

R12.6bn payout 'inadequate' - DA

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THE DA has expressed its dismay that only R12.6billion was paid out last month for the claims lodged by businesses affected by the unrest that broke out in KwaZulu-Natal and Gauteng.

Speaking in the National Council of Provinces (NCOP) yesterday, DA MP Cathlene Labuschagne said SA Special Risk Insurance Association (Sasria) received 14 051 claims valued at R32bn from affected businesses.

"Despite the assistance of the National Treasury, only R12.6bn was paid by November over four months. Many businesses have gone under and thousands have been left in lurch as a result of ANC factional battles that spilled on to our streets," Labuschagne said.

She made the statement when the select committee on trade and industry, economic development, small business development, tourism, employment and labour conducted an oversight visit to the two provinces in August.

Labuschagne noted with concern that despite promises to track down the instigators of the unrest, the children of former president Jacob Zuma – whom she allegedly said openly encouraged looting on social media – had not been taken to task.

"The ANC always goes on about accountability and turns a blind eye

when those in areas of influence are implicated," she said.

ANC MP Mohammed Dangor said the July unrest had a devastating impact on business, industry, infrastructure and the economy and would be felt for a long time.

"We need to strengthen our law enforcement agencies to capacitate them to be proactive and preemptively respond to any threats of sabotage and violence. We are, however, wishing to applaud them for their swift response to quell the violence."

Dangor called on the National Prosecuting Authority to work with the SAPS in holding perpetrators responsible for economic sabotage accountable through investigations.

He noted that jobs were lost and loss to the economy was estimated at R50bn.

"We should never allow this to happen," Dangor said, adding that the ANC welcomed the post-unrest recovery measures and interventions made by the government.

Tabling the report before the NCOP, ANC MP Kenneth Mmoiemang said the authorities had estimated in August that 3 410 people were arrested for various crimes and almost 340 were confirmed dead. "The data with respect to economic impacts of riots and looting is still being collated by reputable institutions such as Sasria,

the SA Property Owners Association and Statistics SA, to mention a few.

"However, according to various sources such as Business Leadership SA, provincial governments of KwaZulu-Natal and Gauteng, the National Treasury and various other industry players, they are estimating that more than 200 malls were affected, over 1000 stores were looted, more than 100 completely burnt, more than R20bn in damages, 50 000 informal traders left stranded and 50 000 small businesses affected, and likely more than 150 000 jobs at risk."

He said Minister of Trade, Industry and Competition Ibrahim Patel and Minister of Small Business Development Stella Ndabeni-Abrahams, through their development agencies, should work in a co-ordinated manner with Sasria to intensify financial literacy and empowerment campaigns targeting small businesses and informal traders.

"Such programmes should find expression in the expenditure plans of the respective departments and development agencies including expenditure plans of Sasria. The financial literacy and empowerment initiative should get the necessary support from the National Treasury."

Mmoiemang also said the allocation of R2.3bn for affected businesses was welcomed but not adequate. "Over the 2021 medium term, all spheres of government should tackle regulatory constraints that are hindering the operations and expansion of small traders."





LAW enforcement agencies at the Mansel Road Market in the Durban CBD retrieved suspected stolen goods including washing machines, fridges, stoves, beds and more that were looted throughout the July unrest. | SHELLEY KJONSTAD African News Agency (ANA)