, small-scale fishers, community members and tourists visiting small coastal towns are being intimidated by gangsters involved in abalone poaching, and there are concerns that all relevant government law enforcement entities are not working together to combat poaching in these communities. Other important issues that were emphasised in the Report and at the public hearings was that small-scale fishers were turning to poaching because of the inability to access small-scale fishing rights and quotas, and that the sale of confiscated illegally obtained abalone by the Department of Agriculture, Forestry and Fisheries is sold for far below the market value has resulted in the South African market for abalone becoming less competitive for other sellers.

The Report was announced at the Parliament of the Republic of South Africa on 27 August 2017, and referred to the National Assembly's Portfolio Committee on Agriculture, Forestry and Fisheries for consideration.

4.3 Committee Meetings and Oversight Activities

The Committee took part in a Provincial Cluster Visit Week across the West Coast region from 16 to 19 May 2017. As part of the Visit Week, the Committee visited Southern Atlantic Sea Farms Pty Ltd in Saldanha Bay, to look at the process of sourcing, manufacturing and exporting of mussels, and the economic benefits of the business to the surrounding communities.

In September 2017, the Committee expressed concern over tourism safety when a ferry transporting passengers from Robben Island had to be evacuated when the ferry started taking on water. Various stakeholders were called in to report to the Committee on the incident, including the South African Maritime Safety Authority who provided the Committee with the investigative report on the ferry incident that took place on 15 September 2017. The investigation found that weather forecasts were not monitored and weather conditions were unlikely to be suitable for the operation of the Thandi on that day. Additionally, a pre departure safety briefing was not carried out, and no records of persons on board the vessel were kept. The Committee expressed concerns on the report and pursued the matter further during the 2018/19 financial year.

During the financial year, the Committee received briefings from various stakeholders on the Philippi Horticultural Area (PHA). Many views were expressed on the mixed use of the land and the proposed plan of action for the area. The PHA is unique as it is situated on the Cape Flats Aquifer, which is an underground water system that holds fresh water.

Farmlands within the PHA form natural green areas where rainfall permeates into the underground aquifer. The Committee expressed the view that the PHA is a critical agricultural resource in the Western Cape for horticultural production, specifically for food and nutrition security. The area plays an important role in contributing to affordable and diverse food supply. The Committee was informed that a study would be conducted on the PHA, led by the Department of Agriculture, who appointed Indego Consulting to look at developing a socio-economic agricultural plan for the PHA. The Committee would meet during the 2018/19 financial year to discuss the findings of the study.

In October 2017, the Committee evaluated the 2016/17 Annual Report of the Department of Economic Development and Tourism and its Entities; Wesgro and Saldanha Bay IDZ Licencing Company SOC Ltd. The Committee was unable to consider the Annual Report of the Department of Agriculture and its entity; Casidra, due to the disagreement between the Department and the Auditor-General of South Africa (AGSA) regarding the AGSA's opinion that the Department has incorrectly classified "Goods and Services" as "Transfers and Subsidies". The disagreement was unresolved and therefore the Department's Annual Report could not be tabled for consideration by the Committee.

During the financial year the Committee held meetings on various matters affecting the Western Cape, such as land reform and outstanding lease agreements, and the unresolved Ebenhaeser land claim. The Committee received briefings led by the Department of Agriculture with the Department of Economic Development and Tourism, Department of Local Government, Department of Environmental Affairs and Development Planning, and Provincial Treasury, on the drought disaster in the Western Cape. These matters would be carried over to the 2018/19 financial year as well.

5. Legislation

In the 2017/18 financial year, the Committee dealt with the following legislation:

5.1 Provincial Bills

- 5.1.1 Vote 11: Agriculture in the Schedule to the Western Cape Adjustments Appropriation (Emergency Funds) Bill [B 5–2017]
- 5.1.2 Vote 11: Agriculture in the Schedule to the Western Cape Adjustments Appropriation Bill [B 6–2017]
- 5.1.3 Vote 12: Economic Development and Tourism in the Schedule to the Western Cape Adjustments Appropriation Bill [B 6–2017]
- 5.1.4 Vote 11: Agriculture in the Schedule to the Western Cape Appropriation Bill [B 1–2018]
- 5.1.5 Vote 12: Economic Development and Tourism in the Schedule to the Western Cape Appropriation Bill [B 1–2018]

5.2 NCOP Bills (Section 76)

- 5.2.1 Mineral and Petroleum Resources Development Amendment Bill [B 15D–2013] (NCOP) (S76)
- 5.2.2 Plant Improvement Bill [B 8B - 2015] (NCOP) (S76)
- 5.2.3 Plant Breeders' Rights Bill [B 11B - 2015] (NCOP) (S76)

6. Facilitation of Public Involvement and Participation

In line with its mandate to facilitate public participation as part of the legislative process, the Committee held public hearings on the Bills. To give effect to this, the Committee advertised the Annual Report and Bills such as the Western Cape Adjustments Appropriation (Emergency Funds) Bill [B 5–2017], Western Cape Adjustments Appropriation Bill [B 6–2017], Western Cape Appropriation Bill [B 3–2018], the Mineral and Petroleum Resources Development Amendment Bill 1 [B 15D–2013] (NCOP) (S76), the Plant Improvement Bill [B 8B - 2015] (NCOP) (S76) and the Plant Breeders' Rights Bill [B 11B–2015] (NCOP) (S76), informing and inviting stakeholders to participate in public hearings.

7. Financial particulars

The Committee's adjusted budget for the 2017/18 financial year was R216 419 and the Committee incurred actual expenditure of R 249 965.20 resulting in an over-expenditure of R33 546.20. The over-expenditure was due to the public hearings held on the three NCOP Bills.

2. REPORT OF THE STANDING COMMITTEE ON ECONOMIC OPPORTUNITIES, TOURISM AND AGRICULTURE ON AN OVERSIGHT VISIT TO THE I-CAN CENTRE IN ELSIES RIVER ON 16 MAY 2018

The Standing Committee on Economic Opportunities, Tourism and Agriculture, having visited the I-CAN Centre in Elsie's River on 16 May 2018, reports as follows:

Delegation

The delegation comprised of the following Members:

Schäfer, BA (DA) (Chairperson and leader of the delegation);
 Maseko, L M (DA)
 Mngasela, M (DA)
 Nkondlo, N D (ANC)
 Tyatyam, S G (ANC) (Alternate)

Apology

Joseph, BD (EFF)

The Committee Coordinator, Ms Z Adams, and the Researcher, Ms A Mtimkulu, accompanied the delegation.

1. Introduction

The Standing Committee on Economic Opportunities, Tourism and Agriculture, during a meeting on the Department of Economic Development and Tourism's 2016/17 Annual Report on 10 October 2017, resolved to visit the Interactive Community Access Network (I-CAN) Project during the 2017/18 financial year. The visit would focus on the Digital Economy and opportunities for youth in the Western Cape. The Cape Technology and Innovation Centre (hereafter CiTi) was also invited to brief the Committee on the CapaCiTi and Job-Readiness Programme.

Elsies River is a community that has a high level of unemployment, gangsterism, substance abuse, teenage pregnancy and poverty. The I-CAN Centre (hereafter “the Centre”) is a public facility that provides the Elsie River and surrounding communities with access to broadband and various short term courses aimed at empowering individuals with digital skills. In August 2014, the Genesis Community IT Initiative (G-CITI) became the managing operator of the Centre in partnership with the Department of Economic Development and Tourism (hereafter “the Department”). The G-CITI is a Non-Profit Organisation formed to empower citizens with digital skills in order to enhance their living conditions.

The CiTi was established in 1999 with the aim to create an ecosystem and environment that stimulates the creation of technology and tech-enabled businesses and skills. The CiTi runs multiple tech skills and enterprise development programmes. The organisation also manages two “Bandwidth Barns”, one in Woodstock and one in Khayelitsha, which serve as spaces for start-up businesses to grow and connect.

Members were given a tour of the Centre and briefed on digital skills in the Western Cape, the role of the I-CAN Centre, and opportunities for youth in the Western Cape through the CiTi’s CapaCiTi and Job-Readiness Programme.

2. Overview of the visit

2.1 Site tour and briefing meeting with the Department of Economic Development and Tourism, and the I-CAN Centre Manager at the I-CAN Centre in Elsie River

The Committee was welcomed by the Department’s Acting Head of Department, Ms J Johnston, the Director for Digital Economy, Ms O Dyers, the Deputy Director, Mr R Davids, and the I-CAN Centre Manager, Mr L Scholtz. The Members were then taken on a walking tour through the various sections of the Centre. Thereafter the Committee was briefed on the various aspects of the Centre and the challenges experienced.

The Committee was informed that the Centre acts as a community Information and Communication Technologies (ICT) Access and Knowledge Centre, aimed at encouraging the mass adoption of technology and broadband to improve people’s lives through facilitating ICT access, content and skills development. The purpose of the Centre is threefold:

- Digital Skills: To develop digital literacy skills of citizens;
- Technology: To encourage the use and provision of technology; and
- Broadband for citizens: To provide limited free and affordable access to high speed broadband for citizens.

The overall aim is to expose citizens to the internet and the opportunities it offers thereby encouraging a digital lifestyle, to reduce unemployment in Elsie River through skills development and job opportunities, to close the digital divide that exists in disadvantaged communities, and to maintain public access for those who are unable, cannot afford or need temporary access to digital technology and other resources.

The Centre consists of five “zones” – the Learning Zone where classes are held, the Creative Zone where internet radio production and 3D printing courses are offered,

the Study Zone, the Connect Zone where the public has access to computers and broadband, and the Play Zone where gaming facilities are utilised. The Centre also has a conference area, courtyard and a Sound/Video Room with facilities for voice overs, music recording and sound engineering.

The Centre is available for all members of the public. In the Connect Zone, users are provided with 300mb free data and internet access. The target audience comprises of teenagers, unemployed youth, and elderly citizens. Access to free limited WIFI has since stimulated interest in the community and the public are now more interested in attending the free computer classes being offered. The result is that more members of the public are visiting the Centre. The Connect Zone is frequented by entrepreneurs and unemployed youth in the day time, and parents and children during the evening.

Between September 2015 and February 2018 the Centre received 36 843 visitors. 49% of the visitors came to utilise the computer facilities and access the internet, while 29% of the visitors attended the various courses that are being offered.

During the period of September 2015 and February 2018, 915 Department-supported courses were completed, 515 user-paid courses were completed, and 1 524 free short courses and workshops were completed. During the period of April 2017 and February 2018, 154 Department-supported courses were completed, 217 user-paid courses were completed, 440 free short courses were completed, and 415 free workshops were completed. 70% of the courses completed between April 2017 and February 2018 were free short courses and workshops.

The I-CAN Centre offers courses in Graphic Design (web design and image editing), Programming (Coding and web development), and Technical Support and IT Infrastructure. The Department-funded courses in the Creative Zone includes Digital Photography, Graphic Design, Adobe Dream Weaver, Java Programming, Web Design, Social Media Marketing and Video Editing. The I-CAN Centre assists students with finding jobs through job-placements once students complete their courses. G-CITI, in partnership with Harambee Youth Employment Accelerator, Merchants (Dimension Data), and the Training Room Online, has ensured that youth trained at the Centre obtain employment that is directly linked to their qualification. School teachers have been partnering with the I-CAN Centre to develop their learners and encourage them to use technology positively.

The I-CAN Play facility is a fairly new initiative offered by the Centre, which is aligned to the Alcohol-Related Harms Reduction Game Changer, aimed at but not limited to the youth. The initiative is focused on increasing the adoption of technology and internet usage and utilising gaming as the stimulus. The initiative enables access to alternate recreational and economic opportunities in communities, and encourages the uptake of digital skills through digital gaming.

According to the Department and the Centre Manager, the I-CAN Centre faced the following challenges:

- The I-CAN brand, in its early stages, was not trusted by Non Profit Organisations and businesses;
- Communities were unaware of the impact of digital skills;

- Communities expected all services offered by the Centre to be free; however, only certain resources and courses were funded;
- Institutions were registering their entities with the prefix “I-CAN”, which created confusion with the purpose of the Centre and what it was offering;
- The operational cost per month to run the facility is between R100 000 and R120 000; and
- A portion of the existing municipal-owned building which the Centre uses is being reclaimed by the City of Cape Town to be utilised as offices, which has created a challenge for the Centre in terms of space. The gaming area and the Play Zone will be combined, which is not ideal for the Centre, as it will limit the amount of students that can be trained in that area going forward.

2.2 Briefing by the Cape Innovation and Technology Initiative on opportunities for youth in the Western Cape, focusing on the CapaCITI and Job-Readiness Programme

Ms S Mohideen, Head of Skills for CiTi, informed the Committee that CiTi has been in operation for 18 years, and is the oldest incubator in Africa. The organisation’s CapaCiTi programme aims at growing the pool of IT professionals equipped with in-demand tech skills through training, placement programmes, and focusing on acquiring permanent jobs for unemployed graduates.

CapaCiTi offers post matric qualifications in Java Programming, certificates for various courses such as ICT Infrastructure and Microsoft, online courses and post graduate courses. CapaCiTi’s Junior Recruits programme is a 6-month programme that offers a junior staff development programme, and assists in developing essential workplace skills. There are 179 companies that currently hire graduates from the CapaCiTi skills development programme.

CapaCiTi is a seeded programme that receives funding from the Jobs Fund and private corporations. The programme uses the “pay it forward” method where students are funded through the CapaCiTi programme until completion of their qualifications; however, once students secure permanent jobs, they then start repaying the funding they received from CiTi.

According to CiTi, the following challenges exist:

- There is a tech skills shortage in the country, and the demand for tech skills will be on the rise for the next few years; and
- Private sector complains about the tech skills shortage; however, these corporations must invest in order to create more opportunities for youth in the digital sector.

3. Testimonials

The Committee received testimonials from three I-CAN Centre beneficiaries:

Ms Tertia Abrahams found the Centre through Facebook. She then enrolled in an ICT Digital Literacy Course and then moved on to a Cyber Security Course. She is now an

ICT Infrastructure student at the College of Cape Town, and she works for the iiNet Call Centre where she specialises in trouble shooting.

Mr Wayden Fortuin found the I-CAN Centre online, and enrolled in Multimedia/Graphic Design. He then enrolled in a photography course at the Centre when it was initiated in 2016. Currently, he works as a content developer and video editor for The Training Room Online. He also has his own photography business where he employs three people.

Mr Dylan Grammar worked for Rest Assured life, which needed him to develop a website for the business. He then found the I-CAN Centre website and enrolled in the Web Design, Cyber Security and IT fundamentals courses. Currently, he works as a web designer and runs the company's social media.

4. Resolution

The Committee agreed to make resolutions/recommendations at the adoption stage of the report and decide on a way forward.

The Chairperson thanked the I-CAN Centre, the Department, CiTi and the beneficiaries for availing themselves to address the Committee and give Members a tour of the Centre.