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PROCEEDINGS OF NATIONAL COUNCIL OF PROVINCES

The Council met at 14:03.

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

ANNOUNCEMENTS

The DEPUTY CHAIRPERSON OF THE NCOP: Hon delegates, I want to welcome you all to the sitting of the NCOP. A special word of welcome to the hon Minister. We are pleased to have you in the NCOP. I think it's the first time this year - wonderful, and thank you. The House is rather depleted, but the other members are on the virtual platform. I would like to firstly announce that there is an apology from the Chairperson. She is unable to be here, as well as the House Chairperson, hon Radebe.

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I would like to remind delegates that the Rules - in particular, subrules 21, 22, and 23 of Rule 103 would apply today. Hon delegates, in accordance with Council Rule 229(1), there will be no notices of motions, or motions without notice. Before we proceed to questions, I would like to take this opportunity to welcome the hon Minister Malatsi - the Minister of Communications and Digital Technologies from the Economic Cluster, as well as all permanent delegates, MECs, and special delegates to the House. I also want to take this opportunity to welcome two community leaders from Chatsworth in Durban, Mr Michael Pillay and Mr Stephen Naidoo, who are in the gallery. We welcome you and thank you for joining us. I hope you'll enjoy the experience.

Hon delegates, further, I would like to remind delegates that in terms of Rule 229 of the Council Rules, the time for reply by the Minister to the question is five minutes. Only four supplementary questions per question is allowed. A member who has asked the initial question would be the first to have an opportunity to ask the supplementary question. The time for asking a supplementary question is two minutes. The time for reply to a supplementary question is four minutes. The supplementary question must emanate from the initial question.

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Hon delegates, I now call upon the Minister of Communications and Digital Technologies to respond to Question 258 that was asked by the hon Sithole. The response time is five minutes. Hon Minister?

QUESTIONS FOR ORAL REPLY

CLUSTER 4D: ECONOMICS

Question 258:

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you, Deputy Chair, and good afternoon to the hon members. In light of prioritising the development of a funding model for the SABC, on 12 September 2025, we appointed a company called BMIT, which is a respected consulting and market research firm with over 35 years' experience in the information and communications technology, ICT, sector. This appointment was done in compliance with all the Public Finance Management Act regulations. They specialise in policy, the development of position papers, research, strategic framework and implementation, as well as multi-country benchmarking, with a long track record in business, consumer and market studies - all of which have informed the strategies of many large players in the telecoms and information and technology, IT, industry.

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The inception report was delivered to the department on 9 October 2025, and the baseline report was submitted on 22 October 2025. These preliminary reports cover the meetings undertaken to date, including the consultations with stakeholders, research that has been conducted, reviews of relevant documentation and benchmarking. Progress reports are provided on the 6th of every month to keep the department and the Ministry abreast of their journey of doing this development of the funding model.

On 16 October, BMIT requested an extension of the project from 15 December to 6 February. As a result of their concern around the disruption of doing work over the festive season, and also due to the fact that some of the stakeholders had indicated their unavailability around that period, we approved that request because we believe it is important that in the process of developing such a key aspect that will influence how the public broadcaster is funded, stakeholder engagement must be thorough, fair, and extensive.

The first draft of this funding framework is expected to be presented to us in mid-December, and by early February we will be able to be in possession of the final report. What will

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happen is that for any funding model in the public sector that affects how Treasury allocates resources, we will then have a consultation with the Minister of Finance based on what BMIT would have recommended to us as the proposed funding model.

Thank you, Deputy Chair.

The DEPUTY CHAIRPERSON OF THE NCOP: Thank you very much, hon Minister, for your response. We have a follow-up question from the hon Sithole who is on the virtual platform. Hon Sithole, your follow-up question.

Ms S L SITHOLE: Thank you very much, hon Deputy Chairperson, and thank you very much, hon Minister for your response to my question. Hon Minister, what is the timeframe for the service provider to develop a new and effective funding model? Thank you very much.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, House Chair, and thank you to the hon Sithole for the question. The deadline for the submission of the report is 6 February. So, from 6 February, the Minister and the department will engage with the report, as I indicated in the primary response. We will then have to interact with the Minister of

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Finance, given that any funding model, particularly one that has an impact on the allocation of resources that are done by the National Treasury, requires us to have the concurrence of the National Treasury. The timeline that we are working with, hon Sithole, is that by 6 February that report will be presented to us. Of course, we must apply our minds to that report.

The next step, once that is done, is to engage with the Minister of Finance for Treasury's input and provide feedback to our portfolio committee as part of the reporting process on the development of the funding model. Thank you.

The DEPUTY CHAIRPERSON OF THE NCOP: Thank you very much, Minister. We now go on to the next follow-up question, and that's from the hon Pienaar.

Mr N H PIENAAR: Thank you, Deputy Chair. Minister, you are most welcome in this House today. I hope you find it as a pleasant experience. Minister, globally, state broadcasters are becoming increasingly obsolete as they struggle to compete with the efficiency and innovation of the private sector. Looking ahead, what role do you envision the SABC playing within the South African broadcasting landscape and how do you see the private

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sector contributing to a more competitive and sustainable media environment? Thank you, Minister.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, hon Pienaar. The presence of a public broadcaster is one of the key requirements or one of the institutions that our democracy requires. It is a key establishment that helps to entrench our democracy. I think it's important for our democracy in safeguarding the gains that we have made, that we can have a public broadcaster that can enhance access to radio services, television services, to every South African.

The reality is that the evolution of the broadcasting and media space means that broadcasters all over the world are facing challenges in remaining competitive in a space where the consumption of news, content, and even sports, is shifting from traditional media into other areas, such as short-form video consumption, streaming. It is something that is not unique to the SABC. The BBC is currently grappling with that challenge. The trick lies in appealing content, because it is content that keeps our eyes on the screens. So, the production of appealing content becomes very instrumental in making sure that audiences can remain on public broadcasting platforms, because there is so

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much competition in terms of choices that we have as a country or viewers who wants to consume news, entertainment, and sports.

You will notice that a lot of broadcasters all over the world have various arrangements with private broadcasters in terms of sports broadcasting rights, because there is an acknowledgement that the depth of a public broadcaster is far wider than that of a private broadcaster. The real question is how do we get to a place in which a public broadcaster does not excessively rely only on government funding for its own operations or its own sustainability? That means that there are certain basic things that must be done, which are right - one of which starts with citizens paying our TV licences. I hope that members in this House do pay their TV licences, and I hope you also do, hon Pienaar. Thank you very much.

The DEPUTY CHAIRPERSON OF THE NCOP: Thank you very much, hon Minister. We'll allow that advert from the SABC. Thank you very much. We now move on to the next follow-up question, and that's from the hon Kennedy.

Ms M KENNEDY: Thank you, House Chair and good afternoon, hon Minister. Minister, considering that the SABC financial distress

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stems not only from poor licence compliance, but also from systemic issues of governance, digital transition and unfunded public mandate, what concrete reforms is the department pursuing to modernise the SABC's funding model beyond licence fees and advertising revenue while protecting editorial independence?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, hon Kennedy. You are right. Part of the contributors to the state of the SABC right now are the factors that you mentioned. I think it is important that even government put its money where its mouth is, particularly with regards to the public mandate. The public mandate is necessary. Let's get that clear - if I were to be frank, the size of that public mandate is the one that suffocates the ability of the SABC in making sure that its diverse content can be one that can compete with its competitors in the space. Because its competitors do not have the restrictions of having to broadcast a set number of educational programmes in different languages throughout the day. Its competitors don't have to grapple with the fact that every event of national importance, whether scheduled or unscheduled, must be funded.

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Those events are important because they educate and inform the public of what's happening in the country. It is the reason why we have taken on this step of getting a service provider, because this exercise has to be founded on the economics of the broadcasting sector and what is needed in order to save the SABC from its current financial pressures. I think the history of governance issues are something that are well documented.

In fairness, that chapter was through a period in South Africa that epitomised in clear terms, how state capture destroyed state-owned enterprises across the board. We have a board there currently and new management that have been grappling with turning around the SABC. And part of these challenges require money in order to invest in new infrastructure. When you look at the scope and the size of the SABC's current ability to have revenue generation activities that could allow it to put that money back into investing into infrastructure, it's not enough.

Therefore, it requires that there must be decisive action being taken. Those means varies from looking within your portfolio to determine what are the sacrifices that can be made in order to reinvest them into the infrastructure that will put the SABC at a position that is equivalent to their private competitors. If

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you don't do that, audiences are going to shift - that's the reality of this. If you don't invest in infrastructure to be able to attract the type of content that would keep growing your audiences, audiences are going to shift. Thank you, House Chair.

The DEPUTY CHAIRPERSON OF THE NCOP: Thank you very much, hon Minister. The next follow-up question is from the hon Mokwena, who is on the virtual platform. Hon Mokwena? Hon Mokwena, are you able to show your face and ask your follow-up question? Alright. Thank you very much. I have been informed that she is not on the virtual platform. So, that concludes Question 258. We now move on to Question 243, which deals with performance and drive of efficiency which was asked by the hon Boshoff. Hon Minister, your response.

Question 243:

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Chair, since assuming office I prioritised restoring governance, accountability and improving the overall performance of the department and its entities.

Within the department we have focused on three key areas, one of which is an alignment of priorities between the ministerial

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priorities and the departmental projects to ensure that there is harmonisation with the annual performance plan, APP. This alignment is intended to ensure a concentration of a limited set of high-impact deliverables rather than broad and unfocused commitments.

We also have, as part of holding management accountable, regular interactions with the deputy director-generals, DDGs, and also Minister's Executive Committee Meeting, MINEXCO, reviewing progress against priority projects. And where performance has fallen short, we have not hesitated to act and also ensure that all managers and all staff members are held accountable.

We have also strengthened internal planning and reporting processes to ensure that faster decision-making and improved communication across our different programmes on cross-cutting digital initiatives.

With regards to the entities, we have put a very strong focus on improving their governance, encouraging a focus to revenue generation. When you look at the scope of entities in our department, a lot of them, be it Sentech, be it Broadband Infracore, BBI, the Films and Publications Board, there is a heavy

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reliance on the grants and disbursements that they get from the department.

So, we initiated a governance and accountability workshop where we also brought together the National School of Government, we brought in the Public Protector, we brought in the Auditor-General, AG, to focus on some of the common trends that we had picked up that have affected governance underperformance in the portfolio. And the outcome of that was also to ensure that there is regular core planning and core execution of projects within the portfolio.

In order to address some of the irregularities that have happened in some of the entities we have initiated a series of investigations, starting with the Films and Publications Board, Universal Service and Access Agency of SA, USAASA, the State Information Technology Agency, Sita, .ZA Domain Name Authority, ZADNA, and National Electronic Media Institute of SA, Nemisa, as a lot of these were associated with maladministration, and in some instances financial irregularities. These interventions resulted in reports being issued and action has been taken against officials where wrongdoing was found, also including board members.

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In USAASA, for instance, at the ... I think it was just around September last year, we also took a decision to dismiss board members who had been appointed while also being public servants and had not declared that they did not get permission from their employers in order to do extra remuneration work. And it's a requirement as a board member, if you are a public servant that your employer must give you the permission in order to serve as a board member. And this is part of the process of making sure that, one, not only do we appoint the right people, but we put the right instruments in place to avoid instances of conflict of interest.

We have also taken an approach of ensuring that even with the board appointments that we're doing, we try to balance that by making sure that the majority of the selection panels on those boards are people who are independent and outside of the sector so that they can have a neutral approach to selecting talent that is suitable to drive reforms in these boards and make them compliant with all the governance instruments that are existing.

Thank you, Deputy Chair.

Ms H S BOSHOFF: Minister, it is clear that you're on top of your job. Thank you very much for that. My question was pre-empted

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because I was particularly interested in how the entities are delivering on their mandate and you have answered that for me. Thank you very much, Deputy Chair.

The DEPUTY CHAIRPERSON OF THE NCOP: Hon Minister, if there's something you want to respond to!

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Chair, I think just because we have time to take it forward ... I think we have a general problem across boards in the South African public sector. And that requires that ... we have a much more holistic approach to how do we ensure that we put not only the right people in place, but the right instruments to prevent naughty behaviour that then impacts the performance, the performance of boards. And the reality of the situation is that some of these entities deal with lucrative transactions and lucrative projects, and we have to put measures in place to protect the public purse from any potential abuse, both by management and also by boards.

But it is also important not to paint everyone with the same brush. There are very competent and ethical South Africans that serve on a variety of boards and including in some of the boards

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that are in the portfolio, that have the right focus and must be supported in making sure that they can steer these entities towards success. Thank you, Deputy Chair.

Mrs M B NDLANGISA-NODADA: Hon Minister, thank you for the response. But I also want to ask: Will this take one year to turn around the performance of the state-owned enterprises, SOEs, or will it be a long-term process that has started more than a year ago and will continue for a few more years to come? Thank you, Deputy Chair.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Chair, each entity is unique, so, each would impose its own timeline. I'll give you an example, for instance, with USAASA, when I got in there and we discovered that the department had been dealing with this anomaly of board members who did not have permission to do additional remuneration work, we had a report in front of me that was brought up, but you must still apply the rules of natural justice before you take any action. You must give people a chance to explain themselves and satisfy yourself that the explanations are insufficient. And once I was in that position, we were then able to move with their dismissal.

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But then you have to trigger a process of replacing those people. And that process has a lot of dependencies. Some of those dependencies are external, such as the approval of Cabinet, and it must start at Cabinet Committee. Cabinet Committee seats once every fortnight. And once Cabinet Committee is approved, it must go to Cabinet. Cabinet seats, you know, once every fortnight. And that cycle can impact how sooner you address the governance issues in order to have a complete team.

But for instance, with USAASA now, we've got an interim board that we've put in place of highly capable and professional South Africans with long careers in the public service that will steer it in the right direction.

With Sita, we are now at the final stages of putting together a permanent board that will be able to take place.

The other entities have well-established boards that have been put in place.

And one of the things, hon member, that I've been very intentional about is to trigger the process of recruiting for boards way before the tenure of the incumbents expire, so that

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you don't have this period of layover where you are forced to extend periods, to extend tenures of board members on a temporary period while you are waiting for Cabinet to do their approval, so that they can be handovers where the need arises in order for that so that new people coming in can be taken into confidence about the development of the space that they are going into. Thank you very much, Deputy Chair.

Ms M KENNEDY: Minister, it has been more than eight years since your department first announced plans to redesign Sita business model.

Given repeated undertakings across two Administrations: What has specifically delayed this transformation and how is your department holding both management and oversight structures accountable for this prolonged stagnation? Thank you, Deputy Chair.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Hon member, you're absolutely right. I used to serve on the communications portfolio, I think it was in the Sixth Parliament, early stages of the Sixth Parliament, and it was always mentioned, the repurposing or repositioning of Sita. And

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I think it's something that the department has grappled with for a long time.

I can tell you for free that it is one of the priority projects that working together with the Presidency and tapping into the expertise of the World Bank, particularly because they've led a programme on digital transformation, that we are looking at undertaking this process of repurposing Sita. Because you need specific expertise to look at what should a State Information Technology Agency in this period that we are in, be doing? Should it be doing procurement? Should it be setting norms and standards for the rest of government to follow in fulfilment of its information and communication technology, ICT, needs? And those are the core questions that this exercise is going to grapple with.

I can tell you that it wouldn't take ... let me put it this way, before I tie myself into things, let me put it this way, we have identified that, that repurposing has to be completed during this Administration, the repurposing of Sita. And that's why we have then, working together with the Presidency and the unit on the digital services unit and the World Bank, we are going to then be looking at how to best do that project of repurposing

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and make sure that Sita adapts to the current technological space in which government's needs ought to be met and empower government departments to be able to respond rapidly to their ICT needs. Thank you, Deputy Chair.

Mr S P MABILO: Hon Minister, I would like to know how will the automation of the supply chain management system assist in the fight against ...

The DEPUTY CHAIRPERSON OF THE NCOP: Hon Mabilo can you please put on your mic and start again, please!

Mr S P MABILO: Hon minister, thank you for the response that you have given. My question will be: What does the availability of internet play in the improvement of living conditions on the people, especially in low-income and rural areas? Thank you, Deputy Chair.

The DEPUTY CHAIRPERSON OF THE NCOP: Hon Minister, I don't know whether that question is relevant to the original question, but if you want to respond you may.

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The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Chair, I'll take your guidance.

The DEPUTY CHAIRPERSON OF THE NCOP: Okay ... [Interjections.]
Hon Mabilo ... [Interjections.]

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: I'm here to answer questions, so, you must find the right one. [Laughter.] The first one was the right one ...

The DEPUTY CHAIRPERSON OF THE NCOP: The internet one is the next question, hon Mabilo!

Mr S P MABILO: Question 260?

The DEPUTY CHAIRPERSON OF THE NCOP: No, no, you've gone on to Question 266, we're still on 243.

Mr S P MABILO: Oh! Okay. No, this question was not for me ... okay.

Minister, while significant progress has been made in expanding digital access and addressing historical, racial, economic

inequality, a substantial portion of the population remains digitally excluded, which reinforces existing social and economic disparities.

The question is: What measures have you put in place since taking office to expand the digital access and digital infrastructure for rural and township communities? Thank you, Deputy Chair.

The DEPUTY CHAIRPERSON OF THE NCOP: Hon Mabilo, that question is also ... [Inaudible.] ... to Question 243.

But I will leave it to the hon Minister. If he wants to say something in response to hon Mabilo. But if not, we we'll move on to the next question.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Chair, we are coming to that question. Thank you very much.

The DEPUTY CHAIRPERSON OF THE NCOP: I think we are done with Question 243. We'll now move to the next question, which is 266.

Question 266:

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The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Chairperson, as part of the Independent Communications Authority of South Africa, ICASA, issuance of licenses to telecom companies and the conditions that are attached following the spectrum auction, each of the providers were assigned universal service obligations, which are obligations imposed to them in terms of connecting public facilities.

Under these obligations, the major telecom operators, namely, Liquid Intelligent Technologies, MTN, Rain, Telkom and Vodacom are required to connect more than 21 000 sites across the country, and this was based on the latest spectrum auction. In addition to that, the SA government has established what is known as the SA Connect, which is the flagship project to connect public facilities including traditional authorities, public schools, public hospitals and major public sites.

I know that the hon Kennedy is interested in knowing where these areas are given her constituency. As part of Phase 1, 970 government facilities were connected, 597 schools were connected and 151 health facilities. Then there is Phase 2 which is the stage that we are currently in and one which coincides with my term of office. The focus in that is ensuring that there is an

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expansion of over 10 000 Wi-Fi hotspots targeting rural areas, townships and informal settlements.

What we are also seeing is that various provinces, particularly the Western Cape, Gauteng and the Eastern Cape are already taking the lead by committing their own funds to connect government facilities at higher speeds ranging from 100 Mbps to 1 Gbps.

The most important thing about this is the realisation that to fully connect our country we need every player in the space to play their part. We need the telecoms to invest in infrastructure that will allow more South Africans to get online and get meaningful connectivity, both in terms of coverage and quality. We also need to embrace different solutions because the reality is that there are several ways to get to broadband connectivity and fibre is one of those.

The world over is also grappling with the use of low orbit satellites into the space to help close the digital divide. Because we have identified the digital economy as a key sector for helping achieve the inclusive growth that this government wants to achieve, this administration is putting serious

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investments into making sure that government also plays its part in connecting communities, particularly taking into consideration that we still have millions of South Africans who are closed out of digital opportunities and locked outside simply because they are based in areas without proper and quality connectivity. Thank you.

Ms M KENNEDY: Deputy Chair, to the Minister, given that South Africa still lags behind other developing countries in rural connectivity and public access to internet where many have already improved education and health care through reliable access, does your department not regard the ongoing delays in expanding internet infrastructure to schools, clinics and rural areas as a failure to improving the lives of the most destitute and those who depend on public institutions without relying on companies that do not want to comply with South African laws? Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Hon Kennedy, I am one person who believes that in this day and age access to broadband connectivity should be a basic right for everyone, regardless of where they are based. For as long as there are people in this country who do not, unlike you and me,

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have the privilege that we enjoy of being permanently connected, it would be a failure. No developed economy or developing economy should have 10-15 million people grappling everyday without access to connectivity.

I know that you come from Limpopo and you come from a rural area and so do I ... [Laughter.] ... It is true, I've known hon Kennedy for some time, and I understand what influences the motivation to this question. It is because we all represent constituencies that grapple with this issue.

I have been very intentional in terms of making sure that the ultimate beneficiaries of access to internet connectivity can be the communities that need it the most. We know the power it can unlock in more people getting online, in encouraging more rural entrepreneurs and more young people being active in the economy and setting up businesses that enable them to reach broader markets by having access to the internet so that the money that they currently spend travelling to points with connectivity can be utilised to advance their lives instead of being spent on something that has globally become a basic need.

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In fairness, there is progress. Is it sufficient progress? No, it is not sufficient progress. Ideally, we want to have South Africa at 100% connectivity and that is why the nobility behind the SA Connect project is to make sure that for underserved communities, government takes the lead. You are also right that there was a delay in the Sixth Administration in terms of connecting schools, however, in the Government of National Unity we were able to sought the intervention of the Minister of Basic Education and the delay was swiftly resolved which then allowed MTN, Telkom and Vodacom to be able to start accessing those schools and moving with speed to do the connectivity that our communities need. Thank you.

The DEPUTY CHAIRPERSON OF THE NCOP: Thank you very much, hon Minister. Before we move on to the next follow up question, I would like to recognise, in the gallery, Mrs Lisa Britz. Thank you very much for joining us. She is the wife of the hon Mr Britz. I am lively informed that it was her birthday yesterday and we want to wish you a very happy birthday from all of us in the NCOP. I want to say to hon Britz, I know it is a wonderful experience to bring your better half to the NCOP, but that can't be a birthday present; you need to do better than that. we now

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move on to the next follow up question, and that is from the hon Ndlangisa-Nodada.

Mrs M B NDLANGISA-NODADA: Deputy Chair, I should think I am covered because my question was going to ask the Minister about the role that it plays in the rural areas and in the low-income areas. I think in your previous explanation you have covered me. Thank you.

The DEPUTY CHAIRPERSON OF THE NCOP: Thank you very much, hon member. Yes, the Minister did but I will still allow the opportunity if the Minister wants to expand.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: No, in the interest of efficiency, Deputy Chair, we will go to the next one. The hon member is satisfied.

The DEPUTY CHAIRPERSON OF THE NCOP: Okay, the Minister is focused on efficiency, I can see. The next follow up question is from the hon Swart.

Mr P J SWART: Hon Deputy Chair, good afternoon, hon Minister and thank you very much for the brilliant responses to all questions

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and all follow ups. In order to accelerate infrastructure rollout in underserved communities, does your department intend to incorporate multiyear contracting with milestone-based performance obligations to minimise delays arising from procurement inefficiencies and contractor underperformance? I thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: The direct answer to that is yes. I think one of the issues that have led to the underperformance of the SA Connect programme has been around contractor management, particularly in terms of ensuring that there is thorough accounting, proper and timeous invoicing, ensuring that we pay for services that have been delivered and that those are quality services, and that we can actually do the auditing in ensuring that the providers that have been brought onboard to deliver on this project do so at a standard that is worthy of a noble project like this.

I also think what is equally important in that is that there will always be instances of inefficiency. The key thing is being able to identify that and responding rapidly by having an engagement focusing on SA Connect on its own where we bring all the players in the project to say, given the resources that we

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have put into this project and the clear responsibilities of who needs to do what from the telecoms and the different entities in the department responsible in executing this project, why do we still have underperformances in these areas.

A lot of that merely have to do with contractor management. However, we have put measures in place to ensure that we also do continuous monitoring so that the quality of service doesn't decline the moment the contractor leaves the site or public members enjoy access to a free Wi-Fi spot for the first month and then two months down the line it is permanently buffering. That shouldn't be the case. Because these are allocated in communities, we also rely on the communities to bring these to us so that we can respond effectively. It is not yet a perfect model where we are, but I think it is already addressing some of the shortcomings we saw impacting on the quality of the service from these installations that have happened across the country. Thank you very much.

Mr H J VAN DEN BERG: Deputy Chair, good afternoon to the hon Minister. The work-based forum MyBroadband reported two days ago that Vodacom has secured a distribution deal with Starlink. Could this deal not have been the saving grace for the Post

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Office? It now seems like a missed opportunity. Did the Post Office even participate in this bid or is there any other plan to get this internet to thousands of people in the rural areas? Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: It is a very interesting question. However, this was a transaction between two private companies and there was no public engagement wherein there would have been, for instance, unsolicited approach from the Post Office to want to compete in doing the distribution. However, I do think that it is a welcomed transaction for both, particularly for Vodacom in terms of their footprint on the African continent and the role that they are going to play in any solution that helps in widening access to broadband connectivity. Any bid in South Africa or throughout the continent that involves a South African company should be welcome because this contributes to the overall growth of our economy. Thank you.

Question 259:

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Chairperson, the department has implemented several interventions to support the survival of the SA Post Office. As

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hon members know, the Post Office is currently under business rescue and has been that way for the past two years. In March this year, the department allocated R150 million to the SA Post Office, Sapo, through a virement that was approved by the Treasury. Furthermore, to this, R381 million was allocated to Sapo from the temporary employer-employee relief scheme following approval from the Treasury. These funds were earmarked strictly for operational continuity specifically for working capital needs such as salaries. The funding was granted on the strict condition that it should and must not be used for consultants. The business rescue practitioners have confirmed their compliance with this condition.

A new long-term strategy has been developed and is being integrated into Sapo's corporate plan. That strategy is informed by the amended SA Post Office SOC LTD Amendment Act, which expands Sapo's mandate to look at areas of embracing the modern developments that have happened particularly in the postal services, courier services, e-commerce, financial technology and digital platforms.

Furthermore, we initiated a task team between the department and the National Treasury to explore private partnerships that can

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go to the market and look at interests in the Post Office. The reality is that where the Post Office is now, and where the sector in which it operates is, it cannot and it shouldn't be permanently reliant on the state for survival. It needs to embrace private partnerships that can leverage on some of its strongest strengths which include the size and the depth of the Post Office infrastructure and make sure that it leverages those into partnerships that will generate revenue for it.

I'm glad to announce to the House and I must declare that it is a coincidence that it is happening today. Today, we published a request for information to the market. It is an open call to any interested party that wants to partner with the Post Office to get onboard with us as we try and seek partnerships about the sustainability of the Post Office. That request for information is geared towards collecting data for structuring and asset allocation proposals to assess interests in partnering with Sapo or exploring other arrangements that may introduce innovation, investment and operational value for the South SA Post Office in areas such as postal and courier services. We are doing this because we want to position Sapo in a way that can lead to have revenue share agreements, joint ventures, build operate transfer arrangements and infrastructure leasing that will ensure that it

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can, at the very least, not rely on continuous injection from the fiscus.

Hon members would know, particularly coming off from yesterday's Medium-Term Policy Statement, the state of our fiscus. Now, it means that the age of bailouts for state-owned enterprises is over. They must be positioned in such a way that they are able to generate revenue so that the state can continue to spend particularly on social welfare where the greatest need for our citizens is. Thank you very much.

Mrs M B NDLANGISA-NODADA: Good afternoon, House Chair. Thank you, hon Minister for the extensive response to my question. Hon Minister, if I may ask: Can you give the House an assurance that the turnaround initiative by the management of Sapo will assist in preserving jobs and make Sapo financially stable? Thank you, Chair.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you, hon House Chairperson. Absolutely, hon member! It is why the department in March took the decision to look within our budget and apply to the National Treasury for the virement. And we insisted that that virement should be used towards

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safeguarding the jobs that are there making sure that the Post Office staff members who are there get their salaries as we try and reposition it to adapt to the demands of this burden.

It is further the same logic that informed our approach to the Department of Labour. We said, can you make provision for us to access the temporary employer-employee relief scheme in order to get the R300 million that can make sure that we keep people in their jobs. Since the business rescue I'm sure hon members know and have noticed that there have been hundreds of Post Office branches that have closed, and it has led to job losses. Without these two interventions that we took this year, we would have had more job losses happening. Our economy cannot afford to lose more jobs, and we must protect those jobs. That is why when the investment and the thinking is around the future, the future is around private partnerships. The future is around making sure that these partnerships leverage on the strength of the Post Office, which is its infrastructure currently. That infrastructure must be safeguarded. If we don't get on that we are going to have instances where, I'm sure you have seen in some of your communities, dilapidated branches of the Post Office. Some of them are being taken over by the "amaphara" [vagrant hobo thieves]. We need to protect that so that we can

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leverage those properties in coinvestment ventures with the partners.

I am just looking forward to the level of feedback that we would be getting. There had been companies who had approached the Post Office unsolicited to say that we still believe that your infrastructure is an advantage and we want to partner with you. But we want to make the process fair, transparent and open to everyone who wants to compete in that space so that later on we are not accused of favouring company A over company B. It must be an open process. That process has been publicised today in terms of any party that is interested in coming onboard and identify areas that they would want to coinvest with the Post Office. They will then be able to do that. It is available on our website as of today and it is also available on the Post Office website. Thank you, Chair.

Mr N H PIENAAR: Thank you, House Chair. Before I ask my question, Minister, I think it is most exciting news and is welcome by the entire House - an invitation to the public sector. I think it will be key to the success of the SA Post Office. Minister, with that being said, key to the turnaround strategy of the SA Post Office is the business rescue team which

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currently costs the taxpayers over R10 million per month. At what point does government say enough is enough if this team fails to deliver on its mandate? Or will the taxpayers be expected to indefinitely bail out the SA Post Office? Thank you, Minister.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, House Chairperson. The difficulty with a business rescue process, hon Pienaar, is that it is an imposition of the court. The court must satisfy itself that the conditions of the business rescue have been successfully met before it can approve the end of that business rescue journey. The business rescuers have indicated to us that the majority of those conditions have now been met, and they have expressed their desire to exit the business rescue chapter. We have given feedback on their affidavit and in support of that.

But it is important that as we go towards the exit of that business rescue, we do not create another problem which would be a vacuum of leadership in in the Post Office. We are still going to need a governance structure to spearhead the Post Office. It is for that reason that we had the foresight and said let us trigger the process of advertising for a board of the SA Post

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Office. We have started with that process. What we are aiming at is that there should be a transitional period wherein there is no vacuum. As soon as or the day in which the court grant the business rescuers approval to exit, you have a board in place that can immediately take over that role. The management is there but you still need a board.

In terms of the cost of the business rescue, I think no one in their conscience would accept that the spending is acceptable in business rescue. It's a very expensive process. The figures that you stated and to my recollection, I think in 2014 it cost the department just over R80 million on the business rescue. This year its cost is just over R120 million. Collectively, it has cost over R200 million. That's a lot of money. But there's equally context to that because the remuneration of the business rescuers is set out very clearly in what the Companies Act stipulates in terms of the remuneration of professionals that are brought onboard as a result of the business rescue. Be that as it may, we have to have the best interest of the Post Office at heart and also the best interest of the fiscus at heart and say that at this rate, if we are to continue at this cost, it will be very unaffordable. It is already unaffordable as it is, but I think it's important that the exit is done in the right

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legal steps so that we then don't expose ourselves to unnecessary litigations. Thank you very much.

Ms M KENNEDY: Thank you, House Chair. Minister, do you believe that there was a deliberate sabotage of the Post Office by the previous administration because there was preference of privately managed providers? Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you, hon House Chairperson. I think the mistake the previous administrations did was to underinvest in the Post Office. By underinvesting I don't mean in terms of money being thrown into the entity, but by investing on the right infrastructure. When you look at the players that have entered the courier and postal space like your Sixty60, your Takealot and everyone, that is a function that if there was proper investment in the digital infrastructure of the Post Office, it could be filling in that gap.

Of course, I think they were odd in the process. But my focus is to dwell on where we are right now and what we can try to do in making sure that the right of the average South African to get universal access to postal and courier services is entrenched

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wherever possible. They must have a choice. If the South African public wants to utilise the Post Office, that choice should be there for them at their disposal. If they want to go to use a private sector service provider because of convenience, they ought to do so. State entities must be able to provide the same capability that can solidify their position as the provider of choice based on their quality of services and not based on the fact that they are created by a statute to create a state entity for that space. As human beings by nature we are driven by choice, and we go for things that meet our needs in order to keep going back to them.

I think the chapters about the blunders of the previous mistakes and all of that are well documented, and it will be unnecessary to repeat them here. Thank you very much.

Mr M M PETER: Thank you, hon Chair. Greetings to the Minister. Hon Minister, noting that the Unemployment Insurance Fund provided R381 million lifeline to the SA Post Office to help preserve jobs and support its recovery, the SA Post Office has announced a turnaround strategy, a new business model aimed at restoring long-term sustainability. Can the Minister confirm to this House today whether his department has approved and is

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actively supporting the long-term strategy on top of the short-term recovery plan which would be aimed at ensuring the SA Post Office full recovery and sustainability, including specific plans to develop and implement alternative revenue streams beyond the traditional postal services? If so, what safeguards have been put in place by your department and the SA Post Office to ensure that the new business model is credible, resilient and capable of delivering on its commitment to diversification of financial stability and long-term sustainability? Thank you, Chair.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you, House Chairperson. Thank you very much, hon Peter. Yes, we are absolutely committed and it's important that you take both short-term interventions in order to save the crisis that you are dealing with at the moment while having your eye on the future. How we see the future is through these partnerships that I spoke about earlier. Why are they necessary? They are necessary because they touch on all those points that you have identified, hon Peter.

I'm going to repeat some of them because we view these partnerships as being essential for Sapo to carry programmes

that can help with accelerating the modernisation of its core systems and its core infrastructure, expanding last mile logistics, warehousing and e-commerce fulfilment and also making sure that it can monitor its infrastructure. Some of its infrastructure now is a missed opportunity because it is lying idle in different parts of the country. A concerted effort for a strategy on this can help plug some of the holes that are in existence in the portfolio currently.

But as I said, it is also important to be dynamic in this approach in recognising that we have to be realistic based on the capabilities to choose a focused area that can drive the intention of the provision of universal access to postal and courier services and make sure that we do not further constrain the ability of the Post Office to meet its bare minimum mandate. Thank you very much.

Question 251:

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, House Chair. This is a very interesting question because there is an allegation being made here about blaming history about the state of the post of the entities.

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But I think it is important to also be mindful of historical facts. It is not blaming history to acknowledge as a responsible leader that there are past decisions that have contributed to some of the government lapses that we are dealing with, and anyone who has an ounce of recollection and memory would recall that what we are dealing with now, particularly with the consequences of state capture, happened at the peak of the leadership of the leader of the MKP right now, so it is a bit hypocritical for the MKP and the hon member to accuse us of blaming political interference and other things for the dysfunctionality of state-owned enterprises.

The fingerprints that are there on the collapse of state-owned enterprises are those associated with the MKP today, and it is why the Zondo Commission was established, because institutions like the South African Broadcasting Corporation, SABC, and many other public enterprises during the tenure of the former President of the country were utilised to advance political interest and unethical interest, and it is a matter of fact.

I think the MKP must remind itself and plead for repentance at this time, because we are where we are because of their actions. Thank you very much.

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The HOUSE CHAIRPERSON (Mr D R Ryder): Thank you, Minister. Hon Mokoena, do you have a supplementary question to ask?

Ms S M MOKOENA: Yes, I do. I will ask for your indulgence not to show my video, because I am in a very rural area. Thank you, Chair.

The HOUSE CHAIRPERSON (Mr D R Ryder): Minister, you have an opportunity to respond in any way further if you want.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: The facts are indisputable, Chair. Thank you very much.

The HOUSE CHAIRPERSON (Mr D R Ryder): Good. Let us move on to the next supplementary question then, which was ...

[Interjections.] ...

Ms S M MOKOENA: Chair, I wanted to ask a supplementary question.

The HOUSE CHAIRPERSON (Mr D R Ryder): ... I beg your pardon, hon Mokoena, then please continue.

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Ms S M MOKOENA: Thank you, Chair. I would just like to remind not only the Minister but other members as well that the MKP did not exist prior to this seventh administration. So, I would like him to get his facts straight.

Secondly, my question is, since he has become the Minister of these state-owned enterprises, SOEs, what has he done in terms of skills audits or finding out whether the people who are in the executive authority of these SOEs qualify to be there? Because to blame one man is one thing, but to take accountability for where you are right now is another.

The HOUSE CHAIRPERSON (Mr D R Ryder): Thank you very much. Minister, before I give back to you, please, hon members, I do want to make the point once again. Parliament has made available resources to all of us to procure adequate equipment so that when we participate virtually in meetings, we can be heard clearly, and we can be seen clearly as well.

I encourage you to use the facilities that Parliament has provided to obtain suitable microphone equipment, so that when you participate on the virtual platform, you can be clearly

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heard and contribute in a manner that maintains the decorum of the House.

Minister, having said that, if I could ask you to respond, if you heard the whole question. Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, House Chair. I think there was a political statement made there, which is unsurprising because we dealt with the question in the first response. In terms of what we are doing to make sure that the right people are appointed, the process starts with the selection of the nomination teams in every regard, who are the people that are entrusted with the responsibility of making sure that all the compliance boxes are ticked with. And what we are doing, particularly with appointments that require a ministerial concurrence, I have made the provision to appoint a ministerial observer, a nominee, into that recruitment process so that I can satisfy myself that each and every person, particularly for chief executive officer, CEOs, and chief financial officer, CFOs, of some of these entities, as required by law, because the concurrence lies with the Minister, that we keep a very close eye on that process to make sure that fairness is upheld, to make sure that fit-for-

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purpose candidates emerge and can lead these institutions. And this is a process where it is not the decree of the leader that works as it does in hon Mokoena's party, but it is the credibility of a process that produces the right candidates. Thank you very much.

Ms S L SITHOLE: Thank you very much, House Chair, and thank you to the Minister for his response. Hon Minister, Sentech will continue to have the financial difficulties until the department finalises the new funding model for SABC. What is the interim plan of the department to mitigate the financial difficulties at Sentech, and what is the implementation turnaround time for the interim plan?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, Hon Sithole. Your reply to that, please, Minister. Thank you very much, and it is a very important question, because the SABC is currently the largest client of Sentech.

So, if your largest client is going through the financial difficulties that the SABC is currently going, it impacts on you. And the leadership of Sentech there has initiated a process

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of looking at maximising opportunities for revenue diversification, because they recognise, too, the risks that come with your financial health and liquidity being largely dependent on the financial health of your one client. And we are very supportive of that.

And it is encouraging that it is the leadership through the management and the board that have initiated, that are initiating this progress, because they recognise that their future will also be at risk if they do not look at diversifying ways of growing their clientele and making sure that they can have multiple streams of revenue. Thank you very much.

Mr N GOTSELL: Thank you, Chair, and good afternoon, Minister. Welcome to the House. The irony is quite striking, which may explain why the MKP member is not in the House today. She criticises cadre deployment, yet her leader, Jacob Zuma, established that very system, captured the SABC under Faith Muthambi, and left it in ruin. A decline later deepened under Khumbudzo Ntshavheni, who eventually left the SABC without a board for resisting political control. Perhaps that is exactly why President Ramaphosa entrusted this portfolio to the DA. It

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is obvious that it is because the ANC and the MKP have broken it.

Minister, how is your department ensuring that the era of cadre deployment and capture never returns under the Government of National Unity, GNU?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much for that question. I believe it begins with recognising that there are institutions established by democracy whose independence we must protect, particularly the public broadcaster. Once we allow politicians - regardless of who they are - to have direct influence over the operations of such an entity, we unleash an attack on our democracy. The issues you mention, hon Godsell, are part of the legacy of that period, which has produced the MKP we see now. We are addressing that legacy. This is why it is important that, in board appointments, we act correctly and select the right people. I believe the responsibility now lies with Parliament, as the SABC board is appointed by Parliament.

Ms S M MOKOENA: Point of order, Chair.

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The HOUSE CHAIRPERSON (Mr D R Ryder): Minister, sorry for the interruption. What is your point of order, hon Mokoena?

Ms S M MOKOENA: The Minister is being unfruitful to this chamber. The MKP did not exist before the Seventh Parliament. Can the member stop lying and start telling the truth? The MKP did not exist.

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon member, I think you are very aware that that is not a valid point of order. Please allow the Minister to respond to the question that you initially asked. Minister, you seemed as if you had concluded, or do you still have something more to say?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: House Chair, I am tempted to respond to the member, but in the interest of progress, it must be a shame to disown the legacy of your leader, because everyone should be proud of where they come from, you know. when you have got people disowning their legacies, it is fascinating ... [Interjections.] ...

Ms S M MOKOENA: You are casting aspersions.

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The HOUSE CHAIRPERSON (Mr D R Ryder): Order, members.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: ... I am done, Chair. Thank you very much.

The HOUSE CHAIRPERSON (Mr D R Ryder): Thank you very much, Minister. Minister, we are about to go back onto the virtual platform to get the next supplementary question from hon Matshobeni. If I can ask you to just turn your microphone off to reduce echoes in the chamber as we ask hon Matshobeni to pose her supplementary question.

Ms A MATSHOBENI: Thank you very much, hon House Chair, good day to the hon members and hon Minister. Minister, whether any payments are outstanding to retrenched workers? If yes, can we be provided with the date for delayed payments of the former workers of South African Post Office? The decision to retrench workers at the South African Post Office did not happen overnight. It has left many employees without income, and we all know no jobs are available in this country. As such, some may still be unemployed.

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Why are they still delaying paying outstanding retrenchment packages? Can the department confirm the dates of payment and explain why it took so long to process them, and what measures have been put in place to prevent similar delays for workers in future retrenchments?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much to the honourable member for that question. I must begin by acknowledging that it is unfair for the retrenched workers to endure the frustration of delayed payments. I agree it is frustrating. It is equally frustrating for us as the department. Regarding the exact date, may I commit to providing a written response to the hon member, so that I do not speculate and can provide accurate information.

But to those former workers of the Post Office, I just want to say to them that I share their frustration. And as someone who understands the difficulties of households grappling with their adjusted living conditions because of a loss of income, I cannot imagine the suffering that they are continuing to do. So, it is a matter we have persistently raised with business rescue practitioners.

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And while it may be unknown to a lot of people, the nature and the design of a business rescue operation means that there is very minimal role for executive authority interventions, because that process is imposed upon the court. But the cost for retrenched workers who are rightfully entitled to the benefits which they have worked very hard for is something that we share. And, I said I will be able to provide a written response in terms of the timeline for that, so that we give the nation accurate reporting on that matter. Thank you very much.

Question 260:

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you, House Chair and to hon Mabilo. The programmes in relation to the State Information Technology Agency, Sita, I'll take you through the key programmes because your interest is on what is happening in that regard. The focus has been on intensifying efforts at improving quality service through automated procurement system, upgrades to the core network infrastructure, cost reduction and transparent prior benchmarking. There's been the appointment of additional technical staff to ensure that we strengthen the capacity of the entity to meet departmental needs. The objective is one of ensuring that the entity can perform better to serve the digital needs of the government and

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of South Africa at large because we recognise that digital transformation must serve purpose above all.

To address all these, Sita currently has three core projects aimed at digitising operations and improving service delivery. This includes the supply chain management automation system which digitalises procurement processes through the e-catalogue, automated workflows, data analytics to reduce turnaround times and strengthen compliance. Secondly, is the digital service improvement tools which include real time dash boards, client tracking systems and automated performance monitoring to support quicker responses and more consistent service delivery across government departments. Thirdly, is the information and communications technology, ICT, infrastructure modernisation which involves upgrades to networks, hosting environments and systems monitoring to improve reliability, reduce downtime and ensure stable platforms for government services. I

In addition, on 23 May this year, we issued a regulation that enables and empowers government departments upon the presentation of a clear business case that can showcase that, firstly, they can procure needs from outside Sita. If they are able to showcase that it is a price competitive one and it is

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through a turnaround period which Sita can't match. We are doing this because we want government to always be enabled at all times to respond rapidly in a cost-effective manner to meet its procurement needs. We have been encouraged so far by the fact that government departments that have been frustrated with the performance inefficiencies of Sita have indicated their interest in taking this pathway because the most important thing for anyone requiring a service is whether they can afford it or whether they are being charged fairly and they are getting the quality of service for that service. That's what we are trying to instil with the State Information Technology Agency. Thank you very much, House Chair

Mr S P MABILO: Thanks, Minister, for the response to my question. Hon Minister, will the automation of the supply chain management system assist in the fight against crime and corruption? What is a specific timeframe to attend to that? Thank you for the opportunity.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much. It will definitely assist because it will take away some of the manipulations that happens with manual accounting submissions and ensuring that the system is not

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infiltrated by naughty elements that have often contributed to overpricing and contributed to unscheduled payments or even excessive payments where they shouldn't have been done.

You would have heard also that the Minister of Finance yesterday equally mentioned it as part of government's broader efforts to fight corruption and to fight the inflation of prices towards government departments.

I think in terms of the roll-out, it is one that for the next financial year is a priority. That is the timeline with which we are operating with. Thank you very much, House Chair.

Ms H S BOSHOFF: Minister, you have currently stated that Sita's mandate is to drive digital transformation, and you have highlighted - not one - but various initiatives currently underway that show tangible progress. In view of that, can you then give us and this House the assurance that these projects will deliver value and not just promises. Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, hon Boshoff. Absolutely! And it's going to be very important that from the department side, we equally track

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their impact in doing this. Sometimes the conceptualisation of an intervention alone noble as it may be, may not be enough. You need to measure constantly that it is having the impact that it was desired for. That requires that we have to constantly be looking at client feedback. Ultimately, this impacts how government departments are able to deal with their pressing ICT needs and developments. It is for that I'm very enthusiastic about the impact that it would have, particularly because previously there was no scope for that. The management must be supported when they come with good solutions that are geared towards making sure that there is greater efficiencies; that are geared towards making sure that the public purse is protected from potential abuse. Thank you very much, Chair.

Ms A MATSHOBENI: Minister, the repeated failure to adequately hold people accountable for corruption at Sita embolden them to do worse. This involves state money that belongs to the people of South Africa. My question is: Isn't the department effectively giving free for all access to and enabling emptying of public coffers that are desperately needed for service delivery? Thank you, hon Minister.

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The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, to the hon member. Absolutely not! One of the things that I initiated earlier this year was the appointment of the Public Service Commission to investigate instances of financial irregularities, alleged corruption and governance lapses in Sita. It became very clear, based on various reports that were emerging both internally and externally, that there was a trend of worrying behaviour over a period of time wherein there is a genuine sense that there is over costing that is done at Sita. Wherein government departments feel overcharged for services that shouldn't be costing as much as they are doing. It is very clear, and I've said this in our portfolio committee before, that corruption and financial irregularities thrive where there is a co-ordinated effort to cheat the state's resources. That institution is one that for a prolonged period has been a playground for those elements that used it because it deals with very lucrative contracts that are worth multimillions. And they attract all levels of opportunism. Some of it became so entrenched in that ecosystem.

This investigation is geared towards getting at the heart of that so that we can start having the right people in place. There must be consequences. There must be consequences where

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wrongful action has taken place. It is the only way that we can restore pride in public entities and start attracting the talent that we want and is committed to serve the Public Service. Some of the talent that we want to bring into the public service and professionals are hesitant to do so in environments that are highly compromising to them. It is important that first as hon members we do our work through the accountability instruments that are there in holding the entities accountable. But from us as the executive authority we must take action, decisive action where wrongdoing has happened. Thank you very much.

Mr H J VAN DEN BERG: A short one, Minister. How many government departments have or have not fully transitioned to digital platforms as of the last reporting period? Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: It is a very broad question because all government departments have embraced a level of digital transformation and digital capability. In fact, there is no government department that doesn't have that digital footprint in terms of the work that we do. It would be inconceivable that there would be a government department that hasn't done that. Thank you very much.

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The HOUSE CHAIRPERSON (Mr D R Ryder): Thank you very much, Minister, short and sharp. And as we invite you to resume your seat and thank you very much for your participation. Thank you, hon delegates. Hon delegates, I would like to thank the Minister, the MECs, all permanent and special delegates for availing themselves for today's sitting. That concludes the business for the day and the week and the House is therefore adjourned. Thank you, hon members.

The Council adjourned at 15:31.