

**SAITA**

# SOUTH AFRICAN INFORMAL TRADERS ALLIANCE (‘The Federation’)

**“NOTHING FOR US WITHOUT US”**

C/O 3435 Zone 3, Pimville, Cell: 083 685 9109, Email: prodicon57@yahoo.com

---

**TO**

**Trade and Industries**

**Minister Rob Davies**

On the dates below, an informal business and chamber support team of the DTI visited our 09 provinces to hear our frustrations in the sector and all nine provinces were visited by the support team. We agreed after long deliberations that they will come for the second round to report back on the findings and we would discuss it as provinces as they will be visiting different towns.

But now it is clear that the department had different parallel processes operating at the same time on almost similar issues, which we were not aware of.

On the 1<sup>st</sup> of April to the 4<sup>th</sup> the bill was already on the media. You may have set the right foundation but it looks like you lost it along the way by not coordinating your different processes so that we could finish the talks we opened.

To motivate our case, see the dates for consultative forums, where we discussed to have follow-up provincial hearings. Our committee members were part of the initial consultations in most provinces.

14 November 2012	Gauteng
16 November 2012	Limpopo
20 November 2012	Free State
21 November 2012	KZN
23 November 2012	Northern Cape
27 November 2012	Western Cape
29 November 2012	Eastern Cape
30 November 2012	North West
04 December 2012	Mpumalanga

---

*National Officials: Thabiso Pita (Chairman) Free State, Surraiya Ahmed (Deputy Chairperson) Eastern Cape, Jerry Tlhopane (Secretary General) Gauteng  
Samuel Madikoto (Deputy Secretary) Limpopo, Jabulani Ntsele (Treasurer) KwaZulu Natal, Eva Scheepers (Organizer) Northern Cape  
Roscheeda Muller (Media and Communication) Western Cape*



**SAITA**

# SOUTH AFRICAN INFORMAL TRADERS ALLIANCE (‘The Federation’)

**“NOTHING FOR US WITHOUT US”**

*C/O 3435 Zone 3, Pimville, Cell: 083 685 9109, Email: prodicon57@yahoo.com*

---

We were surprised when we started to hear about this Bill from the media as the people who directly affected by the Bill. During towards end of last year we were attending the consultative workshops from Informal Business and Chamber Support Unit from your department, and this shows that your department is clearly aware that in the informal sector people do exist and they deserve to be consulted – as it did start to happen. Unless otherwise you are having the good reason to destroy this sector and you would care less about unfair procedures your department performed in the good name of service delivery. We are requesting you to sit down with the unit that made the consultations, and find with them what their findings were during their consultations.

We are opposing the Bill due to the following reasons

- No consultation with the informal trader business support
- No consultation with informal traders Associations
- The 30 days’ notice is insufficient
- The submissions procedure restrict illiterate traders
- The bill is very much open for corruption and abuse of power
- Law enforcers have too much right and power, more than the licence holders
- Inspectors are given more powers, also more than the license holder.
- Application fee is not acceptable.

We feel the bill is autocratic because it suppresses informal traders and it has too much administration cost and fees. Only the department have the say and representative Associations are marginalized by the bill.

The effect of the bill to the informal sector is that most people won’t afford the application fees and the administration fees. This will lead to corruption and further unemployment. The economy will also be affected one way or the other. While the government wants to alleviate poverty, the bill increases and invites it.

Maybe we must remind you that this sector is characterised by people who previously disadvantaged, people who are rejected by other sectors, unemployed people, people who are victims of corruption and discrimination – but all have one common thing in their

---

***National Officials:** Thabiso Pita (Chairman) Free State, Surraiya Ahmed (Deputy Chairperson) Eastern Cape, Jerry Tlhopane (Secretary General) Gauteng  
Samuel Madikoto (Deputy Secretary) Limpopo, Jabulani Ntsele (Treasurer) KwaZulu Natal, Eva Scheepers (Organizer) Northern Cape  
Roscheeda Muller (Media and Communication) Western Cape*



**SAITA**

# SOUTH AFRICAN INFORMAL TRADERS ALLIANCE (‘The Federation’)

**“NOTHING FOR US WITHOUT US”**

C/O 3435 Zone 3, Pimville, Cell: 083 685 9109, Email: prodicon57@yahoo.com

---

minds which made them special to the extent that they understand that it is their responsibility to help government by not sitting and blame-shifting. But in return the same government plans to hit them where it hurts the most! Why?

We have learned when we were going through this draft Licensing of Businesses Bill, that it is too autocratic as it does not care any much about the interest of people down at the bottom, other than for those who serve the interest of individuals who have the power. We use to hear statements like **“People shall govern”**, **“Government of People by People”**, **“Batho pele”** and **“People shall share the wealth of the country”**.

## We feel that the following are troublesome act and sections:

-- Page 10, Section 6 (1): The requirements for lodging an application must not assume an ability to read and write, fill out complex forms, speak a certain language, or undertake an onerous commitment of time and other resources. In particular:

-- To implement (1)(a) the relevant government office should provide mobile services to reach the population of business operators that may not have the resources to make an appearance at the central office.

-- (1)(b) the prescribed manner and form must be accessible and achievable for all segments of the population

-- (1)(d) The prescribed application fee must be nominal and accessible for all segments of the population

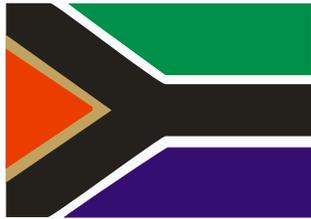
The licensing authority should issue a dated receipt for the application and this receipt should serve as a temporary license until the application is approved or denied.

-- Page 12, Section 17: this section should be removed from the bill as it grants unlimited discretionary power to the licensing authority to arbitrarily revoke licenses

-- Page 13, Section 18: this section must place the burden of proof on the licensing authority, not the business person – so that it reads "the licensing authority may not, without complete and certified documentation, revoke a license or order any person to

---

*National Officials: Thabiso Pita (Chairman) Free State, Surraiya Ahmed (Deputy Chairperson) Eastern Cape, Jerry Tlhopane (Secretary General) Gauteng  
Samuel Madikoto (Deputy Secretary) Limpopo, Jabulani Ntsele (Treasurer) KwaZulu Natal, Eva Scheepers (Organizer) Northern Cape  
Roscheeda Muller (Media and Communication) Western Cape*



**SAITA**

# SOUTH AFRICAN INFORMAL TRADERS ALLIANCE (‘The Federation’)

**“NOTHING FOR US WITHOUT US”**

*C/O 3435 Zone 3, Pimville, Cell: 083 685 9109, Email: prodicon57@yahoo.com*

---

stop trading." As written this section also establishes unlimited scope for employment-stifling abuse of authority.

-- Page 13, Section 19: this section will become unnecessary if the requirements for licensing are made to be simple and accessible to all applicants, regardless of means.

-- Page 14, Section 21: this section will also become unnecessary if the requirements for licensing are made to be simple and accessible to all applicants, regardless of means. It will also reduce administrative costs to the licensing authority.

-- Page 14, Section 22: again this section grants unlimited discretionary power to the licensing authority and establishes the conditions for abuse of authority as well as imposing administrative costs on both the licensing authority and the licensee. Business licenses should not be amended once they are issued and conditions should not be attached to the license other than the requirement to sell legal goods or perform legal services. Place of work should be regulated through a statutory bargaining forum at the city level and should not be limited through the business licensing mechanism.

-- Page 15, Sections 24 and 25: These sections should be written to support existing livelihoods to the extent possible, so as to meet national employment goals

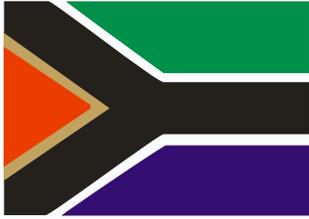
-- Page 16, Section 26: this section grants unlimited discretionary power to the licensing authority and establishes the conditions for abuse of authority as well as imposing administrative costs on the licensing authority, the licensee, and the court system – as the scope for abuse of authority in this provision is so broad that its use will undoubtedly generate an enormous caseload for the courts.

-- Page 16, Sections 27 and 28: these also impose undue discretionary powers and administrative costs on the licensing authority. Fines and penalties have been shown to be ineffective and costly – to the point that cities actually lose money on administrative costs in their efforts to impose fines and penalties.

-- Page 17, Section 29: traders and hawkers must be represented in the dispute resolution authority and must take part in the establishment of its rules and procedures

---

***National Officials:** Thabiso Pita (Chairman) Free State, Surraiya Ahmed (Deputy Chairperson) Eastern Cape, Jerry Tlhopane (Secretary General) Gauteng  
Samuel Madikoto (Deputy Secretary) Limpopo, Jabulani Ntsele (Treasurer) KwaZulu Natal, Eva Scheepers (Organizer) Northern Cape  
Roscheeda Muller (Media and Communication) Western Cape*



**SAITA**

# SOUTH AFRICAN INFORMAL TRADERS ALLIANCE (‘The Federation’)

**“NOTHING FOR US WITHOUT US”**

*C/O 3435 Zone 3, Pimville, Cell: 083 685 9109, Email: prodicon57@yahoo.com*

---

**People who will be part of the media conference on this issue at COSATU House on 18<sup>th</sup> April 2013 are members of the Steering Committee of the national informal traders' alliance initiative.**

**Thabiso Pita  
Chairman**

---

*National Officials: Thabiso Pita (Chairman) Free State, Surriya Ahmed (Deputy Chairperson) Eastern Cape, Jerry Tlhopane (Secretary General) Gauteng  
Samuel Madikoto (Deputy Secretary) Limpopo, Jabulani Ntsele (Treasurer) KwaZulu Natal, Eva Scheepers (Organizer) Northern Cape  
Roscheeda Muller (Media and Communication) Western Cape*