



18 April 2013

Corruption Watch calls for a complete overhaul of the Licensing of Businesses Bill:

Corruption Watch believes that the Licensing of Businesses Bill, which will require anyone doing business to apply for a licence from their municipality, is open to corruption and abuse. The organisation calls for a complete overhaul.

The Bill was gazetted by Trade and Industry Minister Rob Davies, and sent out for public comment on 18 March. Written comments had to be submitted within 30 days.

Corruption Watch has considered the proposed legislation and submitted its written comments to the Department of Trade and Industry.

In particular, Corruption Watch is concerned with the designation and far-reaching powers of traffic officers, among others, as licensing inspectors. The organisation is also uncomfortable with municipalities being the licensing authorities.

Some 14% of all reports made by the public to Corruption Watch in its first nine months of existence involved traffic law-enforcement officials. Such numbers indicate a substantial risk in making traffic officers licensing inspectors, Corruption Watch believes.

In addition, 25% of all incidents reported to the organisation during the same period involved alleged corruption in municipalities.

Municipalities, Corruption Watch submits, do not have sufficient capacity to handle their increased responsibilities as licensing authorities for all businesses.

The organisation also calls for anti-corruption measures to be introduced into the Bill.

Corruption Watch has further suggested that licence-holders be given a reasonable opportunity to be heard when decisions are made by the licensing authorities.

In addition, the organisation believes that the requirements for granting business licences should be clear to prevent uncertainty and eliminate opportunities for corruption.

“The Bill has not been carefully thought through by the authorities and the result is a piece of legislation dangerously susceptible to corruption and abuse,” says Lewis.

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