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PROCEEDINGS OF MINIPLenary SESSION - GOOD HOPE CHAMBER

Members of the mini-plenary session met at Good Hope Chamber at 10:00.

House Chairperson, Ms Z Majozi, took the Chair and requested members to observe a moment of silence for prayer or meditation.

APPROPRIATION BILL

Debate on Vote No 30 - Communications and Digital Technologies:

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Hon House Chair, hon members, from the heart of Gumbani in Limpopo, the province I and many others call home, two young South Africans used a second-hand computer with only R700 and sheer determination to crack open the digital world. With no

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formal training, Marvel Shibambu and Malunghelo Mathonsi, who are joining us virtually today, built an e-learning platform called Novar to help high school learners study for free.

They are living proof that digital technology is a powerful force for unlocking opportunity, expanding access, and transforming lives. Their story went viral, capturing the imagination of South Africans across the country. What followed was extraordinary - crowdfunding support, corporate backing through Liberty Life's #DriveHope initiative, business mentoring, new equipment, and space to grow their vision.

I was honoured to be part of the support for what Marvel and Malunghelo have built, more than just creating an APP. It is a powerful real-life example of how digital access can change lives, showing what is possible when opportunity meets the talent and determination that lives in so many South Africans.

It is from stories like these that I draw inspiration and it is stories like this that has guided the 2025-26 Budget Vote for the Department of Communications and Digital Technologies. Through this budget, it is our task to amplify our impact, ensuring that digital access and opportunity reaches every

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corner of South Africa. When we connect people, we don't just change individual lives, we ignite economic potential, foster social inclusion, and spur progress that can drive this nation forward together, leaving no one behind.

The ICT sector has the potential to move us even closer to this goal, as the sector remains a critical driver of South Africa's economic growth. According to Biomedical Imaging and Therapy, BMIT's, 2025 SA ICT Market Sizing and Overview Report, South Africa's ICT market achieved 7,7% year-on-year growth, significantly outperforming the general economy.

And so, to continue our drive to build a capable, secure, and responsive ICT ecosystem that can serve as a catalyst for digital growth, innovation, and inclusion, our department has been allocated a total of R7,8 billion over the medium-term expenditure framework. Of this, R5,4 billion that amounts to 69,1% is allocated to transfers to entities and project-specific funding. In the 2025-26 financial year, our estimated expenditure is R2,5 billion, with 69% earmarked for transfers and subsidies to support the work of our key entities.

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The Independent Communications Authority of South Africa, Icasa, receives R588 million this year, which includes an additional R102 million for the second phase of the spectrum licensing auction. The Film and Publication Board is allocated R338 million over the MTEF, to support its mandate of protecting citizens, especially children, by regulating media content in a responsible and responsive way.

The Universal Service and Access Agency of SA, USAASA, receives R268 million for its operations, while the Universal Service and Access Fund is allocated R173 million to advance digital inclusion initiatives in unconnected areas. The public broadcaster will receive R704 million over the MTEF. This includes R43 million for programme production, R464 million to support the core public broadcasting mandate, R197 million for Channel Africa, which amplifies South Africa's voice across the continent. Furthermore, the department has published the request for proposals to develop a more sustainable funding model that is much needed for the broadcaster.

The National Electronic Media Institute of South Africa, Nemisa, is allocated R318 million over the same period to strengthen its role in digital skills development and media

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training, helping to equip young people with the capabilities they need for the future.

The SA Connect programme has been allocated R710 million to accelerate broadband expansion, particularly in schools, clinics, and rural communities where access remains limited. The South African Post Office, Sapo, is allocated R1,8 billion to fulfil its universal service obligations and improve service delivery. This funding will support Sapo's efforts to diversify revenue, rebuild trust, and stabilise operations and the Deputy Minister will elaborate on the advances we have made with the South African Post Office.

From the onset, we have been clear about what ought to be done. We must fix the fundamentals, restore accountability, and lay a foundation for meaningful, lasting progress that improves lives. Together with the department, we have made key strides to strengthen governance across the portfolio.

We have finalised board appointments at Broadband Infracore, DotZ, Nascentec, and PostBank, reinforcing ethical leadership and professionalism. I would also like to thank the portfolio committee for its role in the interviews and recommendation

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process for the Icasa councillors, and I can also confirm that the process for the boards of the Construction Education and Training Authority, Ceta and the Post Office are underway.

We have also convened our first governance and compliance delivery workshop, bringing together all our entities supported by the Auditor General, Public Protector, the Public Service Commission, and the National Treasury. This marked a chapter of joint accountability, strong compliance, and a firm commitment to consequence management.

As part of our ongoing efforts to uphold good governance, we have also approached the Public Service Commission to investigate the endemic lapse of governance and procurement irregularities that have contributed to the instability at Ceta, and we are hoping that the Public Service Commission will be able to finalise that investigation timeously.

Through the draft policy direction on equity-equivalent investment programmes in the ICT sector, the intention is to fully align ICT-sector codes with broader transformation laws. This provides clarity and certainty, while ensuring that global companies meet transformation obligations through a

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variety of interventions, including skills development, SMME support and shared infrastructure investment.

We received more than 19 000 submissions in the public consultation process. While the analysis is kicking off, I want to thank every South African who has made contributions, including political parties in this House who have made their submissions. We are also taking measures to empower departments to procure digital services, where there is a compelling case for better value and faster turnaround times.

The amended Ceta regulations will strengthen national and provincial capacity to deliver reliable, cost-effective digital services.

We successfully lobbied National Treasury to reduce the ad valorem tax on smart devices priced below R2 500. We are also working with the Global System for Mobile Communications Association, GSMA, to measure the impact and further explore additional steps to make devices more affordable.

Together with private sector partners, universities and non-profit organisations, we have launched eight cyber

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laboratories at schools in underserved communities, which offer robotics, coding, device repair, creating pathways into the digital economy.

Through SA Connect, some of the work done in the last 24 months includes broadband to 1,8 million households and supporting 79 Internet service providers and SMMEs. In the same period, Broadband Infracore connected 3 400 public Wi-Fi hotspots. While the infrastructure backbone now in place, we expect, with the pace of rollout and the available funds, to reach 5,5 million households by the end of 2026.

The government has equally made significant strides in digitising government services. Over 136 services are now available online. This is reflected in the 2024 UN E-Government Index, where South Africa rose from 65th in 2022 to 40th today, making it the highest in African country. Our ranking in the E-Participation Index also improved from 61st to 29th, showing that more citizens are using digital tools to engage government.

International players like Microsoft have committed R5,4 billion to expand cloud and AI infrastructure by 2027.

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Other companies, including the International Business Machines Corporation, IBM, Amazon Web Services and Canal+, are also expanding their operations in South Africa.

To this end, we also welcome the agreement reached by the Competition Commission, Vodacom and Maziv to proceed with the merging of the two, which includes commitments to lower data costs, broaden coverage and improve connectivity. This aligns with government's ongoing efforts to connect more communities to affordable, high-speed Internet.

We are also looking forward to the Competition Tribunal's finalisation of the Canal+'s proposed acquisition of MultiChoice. Equally, we want to congratulate Telkom for finally delivering on the dividend to government for the first time in a while, bringing to the national fiscus over half a billion.

While we are making steady progress, the reality is that this progress it is not fast or expansive enough. Too many people remain deprived of access to affordable and reliable connectivity, and governance failures at our entities impede

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our ability to deliver the services our people are entitled to.

These are compounded by policy uncertainty, an outdated regulatory framework, and a lack of adequate institutional capacity to deal with the rapid evolution of the ICT sector. Earlier this year, the analogue switch-off planned for the end of March was halted by the court. We have taken note of the court's findings and given the department's legal representatives the mandate to engage with their counterparts to ensure we can find a non-litigious solution to this lingering issue.

Overcoming these challenges is at the core of the department's strategic response, which informs our approach. Many stakeholders, including the portfolio committee, various industry members, have called for a review, some even advocating for a revitalisation of legislation governing this sector. I have heard all these calls, and I agree with you.

Thirty years into our democracy, the legislation in our portfolio has not kept up with the evolution of our sector. It is for this reason that we will be convening a legislative and

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policy colloquium in this quarter. The process will bring together all stakeholders - government, business, civil society, and academia - to determine, collectively, the exact next steps needed to ensure that our legislation is fit for purpose and future-oriented.

I want to emphasise that this will be an intensive and inclusive process, and we will have to move with speed and urgency to drive this collective agenda that will spur change and progress.

We have today gazetted the Draft White Paper on Audio and Audiovisual Media Services and Online Safety. We will also continue to pursue meaningful connectivity that drives affordability and reliability, and that is fast enough for modern applications. Through the Cost to Communicate Programme, Icasa's updated regulations, improving access to smart devices and further connecting more underserved communities, we are acting collectively to expand Internet access to close the digital divide.

We are also today launching our initiative at expanding access to smart devices because we recognise that this has become an

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essential tool for connectivity. The Department of Communications and Digital Technologies will facilitate a process between government, original equipment manufacturers and the private sector to provide access to smart devices to learners, students, and township entrepreneurs.

We are thus calling on our private-sector partners to pledge resources for this initiative, so that we can reach as many beneficiaries as possible. Through these pledges, the private sector and all our partners in society will help with the major inhibitor towards connectivity, which is access to the infrastructure that enables people to actively take charge of the opportunities that exist.

Government will facilitate this process, rather than being involved with procurement or distribution, so that we can reach the ultimate beneficiaries.

The governance and performance of entities in our portfolio has been a standing concern for some time in this portfolio. We are determined to change the course of this.

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As part of our ongoing efforts of proactive measures to increase accountability in the portfolio, we have introduced monthly governance cycles where entities report directly to us, rather than relying on quarterly measurements. We have instructed the department to conduct monthly expenditure reviews to identify areas for cost saving and to enforce financial discipline.

And we are also continuing with the much-needed work towards the rationalisation of SOEs to ensure greater efficiency, including the merger of Sentech and Broadband Infracore, BBI, continuing with the process of de-establishing USAASA, repurposing the Universal Services Access Fund, and redesigning the business model for Ceta. The work ahead requires that a new standard in this portfolio must be defined by performance and accountability, not excuses nor complacency. And to make meaningful progress will require that we work with all stakeholders in society to ensure that we all play our part in driving the progress that we need.

As I conclude, I want to extend my sincere appreciation to the Deputy Minister for his continued support for the work we do in this portfolio. I also want to thank the director-general,

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all the deputy directors-general and officials in the department for their continued support and contribution in delivering in our mandate.

My appreciation equally extends to the board members, the CEOs and leadership of all those entities for their commitment to our strategic objectives, including their officials. The progress we are working to achieve depends on the collective effort, discipline and accountability for all of us that have been given this precious privilege of leading the portfolio. And as we table our budget, it reflects our public commitment to South Africa's digital future.

It is about injecting the energy into the work that we are doing, to close the digital divide and make sure that each and every South African has access to the transformative power of connectivity. To achieve all of this means change is inevitable. And in pursuit of this, I often draw inspiration from the words of the literary giant, Arnold Bennett, from his seminal book, *The Great Adventures*, when he said: "Any change, even change for the better, is always accompanied by drawbacks and discomforts."

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It is how we navigate those discomforts that ultimately counts. This budget is our commitment to serving with a clarity of purpose and an unrelenting position towards meaningful delivery. It is my honour to table to you the Budget Vote for the Department of Communications and Digital Technologies for the 2025-26 financial year.

Setswana:

Ke a leboga.

Ms K L N SANGONI: Madam House Chair, hon Minister, Deputy Minister, the hon members of this August House, esteemed and valued stakeholders in the ICT sector, I especially want to acknowledge the CFO of Telkom, Ms Nonkululeko Dlamini, who is with us in the Chamber today. I understand she comes bearing gifts of more than half-a-billion rand in dividends that are due to the South African people.

Fellow South Africans, it was exactly 12 months ago that the Portfolio Committee on Communications and Digital Technologies of the seventh Parliament was constituted. The First Order of business of the new committee was to adopt the 2024-2025 Budget Vote of the Department of Communications and Digital

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Technologies. With a strong sense of purpose and hope in our hearts, we approved within a matter of hours, if my memory serves well, a budget of R3,9 billion for the year, for the department and its entities.

It was with great optimism that we believed that we were continuing with the vital work of building a digitally connected and inclusive society. That budget, Minister, was meant to be a springboard to connect our people, uplift our rural communities, build local innovation and ignite inclusive growth. So, as we meet here today, we are faced with the same task of approving yet another year's budget. We must pause and collectively ask ourselves: What did we do with that perfect opportunity that was bestowed on us 12 months ago?

One year on, our vision as a committee remains the same, to ensure that every South African, regardless of geography or socioeconomic status, has access to the tools, infrastructure and opportunities that are needed to thrive in the digital age. As a committee, we have remained focused on delivery of our constitutional mandate - lawmaking, executive oversight and public participation. We have made significant progress, just as we have endured significant setbacks.

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Amongst the spots of progress that we have witnessed, is the SA Broadcasting Corporation achieving its first unqualified audit over a decade. The SA Post Office has moved closer to existing business rescue, with plans underway to reposition it in the e-commerce space as the post office of the future. We have travelled, as a committee, to rural areas far and remote, and we have seen households in areas like Emaxesibeni connected to affordable internet via the SA Connect programme.

The Post Bank has advanced compliance with the variation notice of the Reserve Bank, and that brings it that much closer to being a fully licensed state bank. The committee has also instituted quarterly oversight on the implementation of audit plans, which we now believe are beginning to influence improved governments.

Working with the Portfolio Committee on Science, Technology and Innovation, under the capable leadership of the chairperson, hon Tsakani Shiviti, we have firmly placed the National Satellite Communication Programme front and centre of government's agenda, with the last report received from the Minister indicating that the strategy was in route to be adopted by Cabinet.

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However, during the course of this year, Madam Speaker, we have also encountered significant challenges. While we conducted oversights from areas, such as Lusikisiki and Diepsloot, to better understand the challenges our people confront in terms of technology, we have needed to echo the calls of millions of people and carry the hopes and frustrations of the people directly to the door of our telecoms companies.

We gave voice and urgency to the cries of the people telling Vodacom, MTN, Telkom, CellC and Rain that the people demand reliable rural connectivity, lower data prices, data that does not expire, inclusive economic participation and better quality of service. Today, as we speak, key legislation such as the SA Broadcasting Corporation Bill and the amendment of the Electronic Communications Act have stalled. If this strategic plan that we are debating today, as part of the budget, is anything to go by, such legislation is at risk of being abandoned altogether.

The gains of transformation are being reversed, and our portfolio of state-owned enterprises are facing an assault on their mandates from the very department that is meant to

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protect them. The department's lack lustre pace in enacting urgent legislative reform has weakened the sector and left the vulnerable defenceless. Whether it be women who are bullied on online platforms or struggling media entities that are being cannibalised by over-the-top services, the department's inaction on legislation affects all of them and sends a clear message that they are on their own.

Madam Speaker, we understood 12 months ago, as we still do today, that the task of building a truly connected society would be daunting. Leadership and stability at the highest level has plagued the department over many years. Since the dawn of democracy, communications has had no less than 16 Ministers, each one bringing their own version, more often than not dismantling what came before. Very few of them served long enough to drive sustainable transformation, and the result is what we see today: A department without memory in doing; a department without momentum in execution; and a department without mastery in innovation and resilience.

It is no exaggeration to say that the centre, today, still remains rudderless and directionless. In search of the sector loadstar, we look to the Presidential Commission on the 4IR

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recommendations, to the Digital Economy Master Plan and, now recently, the digital Transformation Road Map. We have no single coherent industry vision co-created with the sector and driven at the centre. Implementation of what even exists often lags mandates overlap and resources are squandered.

Madam House Chair, hon members, we are tasked to lead a sector that is the gate to a different world becoming: A world shaped not by land or minerals by code; a world not ruled by guns or borders, but networks, algorithms and data; a world where progress is measured not by how fast we dig, but how fast we connect, innovate and imagine. Yet, in the sweeping tide of digital transformation, South Africa is lagging - not because we lack talent, not because we lack role, but because we lack lack urgency, vision and united direction.

The rest of the world is not waiting for us. India has launched its own digital public infrastructure, linking ID payments and social services through one seamless system. Rwanda has drone corridors to deliver medicines in the most remote villages. Kenya's Silicon Savanna is creating thousands of jobs through tech hunts and local innovation. In South

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Africa, the ICT continues to be treated as a footnote rather than a driver of economic growth and job creation.

So, I say again, as we meet today and consider the approval of a significant budget, we are duty bound to ask ourselves some difficult questions. We must ponder whether, through this budget, we are once again finding a series of missed opportunities and unfulfilled promises or not? We must critically engage on whether this department can truly deliver without a cohesive vision and strategic alignment, or are we enabling the department to remain an albatross around the lack of innovation and progress?

It is our responsibility to question: What is the cost of delay of crucial legislative and other reforms required to live our lives from our digital economy? We must ask the question: Can South Africa afford to miss the digital future? The Secretary General of the United Nations, Antonio Guterres, once said:

The digital revolution can be a force for good but will not happen on its own. We need to steer it with clear strategy, coordination and courage.

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South Africa must respond with urgency and intent!

So, we are calling on the Minister to set out a clear vision for the industry and mobilise all stakeholders to realise it. We are saying to the Minister: Pick a side, and I hope it is the right side. Run with it so that we know where you stand on important matters, such as economic transformation in favour of the black majority: The nature of effective competition in the sector; market consolidation; price regulation; the formation of the state bank; funding of SA Broadcasting Corporation's public mandate; meaningfully capacitating the State Digital Infrastructure Company; and the enduring call for a wireless open access network; and national and digital sovereignty.

To this end, Minister, and after having extensive engagements with the Ministry and the department, we reiterate our call that the department must prioritise modernising the legislative framework. Our laws are relics of a bygone era, crafted before artificial intelligence cloud computing, before the internet was in every child's home. We cannot regulate AI over the top services or digital platforms without data legislation.

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In the coming weeks, the committee will adopt its own legislative agenda to ensure that our laws support innovation, competition and investment in emerging technologies. This, we will do to safeguard the integration of our laws, to ensure that they are not amended by stealth or policy directors; two, you must accelerate inclusive economic transformation; and three, you must strengthen digital infrastructure and sovereignty.

We cannot allow multinational platforms to dictate our digital reality. [Interjections.] We must be clear, Minister, on our intentions to provide for our own people, and not to be seen as place and opportunity for racist and predatory elements that seek to undermine our country's technology.

[Interjections.] Minister, you must enhance cyber security and online safety. You must stabilise our state-owned entities. Our state-owned entities are fighting like siblings in a dysfunctional home: Sentech and the SA Broadcasting Corporation; SA Post Office and the Postbank Bank, BBI with Eskom and Transnet; Seta with everybody else.

The rest of the speech, Minister, we will send to you, but we do want to thank you so much for your continued engagement in

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the portfolio committee. We thank the Deputy Minister, the Director General and the leadership as a whole, for your continued engagement with the committee. The ANC supports the approval of this budget; not because we believe, Minister, that you are taking us anyway, but because we know that we have a responsibility to work with you. [Interjections.] We know that ... [Inaudible.] ... instability ... implore the rants of the digital ... [Interjections.] [Time expired.] Thank you very much.

The HOUSE CHAIRPERSON (Ms Z Majazi): Hon remembers, and also officials in the gallery, you are invited, perhaps to be present in the gallery, but you do not participate in the debate because you are not Members of Parliament. So, the clapping of hands and the excitement that you show, you should do it outside. Here, only Members of Parliament are allowed to participate. As we proceed, let me acknowledge and call upon the hon Ngubane to the podium.

Mr J S NGUBANE: Hon House Chair, hon members, representative from the Department of Communications and Digital Technologies, DCDT, entities, stakeholders in the Information and Communication Technology, ICT, community, the people of

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South Africa that we serve, good morning. I am still confused how to support this budget. It confuses all of us. Your speech was right online, but you spoiled the whole thing. Sooner or later, somewhere along the line, the ANC must be fair to itself and have the speech and say we reject this budget.

Chairperson, as the MK Party, we vehemently oppose this budget. The reason is that this department under this Minister keeps doing the same thing but expects different results. As the MK Party, we will never stoop this burden. Let me take this opportunity to first and foremost congratulate Telkom on the appointment of Ms Beauty Apleni as CEO of Openserve, a humble lady who started at Telkom as a business analyst in the data warehouse and worked her way up at Telkom. At least in the midst of the South African Broadcasting Corporation, SABC, the unilateral Bill withdrawal of the Act, the attempt of BEE sanitisation, Construction Education and Training Authority, CETA, and the Home Affairs Department's collaboration in trying to undo the Transversal so that the private sector takes over. In this whole mess of the Government of National Unity, GNU, there is at least some hope that there are people rising from the ashes to lead companies like Beauty Apleni of Telkom. We humbly and modestly congratulate her.

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The Phalaphala saga and the Mkhwanazi saga need only one solution. It needs the unsealing of the CR17 bank statement funding to save South Africa. Everything must be transparent. This Budget Vote 30 we are debating today is no ordinary budget line; it is a political battleground about who controls the future of our digital economy. Is it the people or the connected or the elite? Let me remind this House that a revolution is not a tweet or a free Wi-Fi.

As the MK Party, we do not celebrate household numbers while our people remain digitally dispossessed. We do not know where the R1,56 billion is going. We see that R1,56 billion is being transferred to state-owned entities like Sentech and Broadband Infracore, Independent Communications Authority of South Africa, Icasa, Government Communication and Information System, GCIS, and South African Post Office, Sapo. But let us talk about what do we get in return. Are our rural village is connected to fibre? No. Is our youth trained in digital skills? No. Our state-owned enterprises, SOEs, is clean and functional as we speak? No.

Chairperson, if you go to so many of these SOEs today you will find more tenders than technicians, more consultants than

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coders, and more spin doctors than signal strength. This is a digital capture and not the digital development.

Government is using GCIS as its propaganda machine. GCIS received the budget with conditions. That alone is a red flag. They say they are communicating with the people, but GCIS is only communicating with the ANC. It is a public relation, PR, machine for the political elite as well. We want to ask, how is this budget democratising access to information? Why are community radio stations like Inkonjane Community Radio being infiltrated by the officials' board? That is a conflict of interest? This needs to be investigated again. We have been raising this over again as if we are not well in our heads. These things need to be investigated.

The collapse of the post office. At the post office, you can have one turnaround strategy after another, a new board, a new managing director. If you do not close the endless loopholes of corruption there, people will come and go as they please. I was even kind enough to give this company advice; I can tell you that now. That is why we are saying that we do not support the mediocre budget that keeps doing the same thing and expecting different results. You will keep on changing the

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board or CEO, this entity needs to be streamlined. The endless corruption. This is a gold mine of authority that this government does not see. It is now going down the drain. The courier companies are now ripping it off. They are taking the staff who have experience and hiring them. They are now talking about reorganising their business because it is collapsing right before our eyes.

Let us not pretend that the post office is no longer a national asset. This entity is a crime scene on its own. It received around R381 million bailout, and we still ask, where is the audit report? Why are our workers unpaid, branches closed, and communities left stranded? We as the uMkhonto weSizwe Party, demand a forensic audit of all support bailouts since 2019.

We want to know who ate the people's money, and who ate the people's mail as well. No budget without justice. This Budget Vote set R301 million for infrastructure and R73 million for ICT skills and capacity development. But ask any young person in Lusikisiki, kwaNongoma, in Malamulele, or in Alexandra, where is the broadband? It's nowhere. Where is the Wi-Fi? Where is the training? This is not capacity development. It is

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an elite recycling. The same families, same networks, same entrepreneurs are ones benefiting from this budget.

President Zuma said you cannot just speak about transformation without understanding the power. This budget speaks of transformation in theory, but in practise, power remains in the hands of those who look like us, but they keep serving the capital. We must not confuse black faces with black power. As the uMkhonto weSizwe Party, we want a digital economy that serves the working class, not the white monopoly elite platforms wrapped in black PR.

Our demands in this House are clear: Quarterly performance reports for all SOEs received DCGT funding, forensic audits into spending, full disclosure of beneficiaries of ICT training programmes with a provincial breakdown, a people's digital summit to redefine transformation in the sector, amendment of the Media Development and Diversity Agency, MDDA, to criminalise political interference in the community media.

In conclusion, we assist that we will not support the funding of the propaganda, the funding of the looting, and the funding of the betrayal. Thank you.

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Mr S G VILAKAZI: Hon Chairperson, fellow citizens, in the digital age, power lies not only in institutions but in infrastructure. The ability to connect to data, to services, to opportunity is what increasingly defines who participates in society and who is left behind. This makes the work of the Department of Communications and Digital Technologies not just important but urgent. Its strategic plan and annual performance plan, APP, set out a compelling vision, a digitally transformed society and a localised competitive economy.

We welcome the department's continued focus on digital inclusion, the migration of government sites to the zero-rated gov.za platform, and the growing attention to digital skills development. Importantly, the committee is also pleased that the department has agreed to integrate the committee's proposed refinements to its strategic plan, APP, and budget. This reflects a welcome responsiveness.

It also signals that this committee does not see its role as merely rubber-stamping departmental plans. We take our constitutional mandates seriously. Oversight must have presence and impact.

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Let me raise five areas of concern. Firstly, a longstanding and widely acknowledged obstacle to sector growth is missing or outdated legislation. The legal framework for communications and digital technologies is no longer fit for purpose. For that reason, the committee welcomes the Minister's bold decision to convene a policy colloquium to inform a comprehensive overhaul of the Electronic Communications Amendment Bill. This is precisely the kind of forward-looking leadership that is needed, Minister.

Secondly, the department's performance indicators have room for improvement. Too many are activity-based, measuring outputs like frameworks or reports, rather than real outcomes. Others seem detached from the operational capacity of the department. Targets like 90% 5G coverage or 100% fibre-to-government sites sound visionary but mean little without correct milestones, transparency, and consequence for non-performance.

The need for the committee to be more closely oversee the department's monitoring and planning tools highlights serious challenges in management follow through in these areas.

Closely related is a longstanding internal imbalance. Senior

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management staff make up just 25% of the Department's workforce yet absorb over 50% of the compensation of employees without clear evidence of proportionate delivery in management.

Siswati:

Sihlalo, kwesitsatfu, kunekuphikisana lokukhulu phakatsi kwelwabiwo timali kanye nemsebenti lotakwentiwa ngekusho kwe-APP. I-Icasa iniketwe imali lengangetigidzi temakhulu lamabili nakubili ngekutsengisa spectrum kulomnyaka kodwa ku APP kute lokuchaza loku. Kantsi futsi i-SA Connect lokuluhlelo lokufinyelelisa i-inthanethi loluhamba phambili kulomnyango lumile njenganyalo, lilindze kuvunyelwa Lihhovisi Lemgcini Timali Wavelonkhe kutsi lisebentise kabusha imali leyasala nyakenye.

Loku kusengakavunywa kantsi kute siciniseko sekutsi kutawuvunyelwa. Noma ngabe umnyango ukhuluma ngokukhulisa luhlelo lokwandzisa i inthanethi kakhulukati etindzaweni tasemakhaya kunebungoti lobukhulu lobungavimba loku kutsi kwenteke. Bosomabhizinisi labancane lababambisene nemnyango kulomsebenti batitfolo bemukwa licatsa emlonyeni kantsi nje

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live lelichumanisekile liyenteka nanobe kungekho tetsembiso
letingakafezeki.

English:

Fourthly, the long-overdue reforms of state-owned companies must finally be implemented. The Broadband Infraco SOC Ltd, BBI, Sentech Soc Ltd, South African Broadcasting Corporation, SABC, South African Post Office, SAPO, and Postbank are in various stages of institutional fragility.

The state-owned company for digital infrastructure remains unrealised. Rationalisation has been talked about for years. Let this Minister be the one to break the cycle that takes the department from planning to execution, underpinned by clear governance frameworks, political will and a managed transition strategy.

Fifthly, the department must strengthen its response to cybersecurity and digital security. In an era of rising cybercrime, digital manipulation and critical infrastructure vulnerabilities, trust is not an option it is foundational. Chairperson, in a digital age power lies in infrastructure but progress lies in execution. Siyabonga [Thank you.]

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Mr S THAMBO: Chairperson, maybe let me begin by extending my apologies if I sound a bit irritable. I woke up this morning to a report that the Public Protector will be investigating matters relating to the Minister of Police, Senzo Mchunu. I find it extremely disturbing because that institution has become one that justifies criminality. I would like to urge the hon Zungula to withdraw his complaints, because the outcome there is going to delegitimize that entire process. So, I want us to at least speak to that.

The EFF unequivocally rejects this proposed budget as it represents the persistent and systemic failure to close the digital divide and uphold access to information, which is a fundamental human right. I want to begin by addressing the well-intentioned but misguided interpretation of the Money Bills Act, and the hon Kusela will remember that we always have debates about this as it relates to the value-added tax, VAT, process. So, there is no pre-conditional support for a budget that is applicable. So, you cannot say that we are supporting a budget, whether it be the Fiscal Framework and Revenue Proposals or the Division of Revenue Bill, or the Appropriations Bill, with the assumption that the conditional support will be applied because you will not have any recourse

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when that conditional support is not followed through. So, I want to urge that this committee must not approach it in that manner. It is a well-meaning, intended interpretation of the Money Bills Act, but it is one that is not going to follow through, and this relates to the non-alignment of the annual performance targets and the strategic plans. So, it is the same logic that was used during the support of the Fiscal Framework process in terms of the second iteration of it, which contained the VAT increases, and I want us not to do the same process as well here.

One of my concerns is that the conditional support of the Budget Vote is misaligned and misplaced because it also applies to the equity current investment programmes, as these are governed by legislation which is regulated by the Department of Trade, Industry and Competition, and not the Department of Communications and Digital Technologies. On top of this, there is a commitment to create 20 000 jobs in the Digital Economy Programme, but no indication as to how these will be done over the medium term and how that relates to the target of 150 000 jobs, which is outlined in the 5-year strategic plan. The misplacement of a target regarding the equity equivalent programmes may not be a coincidence, but

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forms part of what we think is the mischief we have been dealing with in the committee, where there is a proposed alignment of the Electronic Communications Act and the information and communications technology, ICT, sector code to allow for foreign satellite companies to subvert the Electronic Communications Act, ECA, and 30% local ownership mandates using equity equivalents. This is a proposal we have objected to because the so-called alignment would require an amendment to legislation, and this cannot be achieved through a ministerial policy directive.

In our view, this is all in service of allowing Starlink to operate in South Africa. We must state that we will never allow Starlink, which has weaponized misinformation and captured of the White House, to erode us and South Africa's diplomatic relations to ease business access in South Africa. We view that as economic and diplomatic terrorism. Any company ... even if Starlink were to meet equity equivalent requirements, there is a security threat that it poses that must never be allowed to operate in South Africa, and we will never allow it to do so.

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Now that we have dealt with legislative mischief, I want to address bread-and-butter issues affecting our people. The cost of data is not only expensive, but its existence as a perishable commodity in the hands of our people contributes to the violation of the human right to have access to information. Considering that this has been a prominent conversation in society and that there has been a commitment to cut data costs to no avail, yet this has not been considered in this budget as part of ensuring affordable connectivity, is alarming. This budget should have developed a strategic plan to establish a state-owned telecommunications company, which would be afforded an adequate amount of spectrum to ensure our people have connectivity. The major telecommunications companies met with us as a committee and spent their time rationalizing as a matter of profit, the expiry of data and airtime, spent their time avoiding explaining how they operate as financial service providers who sell funeral policies and life insurance, and avoiding the collusion between themselves and the regulator, Independent Communications Authority of SA, Icasa, where there is a revolving door between board members of the Icasa, and employment opportunities at mobile network operators.

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The commitment to profit maximization should have been an indication that we do not have sovereign control of the telecommunications sector, and we are at the hands of massive companies that dictate when and how we use our data and airtime. Any budget that does not plan to remove our nation from dependency on MTN, Vodacom, and Cell C is not worth the paper that it is written on. We had an auction of spectrum in 2022, and predictably, MTN and Vodacom, due to their financial muscle, dominated the acquisition of spectrum, meaning less competition for them and continued high prices of data. To then allocate R102 million for licensing in 2025-26 through an auction process is an exercise in futility because the same giants will dominate that auction process and maintain poor quality of services and high costs of data. The quality of service is appalling. In places like Matatiele, Lebowakgomo, Zeerust, and Pongola, our parents must climb mountains to call their grandchildren who are the universities and schools. If school children want to study, they must wait until midnight and 5:00 am to be able to study because the options they must use data are restricted to those times. You cannot build a digitally inclusive society while relying solely on private sector control of telecommunications, and even worse, seeking to introduce entities such as Starlink, which leverage

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political disagreements to enter domestic markets whilst not complying with our laws.

The chronic underinvestment in modernizing the SA Broadcasting Corporation, SABC, is disgraceful. The deteriorating Auckland Park building symbolizes the broader crisis - low staff morale due to poor pay, stagnating creativity from a lack of strategic project funding, and the absence of innovation once seen in productions such as *Yizo Yizo*, *Gaz'lam*, *Zone 14*, *Home Affairs*, and many other compelling productions. The SABC lacks a coherent funding model, and this is deeply troubling. The allocation of R7,8 billion on its own to the department is laughable and reflects on how this government lacks an appreciation of the role of the digital economy in modernization and job creation. Therefore, we cannot in good conscience support this budget. Thank you very.

Mr T M LANGA: Most hon House Chairperson, and greetings to the Minister, Deputy Minister, department leadership, entities leadership, hon members, and fellow South Africans, the IFP acknowledges this Budget Vote and emphasises that in today's fast-changing world, access to reliable, affordable, and secure communication is not a privilege, but a constitutional

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and developmental necessity as it underpins service delivery, education, economic participation, and even the exercise of democratic rights.

The IFP remains deeply concerned that millions of South Africans, particularly in rural and township areas, continue to be excluded from meaningful participation in the digital economy. In this regard, the IFP welcomes the continued rollout of the SA Connect project. However, this must translate into tangible benefits for ordinary citizens, not merely infrastructure statistics.

The IFP is equally concerned about the persistent operational and financial challenges facing the SA Post Office, Sapo. Whilst the Sapo remains a critical instrument for inclusive service delivery, especially in rural areas, the lack of a viable commercial recovery strategy threatens its long-term sustainability. The IFP supports the finalisation and implementation of the Post Office of Tomorrow's strategy and calls upon the department to ensure that support branches are adequately resourced, digitised, and repurposed as government receives hubs. These include ensuring the functionality of all retained branches, enabling the Sapo to deliver citizen-

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centric services. Revenue diversification and digital integration with Postbank and consistent reporting on infrastructure investment must be prioritised. The future of the Sapu must reflect both financial viability and its essential social mandate.

The IFP welcomes the department's strategic emphasis on building a capable, ethical, and developmental state. This includes expanding broadband access, promoting digital skills development, and supporting the growth of the local ICT sector, especially youth and women-led SMMEs. We believe these goals must be backed by measurable implementation targets and consistent leadership.

We take note of Sentec's steady revenue growth with projected earnings of R5,6 billion over the Medium-Term Expenditure Framework, MTEF, period. However, the rising cost, exchange rate volatility, and weak operational margins present risk. Similarly, the SABC's digital strategy and its goal to reach over 1 million users of SABC Plus by 2027-28 is ambitious, but long-term sustainability demands ... [Inaudible.] ... resolution of the broadcaster's funding model and its public mandate.

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It is critical that the department champions the cohesive national vision and ensures South Africa is positioned as a globally competitive digital nation. The practical, future-proof ICT system is the backbone of any modern economy. The IFP urges the department to provide the regulatory certainty and investment-friendly environment needed to unlock innovation, bridge inequality, and promote access for all. Considering the matters raised above, the IFP supports this Budget Vote. Thank you very much.

Mr E HENDRICKS: Chairperson, hon the Minister, Deputy Minister, and hon members of the House, not forgetting my patriotic fellow South Africans, good morning. The PA supports Budget Vote No 30: Communications and Digital Technologies. However, our support is not a blank cheque. It comes with a firm call for urgent reforms, clear accountability, and a bold commitment to positioning South Africa as a leader in the global digital economy.

If we are serious about the Fourth Industrial Revolution, we must begin where it matters most – in our schools. We call for the integration of artificial intelligence, AI, into the curriculum. AI is more than automation. It is a transformative

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tool that can reshape education, health, and public safety. In education, AI can personalise learning, identify learning gaps, and deliver targeted support. In health care, AI-powered diagnostics can help detect diseases early and reduce pressure on our public health system. In public safety, predictive policy and smart surveillance can assist in addressing crime, a crisis our community knows too well. We are calling for Wi-Fi hotspots in informal settlements, rural areas, and township schools. This is not charity. It is restorative justice. Let us not delay Vision 2030.

We cannot achieve an inclusive, skilled, and innovative economy if our learners are left behind in outdated systems. On support for small, medium and micro enterprises, SMMEs, and inclusive job creation, Minister, we also welcome the five-year plan to create 150 000 jobs in the digital economy, but these jobs must be inclusive. Africans, coloureds, Indians, and whites – every South African must benefit equally.

Globally, nations have built strong digital economies by investing in youth and small businesses. They have reclaimed water, launched technology hubs, and trained young people in areas like cybersecurity, AI, and green technology.

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We ask: Why not here? The PA will advocate for innovation hubs in every province, coding bootcamps, and skills in device repairs and broadband installations, smart agricultural, and low-cost water technology. We must empower the youth to become builders, not bystanders.

The digital economy must also reflect our cultural diversity. We insist that the department recognise and support Afrikaans in digital content and broadcasting.

Afrikaans:

Laat die mense in hul eie taal praat.

English:

In the digital age, data is the new gold. South Africa must protect its digital infrastructure. We urge government to work with skilled, reputable companies to build and secure our servers. Data breaches are not just information technology issues. They are economic threats.

Finally, this budget must be spent transparently, efficiently, and ethically. Corruption cannot be tolerated, not in this department, not in any. Strong oversight and consequence

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management are not optional. They are essential. This budget is more than numbers. It's a blueprint of our digital future. Let us embrace AI, enforce accountability, support SMMEs, protect our data, and uproot corruption. The time for talk is over. The time for action is now. The PA supports the budget, but we'll be watching.

Mrs H DENNER: House Chairperson, universal access to digital technologies is crucial to enable South Africans to engage in work and social interactions, to access government and other services, to participate in economic activities and to exercise accountability over those in positions of power. Access to digital technologies also plays an important role in safety and security and the protection and promotion of the wellbeing of all. Historically, however, this department and its entities has failed insofar these goals and mandates are concerned. We are all knowledgeable about that.

The absolute lack of political will, blatant fraud and corruption, a flagrant abuse of state resources, labour unrest, resources and funding constraints, and a shameless lack of proper management or even mismanagement have systematically denied the people of South Africa the right to

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be informed, to participate, to contribute, and to assert themselves in a technological age. The proven lack of consequence management for irregular, fruitless, and wasteful expenditure, as identified by the Auditor-General in previous financial years, is but one example, and we need to see better, Minister.

Chair, my time is limited, so I will only touch on a few aspects. Since a lot has been said about the SA Post Office already, I will start with the State Information Technology Agency, Sita. What is going on at Sita, Chair?

The Sita's mandate is to improve service delivery to the public through provision of information technology, information systems and related services, and to promote the efficiency of the state departments and public bodies using their services, yet exactly the opposite seems to be happening. Department after department appears before committees of this House - and those members of us who attend our portfolio committees will know this - lamenting Sita's poor performance and inability to deliver on its mandate. Instead of enabling proper service delivery and simplifying

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processes, Sita hampers and frustrates it. An entire rethink is necessary here.

Afrikaans:

Voorsitter, die Suid-Afrikaanse Uitsaaikorporasie, SAUK, is miljoene mense in ons land se enigste middel van toegang tot kennis en inligting. Kennis is mag, maar konstante en deurlopende probleme by die SAUK ontmagtig die mense van Suid-Afrika as't ware, en maak inbreuk op van ons mees fundamentele regte, soos ons taalregte. Afrikaans is die derde mees gesproke taal in Suid-Afrika. Tog kan die SAUK nie Afrikaanse kykers die nodige respek betoon deur net die Afrikaanse nuusbuletin, byvoorbeeld, in 'n vaste tydgleuf, op 'n redelike tyd, soos wat dit vir jare was, soos altyd uit te saai nie.

Dan kla die SAUK oor tanende advertensie-inkomste, maar watter adverteerder wat 'n spesifieke teikenmark deur 'n spesifieke medium wil bereik, sal belê in advertensies by 'n instansie wat sy bes doen om juis daardie spesifieke teikenmark te vervreem en weg te jaag? Hoekom, is die vraag wat ons moet vra, doen die SAUK dit?

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Hierdie departement en sy entiteite is van kardinale belang vir ekonomiese vooruitgang en werkskepping in Suid-Afrika, die twee belangrikste doelwitte wat gevolg sal gee tot verligting op alle ander gebiede. Daarom mag dit nie misluk nie. Die R7,8 miljard begroting moet op die regte prioriteite bestee word. Deurdagte besluite gebaseer op goeie besigheidsbeginsels en nie kosmetiese teikens nie moet geneem word en uitgevoer word, vry van politiekery, geykte politieke ideologieë, bedrog, en korrupsie.

Minister, u het nie 'n maklike werk nie. Dis nie maklik om die verval te stop in iets wat oor die verloop van 30 jaar aktief en sistematies afgebreek, misbruik, en besteel is nie. Daadwerklike optrede is nodig – minder praat en meer doen om werklike verandering en sukses te verseker. Ek dank u, voorsitter.

Sepedi:

Moh M P KOBE: Modulasetulo, ke Kobe. Ke rata go dumediša Tona ya kgoro, Ntate Malatsi, Motlatšatona Ntate Gungubele, le Maloko kamoka a Palamente; MaAfrika Borwa, ke re thobela.

English:

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Hon Chair, South Africa stands on a precipice of digital transformation, a shift that, if steered correctly, could redefine opportunities, service delivery, and national competitiveness. Budget Vote No 30 presents a bold and necessary vision to bridge the digital divide, stimulate economic growth, and modernise our state institutions.

ActionSA acknowledges the Department of Communications and Digital Technologies' alignment with the National Development Plan: Vision 2030 and priorities of the seventh administration, including inclusive growth, reducing poverty, and rebuilding a capable and ethical state. The strategic pillars, from expanding broad-based access to developing digital skills and ensuring cybersecurity, are comprehensive and commendable. We particularly welcome the department's stated commitment to empowerment SMMEs, increasing 5G and fibre connectivity, reducing data costs, and focusing on digital inclusion in underserved areas. If implemented effectively, these plans could contribute meaningfully to bridging South Africa's deepening digital divide.

However, we cannot ignore the serious and repeated concerns raised by the portfolio committee, concerns that cast

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significant doubt on the department's capacity to deliver on its ambitions. The department's track record is troubling, with chronic underperformance. Four thousand schools are still disconnected since 2015, yet targets for 50 000 schools are claimed. Key legislative reform such as the Electronic Communications Act and South African Broadcasting Corporation SOC Ltd Bill has been delayed for years. Unfunded mandates including the critical SA Connect programme the President has publicly committed to still lack adequate budget allocation.

The failure to ensure policy certainty leaves regulators like the Independent Communications Authority of South Africa unable to act decisively, and ineffective oversight of entities such as Sita, the SA Post Office, and the Universal Service and Access Agency of South Africa continues to haemorrhage public funds with little consequence or reform. The department's targets are vague, unmeasurable, and misaligned with its annual performance plan. There remains no clear path to implementation, no credible accountability mechanisms, and no assurance that digital transformation won't continue to be delayed by litigation, leadership churn, and infrastructural failure.

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ActionSA recognises the urgency of digital transformation, but we remain deeply concerned that the department is not structurally or financially equipped to meet the demands of this critical portfolio. Minister, even your own Government of National Unity partners do not believe you are taking them anywhere. Therefore, we reserve our position to Budget Vote No 30 at this time. Our final decision will hinge on a credible commitment from the department to implement overdue policy reforms, ensure better governance, and address chronic failures that have long plagued this sector. Thank you.

The DEPUTY MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Hon House Chair, the Minister of Communication and Digital Technologies, Mr Malatsi, Chairperson of the Portfolio Committee on Communication and Digital Technologies, Ms Khuselwa Sangoni and the portfolio committee in general, hon members, the Director-General Nonkqubela Thathakahle Jordan-Dyani, ladies and gentlemen ...

IsiXhosa:

... molweni.

English:

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The department is on course towards a connected and a digitally transformed society. Over a year ago we presented the department's efforts towards fulfilling the seven administration's key priority programme. The department remains committed to fulfilling its mandate of enabling a connected and digitally transformed country, building on achievement and work done over the past 30 years of this democratic dispensation. As we celebrate 70 years since the adoption of the Freedom Charter, a cornerstone document of our democratic Constitution that espouses the vision of the united, nonracial, nonsexist, democratic and prosperous country, we aim to harness the power of technology and telecommunication to transform our country to one that is economically inclusive and at the cutting edge of the digital transformation.

In the President's 2025 state of the nation address, Sona, His Excellency, Cyril Ramaphosa emphasized:

To create jobs, we must leverage our unique strength in our unrealized potential to build the industries of the future, which are green manufacturing, renewable energy, electric vehicles and the digital economy.

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It is no surprise therefore that this sector has been put under the Operation Vulindlela chapter. Hon House Chairperson, as we present this Budget Vote, we must first congratulate Telkom for their phenomenal performance for the year ended 31 March 2025. The government as a 40,5% shareholder received more than half a billion Rand in dividends. This is critical showing of how public/private partnership can be beneficial for the growth of the economy. Congratulations to Eskom, also.

Artificial intelligence, AI is one of the defining opportunities of our generation. Globally, AI is shaping economies, disrupting industries, and accelerating change at an unprecedented pace. It is a field marked by intense global competition, rapid innovation and profound implication for how societies are organised. For South Africa, it holds the promise of transformation that is inclusive, empowering and distinctly African. That is why in this financial year, we will be finalizing the National Artificial Intelligence Policy which will be submitted to Cabinet for approval and implementation will commence thereafter. Hon Chairperson, the exploration of digital transformation across South Africa's public and private sectors continues to bring unprecedented opportunities and increasing levels of cyber risks.

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As we deepen our reliance on digital infrastructure for essential services, the resilience of our cyberspace becomes critical to national security, economic stability and societal well-being. In the 2025/26 Budget, the department through the Cybersecurity Hub, has set ambitious targets to develop a National Threat Platform and launch a National Awareness Portal, while continuing to mature the Cybersecurity Hub.

Hon Chairperson, access to digital connectivity, affordable gadgets and lower data costs alone, will not result in our desired outcomes of universal meaningful connectivity if they are not backed up by the requisite digital skills. Our focus for the 2025/26 financial year will include amongst others: Training of 30 000 government employees in digital literacy, cybersecurity awareness and artificial intelligence fluency. This will be done through strategic partnerships between the department, National Electronic Media Institute of South Africa, Nemisa, the National School of Government, Department of Public Service and Administration and industry players like Microsoft, Amazon Web Services, AWS, and Google.

We will be embarking on curriculum interventions in partnership with Department of Basic Education to drive wide-

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scale delivery of digital literacy, coding and robotics for schools including targeted training of teachers, prioritising rural schools. I thought hon member Ngubane when he was speaking about our area I did not know why you said Alfred Nzo, Modimolle, Kokstad and mentioned those where he says no one has seen any connection.

We intend on training 12 000 SMMEs in digital entrepreneurship aimed at transforming formal and informal businesses to embrace e-commerce practices, digital marketing and online transactions. Finally, an initial cohort of 20 000 beneficiaries will be trained in content creation and earning through content creation opportunities. This is the space in which digital skills dovetail with creative media skills.

Hon Chair, in our quest to build a capable, ethical and developmental state, we have been hard at work since 2023 to ensure that vacancies departmentally and within our entities are all filled with capable and ethical men and women. I am happy to report that with the exception of State Information Technology Agency, Sita and SA Post Office, Sapu, where recruitment processes are at an advanced stage, all our

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entities have fully constituted boards which are hard at work to fulfil their mandates.

As we pursue the business of rescuing Sapo, we are beginning to see flickers of light at the end of the tunnel. Our faith in this national asset with unparalleled reach has yielded some positive developments which is why this financial year Corporate Plan outlines a forward-looking vision, grounded in five strategic objectives aiming to: improve service delivery, diversify revenue, strengthen governance, forge strategic partnerships and manage a seamless transition out of business rescue. This is imminent.

Through these priorities, Sapo will become a central enabler of economic and digital inclusion in South Africa. By leveraging its national footprint and strategic partnerships, Sapo aims to become a key channel for delivering government and commercial services to underserved areas, making it a cornerstone of inclusive economic and digital participation in our country. We look forward to seeing SAPO thrive.

Hon Chair, we are proud of the significant progress Postbank has achieved in the past two years. This includes,

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successfully addressing the conditions in the SA Reserve Bank Variation Notice, transitioning from three consecutive years of disclaimer audit opinions to a qualified audit, and the appointment of a full complement of the executive and board members. This bank has also maintained consistent and reliable customer service, particularly for its SA Social Security Agency, Sassa, beneficiaries with no payment interruptions since the infamous technical glitch of September 2023.

These milestones position Postbank well on its path towards becoming a fully-fledged commercial state bank. Postbank will continue investing in modernised technology and infrastructure to ensure it becomes a reliable provider of world class core banking solutions.

Hon members, as Nelson Mandela once said:

Safety and security don't just happen, they are the result of collective consensus and public investment. We owe our children, the most vulnerable citizens in our society, a life free of violence and fear.

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The Film and Publication Board, FPB, achieved notable progress in regulating media content and protecting vulnerable populations. The FPB analysed over 200 000 images which contained Child Sexual Abuse Material, CSAM, and through its interventions, some of the cases reported are now within the court system. The newly launched WhatsApp hotline and channel saw the organisation resolving 33 out of 40 public complaints which included addressing issues like revenge porn within 60 days.

In this financial year, FPB aims to strengthen its efforts in child protection and digital transformation. It will continue partnering with law enforcement to prosecute Child Sexual Abuse Material, CSAM, cases and enhance - [Time expired.]

Mr W M THRING: Hon House Chairperson, the ACDP notes this department's budget of some R3,9 billion for the current financial year, with R1,6 billion allocated for transfers and subsidies to information and communications technology, ICT, enterprise development and state-owned enterprise, SOE, oversight, including R1,6 billion for Phase two of the SA Connect project to expand broad-based access. We welcome the improvements made at the SA Broadcasting Corporation, SABC,

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and while the Film and Publication Board has been commended for its online monitoring of the 2024 elections and some progress has been made at Post Bank, reducing fraud by 80%. We must ask whether this department is empowering South Africans through communication excellence or merely digitising dysfunction.

The ACDP has previously cautioned for the department to be unambiguous in its mandate, to engage citizens in ways that enable informed decisions, and hence, improve lives, yet the Auditor-General continues to flag irregular expenditure, weak internal controls and contract mismanagement. Currently, there are investigations by the Public Protector into allegations of board infighting, mismanagement and lapses in accountability and decision making at the State Information Technology Agency, SITA. The R1,2 billion Western Cape Education Department alleged tender irregularity flagged for investigation by the SIU and other legal battles are draining the fiscal in the digital migration process. Additionally, the high staff turnover at the executive level and governance and operational inefficiencies, have led some government departments to consider in for exemption from using SITA as their preferred partner for the delivery of IT solutions.

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Now, while exemptions may offer some short-term relief, they risk fragmenting the public sector's IT infrastructure and undermining the very reforms needed to restore trust in the State Information Technology Agency, SITA. We agree that Parliament must urgently prioritise the inquiry into SITAs' governance failures, ensuring transparent board appointments and enforcing accountability for tenders. The ACDP asserts that digital transformation must not come at the cost of transparency. The department's ambitious road map for digital governance must be matched by robust cybersecurity, ethical AI governance and meaningful participation. As kingdom builders, the ACDP cautions that this department's ambitious road map for digital government must be matched with integrity and not just innovation. Thank you.

The CHAIRPERSON (Mr W M Douglas): Thank you, hon member. I'm going to go through the list of parties and if you are in the House, just indicate. The next speaker should be from the UDM, Rise, anyone from Bosa? ATM, Al-Jama-Ah, NCC, PAC, the hon Minister of Land Reform and Rural Development, UAT, Good. We'll move on to the DA, hon Bodlani. Thank you, hon member.

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Ms T K BODLANI: House Chairperson, hon Minister and fellow South Africans ...

Setswana:

... bagolo, dumelang.

English:

A year ago, Minister Malatsi, delivered a clear mandate that they were tired of stagnation and demanded a government that works for them. Minister, you only have one job and that job is to rescue South Africa. As alluded by the chairperson of this portfolio Committee ...

IsiZulu:

... usihlalo othandekayo ...

English:

... this department has had budgets approved over many years, yet the lack of political will to put South Africa first has brought us to this point. With an outdated legislation as the biggest reason for this stagnation, setting up a clear vision for the sector now lies in your capable shoulders, and today, you have set this out in this budget. We trust you Minister,

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to use your executive authority to rewrite the history of this important service delivery department. Your mission in this department is to ensure that South Africans have accessible and affordable connectivity, that IT government services work, that government IT services work effectively, and that South Africa is well positioned for economic growth and job creation through the Fourth Industrial Revolution, 4IR. Allow me to break down this mission, Minister, on ensuring accessible community, the sad state of our country is that a reported 3 million young people aged between 15 and 25 are not in education, not in employment or not in training. This paints a dire picture for our future.

It should be the role of this department to ensure that a child born in the dusty streets of Soweto, like me, will have the same opportunity to access the internet and its benefit, just as any other child born into opportunity. In our society, the circumstances of our births must not, and should never, determine our future, but instead, the hunger for one's success should. Our promise to create an equal opportunity society must be kept, Minister. The DA welcomes that the department has a major agenda reform ahead. The department has various entities with overlapping mandates. This wastes money,

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wastes taxpayers' funds, and indeed, undermines productivity. The matter of the Broadband Infraco, BBI, and Signal and Satellite Technology, SENTECH, have been on the agenda since the previous administration. Something must happen and something must give.

There is now political consensus on this, that they are measured to create State Infrastructure Agency and it must proceed without delay. Imagine BBI and SENTECH. The department can consolidate its resources and building infrastructure projects. This will mean better ICT infrastructure for South Africans across the country. The duplication of these entities has slowed down the infrastructure building while costing South Africans more money. In addition, a viable funding model for the SA Broadcasting Corporation, SABC, must be achieved. We call for a resolution on the SABC CYPL, so that we can proceed with this effort to give clarity on the financial situation of the state broadcaster. The success of the SABC will remain meaningless if South Africans are not able to access the SABC and get credible information. With the rise of miss and disinformation, it is more important that the SABC fills this gap, and this is not on a constitutional imperative but something that will strengthen our democracy. Per the

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state of the nation address, Sona, where President promised South Africans better working government services, the Minister has already started the implementation of this effort.

The relaxation of SITA regulations to allow government departments to directly procure ICT services, will go a long way in ensuring that sick days where citizens were turned back from government services because the system is offline, are over. These regulations will see government departments operating optimally to provide benefits to citizens who normally spend their hard-earned money on transport to access government services to be told the system is offline. So, we thank you, Minister, because no more system is offline. Further, we cannot succeed in creating a digitally industrialised economy if our regulations stifle market competition. A permanent example is black economic empowerment, BEE, regulations. We welcome the draft regulations introduced by Minister Malatsi on Equity Equivalent Investment Programmes, EEIP, to address this shortcoming. This will allow investors an additional pathway to market access into South Africa through making social

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investments without sacrificing at least 30% of their ownership.

All South Africans deserve affordable, high-speed Internet. Once, geography should not determine that. The insistence by members of the committee that this is done to accommodate one company speaks to your narrow worldview and your practices, where your organisations are known to tailor-make specifications to suit preferred persons or companies. We do not operate like that. Minister, the work of the filament publication bodies is really understated. The world around has become more digitised, we need to protect children from harmful and inappropriate content. Streaming services, which are the future of entertainment, remain unregulated in our country, living a large gap. This requires our collective and urgent attention.

Over a year, while considerable work has been achieved, there remains pressing challenges, namely, the Post Office and the Post Bank. We remain concerned about the future of Post Office and we also acknowledge that a delicate balance between public need and state resources must be struck. The fiscus has completely run out of funds for bailouts, while the need for

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accessible postal services remain. We trust that the working group that the Minister has created with the National Treasury will secure a viable future for the Post Office through private public partnerships, PPPs. We welcome the reported exit of the business rescue practitioners, BRPs, as Post Bank, and ... [Interjections.] ... We support the budget.

Setswana:

Ke a leboga. [Nako e fedile.]

Mr S I SUBRATHIE: Hon Chairperson, let me follow the protocol of members who have come before me and greet everyone in the House. Greetings fellow South Africans ...

Arabic:

As salaamu alai kum [Peace be with you.]

English:

Good morning and ...

Isizulu:

... sanibonani.

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English:

Hon House Chair, I've had the opportunity, like many of us, to attend various Budget Votes debates in the past 10 days.

Therefore, some of them were headed by departments that headed by Government of National Unity, GNU, Ministers from Good, from Co-operative Governance and Traditional Affairs, Cogta, and from the DA. Therefore, I couldn't but help appreciate and notice the collegiality between the Ministers, the Deputy Ministers, the departments and members of the portfolio committee. As we reflect on this critical Budget Vote debate, we must confront the harsh reality that in this House, under the DA Minister, our Department of Communications and Digital Technologies has become a battleground and an area of contention between those who seek transformation and those who are determined to maintain the status quo of exclusion.

The ANC's vision of a digitally inclusive South Africa, where every citizen has equal access to opportunities under the digital economy, stands in stark contrast to the DA's agenda of protecting monopoly interests and foreign corporations at the expense of black economic empowerment. Today, we must confront how the DA through Minister Malatsi's leadership has

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systematically undermine transformation efforts whilst presenting itself as a champion for progress.

Before we confront the shortfall of the Minister in this Seventh Administration, let us reflect and go back to what the ANC had achieved when it had overseen the Sixth Administration of this Department of Communications and Digital Technologies. Under the ANC's leadership 1,8 million households were connected to broadband, which was a historic leap, in closing the digital divide. On top of that five million citizens were equipped with digital skills, empowering a new generation for jobs in the future. I have the research, and you can access it from me.

Additionally, the digitisation of over 136 e-government services has revolutionised service delivery, earning global recognition as South Africa claimed 25 places from 65 to 40 in the United Nations e-Government Index 2024. SA Connect programme expanded internet access to rural and underserved areas whilst digital broadcasting migration ... [Inaudible.] ... provided 1,3 million indigent households with subsidised decoders and supported 1 279 installation companies. On the policy side, we amended the Postbank Bill, the SA Post Office

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Bill as well as we introduced the drafts of the SA Broadcasting Corporation, SABC, Bill.

Hon Chairperson, it's important to understand the journey we have walked to this point. We are seeing regression in the current administration. The Minister is silent on leveraging Postbank infrastructure to establish a state bank is a glaring omission in the department's transformative agenda. A state bank is not just a financial institution, but it is a critical tool for economic inclusion, particularly for marginalised communities that remained underserved by commercial banks. The ANC has long championed the creation of a state bank to democratise access to credit and to stimulate grassroots economic development.

The Minister's reluctance to advance this initiative reveals a deeper ideological resistance to state-led interventions that challenge and change monopolies. Postbank's existence, infrastructure provided, readymade foundation for this venture and SA Post Office, Sapo. The Minister's failure to articulate concrete plans for Sapo's financial turnaround and operational efficiency is deeply concerning. The entity could play a pivotal role in e-commerce and digital financial services and

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in the last mile delivery. Yet, the Minister's plans lack bold reforms to unlock these opportunities. Instead of proactive measures to see, receive aggressive targets and a passive approach to Sapo's collapse, which disproportionately affects township communities and rural communities who require its services.

Chairperson, the SABC's alarming 85% license fee, noncompliance ... [Inaudible.] ... has pushed the public broadcaster into a dangerous reliance on advertising revenue. That puts severely undermine its editorial independence and public mandate. The Minister's failure to prioritise the SABC Bill, which proposes alternative funding models, is a glaring omission on the annual performance plan. This delay leaves the broadcaster in financial battle. The SABC Bill must be fast-tracked, and without it the broadcaster's future may be uncertain.

The ANC's positions on Independent Communications Authority of South Africa, Icasa's, role in this matter is unequivocal. Our independent regulator must be allowed to perform its duties without political interference and applying the law equally to all participants. Attempts to undermine Icasa's authority in

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the Starlink case may set a dangerous precedent that could unravel years of careful policy development aimed at creating a more inclusive digital economy.

We cannot, hon Chairperson, allow our regulatory framework to be cherry-picked based on which companies have most political connections or international backing. The Minister's approach to Starlink reveals the fundamental disregard for the principle of equality before the law - a principle that is foundational in any democratic society. The betrayal of our sovereignty doesn't end here. There's a systematic effort to dismantle State Information Technology Agency, Sita, through policy directives aimed at ensuring that private sector entities handle the procurement of sensitive information and communication technology, ICT, equipment. This is not only a way of undermining state agency, but it is a long-term privatisation strategy of key state entities.

The Minister must prioritise the Electronic Communications Amendment, ECA, Bill process without further hesitation, ensuring that it aligns with South Africa's transformative agenda of equitable access and digital justice. We cannot afford to keep kicking this legislative reform down the road.

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South Africa's digital future depends on bold, decisive action now. As the African National Congress, we remain committed to digital transformation, which is rooted in the Freedom Charter's promise, that the people shall share in the country's wealth. In the digital age this means ensuring that the benefits of technological progress are distributed equitably rather than being hoarded by a privileged few. It means protecting and promoting local content in our indigenous languages, thereby preventing our cultural sovereignty from being eroded by global platforms.

Despite the DA's obstruction, the ANC remains committed to advancing transformative policies that will create a genuinely inclusive digital economy. We will continue to push for a modernised ICT laws and prioritise black economic participation. We will fight to protect Icasa's independence and ensure it regulates without fear or favour. We will demand urgent action on rural connectivity and digital literacy programmes. We will also expose and oppose any attempt to sell our digital sovereignty to foreign interests. The upcoming National Dialogue presents a critical opportunity for South Africans. Yet, the DA's petulant decision to boycott the process reveal their true character as nothing more than

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crybabies who would rather ... [Inaudible.] ... on the sidelines than engage in the meaningful solutions.

Hon Chairperson, as the ANC, we will not be crybabies. We will support this project and this budget, Minister, not because you are doing a great job, but because we need to do a great job for South Africans and provide a digital economy. It is for this reason that the ANC will support this budget with the recommendation of the committee.

IsiZulu:

Ngiyabonga ...

English:

I thank you.

Ms N V MENTE-NKUNA: Hon Chair, we are expecting the Minister also to attack the ANC because it's clear that they're fighting ...

The CHAIRPERSON (Mr W M Douglas): That is not a point of order. Thank you very much. Hon Minister, please proceed. Hon Minister, you may proceed. Thank you.

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The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, House Chair and to the members of the portfolio committee. It is very clear that there have been two different approaches to the response to the budget. One by those who have played an active role in the work of the portfolio committee reflected in some of the substantive inputs that they have made. Therefore, for that, we want to thank the parties that have supported this budget ... [Interjections.] ... yours didn't. Yours didn't.

We also want to take note because we understand this that supporting the budget also comes with the difficulty here. Difficulty of finding sources of conflict to then deal with the response to that. Be that as it may, I thought there were some key inputs that ought to be responded to. One is this fictional battle that is being drawn about being antitransformation or not, and it's important that we deal with the facts.

I thought for my fellow hon colleague, hon Subrathie, that it is mindful to also reflect on the President's newsletter that reflected on the equity equivalent programmes. It says that some in the public space have recently sought to suggest that

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the equity equivalent investment programmes, EEIPs, represent the circumvention of broad-based black economic empowerment, BBBEE, laws, and that it's a response to the conditions of a particular company or sector. Neither are factually correct.

Firstly, the EEIPs is not new and has been in existence for a debate. That captures that it cannot be correct that it is attributable to be an onslaught on transformation when it is a further entrenchment of what the transformation laws of the country seeks to achieve. However, I always enjoy the robust engagements with hon Subrathie.

Hon Thambo, I take note of your consistency with regards to advocacy on data costs and lowering them. Therefore, I thought that the contribution to Icasa is very important because ... [Inaudible.] ... it empowers it to continue with the proactive interventions that are needed to drive lower data costs. Therefore, on that note I would have expected that as difficult as it is to support the budget, you would at least support that intervention. Thanks very much, House Chair.

The CHAIRPERSON (Mr W M Douglas): Thank you, hon Minister.

Thank you to all the members for participating. That concludes

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the debate and the business of this miniplenary session. The miniplenary will now rise. Thank you.

Debate concluded.

The mini-plenary session rose at 11:42.

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