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*PROCEEDINGS OF NATIONAL ASSEMBLY*

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The House met at 15:01.

The House Chairperson Mr C T Frolick took the Chair and requested members to observe a moment of silence for prayer or meditation.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon members, the first item on today's Order Paper is questions addressed to Ministers in Cluster 3 - Governance.

There are four supplementary questions on each question. Parties have given an indication of which questions their members wish to pose a supplementary question on and adequate notice was also given to parties for this purpose. This was done to facilitate the participation of members who are connecting to the sitting through the Virtual Platform. The members who will pose supplementary questions will be recognised by the Presiding Officer. In allocating

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opportunities or supplementary questions, the principle of fairness, amongst others, has been applied.

If a member who is supposed to ask a supplementary question through the Virtual Platform but is unable to do so due to technical difficulties, the party Whip on Duty will be allowed to ask the question on behalf of their member. When all supplementary questions have been answered by the executive, we will proceed to the next question on the Question Paper. The first question has been asked by the hon X N Msimango to the hon Minister of Co-operative Governance and Traditional Affairs.

**QUESTIONS FOR ORAL REPLY**

**CLUSTER 3: GOVERNANCE**

Question 762:

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Hon House Chairperson, the Customary Initiating Act of 2021 provides for the establishment of the National Initiation Oversight Committee, NIOC, which was established coupled with the provincial initiating co-ordinating committees, which are responsible and led respectively by

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premiers, to oversee, monitor and provide oversight during the customary initiation processes.

This is aligned with the strategy to deal with the deaths which requires collaboration with various sectors. From ourselves, traditional affairs, the committees, the Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities, CRL Rights Commission, the Department of Health, amongst others, to create awareness, but also to educate all the key stakeholders with regard to their rights, their responsibilities and the functions towards the care of initiates.

Hon House Chair, over the years, OR Tambo district in the Eastern Cape has been one of the areas where there have been repeated inauguration deaths. Last week, from 6 to 10 November, NIOC and the Department of Traditional Affairs, DTA, together with the provincial National House of Traditional Leaders and the OR Tambo Local House of Traditional Leaders held initiation meetings with stakeholders to ensure that the processes and systems are in place as we will begin the important process in December.

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We, as a Ministry, will also continue our media campaigns on the Act, but also ensure that we consolidate all reports to the portfolio committee, and make oversight a common affair to ensure that we ensure safety and fully implement the law.

Thank you very much.

Mr X N MSIMANGO: Thank you very much, hon House Chair. Hon Minister, how is the department working with other social cluster departments to engage with traditional leaders to infuse elements of preparing the boy child to negate social ills, in particular those that violate women?

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: House Chairperson, the department, together with stakeholders and the Office of the President, among others, with municipalities champion a process where we all ensure that there is collaboration and partnership in terms of streamlining gender relations in all our sectors, but also consider ensuring that traditional leaders and their house are also in helping to ensure education and views of gender-based violence and its mitigation, in the office is well taken care of.

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As the House may be aware besides the Customary Initiation Act, the House of Traditional and Khoi-San leaders together and jointly with the CLR Rights Commission, the Department of Women in the Presidency also ensures that issues relating to customary initiation, gender-based violence, creation of social cohesion and various social partners on issues related to gender-based violence are well taken care of. Thank you very much.

Mrs G OPPERMAN: Chairperson, in the last ten years there have been over 700 deaths in illegal initiation schools, which are currently mushrooming and outnumbering the legal schools. Minister, I would like to know how many arrests and trials for these deaths have resulted in prison sentences so that these families can finally get the justice they deserve?

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Hon House Chair, the Co-operative Governance and Traditional Affairs, Cogta, is not the custodian of arrests, but nonetheless, I will indicate that arrests have been affected.

The figures could be provided with precise details. As I have indicated, especially in the OR Tambo district, measures were

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taken with all stakeholders, from the 6th to the 10th of November, the last two days, to ensure that we streamline processes in the future. But normally we also have traditional councils that deal with issues of initiation and the guardians. You may never understand that their jurisdiction actually does not even belong to courts.

Ms H O MKHALIPHI: Thank you, hon Chairperson. Hon Minister, the record shows that the previous young initiators who died from initiation schools in the Eastern Cape alone were 23. Since we are approaching the initiation season now, how is your department prepared to prevent even one young person from dying? Do you have measures in place? If you do, please share with us in order for the parents of those youngsters will be rest assured that no one will die as a result of the initiative.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: House Chair, I have indicated that the process is carried out from the 6th to the 10th. It is about the registration of the families who will do the same, it is about the measures taken by the Ministry of Health for the preliminary assessment, but also about ensuring health standards. It is also about ensuring that all stakeholders

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from the Ministry of Education, Ministry of Health, Cogta and the traditional house in OR Tambo are local houses to ensure that all processes, systems and protocols are followed in terms of the principles of initiation. One death is one death too many. We want to make sure that this is a transition to manhood, not a transition to death. But that we bring our men home safe and sound. So measures have been taken. Thank you very much.

Mr N L S KWANKWA: Chairperson, thank you very much. Minister, in light of the numerous media reports over the years which have exposed incidents of severe physical injuries, and violations of some of the human rights of these boys, including the death of boys at the hands of some of the people who are in charge of initiation schools. What awareness programmes have you conducted involving parents, community members and traditional leaders to prevent any discrimination or violence against initiates? In particular, homosexual initiates and what initiatives has the department taken to provide psychological support to those who have experienced trauma or abuse during the initiation process, that is both before and after. Ndiyabulela [Thank you.]

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The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: The media reports have been indicating yes, that the process was undertaken preliminary to ensure that the registration, supervision, and detailed preparations ensure that there are no injuries and they are not deaths could take place. The National School of Government, jointly with the National House of Traditional Leaders have also undertaken a process of writing even the protocol where education is being offered and OR Tambo district is where we are piloting all of the necessary adjustment that needs to happen, either in law or also in education and awareness as part of what our communities will do.

The National House of Traditional Leaders by its very own design, and determination in terms of responsibilities and mandate carry these educational activities and awareness and ensures that it is done jointly with the Provincial and Local Houses of Traditional Leaders.

We do believe that the number of incidents and deaths has decreased significantly according to media reports, that we get to see over the years that the government has taken the same measures. And this is not applicable in the Eastern Cape. We have paid particular attention to it because it faced

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challenges, especially because of the summer inauguration, which was moved to another province. Especially the winter inauguration, but also the processes to ensure that the process is sound and safe and will bring our men home safely as I said. Thank you very much.

Question 766:

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Hon House Chair, yes, the Department of Planning, Monitoring and Evaluation has been working with the Department of Cooperative Governance to ensure that the District Development Model, DDM, is integrated in all plans of government departments and state entities and thereby aligning the DDM with the Medium Term Strategic Framework, which is a tool to ensure that the NDP is implemented. But over and above that, the President has also established what we call the CEO Forum of all entities, because DDM also speaks to the involvement - not only of the three spheres of government - but also SOEs, business stakeholders, including our communities, to make sure that we realise that vision which was pronounced by the President in 2019 during the state of the nation address.

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But we also want to indicate that the National Development Planning and Coordination Bill, which is underway in the Cabinet system, will also help us to deal with some of the challenges and be able to have a legal framework that helps and strengthen intergovernmental relations. Thank you very much.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Deputy Minister.

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Yes, Chair.

The HOUSE CHAIRPERSON (Mr C T Frolick): There is a distortion in your background. I want you to sort that out because we cannot see you and the screen is ...

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: I have opened ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Its blur. Please sort it out.

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Oh! Can you see me Chair? Sorry about that.

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The HOUSE CHAIRPERSON (Mr C T Frolick): Yes, there we can see you now. Thank you very much.

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Okay!

Mr B S YABO: House Chair, economic growth and development require a strategic alignment of public and private investment into the economy. Economic policy should be supported by legislation and regulations which have an impact on public and private spending. The introduction of the District Development Model has brought up new opportunities to improve planning and to increase the impact of public spending through the development of One Plan, One Budget. Such a system will have its steering problems, and we welcome the progress of institutionalising the DDM. What are the plans of the department to include private sector players to ensure public investment and private spending are mutually reinforcing to advance our national development objectives? Thank you very much.

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Thank you very much, hon member. I think if you look at the approach of the DDM in as far as involvement

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of private sector through our SOEs and localising the DDM and ensuring that all political stakeholders participate in this, makes district business, local business and private sector to participate in the One Plan, One Budget approach. So, there is that involvement across the sectors in a particular locality in a district to make sure that happens. Now the new legislation which we call the National Development Planning and Coordination Bill, which is underway, which will come through to Parliament, will also strengthen the participation of private sector and other critical stakeholders in this regard. Thank you.

Mr J J MCGLUWA: Deputy Minister, do you believe in a shared vision? If yes, what role will you play in ensuring that the inputs, learnings, insights and achievements of successful local and provincial government, especially those governed by the DA or DA-led coalition, will start being mainstreamed and substantively taken on board in the long term, planning for the collective effort to strive for the National Development Plan? I thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Thank you very much, hon member. Yes, as the sixth administration and our government, we believe in a

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shared vision. If you can look at the outreach that we have been doing, even in the Western Cape, and everywhere within the borders of South Africa, the DDM is being canvassed and rolled out. Remember, this is the first generation of the District Development Model. It may have its own teething problems, but because we are learning and improving on some of these things, the Intergovernmental Relation Framework Act also empowers us to strengthen the relationship between the three spheres of government. Now that we are bringing in the National Development Plan and Coordinating Bill, it will also help us to put more impetus into a shared vision and improved co-ordination. Thank you very much.

Inkosi R N CEBEKHULU: House Chair, with regards to the District Development Model, we understand and have been on record saying that the government has been working in silos over the past few years, and it is refreshing to see that even the President of South Africa agrees with the IFP critique. However, we have further concerns and questions regarding the development model we would like to know. What plans has the Minister for Planning, Monitoring and Evaluation made to mitigate a top-down approach from the national and provincial government in dictating the agenda for local communities in promoting public participation? I thank you.

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The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Hon House Chair, thanks to Inkosi. If you look at the DDM, it is locals and the district that informs the One Plan, One Budget. Now what is happening currently, and I think this initiative of DDM came as a result of the sign of planning. And the reality is that whatever government wants to do, be it national or provincial, these things or the service delivery that we bring goes to a particular ward in a particular local municipality. Now the DDM helps everybody from national to province and all the local municipalities to come together under one district and then appreciate the service delivery challenges that we may be encountering.

By the way, the Department of Cooperative Governance also lead this process. That is why by the time we develop and come up with One Plan, One Budget, and makes it implementable into a Service Delivery and Budget Implementation Plan, SDBIP, all of us as the three spheres, as business, as SOEs, as critical stakeholders and communities, shall have made input. So, it is not national or provincial that owns the process. It is local and the district municipality, because all the project identification shall have been done at that level. So, it's bottom up instead of top-down up. Thank you very much.

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Mr M G E HENDRICKS: Hon House Chair, it is evident that in South Africa we have a lack of co-ordination between local and district, provincial, national government, Cogta and relevant stakeholders, as mentioned by the Deputy Minister, impacting negatively on local communities. The One Plan, One Budget or ... [Inaudible.] ... in terms of the district development plan must certainly be supported. We commend the Deputy Minister for this. Does the Deputy Minister think this One Plan, One Budget will lead to a smart district, taking into account the vision of the President for smart cities of the smaller scale? Can the hon Deputy Minister whet our appetite, by sharing her vision or let's call it a smart district ... [Time expired.]

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Hon House Chair, and thanks to the hon Hendricks. I think we really appreciate the fact that hon members are supportive of the District Development Model. And of course, having looked at the capacity challenges in our various municipalities and remember certain municipalities even have challenges, and this is where Department of Cooperative Governance comes in very handy, that certain municipalities may not even have capacity to employ engineers at senior level or even attract CFOs at that level.

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So, the DDM also helps to even caution, in terms of capacity and shared vision, including shared capacities amongst the municipalities and the district, including the provincial as well as national government. We are doing so in various municipalities. We have seen as the Department of Planning, Monitoring and Evaluation when the DDM approach in Fezile Dabi. Fezile Dabi is one of the districts that could not pass the DDM. Through Cogta, through Department of Planning, Monitoring and Evaluation, we had to rein over that district and help all the other locals to make sure that they too are up to the party.

So, it is through the co-ordination and collaboration amongst ourselves. Bear in mind some of these districts its where your hydrogen economy is going to happen and all these things. So, we need to rein over them and help and give support and not take over. So that's how we're doing, and Department of Cooperative Governance is leading in terms of some of these things. Thank you very much.

Question 758:

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: House Chair, the department has no specific plans to host the ... [Inaudible] ...Summit, because it incorporates in

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its day-to-day planning and execution of task and its responsibilities, utilising the best model of ensuring that we learn from our municipalities from one area to the other, who are best in doing what and collaborate with them, with a strategic aim in mind that we could host seminars with those strategic partners in various formats and platforms, but also on a range of topics.

We also encourage our municipalities to ensure that beyond the fit for purpose definition of how they carry their responsibilities. We then partner with key institutions like Chartered Institute of Government Audit and Risk Officers, Cigfaro for your financial management responsibilities, SA Local Government Association, Salga which always convenes topical issues and areas of growth and discussion with regards to best practices. And also, as we're spearheading capacity building in relation to all the best practices that municipalities have. For example, the Municipal Public Accounts Committee, which has just been established by law to ensure that within the local sphere it leads in ensuring the issue of the public representation and also oversight.

We are also learning from the National Council of Provinces, NCOP which is a House which also puts together from time-to-

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time best practices models from municipalities to look into topical issues on how we could learn from one another. Thank you very much.

Ms E R J SPIES: Hon Minister, I wrote this letter to you on 25 May this year, requesting to you and then Acting Head of Salga requesting the convening of a Best Practise Summit explaining the idea of why this platform should be created where best run municipalities could showcase these practices. Ironically, Salga expressed an appetite for this and their proposal was tabled to a meeting of the Governance and Intergovernmental Relations Working Group. A decision by Salga's National Executive on this consideration, was going to be communicated to me in due course.

Minister, your office until today has not responded. But Minister, in light of your response considering the reliance on existing support structures and interventions, how does your department plan to strengthen these mechanisms to ensure a more robust and effective support system for struggling municipalities, particularly in the light of shortcomings observed in previous interventions under sections 154 and 139 now their proposed District Development Model, DDM? And the

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fact that there is no evidence that help from district municipalities would be any more effective. Thank you.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Well, it is Salga's responsibility, by the way. They are an association which looks into how to improve the sphere. If possible, even the devil can write to them. They must be able to be willing to go and meet with the devil and discuss what are the issues that will make the municipalities better. We are mandated by the legislation on what we are supposed to do, and it emanates from the Constitution itself, which defines what are the roles and responsibilities of co-operative governance.

How do we strengthen all these issues? We ensure that we close on policy gaps. Quite a lot of legislation and measures have been implemented actually up to being assented by the President to ensure that we change a new Code of Conduct for Councillors, a competency framework for institutional capacity, the municipal support improvement and intervention plans. Around 154 municipalities have got such plans which links up with the finance with the finance recovery plans as mandated by the Municipal Finance Management Act, MFMA and National Treasury oversees that.

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Typically, there wouldn't be any evidence supposedly of how municipalities are improving. But just this morning at the portfolio committee, the department was demonstrating the progress it has made with Lekwa Local Municipality, which is under administration and intervention. Before the intervention, Lekwa Local Municipality could not even sit in a council meeting. Today, there is stability, there are projects. There is section 63, water and sanitation to deal with their areas. There is SA National Road Agency Limited, Sanral which is now having way to expand on its way that passes through the N3 into the town.

That always had the budget and wanted to implement these projects, but because of the instability we have dispatched and deployed quite a number of experts, ourselves as Co-operative Governance and Traditional Affairs, Cogta, National Treasury and other sector department. Evidence, evidence, evidence is always practical on the ground with the difficulties that we face of course.

*IsiXhosa:*

Mnu F D XASA: Enkosi Sihlalo weNdlu. Mphathiswa, unyanisile

...

*English:*

... Salga is a critical organization which brings together all local government stakeholders, to address local government challenges and to draw best practices to improve the system and service provision. The 2021 Local Government Elections also helped to improve leadership at that level. Since the 2021 Local Government Elections, what interventions and progress can the Minister highlight in the improvement of governance? Thank you.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Since the 2021 Local Government Elections, quite a number of challenges have been largely due to unstable and inappropriate behaviour by councillors. A significant intervention with regard to this was the promulgation of the Municipal System Amendment Act of 01 November 2022, which came just a year after the councils had taken office. It looks into the appointment of municipal managers and to competency procedures into the evaluation of performance, cascading it down beyond section 56 and 57.

It had an attempt to also regulate the re-employment of staff members who have been dismissed for any form of misconduct. But it also empowers largely the Minister to investigate

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maladministration, fraud, corruption and any other malpractices. We are doing this as a core of the department to ensure that, from a policy and a legislative development, we cover the areas which have been seen to be giving us challenges so that we could be able to embed within our practices, good governance and expression of goodness in all what we try to do. Thank you very much.

Mr I M GROENEWALD: Minister, in light of municipalities under administration and especially the costs thereto, and there being no criteria in law in terms of when to end the administration. What would you say in terms of best practices will be the criteria is to end administration? Thank you Chair.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: The cause for administration is equal to instability and instability does not only come from coalitions. We always look at instability from a coalition angle. But when a municipality is unstable, whether it has a majority leading it, equals to that council not assigning its time and mandate to look into the responsibility of what it is supposed to do. I will opt for section 154 and that is why I am saying that we have municipal support intervention packages in 154

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municipalities, including those that are stable and including those that are medium to low risk which is outside the 66 of what is dysfunctional. It is when what you need as a department both national and provincial, on a day-to-day basis, to support a municipality rather than put a 139.

If you look when and how a 139 should be introduced, it is usually introduced too late. In some instances, it is pulled out prematurely, before you can ensure the extension of services but also the extension of building capacity for those who are supposed to remain. That is why our plans now to deal both with mandatory assessment and report to council every quarter to ensure that 154 kicks in on time and we never even arrive at 139. Thank you.

Mr A M SHAIK EMAM: Minister. I can tell you what the problem of the dysfunctional state of local government is. Lack of capacity, but more importantly, right now you need money to deliver services. We give you money, but if an item that costs R10, you are paying R500 for. Where is the money going? Into a few people's pockets. Now Minister, if I gave you three or four municipalities and told you to give this House a report of all the tenders that have been issued in the last year. Can

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you do that? And if you do that, Minister, I promise you, you will uncover a whole lot of corruption.

Remember we're leading to the elections. We are leading to the elections right now and I know what is happening. I had a call yesterday in a particular municipality ... Chairperson ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Your time is running out.

Mr A M SHAIK EMAN: Okay, the tenders are only given to the highest bidder. Only the highest bidder and you know why. Would you do that, Minister? Thank you.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: There are course guidelines which have been developed by Municipal Infrastructure Support Agent, Misa, which tries to assist municipalities, particularly on infrastructure development and projects, to ensure that the municipality knows the cost of what it is to do a particular function. I will not head anywhere hon Shaik Emam to be able to provide the information.

In fact, by law, municipalities are mandated every quarter if I'm not mistaken, by section 52 to advertise, rather to put on their websites and inform the public who has received the tender, to what value and for what purpose was the tender advertised. So, if the hon member submits a question, I will gladly respond. Thank you very much.

Question 739:

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Hon House Chair, due to the magnitude of the disaster of April 2022, eThekweni, as we may all be aware, suffered a major blow with regards to the floods. There were assessments that were done and that lead to an allocation which was only approved in March 2023. We all know that a financial year for municipalities ends in June. In this way it was not possible for them to receive the funds in March and fully implement them, or rather rollout approximately 700 projects that were supposed to be done.

We all know that the projected project planning and redesign are what also caused the challenge. Of course, there was and there still is a negative impact to the communities, but we have been able to secure the rollover for this fund and the municipality has created, in some instances, temporary bypass

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to affected communities to be able to access services and they are now rolling out the infrastructure on those projects that were delayed due to the untimely release of the grant to the municipality after the process of evaluation. Thank you.

Ms H O MKHALIPHI: Hon House Chair, the answer from the Minister is very unfortunate and it is very dangerous. Minister, the fact of the matter is that the municipality failed the people of eThekweni while the people of eThekweni needed that municipality more than anything in this country. Therefore, Minister, are there any consequences for those who didn't do their job because it is clear that someone was sleeping in his or her job while people are suffering in eThekweni. There is a spillage of sewerage, the town is smelling and everything is a problem.

We can't, ss politicians and administrators, come here and say that it was impossible to implement those 700 projects. What are the administrators and officials employed to do? Why are the councillors there? What is the role of the mayor? Has your department taken this issue up to deal with those who sleep on their jobs? Minister, please take this matter serious because people of eThekweni are very hurt by the fact that we had to fight in the council as the EFF to say that the municipal

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manager and the mayor must account on why they failed to rollover this money. So, are there any consequences that your department has been able to put in place in order to ensure that people of eThekweni are taken serious? Thank you very much, House Chair.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: House Chairperson, to hon Mkhalihi, when councillors convene and converge in a House, they are not councillors of the ANC or the EFF; they are councillors elected to be representatives of society. All the councillors on duty, myself and the Minister of Human Settlement and Minister Chikunga attended to ensure that we assist eThekweni.

To overall assess 700 projects with your internal capacity is not necessarily something that indicates that there was somebody who was sleeping on duty. It was a mass distraction from nature and the money was only released, as I said, in March 2023 when the financial year was to conclude in June 2023. They have been granted a rollover for those funds precisely because they have been able to justify why the money could not be spent and what the plan is.

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On spillage, the Department of Water and Sanitation is on site and the implementing agent is uMngeni. With regards to dirt and waste collection, a number of fleets has been purchased. There are indicators where you can be able to go into the district hub of eThekweni to see how many trucks today collected waste at what spot and what are the key areas which are still having challenges.

Yes, we still have to improve like anywhere else to make sure that the systems are efficient, but to indicate that nothing is happening or being done to make the lives of the people of eThekweni will also be an unfortunate statement. As a department we ensure, on a day-to-day basis, that we bring life back to all those people who have been affected and their infrastructure destroyed by the floods. Money has been made available and we constantly oversee, as a department, that the municipality implements. Thank you very much.

Ms P P XABA-NTSHABA: Hon House chairperson, to the hon Minister, the requirements required to access the disaster funding impacted a number of municipalities, resulting in the delays impacting timely intervention. The Medium-Term Budget Policy Statement, MTBPS, has allocated substantive amount of funds for the National Disaster Management Centre, NDMC, for

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the Municipality Disaster Recovery Grant and the Municipality Disaster Response Grant at over an amount of R1,5 billion to support disaster intervention. What mechanism are required to have a timely disbursement of funds to respond to disasters, highly mitigating the risk of maladministration? I thank you, House Chairperson.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Hon House Chair, the ringfencing of funds for the disaster in the City of eThekweni, and not only them, but as a strategy by the NDMC is to ensure that the funds which are meant for disaster cannot be utilised for anything else except for disaster repairs and what they have been approved for. That has already happened with regards to the City of eThekweni. The National Treasury has set up a special fund for eThekweni disaster, and not only eThekweni, for example, in the Eastern Cape Port Saint Johns and all those who had challenges to rehabilitate and reconstruct their infrastructure because of climate change harsh conditions.

This allows us a window as NDMC to ensure that the communities that are affected will directly get their services and infrastructure rebuilt. We have also introduced the conversion of direct to indirect grants which is called Schedule 6B where

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we will be able to appropriate as national and provinces that are disaster prone to ensure that we support them, preliminarily for early warnings to ensure that they are able to, where they can, evade and also warn people to reduce fatalities, to ensure that all state entities act jointly together to do the improvement of plans and ensure that we rehabilitate jointly so that communities can return to normality as soon as possible after they have experienced harsh weather conditions, including fire. Thank you very much, House Chair.

Ms E R J SPIES: House Chair, to the Minister, the KwaZulu-Natal floods were one of the severe floods ever recorded. So, not spending R1,2 billion in time remains a big issue. No matter what you say, there is no evidence of consequence management. It seems that the leadership of that ANC-led municipality got away with a very light slap on the fingers. On that, Minister, eThekweni is but only one municipality out of many others that did not spend the funds allocated to them for floods and disaster relief. Do you have a comprehensive list, Minister, of municipalities that have not spent their allocated funds, and can the Minister inform the House of the actions that will be taken with regards to these

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municipalities in order to ensure that much needed services reach the people that are intended for? I thank you.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Hon House Chair, to hon Spies, at an expense of sounding repetitive, the R1,5 billion was only released and dispersed by the National Treasury to the City of eThekweni three months before, in March. You may not necessarily have the appropriate time in three months to spend R1,5 billion. Since the disaster happened, they have had to oversee the planning, replanning and the identification assessment of over 700 projects of areas that were destroyed by the floods. How do you then, at the end of that assessment which is done by the very same official, say because they finished it in February and then got money in March, they should have spent R1,5 billion in three months?

We are saying that we have put up measures with sector departments, Human Settlements, Department of Transport, Co-operative Governance and Traditional Affairs, Cogta, provincial, Cogta national and the Department of Water and Sanitation to assist. We have appointed uMngeni section 63 water to deal with the water projects. We have the Department of Roads assisting us with the road projects - all of the

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sector departments coming into the space to ensure that they assist the municipality to rollout faster. In fact, eThekweni is under coalition.

Ms S A BUTHELEZI: House Chairperson, to the Minister, we can both agree that underspending on budgetary allocations related to disaster relief is a gross deprivation of crucial resources from people in desperate need. Therefore, I would like to know what measures have been put in place to ensure that the mayor and his administration are held accountable for this gross under expenditure, especially considering that the city is deteriorating in front of our eyes and flood victims are still living in emergency temporary housing units long after the floods have occurred? Thank you, House Chairperson.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Hon House Chair, I think I must also indicate that collectively the sphere of local government received close to R46 billion for the term that ended in June, and only R900 million was turned back which means R45 billion was spent by municipalities. So, to come and say that there is nothing happening and that there is no work, municipalities are not spending ... A collection from Municipal Infrastructure Grant, MIG, right up to Urban Settlements Development Grant, USDG,

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gives us around R46 billion, of which we only turned back R900 million. I'll give you R100 million extra to make arithmetic easy. We turned R1 billion back. These are numbers which are accounted for by National Treasury. There are challenges, hon members, but to suggest that the can is not kicked further is something that is not even supported by record. Thank you.

Question 771:

The DEPUTY MINISTER IN THE PRESIDENCY FOR STATE SECURITY (Mr I K Morolong): Thank you very much, House Chair. Statistics SA is in the process of developing a digital business transformation strategy, building on gains already made with census and other areas. The strategy includes the following strategic initiatives. One, computer-assisted personal interviews, CAPI, and computer-assisted web interviews, CAWI, tools and supporting infrastructure implemented to support the digital data collection and storing at the source in the field and allowing such remuneration, cloud services. These tools and other web collaboration tools will have to make sure that we strengthen our cloud infrastructure, secure data sharing platforms.

Statistics SA will look at secured ways of enabling data

sharing between Statistics SA and other institutions or stakeholders. Expanding the digital data collection to other key surveys, developing CAPI or CAWI capabilities for our economic statistics, expanding the digital data collection to other key surveys. Statistics SA will ensure the success that the geospatial multimodal framework.

Statistics SA will also establish an interconnected statistical system which will have started with the website upgrade. There will be research in future use of innovative technologies, like artificial intelligence, machine learning and scanner data. Statistics SA will establish an enterprise architecture, conceptualise and develop the four domains of enterprise architecture, which are business, data or information, application and technology with the aim to provide a blueprint for Statistics SA operations and aligning the technology environment to align to the strategic outcomes of the organisation. We will also ensure a procured enterprise architecture platform that also provides for business process making capability. Thank you, chair.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you, hon Deputy Minister. The first supplementary question will be asked by the hon Phiri.

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*Sepedi:*

Moh C M PHIRI: Ke leboga Modulasetulo, ke boe ke leboge Motlatšatona ke re go yena re a dumela ebile re thekga kaonafatšo ya ...

*English:*

... Statistics SA which has led to a saving of over a billion rands, which would have been inquired if accounting was done through the traditional means. Over the years, Statistics SA has been negatively impacted by the budget cuts, which has resulted in other statistical output being discontinued. The digitalisation will also require the entity to rethink its capabilities and systems. Deputy Minister, what impact will digitalisation have in rethinking and refunctioning of the entity to optimise its resources to increase the statistical output? I thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR STATE SECURITY (Mr I K Morolong): Thank you very much. House Chair. Digitisation ... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Deputy Minister, just ... Will you just terminate and switch off the microphone feeds that we are getting from that member, please. Please

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continue.

The DEPUTY MINISTER IN THE PRESIDENCY FOR STATE SECURITY (Mr I K Morolong): Thank you very much, House Chair. Digitisation will, *inter alia*, ensure that we maximise productivity in the work of Statistics SA. In the first instance, what it would do is that it will make sure that we reduce the cost of printing. There will no longer be a need for us to have a mask in printing of documents. In the second instance, what it will have to do, it will help us in making sure that there is expeditious processing of data, and that there's also expeditious release of data. Thirdly, it will have to make sure that those who are policy-makers and planners - because of the expeditious release of statistical data, will have to then access this data timeously and be able to plan timeously. Thank you very much.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you now, Deputy Minister. The second supplementary question will be asked by the hon Mcgluwa.

Mr J J MCGLUWA: Thank you, House Chairperson. Deputy Minister, during our engagements with you, we've been informed about the haphazard start, the challenges pertaining to tablets, field

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workers, etc. But I must say that Statistics SA mostly get things done like the DA on the technology. front. Minister, since the benefits of the digital technology, can you tell us when the Presidency will use its position, its power, its platform as the nerve center co-ordinating hub of government to transform the State Information Technology Agency, Sita, into a public-private special purpose vehicle which would greatly assist Statistics SA to implement its project as well as generally as well as generally boosting government performance through maximising its benefits of information technology through strategic collaboration with private enterprise. I thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR STATE SECURITY (Mr I K Morolong): Chairperson, there's absolutely no doubt in my mind - and I think in our collective minds as Statistics SA regardless of the limitations of technology, has been able to make considerable strides in producing data which is credible, which is accepted generally. I think the Minister was here yesterday. And all opposition parties without failing, even the official ruling party, were able to demonstrate that the type of data that has been able to be harvested by Statistics SA has been of credible nature and without question. We need to capacitate all other institutions, and Sita, being the

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leading institution in terms of technological advancement and all other institutions. But at the moment, we can safely say that Statistics SA has been able to, you know, demonstrate that it has got huge capacity, despite all other challenges - including budget cuts, which is something that we've already said in the past that we've spoken quite strongly about. The effects of budget cuts in the ability of Statistics SA to produce information on time and expeditiously. So, we agree that there's a need for us to build better capacity technologically to be able to meet new demands. Thank you.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you, hon Deputy Minister. The third supplementary question will be asked by the hon Komane.

Ms R N KOMANE: Thank you very much Chairperson. Deputy Minister. How is Statistics SA strategising to bridge the digital divide in rural areas to ensure comprehensive and accurate census data? Furthermore, can the Deputy Minister provide insight into the rigorous vetting process applied to digital data set to uphold the integrity and reliability for improved census quality. Thank you very much.

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The DEPUTY MINISTER IN THE PRESIDENCY FOR STATE SECURITY (Mr I K Morolong): Well, I think the census quality speaks for itself, and yesterday the Minister was able to elucidate with the fact that one of the things that we've been able to do or to bear witness to as South Africans is the fact that there was post-enumeration surveys which mitigated against the undercounts which have been quite strongly articulated. The 30% undercount would have been able to be mitigated by the post enumeration, and this is to strengthen the credibility of the of the data that has been produced and disseminated on the census. So, there's absolutely no doubt about the credibility of the census report and the fact that it speaks to the real data on the ground. Thank you.

The HOUSE CHAIRPERSON (Mr C T Frolick): The last supplementary question will be asked by the hon Kwankwa.

Mr N L S KWANKWA: Chairperson, I thank you very much for this opportunity. Minister, you've already started, as already indicated elsewhere and in media reports that the undercount is about 30%. The question I am asking is that in order to make sure that you remember that undercounting means that there are about nearly 20 million South Africans who were not counted. But how will the government then be able to have an

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effective developmental planning implemented, which will provide for the basic needs in all sectors and then be able to influence the proportional allocation of resources to provinces, if the undercount is as substantial as it is, given what the figures are at the current moment. Thank you, Chair.

The DEPUTY MINISTER IN THE PRESIDENCY FOR STATE SECURITY (Mr I K Morolong): Chair, I am quite perplexed by the fact that the hon members suggest that the undercounts amount to 20 million, which means that we could be having more than 80 million more inhabitants in this country, and I think this is entirely far from the truth. We have said that immediately after census. There is a post-enumeration survey whose responsibilities is to ensure that we mitigate against the effects of an undercount. An undercount is not unprecedented. That is why there is an element of post-enumeration survey in all statistics outside of South Africa and elsewhere, including developing countries and so on. So, I disagree profusely. If hon members want to venture into the authenticity and the credibility of the census report, let's say so. Let's dissect it and say that we believe that the census outcome is not credible enough, whether it's ... [Inaudible.] ... so on.

I think that in this very House yesterday we have not been

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able to say that. All of us have united in the sentiments that we've been able to express through the debate. None of us has been able to say that the undercount will mitigate against proper planning - that we have not said because it's not ...

[Inaudible.]. I disagree profusely with any such suggestion, and I think that the post remuneration survey has played a key role in mitigating against the undercount. Thank you.

[Interjections.]

Mr N L S KWANKWA: So, you agree with 30%, but when you convert 30 ... [Interjections]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Kwankwa, you are out of order. Question 773 has been asked by the hon M M Ntuli to the Minister of Public Service and Administration. The hon Minister?

Question 773:

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Hon House Chair, the National Anti-Corruption Hotline is the only hotline approved by Cabinet, housed at the Public Service Commission, since September 2004. That hotline has a case management system, which is utilised to manage corruption cases, launched with the Anti-Corruption Hotline. It also

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manages referrals and feed-back, it provides a one-stop mechanism for members of the public to report acts of corruption, and it creates an opportunity for different role-players to co-operate better in receiving and handling allegations of misconduct. That is being done in a safe environment, as they can report anonymously.

Ms M M NTULI: Hon Chairperson, thank you, Minister, for your response. I want to ask you over and above that, through its role ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, I can't really hear you. Can you just speak into the microphone, please.

Ms M M NTULI: The question is: Through its role in the Public Service, to ensure compliance with legislation and its role in advancing an ethical and developmental state, what is the profile of the corruption cases reported through the toll-free number? Thank you.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Hon House Chair, the management system that is used through the Anti-Corruption Hotline has been able to pick up cases that have

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been reported that range from fraud, bribery, nepotism, procurement irregularities, RDP houses-related corruption, as well as all the different grants.

Let me indicate that, since inception, that hotline has registered 28 232 cases. Of those, 24 817 have been closed, which leaves us with 3 415, that are still outstanding. That requires all of us to assist each other in ensuring that departments, by whom those cases have been required, speeds up the investigations.

The numbers have been going up and down, but it is encouraging to note that there has been an increase. In the first year, we recorded 602 cases, but in the last financial year, we recorded 2 118 cases. This shows confidence in the system. Thank you.

Dr L A SCHREIBER: Hon Chair, speaking of corruption, in a recent written response to a question asked by my colleague, Dr Mimmy Gondwe, the Minister ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, may I just remind you of the Rule, please. The Rule clearly states that party symbols cannot be displayed in the background.

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Dr L A SCHREIBER: My apologies to you.

The HOUSE CHAIRPERSON (Mr C T Frolick): Just attend to that, please, before you continue. [Interjections.]

Dr L A SCHREIBER: I am doing so, Chair. My apologies. Thank you for that, Chair.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you.

Dr L A SCHREIBER: Chair, I hope that is in order. Speaking of corruption, in a written response recently by the Minister, she indicated that over the past year alone, over R1 5 billion in public money has been lost to financial misconduct. Out of this total, only R6 million, equal to 0,5% was recovered. This means that five years after this administration came into office, 99,5% of money lost to corruption is not being recovered, and looting continues to go unpunished. Does the Minister concede that her answer to this question proves that President Cyril Ramaphosa's promise of fighting corruption has turned out to be a lie? Thank you.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Hon House Chair, let me first indicate that issues of corruption are

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issues that this ANC-led government is determined to fight. All the systems that we have referred to, whether you talk about the Anti-Corruption Hotline that we are discussing now, whether you talk about the structures and all those systems such as the Anti-Corruption Council and the Zondo Commission are set up to ensure that we deal with corruption. That is as a result of the transparency, as enshrined in our Constitution, as enshrined in the laws that we pass.

Therefore, about no individual, especially in the person of the President, who is charged with the responsibility to ensure that those systems function, can it be said that he lied. We are reporting the results of those structures. The person probably lying is the one asking the question. Thank you.

Dr L A SCHREIBER: Hon Chairperson, my apologies, on a point of order: If members are going to be accused of lying, which is distinct from asking whether a lie has been told, then surely that must be a substantive motion.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, I will follow that up outside of the session, but in the meantime, let us continue. I must also remind you that the President,

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even though he is not a member of the House, as well as Ministers who are not members of the House, are entitled to exactly the same privileges as members are, under the Rules. So, I will come back with a considered ruling.

Ms R N KOMANE: Hon Chair, hon Minister, considering that many public servants, who blow the whistle against corruption, such as those who blew the whistle against massive corruption at Tembisa Hospital, are subjected to abuse and even death. What measures has the department put in place to ensure that whistle-blowers are protected? Thank you very much.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Hon House Chair, let me indicate, regarding the issue of the national hotline, those whistle-blowers are the anonymous. The hon member refers to an incident at Tembisa Hospital, which I am not aware of. I would request the hon member to furnish us with the information, so that we can follow that one up. As far as we know, because of the security systems associated with the Anti-Corruption Hotline, there is security in being anonymous. Thank you.

Mrs H DENNER: Hon House Chair, hon Minister, whether they are anonymous or not, when whistle-blowers make use of the Anti-

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Corruption Hotline, the President identified the protection of whistle-blowers during his state of the nation address, as being a key priority of government. And one of the problems with whistle-blowers and the protection of whistle-blowers is the shortcomings of the legislative framework regarding the protection of whistle-blowers. So, my question to you, hon Minister, aside from the Public Administration Ethics, Integrity and Disciplinary Technical Assistance Unit, and the Protected Disclosures Act, what has your government done towards looking at, changing and improving the legislative framework, to protect whistle-blowers in the public service? Thank you.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Hon House Chair, firstly, let me indicate that the managers of the national Anti-Corruption Hotline are the Public Service Commission. And the Public Service Commission has recently requested the Criminal Assets Recovery Account, Cara, funds, with the purpose of ensuring that it upgrades the system and improves the environment it creates.

It creates an environment that protects whistle-blowers. As I am standing here, we are busy discussing, in preparation of an international forum, which discusses issues of anticorruption,

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the issue of incentivising whistle-blowers whose cases get proven, and where there is recovery of either funds, or if that case has been found to have an impact on the good of society. As I speak, we are discussing those measures to incentivise whistle-blowers. Thank you.

Question 757:

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: House Chair, let me indicate that the consolidated public sector wage for the compensation of employees as projected in the Medium-Term Budget Policy Statement is inclusive of national and provincial departments as well as national public entities, and the Wage Bill is funded from the overall allocated funds. Let me also remind the hon member of the Medium-Term Budget Policy Statement by the hon Minister of Finance where he says, and I quote:

Government has made a strategic decision to allocate funds to sectors that are personnel heavy, such as health, education and police services.

I would want to remind the hon member that the Department of Public Service and Administration which I lead does not directly pay salaries, but it depends on the budget, and it is

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a collective effort to arrive at a determination on what to fund, how to fund, where and when to fund. Thank you, hon House Chairperson.

Dr L A SCHREIBER: House Chair, in the Division of Revenue Amendment Bill tabled by the Minister of Finance, government indicated that, and I quote:

An amount of R57 million is reprioritised from the school infrastructure backlog grant. Of this amount, R32 million would fund compensation of employees' pressures.

The grant that is being cut here to increase salaries is the very budget that is supposed to fund the eradication of pit toilets at schools. The Medium-Term Budget Policy Statement, MTBPS, further reveals that, and I quote again:

The number of employees earning excess of R1 million per year has increased from just above 10 000 in 2013 to over 55 000 in 2023. That is an increase of over 450% in just ten years. During that same period, South Africa's gross domestic product, GDP, per capita has declined by nearly a 1/4.

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Minister, how do you justify this unconscionable decision to cut the budget meant to eradicate pit toilets from disadvantaged schools in order to fund even higher salaries for what is now 55 000 millionaire managers?

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: House Chair, let me indicate again once more that the process of budgeting is a process that gets discussed, is a process especially that of mandating which I am involved in, and is a process that involves the Minister of Finance. Therefore, in terms of our regulations there would be no agreement without the Minister of Finance agreeing on any salary increases. As to how he plays his game, the chess game of saying what he allocates where I ... [Lost connectivity.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon members, will you take up your allocated seats. I've been informed that the connection has been re-established, will you take up your seats, please. Therefore, I will go back to the hon Mgweba who will start putting the question afresh. The hon members there, will you take your seats, please.

Ms T MGWEBA: House Chair, through you to the Minister, recognising that the budget allocation is not your

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responsibility, the reduction of the public wage impacts the Public Service, particularly noting that many of our organs of state have high vacancy rates. This is also in recognition of the population growth rate relative to other developing countries. Is the Wage Bill of South Africa beyond norms as it has been decreased from 35% to 31% of the public expenditure? Thank you very much, House Chair.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: House Chair, through you to hon member, thank you. Whilst the Cabinet has made a deliberate decision to manage the Wage Bill, it has got categorically stated that the cost containment and cost management measures must not compromise service delivery as well as delivery of development projects. Therefore, it is not the case of reducing the Wage Bill, but the strategic approach to ensure that there is synergy across government in all departments and entities between creation of posts, filling of those vacancies and ensuring the prioritisation of development goals. Therefore, here it's more of a balancing act.

The latest census indicates that South Africa's population size is almost 62 million, and which is serviced by Public Service of close to 1,3 million. Now, the ratio speaks for

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itself, and it needs all of us to examine the impact that that ratio has on the services. It's a study that we will embark upon. However, for now truly, what informs us is what is a must have, and what is a can have. Thank you.

Mr M MANYI: House Chairperson, through you to hon Minister, in the light of substantial growth in compensation of employees as outlined in the 2023, Medium-Term Budget Policy Statement, have you conducted a comprehensive skills audit within the Public Service to assess the alignment of remuneration with skills and responsibilities? If so, could you please provide detailed insights into the findings and any benchmarks used in determining appropriate remuneration levels? Thank you.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Thank you once more House Chair and hon member. Let me indicate upfront that the area and the issue of skills audit has been a priority that has been assigned to me immediately after my appointment in March this year. Therefore, as we speak, that work is progressing, and as we speak, once that work is completed, we are working with the National School of Government, NSG, and with the Council for Scientific and Industrial Research, CSIR, to ensure that there's some

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neutrality in the process as well. Once done, we will share the results with the hon members of the House. Thank you.

Mrs H DENNER: House Chair, through you to hon Minister, some of the colleagues have made mention of this, but I think it is worth posing at and I'll read this to you. The number of public servants with annual earnings of more than R1 million has increased from just more than 10 000 over the past 10 years to 55 000 in 2023-24. This is an increase of 450% and it's not something that I just read, it comes from the Medium-Term Budget Policy Statement documents which was done by an analysis by the Treasury. Therefore, this was found by the Treasury.

Now, though, your department is not involved in the process of budget allocations. The department is involved with regards to wage negotiations and negotiations and overall Public Service management. Therefore, my question, Minister is, what will your department do to curb the unabated increase in public sector millionaires in order to ensure that the majority of the budget does not, in fact, go to higher than average salaries instead of infrastructure development for things like schools, hospitals and police stations? Thank you, hon House Chair.

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The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Hon House Chair, through you to the hon member, thank you. Let me upfront indicate that the process of negotiation in this country are processes that are quite involved, and nobody can ever take those processes for granted. Therefore, there's no singular time where there would have been increases that would be as astronomical to reach to the point that the hon member is raising. It would be interesting because she's quoting a particular study which unfortunately is not in front of me now where I would also see the trends, when did they start moving and what would have contributed to that.

However, we need to understand that even the public sector space is changing. Therefore, as it is changing, the skills that you need are also higher than what you would ordinarily at 10 years ago. Therefore, that change, in as much as I'm saying, I don't have the study in front of me, but I'm saying that we also must think of that as we analyse data in front of us. Thank you, House Chair.

Question 782:

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Good afternoon, hon members. We thank the question ... [Interjections.] ...

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The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Deputy Minister, just wait. May I just ask that, that microphone be disconnected, please. Please, continue hon Deputy Minister.

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: The Employment and Equity Act as amended provides for equal pay for work of equal value. This is the policy that is being implemented by the Department of Employment and Labour. However, there are challenges that continue to exist in the pay gap between women and men in particular in the private sector. In addressing the issue, the Department of Youth and Persons with Disabilities is in the process of developing a promotion of the Women Empowerment and Gender Equality Bill, which contains specific clauses focusing on gender pay gap and continued marginalisation of women in various industries.

The department has submitted the Bill to the Office of the Chief State Law Adviser for certification. The process has now been finalised just in November enabling the department to take forward this Bill within the financial year. We are looking forward to the interactions with the Parliament. The processing of this Bill will provide much needed direction on

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intervention that needs to be introduced to address this and related matters. Thank you very much, hon Chair.

Mr S H MBUYANE: Hon Chair, recognising that women have become the majority of graduates in higher institutions, the area of concern is the skills women focus on which leaves certain skills dominated by men. How is the department advocating for equitable representation of women in sectors dominated by men such as engineering and other specialties? Thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: As I have indicated that we are in the process of establishing this Bill. The Bill will address that which hon member is raising and all other gaps that exist. That is what we think will make us to be able to achieve what the hon member seeks to raise. Thank you very much.

Mrs G OPPERMAN: Deputy Minister, the latest Statistics SA census report estimates the gender parity pay gap at 30% across the board in South Africa for women doing the same job as men. When last has your department prioritised and requested that a pay audit across state departments be conducted to ensure that women within government departments

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at least receive equal pay and equal opportunities for advancement in the workplace?

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Thank you very much, hon member for the question. Chairperson, I might not be able at the present moment to give the statistics. However, having considered that there should be a Bill of this kind, we work towards a situation where all this will be attended to so that all the concerns that the hon members are raising are being well looked after in having this kind of a Bill that is in process. Thank you very much.

Mr E MTHETHWA: Chair, you may pass because the question has already been answered. Thank you.

Ms M D HLENGWA: Hon Deputy Minister, often times black women are used simple as a token in attempts to fill quotas and as a result their salaries are not reflecting of their positions.

Therefore, my question is, what step by step measuring has your department put in place to ensure that the women in general and black women in particular are encouraged and allowed to play a position and meaningful role when it comes

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to industries and they are not just hired to fill equity requirement? I thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: House Chair, whilst I concur very well with the hon member on all the articulations that she is making, I wish to suggest that Parliament will at the right time interact with the Bill that we are bringing and if they identify any gaps as according to their questions, then it should be that time when the Parliament and hon members will engage for us to be able to cover all other gaps that exist. Thank you very much, hon Chair.

Question 760:

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Thank you, House Chair, the hon member, recognising the constitutional and political rights of employees, the department has introduced the Public Service Amendment Bill, which is, as we speak, in front of the Portfolio Committee of Parliament and the intention thereof is to prohibit heads of department and employees reporting to those heads of the department. From holding certain positions of authority in a political party to mitigate the conflict of interest and the following measures were put in place. The first one being the section 30 of the

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Public Service Act, which requires that any employee who engages in reem writing work outside the relevant department must obtain permission to do so. The directive also talks to the same in terms of the Public Service Act providing processes and guidelines to support executive authorities in managing those processes to avoid the conflict of interest. [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Gela, switch off your microphone. You are now interrupting the hon Minister. Please proceed, hon Minister.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Thank you, House Chair, the executive authority when deciding whether to grant permission or not. The test is whether that remunerative work could reasonably be expected to interfere with the work that the employee is employed to do. Once you see that there is that conflict, obviously we don't expect an executive authority to approve, and therefore those regulations are in place, but also the performance management system because it evaluates the performance of such employees and conducting business with the state is prohibited completely. Thank you, House Chair.

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Mr A M SHAIK EMAM: Thank you, Chairperson, and Minister, it's not always about remuneration and let me tell you why I say this. Let's take an educator or a principal. They have got a fulltime job at the school even after hours, but then they also hold positions in political parties, chairs, secretaries, organisers moving all over the country, prejudices children if they're not at the school. Some of them are councillors and educators. It's having a negative impact on delivery at services at schools and things. How do we intend dealing with that Minister? Thank you.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: The issue is for us, the political office you hold. What its impact is going to be and the decisions that you make on a day-to-day basis in terms of your work. You may say an ordinary teacher if I follow the example that hon member is bringing. But obviously you need time to prepare, and you end up as a teacher having to do certain things. But if you hold a political office, you are also expected to leave time and again. I mean to leave work time and again. That obviously will have an impact on your work. But let me also indicate that people now go to the Labour Court judgement, which is there. I must hasten to add that Labour Court judgement refers to all employee's kind of scenario, at local government level

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our regulations. In fact, our piece of legislation that we are proposing to Parliament limits to those who report directly to the head of department and the head of department themselves. So, there is a limit because of the level of decision-making those have and the potential for conflict of interest. Thank you.

Ms M T KIBI: Thank you, hon House Chair, hon Minister, noting the recent Labour Court of South Africa judgement on the Municipal Systems Act 32 of 2000 on the inclusion of staff members in section 71(b) and made a remedy to focus on managers reporting to the municipal manager. The professionalisation of the Public Service is sometimes perceived as a depoliticisation of the Public Service. Does the limitation of political rights resolve the conflict of interest of a political influence, and will it adequately address the problem? I thank you, Chair.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Thank you, House Chair, I think it is South Africans and the Commission. What we normally call the Zondo Commission. That has highlighted a number of challenges in the Public Service management, especially in areas of conflict of interest. And it is not about depoliticising public servants. It is about

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managing conflict of interest. We have complained as citizens to say those of the public servants, who hold political office then end up being masters at night and servants during the day because they report to political leaders and yet they lead those political leaders when they are outside of work. That's where the conflict of interest is and that's where our proposals what it seeks to manage is to prohibit that conflict of interest. Thank you, hon member.

Dr L A SCHREIBER: Thank you very much, Chair, I must say I'm hearing backtracking taking place following this recent Labour Court ruling where the ANC's own alliance partners in the unions took the government to court over this particular amendment. Now, as the Minister just outlined in her original answer, the Public Service Amendment Bill currently before Parliament rightly seeks to extend this ban on officials holding political office to national and provincial and administration. Now Chair, there's a very good reason why depoliticisation is so important, and that is because politicisation is at the heart of the system of cadre deployment. How does the Minister respond to the recent report by the Harvard Growth Lab finding that the ANC policy of cadre deployment is a fundamental cause of the collapse of the South African state?

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The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Thank you, House Chair, let me be upfront indicate there's no backtracking here. We have a piece of legislation which we tabled before this Parliament, even before the Labor Court judgement. So, there's nothing like backtracking here. The hon member must not mislead the House and the people of South Africa. But secondly, the cadre deployment policy nations across the world conduct cadre deployment in various forms and ways. The DA itself does deploy those it seems fit, or it deems fit to be deployed. So, for anyone, especially a respected hon member to mislead the public around this issue is incorrect. What would have been a problem is what I've just explained, areas of conflict of interest and how or what do you do to minimise that, is to regulate the space and clean the environment and that's all. Let us not use the cheap politicking on serious matters that affect the nation.

*IsiZulu:*

Inkosi R N CEBEKHULU: Ngibonge Sihlalo weNdlu, Mhlonishwa okwenzakalayo ekusebenzeni kohulumeni emathubeni lapho umsebenzi esebenza ehhovisi eqashwe ngesikhathi kuphetha iqembu X, bese liphuma iqembu X kungene iqembu Y kanti umsebenzi ubethembekile eqenjini X. Uma kufuneka kusetshenziswe izinqubomgomo noma iziqondiso zeqembu Y

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azwakalise ukuphazamiza noma ukuvimba ukuthi kufezeke izinhloso zokulethwa kwezidingo [service delivery.]Uthini umbono noMnyango kuleso simo lapho khona abasebenzi bebonakala ...

*English:*

...at loggerheads with their principals' politically in the office. Thank you.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Thank you once more, House Chair, ...

*IsiXhosa:*

... mandibulele tata. Mandibulele lungu elihloniphekileyo leNdlu. Mandiyitsho into ethi, isizathu sokuba sibe sizise esi siphakamiso kule Ndlu yoWiso-mthetho yeSizwe, iinjongo zethu kukuba le ngxaki uza nayo siyiphelise nya. Le ngxaki yile yokuba umntu athi ekhokele embuthweni aphinde akhokele eburhulumenteni. Loo nto ke yenza ukuba indlela yakhe yokucinga neyokwenza ibe yeyombutho lowo ngelo xesha okanye umntu lowo umkhokeleyo ngelo xesha.

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Ngoku sizama ukuzisa imo apho abasenbenzi bakarhulumente bebangabasebenzi boluntu ngokwenene, hayi abasebenzi bombutho okanye bomntu othile. Mandibulele.

Question 763:

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Hon House Chair, the department has come out of a joint collaborative workshop and deliberations jointly held by Co-operative Governance and Traditional Affairs, SA Local Government Association, Salga, Departments of Home Affairs, Human Settlement and Small Business Development to, amongst other things, consider a whole review of bylaws in areas of local economic development, human settlements, including the provision of services to support municipalities to provide effective service, in an efficient manner. Our Census 2022 as Deputy Minister Morolong and the Minister yesterday indicated, do show that people move predominantly to provinces of Gauteng, Western Cape, Northern Cape, North West, Mpumalanga in the main. These patterns need to be factored in, on the allocation of equitable share, Municipal Infrastructure Grant, Mig and Integrated Urban Development Grant, IUDG as dispersed by the department and considerations are being done.

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So, we are looking into the increase of the threshold, for example, on the subsidy formula given in allocated to municipalities of these above-mentioned provinces from R460,12c per month, which was the allocation of 2021/22. It is currently being allocated to all based on the poor household that are located there. But the migration patterns do indicate that therefore these municipalities carry more than what you could be able to deal with informed by the migration patterns. The department has also transformed and improved the mix framework to allow and the permission to municipalities to use, for example, an additional 10% of their Municipal Infrastructure Grant allocation to refurbish and maintain infrastructure. To ensure that all the water service authorities could be able to utilize these funds to catch up with the excessive use of their infrastructure, which is eroded by a number of people who are there.

We are now, also allowing municipalities to spend a portion of their specialized equipment and their waste management coming from the grants on the poor areas which were previously not serviced. So, the lack of economic opportunities is one of the reasons why people move from one place to another, and we are working with the mentioned provinces in encouraging municipalities - We have done an assessment and we are working

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with around 106 local municipalities through our Small Town Regeneration Strategy, which is the main aim of local economic development strategies with a specific focus as a pilot, on Northwest and the Free State to ensure that we keep unemployment, poverty and inequality and ultimately reduce our migration. Thank you.

*IsiXhosa:*

Mnu G G MPUMZA: Sihlalo weNdlu...

*English:*

... hon Minister, the greatest concern for infrastructure in local government is the fact that not all infrastructure was developed for the entire population due to foreign and internal migration. With an increased population, sanitation systems, water consumption, and road infrastructure, basic services decay fast and faster. How is the Ministry ensuring that local municipalities can access financing the capital markets to expand infrastructure development and maintenance as public funding is limited to respond with the demand? I thank you.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Hon House Chair, our IUDG framework continues to be

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one of our key guiding instruments for the department to facilitate planning for growth and development, particularly in our metros, secondary cities and our small towns. As I indicated earlier, 105 of the strategy focuses mainly in small and rural municipalities, 105 of them, of course, jointly with the metros. The department has entered into an agreement with the Public Private Growth initiative, PPGI, to strengthen co-operation and facilitate collaboration to ensure on the implementation of District Development Model, DDM which is jointly looking into the catalytic projects that municipalities must implement and roll out.

This collaboration focuses mainly on the City of Johannesburg Metropolitan Municipality, Nelson Mandela Bay Metropolitan Municipality and Sekhukhune Local Municipality as a pilot in three areas. Plans are on foot to ensure that we also get into more municipalities in the country. A partnership with the well-resourced institute to look into the scarcity of water, an improvement of services which regards to areas particularly in small and in rural municipalities in Limpopo, KwaZulu-Natal and in the Eastern Cape. We are working closely with Development Bank of South Africa, DBSA.

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We have adopted 101 municipalities to support them with their infrastructure plans, their rollout mechanism and to provide soft loans to municipalities, but also project preparation resources that are paid by Co-operative Governance and Traditional Affairs to ensure that we assist the municipalities with the packaging of projects. They are financing this off.

Lastly, but not least Chair, we have also collaborated with the private sector, particularly the mining industries. We have 14 municipalities where the mines are either effecting their projects directly. In Govan Mbeki, in Rustenburg municipalities, Fetakgomo Tubatse Local Municipality, Mogalakwena Local Municipality and in the Northern Cape, Anglo Platinum is also collaborating on funding mostly Water Works projects, the water supply upgrades and the roads improvement.

There are many other examples I may not list them all, but the department has partnered with other government departments.

Thank you.

Mr J F SMALLE: Hon Chair, hon Minister, there is a direct correlation between unemployment figures and that of migration of provinces. Currently, South Africa has 7,8 million

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unemployed people. Hon Minister, your own province, Limpopo, the 2016 unemployed stats was 0,2% higher than the Western Cape at 21,7%. Today, Limpopo has the third highest and expanded unemployment figures of 45,1% and the Western Cape has the lowest at 25,6%. While 138 000 people migrate out of Limpopo province, the Western Cape received an in-migration of 292 000 people. This all because of the ability to create jobs and to provide frontline services. Hon Minister, how do you think you will improve frontline services to provinces where people are leaving and how do you incentivize provinces and principalities where the influx of people and an expanding demand for services provisions against the backdrop of a reduced Treasury budget? Thank you.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon members, may just remind you that in terms of the rules, it is one supplementary question.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: House Chair, hon Smalley, with all intents and purposes, how do you compare Limpopo and Western Cape? A deep rural province with only one secondary city which is 70% rural with 30% and the entire of that province rural? No industries, very little agricultural economy and very little mining

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economy, I mean, who wrote the question for you? You come from Limpopo. You know very well that this question cannot even stand on any platform. But let me tell you, honourable man. No, no, no, I will come back on why you visited this NA by the way, it is okay.

Why are you not relating the statistics of development, comparing a metropolitan to a metropolitan? A City of Johannesburg Metropolitan Municipality, for example, and Western Cape, Gauteng province on how it does its deliveries? At school I was taught not to compare banana to apple. This is what you are trying to do. Exactly here, but what are measures that we have raised as a department? In my response, I responded very well that the target for increase unemployment, is in the Sekhukhune District Municipality which is the highest rural in Limpopo with the highest population, followed by Vhembe District Municipality and Mopani District Municipality. Polokwane is the last in the Capricorn District Municipality because it has just 30% of the urban edge.

So, this question, hon Chair, is so irrelevant. But I will try also to conclude by saying we have looked into measures or trying to give incentives, hence the review of the fiscal framework. I have spoken to Small Town Regeneration Strategy

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of 105 small municipalities. We have spoken to, measures on how Municipal Infrastructure Grant, Mig's requirements have been downscaled to ensure that municipalities could roll out more of the funds and services.

Mr K CEZA: Hon House Chair, we really need to be careful when we deal with these issues of statistics versus the human lives. There is a human life behind every statistics and every time we do that mistake, we commit that mistake we forget that there are rural people behind those statistics. The first poverty trap is high and rising levels of unemployment in a sluggish economy. The second one is the disruptive social structures and the syndrome of chronic community poverty. To say that further, the development that we see in rural areas is perpetually rendering the rural areas, rural. At a co-operative governance level or at a Minmec level, what is it that you are talking about in terms of changing the division of revenue and the White Paper on local government, which assumed that these municipalities will be able, given their history, given their economic activities will be able to...

14:24 - 14:59 their revenues ... [Connection/network problems]

What programmes have you initiated to support the industrial capacity in the municipalities, Minister?

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The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: I have not been able decipher the question but nonetheless, I will deal with the comments and also put up a response. Yes, statistics have human life behind. That is why the fundamentals of the National Development Plan, NDP Vision 2030, look unto ensuring minimising unemployment, poverty and inequality. That is the fundamental of why we do anything as government that we lead today. So, I have articulated earlier on a fiscal review which is led by Treasury to ensure that it incentives and delivers services to assist municipalities that are small and are unable to deliver a review on how they could be given additional funding.

On top of that, there is capacity that is given to those municipalities. It is not coming from the air. There is a Small Town Strategy that I have indicated and it clubs all the 105 small and rural municipalities in terms of how they are incentivised. On top of that, there is also Invest Rural Master Plan which is led by the Department of Traditional Affairs as well as to look into communal areas on how they could be able to.

If you have read the Small Town Generation Programme, it is about making them grow. In the Thaba Chweu Local Municipality,

the Department of Transport is busy repairing roads there. In Mahikeng Local Municipality, the Department of Co-operative Governance and Traditional Affairs is dealing with the issues of sewerage directly to ensure that we deal with schedule 6(b) which assist municipalities to roll out so that they could be able to attract businesses and be user friendly in their areas where we live and play, whether they are small, flatlands or big.

Ms S A BUTHELEZI: Hon House Chair, hon Minister, has your administration recently implemented short-term measures and programmes to ensure quality service delivery in the villages and townships that would deter mass migration into cities? If not, why not and if so, what are the relevant details? Thank you, House Chair.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Hon House Chair, my first response really did touch and even gave practical examples, localising them exactly in which municipalities are we putting tangible short-term and long-term programmes, articulating and supporting section 63, section 18 of the Human Settlement, review and also the crime reversing measurements that the municipality and community safety are doing to improve the quality of life of a citizen

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on our wall to wall systems so that they could be able to live, work and play where they reside. Thank you, very much.

Question 752:

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Hon House Chair, thank you for the question from hon Sharif. Hon Chair, with reference to the office, oh I'm sorry, the reply, consultants are procured to deliver specialised services that are not delivered by any other department in the public service. These ranges from external audit services, audit and risk committee members to the verification of qualification in terms of the South African Qualifications Authority, SAQA, Act, and competence assessment of senior management service, SMS, candidates, by registered councillors in terms of the Department of Public Service and Administration directives. Hon Chair, no consultant performs any other functions that are undertaken by senior managers in the department.

Likewise, the services that are performed by external consultants cannot be performed by any of them. The employment of senior staff is informed by the approved organisational structure, in accordance with the mandate of the department, including, funded vacant post. There are 40 senior managers

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currently appointed in the department, of which four of those are currently vacant. This constitutes only 30,1% of the funded post of about 146 established. Thank you very much, hon Chair.

Ms N K SHARIF: Deputy Minister, I hear what you're saying, but the use of 116 consultants amounting to R6,5 million in this financial year as opposed to the use of 39 consultants amounting to 1,8 million in the previous financial year, I am sure you will agree, is just simply exorbitant. This shows the mismanagement and the dysfunctionality of the department. It shows that the bloated staff capacity does not have the necessary skills and expertise to do the jobs that they are required to do. Deputy Minister, the fact that this department has so many senior officials rather than implementing officials, is concerning as it raises doubts on what these officials are actually doing in the department. Deputy Minister, having 116 consultants on 16 projects doing jobs such as report writing and research, this information was given to us in the portfolio committee, so, I'm not just getting it out of thin air, instead of those employed by the department, it's unacceptable and a waste of taxpayer's money.

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Deputy Minister, have you and the Minister done a skills audit within your department to determine what the needs are, and if not, when will you be doing this, and is there a timeline?

Thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Hon member, thank you very much for the question. Hon Chairperson, in responding to the question, it will be good for the hon member to give us the proof of the allegations that she's making because as we stand, we have a staff component that has been agreed upon through the processes. For any other thing that is untoward, it will be good for us to get it, so that we can be able interrogate in order for us to be able to give a credible answer.

Hon member, on when and how are we going to do it? For us, as the department, there are no allegations. Therefore, we wouldn't be able to just embark on a process that is not informed by any other thing except for suspicion. Hon Chair, for any other member who have a very reliable information for us to be able to embark on any alleged corruption or any wrongdoing, it would be good for hon members to bring all that to the responsible department, which is ourselves. Thank you, hon Chair.

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Ms F A MASIKO: Hon Deputy Minister, for your response. Hon Deputy Minister, noting that the department is a relatively small department which hardly provides direct services to the public, what capabilities are required to enhance the implementation of the department's mandates? Thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Hon Chairperson of the session, thank you very much. First and foremost, it is going to be important for us to understand the mandate of the department so that we can be able to articulate and give more information where some additional work needs to be done. From where we are standing, hon Chair, indeed, a lot needs to be done, but the department is doing its best as this is not an implementing department, but a co-ordinating department. Therefore, we take counselling from hon members. There will be limitations, but we are committed to make sure that we do our best in the implementation of our mandate. Thank you very much, hon Chair.

The ACTING HOUSE CHAIRPERSON (Ms R M M Lesoma): The third supplementary question will be asked by hon M S Khawula. Hon Khawula? Hon members, we shall proceed to the last supplementary question which will be asked by hon M D Hlengwa.

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Mr E MTHETHWA: Sorry, Chair, can I take the question for Ms Khawula? I do have it.

The ACTING HOUSE CHAIRPERSON (Ms R M M Lesoma): I called the hon member twice. There is no problem, I will give you a chance, but you must register that I did call the member twice. Over to you, EFF.

Mr E MTHETHWA: I do not have access to the online virtual platform, so I don't know whether she's there or not, but be there as it may, your office is meant to be custodian of the interest of women and youth and persons with disabilities. Why have you not insourced this constituency to do work of the department instead of appointing mainly men managed consultants?

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Hon Chairperson, in appointing people who have special skills to assist the department, I guess that we would all know that there's a particular process that is legislated, wherein you have to follow those to the latter. If the members then says that we must open that process to consider what is quite important for me, more women than anyone else, then that can be the idea that is quite

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brilliant and that we would love to hear. However, for now, we are locked up in the process that is known, accepted and which is legal. I didn't hear the other questions, hon member, my apologies if there was any, except for this one that I'm responding to.

The ACTING HOUSE CHAIRPERSON (Ms R M M Lesoma): No, you are in order, hon Deputy Minister. It's only one question per person.

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Thank you so much.

The ACTING HOUSE CHAIRPERSON (Ms R M M Lesoma): Thank you very much.

Ms M D HLENGWA: Hon Deputy Minister, your department continues to spend a large part of its budget on employee compensation despite its failure to deliver on its constitutional mandate as an evidence of skyrocketing gender-based violence, GBV, statistics. My question, therefore, is, what measures have you put in place to ensure a balance between reasonable employee or consultant compensation, and the department actually delivering on its mandate. Thank you.

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The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Hon Chairperson of the session, thank you also to the hon members, hon Chair, as I said earlier on, what we have is what is budgeted for, and what is budgeted for is what we have taken into process to appoint the officials that are within the department. There might be some other allegations, but from where we are standing, these officials that are within the department are allowed by the legal processes wherein the staff component was made, it was agreed upon and everything was budgeted for. There are posts that are vacant, we agree, but everyone else who is in the department is there legally. Thank you so much, hon member.

Question 741:

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Thank you hon Acting House Chair and hon member. The National School of Government is working hard to achieve the target of 30% for young people. The National School of Government, NSG, has improved from 18% in the past, which is by June 2022, and as we speak, they are up to 25,6% in terms of young people working at NSG. The shortfall is from 2% of transfers, people who were working for NSG who were transferred to other departments, resignations, but also as you would understand young people once they get their feet in employment, they

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start looking for greener pastures immediately. Therefore, they are chasing moving target in terms of youth employment. However, we are committed to chasing the target. Thank you, Acting House Chair.

Ms R N KOMANE: Acting House Chair, through you to Minister, I cannot agree with you on what you have said because it has been for some time that NSG has not met their target in terms of the youth. Be as it may, Minister, this country is really in the high rate of youth unemployment. However, you are saying whatever there you are saying. Let alone the graduates who opt to drugs and alcohol abuse by virtue of their frustrations. Have your department, Minister, engage the Department of Women, Youth and Persons living with Disabilities, maybe find a database of the youth because there are many youths in this country that need to be employed that we can use to close this gap? Thank you very much.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Acting House Chair, the department as well as the National School of Government, we work hard to ensure that we produce opportunities for young people. It is us that have removed the requirements for experience at job entry level. That is intended to ensure that young people come into the Public

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Service. However, as you may be aware, hon member, that not everyone would be employed in the Public Service, but we do try and have all measures that we can work on to ensure that we attract young people into the Public Service. Thank you, hon member.

Ms S T MANELI: Acting House Chair, through you to hon Minister, the National School of Government offers training opportunities which are also taken up by young people who are within the Public Service and those who are not part of the Public Service. How does the entity then ensure implementation of its mandate that it prioritises young people as the future of the NSG and broadly in the Public Service? Thank you.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Acting House Chair and the hon member, the National School of Government has a faculty, the Cadet and Foundation Management, that's a faculty, which is dedicated to youth development. Therefore, as such, the NSG offers training programmes, specifically targeting young people within the Public Service. These include the Cadet Programme, which talks to personal mastery, the Constitution and administration of the public sector, the ethics in the Public Service, writing for

government, all these are causes that are designed for young people especially new entrants into the Public Service.

We also have a breaking barriers to entry, which is normally called BB2E programme, which also seeks to attract young people and break the barriers of them joining the world of employ. Some of these programmes are fully funded by the NSG itself. For example, the citizens centre service delivery and the personal mastery, and others are available online at no cost. These are all programmes that seek to attract and strengthen the ability for young people to gain employment. Thank you, Acting House Chair.

Dr L A SCHREIBER: Acting House Chair, a recent report from the Public Service Commission, PSC, revealed that nearly 2 000 senior managers in the Public Service do not hold the required qualifications for their positions. This is surely proof that the National School of Government has failed in its mandate for a skilled Public Service. Moreover, I refer again to the recent report led by globally respected Harvard economist Prof Ricardo Hausmann, which found that, and I quote:

Cadre deployment is a long-standing policy of the ANC to place party members in influential roles across

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government and parastatals. This policy laid the groundwork for state capture.

Minister, given the damning findings from Harvard's Prof Hausmann, do you agree that the NSG will never be able to fulfil its mandate for as long as the ANC practices cadre deployment?

The ACTING HOUSE CHAIRPERSON (Ms R M M Lesoma): The hon Minister! Order, hon members! Hon members, order! Let's allow the Minister to respond. Hon Minister! Hon Minister, over to you, ma'am.

The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Acting House Chair, it is still a pity that in many instances, for as long as our institutions are led by Africans, then there's nothing good that would come out of those institutions in the minds of others. Therefore, I'm worried that I'm beginning to read that sense, and that worries me big time, because the NSG if one looks at its own reputation, if one participates in its programmes and understands what it does, it is one of the apex institutions that this government has produced. An institution that has partnered with best institutions in the world to ensure that it produces programmes and courses that are

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designed specifically to uplift South Africans, especially black South Africans. Therefore, yes, for those who do have the privilege they won't understand that ...

*IsiXhosa:*

... ndiyabaxolela.

*English:*

There's a time where you must be able to accept that some things will never change. And unfortunately, that's what I'm reading from the hon member because he says that that institution will never succeed. How do you say that when you talk about development, especially of human capital? I rest my case. Thank you, Acting House Chair.

Mr B N HERRON: Thank you, Acting House Chair, and Minister. Minister, the NSG recently concluded an agreement with the University of Johannesburg which has focused on the academic personnel spending time at the NSG as part of the sabbatical. Now, that's not necessarily young people. What are the opportunities to enter similar agreements with the University of Johannesburg, UJ, and other universities focused on opportunities for young graduates and young postgraduates to spend time at the NSG? Thank you.

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The MINISTER OF PUBLIC SERVICE AND ADMINISTRATION: Thank you once more, Acting House Chair, and thank you, hon member. Indeed, those programmes are already in place. That is what the NSG does. It has a number of agreements across. It works with almost all the universities, each university specialising in a particular line or area of development. Therefore, opportunities for young graduates are there. However, also as departments in government we have internship programmes where we attract young people into the workplace where they then get exposed to the world of work and with some stipend which assist them and motivates them, which builds their own confidence as young people to work in the workplace.

Just about two months ago, it's a pity that I don't have the exact date with me, but our own department had a programme where those young people who have been placed in various departments, their time was coming to an end. I wish I could share with you the video where they themselves indicate how good the programmes they participated in are. These are programmes where we work in collaboration because the National School of Government is a government institution. Thank you, Acting House Chair.

Question 772:

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The DEPUTY MINISTER IN THE PRESIDENCY FOR STATE SECURITY (Mr I K Morolong): House Chair, Statistics SA has put in place the following key interventions to promote the use of statistics in planning, monitoring and evaluation and policy development. Firstly, media engagement. The intention therefore is to create public awareness of key financial indicators and media training in the use of statistics. To stakeholder engagement: We are conducting stakeholder engagement at national, provincial and municipal levels. We are invited to various strategic planning and other sector management structures to present statistical outputs.

Statistics SA is actively engaging in academia institutions of higher learning and is also invited by various businesses and nongovernmental organisations to share key statistics.

On partnership, Chair, Statistics SA has established partnership with the Department of Co-operative Governance and Traditional Affairs, the Council for Scientific and Industrial Research, CSIR, the Department of Planning, Monitoring and Evaluation, National Treasury, the SA Reserve Bank, SA Revenue Service, Sars, SAPS, to mention a few to enhance collaboration in the production of end use of statistical information.

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Statistics SA is also in close contact with premiers' offices throughout the country. To make an example that today the Statistician-General handed over a report on census to the Premier of Gauteng and this is an ongoing programme where the official census handed over to provinces.

Statistics SA collaborate with institutions of higher learning on matters of statistics. Statistics SA offers training at national, provincial and municipal levels. It offers training in the use of SA Statistical Quality Assessment Framework, which enables producers of statistics to identify the quality gap. Training is offered in the use of statistical tools and training is free of charge. Statistics SA embarks or has really embark on a website revamp project to improve accessibility of statistical products and services. The revamp website is scheduled to be launched during the 2023-24 financial year. Further enhancement such as introducing both services is scheduled for phase 2.

Statistics SA is also in the process of making data set available a new user-friendly format. Dissemination tools, namely, super cross nester are now available on the website allowing user to customise cables and consumption of data required. I thank you, Chair.

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Mr B S YABO: House Chair, planning as a function is critical as it is informed by strategic objectives, which can be public oriented and private interest oriented. What is critical for the use value of the Census 2022 is to ensure that both public and private sector institutions utilise statistical data to influence their objectives and plans for innovations and to also focus on the gaps which the findings of the Statistics SA illuminate. What has been the interaction and response of the private sector on the census outcomes thus far? Thank you very much, House Chair.

The DEPUTY MINISTER IN THE PRESIDENCY FOR STATE SECURITY (Mr I K Morolong): Chairperson, let me resuscitate the sentiment expressed by hon Yabo in saying that statistics is contracting than elsewhere in the world for planning and decision making. That's why the role of Statistics SA in the collection, production and dissemination of data is quite significant. In fact, I have said there is an engagement that is ensuing between Statistics SA through the Statistician-General and all premiers in all nine provinces in the first instances to share information on the census, which will now constitute the statistical information baseline for the country for its plan.

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Now Chair, I must indicate that private sector like households make use of platforms such as user enquiries on our website to have access to the information that is containing in the census. This has been the most trouble through the uptake that we have seen in our website and through these user enquiries in the aftermath of the production of the census report. We must, Chair, also indicate that there are continued engagement between the private sector and Statistics SA. Statistics SA is from time to time invited to address events where they will then share information on, not just the census but on statistical data that has been generated as a result of the work that has been undertaken by Statistics SA. Thank you.

Mr J J MCGLUWA: Deputy Minister, due to the failure of the ANC national government, do you agree that a key trust in the city centric approach and frankly a crucial element for its success will be to decentralise this function to competent, local and provincial government? The DA-led government and the DA-led coalitions will welcome such a move because it's not only policies and programmes that are more responsive and effective when customise to a local context and to local people that have the umph and the appetite to have things done. Do you agree, Deputy Minister, on decentralisation on this matter? Thank you.

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The DEPUTY MINISTER IN THE PRESIDENCY FOR STATE SECURITY (Mr I K Morolong): I am quite astounded by the fact that we now want to decentralise the function of Statistics SA. In fact, there is a process underway. That process inter alia relates to the amendment to the Statistics Act. So, I am going to suggest to the hon member that as part of the appetite to try and create something that will never work that you should mobilise members of the DA to make valuable imputes into the public hearings on the amendment of the Bill so that we can then debate whether there is really that need for us to decentralise the role of Statistics SA or not. I think it's quite illogical suggestion to say the least. Thanks, Chair.

Mr M MANYI: Greetings, Deputy Minister. Given the Statistician-General's concern about the budget cuts and his proposal out of desperation to shift to 10-year census cycle, which I think would be problematic. Can you take us into your confidence on what specific strategies you intend to implement within your office to address this budget through concern to ensure practical realisation of all the things that are contained in various of your Annual Performance Plans? Thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR STATE SECURITY (Mr I K Morolong): You know, hon Manyi, is quite free of the fact

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that whether in the discussion in the portfolio committee about the duration of the census and there were quite a number of use express there. But chief amongst them was the fact that I indicated that in fact it is much more feasible to have the census conducted every 10 years. This is consistent with what the Bill recommend because it allows the country to spend better. I made an example with the most popular country in the world, China. It conducts its census every 10 years. So, I don't think that there is earlier need for us to bid ourselves out about the need for us to have the census every 10 years but we are saying that this discussion is part of the discussion that are going to ensue during the public hearings where South Africans have been express their views on what their view is in respect to the census. So, I don't think that it's something that we really need to worry about. This is something that we will be referred back to the House at an appropriate time level and offers opportunity to debate whether is feasible for census to be conducted every 10 years or whether is consistent with what the Statistics Act indicates that the census should be conducted in every five years but I agree that the budget cut will do more harm to the work of the Statistics SA than any other institution.

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I have said that in the past, Chair, even in the portfolio committee I have expressed my discontent with how this budget cuts will impact on the work of Statistics SA. I have been in fact even suggested there is a need for us to have a continued engagement with the Treasury to show them the dangers of reducing the budget. I have spoken to quite a number of examples. Chief amongst is the fact that the vacancy rate now stands at almost 19,6%, which is woody trust to say that. So, our view is that these are ensuing discussion that must continue to unfold. We however, understand the current financial climate that ... [Inaudible.] ... Thank you, Chair. [Time expired.]

Ms Z MAJOZI: Hon Deputy Minister, Morolong, how will you ensure that the statistical data used to inform and improve policies related to public private investment is a true reflection of the South African business landscape thus data related to both large corporation as well as small business. Considering some of the barriers faced by young and small friends? Thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR STATE SECURITY (Mr I K Morolong): As I said, Chair, statistical data is quite significant for planning an institution. This is something

that we as policy makers, as law makers, we must bear in mind that the need for the use of data for planning and institution making cannot be emphasised because we are now faced with empirical evidence, which we must convert into policies and so on.

It is not only a function of business to appropriately plan for the future. It is also holds on government to also appropriately plan for the future. We now know how many more schools are needed, for instance, we now know how many households need more electricity in stored into their homes.

So, the need for planning in the overall cannot be overemphasised but I don't think that it raises the business only. I think is all encompass and that's why the use of data must be utilised prudently. Thank you.

Question 738:

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Thank you very much, hon House Chair. The Ministry has taken into consideration the findings and the recommendations of the 10-Year Review which was released by the National Planning Commission in October 2023. Hon members of this House are also aware of that report ... [Audio

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stopped.] ... to the interventions that government is introducing. Firstly, to strengthen the implementation of the District Development Model, DDM, as the Minister of the Department of Co-operative Governance, spoke to, and also, to improve effective leadership because this is one of the things that the Minister also spoke to, to say instability in municipalities is one of the things that the Department of Co-operative Governance, DCoG, is seized with.

It also speaks of co-ordination across the different spheres of government. These are the things and the findings that the National Planning Commission has brought to the fore. It also looked at the silo planning and alignment of different departments, alignment of various state-owned enterprises, SOEs, and different departments. These are the things that we are looking into.

Between ourselves from the monitoring side and the Department of Co-operative Governance, one of the things that we have also looked into is to bring over and above the build that I spoke to which is on its way to Parliament, the National Development Planning Framework Bill that will interface with the Intergovernmental Relations Framework Act. What we have also picked up through frontline monitoring is the local

government management improvement model where we start to say how do we join hands with the National Treasury and the Department of Co-operative Governance to make sure that we help at the level of management in municipalities and interface at that level. That's the first part of the question.

The second part of the question speaks on the capacity of the state which is Priority Number 1 of the seven priorities that we have in this Sixth administration. The Minister of the Department of Public Service and Administration, DPSA, has spoken to some of the issues at length especially the professionalisation of the Public Service, the amendments that are coming on the Public Service Act as well as the Public Administration Management Act including the lifestyle audit. Those are the things that the Minister is dealing with. We will play oversight, monitoring and evaluation and give support and ensure that that is happening.

Part of the things that we are picking up as we do monitoring and evaluation in the Department of Planning, Monitoring and Evaluation is the interface between administration and the political office. That is one of the things that is between

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ourselves and the Department of Co-operative Governance as we play monitoring and evaluation that is also adhered to.

The last issue which also came as one of the things that we need to look into as we look at the capacity of the state, is the implementation of the Judicial Commission of Inquiry into Allegations of State Capture, Corruption and Fraud in the Public Sector including Organs of State, but also what the President has now looked into in putting mechanisms in places especially internal mechanisms to give support on the implementation to ensure that that does not recur. We have seen the National Anti-Corruption Advisory Council hosting a conference not so long ago. We are saying everyone must come to the party, and not only government, the private sector and everybody because fighting corruption is a responsibility of all of us. Thank you.

Mr T LOATE: Chair, no, I am satisfied. I was wondering when you were calling out the name. I thought it was somebody else when you said Loate. I thought it was one of the hon members.

The ACTING HOUSE CHAIRPERSON (Ms R M M Lesoma): Point taken, hon member. Now we shall proceed to the second supplementary

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question that will be asked by the hon Ms C M Phiri. Hon Tobias will take it over.

Mr T V TOBIAS: Hon Deputy Minister, one of the critical interventions required to strengthen the functions of the Department of Planning, Monitoring and Evaluation is the development of legislation to ensure the department's recommendations have strong effects because this will enable the Department of Planning, Monitoring and Evaluation to be more impactful in taking measures towards building a capable developmental state. Therefore, what measures does the department consider to ensure that its recommendations are duly considered? I thank you, hon Chair.

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Thank you very much, hon House Chair. If you look at the current legislation which is on its way to Parliament which is called the National Development Planning and Co-Ordination Framework Bill, which is coming, it gives the Department of Planning, Monitoring and Evaluation the legal muscle to deal with issues of planning, monitoring and evaluation. Also, it does enforcement on one plan, one budget.

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In as much as the Department of Co-operative Governance will be making sure that certain things are adhered to, we as the Department of Planning, Monitoring and Evaluation need to have teeth to make sure that there is compliance. We are also happy to inform Parliament that in our interaction with the Auditor-General of South Africa, part of the auditing that will take place once this legislation is in place is to make sure that the Auditor-General of South Africa, AGSA, also audit departments or the three spheres of government including entities on how they comply with the District Development Model. That will strengthen our planning, monitoring and evaluation and give teeth to noncompliance. The regulations by the Minister and the interaction between our Minister and the Minister of the Treasury in this legislation will even empower withholding some of the funds if the department through their annual performance plans, APPs, do not comply. Thank you very much.

Mr J J MCGLUWA: Thank you, Chairperson. Deputy Minister, there is one thing that we have to accept from the report of the National Planning Commission and its admission that the government will not achieve most of its targets by 2030, that the state doesn't have the capacity to implement and certainly it cannot do it alone and it needs public-private partnership

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and collaborative whole of society approach. Minister, my question is, how do you see your role and what will you do to facilitate and drive strategic public-private partnership for public sector innovation, SOE turnaround and accelerate infrastructure development and service delivery especially through investment, attractive and growth catalysing exemptions and structural reforms that will incentivise more business confidence and job creation in South Africa? I thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Thank you very much, hon House Chair. If you look at the report of the National Planning Commission, like I said, it speaks to some of the things that we have picked up. But not only that. We are not saying, not everything of the National Development Plan, NDP, has not been achieved. If you look at where we come from, whether you talk access to education and health, access to housing, water, electricity and many other things, we have gone a long way. Yes, more need to be done and we agree all of us as South Africans.

If you look at what the report is saying, what the Statistician-General has just said and how we are going to integrating some of the things including what the Minister of

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the Department of Co-operative Governance has just shared to say we have looked at the 105 municipalities and how do we then look at special incentives, dealing with the municipal infrastructure grants, MIG, and all the other related things. It speaks to how we respond, not only to what the Statistician-General is saying, but also how do we make sure that we leapfrog in the coming seven what the National Planning Commission, NPC, has just said of course led by President Cyril Ramaphosa even next year after the elections. Those are some of the things that we are working on and making sure that that happen. The private sector is very critical and that's why the DDM says, not only SOEs, but all the investors in the area, the stakeholders, the communities and everybody must play their part. No one must be left out. Thank you very much.

Mr M MANYI: Thank you, House Chair. Greetings Deputy Minister. Because of the colour of you jacket my question will be easy. [Laughter.] Considering the upcoming 2024 elections, how do you plan not only to ensure a clear separation between government initiatives such as the DDM versus the ANC campaigns, but also address and remove any suspicion that the model is a cold and a calculated attempt to camouflage the ANC campaigns and potentially the misuse of state funds? Thank you, House Chair.

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The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: Thank you very much, hon House Chair. I think hon Manyi ... [Audio stopped.] ... Can you hear me? If you look at what is currently happening already after the Medium-Term Budget Policy Statement, MTBPS, we are planning the coming five-year review, the 2024 to 2029. That's a draft and it is our responsibility. We know that in the next Budget, which is in February, including the Budget that will be passed in the interim, including that which will be passed after the elections ... [Audio stopped.]

The ACTING HOUSE CHAIRPERSON (Ms R M M Lesoma): Hon Deputy Minister, switch off your video probably you would be better audible. I think you have left the platform. The system has kicked her out. It has frozen.

Hon Deputy Minister, switch off your video and unmute yourself. Hon Deputy Minister, take my counsel and switch off your video. That will assist you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR PLANNING, MONITORING AND EVALUATION: I was saying that already administration on its own is running. That's why the Minister of the Department of Public Service and Administration was saying

professionalisation of the public sector is what is paramount. That is why it is priority number one. There is no way that administration can be used politically for us or for any other person to campaign in the next elections. We have systems. Parliament is there to play oversight. We know the capacities of all our committees that are responsible for oversight, and we will be working very closely all of us. There is no way that we can disappoint Parliament. Also, we dare not fail our communities in as far as service delivery is concern. Thank you very much, House Chair.

Question 778:

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Hon Chairperson of the session, thank you for the question from our hon Chairperson of the portfolio committee. The department facilitated the establishment of the structure the End Gender-Based Violence and Femicide collective, in June 2020, and it has been providing secretariate support to the structure, to ensure its sustainability and effective monitoring of implementation of the National Strategic Plan, NSP, on Gender-Based Violence and Femicide, GBVF, and the 100-day ...

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The ACTING HOUSE CHAIRPERSON (Ms R M M Lesoma): Hon Deputy Minister, DM, Kekana, we have exhausted your questions. Please, mute your booth, Sir. Thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES The department has facilitated the establish to structure the End Gender-based Violence and Femicide collective, in June 2020, and it has been providing secretariate support to the structure, in order to ensure its sustainability and effective monitoring of the implementation of the National Strategic Plan on Gender-Based Violence and Femicide, and the 100-day challenge initiative.

The 100-day challenge is a collaborative initiative that involves co-ordinating efforts between government, civil society organisations, the private sector and communities. Through the End Gender-Based Violence and Femicide collective, a number of 100-day challenge initiatives have been implemented. The End of Gender-Based Violence and Femicide Collective is a voluntary multisectoral structure, constituted by government, civil society and the private sector that aims to localise the implementation of the National Strategy Plan on Gender-Based Violence and Femicide, utilising an evidence-based implementation model called the 100-day Challenge,

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working in partnership with the Ford Foundation and the Department of Co-operative Governance and Traditional Affairs. Thank you.

Ms F A MASIKO: Hon DM, a disjuncture can exist between government and civil society, due to different policies and approaches. This can undermine the kind of social compacting required to tackle gender-based violence. We are pleased with the work the Ministry has driven, with three Bills already passed, and the National Council on Gender-Based Violence and Femicide Bill, currently before Parliament. What has been the experience of the Minister in relation to working with civil society and what needs to be enhanced? Thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Hon Chair, hon member, we can attest to this House - and we must understand it no earlier than now - working with communities is the best thing to do, because you get hard-core information, the experience, and to an extent, even solutions. As the department, we would really, say, if we could, it should be the first thing to do. We appreciate the work that has been done. We also appreciate the communities that have been in partnership with us in making sure that we are where we are today. Thank you so much.

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Mrs G OPPERMAN: Hon Chair, already in the first three months of this year, femicide increased with 7,9% and 969 women were killed in more than 15 000 assaulted, meaning that gender-based violence and femicide are still rising in South Africa. Deputy Minister how have you ensured, since the first Presidential Summit on GBF in 2018 that Pillar 1 of the National Strategic Plan on GBVF, was realised through collaboration initiatives, across all tiers of government and civil society? Thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIE: Hon Chairperson, the hon member is confirming the fact that all the processes and initiatives have been taken. To an extent, we can all agree that they are working. Of course, the progress is not as acceptable and the rise in gender-based violence and femicide is not accepted. Therefore, the department is hard at work, making sure that it works for everybody.

As we have indicated, we have already implemented the 100-day challenges in seven provinces. Only two are outstanding. We are really happy with the progress that we are making. Indeed, we should make sure that we speed it up a little, for the same reason that the hon member is raising it - the gender-based

violence and femicide numbers are unacceptable. Thank you very much.

Ms M D HLENGWA: Hon Chairperson, hon DM, in what ways does the Minister's office involve and engage local communities in these collaborative initiatives to address gender-based violence at grassroot level? Thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Hon Chair, hon Hlengwa, indeed, the department has established a rapid response team at district level in all nine provinces, working in partnership with the office of the premier, Cogta in provinces, as well as Salga. The rapid response team is a multisectoral responsibility for co-ordinating and planning, ensuring an agile response to the gender-based violence and femicide at the district and local levels, by ensuring effective monitoring of gender-based violence programmes.

This vehicle comprises stakeholders such as civil society organisations, state-funded community-support institutions, government departments, local and district municipalities and development agencies, planning and organising high-level events, such as the first and second Presidential Summit on

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Gender-Based Violence and Femicide, as the hon member alluded to, the Women's March, as well as the 16 Days of Activism. We can confirm and attest to this House that the department is hard at work, trying to address the scourge. Thank you very.

Mr B N HERRON: House Chair, Deputy Minister, we have the End GBVF Collective, we have the 100-Day Challenge, we have the National Strategic Plan, we have provinces and local governments also implementing government interventions to try and eliminate the scourge of GBVF. What monitoring and evaluation mechanisms are in place to measure the impact of all these government programmes on eliminating the GBVF? Thank you.

The DEPUTY MINISTER IN THE PRESIDENCY FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES: Chairperson, as I have said earlier on, we are in partnership, in trying to make sure that we all defeat the scourge. Yes, as we are working together with all the stakeholders that I have just made mention of, all these are the tools, to make sure that you address and deal with the scourge.

However, we have also put these vehicles in place to ensure that we co-ordinate and work together, from grassroot level.

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All these initiatives, in fact, most of them, are at a local government level. They are at the district. We are working with premiers, as the department at national level. This all seeks to co-ordinate stakeholders to ensure that we deal with this scourge in a manner that all South Africans can participate and attest to the fact that something is being done by their government. Thank you very much.

**SUSPENSION OF RULE 290(2) (a)**

(Draft Resolution)

The Chief Whip of the Majority Party moved: That the House suspends Rule 290(2) (a), which provides inter alia that the debate on the Second Reading of a Bill may not commence before at least three working days have elapsed since the committee report was tabled, for the purpose of conducting the Second Reading today on the Division of Revenue Amendment Bill

Mr N SINGH: I am tempted to say no because there was no consultation on this matter and I do not think we should be taken for granted, but I will not say no and accept the motion. Thank you.

Motion agreed to.

**CONSIDERATION OF REPORT OF STANDING COMMITTEE ON  
APPROPRIATIONS ON DIVISION OF REVENUE AMENDMENT BILL**

There was no debate.

The Chief Whip of the Majority Party moved: That the Report be adopted.

Motion agreed to (Economic Freedom Fighters and Democratic Alliance dissenting).

Report accordingly adopted.

**DIVISION OF REVENUE AMENDMENT BILL**

(Second Reading debate)

Mr N S BUTHELEZI: Hon Chairperson, hon Chief Whip, Deputy Chief Whip, hon members, hon Ministers, Deputy Ministers, ladies and gentlemen, the ANC supports the Division of Revenue Amendment Bill. The Bill affects changes in the Division of Revenue adopted early this year. These changes are

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necessitated by unforeseeable economic and financial events, unforeseeable and unavoidable expenditures, and the rollover of unspent funds.

This Bill is prompted by the desire of the government to protect the integrity of the fiscus. When the gross tax revenue was revised down by R56,8 billion, the government had to come up with creative ways to protect the fiscus. Budgets are about estimates and forecasts. When the Minister of Finance presented the Budget in February, he cautioned us about certain risks facing the Budget. For instance, the public sector wage agreement increased the cost of compensation for employment, interest rates rose, increasing debt service costs, the Russia-Ukraine conflict continued, and now the Israel war on Palestine. These are a combination of both international and national shocks, resulting in lower growth and lower revenue collection. With the budget reprioritisation, consolidated expenditure still increases by R13,645 billion for the current fiscal year. When the government decided on certain budget cuts, it was guided by very strict criteria. One, the social wage had to be protected. This is spending on health, education, social protection, transport and employment. We do this because the

ANC cares about the most vulnerable sections of our society, the young people, the unemployed and the elderly.

We are elated to see the green shoots appearing as far as employment opportunities are concerned. According to the Quarterly Labour Force Survey, 154 000 more people were employed in Q2 2023 than in Q1 2023. This should be celebrated because it happens despite the challenging economic environment. The number of the employed increased to 16,3 million, almost reaching the pre-COVID-19 levels of 16,4 million. As they say, there's nothing as dangerous as those who have eyes yet they can't see.

*IsiZulu:*

Yilento eyenziwa ontaba kayikhonjwa abangapha kwami.

*English:*

Provinces received an increase of R17,558 billion. This is mainly to fund implementation of the 2023-24 wage agreement mainly in the health and education sectors. The ANC takes agreements seriously. For those with amnesia, these are the workers who were at the forefront when we faced the devastating COVID-19 pandemic. With all the budgetary constraints that the country has, we're not going to listen to

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those who say we must abandon the workers, not the ANC, never. Cosatu exposed the myths propagated by the anti-workers propaganda of a bloated civil service. They told us in 1994 there were 1 million public servants to serve 34 million populations. Today, we have nearly doubled the population to 62 million people, while public servants grew disproportionately by only 200 000. So this bloated civil service is a myth.

We agree with Cosatu, that going forward, rebuilding collective bargaining and multiyear agreements is critical to avoid any adjustments. We all agreed that something needed to be done to protect the integrity of the fiscus and cutting some programmes was important. The National Treasury looked at those underperforming grants, so in all probability, were not going to be spent before the end of the year. Our understanding of the budget cut is that it is a temporary intervention to deal with this emergency. The permanent solution is to grow the economy at a higher rate. The projected growth rate of 0,8% in 2023 cannot help the economy and the fiscus. The National Treasury observed economic activity remains severely limited by the continued shortages of electricity, deteriorating freight rail performance and slow port operations. It is now common cause that the

government is leaving no stone unturned in unblocking these bottlenecks.

Recently, Unit 1 of Kusile returned ahead of schedule, adding 800 megawatts to the grid. Also, we are happy with the return of Unit 1 of Koeberg's nuclear power station, which will again add 920 megawatts to the grid.

*IsiZulu:*

Imiphumela yalokhu siyibonile sonke. Noma ugesi usahamba kodwa kuyiqiniso elingephikiswa muntu ukuthi isimo sikagesi sesingcono kakhulu. Kusho ukuthi isinhlelo zikaNgqongqoshe u-Ramokgopa zinezithelo ezibonakalayo. Lokhu kubalulekile ngoba ngaphandle kogesi umnotho ngeke uze ukhule kanye namathuba omsebenzi ngeke aze abekhona. Sithi kuNgqongqoshe, akabambelele njalo aqhubeke nomsebenzi omuhle awenzayo.

Soloko kwahamba leya ndoda ebhalana nezincwadi u-De Ruyter, engathi isimo impela siyathembisa. Ngathi uNgqongqoshe Wezimboni ZikaHulumeni nebhodi la-Eskom bangasheshisa baqashe u-CEO ukuze kube nozinzo kule nkampani.

*English:*

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We, therefore, called on everyone, the government, and all these departments, provincial and local, to prioritise inclusive economic growth. The bottlenecks and the red tape which impede businesses must be removed urgently. The private sector is also very important in this regard. The infrastructure spending is meant to crowd in private sector money. The recent revelations and admissions by Standard Chartered on their role in rand manipulation are unfortunate. As hon Minister Ntshavheni observed yesterday, what they were doing I hope they have stopped undermining everything that the government and other businesses are trying to do, to grow the economy for the benefit of all South Africans.

Let me just pick one channel emanating from the rand manipulation, the exchange rate deteriorates, and the petrol prices increase. This gets transmitted to goods and services. They become more expensive. Inflation rises. The SA Reserve Bank increases interest rates, and the repayment of home loans increases. Mokoena and Dlamini who own taxis pay more. Workers pay more for taxis to go to work. Also, the debt costs of the country explode. The rand manipulation is nothing else but economic sabotage. It should be treated that way. To get better growth, the National Treasury and the government should take a tough stand against this practice. As lawmakers here,

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we must relook at the legislation and disincentive this practice. Many families have lost their houses because of this practice. It is anti-development and unpatriotic. The DA has been very mute on this issue. Can you be on the side of the people for once? We call on every public and private ... to commit to the Economic Reconstruction and Recovery Plan so that South Africa has a better life for all, Penultimate, we take this opportunity to congratulate our Auditor-General Ms Tsakane Maluleke, on her appointment as an external auditor of the United Nations Educational, Scientific and Cultural Organization. The ANC supports the Division of Revenue Bill thank you.

Dr D T GEORGE: House Chairperson, the division of revenue is about choices after almost 30 years of ANC-led government, this process is not delivering the most effective allocation of the people's hard-earned money, because government has made the wrong policy choices.

Although government talks constantly about zero based budgeting, nothing has happened. And revenue allocation is becoming increasingly ineffective in addressing spending priorities. Government chose to put place itself at the centre of our economy, in pursuit of a so-called developmental state

that would drive economic growth, generate jobs, and lift South Africans out of poverty. None of these objectives have been met by the incapable, corrupt, and dysfunctional ANC-led government.

When the budget is compiled, there is no analysis of whether a department is operating, relatively more efficiently than Others. This is crucially important in these unprecedented times, where government is cutting expenditure because it has mismanaged our finances and is rapidly running out of money.

More efficient departments and provinces, especially the Western Cape, get punished when cuts are not properly thought through.

In February, National Treasury projected economic growth of 0,9%, and that was revised downward to 0,8% and the reserve bank projects an even slower 0,7%. This means that national revenue is lower than projected in February and can continue to reduce even further as our economy stalls.

Our low economic growth relative to the 3,3% projected for the sub-Saharan African region is a direct consequence of rolling blackouts and have not improved despite the transfer of

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R78 billion for debt relief to Eskom, in the 2023-24 financial year, with another R106 billion to follow in the next two years.

Despite the hundreds of billions poured into Eskom, it remains hopelessly bankrupt and unable to keep the lights on, transferring its debt onto the national balance sheet was designed to give comfort to the multitude of bondholders who were increasingly concerned about their interest and capital getting repaid.

There is now more room for Eskom to borrow and their lenders, who are attracted by premium returns, must remember that the premium is there to compensate for higher risk, and reckless lending has consequences, when all debt is not guaranteed.

The Transport Network, Transnet, is now melting down with a group Chief Executive Officer, CEO, describing the massive backlogs at the port of Durban as "Rome burning". Over 70,000 containers, are stuck at the port, mainly the result of under investments in infrastructure over the past decade. Transnet wants a bailout of R100 billion to plaster over the massive cracks. Even if there was money to give them, that would not

resolve the problem. The model is fundamentally flawed, and private public partnership is the only way out.

Although the Minister mentioned this in his medium term by the policy statement, nothing is happening while the wheels of the freight train stop moving, and the ships pile up in our harbours. This is what a failing and broken government looks like.

Ricardo *Hausmann*, originally from Venezuela, where the economy imploded under the weight of failed economic policy, has confirmed collapsing state capacity, raised based preferential procurement and cadre deployments as the predominant cause of our dire economic situation.

South Africa is a rich country, yet our economy doesn't generate the jobs or encourage entrepreneurs, because government got in the way. That is the opportunity cost of a failing ANC-led government that doesn't deliver, doesn't respond, and doesn't care.

South African households are feeling the pain of these poor policy choices as they struggle to pay their home loans, their

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school fees and cannot maintain the lifestyle, they have worked so hard to achieve.

The DA handed a memorandum to the Minister asking him to respond to the cost-of-living crisis, where 81% of households are skipping one meal a day, 12 million people go to bed hungry every night, 30% of children under age five are stunted in their development and millions of hungry school children are unable to concentrate and learn.

The latest state of the South African Child Report by the Nelson Mandela Children's Fund reports that nearly five million, that is 25% of our country's children are starving, while R24 000 per head was spent on the president and his very important person, VIP, guests on their flight to London.

The DA has proposed measures to bring urgent relief to battling South African households. The very long overdue pension fund reform initiated by the DA that will enable members to access a portion of their funds during financial hardship prior to retirement, as has been successfully implemented in another number of other countries, is finally on track for implementation in 2024.

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Government can cut the taxes and levies on fuel. Government can increase the solar tax credit. Government can increase the child grant to the poverty line. Government can increase the zero that rates basket of goods purchased by the most vulnerable 50% of South African households.

The Standing Committee on Finance supports this proposal, but the Deputy Minister says that it is not affordable. Your priorities are wrong, Deputy Minister, when you waste billions on bailouts, yet households go hungry.

I urge the committee to stand firm for South African households battling the cost-of-living crisis, as they have done on pension fund reform.

Government has forgotten who actually owns the money it spends and where the power actually lies. It lies with the people. Next year they will abandon you, just as you have abandoned them. Thank you, House Chairperson.

Dr S S THEMBEKWAYO: House Chairperson, the EFF, rejects the Division of Revenue Amendment Bill, tabled by the Minister of Finance and the National Treasury. Besides budget cuts to allocations to provincial departments and municipalities, and

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the reduction of conditional grants, the tabled division of Revenue Amendment Bill does not present any new proposals or interventions.

We all agree that the current equitable share formula that is used to allocate the revenue raised nationally, it's not working.

South Africa's economy remains concentrated in the four metros; Johannesburg, eThekweni, Cape Town, and Nelson Mandela. And, of course, other metros such as Tshwane, Buffalo City and Mangaung have some economic activities.

But by and large, South Africa's economy remains concentrated in previously white only areas. And this means that maintaining the current equitable share formula, is to maintain apartheid and an apartheid economy.

As the EFF, we have raised this matter since our arrival here in Parliament in 2014, to say that allocating only 10% to the local sphere of government, which is the coalface of service delivery, is not sustainable.

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The majority of local municipality do not collect any revenue from households that they are expected to service, who are expected to deliver clean, dependable, and reliable water, deliver electricity, build infrastructure, and collect waste.

You cannot collect the rates and taxes when more than 11 million people are unemployed. More than 28 million people depend on some form of social grants to put food on their table. More than 30 million people live in poverty. We need to move beyond agreeing that the equitable share formula needs to change, we equally have to change it.

When we take over government in 2024, we are going to prioritize changing the equitable share formula. The local sphere of government must get some more resources.

We can find modalities of how best to protect and ensure that the money allocated to local government and municipalities is used for its intended purpose. We need to deal decisively with corruption and do away with the corrupt tender system. We need to build state capacity, employ municipal workers who are paid properly and with benefits.

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The EFF is in government in the City of Johannesburg, City of eThekweni, Ekurhuleni, Nelson Mandela Bay, and many other local municipalities. We are demonstrating that service delivery can be a priority if there is a clear program of action.

In Ekurhuleni, a sewage issue reported will be fixed in less than 24 hours. How do you like that? In Mogale City, our councillors are feeling portholes even when the municipality has limited resources, listen, in Nelson Mandela Bay, all sewage blockages are being addressed on a daily basis, including in informal settlements and townships.

In the City of Johannesburg, our Member of Mayoral Committee, MMC, responsible for public safety, has launched a unit that will be dedicated to the prevention and combating of crime in the CBD and other crime hotspots. And also listen, a tactical response unit to fight general crime.

In the city of eThekweni, all the beaches will be open and operational in December for our people to go and enjoy themselves. How about that? When we say local government must get most of the budget, we do so ... can I be protected please?

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The HOUSE CHAIRPERSON (Ms G B Boroto): Order please, order.

Dr S S THEMBEKWAYO: Can I be protected please?

The HOUSE CHAIRPERSON (Ms G B Boroto): I said order members.

Dr S S THEMBEKWAYO: You know order? When we say local government must get most of the budget. We do so because we appreciate the need and scale of services that need to be delivered to our people, instead of money being wasted in national and provincial offices, in meetings and forums good people.

We are demonstrating that local government is the most important sphere of government to our people, and this Division of Revenue Amendment Bill, lacks imagination to have a necessary impact. Thus, the EFF rejects it. Thank you, House Chairperson.

Mr E M BUTHELEZI: Thank you very much, hon Chairperson, for the opportunity, the report that is tabled before this House cannot in any way differ from what the Minister has communicated through his policy statement. Everything that is presented in this report confirms that our country is on the

trajectory of disaster. Across departments, we can see now that our people will not get the much-needed services that they are entitled to.

This report, much like the policy statement itself, is exposing the ANC-led government's failure to ignite economic activities, their lack of integrity and sense of duty, and the extent of corruption that is deeply entrenched. Ironically, I think the ruling party is being honest in showing us that they have embezzled and looted to a point where they cannot even hide it no matter how hard they try. The reality is that our country simply does not have money to cater for the needs of our people, regardless of the false assurances given by the government.

Through this report, their mismanagement of the country's resources is undeniably showcased by the financial status of essential departments which are in disarray. It is concerning when one sees the budget cuts that have been made to essential services. As we speak, businesses are closing every few months due to an economy crippled by corruption. South Africans are left unemployed, and the cost of living increasing by the day. Every day we wake up in darkness, and we witness the collapse

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of critical infrastructure such as Eskom, SA Post Office, Transnet and the Passenger Rail Agency of South Africa, Prasa.

The growth of our economy has been ... [Inaudible.] ... stifled by the ANC-led government's greed and corruption, and the South African people they have promised to liberate, have been left shackled by socioeconomic hardships. This report is telling the people of South Africa that they can let go of any hope that the ANC-led government will ever change the current socioeconomic circumstances it has created. The IFP, therefore, calls upon South Africans to assist a cause that seeks to address systems of corruption, theft, mismanagement and fraud.

The antidote to challenging the poisoning of the beautiful spirit of our country is to vote against the actual cause of such challenges, and that is the ruling party itself. Our understanding as the IFP is the fact that appropriations can only manoeuvre within previous allocations

*IsiZulu:*

Ngiyamuzwela kakhulu umntakababa usihlalo waleli komidi uShenge ngomsebenzi okufanele awenze ...

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English:

... under the circumstances. The IFP supports the report, hon Chairperson. Thank you so much.

Mr W W WESSELS: Hon Chairperson, when we talk about the Division of Revenue, we can't ignore the dire state of the municipalities, and the ANC government's solution to a failed municipality ... [Interjections.] ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Order members! No, please.

Mr W W WESSELS: ... is to amalgamate municipalities when there is a failed municipal entity and make it larger. That failed, and even the Financial and Fiscal Commission said that is the reason for failed local government. You see the model of local government is the problem, but what is the solution of the ANC government now? The District Development Model. It is another pipedream because this budget does not allow for the implementation thereof. It's another dream, it's another thing that you tell the electorate but it won't work. It failed and it will continue to fail. Municipalities and the increases in rates and taxes are contributing to the cost of living crisis experienced by South Africans out there, but South Africans do

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not receive any value for money from those rates and taxes because municipalities have failed. The hon Buthelezi talks about unforeseeable factors that cause the situation that we are in with regard to the Medium-Term Budget adjustment. What was unforeseeable? The wage increase was foreseeable; the cost of living adjustment was foreseeable. Go back to Hansard and look at what the opposition parties said in this House in February. Go look at what we said last year in November. What we said the previous February. We warned you each time. Nothing is unforeseeable and those black swans in the global economy such as the wars you referred to, are unforeseeable. A responsible government will have reserves for such unforeseeable events but your fat cat cadres ate the reserves. That's the problem.

Hon Buthelezi says the ANC cares but this budget proves the opposite. This Bill proves the opposite because it takes away from basic service delivery such as education. It takes away from educational infrastructure grants, while schools are dilapidated and you just don't care. Hon Buthelezi says it's very dangerous when you have eyes but you can't see. It's more dangerous when you have eyes, you see, and you don't care, and that is the ANC government. You see what is happening out there but you just don't care. You say the solution for people

suffering in provincial and state hospitals is the National Health Insurance, NHI, the Bill passed by this House and now at the NCOP, but the budget does not make any provision for the implementation of the NHI. So, it's only an election promise. You are promising the people the NHI but you know it is not going to be implemented because this budget does not make any provision for it, it took away from health care.

The only way to ensure that there is value for money in infrastructure projects is to get rid of the ANC cadres which are fat cats, eating away our taxpayers' money, and exploiting the government, that's the only way. [Interjections.]

The MINISTER OF SOCIAL DEVELOPMENT: You're the fat one!

*IsiZulu:*

Wena wondeleni?

*English:*

Mr W W WESSELS: The only way to save this economy, to alleviate poverty and to create jobs, Hon Buthelezi, is to get rid of the ANC government. That is the only way and to rebuild the economy we need a responsible government but you are not a responsible government.

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AN HON MEMBER: Chair, can the member take a question?

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Wessels, are you ready to take a question?

Mr W W WESSELS: I will take a question.

*Setswana:*

LELOKO LE LE TLOTLEGANG: Ka o otile jaana, o sa none. Ore ke rona di ...

*English:*

... fat cats.

*English Translation:*

AN HON MEMBER: Because you are so thin, you are not fat. He says we are fat cats.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon member, that is not allowed according to Rule 84. That is not allowed. That is not a point of order. Proceed hon member.

Mr W W WESSELS: Thank you, hon Chairperson, you see the hon member proves the ANC does not care. They make nonsensical

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comments. They don't care because, once again, you see the suffering of the people, but you care more about your President ... [Interjections.] ...

AN HON MEMBER: You are nonsensical ... [Inaudible.] ...  
[Interjections.] ...

Mr W W WESSELS: ... being fat cats, and you do not care about the poor suffering. Thank you.

AN HON MEMBER: You are the one who doesn't care ...  
[Inaudible.] ...

The HOUSE CHAIRPERSON (Ms M G Boroto): People from ICT, I talked about these alphabets last week and these people continue to do that. Please, as soon as a person without a name speaks, just remove that person immediately.

Mr S N SWART: House Chair, the ACDP regrets the budget cuts as set out in the Amendment Bill, and these were necessitated through lower economic growth lower revenues and escalating debt service costs. This impacts much-needed services. The R17,58 billion increase in provincial wages following the public sector wage settlement places additional pressure on

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the fiscus, and this is one of the budget risks set out by the National Treasury in the Budget earlier this year, which has now materialised. The permanent solution to such fiscal constraints is high economic growth, which, as we all know, has been severely impacted by load shedding and the logistics crisis at Transnet ports and rails.

The debt relief arrangement for Eskom, also outlined in the Budget earlier this year, and noted that a large portion of the outstanding municipal debt is owed to Eskom, and while R78 billion was given to Eskom with R106 billion to follow, the government has now invited municipalities to apply for debt relief for arrears debt owed to Eskom to be written off over a three-year period provided municipalities comply with certain conditions. Now the ACDP is concerned that such writing off of debt creates a moral hazard, where defaulting municipalities will continue with reckless financial management in the knowledge that such debts may be or will be written off. Thankfully, the National Treasury has imposed strict conditions and it could result in such municipalities having to repay the remainder of their debt, including interest and penalties should those conditions not be met. The ACDP remains concerned about the municipalities' shocking financial state, as pointed out in various reports.

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An example is the blatant waste of money, such as the spending of R38 million on a so-called call centre, a prefabricated shack by the Mompoti District Municipality in the North West, an additional R1,4 million per month has been spent on monthly operational costs. This is disgraceful, and this whole incident, whilst it is being investigated by the provincial authorities, must also be investigated by the law enforcement agencies,

It does illustrate the crisis at the local government level. This crisis, the ACDP finds is alarming as it results in a collapse of services in many areas but also means water and electricity cuts are regular meaning, therefore, salaries are not paid and ratepayers can rightfully feel that they are not getting value for their money. Service delivery protests are rife and this is often accompanied by violence and destruction. In view of the distressed state of municipalities when services in many areas are almost non-existent. The ACDP will not support this Bill. I Thank you.

Mr B N HERRON: House Chair, we will support the amending Bill, but we have to acknowledge that the budget cuts have been necessitate because South Africa has an economic growth crisis. South Africans have suffered the crippling effects of

an underperforming economy, which has failed to create jobs or eliminate inequality and poverty for 15 years.

Each year's Budget Speech and Medium-Term Budget Policy Statement delivers sets of commitments that haven't changed a thing. This year's MTPS and National Treasury pinpoints the global economic crisis of 2008, as the turning point in our economic growth and job creation progress. However, the African Development Bank's Economic Outlook 2023 Report places our over decade and-a-half long stagnation into context.

The continent's outlook remains positive and stable, with a projected rebound to 4% growth in 2023 and further consolidation to 4,3% in 2024. The bank's projection shows that 18 African countries will experience growth rates surpassing 5% in 2023, increasing to 22 African countries in 2024. [Interjections.]

The HOUSE CHAIRPERSON (Ms M G Boroto): There is an echo, but I think you should just proceed. I think ICT should look into that.

Mr B N HERRON: Our dire economic performance is almost entirely of our own making. As the Development Bank says

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growth in southern Africa is projected to decelerate by 1,1% to 1,6% in 2023. The projected sharp decline in 2023 largely reflects the continued weakness in South Africa, the region's largest economy and trading partner, from an estimated 2% in 2022, to 0,2% in 2023, as it grapples with the impact of high interest rates and persistent power outages on economic activity.

Millions of South Africans are struggling for their basic survival as a consequence of our rank and economic performance. This is so in the large part due to the state's inability to move beyond the rhetoric of implementing economic structural reforms. This year's MTBPS statement made yet another commitment to economic structural reforms, including restructuring government, but it failed to provide us with a strategy for economic growth and job creation.

We align ourselves with the position of a number of organisations that have voiced that South Africa has a growth crisis and not a debt crisis. Implementing this austerity measures through budget cuts now, given the economic quicksand we are in, will relegate us to languishing in hardship and profound inequality for generations to come. It will entrench

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and deepen poverty and trap our economy in a cycle of low economic growth and induced underperformance. Thank you.

Mr A M SHAIK EMAM: Thank you, House Chair. The NFP will support the deviation of Revenue Amendment Bill. Let me start off by saying that when I was young and at school, I was told about a particular saying: The pot calls the kettle black. What that simply means is exactly what is happening in this House, where people are coming here attacking the ANC, that there is corruption.

However, the strange thing about this is that not a single person in this House from these opposition parties, other than myself, have raised questions about the corruption in KwaZulu-Natal by the IFP run municipalities. Not a single one! I mean, look at Pongola charges against the mayor in Abakhullisi, eNdumeni. The list is endless; nobody says anything. Your housing sector in the Western Cape has corruption of hundreds of millions of rands. You have done nothing about it.

But, let me tell you: For the 10 years that I am here, almost, not a single solution came from these opposition parties as to how you close those gaps to corruption. They are so obsessed with the ANC that it is only them. In other words, it is okay

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if there is corruption here, don't touch it; but when it it is this side it is a problem. So, put measures ...

[Interjections.]

EFF, do me a favour: You must be the last one to talk about corruption. Please, please, please, be the last one to talk about corruption. I will need about three hours at least, minimum, if I have to talk about all your corruption. So just do me a favour, let's stay away from that. [Interjections.]

The solution here is that there has been a reduction in revenue. There is a rise in expenditure and as a result, there needs to be budget cuts. When there are budget cuts, it means there is going to be a problem because there is going to be a lack of the delivery of services. Certain sectors are going to suffer.

However, what have these municipalities done to become self-sufficient? I will give you a good example, Chairperson: If you go to Germany, at BMW, in Bavari, the local municipality has invested in and they have shares there. So, the profits that come from there develops that community, to such an extent that there are so much of resources coming in, they even help other municipalities and other areas.

What stops us, in these local municipalities, from investing and getting a return from private successful businesses? The other problem, which all these people are not talking about, is how they are sustaining themselves through this procurement and corruption in all these municipalities.

Have you ever heard them saying let us put some measures in place there or let us advertise every procurement. After it is awarded, who the awardees are? What is the value? What is the itemised billing? Who are the directors, so we can identify who are the people becoming millionaires and multimillionaires at the expense of taxpayers. You guys are shameful, you don't care about the people. You are only ... [Time expired.]

*Sesotho:*

Mong X S QAYISO: Modulasetulo, dilemo tse mashome a mararo tse fitileng, mokgatlo ona wa ANC o bontshitse hore o kgonne ho ka sebedisa tekaneyetso ya ditjhelete e tekwang selemo le selemo hore e kgone ho ntlafatsa maphelo a setjhaba sa rona. Komiti ena ya dikabo tsa ditjhelete le yona e kgonne ho ka sheba boemo kapa diteknayetso kapa ditabatabelo tsa mafapha tse tekilweng pela komoiti ena hore na di ipapisitse ka mokwa oo eleng hore di tla rarabolla mathata a teng ka ditekanyetso tsa ditjhelete tsa ona le hore na dibajete tseo ba di tekang ka

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pele ho komiti ena di tla kgona ho re thusa hore moruo le ona o hole ka mokgwa oo tshebetso e tla bang ka teng.

Feela, ke batla ho hopotsa batho ba ntseng bae me mona ba itlatladietsa hore ANC ha e ya etsa letho ho bontsha ka selemo sa 1994, ha di thakgoha, ANC e ile ya ipehela ditabatabelo tse ka hodimo ka sehloohong tse hlano.

Ya pele e le hore e tshwanetse e etse bonnete ba hore ditshebeletso tsa mantlha di ba teng le hore mafapha a tshebetso a ba teng hot la etsa mosebetsi le hore ho na le batho ba tla hirwa hore ba tlo etsa mosebetsi o kgabane. Wa bone ene le hore e etse bonnete bah ore puso e ba ka seemo sa demokerasi le hore ho rene demokerasi ka hare ho setjhaba.

Modulasestulo, re fihleletse tsena tse ka hodimo mmme ha re swabe le hore ke tsona diphihlelo tsa rona jwalo ka ANC tseo re di fumaneng mme di pakelwa ke tlaleho e twkilweng ka pele ho rona ya palo ya setjhaba.

Ke batla ho hlalosa sena hobane ha motho o batla ho etsa puo ka beach ele ntho e sa tlo thusa letho ho ntlafatsa maphelo a setjhaba ke ho kgahlisa feela. Jwale, ho ile hwa ba le nako eo eleng hore Modimo le ena o ile a fela pelo hobane o ne ana le

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lenyeloi leo a neng a le bitsa Lucifar, jwale lenyeloi leo ...

[Kenohanong.] ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Qayiso, please take your seat. Hon Mhlongo?

Ms N MHLONGO: Chair, is the member willing to take a question?

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Qayiso, are you willing to take a question?

Mr X S QAYISO: Once I'm done here, Chair.

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you, proceed.

*Sesotho:*

Mon X S QAYISO: Jwale, tlaleho ya palopalo ya setjhaba e bonstha ka ho totobala hore diphihlello tse bileng teng dilemong tsena tse mashome a mararo ke di feng, eseng ditsiebadimo tse sa tswa ho balwa hona jwale tjena.

Ka seelmo sa 1996, batho ba rona ba neng ba sa kgone ho kena sekolo ene ele 19,1%. Hona jwale ha re bua ka 2022, re na le palo e kana ka 6,9%.

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Batho ba rona ba neng ba ena le matlo ka 1996 e ne le 65,1% mme ena e nyolohetse ho 88,5%. Ho bolela hore ANC e ya sebetsa. Batho ba rona ba neng ba ena e motlakase ka selemo sa 1996 e ne ele 58,1% mme hona jwale ke 94,7 ka selemo sa 2022. Jwale ANC e ya sebetsa ha e etsa jwalo.

Ha ke sa bua ka batho ba rona bao eleng hore ba kgonne hore ba fumantshwe motlakase. Ke bua ka palo e ka hodimo ho 8 million batho ba rona kgona ho ka fumana motlakase.

*English:*

So, these are indisputable facts that we have adequately used the appropriation of the budget over this period to drive major redistributive socio-economic programmes today. More than 18 million South Africans benefited from a range of social grants. That is why even today the ANC government has taken a decision when the budget was read to say at least R350 grants will be extended such that the poor are able to benefit continuously whilst a better way will be advanced looking at how the issue of the basic income grant can work better in future.

Hon Chair, these are facts.

*Sesotho:*

ANC e tla tswela pele ho fana ka ditshebeletso ho sa kgathallatsehe hore na batho ba di bona ka tsela e jwang hobane ha se ntho e oba e ratang. Ke ka hoo ba ntseng ba lla feela ka hore ANC ha e etse mosebetsi empa mosebetsi o ntse o etsuwa.

Feela, re tseba lebaka leo le buang ke batho ba ha Benjamin mane hore ntho eo ba e shebileng ke hire ba leke hore hosasa ba be le ntho ena eo ba e bitsang boerestaad. Ba nahana hore re ntse re sa e hlokomele taba eo le ha ba ntse ba iphapantse ba re bua ka tsela engwe.

*English:*

The provincial equity share has received a big adjustment with an increase of R17,5 billion to fund the cause of the of the Public Wage Bill at the cost of R6,81 billion and R10,76 billion for education.

These are some of the most services that the vast majority directly benefit from. This allocation will further assist in building the capability of the state to provide the necessary services needed by our people.

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A proposed total amount of R57 million is reprioritised from the school infrastructure backlog grant to vote for the national Department of Basic Education. Of this amount, a proposed total amount of R32 million will fund compensation of employees and the pressures that are experienced.

The MTBPS, further protects the school nutrition programme which is very critical for children at school so that they are able to learn about lifestyle habits for their lives.

Chair, the ANC is concerned that the reduction in the budget will impact the comprehensive agricultural support programme Illema/Letsema. This is an important grunder that provides the necessary infrastructure, financial support for black scales farmers to improve their farming operations.

Many of these farmers rely on government's support and are unable to access funding from the commercial banks and some development finance institutions, DFIs. The lack of support of black emerging farmers will only perpetuate an unequal and dual nature of the agricultural system. For this sector to be treated as a priority productive sector for job creation.

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Chair in conclusion, we fully appreciate the difficult circumstances that the MTBPS was presented under and we wish to assure South Africans that the ANC led government will continue to deliver services and reforms. So, the reprioritisation and the implementation our path and improve the efficiencies needed to grow our economy.

The reductions of some programmes are temporary as we said earlier that we struggle with the debt problem. These are meant to ensure that we do not lose the essence of what the economic reconstruction and recovery plan envisage. The ANC supports this Division of Revenue Amendment Bill. Thank you very much Chair.

Ms N MHLONGO: Chair, the member said he was willing to take a question at the end?

The HOUSE CHAIRPERSON (Ms M G Boroto): I would have reminded him if he had time. ICT, I think when a member is on the podium, I have to switch off my microphone because it has an echo. Please check on that.

Mr S M JAFTA: The AIC supports the Bill hon Chair. Thank you very much.

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Mr T LOATE: Chair, the major consideration in looking at this Bill is how to equitably divide the reduced revenue raised nationally among the national, provincial and local spheres of government for the new financial year.

Institutionally, capacity in our country is rapidly declining, both because funds are inadequate, management is failing and corruption is both enduring and systematic.

The needs of our growing population are not being met with anything like adequate level. Obviously, the economy is stagnant. Wealthy people are immigrating, taxes are still being evaded and Transnet and the port authorities are causing major and almost impossible hurdle for exports.

The government is functioning well below par in delivering quality service. Meanwhile urgent spending pressures are going to grow to a scary level in respect of finding funds for infrastructure delivery, maintenance and capable management, especially in the municipal sector.

There is a dire need to strengthen intergovernmental fiscal relations and coordination on the one hand and an improved

accountability and oversight mechanisms substantially to get a greater bang on our money.

Now, more than ever before in our democracy, the need to improve the efficiency and effectiveness of spending and revenue collection at all levels of government, especially in the municipal sector where many municipalities are facing financial distress, poor governance and service delivery failure is a matter of the highest concern. This is especially true of delivering in respect of water, sanitation, electricity and roads.

The record of failure of most local government authorities in our country in respect of the above is dismal, appalling and even criminal.

The ANC-led government must see the red lights flashing and hear the sirens going off.

The apartheid era townships are becoming more hellish than they have ever been. Transformation has failed there and criminality has increased it to a considerable extent.

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When the share of revenue in real terms declines sharply, as it is now doing, and service delivery is severely affected, war time measures are called for. The government must get on and deal with the crisis in a visible ... [Time expired.] ... we support the Bill, Chairperson.

Mr J N DE VILLIERS: Chair, there is a harsh reality about why we are even debating an adjustment to the Division of Revenue Bill this year. And that harsh reality is that the government has caved in, yet again, on an unaffordable public sector wage bill.

The initial budget took the bold step of proposing a 0% increase on the public sector wage bill, after more than a decade of above inflation increases on their wages. The beneficiaries of these increases is the approximately 27 650 000 millionaire managers in the public service that are estimated to now cost the state R39 billion a year.

R17,6 billion is being found in this Bill to fund the cost of implementing the 2023-24 wage agreement across provinces. But at what cost to citizens?

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Today the government is choosing public sector managers over citizens because the following cuts are being made to accommodate these salaries: R58 million is being cut from Childhood Development Grants, R125 million is being cut from Comprehensive Agricultural Support Grants, R260 million is being cut from the Schools Infrastructure Backlogs Grant, R440 million is being cut from the Health Facility Revitalisation Grant, R447 million is being cut from the Informal Settlements Upgrading Partnership Grant, R550 million is being cut from the Provincial Roads Maintenance Grant and R1 billion is being cut from the District Health Programme Grant.

The message the ANC is sending with this Bill is clear, that if you are a school child whose school does not have functional toilets, the government is taking more money meant to fix this to pay a millionaire manager who's probably a cadre and an ANC member.

If you are an emerging farmer, the government is taking money away from developing you to pay a millionaire manager who has enjoyed more earnings in a year than you will make in five years.

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If you get sick, the government's own facilities will be even worse than before because the government is taking money away from you to fund salary increases for more millionaire managers.

The choices made in this Bill reflects the priorities of the government and today it is clear for all to see. By prioritising salary increases to a select group of public sector millionaire managers, the ANC is prepared to sacrifice Early Childhood Development, agriculture, education, health and infrastructure.

Our duty as Members of Parliament, MPs, is to ensure that the needs of the citizens are met, that the promises made to school children, emerging farmers and the sick are kept. This Bill is the ANC's betrayal of those promises.

When the ANC uses its majority to ram this Bill through, please remember the faces of the school children without proper toilet facilities.

The ANC's majority decision today will shape their futures and sends a message to them about what the government thinks of them and how they do not care.

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We do not support this Bill. Thank you, Chair.

Mr Z MLENZANA: House Chairperson, let me start by saying the ANC supports this Revenue Amendment Bill. It's an amendment Bill, it's not a new Bill. We cannot come here, and we play as if you do not understand the financial processes, just because we want to play around with the picking of the South African electorate.

House Chairperson, the right-wing anti worker tendency will always show up.

*IsiXhosa:*

Yinto ekufuneka siyazi ukuba siza kuphila nayo.

*English:*

The South African economy is almost twice as large as it was three decades ago. And as individuals we are on average, better off, by one and a half times by monetary measure, as per the human development index ... I'm not howling, which adds, health, and education.

We have advanced from a medium to a high human development index profile. It goes on saying that; the ANC-led government

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has made South Africa a better place and has improved the lives of the vast majority of our people. I will come back to that.

The last five years have been very difficult and full of unexpected events. Key amongst others was COVID-19, which had profound impact in the world. Shortly after COVID-19, we had the war in Ukraine. I don't want to talk about yourself and that.

We also saw the realities of climate change in frequent occurrences of extreme weather events in our country and elsewhere. All these impacted to our society and the cost of living and also the economy of the country, negatively.

Unemployment remains a major challenge and as the ANC, we have prioritized industrialization, investment infrastructure, broadening ownership, growing small enterprises, cooperatives, town, and village economies to unlock the potential of the economy.

To tackle unemployment, the ANC-led government, through appropriation of the budget and division of revenue, invested listen, 32 billion, in the presidential employment stimulus to

create jobs. Work experience and also support livelihoods that have benefited 1,2 million people, especially the young, the women since 2019.

The caring government of the ANC responds to the needs of our people and has demonstrated this consistency throughout the 30 years of governance.

There are some in this House, some of you in this House, who live in a completely different world. Or they are in denial of successes that government has achieved in our democratic bedrock.

We are not surprised by your howling. As some of you benefited from apartheid and discrimination, and currently you do not want ordinary people to live decent lives and access the things that they have to and enjoy the abundance of life where they are capable and are expected.

I wonder if you have been to Khayelitsha. I wonder if we have been to Makhaza. Because what you as the DA are doing there, they will find a situation that the DA-led government in the in the Western Cape will frustrate those ANC ward councillors. Wherein, what they've prioritized through their Integrated

Development Plans, IDPs, and all is not implemented by this, and they come here and howl.

I wonder if we can go back and look deeply into when the Auditor General issues out the results, we can always say let's also check the impact if the money they say they have spent does have an impact. I'm raising this because I'm coming closer to municipality.

Since 2019, the municipal infrastructure grant has financed, 217 municipalities for infrastructure related projects, to ensure basic service delivery to poor households. I'm talking of water. I'm talking of sanitation, roads, and community facilities. Appreciating the important role played by local government, as it is currently directed as the service delivery point for the people.

That division of revenue does not ... listen, does not reduce the local government equitable share. Instead, local government conditional grants allocations are set to increase by 7% in the 2024-2025 five financial year. So, don't go out there and mislead the people.

Allocations to local government further the propose that 1,2 billion to be added to the municipal disaster recovery grant to fund the reconstruction and rehabilitation of municipal infrastructure damaged through floods that occurred between February and March 2023.

Due to these floods ... because some of you are so insensitive, the municipalities are still response grant was depleted in June 2023. So, now a proposed amount of 372 million is added. So that this grant can be made responsible and also that we ensure that municipalities actually perform.

Just in a sentence, to indicate that a further 88 million in the neighbourhood development partnership grant, is converted from the direct to indirect component of the grant. We want to expedite project implementation in municipalities.

A as a caring government, the ANC is actually at the point now of making sure that we ease the red tape. I think we should put that in emphasis.

Before, I stop, I listened here House Chairperson, of these people, who always think that there are financially, you know,

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glued. The DA, FF Plus and all these reactionary parties, they say nothing about bank coalition. Meaning, they are actually in full support, manifestation of the tendency of the white monopoly capital.

Now, let me talk to this also. Let us not mislead the communities around this question of budget cuts. Here we are not talking of a new budget. Here we are talking of money that is already there. Here we are talking of reprioritization. Here, what we should be talking about, is a situation where we say, those who have been allocated money, please spend money. And spend money efficiently. Meet time frames. Failing which when the midterm comes, there shall have to be review and reprioritization, therefore.

We cannot ... whilst we are faced here with the challenge of servicing the debt, whilst people do not spend. So, what is clear here is that we must, when money is not used, do some kind of reprioritization, however ... listen ... you don't even attend committee meetings, you must listen.

However, what we are saying here, is that Treasury should please come closer to these entities and departments which are challenged by this I would say tendency of underspending.

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We cannot promote perennial understanding when our people on the ground are actually waiting for service delivery which ultimately does not come.

But lastly, you know *kunabantu apha* [there are people here] who would come here and grandstand, as if they understand. You know House Chairperson; I was worried, and I was thinking that can I be bold enough to talk about somebody who has just passed on. And pardon me, the family of the professor. I wouldn't mention his name deliberately because I didn't get permission Chief Whip.

You know what they did here? They have got somebody who has been the former chief of Land Claims Commission. Somebody who has been the former attorney and advocate of the high court. Somebody who has once upon a time, being a social worker and he was crisscrossing the province of the Western Cape, knowledgeably.

But when they came in power, they sacked him. Just because they were implementing what they now do not understand, as cadre deployment.

Now, take that individual and put a match to their leader who if I want to talk of the level of knowledge acquisition, I would be found wanting because, I'm not sure if he knows the simple, simple, simple calculus. Simple statistics from matric but he is leading them. But they're telling us that there is a cadre deployment.

You know, in the nine seconds, let me tell you, the ANC will always develop its members, such that they become cadres, and [Interjection.] deliberately, they are cadres, will then, be deployed. Thank you, House Chairperson. [Time expired.]

*Xitsonga:*

XANDLA XA HOLOBYE WA TIMALI: Ndza khensa, Mutshamaxitulu.

*English:*

Good evening, hon members. As hon Sfiso Buthelezi, hon Heron and hon Swart indicated the tax revenue decline as a result of poor economic performance and that further borrowings is reaching its limits as a results we have reduced the direct conditional grants to municipalities and provinces by R9,6 billion.

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Hon Chair, this thin year expenditure reductions will not significantly affect service delivery. Let me state four reasons why we say so. Firstly, because we care for the poor, we have been sure that critical programme such as the national school nutrition programme are protected from budget reductions to ensure that kids at school do not starve. Secondly, we have reduced funds on grants that are underperforming in terms of expenditure and service delivery outcomes as hon Sfiso Buthelezi said. I fully agree with hon Mlenzane that we need to decisively address the problem of underexpenditure in our government. In the last financial year R22 billion was underspent. In the last two quarters of the financial year the government has underspent by R9 billion. As hon Qayiso also said. The third reason why these cuts should not affect service delivery is that we have allocated an additional R17,6 billion specifically for the education and health sectors in the provinces. The last and fourth reason is that over the next three years the provincial sphere will receive 42% of the equitable share and the local government will receive almost 10% of the nationally raised revenue.

Of course, critics of this split argue that we allocate too little to the local government. This criticism ignores the fact that municipalities have a greater ability to recover

costs associated with services compared to other spheres of government. For instance, local government can charge for services like waste removal, water and electricity to generate revenue in order to support their functions. Whereas the other spheres of government provide services that are often more complex requiring specialised fields and lacking direct means of cost recovery. Municipalities should enhance their revenue through enforcing their credit controls. They should also make sure that they build local economies to create employments thus certain for the material bases for revenue generation.

The National Treasury together with the Department of Co-operative Governance and Traditional Affairs, Cogta, and the SA Local Government Association, Salga, we are working to enhance tariff setting and own revenue collection. The debt relieve package has allowed Eskom to fully fund its maintenance requirements which is beginning to contribute towards energy supply thus minimising the intensity of load shedding.

Hon George, it is not everything that appears pro-poor which is indeed pro-poor. Studies have shown that VAT zero-rating does not necessarily lead to low prices for the poor. The 2001 zero-rating of illuminating paraffin did not benefit consumers

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as intended. Hon George, if you are interested in the poor, shouldn't be focussing on the redistribution of productive assets such as land so that poor people can also produce for themselves? If you are interested in the poor, you should be supporting the current VAT regime because it enables the government to generate revenue which enables the government to spend more than 60% of its Budget on social wage. Part of this social wage contributes towards funding education which contributes to the growth of the postapartheid middle class, black and white, particularly black in the public and private sector which you as the DA have decided to demonise as inherently corrupt and fat cats. Your crewed and consistent attack on the redress policies of this government such as the black economic empowerment, BEE, is purely meant to protect and defend colonially accumulated privileges, and we must call it for what it is.

Chairperson, in response to what hon Mlenzana raised, which is climate change which is evidence from increasing frequency of disasters in the recent years, we as government are providing additional funding of R372 million to the municipal disaster response grant. The government has added R1,2 billion to the municipal disaster recovery grant. This funding will cover the costs of repairing and rehabilitating infrastructure that was

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damaged and destroyed during the flooding that occurred in February and March 2023. This will help to ensure that the affected communities can recover and rebuild as quickly and effectively as possible.

Hon Chair, we can only sustain the government's pro-poor policies and create more jobs if we grow the economy. Our government is undertaking structural reforms to get our economy growing. The efforts to get the economy growing include setting our public finances on sustainable levels. This is what this Division of Revenue seeks to do. We therefore urge and pursued the House to adopt this Bill. I thank you, Chair.

Debate concluded.

Bill read a second time (Democratic Alliance, Economic Freedom Fighters, Freedom Front Plus and African Christian Democratic Party dissenting).

The House adjourned at 19:27.