**THURSDAY, 20 AUGUST 2026**

_____

***PROCEEDINGS OF THE HYBRID NATIONAL ASSEMBLY***

_____

The House met at 14:00.

The Deputy Speaker took the Chair and requested members to observe a moment of silence for prayer or meditation.

The Deputy Speaker announced that the virtual plenary sitting constituted a meeting of the National Assembly.

The DEPUTY SPEAKER: Hon members, before we proceed, I would like to remind you that the virtual plenary is deemed to be in the precinct of Parliament and constitutes a meeting of the National Assembly. In addition to the rules of virtual sittings, the Rules of the National Assembly, including the rules of debate, apply. Members enjoy the same powers and privileges that apply in a sitting of the National Assembly.

Members should equally note that anything said in the virtual platform is deemed to have been said to the House and may be

UNREVISED HANSARD

ruled upon. All members who have logged in shall be present and are requested to mute their microphones and only unmute when recognised to speak. This is because the mics are very sensitive and will pick up noise that might distract other members.

When recognised to speak, please unmute your microphone and, where connectivity permits, connect your video. Members may make use of the icons on the bar at the bottom of the screens, which have an option that allows a member to put up his or her hand to raise points of order. The secretariat will assist in alerting the Chairperson to members requesting to speak.

Lastly, when using the virtual system, members are urged to refrain from or to desist from unnecessary points of order or interjections. Hon members, the first item on the Order Paper is a motion in the name of the hon Chief Whip.

## EXTENSION OF DEADLINE

(Draft Resolution)

Mr C M DUGMORE: Deputy Speaker, I hereby move the motion printed on the Order Paper in the name of the Chief Whip:

UNREVISED HANSARD

That the House extends the deadline by which the Ad hoc Committee on the Review and Amendment of the Parliamentary Villages Management Board Act, Act 96 of 1998, must complete its task to 30 November 2026.

Motion agreed to.

## CONSIDERATION OF REPORT OF PORTFOLIO COMMITTEE ON TRANSPORT - OVERSIGHT VISIT TO PASSENGER RAIL AGENCY OF SOUTH AFRICA, PRASA, ON GENERAL OVERHAUL PROGRAMME FROM 29 TO 30 APRIL 2026

Mr S D SELAMOLELA: Hon Deputy Speaker, hon House Chair for the day, hon members, people of South Africa. I rise on behalf of the ANC, and we rise as the ANC in an unequivocal support of the adoption of the Portfolio Committee of Transport’s Oversight Report regarding the Passenger Rail Agency of South Africa. Perhaps before we reflect on the finding of this visit, we must locate our work within our historical mission to provide safe, reliable, and affordable public transport to the majority of our people, who live in disadvantaged areas and in squalor.

UNREVISED HANSARD

The ANC views the rail network not merely as an infrastructure, but as a vital artery for economic participation and social dignity. We are rightfully aware that the legacy of special apartheid continues to place a heavy burden on our communities who rely on rail as the most affordable means of travel.

Our oversight of the General Overhaul Programme is therefore the commitment to ensuring that the state's resources are used to restore a service that was historically manipulated and systematically undermined.

During our visit, we had to conduct this visit amidst the allegation of mismanagement, contractor non-performance, and allegation of corruption that had been alleged to have ... [Inaudible.] ... the programme, the GO programme.

We, therefore, as the ANC, support the decisive action taken by PRASA management, including the forensic investigation that continue to uncover certain maladies, including systematic overcharging and the subsequent delivery action that have been taken, leading to the dismissal of certain implicated employees in this regard.

UNREVISED HANSARD

We remain firm as the ANC that those who exploit public funds must be held accountable through the prevention and combating of corrupt activities act.

However, we must also note that during this visit we're impressed, as we also observe the immense potential of our local industry, such as the 100% black female owned contractor that we visited in Isando, which is the job of a pride of this particular programme, which demonstrates the socioeconomic impact of the GO through skills retention and job creation.

Therefore, successful modernisation of the yellow trains is a necessary bridge strategy to ensure service continuity until the new fleet becomes fully operational.

Hon members and people of South Africa, oversight visits like this are not a leisure treat for members of Parliament. They are instruments of holding the executive and the state entities accountable by verifying whether public resources and services measure approved laws and budget.

This mission equips us as Parliament to ensure transparency, track project, deliver on the ground and protect citizen

UNREVISED HANSARD

rights by taking what is useful and to discard what does not serve the interest of our people.

It is for this reason that the ANC supports the adoption of this report. We further support the recommendation for continuous oversight, and we call on for the completion of signalling and deport modernisation and the strengthening of internal control to protect the integrity of our public transport system and ensure that we have a transport ecosystem that works for all.

On behalf of the ANC, I salute and thank you very much to the people of South Africa.

The DEPUTY SPEAKER: Hon Blose, please unmute. You are still muted, hon Blose.

Ms H O MKHALIPHI: Unmute, my man.

The DEPUTY SPEAKER: Could the table please ensure that members are able to unmute themselves? I saw a hand now from one of the MK members. Is that a point of order or is it the speaker from the MK? I don’t see anyone. Hon Blose ... now there we go... hon Mkhize? Please proceed, unmute yourself. Could I

UNREVISED HANSARD

please ask the table to unmute the speakers who wishes to speak?

Ms H O MKHALIPHI: Deputy Speaker, are we dealing with PRASA, the Report on Portfolio Committee on Transport?

The DEPUTY SPEAKER: Yes, we are.

Ms H O MKHALIPHI: Can I take it for EFF?

The DEPUTY SPEAKER: Yes, because it seems the hon member can't unmute ...

Ms H O MKHALIPHI: ... are you fine now?

The DEPUTY SPEAKER: Hon Blose is now fine. Please proceed, hon Blose.

Mr M B BLOSE: Deputy Speaker, you saw you're taking as I thought you said the MK is here. Can I proceed?

The DEPUTY SPEAKER: Proceed, I have asked the MK, but the hon member raising his hand, hon Mkhize, cannot unmute at this point. So, I think let's take your declaration so that we do

UNREVISED HANSARD

not waste time and then I'll go back again to the MK. Please proceed.

*Declarations of vote*:

Mr M B BLOSE: Deputy Speaker, the EFF supports the portfolio committee's report on the oversight on PRASA and the General Overhaul Programme. We support the report because it recognises the importance of restoring and expanding passenger rail as an affordable, safe, and reliable mode of transport. However, our support must not be interpreted as an endorsement of how PRASA has managed the General Overhaul Programme.

The report exposes serious failures in governance and a lack of oversight. This is unacceptable because millions of our people depend on rail to travel to work, to school and to access economic opportunities. So, in an attempt to strengthen oversight and accountability, the EFF supports the committee's call for quarterly briefings on the GO Programme. Parliament must refuse to receive empty promises from PRASA, promises that have no measurable progress.

The EFF commenced the yearly time frame trainings and conversations about skills upliftment programmes in ensuring that there is ongoing technical support, maintenance and

UNREVISED HANSARD

skills transfer. We must therefore also guard against the situation where the failures of a few contractors within the GO Programme are exaggerated by the media or selectively highlighted by those who want to monopolise PRASA so that they can create justifications for terminating their contracts and make way for international companies like Gibela who are not subjected to the same scrutiny but have evergreen contracts with PRASA.

The committee visited where YNF Engineering and that was instructive. And we saw evidence of the quality of work that can be produced by a South African Black female oil company. The YNF Engineering was one of the best performing companies in the GO Programme, and the committee observed cultures in different stages of refurbishment and noted that the company's investment in rail and infrastructure was of high quality.

We therefore demand that PRASA should continue with the GO Programme and ensure that South African companies are uplifted, PRASa and Gibela must prioritise meaningful skills transfer to South African locally owned companies. Such a deliberate action will ensure that French companies when they pack their bags and go, our skills remain within the borders of South Africa, and we are able to maintain our own fleet.

UNREVISED HANSARD

As the EFF would therefore support the report, but we demand stronger oversight and transparency and accountability from PRASA and the Department of Transport.

I thank you.

Mr V G REDDY: Yes, Deputy Speaker, apologies. We do have a speaker. He's having a problem with connectivity, so just allow him to connect. I'm told that he is on the platform. Thank you.

Mr T T S KUBHEKA: I'm on the platform. Can you hear me?

The DEPUTY SPEAKER: Yes, I can, please proceed, hon Kubheka.

Mr T T S KUBHEKA: Apologies for that. The MK Party cannot support this report in its present form. We reject it because it represents a half-hearted response to findings that demand decisive parliamentary action.

This committee's own report records that R3,5 billion had already been spent on the General Overhaul Programme, while significantly fewer quotes were delivered than planned. It records suspected overbilling and most disturbingly, a

UNREVISED HANSARD

forensic investigation which identified corrupt relationships between PRASA employees and contractors. Price inflation of between 200 and 1, 700% manipulated and fabricated invoice and possible contraventions of ... [Inaudible.] ...

Those are not minor administrative shortcomings. Those are allegations of corruption and possible looting of public resources. And what does this committee recommend? More marketing, completion of signalling and depot modernisation, quarterly briefings. With respect, that is simply not good enough. You cannot confront alleged corruption involving billions of rands with marketing campaigns and quarterly presentations.

Where is the clear demand for accountability? Where is the comprehensive parliamentary accounting for every rand spent? Where is the recovery of money allegedly lost through overcharging and irregular payments? Where is the definitive account of who has been disciplined, who has been dismissed, who has been referred for criminal prosecution and what action has been actually followed?

The report tells us that the disciplinary processes have been initiated, criminal referrals have been made, and civil

UNREVISED HANSARD

recovery mechanisms have been activated. But Parliament cannot be satisfied with being told that processes have not been initiated. We need outcomes. We need consequences. We need the money back. And where criminal conduct is established, we need prosecutions.

The MK Party therefore rejects the notion that modernisation alone constitutes success. Yes, we support the restoration and modernisation of PRASA. Yes, we support the completion of signal and infrastructure. And the committee itself records that functioning signalling has been associated with substantial increases in train trips and passenger capacity. But modernisation without accountability is not transformation. It can simply become another opportunity for those who prey upon the state to enrich themselves.

And our people do not need another endless programme where billions are spent, contractors are paid, investigations are conducted, and Parliament is subsequently told to wait for another quarterly briefing. We need trains to run, stations that function, infrastructure that works, and public money that is protected.

UNREVISED HANSARD

Therefore, MK Party calls for this report to be rejected in its present form and for the committee to strengthen to strengthen it with concrete accountability measures arising from its own findings.

We demand a full disclosure of the financial impact of the irregularities. We demand a comprehensive account of recoveries and outstanding losses. We demand a status report on every disciplinary and criminal matter arising from the forensic investigation, and we demand accountability for non-performing and implicated contractors and officials.

And lastly, we demand a quarterly reporting measures that are not merely activity but actual outcomes. The people of South Africa are tired of Parliament documenting corruption and then responding with half measures

The MK party will not lend its support to such an approach. We reject the report in its present form. We reject half-hearted accountability. We reject impunity. And we reject the idea that billions of rands of public money can disappear into a maze of contracts... Thank you, Deputy Speaker.

[Time expired.]

UNREVISED HANSARD

Mr A K NGOBESE: Deputy Speaker, the IFP acknowledges and welcomes the progress made in restoring and modernising South Africa’s passenger rail network. However, the findings of the oversight committee visit highlighted the challenges relating to sound project management, accountability and consequence management. Public resources must translate into reliable services for commuters, and challenges identified in the Passenger Rail Agency of SA, Prasa, general overhaul programme must be addressed to prevent past shortcomings from being repeated.

The IFP recognises the importance of retaining specialised skills and protecting jobs within the rail sector. The loss of these skills could have serious consequences for workers, contractors and the future capacity of the rail industry. As the rail network is rebuilt, this capacity and experience should not be lost in the line of duty. We therefore support the continued oversight and welcome the recommendation of regular progress reports by Prasa.

The IFP supports the report and remains committed to accountability, governance and a passenger rail system that serves the needs of our people. I thank you, hon Deputy Speaker.

UNREVISED HANSARD

Mr E HENDRICKS: Hon Deputy Speaker, hon members, and all the communities in South Africa using public transport. The PA supports the report of the Portfolio Committee on Transport regarding recommendations for appointments to the Transport Economic Council, TEC. We must be clear; the Transport Economic Council is not a ceremonial structure. It plays an important strategic role in shaping economic policies in the transport sector, affecting mobility, safety, trade and national development. For this reason, appointments must be based on competence, integrity and a genuine commitment to transformation. We cannot continue appointing people to strategic structures while ignoring the lived realities of our communities that depend most heavily on public transport ...

*Afrikaans*:

Die PA praat straight [reguit]. Vir jare sit ons mense vas in ’n transport [vervoerstelsel] wat nie werk nie, met min busse, onbetroubare taxis, gevaarlike roetes en geen sê in die besluite wat hulle lewens raak nie.

*English*:

Our communities do not want to be merely passengers in decisions that affect their daily lives. They want a meaningful voice in shaping the future of transport. We

UNREVISED HANSARD

therefore call for a TEC that is representative, accountable and transformation-driven. Candidates must have both technical expertise and a real understanding of the challenges facing working-class and marginalised communities.

We further call for inclusive representation, clear accountability and a transformation-focused approach that improves economic access, safety, mobility for all South Africans.

The PA supports the adoption of this report and urges the Minister to ensure that the final appointments reflect diversity ...

*Afrikaans*:
Ons soek al ons mense op die appointments [aanstellings].

*English*:
... needs and aspirations of people who depend on our transport system every day. Thank you, hon Deputy Speaker.

Ms M P KOBE: Madam Deputy Speaker, the general overhaul programme is a complete farce. From the outset, this programme has been plagued by allegations of corruption, mismanagement

UNREVISED HANSARD

and massive cost inflation. This report points to inflated costs as high as 200%. Hon House Chair, let us be clear, former Minister Fikile Mbalula put a R7,5 billion feeding trough on the table, and now comrades are eating. In the committee, we were told that some coaches could be sold, some could be converted into classrooms and others into clinics. And hon Madam Deputy Speaker, as we speak, to date, none of that has ever happened.

Now, in this report, we are presented with a 10-year cost projection with some truly bogus numbers. We are expected to believe that 23 trainsets operating at full capacity on every trip for 10 years could generate billions in revenue. But process or projections indicate that these trainsets will be out of service by 2033. So, which is it? How can we justify a 10-year financial projection for assets that, by process or numbers, have only seven years left on dodgy assumptions of full capacity on every trip? Madam Deputy Speaker, the numbers are not adding up. What we have here is every and any far-flung justification, after the fact, that should have never, ever been approved in the first place. This is wasteful expenditure on assets with no credible long-term value and is simply a feeding trough of corruption. This programme must be halted, and those who are responsible must be held

UNREVISED HANSARD

accountable. We do not support it. Thank you very much, Madam Deputy Speaker.

Mr W M THRING: Hon Deputy Speaker, in the view of the ACDP, this report exposes a troubling picture of mismanagement, weak controls, contractor failure and apparent corruption within the overall programme at Prasa. It cannot be dismissed as an ordinary implementation challenge. Prasa has already spent some R3,5 billion of a R7,5 billion contract, yet alarmingly the programme has delivered significantly fewer coaches than planned.

More alarmingly are the forensic investigation findings of alleged corrupt relationships between Prasa, employees and contractors, suspected overbilling, manipulated invoices and price inflation of between 200 and 1700% on certain items. The ACDP positions that this is an appalling betrayal of commuters who depend on safe, reliable and affordable rail transport with functional signalling. Every rand lost through corruption and incompetence is a rand denied to millions of South Africans who are already carrying the burden of high transport costs.

The committee itself acknowledges that there was no unified project management office and that some contractors delivered

UNREVISED HANSARD

less than 20% of their allocation over two years and that post-payment verification controls were weak. The question to be answered is: Why have those responsible not faced decisive consequences? As kingdom builders, the ACDP further calls for the recovery of every misappropriated rand, criminal prosecution where warranted and personal accountability from those who failed in their fiduciary responsibilities. South Africa deserves trains, not excuses. We do not accept this report. Thank you, Deputy Speaker.

Mr S M GANA: I will have expected you, as the chairperson of the committee ... Yes, can you hear me, Deputy Speaker?

*Xitsonga*:

Tat S M GANA: Mutshamaxitulu, ...

*English*:

Once again, I was saying that I would have expected the chairperson to table the report on behalf of the committee and that the person who speaks on behalf of the ANC to come and deliver the speech that he has delivered. Nevertheless, as RISE Mzansi, we do support the report and its recommendations. However, we need to raise a few matters as it relates to the general overall contract and the way that it has run. One of

UNREVISED HANSARD

the things that we have kept on raising is that those who are found to be overcharging and are also not performing optimally, they need to face the full might of the law. But the current recommendations are very light in that regard. But we would like to see, when PRASA comes back to the committee, that these kinds of recommendations are implemented. Because, as other speakers have said, we do need moving trains, but the current way, the current speed at which the General Overhaul, GO, Programme is running, is not adequate. But we support the report, and we will hold Prasa accountable when they appear before the committee in the next quarter. Thank you.

*Xitsonga*:

Ndza khensa, Mutshamaxitulu.

Dr M A MAIMANE: Deputy Speaker and fellow South Africans, let’s presume a women called Martha lives in Marabastad and wants to get to Pretoria every day to do her job. The historical spend using public transport amounts to 40% of her total income — whatever she earns a month. Where she used a reliable train that figure would reduce to less than 10% of her income. The cumulative effect means that she has disposable income to use for her family, and more crucially, she is able to invest more into the economy.

UNREVISED HANSARD

The dilemma here is that even though National Treasury, through the Minister of Finance, has committed to over R1 trillion over the Medium-Term Expenditure Framework, the frankness of it is that the Passenger Rail Agency of South Africa, Prasa, is falling behind projects. This financial year they have already spent over R11 billion delivering only 57 trains. In essence that means they have achieved 54% of their total allocated budget and their objectives.

So, hon members, whilst I can read the report about the committee in terms of where Prasa is at, the harsh reality of it is that we have to face up to the fact that rail is falling behind significantly for the people of South Africa, adding to the burden to every worker. I would urge the committee focuses on the money, where the money has ended up, where there are contractual failures people must account for those, and we heed the objective of a trail every five minutes We fail to do that, we harm the economy. Do not support. Thank you.

Dr C H H HUNSINGER: Deputy speaker, the committee report calls this an oversight visit, I call it a crime scene with a train ticket. Members walk through Isando and Braamfontein and see coaches being rebuilt, but what the report does not say loudly enough is what forensic investigations found.

UNREVISED HANSARD

Price inflation of up to a 1700% on some items, invoices, quotations, and completion certificates all authorised on the same day. Corrupt relationships between Prasa officials and General Overhaul, GO, contractors. Money that moved through third parties to hide where it went. This is not mismanagement; this is organised theft from commuters who can hardly afford a taxi, let alone exploitation.

What has happened since? After officials were implicated, only two have been dismissed, 11 more are still — in the report's own words — and I quate: "undergoing disciplinary hearings". Nearly two years after the initial forensic report landed on the group CEO's desk on 24 November. The DA submitted a Promotion of Access to Information Act, PAIA, request for that exact report in June last year and we are still waiting.

This Parliament, constitutionally mandated to hold Prasa to account, has still not been given the full report behind some issues we debate here today. Meanwhile R3,5 billion has been spent and Prasa cannot agree with itself on how many couches they can show for it. YNF Engineering told the committee that it delivered 268 couches, Prasa told the Standing Committee on Public Accounts, Scopa, that the number was 334. Two contractors are now in arbitration against Prasa. Again, it is

UNREVISED HANSARD

taxpayers that are paying lawyers to fight the very companies and to fix trains.

The fact is that there was no single programme management office overseeing any of this. Some contractors delivered less than a fifth of their allocation in two years, with no consequences beyond a slightly awkward paragraph on paper. While billions are allegedly siphoned off in Isando, picture Mabopane station, which this committee also visited. Dark platforms and intermodal facility left to rot because nobody can agree on whose land it sits on, overgrown vegetation, and informal traders working in poor light and on uneven ground. That is what unaccounted for billions look like on the ground.

Not a line in a spreadsheet but commuters are walking through a dark station because the money that should have modernised it went into someone else’s pocket. Here is the tragedy, this programme could work, and this committee was shown that just one contractor and 268 couches could generate over R7,5 billion in fair revenue over 10 years. This is a real business case for saving this trade. Instead, it is strangled by theft at the top and paralysis in the middle. With 18 months left on this contact, it is workers and not corrupt

UNREVISED HANSARD

officials who will stand to lose their jobs when winds down with little to show for it.

The DA does not oppose the General Overhaul programme itself. Extending the yellow fleet's life until new trains arrive is necessary, and where it works — it clearly does at YNF — it should be expanded not punished for others' sins. Necessity is no excuse for silence. We demand a full Webber Wentzel report to be tabled in this House, not summarised. We demand full criminal referral finalised, not indefinitely under review. We demand quarterly reporting with real consequences attached, not another photo opportunity.

Commuters are not asking for a marvel; they are asking for a train that runs on time, a station that is lit, and a government that does not spill the money meant to deliver both. I thank you.

Mr C N MALEMATJA: Hon members and fellow South Africans, of more importance ...

*Sepedi*:

... ke banamedi kamoka ba ditimela ka gare ga naga.

UNREVISED HANSARD

*English*:

As we draw this debate to a close, the ANC rises once more to cement its unequivocal support for the adoption of the Portfolio Committee on Transport's oversight report regarding the Passenger rail Agency of South Africa, Prasa in Short.

Our discussions today have reaffirmed that our rail network is far more than mere steel and concreate; it is a vital artery for economic participation and social dignity. We cannot lose sight of our historical notion to provide safe, reliable, and affordable public transport which is a corner stone in dismantling the heavy lingering burden of spatial apartheid on our community, including the state capture. While we confronted the painful reality of mismanagement, contract non-performance and corroboration within the General Overhaul programme, we stand firm with our support of the decisive action taken by Prasa management. Let this serve as a final warning to those who exploit public funds so that they learn that they will end in jail.

Forensic investigations have to continue and implicated employees have to be dismissed and be held accountable under the Prevention and Combating of Corrupt Activities Act, Praca. We are saying this after it has been proven by the Prasa

UNREVISED HANSARD

management that all these are on course. Therefore, to stand and want to grandstand while nothing is not happening is not true.

Our journey has also shown us the great promise of what is possible. The success of 100% black female owned contractor in Isando stand as a powerful testament to how the GO programme drives job creation and skill retention, Action SA.

Modernisation of our yellow train remains our critical bridging strategy to that ensure service continues for our people until the new fleet is fully operational.

It must be reported once and for all that oversight visits are not leisure trips for the Members of Parliament, MPs. They are our constitutional duty hold executives accountable and track the project delivery on the ground and safe guard our citizens rights by taking what is useful and discarding what does not serve our people. Therefore, we close by calling on this House to adopt this report in its entirety. We demand continuous oversight, swift completion of signalling and depot modernisation and the robust strengthening of internal control to secure the integrity of our public transport system.

UNREVISED HANSARD

*Sepedi*:

Ka di 4 Nofemere 2026, a re yeng re bouteleng mokgatlo wo o tliśago tśe kamoka go swana le ...

*English*:

.. Mabopane station which is under refurbishment. The new station Tshwane is only available and doable under the leadership of Ramaphosa and the ANC-led government. I thank you.

Motion agreed to (African Christian Democratic Party, Umkhonto weSizwe Party and ActionSA dissenting).

Report accordingly adopted.

**CONSIDERATION OF REPORT OF JOINT STANDING COMMITTEE ON DEFENCE AND PORTFOLIO COMMITTEE ON DEFENCE AND MILITARY VETERANS - JOINT OVERSIGHT VISIT TO DENEL AERONAUTICS IN GAUTENG AS WELL AS SANDOCK AUSTRAL (SA) SHIPYARD, NAVAL BASE DURBAN AND AIR FORCE BASE DURBAN IN KWAZULU-NATAL, FROM 28 TO 30 APRIL 2026**

Mr M D LEGOETE: Hon Madam Deputy Speaker, I just wanted to present myself to you. I will switch off my camera due to infrastructure challenges in my rural province. I rise to

UNREVISED HANSARD

introduce the report of the Joint Standing Committee on Defence and the Portfolio Committee on Defence and Military Veterans on the oversight visit undertaken from 28 to 30 April at Denel Aeronautics in Gauteng, Sandock Austral (SA) Shipyard at Durban Naval Base, as well as the Air Force Base in Durban, KwaZulu-Natal. The oversight visit provided the committee with the opportunity to engage directly with management, with officials, personnel, and to assess the conditions of key defence capabilities, infrastructure, and project.

The committee also received an update on Denel’s continued support for the Oryx and the Rayfark helicopter fleets. The discussions highlighted the importance of maintaining technical skills, institutional knowledge, which is required to the upkeep and sustenance of those defence capabilities. However, the oversight also identified challenges affecting the availability and sustainability of the Air Force helicopter fleet. This included aging platforms, maintenance break blocks, limited availability of spare parts, and continued practice of cannibalism of aircraft to keep up with the platforms.

Members were particularly concerned about the future, the sustainability of the Oryx and the fleet, and need of greater

UNREVISED HANSARD

clarity on the long-term planning and the replacement of critical system.

The committee subsequently proceeded in our second oversight visit to Sandock Austral Shipyard, where members inspected Project Orte. The hydrographic survey vessel being constructed for the SA Navy.

The committee received an update on the status of the project and considered factors contributing to the delays, including the effects of COVID-19, civil unrest, floods, and disputes involving contractors.

Members nevertheless raised questions about the project governance planning arrangement, particularly attention was given to the project execution plan, the original tender price, expenditure to date, outstanding work, and the project costs, and the time frame for the completion of the project.

The committee consequently requested further information to enable Parliament to properly assess the status of the project and appropriate a way forward.

UNREVISED HANSARD

The committee went further to the oversight of the Naval Base in Durban, as well as the Air Force Base. The committee was able to inspect facilities and engage with personnel on the conditions of the base and the challenges affecting daily operations.

Members observed deterioration in several areas of the infrastructure, including sewage and water systems, accommodations which accommodate our soldiers, fuel infrastructure, which is in our Naval Base, perimeter security hangers in our Air Force, and emergency accesses.

The committee also briefed on the ongoing uncertainty regarding the future location and possible relocation of the two bases, the related question about the appropriate approach of infrastructure investment, while the long-term status of the facilities remains unresolved.

Among the recommendations are the need for clarity on the future of the Naval Base of Durban, as well as the Air Force Base, further reporting on the project, including the costs, the completion, time frame, and long-term approach on the SA Air Force helicopter capabilities, the tabling of the Cabinet approved defence policy, the journey to greatness to

UNREVISED HANSARD

Parliament, and the appropriate consideration by the Auditor-General matters fully within its mandate.

We must say the value of oversight visit of Parliament is being able to verify conditions on the ground and to obtain information directly from the responsible ... [Time expired.]

*Declarations of vote:*

Mr P KUBUKELI: Hon Deputy Speaker, as I rise on behalf uMkhonto weSizwe Party, the oversight visit revealed not a Defence Force in difficulty, but a state in collapse. The Defence Force is simply the mirror reflecting the collapse of the state itself.

At Denel Aeronautics, we did not witness an aviation capability. We saw a graveyard of grounded aircraft. Airframes stripped, parts borrowed, parts moved from one aircraft to another, yet none of them able to fly. This is not an operational setback. It is the anatomy of misguided austerity.

At Sandock Austral, Project Hotel has not been delayed, it has collapsed. The hydrographic vessel is frozen at 56% completion after R1,569 billion spent with a contractor unable to pace up contractors. Sandock Austral is a crime scene, a site of

UNREVISED HANSARD

fruitless expenditure, systemic failure, and a breach of national security. South Africa now stands in violation of its international hydrographic obligations, a failure that cannot be excused by the recommendations before us.

Naval Base Durban, our frontline border to Mozambique, is deteriorating. The dockyard is unusable and Marines live under asbestos roofs, destined for asbestosis instead of dignified retirement. This is not a maintenance backlog; it is a humanitarian and security crisis.

Air Force Base Durban, the backbone of disaster response, is itself in disrepair. Its helicopter fleet is grounded not only due to fuel shortages, but due to complete dysfunctionality. A base responsible for saving lives cannot be allowed to decay to this extent.

The MK Party rejects this report because its recommendations ignore the root cause of the collapse, which is the deliberate underfunding of the Defence Force through austerity.

The Air Force cannot fly without fuel. The Navy cannot sail without maintenance budget. The defence industry cannot operate without capital.

UNREVISED HANSARD

This report shields the Government of national Unity, GNU, which is responsible for this decay. The MK Party has consistently opposed privatisation of state assets. Our sovereignty cannot be outsourced, nor should South Africa continue borrowing from the International Monetary Fund, IMF, or World Bank.

The nation must nationalise its strategic resources so that national wealth funds national security. There can be no defence capability without sovereign control over minerals, energy and industrial assets that should be resourcing the state.

The deliberate GNU stance of opposing nationalisation is the reason why our country has become a welfare state. The GNU must stop avoiding hard decisions and confront the crisis head-on.

The MK Party rejects the GNU report because it protects unjustified austerity measures instead of enforcing the protection of the Republic and its citizens. On 4 November, let us all vote for the uMkhonto weSizwe Party.

UNREVISED HANSARD

Mr C G NIEHAUS: Hon Deputy Speaker, the EFF reserve our rights on this report because it does not fully reflect the harsh reality we witness. The dire state of the SA Defence Force, SANDF, and the defence industry. Denel Aeronautics is one of the better performing divisions. It has recovered backlogs and continued to support the Air Force. But one swallow does not make a summit. Denel as a whole remains in serious structural difficulty.

The situation at Sandock Austral Shipyard is far more alarming. Project Hotel meant to deliver the new hydrographic survey vessel SAS Nelson Mandela to replace the aging SAS Protea is a national embarrassment. The contract took effect in December 2017 with an original delivery date of May 2021. By April 2026, there was still no firm handover date. Progress stood at only about 60%, and more than R2 billion had already been spent.

South Africa's hydrographic capability is being lost. Accurate seabed mapping, safe navigation, and our international obligations are all at risk. The same shipyard is also behind on the midlife refit of the frigate SAS Isandlwana. Of particular concern is the revolving door movement of Dr. Mthobisi Zondi, from chief of defence material to an executive

UNREVISED HANSARD

role at Sandock Austral. This raises serious questions about tender irregularity that the EFF will definitely continue to pursue.

Naval-based Durban and Air Force-based Durban are both crumbling. Critical infrastructure is failing. Funding shortfalls are extreme. Security is inadequate. Long-promised relocations remain stalled. These sites are symptoms of a deeper crisis.

Years of defence budget cuts that have driven spending well below 1,5% of gross domestic product, GDP, combined with poor administration and corruption. The SANDF will continue to collapse unless decisive action is taken. The budget must be restored to at least 1, 5% of GDP. There must be real restructuring of the force, not cosmetic changes. This requires a clear vision of a fit-for-purpose SANDF, paired with the resources to match it. We have waited far too long for the promised journey to greatness.

We hope that vision, to be presented later this month to the Joint Standing Committee on Defence, will indeed have the courage to take the difficult steps required. We cannot

UNREVISED HANSARD

support this report because it does not confront the full and harsh reality. I thank you.

Inkosi R N CEBEKHULU: Deputy Speaker, the Inkatha Freedom Party, IFP, notes the joint committee report and acknowledges the importance of strengthening South Africa’s defence capability.

The constitutional mandate of the South African National Defence Force, SANDF, is to defend and protect the citizens of the country and to guard the borders of our country but unfortunately, we are failing to see that happening. The IFP is very concerned about what is being exposed to.

The SANDF has failed dismally to make sure that we have our helicopters operational, we have our vehicles for the members of the SANDF operational. They are just skeleton parked all over the country without any opportunity of standing up and defending the country in case we get under attack by these outside groups which are erring for the disturbance of the Southern African region.

It is very unfortunate that, when we were out on oversight there is nothing that you can say it is very promising. The

UNREVISED HANSARD

underfunding of the SANDF, the poor maintenance, as well as the funds. The funds are used in the department, but you can't point out what good have we gained as the department out of all the monies that were spent.

Although we are concerned but we must say, we are expecting a move from the department to make sure that we get back to our original activities, we will support this ... [Time expired.]

Mr S H M VAN WYK: Greetings hon Speaker, the Patriotic Alliance, PA, rises to speak on the report of the Joint Standing Committee on Defence and Military Veterans on its oversight visit to Denel Aeronautics in Gauteng, Sandock Austral Shipyard, Naval Base Durban and Air Force Base Durban. Which happened from 28 to 30 April 2026. Let me state it upfront, the PA supports this report.

This oversight visit laid bare the reality of our defence capability. At Denel Aeronautics, we saw a strategic entity still battling financial instability, skills shortages and crippling maintenance backlogs.

The South African Air Force cannot achieve readiness when aircrafts stay grounded due to delays and capacity on screens.

UNREVISED HANSARD

Denel’s recovery is not optional, it is essential for national security.

At Sandock Austral Shipyard, the committee found major delays in the construction of the navy’s new graphic survey vessel.

Supply chain disruptions, budget pressures and technical challenges have pushed the timelines back, weakening the navy’s operational reach. The PA is deeply concerned how these delays affect maritime security and hydrographic mapping. All critical to our sovereignty.

The visit to the Naval Base and Air Force Base in Durban confirmed what soldiers and airmen have been saying for years: infrastructure decay, resources are scarce, platforms are ageing and morale is under pressure.

The DEPUTY SPEAKER: Thank you, hon member, your time has expired.

Mr S H M VAN WYK: Did I not have four minutes allocated?

The DEPUTY SPEAKER: No, you had two minutes. I will now call upon the FF Plus.

UNREVISED HANSARD

*Afrikaans*:

Mnr W W WESSELS: Agb Adjunkspeaker, hierdie verslag bied slegs ’n baie klein blik tot die totale verval van die Suid-Afrikaanse Weermag en sy entiteite. Hierdie entiteite was nie baie lank gelede winsgewende bedrywe wat eintlik ’n wins gemaak het en in Suid-Afrika, tot ons fiskale posisie bygedra het, waar dit nou totaal en al finansieel onvolhoubare entiteite geword het.

Die probleem in ons Suid-Afrikaanse Weermag is natuurlik ’n tekort aan befondsing en begroting, maar die geld wat daar is word ook gemors. Ons het weer die afgelope week gesien hoe daar luukse voertuie van meer as R10 miljoen vir sekere hoë offisiere van die Weermag gekoop word. Dit is fondse wat bestee kon word op hierdie broodnodige entiteite en op die plekke waar daar in die Weermag tekort geskiet word.

Die probleem is dus nie slegs ’n tekort aan begroting en befondsing nie, maar is verkeerde prioriteite, verkeerde besteding en totale wanbestuur. En die gevaarligte vir ’n mislukte staat begin al hoe meer flikker wanneer ons ’n mislukte weermag het. Ek dank.

UNREVISED HANSARD

Ms L M NGOBENI: Madam Deputy Speaker, Action SA does not support this report, South Africa cannot have a serious conversation about national security, while our defence force is being hallowed from within. We have aircrafts being cannibalised for parts, base camps crumbling around our soldiers and spare parts taking two and a half years to procure.

The Oryx fleet, the work horse of our air force is approaching obsolescence, while basic infrastructure and security systems remain in a disgraceful state, and yet, government continues to deploy the South African Defence Force, SANDF, into gang ridden communities, asking soldiers to perform the work of an increasingly overwhelmed police service, but what has actually changed?

Gangs continue to terrorise communities, criminal networks continue to operate, our citizens remain afraid in their own neighbourhoods.

A military deployment cannot become a substitute for fixing the South African Police Service, strengthening intelligence and dismantling organised crime. The same failure is evident at our borders. South African borders are not optional lines

UNREVISED HANSARD

on a map, they are our first line of defence yet, we continue to see an environment where criminality, illegal crossing and weak border control undermine the sovereignty of our country.

We cannot deploy soldiers everywhere, while failing to equip them properly everywhere else. The answer is not simply more deployments, it is a capable South Africa National Defence Force, properly funded and equipped, supported by an effective police service, secure borders and a government willing to make difficult decisions. We say that again, we do not support this report. Thank you.

Rev K R J MESHOE: Deputy Speaker, the African Christian Democratic Party, ACDP, will not support this shocking report that has highlighted the potential dangers this country is facing because of weaknesses in this country’s defences and the disgraceful state of our assets.

The ACDP further notes, with deep concern the serious findings of the joint defence committees oversight visits to Denel Aeronautics, Sandock Austral Shipyard and Airforce Base Durban at the end of April.

UNREVISED HANSARD

While at Durban Aeronautics, the joint committee saw how financial troubles and the loss of skilled engineers are weakening our defence industry. The shipyard at Sandock Austral remains vital for our navy, but the delays and poor investments threaten its future role. The Airforce Base Durban, the joint committee found that the infrastructure is old and resources are stretched, limiting readiness.

This report lays back some serious weaknesses in our defences, this together with recent defence budget Vote that exposed further failings, shows that government has not sufficiently prioritized South Africa’s readiness to defend and protect the country and our people. The report warns of a severe lack of long-term strategic direction in defence, stressing that Cabinet’s approved policy documents must urgently be tabled in Parliament to guide realistic, adequately funded planning for the SANDF.

This must not be ignored, government’s apparent lack of interest in national security is now undeniable. The ACDP, as should we all in this House demand accountability and urgent action. Thank you.

UNREVISED HANSARD

Dr M A MAIMANE: Chairperson, as BOSA, we really urgently will ask that the R890 million that is owed to Defence on the back of the fact that it was for Operation Prosper, we need to have that transferred to Defence. Otherwise, it is, as the Deputy Minister of Defence and Military Veterans has said, robbing Peter to pay Paul.

All the anomalies with Denel and many others pertain in many ways to a Defence budget that is stripped of its bare necessities and, ultimately, poor funding. Our urgent call is that the transfer for Operation Prosper be urgently dealt with. I submit. Thank you, Chairperson.

*Afrikaans*:

Mnr C HATTINGH: Agb Voorsitter, die oorsigbesoek aan Denel Lugvaart, die Sandock Austral-skeepswerf, en die vloot en lugmagbasisse in Durban was nie bloot om hierdie fasiliteite te inspekteer nie.

*English*:

It was also to assess SA National Defence Force, SANDF, capabilities and its support. What we found was concerning. South Africa still retains important defence capabilities, but they are steadily being eroded by underfunding, maintenance

UNREVISED HANSARD

backlogs, procurement failures, and extremely weak accountability.

At Denel Aeronautics, we saw some encouraging signs but also the consequences of this decline: ageing aircraft, maintenance backlogs, shortages of space, and critical sovereign capabilities being under pressure.

One of the most disturbing issues arising from this oversight was Project Hotel. Project Hotel was intended to deliver the *SAS Nelson Mandela*, the navy's new hydrographic survey vessel, replacing the now retired *SAS Protea* by 2021. Hydrography is essential for safe navigation, maritime operations, and charting our waters, whilst supporting South Africa's international maritime obligations. The four-year contract became effective in December 2017, with an initial value of approximately R1,742 billion, excluding taxes and additional costs. By May 2020, approximately R1,4 billion had already been paid. I have subsequently verified information that I cannot independently verify at this stage alleging that a considerable portion of the contract was effectively paid upfront. If correct, this raises serious concerns. Was an advance payment made? If so, how much? Under what Public Finance Management Act and Treasury authority and against what

UNREVISED HANSARD

milestones was the payment made? What performance, advance payment, or refund guarantees protected the state? Are they still enforceable? These questions are critical because, nine years later, we still do not have the ship.

By June 2025, the approved project value had increased to approximately R3,02 billion, with some R2,27 billion spent. This included more than R563 million in escalation, R108 million in exchange rate adjustments, and R121 million in other costs. Yet Armscor described the project in the 2021-2022 financial year as on target to be finalised and progressing well. Years later, there is still no binding delivery date. The oversight report records that the shipyard presentation was insufficient and failed to adequately address costs and the way forward, and that members questioned whether Armscor should consider exiting the contract with Sandock Austral. We physically saw a partially completed vessel — in effect, an empty hull. Significant work remains, including engineering, outstanding procurement, cabling, systems integration, launching, commissioning, harbour and sea trials, and final acceptance.

This project has reached the point where assurances and recovery plans from Armscor and the SANDF are no longer

UNREVISED HANSARD

enough. We insist on an independent technical, contractual, and financial assessment, establishing the actual percentage completion, the contract's financial ability to finish the vessel, outstanding supplier commitments, the status of warranties and guarantees, the arrangements and funding for launching, the independently verified costs to complete and binding dates for launch, trials, and final delivery. After nine years and billions spent and committed, the DA demands three simple things: a verified completion status, a final cost, and a binding delivery date.

South Africa needs the *SAS Nelson Mandela* at sea, not indefinitely unfinished in a shipyard. The DA supports the adoption of this report, but Parliament must ensure that every rand is accounted for, every contractual obligation is enforced, and every responsible party is held accountable. I thank you.

Ms S P JAMA: Hon House Chair and hon members, I rise on behalf of the mighty ANC to support the report before us. The chairperson has placed before the House the detailed findings of the oversight visit.

UNREVISED HANSARD

I wish to address what those findings mean for the future of our defence capabilities and what must now follow. The visit confirmed that South Africa retains important defence capabilities, technical expertise, and strategic institutions. It also confirmed that these capabilities cannot be sustained indefinitely through temporary measures, delayed decisions, and infrastructure that is allowed to deteriorate. This is not an abstract concern. The conditions of our aircraft, naval projects, and military bases directly affect the ability of the SANDF to defend our sovereignty, safeguard our borders, support regional peace, and respond when our people face emergencies.

At Denel Aeronautics, the progress towards stabilising operations is welcome. Denel remains a strategic national asset. It preserves sovereign capability, scarce technical skills, and advanced manufacturing capacity that South Africa cannot afford to lose. Its recovery must also protect skills transfer and create opportunities for young people entering specialised fields.

However, Denel’s recovery cannot be separated from the financial and operational pressures facing the SA Air Force. The continued cannibalisation of aircraft, where parts are

UNREVISED HANSARD

removed from some aircraft to keep others flying, may provide short-term relief, but it cannot become our long-term maintenance strategy. We support the call for a properly costed and sustainable plan for the SA Air Force helicopter capability. Parliament must know what can be maintained, what must be upgraded or replaced, what it will cost, and when it will be implemented.

Hon members, Project Hotel raises an equally important question about how the state manages major defence acquisition projects. The hydrographic survey vessel is necessary for maritime safety and for the navy to fulfil South Africa’s international hydrographic obligations. The project must therefore be completed, but its strategic importance cannot excuse weak planning, repeated delays, or uncertainty about costs. The committee has correctly called for clarity on expenditure to date. The findings still require the projected completion date and the lifespan of equipment that has remained in storage awaiting installation. We acknowledge that the pandemic, civil unrest, flooding, and contract disputes affected the project, but external difficulties do not remove the obligation to manage public resources responsibly. Parliament must distinguish unavoidable disruption from failures of planning, governance, or execution. Accountability

UNREVISED HANSARD

is not hostility towards the executive. It is how a democratic government protects its programmes, corrects weaknesses, and ensures that limited public resources achieve their intended purpose.

The visit to Naval Base Durban and Air Force Base Durban revealed the consequences of allowing strategic decisions to remain unresolved for too long. When there's uncertainty about whether a military base will remain at its present location or will be relocated, necessary infrastructure investment is delayed, but, whilst that uncertainty continues, personnel must still work and live at those facilities. They should not have to operate around failing sewage and water systems, damaged perimeter security, inadequate accommodation, deteriorating hangars, and unsafe emergency access routes. These are not merely maintenance matters. They affect security, morale, dignity, and operational readiness. The ANC supports an interministerial process to provide a clear road map for the two bases. If they remain, they must be restored and maintained. If they are relocated, the decision must carry realistic funding, clear responsibilities, and implementable timelines. Indecision is itself costly.

UNREVISED HANSARD

The central lesson of this report is that the defence function requires long-term political and fiscal choices. We cannot demand a capable and modern SANDF whilst repeatedly postponing the decisions necessary to sustain it. This is why the Cabinet-approved defence policy documents must be tabled before Parliament. Parliament cannot exercise meaningful oversight over force design, infrastructure, and acquisition whilst the strategic framework and funding model remain uncertain. The department must improve the quality and timelines of information provided to Parliament, particularly when projects experience delays or cost increases.

Oversight works best when Parliament receives information before a problem becomes a crisis. Our support for this report is therefore not passive. We expect its recommendations to be implemented with clear timeframes, identified responsibility, and regular reporting to Parliament. The defence of South Africa requires a capable SANDF, a sustainable domestic defence industry, and infrastructure that enables our personnel to serve safely and effectively. The ANC supports this report and calls upon the executive to act decisively on its recommendations in the national interest. Thank you.

UNREVISED HANSARD

Mr C M DUGMORE: Chairperson, on behalf of the Chief Whip of the Largest Minority Party, I move:

That the Report be adopted.

Motion agreed to (Economic Freedom Fighters, African Christian Democratic Party, Umkhonto weSizwe Party and ActionSA dissenting).

Report accordingly adopted.

**CONSIDERATION OF REPORT OF STANDING COMMITTEE ON FINANCE — OVERSIGHT VISIT TO PUBLIC INVESTMENT CORPORATION AND PIC-FUNDED PROJECTS IN BELA-BELA, LIMPOPO AND TSHWANE ON 28 AND 29 APRIL 2026**

Dr M J MASWANGANYI: Chairperson and hon members, as you have alluded, I hereby table the report of the Standing Committee on Finance, SCOF, on the oversight visit of the committee to the Public Investment Corporation, PIC-funded projects in Bela-Bela and Tshwane.

The SCOF undertook an oversight visit to this project on 28 and 29 April 2026. We visited Daybreak Foods, a chicken

UNREVISED HANSARD

project in Bela-Bela, Raslouw Private Hospital funded by the PIC and the Menlyn Main precinct, both in Tshwane. The visit served as a critical mechanism for ensuring accountability, transparency and effective governance in the implementation of projects. These in-person inspections allow lawmakers to verify that public funds are being used effectively and that government programmes are delivering on their promises to citizens.

The PIC, under the ANC-led government, is Africa’s largest asset manager and the total funds held under its management have expanded to R3,7 trillion. The oversight visit provided a useful cross-section of material categories of PIC-supported investments. Through the visits to Daybreak Foods chicken project, Menlyn Main precinct, Raslouw Private Hospital and the PIC offices, the committee was able to exercise oversight over a distressed agricultural investment at Daybreak Foods.

We should indicate, however, that we saw something that is quite progressive at the hospital. There’s value for money in terms of investment of the PIC on that project. The same applies to Menlyn Main, which is a precinct of shopping centers, offices and accommodation; one of the good projects that the PIC has invested in.

UNREVISED HANSARD

The committee notes with serious concern the extent of the distress at Daybreak Foods, but it should be noted that it is under business rescue. Many workers were retrenched at some stage; unemployment is very high in South Africa. However, we were told that there are prospects of employing over a thousand people but only if the abattoir can be fully functional. We'll make sure that we get a report on this from time to time.

The committee recommends that the PIC, within a reasonable timeframe after the adoption of this report by the National Assembly, provide a detailed progress report on Daybreak Foods. In the next engagement with the committee, the PIC should submit an updated report on investigations and remedial actions. On unlisted investments, the committee calls upon the PIC to submit a detailed capacity and capability plan for unlisted investments and demonstrate that they are assisting the previously disadvantaged, that is blacks, youth, women and people living with disabilities. The committee calls upon the PIC to submit an implementation matrix in respect of the Mpati Commission of Inquiry.

Recently, we have observed the challenges facing the PIC at board level. Be that as it may, we commend the Minister of

UNREVISED HANSARD

Finance for stepping in promptly to appoint the board and stabilise governance. The SCOF will meet the Minister and the board soon to get a briefing on how they are dealing with governance, audit action plans and how the PIC is contributing to economic growth and development in South Africa. Hon Chair, I move that the report be adopted.

*Xitsonga*:

Ndza khensa.

*English*:

There was no debate.

*Declarations of Vote*:

Mr D D D VAN ROOYEN: Chairperson, the official opposition approaches this report with a clear and uncompromising position. The PIC is not an ordinary asset manager. It is the custodian of the deferred wages, pensions and social security savings of millions of South African workers. That mandate demands absolute accountability, discipline, stewardship and measurable public value. Anything less is a betrayer of public trust.

UNREVISED HANSARD

We reject this report because Parliament must take a position to ensure that the PIC does better. The PIC must ensure that every rand entrusted to the PIC is protected, prudently invested and directed towards real economic transformation and job creation, not what we recently saw with the ANC political infighting between the Minister and the Deputy Minister. Sadly, the Deputy Minister bearing the order of the day at the PIC.

The oversight visit revealed both important success and serious shortcomings. The PIC has substantial investments in health care, property, infrastructure, agriculture and other productive sectors. An example, as cited by the chairperson, Raslouw Private Hospital demonstrates what developmental capital can achieve when invested or when investment is properly structured and operationally sound. The report records an operating hospital with high utilisation, specialisation services and, of course, with the prospects of further expansion planned. But the most important lesson of this report comes from Daybreak Foods.

Daybreak was once a major integrated poultry producer, employing more than 3 400 people. Yet the committee found a company devastated by poor management, weak governance,

UNREVISED HANSARD

financial irregularities, inadequate operational oversight and regulatory non-compliance. By the time of our visit, 1 879 workers had already been retrenched, with only about 334 expected to remain. This is not a routine investee company failure. It is a stark indictment of systematic weaknesses in oversight, lack of early warning systems and interventions by the PIC itself. The PIC has acknowledged that it failed to detect distress timeously and that its capacity to manage distress investment and parts of its property portfolio is below the required standard.

Secondly, the PIC investment processes remain unacceptably slow. The committee was informed that unlisted investment applications ordinarily take about 18 months, with some extending to almost 30 months. This is an embarrassment given the serious mandate that has been assigned to the PIC. Development finance that moves at the pace of bureaucracy is development finance that fails the economy. We are unable to convert small businesses into large enterprises at a rapid pace. Capital delayed is opportunity destroyed.

Finally, consequence management remains insufficiently visible and inconsistently applied. The PIC must be measured by jobs created, industries sustained, enterprises platformed and

UNREVISED HANSARD

public wealth preserved for future generations. We thank you very much.

Ms O M C MAOTWE: House Chair, the oversight visit to the PIC Fund and projects in Bela-Bela, Limpopo, and Tshwane in Gauteng is yet another proof that there is deliberate mismanagement of the PIC.

We are convinced that the intention is not to allow the PIC to play a strategic role in rebuilding state capacity. Instead of dealing with Eskom debt through the PIC, so that electricity, which we are not told is available and in abundance, is affordable to workers and poor households, the PIC's money is used to try and rescue a chicken farm that has failed over the years.

Instead of using the PIC's money to invest in rebuilding the Passenger Rail Agency of SA, Prasa, and Transnet, to get trucks that are causing accidents and damaging the roads in many towns off our roads, we are using workers' money to build private hospitals like the Raslouw Private Hospital, when government is supposed to be the one that is building hospitals for our people.

UNREVISED HANSARD

We can tell, even by the kind of recommendations, that as long as the PIC is used to enrich only a few, and you have politicians treating workers' money like it is their retirement plans, nothing is going to change. None of the projects will get into the so-called detailed funds report or tell us anything we do not know. We know that the under-disclosed projects are funding nonsensical projects. We know that the PIC refuses to empower black fund managers and there is bias towards white-owned companies.

We know that officials of the PIC are enriching their friends and families. We know that officials of the PIC and National Treasury are aware of the de-industrialisation, closing of factories, high levels of unemployment and retrenchments, yet they do not see the need for the PIC to intervene and intervene decisively.

Chair, we must ask ourselves, workers must ask themselves seriously, who is this PIC serving if it is not assisting South Africa to re-industrialise and rebuild the economy to a higher growth beyond 1%? Why does the only state-owned asset manager sit with assets of more than R3 trillion, but the economy is growing at just over 1%? More than 12 million people are unemployed in our country, with the highest levels

UNREVISED HANSARD

of crime, gender-based violence and dilapidated municipal infrastructure. Who is the PIC serving?

As the EFF, we maintain that the recommendations contained in the report that was tabled here before us, before this august House is nothing but a ritual. We're just adopting reports for the sake of doing it. We don't seek anything that will change the lives of our people. Therefore, the EFF does not support this report. Thank you, House Chair.

Mr N M HADEBE: House Chairperson, the IFP welcomes the committee's decision to undertake direct oversight of the Public Investment Corporation, PIC, and its funded projects. We are particularly concerned by the situation at Daybreak Foods, where over 1 800 employees have already been retrenched, with further retrenchments expected.

While the PIC has committed funding towards reactivation, any further support must be linked to clearly defined milestones, governance conditions, regulatory compliance and transparent reporting.

UNREVISED HANSARD

The PIC's acknowledgement that its capacity to manage distressed assets and that parts of its pro-party portfolio is below the required level cannot be overlooked.

At the same time, we recognise the developmental contribution of PIC investments. We support greater investment in rural areas, townships and underserved provinces.

The IFP therefore supports the report and calls for continued parliamentary oversight to ensure that workers' funds are protected and invested responsibly for the benefit of all South Africans. I thank you.

Mr A D BEESLEY: House Chairperson, the oversight visits to the PIC and some of its investments ... [Inaudible.]

Ms M L MATHOPA: House Chair, excuse me. My apologies.

The HOUSE CHAIRPERSON (Mr W Horn): Yes, hon member, please raise your hand in future if you want to be recognised. Why do you want to be recognised?

Ms M L MATHOPA: My apologies. The system kicked me out.

UNREVISED HANSARD

The HOUSE CHAIRPERSON (Mr W Horn): Okay, we'll return to hon Beesley and then we'll give you an opportunity thereafter, hon Mathopa. Hon Beesley, please continue.

Mr A D BEESLEY: House Chairperson, the oversight visits to the PIC and some of its investments were an experience of mixed emotions. On the one hand, the visit to Daybreak Foods was one of the most difficult days as a Member of Parliament. It was tragic to see how a once thriving business that employed many people had been reduced to a shadow of its former self, as now it is effectively on life support. The financial losses suffered by the PIC, the loss of jobs and the cruelty inflicted on animals were all painfully evident.

At present, it appears that the only party benefiting from the situation is the business rescue practitioner and his consultants who continue to be paid handsomely.

There are serious concerns surrounding the PIC's investment and continued cash injections into Daybreak Foods. Action SA will support any investigation necessary to establish what went wrong and to ensure accountability.

UNREVISED HANSARD

On the positive side, our visit to Raslouw Private Hospital and Central Square at Menlyn Maine were encouraging and demonstrated examples of solid PIC investments. Central Square, in particular has a market value of approximately 1,2 billion and an income return of 13%.

However, our discussions on the PIC's unlisted investments raised serious governance and operational concerns. While these investments represent a relatively small percentage of the PIC's portfolio, their value of approximately 116 billion is significant. These concerns must be urgently addressed. Until they are, the PIC will remain vulnerable to controversy and ultimately, it is pension fund members who bear the risk.

Most of the funds managed by the PIC belong to ordinary South Africans saving for retirement. Every cent must be managed responsibly, invested prudently and made to grow. I thank you.

Ms M L MATHOPA: House Chair, hon members, the report before us is not simply about the PIC. It is about workers' money, public resources, jobs and accountability.

The most concerning case is Daybreak Foods. At its peak, Daybreak Foods generated approximately 3,8 billion in annual

UNREVISED HANSARD

revenue, employed more than 3 400 people and produced over 50 million chickens annually. The investment was financed through workers' funds, including the Unemployment Insurance Fund, UIF, the Government Employees Pension Fund and the Compensation Fund through the PIC.

Today, 1 879 workers have already been retrenched, with approximately 50 more expected to be affected, leaving only about 334 employees. The possible re-employment of around 1 100 workers depends on the successful reactivation of an abattoir.

This raises the following question. How did an investment of this scale deteriorate to this point before decisive intervention? The PIC itself acknowledged that its capacity to manage distressed assets was below the required level and that earlier detection and intervention needed improvement. This is particularly concerning because the PIC has approximately 113 billion in committed capital across its active unlisted portfolio, with 104 billion invested.

It is reported that since inception, the internal rate of return is only 4%. We must therefore move beyond asking whether money was invested. We must ask whether that money was

UNREVISED HANSARD

properly monitored, protected and is generating adequate value for beneficiaries.

The PIC has also acknowledged that some unlisted investment processes take 18 months and in some cases nearly 30 months. That is too slow for emerging businesses requiring timely capital.

The committee also raised concerns about the lack of visible consequence management where governance failures, mismanagement or possible criminal conduct occurred. Recommendations are not enough. [Time expired.]

Mr S N SWART: House Chair, the ACDP shares deep concerns about the state of governance at the PIC, which invests a staggering R3,7 trillion in state pensions. It has been in the news for all the wrong reasons, and this report exposes deep governance failures that directly threaten state pensions.

We as the ACDP welcome the particular attention given in the report to oversight over unlisted investments, including the Daybreak Foods debacle, given that approximately R18,2 billion of pensioners' funds were lost with unlisted investments.

UNREVISED HANSARD

However, this is a small drop in the total that the PIC invests. There is much more at stake. It does not operate in a vacuum. It has enormous economic significance and its reputation is hugely important to South Africa's financial system, and to the confidence of domestic and international investors. This resulted in the recent intervention by the Minister to stabilise the PIC.

Former PIC board chairperson, Dr Masondo, has warned us that South Africa cannot afford another cycle of state capture, particularly when it comes to the PIC. We need to be alert to this. He says that it begins when informal influence becomes normal and politically connected individuals acquire privileged access.

It thrives, he says, when boards become reluctant to challenge powerful shareholders, when management appointments become instruments of influence and those responsible for guarding an institution begin to fear the people seeking access to it.

He asks the following questions. Who controls the institution, who controls the workers' money and who guards the guards?

UNREVISED HANSARD

The ACDP agrees. This report is a step in the right direction, but far more needs to be done by Parliament to ensure the protection of workers' pensions by effective oversight. I thank you.

Dr M A MAIMANE: House Chairperson, I think all of us as South Africans need to settle one fundamental issue ... [Interjections.] ... Sorry, House Chairperson, there's a ...

The HOUSE CHAIRPERSON (Mr W Horn): Hon members, specifically hon Nkabane, please remain muted until you are recognised. My apologies, hon Maimane.

Dr M A MAIMANE: House Chairperson, R3,7 trillion of South Africans' pension is not an amount of money that we should take lightly. It represents the future retirement of many South Africans who have saved tediously and are simply asking for stability at the PIC.

The report tabled by the committee indicates one fundamental issue that we cannot ignore, but the bigger issue that sits at the PIC is how the appointment of board members takes place.

UNREVISED HANSARD

All of us can remember the period of state capture. We can remember what occurred when that board was dissolved and a new one was then brought into place, the stabilisation of that board and how that board was then treated in terms of its own assessments, etc.

Now ... I had made the call to ask that this current ... the board that was appointed be dissolved and a new one then be appointed. Yet, Parliament, in all of this board merry-go-round, has had very little to do with it.

Therefore, if we are not going to better capacitate how the PIC's board is in fact appointed, we are going to end up with entrusting people who do not account to this body, who ultimately ... In fact, in this regard we can even disregard the Mpati Report ... and end up in a space where ultimately people who serve on the PIC board may not necessarily serve the interest of all workers.

The way the process is put together, and I would challenge the Minister who has been appointed now — the Deputy Minister who chairs the board — to ensure that more than anything there must be reform in how board members are employed, are put together; that those who have historical challenges where

UNREVISED HANSARD

reports have been flagged against them not be put on the board and that ultimately it cannot unilaterally be up to the executive to decide who the board members of the PIC is or the rest of us who sit on this ... [Inaudible.] ... do not represent the people. Thank you very much.

Mr A G BATEMAN: Hon House Chair, hon members, and fellow South Africans, by the 31st of March 2020, Daybreak Farms was generating almost R3 billion in revenue and R284 million in profit. Its management team had brought the company back from technical insolvency in just three years, and it had R368 million in the bank. Yet, last year it collapsed. Nearly 1,900 workers lost their jobs and only a fraction of the business is still operating. More than 350 000 starving chickens had to be put down, and now approximately R2 billion of workers' and public servants' money is at substantial risk.

The business rescue practitioner attributes Daybreak's deterioration to systematic management failures, weak operational oversight, governance failures, and financial irregularities. But when we drill down into what actually happened at Daybreak, the pattern becomes disturbingly familiar. First, gain control of the institution and then extract its resources.

UNREVISED HANSARD

The troubles began with the appointment of a new board in 2020. Serious questions have been raised about how that board was appointed by the PIC in the first place. A PIC forensic investigation reportedly recommended action against the PIC company secretary over aspects of that process, yet no action was followed.

The new board soon came into conflict with management, who were raising concerns about expenditure and about governance. Instead of being listened to, these executives found themselves targeted. All but one of that management team, the team which had rebuilt Daybreak, was pushed out.

There was even a forensic investigation commissioned against them by Daybreak, using a company that reportedly was originally registered with the Companies and Intellectual Property Commission, CIPC, as a hair salon in Mankweng and had no previous forensic experience. That investigation cost Daybreak nearly R8 million over two months. It formed part of an Extraordinary Legal Bill, a nexus investigation subsequently found that almost R124 million had been paid to one law firm in just two years.

UNREVISED HANSARD

Nearly R40 million could not even be linked to invoices, while another R8,8 million was suspected of being duplicate payments. Around R57 million of the legal expenditure was reportedly associated with pursuing executives and whistleblowers. One legal invoice shows six professional staff billed Daybreak for 11 days in March 2022 to study the state capture commission report at a cost to Daybreak of more than R1 million.

Why was a chicken company paying lawyers R1 million to study the state capture report? And through all of this, where was the PIC, the shareholder and supposed guardian of state pensions and workers' social security funds? Management had written to the PIC raising the alarm about what was happening. What did the PIC do? Well, apparently not enough, the spending continued.

Consider Blue-Apple Tree branding and design. More than R36 million was allegedly paid for services that were unjustified or not rendered. The invoice includes millions for events and hospitality, an acting CEO's luncheon, CEO induction events, Mandela Day events, photography, videography, clothing and promotional items. There was almost

UNREVISED HANSARD

R900 000 for rugby game hospitality, including suite hospitality, catering, transport, clothing and photography.

It even included a branded party bus, a party bus paid for with workers and public servants' money. So where does this all leave us? South Africans and especially those who lost their jobs and livelihoods at Daybreak and also the government employees, pensioners and workers whose money was invested deserve to know what went wrong at Daybreak. What were these expenses really for? Who really benefited from them? And why did the PIC fail to intervene? As the committee report states, consequence management must follow.

That's why the DA has asked the President to authorise an SIU investigation into the full chain of events, the board appointments, the treatment of executives who raised concerns, the procurement irregularities, the forensic investigations, who benefited, what the PIC knew and why it failed to act. The capture and plunder of Daybreak illustrate vividly why the reform of the governance of the PIC is so critical. That is why as the DA we have initiated a Private Members Bill, the Pension Protection Bill, to ensure that the directors of the PIC are selected on merit and to free the PIC from political interference.

UNREVISED HANSARD

Mr S C SEKOATI: House Chair, the ANC supports the report. The Public Investment Corporation, PIC, is a critical investment institution which has a significant impact on the economy due to its vast assets and investments that seek to create value for workers and safeguard their retirement funds. The PIC further plays a key role in economic development and transformation of the economy. These institutions, the PICs, asset allocation, exposure, listed equities accounted for 47,2% of assets under management, listed bonds for 31,1%, global listed equities for 8,7%, cash and money market for 4,1%, and listed investments for 3,8%, listed properties for 2,3%, Africa's investments excluding South Africa for 1,7%, and global listed bonds for 1,2%.

The ANC is therefore clearly supporting the resolve to increase the non-listed asset allocation support for SMMEs and advance transformation in the economy of this country. The PIC assets have grown over a period of three years by over R1 trillion, reflecting the significant growth and safeguarding of the savings of this country's workers. The current governance challenges do not represent an undermining of the savings of workers but reflect the chief weaknesses in some of the investment decisions that have been taken by the PIC, particularly in the non-listed component.

UNREVISED HANSARD

The committee selected PIC-funded projects in different sectors and the different stages of development and operational performance, including Daybreak Foods in Bilabela, Limpopo, which has been experiencing financial challenges, and the PIC has been implementing business rescue measures to protect jobs and to co-create social and economic value. The challenges are a product of the deterioration of the company due to systematic management failures across the company's leadership and operations and weak working capital management.

We are concerned about retrenchment of 1,879 employees. The business rescue practitioner stated that if the first abattoir was successfully reactivated, approximately 1,1 million employees would be re-employed. We welcome that the PIC has approved 300 million in reactivation funding through the Unemployment Insurance Fund and the Compensation Fund and that R150 million in emergency phase funding for the PIC's operating fund has already been fully utilised and we will continue to monitor the progress as the ANC in the committee.

The Menlyn Maine Precinct in Tshwane is another shining project which is part of the property portfolio, supporting the retail sector and urban development, supporting a value chain of enterprises and contributing to employment. Central

UNREVISED HANSARD

Square, the formal name of the Menlyn Maine Precinct, was one of the PIC's top 10 directly held properties. The PIC stated that the top 10 held properties accounted for R7,9 billion or 51,5%. The top 10 directly held categories by the PIC are the Deloitte Building, Central Square, which is the Menlyn Maine Precinct, Oceans, uMhlanga Retail, the Van Gate Mall, Riverwalk Office Park, Tshwane Regional Mall, Business Connexion, Central City Shopping Centre, Tibani Shopping Centre and the Kasteel Park Office Park.

The Raslouw Private Hospital in Tshwane is another shining demonstration, an example of focus on supporting social infrastructure development. The state supports the private sector through various mechanisms, and it is for this reason that the ANC advances the position of universal health coverage through the National Health Insurance. The state and the people are the foundation on which private health care survives and should therefore benefit all South Africans. The RH manager stated that it had built or developed 35 hospitals, and it's at the level two of the BEEE contributor and is 63% black-owned and describes itself as large.

Therefore, we would want to see more of this kind of projects that are being invested, particularly in those far-flung areas

UNREVISED HANSARD

where you still have the need for development, but as well to ensure that the workers of this country's resources are actually finding resonance in terms of the people who have contributed to the fund. The Judicial Commission of Enquiry into allegations of impropriety at the Public Investment Corporation, known as the Mpati Commission, has laid a basis for strengthening of the PIC, and 100% of the recommendations have been implemented and an estimated R19 billion has been recouped by the Public Investment Corporation. I think it's important to know that as much as the PIC has lost money, it has also been able to recoup about 19 billion to make sure that they are able to safeguard this investment for workers. Safeguarding the investment for the workers of this country is of utmost importance.

All matters requiring criminal investigations are under investigation through the NPA, and we support and hope that it will continue to expedite the results and make sure that people are held accountable. The ANC supports the non-listed portfolio as a critical driver for real economic inclusion and to transform the economy and ... [Inaudible.] I thank you, House Chair.

UNREVISED HANSARD

Mr C M DUGMORE: Hon House Chair, on behalf of the Chief Whip, I move for the adoption of the Report.

Declarations of vote made on behalf of the Umkhonto weSizwe Party, Economic Freedom Fighters, Inkatha Freedom Party, ActionSA, Patriotic Alliance, African Christian Democratic Party, Build One South Africa, Democratic Alliance and African National Congress.

Motion agreed to (Umkhonto weSizwe Party, Economic Freedom Fighters, and ActionSA dissenting).

Report accordingly adopted.

**CONSIDERATION OF REPORT OF PORTFOLIO COMMITTEE ON AGRICULTURE — OVERSIGHT VISIT TO FREE STATE PROVINCE TO ASSESS INTERVENTIONS TO CONTROL FOOT-AND-MOUTH DISEASE, FMD, FROM 16 TO 20 MARCH 2026**

The HOUSE CHAIRPERSON (Mr W Horns): Hon members, we now move on to the last order of the day, which is the Consideration of the report of the Portfolio Committee on Agriculture on an oversight visit to the Free State province, to assess interventions to control foot-and-mouth, FAM, disease from 16

UNREVISED HANSARD

to 20 March 2026. To introduce the report, I recognise the hon Ndalane.

Mr C N MALEMATJA: Hon House Chairperson, my name is Christopher Malematja. I will take it on behalf of hon Ndalane.

The HOUSE CHAIRPERSON (Mr W Horns): Please do so.

Mr C N MALEMATJA: Hon Chairperson, I stand before this August House today to formally table and move for the adoption of the oversight report of the Portfolio Committee on Agriculture, following an oversight visit to Free State province conducted between 16 and 20 March 2026. During the oversight visit, the portfolio committee assessed the responses by the Department of Agriculture to the outbreak of foot-and-mouth disease, FAM.

Following its classification as a national disaster on 18 February 2026 by His Excellency President Ramaphosa, in the 2026 state of the nation address, Sona, at the time of the oversight visit at Fezile Dabi District Municipality, had accounted for more than 65% of confirmed provincial cases, and it became the national epicentre. The main purpose of the portfolio committee was to assess the roll-out of the mass

UNREVISED HANSARD

vaccination campaign, implementation of movement control, state of veterinary capacity, stakeholder co-ordination, and extension support to the affected farmers.

The Portfolio Committee on Agriculture made the following key observations from its intervention with the Provincial Department on Agriculture, stakeholders and the farmers. Farmers reported inconsistent information, weak awareness campaign, and confusion about quarantine, vaccination and animal movement. The stakeholders believed that earlier intervention, private sector involvement and pre-emptive vaccination could have limited the spread. Small-scale farmers described the inadequate extension service, limited technician assistance and limited practise support.

Animals continued to move without the required permits, weak border control, non-functional municipal bound, and unmanaged stray animal increase in the risk. They were also concerned about the supply of ear tags, and whether every vaccinated animal has been branded and recorded onto the national traceable system. Through its deliberations, the portfolio committee noted the concern that the spread of foot-and-mouth disease, FMD, virus, remained a serious threat to the livelihood of farmers.

UNREVISED HANSARD

As market access was restricted with vaccinated animals carrying the F-brand, attracting lower prices, while some abattoirs and auctions totally rejected the livestock. The cost of the feed was another serious economic risk, as estimated feeding cost during the 28th quarantine day was reported to be about R500 per animal per day, while farmers earned no income and still carried operational and employment costs of their farming operations.

Some of the key findings of the portfolio committee related to the laggard and reactive response to the outbreak as there was limited vaccine supply, which meant vaccination focused mainly on the outbreak areas, leaving unaffected areas vulnerable to further spread of FMD virus and thus new FMD outbreaks. There was also a shortage of personnel such as veterinarians, animal health technicians, veterinary labour technicians and data capturers.

Further deliberation revealed that there was a strong need to structure public-private partnership, PPP, as the initial approach of a public sector-led mass vaccination campaign would not achieve the goal of 80% coverage of the national head of glove and hoofed animal within stipulated time. The report of the portfolio committee made strong recommendation

UNREVISED HANSARD

to the Minister of Agriculture to further engage the Minister of Co-operative Governance and Traditional Affairs, as well as the Minister of Finance on the modality that the declaration of a national disaster in respect of FMD, could take place.

The portfolio committee has maintained that the Minister of Agriculture should provide a time-bound contingency plan covering laboratory capacity, risk-based disease surveillance, addressing personnel shortages and constant implementation of movement control. Lastly, while the Portfolio Committee on Agriculture acknowledges the competency of both the national and provincial departments in respect of animal health.

There is a serious need to establish a centralised reporting system and standardised provincial communication in order to comply with the international standard as set out by the World Organisation for Animal Health, WOAH. The central message is clear, FMD is not only an animal health emergency, but also ... [Interjections.] Thank you so much.

*Declarations of vote*:

Mr Z E MTHETHWA: Greetings, Chair, and greetings, hon members. My title of today's declaration is, Quis Custodiet Ipsos Custodest. This is a Latin word which means, who will guard

UNREVISED HANSARD

the guards themselves? This is in relation to the case of Sakeliga in the Free State, wherein the commercial farmers have lodged a case that they want their estate exclusivity of importing vaccine that themselves too must be parallel to the state, which is the red flag.

Secondly, this FMD is as a land thief disease because it is exposing the fault line of the great betrayal of the white commercial farmers, and they tend to betray black leaders. I will start in 1852 when King Skwati and Piet Du Wet agreed that a white man is a migrant and a black man is a landlord; and a white man must wait 100 years before they can buy land in South Africa. But six years later, that is 1913, they passed a law to take the land of the king.

Since then, till to date, 206 years later, blacks have no land, and therefore, they are unable to comply to the FMD protocol, which today, as we face foot-and-mouth disease, FMD, we have found one thing in terms of compliance to the protocols of FMD, because we need to have vaccines, grazing land, quarantine facilities, dipping facilities, feedlot facilities. All of these are the prerogative of the commercial white farmers due to Land Dispossession Act of 1913, Forced Removal Act of 1955, and Expropriation Act of 1975.

UNREVISED HANSARD

Free state was coined by the Voortrekkers when they left the Cape in 1820, and they arrived in Free State. Wherein they find the Basothos, and they pushed them into what we call today, Lesotho, and then the remainder of the majority of Basothos remain the slaves of the white commercial farmers since then till today. So, how do you expect black people to comply to FMD protocols when they have no land? We have seen DA, AfriForum and AgriSA challenging the Expropriation Act which they too have passed this Act in 1975. We indeed take all the land of Amakhosi and black people.

Today, they are defending that the land must not go back to its rightful owners. They are challenging the practically elected President’s signature that it is unconstitutional. What do they know about constitutionality, because in 1975 they were not using the Constitution. Today, they are the expert of the Constitution. How interesting is that? I can tell you now the white commercial farmers are practising economic espionage. The hypocrisy of white commercial farmers is that it is now exposed.

They want to go and procure stock abroad to deplete the stock and hoard it until the rainy days when the state is short of stock, then they will force the state to buy the stock from

UNREVISED HANSARD

themselves. Already as we speak, they are hoarding stock because that stock that they are saying they are bringing into the country, they are taking it into the state. We need to put a law that will say right of first remover, which means they must bring the stock to the state so that it can be spreaded for national purpose, that is what we need to do.

But I have a problem. The lecture in Erasmus University said that:

> We must not allow Africa to industrialise because if Africa industrialises, the entire welfare of the European world and America is dependent on Africa.

I see white commercial farmers going to comply with our colonisers wherein who are already having the vaccines that they want to give to us. Yet there is not a confirmed scientific reason about what is the causative factor of this disease. But there are people who are already sitting with vaccines which they know that it is not sure that this will actually eradicate FMD. As we have announced the state of emergency of FMD, already our farmers ran to court ... [Interjections.] Thank you.

UNREVISED HANSARD

The HOUSE CHAIRPERSON (Ms Z Majozi): The EFF.

Mr M B BLOSE: Yes, Chair. I, hon Blose, I will take the debate.

The HOUSE CHAIRPERSON (Ms Z Majozi): Okay, you may continue.

Mr M B BLOSE: Hon Chair, as the EFF we must be very clear. This is not simply an animal health problem; it's a food security crisis, it's an economic crisis, it is a rural development crisis and it's a failure of government that fails to protect the livelihoods of our people. So, the report is really painting a disturbing picture. Food-and-mouth disease has now been dictated across the country in all nine provinces and in the Free States, particularly in Fezile Dabi Municipal District.

It is the epicentre of this disease whereby more than 65% of the province has been confirmed to have been having cases of food-and-mouth disease. Now, how did we get here? We must place responsibility where it belongs. John Steenhuisen cannot escape accountability. He must be fetched and come and account for this crisis that happened under his leadership. He cannot celebrate the arrival of vaccines, while he ignores the

UNREVISED HANSARD

delays, the shortages and capacity failures that left farmers exposed under his leadership.

So, the answer is that the department was too slow ...

[Interjections.]

The HOUSE CHAIRPERSON (Ms Z Majozi): Hon member.

Mr M B BLOSE: House Chair.

The HOUSE CHAIRPERSON (Ms Z Majozi): Can you please hold; there is a hand. Hon Lorimer.

Mr J R B LORIMER: Yeah, point of order, Chair. The member could he please refer to other members in respectful terms, Rule 82. He referred to the leader of my party by his first name.

Mr M B BLOSE: No, that point of order is delayed, House Chair. He must raise the point of order as it happens. It is delayed, House Chair.

UNREVISED HANSARD

The HOUSE CHAIRPERSON (Ms Z Majozi): Hon Blose, I am addressing you as an hon member. Can you please proceed as such. It's either you say hon or Mr.

Mr M B BLOSE: Noted. House Chair, we were saying that the answer is in the department, where it is a reactive department instead of being proactive. They were very too slow to procure these vaccines. Vaccines were not available when farmers needed them; vaccines were not there. In the Free State, approximately over 3,6 million farmers needed to vaccine, and only around 2,4 million vaccines were made available.

The government must, therefore, provide a clear vaccine procurement programme, including guaranteed boosters. South Africa must also invest in local vaccine manufacturing, instead of remaining permanently dependent on exports. So, small-scale and communal farmers, carry the heaviest burden. Many have no alternative grazing land. They cannot afford feedlots during a quarantine and operate in communities with inadequate fencing and dysfunctional pounds.

So, the EFF therefore supports meaningful compensation for the affected families. Finally, the Animal Disease Act No 35 of 1984 is outdated. South Africa needs legislation that reflects

UNREVISED HANSARD

modern disease surveillance, traceability, vaccination, movement controls and emergency responses. The state must take full responsibility. Farmers continue to pay the price, and it cannot be acceptable. I thank you.

Inkosi R N CEBEKHULU: Chairperson, the IFP notes the progress made in expanding vaccine access through structured partnership and voluntary vaccination frameworks. These measures are welcome. However, the foot-and-mouth disease crisis continues to expose weaknesses that demand urgent attention. Farmers under quarantine remain burdened with crippling daily costs. While a disaster relief fund has been established, relief that arrives late or in insufficient amounts cannot sustain smallholders. This fund must be scaled up and monitored transparently so that emergency support reaches those most at risk without a delay.

Equally pressing is the fragility of our borders. Porous corridors continue to undermine containment, allowing for uncontrolled livestock movement that erodes every vaccination campaign. Strengthening enforcement along rural borders to control livestock movement is crucial if biosecurity is to succeed and confidence in our national herd is to be restored proactively.

UNREVISED HANSARD

The IFP accepts this report but stresses the urgency of an accessible relief fund and the proactive protection of our country's borders. I thank you.

*Afrikaans*:

Me J A BASSON: Agb Vooristtter, die PA verwelkom die Komitee oor Landbou se verslag oor die verwoestende impak van bek-en-klouseer en ondersteun die aanbevelings daarvan. Ons kan egter nie die ernstige tekortkominge in die regering se hantering van hierdie krisis ignoreer nie. Die boodskap is duidelik: Die regering reageer te dikwels op krisisse eerder as om dit betyds te voorkom.

Bek-en-klouseer het teen Februarie 2026 al in nege provinsies versprei, met meer as 100 000 bevestigde uitbrakings wat reeds aangemeld is. Teen Mei 2026 het die aantal aannemende uitbrakings met meer as 2 000 gestyg. Boere word steeds met ernstige uitdagings rondom die beskikbaarheid en verspreiding van entstowwe, siektetoestig, bewegingsbeheer, biosekuriteit en kapasiteit binne die staat se veeartsdienste gekonfronteer.

Die komitee het self hulle kommer oor die tempo, dekking en die ingrypingsprogram, asook die beskikbaarheid en verspreiding van entstowwe uitgespreek. Die grootste

UNREVISED HANSARD

bekommernis is dat boere die finansiële gevolge van hierdie krisis self moet dra.

Suiwel- en ander veeprodukteboere verloor inkomste, markte word beperk en kleinskaalse boere word besonders swaar gestraf. Die ekonomiese impak strek veel verder as die plaashek. Dit raak werksgeleenthede, voedselproduksie en handel voedselsekuriteit.

Die verklaring van bek-en-klouseer as 'n nasionale ramp moet meer as ’n verslag op papier wees. Dit moet tot vinniger optrede, beter koördinering en beter beskikbaarheid van die nodige hulpbronne lei.

Die PA doen daarom ’n beroep op die regering en op hierdie komitee om asseblief eerder prevention [voorkoming] in plek te sit. Ons benodig ’n gekoördineerde nasionale strategie, betroubare en voldoende entstofvoorraad, sterker veeartsdienste ... [Tyd verstreke.].

*English*:

Thank you.

*Afrikaans*:

UNREVISED HANSARD

Dr W J BOSHOFF: Agb Huisvoorsitter, hierdie verslag is eintlik geskiedenis. Dis nie eers eietydse geskiedenis nie, so lank terug is dit in die verloop van hierdie epidemie waarmee ons in Suid-Afrika se veeboerdery te doen gehad het. Eintlik is dit ironies dat hierdie verslag selfs meer as ’n jaar voor die tyd al voorspelbaar was, en die VF Plus het dit inderdaad so voorspel soos dit uitgespeel het. In die tussentyd is daar ’n hele paar slagoffers van hierdie gebrek aan aksie wat in Suid-Afrika in die slag gebly het.

In die eerste plek het ons die veeboerdery self met die suiwelvertakking wat baie skade gely het, maar ook vleisboere. Dan is daar die landelike ekonomieë wat grootliks afhanklik is van die tydige en die strategiesberekende verkoop van vee om die ekonomie aan die gang te hou. Dan is daar die geloofwaardigheid van Departement van Landbou. Dit het in die slag gebly - ’n departement wat eers nie die saak onder beheer kon bring nie en toe daarop aandring om dit alleen te beheer.

Eintlik is die grootste ironie en die grootste slagoffer, die geloofwaardigheid van die staat wat in die slag gebly, niks minder nie. Dan is daar ’n sekere politieke siening van die staat wat ’n sentrale rol speel, wat beheer moet neem oor wat in Suid-Afrika aan die gang is. En ten spyte van ’n destydse

Minister wat die leier was van ’n party wat ’n teenoorgestelde politieke siening het, het hy, toe hy sy hande toe op die mag se hefboom het, maar net opgetree soos ’n ANC Minister, asof hy presies dieselfde ideologiese siening van die staat het.

Dit is maar enkele van die slagoffers. Tyd laat ons nie toe om alles te noem nie. Die punt is, ons is nou nog ’n paar maande verder en daar is uitbrekings in ander dele van die wêreld. Suid-Afrika is nie meer so ’n hoë prioriteit nie en alhoewel die private sektor nou entmiddels in die hande kan kry en dit mag doen, is daar nie meer dieselfde beskikbaarheid nie. Hierdie is ’n ramp wat nie wil ophou nie. Baie dankie.

Mr R A P TROLLIP: House Chairperson, this oversight report to the Free State could not have come at a better time. The Free State was the epicenter of the outbreak, and the province, bordered by six other provinces and Lesotho, made it especially susceptible. The MEC and the animal health officials were well informed about the disease and had good knowledge of the campaign and all its related challenges.

Their challenges reflect those of all nine provinces, which include the lack of necessary resources to effectively and efficiently vaccinate all 3,6 million head of cattle. We also

UNREVISED HANSARD

noted foot-and-mouth disease outbreaks in piggeries in the Free State.

The ongoing vaccine shortage and lack of follow-up booster vaccines, along with severe shortages of human resources, veterinarians, animal health technicians; lack of quarantine facilities and livestock feed, especially on commonages; lack of vehicles and fuel; lack of capacity to rapidly roll out the vaccine campaign, which undermines the strategy of the universal vaccination programme are all compounded by the fact that the outbreak was only classified but not declared a national disaster. All of this reinforces the call for the decentralisation of the vaccination campaign. If the state cannot cope, let the farmers and livestock ... [Inaudible.]

The Department of Agriculture had a very poor pre-emption response to this outbreak, and the lack of domestically produced vaccines severely compromised the campaign. Those responsible for this must be held to account, and the report on the disappearance of R500 million for a Good Manufacturing Practice, GMP, facility must be publicised, and prosecutions must follow. [Inaudible.] This is a state-controlled disease. This does not mean that the state must do everything. We support the report.

UNREVISED HANSARD

Mr W M THRING: Hon House Chairperson, the ACDP notes that this report confirms that farmers in the Fezile Dabi District Municipality in the Free State have suffered devastating losses, with one farmer reporting losses of up to R40 million lost due to delayed vaccination and poor preparedness by provincial authorities. This report must not become another exercise in documenting failure without demanding accountability. The ACDP was appalled to see the irrational blocking of private veterinarians from distributing foot-and-mouth disease, FMD, vaccines despite the vets' proven capacity to vaccinate thousands of animals daily. This absurd restriction delayed rollout and worsened the outbreak. The committee's findings expose the consequences of delayed intervention, inertia, weak disease surveillance and insufficient support to affected farmers. These are not abstract administrative shortcomings. They translate to animals being destroyed, businesses losing income and communities carrying the economic burden of government's failures.

As the ACDP, we must ask, where is the urgency, where is the accountability and where is the measurable plan to prevent another outbreak? The ACDP was scathing in its criticism of the former Minister Steenhuisen's mishandling of the foot-and-

UNREVISED HANSARD

mouth disease outbreak, which exposed to serious gaps in surveillance and response systems. We proposed a co-ordinated national vaccination programme and now call for rapid testing and vaccination where appropriate, and improved movement controls and the provision of timely transparent support to farmers.

As kingdom builders, the ACDP calls for decisive action, proper resourcing and regular reporting to Parliament. Farmers cannot be expected to carry the cost of systemic state failure. The time for reactive crisis management is over. We need prevention, preparedness and accountability. Thank you, House Chair.

Dr M A MAIMANE: No declaration, House Chairperson, we support the report.

Mr C B F SMIT: Hon House Chairperson, the Free State is a key agricultural province in South Africa, with cattle farming playing a particularly important role. Cattle farming supports rural communities, contributes to the provincial economy and plays a vital role in food security. When food-and-mouth disease first emerged in the province, many farmers rightly emphasised the urgent need for government action. Upon

UNREVISED HANSARD

assuming office, Minister Aucamp has responded effectively to these challenges, showing a clear willingness to engage with all stakeholders.

Since FMD has been declared a national disaster on 13 February 2026, the Free State has emerged as one of the provinces most severely affected by the outbreak. The Fezile Dabi District Municipality in the northern parts of the province has been a particular area of concern, as cases at the start of 2026 continued to rise rapidly during this period. This municipality accounted for more than 65% of the province's confirmed FMD cases. The above necessitated the Portfolio Committee on Agriculture to conduct an oversight visit to the Free State to assess interventions to control the spread of FMD. The delegation was briefed by the Free State member of the executive council, MEC, for Agriculture and Rural Development, as well as other members of the provincial department and state veterinarians.

The delegation also engaged with relevant livestock stakeholders and farmers. Additionally, the National Department of Agriculture provided the delegation with an update on the FMD outbreak and its interventions. During the delegation's visit, the MEC reported 396 confirmed cases and

UNREVISED HANSARD

164 suspected cases across 17 municipalities in the province. At the time, the province classified that its aim was to vaccinate approximately 3,6 million cattle, but faced severe challenges, including a shortage of funds, vehicles and state veterinarians. Despite numerous challenges, the MEC highlighted strong co-operation and ongoing engagement of stakeholders, resulting in constructive and valuable contributions. At the time of the oversight, the national department reported the arrival of one million FMD vaccine doses from Biogénesis Bagó from Argentine and 1,5 million from Dollvet in Turkey. In total, the Free State received just under 400 000 vaccines from the batch.

It is encouraging to see that since the delegation’s oversight at the end of March, the national department has significantly increased the number of vaccines imported into South Africa. Approximately 17 million vaccines have been imported to date. Engagements with several Free State stakeholders and farmers highlighted important FMD-related challenges faced by the broader farming community. Some acknowledged regular engagements with the provincial department and praised the assistance received from the provincial veterinary services, but issues were raised, such as poor communication and lack of FMD awareness campaigns, delayed response to FMD outbreak,

UNREVISED HANSARD

lack of pre-emptive vaccination, and traceability and availability of tags. The feedback is crucial for the department and underscores the significance of the committee's oversight in fostering accountability and action against FMD.

The committee's reflection and observations regarding vaccine availability, veterinary support and government communication, and ultimately its recommendations, should be considered. I am confident that Minister Aucamp and the national department will give these inputs the serious consideration they deserve, as demonstrated by the Minister's continued engagement with the agricultural sector and its various stakeholders since the start of his tenure. Those who engaged with the committee during the Free State Oversight visit can be rest assured that their concerns will not fall on deaf ears at Minister Aucamp's door. Thank you.

Ms N A NDALANE: Hon House Chair and hon members, the African National Congress rises in support of the adoption of the Portfolio Committee on Agriculture's report on its Oversight visit to the Free State province from 16 to 20 March 2026. This report is necessary exercise of Parliament constitutional duty to oversee executive action and to ensure that the state responds decisively when the livelihood of farmers, farm

UNREVISED HANSARD

workers and rural communities are threatened. The oversight took place after foot-and-mouth disease was classified as a national disaster on 13 February 2026. By then, it had reached all nine provinces. The Free State was the national epicentre. Fezile Dabi District accounted for over 65% of the province’s confirmed cases.

For cattle farmers, cattle are the main productive asset, store of value and source of income. Disease, quarantine and depression prices diminish that asset weakening the farmer’s economic base and capacity to recover. The ANC acknowledges the work undertaken by the Free State MEC, provincial veterinary services and officials who continue to engage stakeholders and distribute scare vaccines. The report nevertheless established that overall response was too reactive. Only 2,25 million vaccine doses were available for primary priority areas containing approximately 3,8 million cattle. The Free State reported a shortage of 40 animal health technicians. Diagnostic capacity was constrained. Movement control was weak. Communication was inconsistent.

In the national and provincial case, figures did not correspond. These weaknesses undermine confidence and allow a controlled animal diseases to become a world economic and

UNREVISED HANSARD

social crisis. The experience of commonages farmers deserves particular attention. Many commonages lacked fencing, handling facilities, functioning pounds and alternative grazing land. Municipalities were frequently absent from stakeholder engagement. While farmers under quarantine could not afford fodder or reach market. Dairy or piggery operators also explained that generic cattle protocol did not address the operational realities of their industry. Some suffered losses running into millions of rand.

The ANC cannot accept a system in which historically disadvantaged farmers received land but are left without veterinary services, infrastructure, finance and reliable market access. The Freedom Charter states that the land shall be shared among those who work it, and that the state shall assist the tillers. The ANC 55th National Conference Resolutions and 2024 election manifesto affirm support to black farmers' productive communal land, food security and rural economies. This commitment defines a development state. It does not merely regulate agriculture. It uses public institutions, finance, science and co-ordinated action to protect productive assets, transform the sector and secure food supply.

UNREVISED HANSARD

Effective biosecurity is therefore central to agrarian transformation, employment, affordable food and agricultural trade. For this reason, the ANC supports the committee's call for urgent engagement on emergency funding and a fair framework to address proven losses. The department must submit a credible vaccine procurement plan that guarantees sufficient doses and timely boosters while building dependent local vaccine production. It must address late payment to vaccine producers, expand laboratory capacity, feel critical veterinary and animal health technicians' posts, strengthen traceability and ensure that all provinces report through one reliable system.

Government must also develop specific protocols for dairy farm and piggery and complete a comprehensive review of the updated Animal Disease Act of 1984. Police, Home Affairs, Defence and Military Veterans, Co-operative Governance and Traditional Affairs and municipality must assume their responsibility for border management, animal movement, commonages and pounds. Partnership with farmer organisation and industry are necessary, but they must strengthen state capacity and public accountability, not weaken the state's regulatory responsibility. Hon members, supporting government action and demanding accountability are not opposing choices. A

UNREVISED HANSARD

developmental state must also be an accountable state. It learns from failure, correct weaknesses and reports honestly to Parliament. The require responses ... The ANC supports the adoption of this report. We do so in defence of the farmers and workers. I thank you. [Time expired.]

Mr C M DUGMORE: Good afternoon, House Chair. On behalf of the Chief Whip, I move:

That the House adopts the report.

Thank you.

Ms P MKHIZE: Am I the only one who can’t hear the House Chairperson? You are muted, House Chair.

An HON MEMBER: Please open your mic, House Chair. Open your mic.

The HOUSE CHAIRPERSON (Ms Z Majozi): Sorry, hon members. I’m busy speaking only to find that I didn’t open the mic. No, thank you very much for alerting me. Hon members, the five minutes have expired. Hon members, the Speaker has determined that in accordance with the rules, a manual voting procedure

UNREVISED HANSARD

will be used for this division. Firstly, to establish a quorum, I will request the Table to confirm that we have the requisite number of members present in the virtual platform to take this decision.

Party Whips will then be given an opportunity to confirm the number of their members present and indicate if they vote for or against the question. A member who wishes to abstain or vote against the party vote may do so by informing the Chair. Having confirmed that we do have the requisite quorum, we will now proceed. The question before the House is that the Report of the Portfolio Committee on Agriculture on Oversight visit to Free State province to assess interventions to control food-and-mouth disease from 16 to 20 March 2026 be agreed to. Voting will now commence. No member will be admitted on the virtual platform until the division is concluded.

Whips, I would wish now for you to confirm the number of your members present on the virtual platform and indicate if they vote for or against the question. The Table will also assist me on this one. Are the Party Whips that are ready to record the votes of their members who are present?

UNREVISED HANSARD

Ms P MKHIZE: Thank you, House Chair. The Table staff has just sent us, they had made a mistake, it's 51 members on the MKP platform voting against – 51. Thank you, House Chair.

Ms S E IZAKS: I raised my hand, but because hon Adams was kicked out, but the system automatically picked up again. Thank you. It was at that moment. Thank you.

Mr T I GAMEDE: House Chairperson, thank you very much. I wanted to remind you that hon Mkhize is the Chief Whip, not just Mkhize. Thank you.

The HOUSE CHAIRPERSON (Ms Z Majozi): If I say hon Mkhize, it is hon Mkhize. Hon members, we'll wait for the Table to confirm the numbers and we'll proceed. My apologies, I did not call on Good, there is no one. Is there any member that wishes to abstain or vote differently to their party? Thank you. The voting session is now closed.

Hon members, we are done with voting and here are the results. There were no abstentions, the Yes, it's 280, and the Noes is 51. Therefore, the question is accordingly agreed to. Thank you very much. Hon members, that was the last report that we

UNREVISED HANSARD

were dealing with. We will now conclude the business of the day and the House is adjourned. Thank you.

A quorum being present in terms of Rule 98(1), voting commenced.

Question put: That the Report be adopted.

Division demanded.

The House divided.

AYES – 208: (ANC – 108; DA – 58; EFF – 17; IFP – 10; PA – 5; FF Plus – 2; ActionSA – 4; ACDP – 3; BOSA – 1).

NOES – 51: (MKP – 51)

Queston agreed to.

Report accordingly adopted.

The House adjourned at 16:45.

UNREVISED HANSARD