

BUSA STATEMENT ON ANC PRESIDENT CYRIL RAMAPHOSA'S ANNOUNCEMENT OF PLANS TO CHANGE THE CONSTITUTION TO INTRODUCE EXPROPRIATION WITHOUT COMPENSATION THROUGH PARLIAMENT

Business Unity South Africa (BUSA) made a written submission on 15 June 2018 to the multiparty Constitutional Review Committee, chaired by MP Vincent Smith, which is tasked with reviewing Section 25 of the Constitution to pave the way for land expropriation without compensation.

As the apex business organisation in the country, BUSA has made itself available to participate in parliamentary hearings conducted by the committee to articulate the views of organised business on the issue.

Business is unclear how the announcement made by Cyril Ramaphosa last night (Tuesday July 31) in his capacity as ANC president will affect the process undertaken by the committee. This potentially introduces another element of policy uncertainty, as there are no modalities currently on the table about a framework of how land expropriation without compensation will be implemented.

BUSA's written submission leant on the findings and the recommendation of the *High-Level Panel on Assessment of Key Legislation and Acceleration of Fundamental Change* headed by former president Kgalema Motlanthe.

The panel's core findings and observations were that the requirement to pay compensation is not the biggest stumbling block to land reform. It also noted there is inadequate differentiation of approaches between pro-poor policies and the development of emerging commercial farmers, and that there is poor implementation of existing policies. It highlighted legislative gaps, underscored corruption and flagged reluctance to transfer ownership.

In 2017, BUSA adopted the 'Business Approach to Black Economic Transformation for Inclusive Growth', which recognises that the pace and depth of transformation within business have been inadequate. BUSA identified four elements to drive transformation within business: embed a diversity culture; education and skills development; employment, particularly of youth; and rapid enterprise development of black-owned businesses.

Business acknowledges the urgent need to address the persistent effects of apartheid-era land dispossession and recognises the inextricable link between land and the restoration dignity. Land reform, and by extension, the furthering and entrenching of property rights to all segments of South African society, has been unacceptably slow and needs to be comprehensively and urgently addressed.

Any clarification of constitutional measures needs to go hand in glove with addressing endemic structural and administrative challenges in implementing land reform. Business stands ready to work proactively with all stakeholders to achieve these objectives.

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