

TUESDAY, 16 MAY 2017

***PROCEEDINGS OF MINI PLENARY SESSION OF NATIONAL ASSEMBLY – OLD
ASSEMBLY CHAMBER***

Members of the mini-plenary session met in the Old Assembly Chamber at 14:01.

House Chairperson Ms A T Didiza took the Chair and requested members to observe a moment of silence for prayers or meditation.

APPROPRIATION BILL

Debate on Vote No 11 – Public Works:

The HOUSE CHAIRPERSON (Ms A T Didiza): Good afternoon to all. We would like to welcome the Minister, the Deputy Minister, as well as the officials and the guests of the department to this budget debate. I also want to welcome the Members of Parliament that are here. Good afternoon. You will have to pardon me. My voice is affected because it's the season for hay fever, but I'll try.

Mr M L W FILTANE: Chair, on a point of order: It actually sounds very sexy. Keep it like that!

The HOUSE CHAIRPERSON (Ms A T Didiza): Order! That is not a point of order.

The MINISTER OF PUBLIC WORKS: Madam Chairperson, Chairperson of the Portfolio Committee on Public Works, hon Members of Parliament, MECs for public works, and I also take this opportunity to acknowledge the presence of the director-general of the department and his management team, chairs of the boards and entities, esteemed guests, and fellow South Africans, the ANC back in 1994 and in other previous policy interventions and instruments declared:

No political democracy can survive and flourish if the mass of our people remain in poverty, without land, without tangible prospects for a better life. Attacking poverty and deprivation must therefore be the first priority of a democratic government.

This Budget Vote takes place against the backdrop of the President of the Republic His Excellency J G Zuma having implored us in his state of the nation address to ensure that radical economic transformation takes centre stage in our departmental activities. This in itself is in response to the policy positions of the ANC. It is the ANC that declared that the democratic government shall strive to develop a sustainable economy and state infrastructure that will progressively improve the quality of life of all South Africans.

It further resolved in a number of its national conferences that government should establish a mechanism to report on efforts it is making in facilitating employment creation. The focused outcomes of infrastructure development must be job creation, poverty eradication, and income generation through an Expanded Public Works Programme, EPWP, approach, using labour-intensive methods of construction, development, and maintenance.

The ideals of our radical economic transformation require employment multipliers, as well as skills transfer programmes that are dedicated to enhancing our democracy and building an equitable society. We have committed to the creation of 6 million work opportunities by 2019 through the EPWP and other public employment programmes such as Operation Phakisa. We aim to develop and rehabilitate 333 harbours and coastal properties along the coastal area of our country.

In this regard, capital and maintenance projects to the tune of R400 million have been identified, focusing on the spatial and economic development imperatives. We will, ladies and gentlemen, in the upcoming period, undertake the repair and maintenance work in three small harbours of Hout Bay, Gordons Bay, and Kalk Bay as part of the first phase of the project. The work entails dredging and removal of sunken vessels. These projects will assist in creating additional work opportunities to improve the quality of life of our people in the Western Cape province.

Through the EPWP, we have facilitated a total of 2,3 million work opportunities in the infrastructure, social, environment, culture, and the nonstate sectors. In the financial year under review, a total of 660 000 work opportunities were created in all spheres of government. In the 2017-18 financial year, we have set a target for ourselves to facilitate an additional 1,4 million work opportunities.

In furtherance of the objectives of the programme, we will disburse the EPWP integrated grant worth R1 billion to eligible public bodies and incentivise nonprofit organisations, among other implementers. This will also allow the poorest members of society to generate income by providing services to their communities. We are implementing a special programme aimed at providing socioeconomic infrastructure in these communities.

This effort includes the implementation of the Welisizwe Rural Bridges Programme in partnership with the Department of Defence and Military Veterans. The project is intended to provide bailey-type bridges to the needy communities. We piloted the project in the Eastern Cape province and delivered four bridges, bringing the number to 11 bridges that were undertaken during the period under review.

These bridges are cost effective and highly useful in the rural areas, as they connect villages and create access to amenities for

socioeconomic development purposes. Bridge sites have been identified in Limpopo, Mpumalanga, and the Eastern Cape for prioritisation. On 14 May 2017, we officially unveiled the Cerhu River memorial stone in Bawa Village in Mngquma Local Municipality in the Eastern Cape.

The memorial stone is in honour of 10 women who died when the vehicle they were travelling in was washed away trying to cross the flooded Cerhu River in 1993. One of the survivors of the tragedy who also assisted the police in the recovery of bodies in that particular incident, Mr Mhlangabezi Qutu, is sitting in the gallery today, I'm told, as our special guest, and we applaud him for his bravery in the service of humankind. [Applause.] Babu' Qutu!

His Excellency the President of the Republic of South Africa in his state of the nation address provided us with guidance and leadership on the policy position of the ANC on radical economic transformation. Ladies and gentlemen, radical economic transformation is a fundamental change in the structure, systems, institutions, and patterns of ownership, management, and control of the economy in favour of all the South Africans, especially the poor, the majority of whom are African and female.

The central question to us as the Department of Public Works is how we respond to this challenge and directive. In response to this, as the department, we are focusing on transformation in the

construction and property sector which has started in earnest and is gaining momentum. In order for us to speed up efforts on the radical economic transformation agenda, we will during this financial year move from planning to implementation by doing the following:

finalising the baseline study on the transformation of the property sector, obtaining approval on the sector codes from the Ministry of Trade and Industry, launching the construction sector codes and charter, and integrating all initiatives aimed at transforming the procurement processes to be in line with the charter.

In the built environment industry, we are focusing on promoting skills development through the skills pipeline strategy, in order to support the roll-out of infrastructure delivery in the country and address the skills shortage in the built environment which remains a challenge. We also implemented in the financial year under review a programme to place interns for workplace training, working in partnership with the universities of technology and the private sector.

As part of strengthening our work and supporting our mandate, professional councils and entities have been established and, amongst others, we have passed the Council for the Built Environment Act, the Construction Industry Development Board Amendment Act, and other pieces of legislation over the years to professionalise the construction and built environment sector.

Key to this is the need for us to deal with the challenges that we still need to overcome in the governance framework. To this end, the Council for the Built Environment, CBE, will be hosting a transformation indaba on 29 August 2017 at the Council for Scientific and Industrial Research, CSIR, International Convention Centre in Gauteng.

The Independent Development Trust, IDT, is undergoing financial, operational, and structural challenges. An interim solution is being found together with the National Treasury to sustain the entity in the short to medium term while we are working on long-term sustainability measures going forward. Strides have been made in the redistribution of land over the past 23 years. However, there is a need for us to accelerate progress to overcome the attendant challenges.

For example, the distribution of agricultural land is still skewed and not representative of the demographics of the country. In South Africa today, only 7,4% of agricultural land is in the hands of black people, while Africans only own 1% of agricultural land. As a democratic government, we recommit ourselves to develop a sustainable economy and state infrastructure that will progressively improve the quality of life of all South Africans.

In this regard, state infrastructure serves as an important socioeconomic lever to exert visible impact in driving capital

formation, investment growth, and social development. As a catalyst to development, the state's immovable asset and lease portfolios continue to hold extensive benefits and opportunities in respect of the government's broader developmental agenda and socioeconomic transformation.

Our immovable asset portfolio is constituted of 30 097 land parcels on which 95 164 improvements are located, valued at R117 billion as at January 2017. Our total lease portfolio comprises 2 597 leases, with an annual projected expenditure of approximately R4 billion. We believe that unaccounted for properties could still be traced and brought back where they belong, the state.

We therefore call upon members of the public to volunteer any information they have on illegally occupied buildings, stolen and illegally transferred buildings, as well as pieces of land. We hope that this will assist our government in updating our asset base. We have implemented a turnaround programme since 2012 to address the governance and operational challenges of the department. The programme has started to yield results, as the majority of the project deliverables are visible in the public domain.

As a result, we have achieved improvement in the audit outcomes, as the levels of governance have also improved. The departmental total budget for 2017-18 is R7 billion and R22,5 billion for the Medium-Term Expenditure Framework period. An amount of R6 billion is

earmarked for transfers and subsidies in the current financial year, while the remaining R1 billion will be used for compensation of employees and goods and services.

In the upcoming weeks, the Minister will, as part of familiarising himself with his portfolio, visit regional offices of the Department of Public Works, entities and boards, professional bodies, and provincial political management structures, and such engagements will assist the Minister to appreciate the kind of challenges faced by our clients as well as our service delivery imperatives.

In conclusion, Madam Chair, I would like to take this opportunity to thank both the Portfolio and Select Committees on Public Works, the Deputy Minister for a warm welcome and their support to the department in the past financial year, the director-general and his management team, the department, and all committed employees for their dedication and commitment to serve ordinary South Africans.

We should just remind ourselves, hon members, that our efforts as the Department of Public Works must be understood to be about nothing else but honour and dignity for our people. Thank you very much, Madam Chair. [Applause.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Thank you very much, Minister. I am sure that, as you familiarise yourself with your nine regional offices, you will add the 10th regional office, which is

Parliament, because we are also your client in terms of your portfolio.

Mr F ADAMS: Hon Chairperson, hon Minister, Deputy Minister, MECs, Members of Parliament, director-general and staff, senior officials of the Department of Public Works, honoured guests, and fellow South Africans, we meet here to consider the budget proposals of Vote No 11: Public Works.

The department has entered into its sixth year of the turnaround, which is the efficiency enhancement phase. By now, we assume that, by the end of the seven-year period initially envisaged for this turnaround, the department will not experience any further challenges. With a property portfolio of over 95 000 buildings and over 3 000 land parcels, the department has a huge task ahead in managing these assets. Among the challenges that this Parliament must keep a close watch on are the following: the payment of suppliers and service providers within 30 days of rendering a service, the delivery of construction projects at cost, on time, and at the right quality, enhancing access to the Public Service for the general public and people with disabilities, the transformation of the construction and property industries, the introduction and consolidation of asset management tools to enable institutional capacity for the management of state-owned immovable assets and public infrastructure programmes, and building up and ensuring the

skills pipeline in the built environment.

The Portfolio Committee on Public Works has been conducting oversight over the department. Recently, the committee completed its budgetary review and recommendations report, BRRR, for the financial year 2015-16. In assessing the performance of the Department of Public Works, the portfolio committee reflected on the department's mandate as captured in the Government Immovable Asset Management Act, Act 19 of 2007. The department is responsible for providing official accommodation to all national departments. The department is mandated to provide construction, maintenance, and property management services to all client departments at the national level and to Parliament as well, as you say. This includes the rendering of expert built environment services that are related to the planning, acquisition, management, and disposal of immovable assets.

The BRRR highlights a few findings. First and foremost, the department's main Vote attained a second successive unqualified audit by the Auditor-General. This is significant considering the history of the department. Before Minister Thulas Nxesi took over towards the end of 2011, the department had a history of successive qualified audit opinions and a disclaimer of opinion. That set off the turnaround programme, which, in the last five years, has produced good results and put the department on a steady footing. As a patient that is out of hospital, the doctor still needs to monitor the patient and apply the necessary doses of medication and proper

interaction care and check up on the patient. The department must therefore focus on enhancing its capacity in risk management and internal audits. This is made all the more important now when the Department of Public Works is in the middle of a process to transfer its functions and personnel to the Property Management Trading Entity, PTME.

We note the priorities that the department has set for itself for this financial year. These include leading and co-ordinating the public sector wide Expanded Public Works Programme, EPWP, towards the creation of 6 million work opportunities, as the Minister has stated now; strengthening of the governance, risk, and compliance function – which is one of the key developments from the turnaround following the establishment of the branch in recent years; and relaunching Operation Bring Back to reclaim misappropriated and unlawfully occupied state properties. This is key because we now have a fully fledged, functioning immovable asset register. We now have a tool that enables government to manage its asset portfolio and make property investment decisions based on the current information captured therein. We therefore must ensure that even those stolen and illegally occupied properties revert to the state. Some of the illegally occupied properties are hubs for criminal activity. Others prevent investment from taking place in cities due to the awful condition of the properties. It is therefore important that the state reclaim such properties so that we can facilitate

development and eliminate criminal activities.

Another priority that the department has set for itself is managing integrity and promoting ethical conduct in the department. This is about strengthening the fight against fraud and corruption. In recent years, the department has demonstrated a firm commitment in fighting corruption, by establishing fraud-prevention systems and penalising wrongdoing.

What does the department's budget look like in order to execute the abovementioned policy priorities? The department's proposed budget is R7,038 billion. Of that amount, R6,055 billion is earmarked for transfers and subsidies. This leaves R960,4 million for current payments, including administration and the EPWP.

One of the key issues to keep a close watch on is the payment of service providers within 30 days. The department must be proactive in ensuring that suppliers are familiar with the documentation they must submit along with their invoices in order for payments to be processed on time. The department must act as an enabler of business and not as a sabotaging machine only concerned with getting services but not concerning itself with the wellbeing of business owners, especially the small, medium and micro enterprises, SMMEs. The department must also be proactive in educating suppliers about internal processes so that these are not abused by criminals to rob

businesses using replicated government documents.

There are still challenges. The committee is not pleased that there are still state properties underutilised while the department's private sector leasing-in continues to expand. We are equally concerned that the PMTE is leasing out properties at below market rates. The challenges include the following: overexpenditure on maintenance, a maintenance backlog, aging properties and a detailed plan on what the department is planning to do with them being nonexistent, a lack of professional property management skills in specifically the PMTE, poor lease management systems, a large number of bad debtors, and a lack of client relations management.

In spite of these challenges, there are notable achievements of the turnaround strategy. These include the following: stabilisation in management and leadership, the Property Management Trading Entity moving from a disclaimer to qualified opinion, the department moving from a disclaimer to unqualified audit opinion, organisational structures reviewed, the first PMTE functional structure developed, transferring functions and immovable assets from the Department of Public Works to the PMTE, significant progress with regard to PMTE operations, fraud-prevention plans incorporated, fraud and corruption investigated, with 330 investigations conducted and 214 finalised, and 190 disciplinary cases and 24 criminal cases referred to the SA Police Service, SAPS.

While we discuss the budget for this year, it is important that the Department of Public Works remains vigilant about the auditing of the department and the PMTE. The committee noted that to ensure a clean audit opinion, the department reported over the last financial year that it has prioritised key objectives. This includes the enhancement of the financial management function for both the national Department of Public Works and the PMTE to improve audit outcomes, enhancement of the supply chain management function, analysis of the challenges in delivering infrastructure projects, and development and implementation of a change management strategy.

The turnaround strategy has taken this department into a more stable phase. As the new Minister steps in, his work is to ensure that leadership stability continues. His work is to ensure that the stability phase is sustained. In future, using the budget of R7 billion allocated for the Department of Public Works, more attention must be paid to the service delivery improvement framework, SDIF. The Department of Public Works adopted an infrastructure delivery management system as a service delivery model. In order to achieve the institutionalisation of the SDIF and the infrastructure delivery management system, IDMS, in implementing the business improvement plan, the following are critical: mainstreaming and streamlining of departmental programmes in line with service delivery improvement framework.

The President in his state of the nation address announced that

government would set aside 30% of major government contracts for emerging black businesses. We hope the department has listened to that. The department, the PMTE, and the Independent Development Trust, IDT, must live up to this call to support emerging black businesses. We have a duty to reduce the income gaps in society and also to create jobs on a massive scale. We must therefore focus on the previously disadvantaged.

In conclusion, let me thank the former Minister, the hon Thulas Nxesi, who has now been promoted to Minister of Sport and Recreation, the Deputy Minister ... [Interjections.]

The HOUSE CHAIRPERSON (Ms A T Didiza): Order! Continue.

Mr F ADAMS: The EFF does not know the difference between promotion and demotion. We thank the former chairperson, the hon Ben Martins, who has now been promoted to Deputy Minister. We would also like to thank the staff of the department under the leadership of the director-general. The Deputy Minister, the hon Jeremy Cronin, has always been there, and we are thankful he is still there. Thank you for your guidance, Deputy Minister. We also want to thank the staff of the portfolio committee, Mr Shuaib Denyssen, Ms Inez Stephney, Ms Gadija Osman, and also the previous parliamentary liaison officer, Mpho Mashaba, and the committee members. The ANC supports this Budget Vote. I thank you. [Applause.]

Ms S P KOPANE: Hon House Chairperson, allow me to use the words of wisdom by one of the human rights activists in the US who said:

History will judge societies and governments – and their institutions – not by how big they are or how well they serve the rich and the powerful, but by how effectively they respond to the needs of the poor and the helpless.

On 31 March 2017, South Africa woke up to an unprecedented Cabinet reshuffle. To our dismay, the unfit and the notorious Ministers remained in the Cabinet, and the competent and incorruptible were substituted by the Young Lions with no teeth. To us, it has become clear that the redeployment of the Minister to this department is to continue with the second phase of Nkandla. This is a testament that this budget of this department will never benefit the poor and the vulnerable people of South Africa but only the President and his cronies.

It is actually regrettable that this department, the Department of Public Works, is permanently under the cloud of a corruption scandal. This is a great pity as this department has the potential to contribute to the built environment and to the economy of this country.

Motsamaisi wa Dipuisano, mosotho wa kgale o na re moetsi o wa lebala empa moetsuwa ha a lebale. [Chairperson, there is an old Sesotho

proverb that says the one who commits a transgression soon forgets about it, but the one who has been offended never forgets.]

Minister, you and your predecessor were amongst President Zuma's men in the Nkandla cover-up scandals, and you continue to do so even as you start in this department.

The DA finds it highly suspicious that the new Minister mysteriously cancelled a press briefing to explain the new upgrades and the developments at President Zuma's house in Nkandla scheduled for 25 April 2017, this despite confirmation by the senior officials of the Department of Public Works and the Police Minister to say that the new upgrades are going ahead. The public needs to be taken you're your confidence, hon Minister. They have the right to know how their tax money is being spent. They also need an assurance that there will be no longer any upgrades at Nkandla.

This "Mantashe-ing" of you, Minister, is very suspicious and strongly suggests that there is something to hide. South Africans have not forgotten the role you played in defending Nkandla from the beginning, notably your infamous innovation of the fire pool. The DA strongly urges you to avoid a similar performance going ahead.

In a written response to a DA parliamentary question, Minister Nathi Nhleko himself revealed that eight of the 14 companies contracted to carry out the notorious upgrades at Nkandla have since been rehired

by the department to perform the work. It would seem that there has been no accountability.

He also confirmed that not even a single one of those companies involved in these upgrades has been blacklisted. This is a shocking revelation considering the Constitutional Court found these upgrades to be fraught with corruption and unlawful enrichment. It clearly proves that the more connected and the more corruptible you are, the more valuable you become to the ANC-led government. [Interjections.]

A reply to another DA parliamentary question has revealed that the National Prosecuting Authority, NPA, chose not to pursue criminal charges against the three officials involved in the Nkandla scandal despite the fact that criminal action was recommended by the Special Investigating Unit. It is clear that the NPA has let these three officials off the hook, and the DA believes that those officials who were involved must be held accountable.

A similar reply from you, Minister, revealed that during the period from 1 April 2012 to March 2017, six of the 12 officials facing disciplinary action as a result of the Nkandla scandal managed to receive performance bonuses collectively amounting to R222 743,35. What a shame on this department.

One of the entities of the department, the Property Management Trading Entity, was established in April 2006. Its prime focus was

on executing all property management-related functions such as maintenance of properties and property rates payments on behalf of the department. But guess what? It took this department a full nine years to operationalise this entity after it being formed in 2006. What a shame. The department indicated that this entity has a 39% vacancy rate in critical positions. It does not have the specialist skills to ensure the sustainable operationalisation of an excellent property management entity, an entity of the South African government that can make the most appropriate property investment for a developing country like us. The DA calls on you, Minister, to make sure that this entity is well resourced with the specialised skills required to fulfil its mandate. This entity accounts for half the budget of the department. That is why we are worried. I hope you are also worried the same way.

It is really disturbing that another entity of the department, the Independent Development Trust, which plays a very crucial role of delivering social infrastructure in provinces where there is a dire need and a substantial backlog of facilities such as hospitals and clinics, has since 1997 had numerous challenges with leadership. As I am speaking with you, half of the senior officials of this entity are in acting positions. It's like Hollywood in that entity. There is a loss of critical staff in key areas of financial administration and management. What happened? As a result, this entity is struggling to collect the management fees that is their only source of income.

For all the projects it has been involved in, there is a continuous shortage of technically qualified staff to meet the growing national infrastructure development delivery programme for this entity. The existing clients are also withdrawing business due to poor project and programme execution. The budget cuts and the deliberate delays in transfer of funds by client departments also expose the IDT to litigation.

Hon Minister, the DA is urging you to please transform this entity so that it can fulfil its mandate. When the DA takes over, we will make sure that the money serves the people of South Africa.

Ms H O HLOPHE: House Chair, the EFF rejects Budget Vote No 11 of the Department of Public Works. [Interjections.]

Ms L A MNGANGA-GCABASHE: As usual!

Ms H O HLOPHE: Yes, as usual, and we are not ashamed of that. We reject this Budget Vote because it does not talk to the empowerment of our people. [Interjections.]

The EFF is of the firm view that the state should build internal capacity to construct and maintain infrastructure, such as roads, railways, dams, and basic services, such as schools, houses, hospitals, and recreational facilities. This will ensure sustained

development and offer our people secure jobs and not those Expanded Public Works Programmes, EPWPs.

The Department of Public Works should be at the centre of such state-led infrastructural development. At the moment, the proposed budget allocation for this department is R7,4 billion, with 86% of that, or R6,6 billion, going to transfers and R1,4 billion of that going to conditional grants to municipalities and provinces.

Of the departmental programmes, the bulk of the budget, about R3,9 billion, goes to Programme 4: Property and Construction Industry Policy and Research. This is meant to promote the growth and transformation of the construction and property industries, as well as standardise the approach and the best practice in construction and immovable asset management in the public sector.

A PricewaterhouseCoopers study into the construction industry in 2016 highlighted that a major challenge within the construction industry was corruption, with companies paying government departments to have their tenders fast-tracked and cartels that limit healthy competition on the scene.

Collusive tendering in the public sector prevents consideration of competitive price bids from various players and undermines the reputation of the industry. To this day, we do not know what the department is doing to root out corruption and corrupt officials and

what measures they have put in place to prevent officials from taking bribes from corrupt private companies.

More importantly however is the very corrupt nature of the tendering processes that led us to the conclusion that we must do away with tenders and build state capacity to drive state programmes. Also, we know that it is not only the officials of the department that are corrupt. We also know for a fact that it is the politicians who strong-arm officials to do corruption, Deputy Minister. As a member of the SACP, I wonder if you are still a member of the SACP.

Ms L A MNGANGA-GCABASHE: Point of order, Chairperson ...

Ms H O HLOPHE: Mr Zuma ...

The HOUSE CHAIRPERSON (Ms A T Didiza): Order. Order, hon member. What is the point of order?

Ms L A MNGANGA-GCABASHE: Chairperson, the member at the podium knows very well that if she has something against any member of the executive, she needs to submit a substantive motion.

[Interjections.]

Ms H O HLOPHE: Can I continue, Chair, because there is no point of order there?

The HOUSE CHAIRPERSON (Ms A T Didiza): Thank you, hon member. I will check the Hansard. Unfortunately, I might have missed the statement you are referring to. Hon member, you can continue.

Ms H O HLOPHE: Mr Zuma used this department to utilise state resources to build his private mansion in Nkandla. Even worse, the man who was responsible for the ridiculous fire pool and chicken run has now been promoted as a Minister to go and loot more.

The EFF's position on Public Works is very clear. The state should build internal capacity to construct and maintain infrastructure. We have, to this end, called ...

Ms L A MNGANGA-GCABASHE: Point of order, Chairperson ...

Ms H O HLOPHE: ... for the establishment of a state-owned construction company, a state cement company, and a state-owned housing company.

The HOUSE CHAIRPERSON (Ms A T Didiza): Order, hon member.

Ms L A MNGANGA-GCABASHE: Chairperson, it's a serious allegation to make that the Minister has been promoted to loot even more. I ask you to rule on that and for the member to withdraw. Thank you.

The HOUSE CHAIRPERSON (Ms A T Didiza): Hon member, as indicated, I will look at the matter and then rule. Conclude, hon member.

Ms H O HLOPHE: I am concluding, Chair. Mr Zuma used this department to utilise state resources to build his private mansion in Nkandla. This Minister, who is now a Minister in this department, was sweating when he was trying to explain to the nation what went wrong at Nkandla. I thank you, Chair. [Applause.]

Mr K P SITHOLE: Hon Chairperson, two weeks ago, there was a meeting of the Portfolio Committee on Public Works that was not communicated to any portfolio committee members. This begs the question: Is this portfolio under siege by the new Minister who was well known to be closely affiliated to the President? One could not help but suspect that there would soon be some new improvements to the President's home at Nkandla, courtesy of new ministerial dispensations.

The former Minister of this portfolio, the hon Thulas Nxesi, advised in his 2016 Budget Vote speech that he had been hard at work together with the National Treasury on his 2012 seven-year turnaround strategy to build Public Works and restore order to the department after the previous 15-year crisis the department had been languishing in since the late 90s.

The Minister based the strategy upon two pillars: zero tolerance towards fraud and corruption and improving the way the department

conducted its business. Under his leadership, this department regained some of its dignity, suppliers started getting paid within 30 days, and the days of receiving disclaimer and qualified audit reports appeared to be over. We hope that, under new leadership, we will not see the department returning to its old ways of doing business, and we trust that the new Minister will endeavour to continue the good work of his predecessors.

The failures in the transformation of department entities, such as the Council for the Built Environment, CBE, and the Construction Industry Development Board, CIDB, remains a grave concern. What is more concerning is the continued use by the governing party of the EPWP for its own private and personal campaign programmes. This is both unlawful and unethical. It must stop.

In conclusion, this portfolio is once again under a questionable cloud. The new Minister will have to prove his competence through actions and results. He has not started his tenure well in this portfolio, and the IFP will closely monitor his progress.

Ngqongqoshe besekuphelile ukudla kulomnyango, sicela uNgqongqoshe ukuba singabuyeli emuva ngoba bekuwumnyango wokudla lo. Manje besicabanga ukusukela manje ukudla ngeke kusabikhona, abantu abasezokwazi ukuzuza. Ngaleyondlela, siyathokoza. *(Translation of isiZulu paragraph follows.)*

[Minister, there is no more food in this department. Minister, we are requesting that we do not move backwards because this was the food department. So, we were thinking that from now on, there must not be any food, and people should no longer benefit. In that way, we thank you.]

The DEPUTY MINISTER OF PUBLIC WORKS: House Chairperson, as in previous years, I want to focus on the department's role in the government's flagship programme, the Expanded Public Works Programme.

The Department of Public Works is among literally hundreds of public sector entities that are involved in this programme. All municipalities are involved, as well as all provinces with dozens of provincial departments, and many national departments are the actual implementers of the programmes.

However, the Department of Public Works does, indeed, have an overall, national co-ordinating responsibility. South Africa's Expanded Public Works Programme has now been sustained and massified in its expanded version for over 13 years now. It's widely admired internationally. The International Labour Organisation, the ILO, in particular uses many of our pioneering initiatives as learning examples in a global situation in which employment is a growing challenge brought about by casualisation and disruptions as a result of rapid technological innovations by the so-called the Fourth

Industrial Revolution. The future of work as we know it is under huge challenge globally. The ILO has precisely chosen the theme "The Future of Work" with an implied question mark behind it as its 2019 centenary theme.

This is the international context in which we need to understand and appreciate our own Expanded Public Works Programme. South Africa has one of the largest per capita social grant systems in the world, but there is a glaring gap in our system for those who are over 18 years and under 60 years. Apart from the relatively small number of people that qualify for temporary Unemployment Insurance Fund, UIF, relief, the great majority of the current 6,9 million unemployed South Africans are excluded from the social grant system. This means that the 17 million social grants that are paid every month tend to support not just the targeted beneficiaries like pensioners, but all family members typically within extended households. This means that the wages earned in the EPWP process are, therefore, another absolutely critical income stream for many extended households in poor communities.

Our extremely high and stubborn levels of unemployment are largely structural in character. They are directly related to the way in which our political economy has been shaped by centuries of colonial and decades of white minority rule – extraordinarily high levels of monopolisation, with the resulting weak development of medium-scale enterprises, our persisting racialised spatial economy, huge

training and skills imbalances, and our insertion into the global circuits of the capitalist production and reproduction as a semi-peripheral economy still excessively dependent upon primary commodity exports.

So, even if there is a significant increase in the growth rate in the near future, unless that growth – as the Minister has just said – is on a radically different path, unless it is inclusive growth, unemployment levels will not come down significantly.

Unfortunately, these necessary and radical structural changes will not be easy or quick fixes. This is the context, the local context, within which the National Development Plan, NDP, correctly envisages the major upscaling of the Expanded Public Works Programme all the way through to 2030 and beyond. The EPWP is not a short-term response to a temporary downturn but rather a decades-long bridging intervention, while the structural changes, which are not quick fixes in our political economy, are advanced. Many important collective lessons have been learnt over the more than 13 years of EPWP implementation. Since the first phase, we have moved away from the assumption that the programmes are necessarily short term and temporary.

Some programmes, like the household contractor road maintenance schemes, such as Zibambele in KwaZulu-Natal or Vukuzakhe in the Eastern Cape, involving over 100 000 women-headed rural households

countrywide are not full time but semi permanent. Women-headed households are annually contracted to service a nearby 1 km of neighbouring road, for two days a week. The contracts are annually renewable. The participants tend to be on average around 45 years old. When and if, as it must, our economy achieves much better labour-absorption outcomes, these participants are unlikely to be early beneficiaries of formal employment, if at all, and so this localised, semi-permanent, socially useful work makes sense.

However, other EPWP projects, particularly where there is a significant number of youth involved, require a different approach to the duration of the programmes as well as in terms of training. Ideally, all the participants – there is some nearly 1 million participants every single year in the EPWP – would receive certificated training, but there is always a trade-off to be made between maximising the income support, by way of spreading stipend payments to as many of the 6,9 million unemployed South Africans as possible, on the one hand, and, on the other, with limited budgets, seeking to provide training and skills as much as possible. More advanced certificated training like artisan trades is now targeted at 25 000 mainly youth participants annually, but it costs on average R14 000 per annum per person, and therein comes the trade-off.

Notwithstanding these challenges, we are starting to see very encouraging indicators on what happens to participants upon

completing their EPWP involvement. Since 2011, Statistics SA's annual General Household Surveys have assessed the success of EPWP projects in providing pathways either to formal employment or self-employment. A fairly consistent picture is starting to emerge.

The 2016 released survey found that of those who had participated in EPWP projects in the previous 12 months, 12,4% were now in permanent work, nearly 50% had found temporary work, 4,8% had set up an own business, and 14% were involved in further training. That is to say that nearly 80% of former participants had found some kind of pathway to some improvement in their lives, but EPWP projects are not just about the participants themselves. It is also about what happens to the communities in which they are working. Through the Department of Public Works, we are now seeking to better monitor what assets and what services are provided.

Here is just a brief sample of some of them that were achieved in the first nine months of last year, 2016. In just nine months, 466 298 community parks were created or rehabilitated, 416 hectares of alien invasive plants were removed, 8 000 km of firebreaks were created and 2,5 million tons of waste removed, 21 000 km of low-volume roads were constructed or maintained; 210 000 children were provided with early childhood development services, and 161 000 households received home-based care services. This is not just about making work; these are people creating assets and providing outputs.

That is not to say that a programme with this complexity, with its size, with its multisectoral and multisphere character doesn't have risks and challenges. One of these is achieving the 6 million work opportunity target in this administration. In phase one, we succeeded in reaching the 1 million target within four years. In phase two, we narrowly missed the 4,5 million work opportunity target, as 4,3 million work opportunities were achieved. In phase three, as I have said, the target is 6 million work opportunities.

In the first year, 2014-15, we were well on track, and over 1 million work opportunities were achieved, but, in the subsequent two years, at least in terms of the audited numbers, this momentum has not been sustained.

There are several reasons for this. There is definite underreporting, and this underreporting is occasioned by new conditions imposed by the Auditor-General – with many public bodies unable to meet the standards and now simply not reporting EPWP numbers for fear of attracting audit qualifications.

There is also a flat-lining and even reduction of some budgets. Although the EPWP is meant to be a contracyclical intervention in times of difficulty, there have also been disappointing achievements in some sectors. As an overall co-ordinating department, the Department of Public Works has not just noted these realities, but we have undertaken a series of remedial interventions. We are

working closely with key provincial departments and with municipalities to assist them to have more effective data capturing and reporting.

We have also been engaging with the Auditor-General's office to ensure that effective data recording at the appropriate location occurs. With these and other interventions, we remain hopeful that, across government, we will still come at least close to achieving the 6 million work opportunity target by 2019.

Another risk, which members of this portfolio committee have often raised, and the hon Dlamini has raised it again today, is of party-political or personal patronage playing a role in the selection of EPWP participants. In a previous budget debate, the hon Kohler-Barnard produced a wad of signed affidavits alleging exclusion from EPWP projects by ANC politicians in eThekweni. The hon member provided us with copies, and I instructed the Department of Public Works officials to immediately follow up on the matter urgently. Unfortunately, hon Kohler-Barnard, the affidavits were of little if any help. They appear to have been collected at two mass meetings, two separate meetings. The wording in each of the two batches was identical, with only signatures differing. The allegations were of a general nature: no specific names of alleged culprits, no dates, no specific locations – nothing was mentioned, no projects.

Over this past weekend I had ... [Interjections.] No, don't say shame. It is good that the initiative was taken, but it was taken for narrow political purposes rather than trying to solve a real problem.

This weekend, as it happens, I had the same issue, but it was an ANC member saying that the DA councillors in the Boland are doing the same thing. The same problem was that there was no clarified information, and I said please provide us with more information.

I am not saying that these things are not happening. It is illegal. It should not happen, and we must stamp it out. Let's ensure that, as Parliament across parties, that as the executive, we do not allow the EPWP, this critical South African developmental approach to poverty alleviation, social protection, and building community cohesion, to become polluted by party-political and factional manipulation. Thank you, House Chair. [Applause.]

Mr A M SHAIK EMAM: Chairperson, let me at the very outset say the NFP supports the Budget Vote No 11: Public Works. [Applause.]

Hon Chairperson, the Department of Public Works is the custodian of all government properties, and it is also responsible for their maintenance accordingly. The NFP is of the opinion that there is a need for greater and robust oversight to ensure that government assets in terms of its properties are well accounted for and

maintained accordingly. It is also a matter of concern to the NFP that the cost of leasing premises is exceptionally high and that the negotiations in terms of entering into lease agreements must be done in a more transparent manner so as to prevent any form of corruption and/or abuse of state resources.

Having considered the leasing costs of many properties, the question that sometimes arises is whether it is not necessary to actually purchase such properties, especially if they are to be used for a very long period of time. When a decision is taken to lease premises, one must take into consideration the period of time instead of entering into long-term agreements, like a five-year or 10-year period, when in actual fact one can, while leasing the premises, consider purchasing your own property.

The NFP expressed its concern at the communication centre. I'm glad the former Minister of Police is now the Minister of Public Works. I think you will be aware of what I'm talking about, the communication centre in Port Elizabeth that was delayed as a result of Public Works not acquiring the site to put up the mast. So, I hope that could be accelerated to try and prevent any further cost because what is very clear now is that the cost has escalated substantially as a result thereof.

Hon Chairperson, the other challenge that the NFP has is that the disposal of state property by the previous apartheid regime, which

in our view was tantamount to theft, must be condemned and that these properties must be identified as a matter of urgency and that the perpetrators of this heinous crime must actually be brought to book. The department must also identify all other properties that exist and are unaccounted for. My understanding is there are properties throughout the country. Not only in the country, my understanding is that, even internationally, South Africa owns a hell of a lot of properties that are not actually accounted for.

The NFP also wants to commend the Department of Public Works on its process of job creation, especially in the Expanded Public Works Programme. I know my colleague is complaining about the Expanded Public Works Programme and creating jobs, but, remember, whether you create one job or 100 000, or 1 million jobs, at the end of the day, you are creating jobs for our people who don't have. Whether the jobs are temporary or permanent, you are creating jobs that, at the end of the day, are putting food on the table of the poorest of the poor. So, I think, this must be welcomed. You cannot oppose the budget on the one hand, and then, on the other hand, you say build the schools, build the hospitals, and build the clinics. I don't know what budget you are actually going to put in. I think it is hypocrisy. [Interjections.]

The NFP supports Budget Vote No 11: Public Works. Thank you.

[Applause.]

Ms P E ADAMS: Hon Chairperson, hon Minister and Deputy Minister of the Department of Public Works, acting chairperson of the Portfolio Committee on Public Works the hon Freddy Adams, hon members, officials of the Department of Public Works and entities, compatriots, ladies and gentlemen in the gallery, the Department of Public Works has a mandate to co-ordinate efforts that drive transformation in the built environment and construction industry. It makes policy alignments to the challenges such as outdated infrastructure and unemployment.

The definition of transformation for the built environment is stated as a profound process of change emanating from a need to redress historical disadvantages, with a specific focus on the improvement and provision of equal opportunities and access to quality education, training, mentorship, and skills development, in an effort to drastically increase the quantity and quality of registered built environment professions. The entities reporting to the Minister, specifically the Council for Built Environment, CBE, and the Construction Industry Development Board, CIDB, play important roles to address the inequality in the industry.

The CBE informs the committee of programmes to ensure the improvement of the representation of black graduates and professionals in the six built environment professions, such as engineers, architects, quantity surveyors, property valuers, and

landscape architects. There is a shared understanding of what is meant by transformation in the built environment profession sector.

The success of transformation is dependent upon the strengthening of partnerships between government and the built environment private sector. There is a participatory approach towards achieving holistic transformation, which is focused on the entire skills pipeline strategy and streamlining the process with a specific focus on key areas in need of redress in order to ensure continuous supply of quality and aptly skilled individuals and to maintain co-operation between key role-players.

The proposed approach is to look at the short term, where the focus is on increasing the number of registered professionals and providing them with funding. Currently, the focus is to ensure candidates register with their respective councils. Medium-term interventions are aimed at feeding the skills pipeline and ensuring a steady supply of potential built environment professionals. Long-term interventions are focused on future needs that ensure quality, effectiveness, and sustainability.

The CBE emphasises that, at school level, there should be career awareness of built environment professions by the Department of Basic Education at an early school level. Then there should be continuous mentoring and assistance to students entering tertiary

institutions. Financial and social support should be given to students.

At the workplace, the council maintained that the in-service training under a formal training contract is the final step towards qualification as a professional. The lack of professional capacity can set back delivery and compromise progress within the public sector. This has been one of the biggest challenges that the public works sector has been grappling with, and this impacts delivery at local government level.

It hurts our people if we are not able to develop competency in mathematics and languages or problem-solving through scientific methods and get enough young women and men into university courses that enable built environment and construction degrees. Even more worrying is the fact that where we do get young people qualified as built environment graduates, these people struggle to get into the professional workspace. Where they get in, these graduates with good qualifications take up to eight years to exit as professional engineers, architects, etc. Government plays its role, but the candidacy towards professionals in the built environment professions require private business owners to also play their part.

Government has put in place the Presidential Infrastructure Co-ordinating Commission, PICC. There are contracts to tender for, but the professionals are using these to implement a candidacy phase for

young emerging professionals that allow them to become professional engineers and architects who can operate on their own to transform our country into a flourishing economy.

The CBE and CIDB together referred to the need to strengthen the candidacy phase, and the role of professional companies in the built environment cannot be downplayed. Contractors at all grade levels, from 1 to 9, have a huge role to play in improving the pace of transformation. They need to interrogate policies that the CIDB has adopted to create an enabling environment for the industry as well as the partnerships that it has built with critical stakeholders to create a better-performing construction industry.

The CIDB cannot succeed alone, hence their slogan "development through partnerships". The methods strengthening the candidacy phase of graduated professionals in the construction and built environment require urgent attention. There is no system containing programmes to ensure experiential training towards professional registration. The important aspect of incentives for private professional companies to take in candidates as well as the standardisation of candidacy programmes in all such workspaces are important pillars of a future candidacy phase consisting of dedicated programmes for graduated professionals in the construction and built environment.

The CIDB provided important information related to the contractors' register that required much-needed change. They did not adjust

grades according to the fluctuations per year of the producer price index, PPI. It hasn't been done since 2008. Lower-level contractors are not benefiting. Not adjusting grades meant that the higher-graded contractors continued to reap the benefit of the nonadjustment, and this led to a shrinking of the market where the higher-graded contractors were able to get most of the lucrative contracts.

A benchmark study on transformation in the built environment should have taken place by 31 March 2008. In South Africa, there were relevant study cases on transformation. The accountant and legal sectors were good case studies to model such studies. The built environment profession case study requires this and would include international and South African standards.

This ANC-led government places strong emphasis on infrastructure development and job creation to progressively improve the lives of our previously disadvantaged people. The ANC supports Vote No 11. I thank you.

Mr M L W FILTANE: Chairperson, at the risk of being seen as co-conspirators in corruption, the UDM will support this budget.

[Applause.]

Whereas this department is supposed to play a leading role in the creation of 6 million jobs opportunities by 2019, so far, not a

single one of its entities has reported the actual creation of sustainable jobs. The jobs that are reported to have been created are temporary and unsustainable, and there is no transfer of qualitative skills to the people. The Congress of SA Trade Unions, Cosatu, the ally of the governing party, has consistently campaigned against casualisation, yet it looks like their cries are not heard by this department. Coupled with the problem of casualisation is the fact that the number of South Africans who find themselves out of jobs is on a sharp rise. Our support for this Budget Vote is a clarion call on the department to do more in terms of meeting the agreed targets and create more qualitative job opportunities whilst transferring skills to our people.

About the entities, the Independent Development Trust remains in limbo, and its future is uncertain. This is as a result of the failure by some of the government departments that are sabotaging this entity by not paying for the services it has rendered to them at those departments' insistence. The real pain here is that the IDT contracts the private sector to build, and so ultimately it is the private firms that cannot be paid by this Zuma administration.

When those firms are not paid, they go under, retrench workers, and close business, and the country loses. Worse still is the resultant loss of qualified human capital by the IDT itself ...

[Interjections.]

The TEMPORARY CHAIRPERSON (Mr N A Masondo): Sorry, hon Filtane. What is the point of order, hon member?

Ms L A MNGANGA-GCABASHE: Chairperson, the member at the podium knows very well that you cannot refer to any member of this House by name. You refer ... Even the President ... [Interjections.] You can refer to the President as Mr President or Mr Zuma, not Zuma. Please rule on that, Chair.

Mr M L W FILTANE: That was done a long time ago. We disposed of that. She must go back for English lessons. She must go to school for English lessons. [Interjections.] There is a House decision on this matter.

The ACTING CHAIRPERSON (Mr N A Masondo): It does seem as if to talk of the "Zuma administration" is parliamentary. [Interjections.] So, we will proceed in that spirit.

Mr M L W FILTANE: Worse still is the resultant loss of qualified human capital by the IDT itself as a result of some government departments' slow withdrawal of business. They are doing this because the IDT is failing to deliver, and the IDT is unable to deliver because government departments are slow to pay. This is the Zuma administration story. The vicious circle hurts our economy, increases poverty, and unemployment. Surely, it must stop, and it must stop now.

In this regard, the UDM calls on the current administration, led by the President, to immediately find solutions, if it can. The Council for the Built Environment is supposed to assist with building standards and develop professionals but appears to be failing to rise to the challenge that it faces. The UDM has challenged them to be more creative in the execution of their duties.

The Construction Industry Development Board, CIDB, which is responsible for contractor development and registration, is also not playing up to expectations. Their latest report is no better. There is no report on the socioeconomic impact that this critical entity has registered or is poised to register even during the 2017-18 financial year. However, it is endlessly engaged in plans to assist contractors to access credit facilities by partnering with the Small Enterprise Development Agency, Seda, and the National Urban Reconstruction and Housing Agency.

Finally, transformation is extremely slow in this sector of our economy. For instance, listen now, as of May 2017, out of 81 600 construction companies registered with the CIDB, only 27 black-owned companies are on grade 9, and, out of 43 800 civil engineering companies, only 39 are black owned. This translates to a 1% share of the infrastructure budget of R879 billion announced by the then Minister of Finance last year. Whoa! No transformation!

Earnings of R14 000 translate to less than the R3 500 minimum wage. This government is not leading in this right direction. We should see no more illegal escalation of contracts like we saw in Mpumalanga last year – from R30 million to R90 million, no tender submitted. The hon Minister, through you, Chair, we notice that you wiped your face no less than 32 times in the 20 minutes that you were speaking. We hope that you are not here because there is another Nkandla 2 in the offing. [Time expired.]

Dr C P MULDER: Chairperson, I would like to start off by congratulating the hon Minister on his appointment. I am not sure, and we can argue whether it's a promotion or a demotion, but that's something we can discuss.

Now, the Department of Public Works is not necessarily one of the more prominent departments, but it is a department that works hard behind the scenes. Sometimes one wonders when the President makes that kind of appointment, and he applies his mind, how he decides on appointing the hon Minister. There is a court case at the moment that says that the hon President did not apply his mind, but, for purposes of the argument, I am going to accept that the hon President applied his mind, and then I wondered how one becomes the Minister of Public Works. [Interjections.] I am going to do that.

I think in the current instance by accident the hon Minister applied for the job because I think when the hon President was thinking

about who he was going to appoint, the wonderful rendition of "O sole mio" with the fire pool with the shallow end and the deep end, came to the President's mind, and then he remembered who was responsible for that, and then he appointed the hon Minister.

However, this is a new beginning, hon Minister, for you and for this department. It concerns me and worries me, as you correctly referred to the turnaround strategy, why it is that almost every department in this government as well as every state entity have this turnaround strategy. How do we get to that kind of situation? Then, hon Minister, you did use the prescribed phrase. You used the prescribed phrase when you said "radical economic transformation". That is a prescribed phrase. All of you have to say it, and you said it.

Then you went on to say that the emphasis of the department is going to be job creation. Now, with all due respect, we are all very concerned about the unemployed and the hon Deputy Minister correctly indicated the problem - 6,9 million unemployed persons of this country - but it is simply impossible for the state to create jobs for each and every person. You cannot do that. There we differ fundamentally in terms of what needs to be done.

If I look at what you are trying to do, it's like a big, huge machine, and it is only getting bigger. The state is getting bigger and bigger trying to alleviate poverty and to create jobs. Maybe we

need a discussion as to where we should go in terms of that kind of situation.

The hon Minister also referred to land and the land issue, but the problem is that each and every department comes up with different figures. The Minister gave certain figures, and the Minister of Agriculture, Forestry and Fisheries will give other figures, and the Minister of Rural Development Land Reform will give different figures. Can somebody please give us the correct figures? Do a land reform survey once and for all, give us an indication, and then also take into account traditional land when you bring those projections to the House so that we know exactly what you are talking about.

I want to wish the hon Minister everything of the best. I hope you can do better in terms of what is happening in the department. In terms of the department's principles, and the principles that you referred to were open communication, urgency, and then integrity, the problem is there is a question mark with regard to this department. For various reasons - and we have spoken about Nkandla - it is a problem. It remains a problem. Something needs to be done. All of the best, hon Minister. Thank you. [Time expired.]

Mr W M MADISHA: Chair, since the Nkandla scandal broke and continues to fester, the Department of Public Works has been through Ministers Geoff Doidge, Gwen Mahlangu-Nkabinde, Thulas Nxesi, and now fire pool specialist and Mr Zuma apologist Minister Nathi Nhleko. Many

South Africans were shocked when it recently emerged that none of the companies involved in the Nkandla upgrades had been blacklisted and that Public Works have subsequently contracted with 8 out of the 14 companies involved.

It is clear that if you are connected to Mr Zuma and the ANC, you can commit corruption with impunity and continue to get business from government. When will these companies be blacklisted, Mr Minister? Also, please confirm whether or not more money is being planned to be spent on the Nkandla residence.

According to the Auditor-General, the Public Protector, and the Constitutional Court, there are serious allegations of maladministration, irregular procurement processes, and wasteful expenditure levelled against this department. Despite promises of turning the situation around, Public Works continues to be dysfunctional and mired in corruption, wastage, and ineptitude.

What progress, Mr Minister, is being made in the department's turnaround strategy to restore the dignity and integrity of the department, to fight rampant fraud and corruption, to correct the deficiencies in the supply chain management processes and ensure its proper monitoring, to complete the immovable asset register, to fill critical specialist positions, and to ensure the timeous payment of suppliers?

I must indicate I trust that you will respond to these pressing matters in your reply. As this department lacks integrity and as its Minister lost his legitimacy to hold public office when he invented the swimming pool defence, Cope cannot support this Budget Vote. We can't at all! [Time expired.] [Interjections.] [Applause.]

Rev K R J MESHOE: House Chairperson, while the ACDP is relieved that about 10 officials from the Department of Public Works are facing disciplinary action in connection with renovations to President Zuma's Nkandla residence, particularly for not following proper procedure in the appointment of contractors, we still need answers and assurances to questions that many of us, and many in the community, still have. Of these 10 officials, we want to know how many are facing criminal charges, and how many will be required to pay back the money they obtained fraudulently.

The *Sunday Times* recently reported that more money was to be allocated to repair and rebuild sections of the estate buildings that are dilapidated. While the Presidency has denied any knowledge of this project, Public Works officials have allegedly confirmed that it has begun with processes to upgrade the President's home.

The ACDP therefore calls on the Minister to assure the nation today, and particularly taxpayers, that their money is not going to be used for the outstanding repairs and renovations at Nkandla. If such a project does exist, how much money has been allocated for it, and

when was it approved? We further want to know how the department is responding to some of the 17 United Nations Sustainable Development Goals that, amongst others, require the building of resilient infrastructure.

A few days ago, the hon Minister said that he was confident that his department would meet its target of creating 6 million work opportunities by the end of March 2019, and that in the 2017-18 financial year, his department will seek to create 1,4 million work opportunities with over a million South African youths being major beneficiaries.

The ACDP is keen to know how much skills training will be involved in these work opportunities, as we know that most of these are just menial jobs that do not necessarily require any special skills. We also wish to know how many of the 1,4 million work opportunities that are to be created this year will translate into sustainable, permanent jobs.

There are two weaknesses that the Minister should urgently attend to, particularly relating to the Expanded Public Works Programmes, EPWP. Firstly, it is to root out corruption in the department by making an example of officials who are found to be involved in corruption. We do not hear of anybody who is involved being jailed. We believe that an example has to be made with some so that people

can know that corruption is not tolerated. [Time expired.]

[Applause.]

Ms D H MATHEBE: Hon Chair, hon Deputy Minister, and hon Minister ...

The TEMPORARY CHAIRPERSON (Mr N A Masondo): Just a call for order ... [Interjections.] If members can really stop the dialogue across the floor, it will go a long way towards ensuring that the speaker is heard.

Ms D H MATHEBE: Key priorities of the Expanded Public Works Programme, EPWP, are creating employment and investing in people by providing skills and supporting various public sector programmes through which public services are rendered. On 15 November 2016, when opening the Fifth Expanded Public Works Programme Summit, Deputy President Cyril Ramaphosa had this to say:

Every day, all across South Africa, tens of thousands of our people are going out to build a new country. They are paving roads and growing food. They are clearing alien vegetation and fighting fire. They are cultivating young minds and caring for the sick.

They are building school desks and keeping public spaces clean. Through their efforts, they are changing our country for the better. They are learning to be builders, artisans, pharmacy assistants, fire fighters, adult educators and carers. They are

acquiring the skills our country needs and the practical experience that prospective employers seek. They are not merely numbers on a spreadsheet, part of our effort to reach the magic figure of 6 million work opportunities. These people are - each and every one of them - a national asset. They represent the potential of our people and the hope for our future.

The EPWP remains one of the successful government initiatives aimed at reducing poverty and unemployment through the provision of training and work opportunities. This is not unique to South Africa. Public works programmes remain a popular public policy instrument in developing countries as a short-term measure for tackling unemployment and alleviating poverty. These programmes are based on the notion that employment provision will directly improve household livelihoods through access to wages while simultaneously stimulating the economy.

So, as the ANC, we support this budget, as it will ensure that the ANC-led government will continue with the EPWP and thus continue empowering our people. The EPWP is often criticised for not creating permanent jobs and for corruption in the allocation of jobs to beneficiaries. Some of them forget about themselves. The EPWP cannot provide permanent jobs because its primary function is to provide relief to the poorest of the poor by providing them with an opportunity, although temporary, to earn a living and restore their dignity.

There are many good stories to tell about the EPWP and how it has made a difference in people's lives. Many acquired skills in public employment programmes, skills they are now using in their permanent jobs and small businesses.

Lenaneo la Katološo ya Mešomo ya Mmušo ke lenaneo la bahloki - bao ba se nago sa bona gomme ba nyakago go phela. Ke ya bao ba nyakago gore gosasa ba kgone go bea dijo tafoleng; bophelo bo tšwele pele. Ba bangwe ga ba nyake gore bahloki ba je. (*Translation of Sepedi paragraph follows.*)

[The Expanded Public Works Programme is designed for the poor people who have nothing but are keen to live. It is designed for those who have a vision for their future - those who want to make their lives better. Yet there are people who do not want people's lives to improve.]

Last year, on 1 November 2016, our government, the ANC-led government, increased the wages for the EPWP participants from R78 per day to R83. This is in terms of the annual wage adjustment in line with the prevailing inflation rate, which, according to Statistics SA, averaged 6% in 2016. This wage hike is one of many ways the ANC-led government is working on to improve the lives of these participants, and it certainly kept poverty at bay for many participants during the last year's festive season and the start of the new school year this year.

According to the budget, in the 2013-14 financial year, the Expanded Public Works Programme created 4,2 million work opportunities and aims to create another 4,3 million by the end of the 2019-20 financial year. Spending on transfers and subsidies for the Expanded Public Works Programme is projected to increase from R2 billion in the 2016-17 financial year to R2,4 billion in the 2019-20 financial year.

The department has to budget R306 million ...

Ms L A MNGANGA-GCABASHE: Point of order, Chairperson ...

The TEMPORARY CHAIRPERSON (Mr N A Masondo): Just hold on a bit.

Ms L A MNGANGA-GCABASHE: Thank you, Chairperson. The hon member, Ms Hlophe, has called the President "Zuma", but she is supposed to refer to the President as Mr Zuma. If she doesn't want to refer to the President as the President, she should at least refer to the President as Mr Zuma. I would like you, hon Chairperson, to rule on that. Thank you.

The TEMPORARY CHAIRPERSON (Mr N A Masondo): I couldn't quite hear you properly. Can you just explain and confirm or deny the allegation?

Ms H O HLOPHE: On a point of order, Chair, please ...

[Interjections.] Did you see me standing and speaking here? Did you see me standing here? Please, I understand that you are the new Chair who is presiding, but please stick to the Rules. I have not spoken.

The TEMPORARY CHAIRPERSON (Mr N A Masondo): No, hon member. You have been speaking there, in fact, all the time ... [Interjections.] ... across the desk over there. Don't ask me if I saw you standing because you don't have to stand for me to hear what you are saying or for you to be heard. As to whether you did or did not say what you are alleged to have said ... Hon Hlophe, I am speaking to you.

Ms H O HLOPHE: Chair, you have glasses on. You are not even struggling to see. I have not spoken here. So, that person just loves talking about me.

The TEMPORARY CHAIRPERSON (Mr N A Masondo): So you are denying ...

Ms H O HLOPHE: What?

The TEMPORARY CHAIRPERSON (Mr N A Masondo): You are denying what they say you said ...

Ms H O HLOPHE: Chair, where have I spoken? When did I speak? Where?

The TEMPORARY CHAIRPERSON (Mr N A Masondo): Are you denying that you spoke?

Ms H O HLOPHE: Where? Where, Chair? Don't sleep in that chair. Please. Please, Chair. Wake up. I haven't stood up here to speak. So, don't entertain that point of order because ...

The TEMPORARY CHAIRPERSON (Mr N A Masondo): I'll come back to this point later.

Ms H O HLOPHE: Yes. Please, man.

The TEMPORARY CHAIRPERSON (Mr N A Masondo): I'll come back to this point later on. [Interjections.] Members are really urged to behave themselves. Filtane, what is your point of order? Hon Filtane.

Ms H O HLOPHE: Don't embarrass yourself ...

Mr M L W FILTANE: It might have been easier for the speaker to have said 2 000 million like the hon Zuma once said in the National Assembly. [Laughter.]

The TEMPORARY CHAIRPERSON (Mr N A Masondo): That is not a point of order. We will proceed.

Ms D H MATHEBE: Through you, Chair, to the hon Minister, this must be commended, and, as the ANC, we indeed commend you for this kind of planning. This will make the programme sustainable. Minister, these good things that you are doing can however be tarnished by issues that are outside of your control. For example, we are faced with the serious challenge of youth unemployment, but some of these young people have misdirected pride in relation to some jobs. You will find that they don't want to do certain jobs like being petrol attendants and so on. Some jobs, like cleaning the streets, are regarded as demeaning. So, we also need your help with regard to changing the mind-set of our youth with regard to certain types of jobs. Minister, in my language, street cleaning is called "go topa dipampiri" [to pick up papers], but we also use the saying "go topa dipampiri" figuratively to mean "to be totally insane", like some people who are not normal here. We have a lot of insane people. There are some in this House. We have a lot of them.

[Interjections.]

Now, I am not sure if this figurative meaning has anything to do with this stereotype, thus making our youth not to do this kind of work. We therefore have to make this kind of job glamorous so that they can appeal to the youth. For example, today we are in the Fourth Industrial Revolution, which is a digital world of technology. So, we must introduce some innovative ways to do jobs like "go topa dipampiri" so that our youth would no longer be reluctant to do them.

I have no doubt that if we could introduce some technological innovations to jobs like street and sewage cleaning, our youth will become interested in them. So, my parting shot to you Minister is to please introduce more technological training into the EPWP for our youth to be skilled for the digital world and the country in general so that we can claim our rightful place in the Fourth Industrial Revolution. If we don't do this, the training and skills that our people gain from the EPWP might not assist them in the technological world we live in today.

The ANC supports this Budget Vote. Thank you. [Applause.]

The TEMPORARY CHAIRPERSON (Mr N A Masondo): We proceed to the hon King from the DA.

Ms D KOHLER: Chair, it is a misprint by your staff. It is Kohler-Barnard.

There are massive issues in the Department of Public Works, but, Nkandla aside, Minister Nxesi and his team were slowly but surely turning this shipwreck of an entity they inherited from the previous Minister around. Sadly, the current President decided to shift this man behind the success story and put in his place South Africa's Cecil B DeMille Award winning producer of the world famous 2015 Nkandla fire pool movie. It's difficult not to wonder just how handy

it will be for this Minister to finally control exactly how much more of taxpayers' money will be spent on the KwaZulu-Natal palace.

As a committee, we've seen the sad departure of our stellar chairperson, the now Deputy Minister Ben Martins. Congratulations on your promotion, sir, but we do have a newly elected chairperson who for some bizarre reason is an acting chair. Why? Are the Members of Parliament who elected him somehow thought to be incompetent? Just for once allow Parliament to appoint an eminently suitable chairperson without first waiting month after month on permission from Luthuli House.

Yes, Deputy Minister, a year ago, I raised the issue of 24 affidavits handwritten by others because they were illiterate where individuals were refused Expanded Public Works Programme, EPWP, jobs by three ANC councillors, two men and a woman, from Illovo and Umlazi. Yes, I received a letter carefully crafted from the department, but it is just the tip of the iceberg. We are laying criminal charges all over the country. I know full well that Ward councillors everywhere, and certainly in eThekweni, are mandated to, and do, hand out EPWP job opportunities.

Further proof of the corruption and political influence that permeate the EPWP, certainly in one of the last few metros the ANC still controls for now, eThekweni, was proven when the DA councillor walked into a meeting at the International Convention Centre, ICC,

on 7 March. He was ordered to leave by the eThekweni mayor, as it was an ANC caucus meeting. In that meeting were all the eThekweni EPWP workers, every one of them, and the mayor, we are informed, went on to promise to extend the EPWP contracts until the work opportunities become permanent jobs. That is abuse, clear and simple.

The proliferation of EPWP job opportunities for the people of all the DA-run metros is a priority. Tshwane's new DA mayor is determined that the EPWP does not repeatedly benefit the same group of individuals to the exclusion of all others. His approach completely excludes councillors from involvement in the recruitment process. This is the DA's solution to avoid any possibility of the programme being abused by certain parties for political purposes and vote buying. The ability to work is key to personal dignity, and this metro – like all DA towns and cities – is committed to creating opportunities for more people to find jobs, earn money, and support their families.

Then there are the construction site invasions of KwaZulu-Natal. There is a feeling that the police has done virtually nothing about this. Both government and private construction sites are invaded, and, for example, the R8 billion residential and hotel resort project near Sibaya Casino was shut down by armed invasions. Over and over at site after site, they arrive. Led by Delangokubona Business Forum, 15 or so vehicles, 50 heavily armed people, they

invade, and they demand that 40% of the work of a legally appointed tender must just be handed over.

It is irrelevant to them that construction companies have followed all protocols promoting opportunity for community upliftment and skills development. They announce that they will not allow work to continue until they receive their money. The installation of bulk sewage and water services was stopped. Construction at the Sibaya project stopped. Construction at the R1,8 billion Sun Coast development has been abandoned. Business operations are simply being shut down all across KwaZulu-Natal, and these invasions, they claim, will soon reach the Eastern Cape and Gauteng. As long as these invasions are swept under the carpet, jobs will be lost.

On to the Property Management Trading Entity, PMTE, and the immovable asset register, now the national register is certainly getting there, but to track down the ownership of an abandoned government building is an exercise in chasing your own tail. The province hands your query to a municipality, who hands it to national, who hands it back to the province. These are the buildings, which are 15% of the immovable assets, which should basically be condemned – some 17 000 buildings abandoned, invaded, rat and lice infested, or sold by criminals using fake papers, which has led to over 1 200 properties lost altogether. Having such a building in a residential area ensures a slum is created and property prices destroyed.

Finding out which level of government owns it is a massive undertaking. I revealed about a year ago there were rather strange co-ordinates for many of the listed properties. I detailed 200 from a single province with global positioning system, GPS, co-ordinates showing them settled at the bottom of the Atlantic. Those I referred to were from a single province ... [Interjections.] Of course, they did. I know exactly. I have the paperwork. Please do not engage me while I am at the podium. I also know that there is a dedicated team trying to make a credible database of state-owned properties. Operation Bring Back is under way nationally and provincially, and they are tracking down these lost buildings.

Possibly one of the most shocking facts revealed to the committee is the R212 million per month we pay on leases. We have 1 200 lost buildings and 70 000 derelict buildings, and we fork out R2,5 billion each year on renting private buildings from unknown bodies, unknown because I have asked but cannot receive a reply as to who the property owners are. We are making people millionaires while government-owned properties rot.

Finally, on the issue of no rates being collected from certain government buildings, the DA now heads numerous metros and municipalities, and we discovered that, as with Cape Town when we took over, no rates or services had been collected from government buildings. Money in terms of rates equals the ability to deliver services. So, we are collecting them, and we are delivering. Much

work needs to be done. Much corruption needs to be rooted out. Meanwhile, I'll await the new movie, *Nkandla: The Sequel*. [Time expired.] [Applause.]

Dr C Q MADLOPHA: Hon House Chair, Minister and Deputy Minister, hon members and guests in the gallery, and comrades, in 1992, the ANC policy guidelines Ready to Govern presented the nation with a blueprint of what the ANC intended to achieve once it assumed political power in the first democratic election. These guidelines with amendments hold true today and, together with the Reconstruction and Development Programme, RDP, set a very clear trajectory for the government of the ANC in the first five years.

Its task was to fundamentally transform the socioeconomic, governance, and political landscape. The task was to ensure the universal principle that the will of the majority must prevail whilst the voice of the minority must be heard is adhered to. This principle, which the Constitutional Court has itself repeated, underscores that, in an electoral system such as ours, majoritarianism is an important feature of our society.

The foresightedness of these policies can be found in what we call inclusive growth today, with the policy guidelines stating:

Management in both the public and private sectors will have to be de-racialised so that rapidly and progressively it comes to

reflect the skills of the entire population. Equity ownership will also have to be extended so that people from all sections of the population have a stake in the economy and the power to influence economic decisions.

With regard to governance transformation, the 2000 decision to establish the Property Management Trading Entity was to address the devolution of the accommodation-related costs from the Department of Public Works to client departments. The entity is entrusted with the function of managing immovable assets. This includes the provision of residential and office accommodation for the departments at a national level as well as maintenance and disposal of certain assets for socioeconomic initiatives.

As stipulated in the Government Immovable Asset Management Act, the entity acquires accommodation on behalf of the other government departments through construction, purchase, lease, acceptance of gifts, expropriation, exchange, or transfer of custodianship between the custodians in that sphere of government. The entity also spearheads the project to verify government debt owed to municipalities by government departments both nationally and provincially to ensure the settlement by the sector departments. The project focuses on verifying debts reported in terms of section 71 of the Local Government: Municipal Finance Management Act.

In 2012, the Minister introduced a turnaround strategy, a seven-year plan that focused on three phases: the stabilisation phase, where the department faced the leadership turnovers; the efficiency enhancement phase, to improve the operations and internal controls with the department; and the sustainability and growth phase, which will see the department improving over time and reclaiming its mandate in relation to management of state property.

In the process, during the 2015-16 financial year, the PMTE evolved into a real estate management, construction project management, and facilities management programme. As part of the operationalisation of the PMTE, certain functions had to be transferred from the main Vote, including related assets, liabilities, and staff, with a view to align the expenses and revenue of the department.

To date, significant strides have been made with regard to operationalising the entity in line with the Treasury's requirements, and the department is on its way to finalising the process. The successes to date, I am not going to go into because the Minister covered it very well after the turnaround strategy.

As part of its turnaround strategy in 2015-16, the department formally established the Governance, Risk and Compliance Branch. Amongst its major tasks are fighting fraud and corruption as well as streamlining the detection mechanism and developing a new service delivery model to drive the organisational turnaround as the main

Vote now starts to focus on policy formulation, regulation, and co-ordination of the public works sector. To this effect, the department has now established the intergovernmental co-ordination branch to promote and facilitate collaboration, co-operation, and decision-making, with the public works sector driving the efficiency enhancement stage of the turnaround strategy.

In terms of empowerment initiatives, as a contribution to the broader government goals of skills development, the PMTE has empowered 1 294 beneficiaries in the department through the skills development programme, young professionals, internships, management trainees, and artisan programmes. [Applause.]

Further, the department also works with stakeholders to identify state-owned properties that will be used for student accommodation. To achieve this, further institutional arrangements will need to be made with the various government departments, particularly in education.

Over the medium term, R35,6 billion will be spent on operating leases, property rates, and municipal services. There are condition improvements to approximately 300 facilities in the property portfolio. An amount of R6,9 billion has been allocated over the medium term for the repair and maintenance of government-owned buildings.

As the turnaround strategy gears up into phase three, focus on transformation will be key in the built environment and the public works sector. The Property Sector Transformation Charter points to the challenges facing the property sector.

Despite significant progress since the establishment of the democratic government in 1994, South African society, including the property sector, remains characterised by the dominance of the propertied class and remains predominately racially skewed. This inhibits South Africa's ability to achieve its full economic potential.

The propertied class and the complex legislative system that has evolved around it to protect this class is the foundation of capital accumulation. The theory of the national democratic revolution is designed to address a principally antagonistic contradiction of race, class, and gender, especially in terms of ownership.

Historically, property has been viewed as a right. The Natives Land Act, Act 27 of 1913 and subsequent discriminatory policies and legislations in the apartheid era meant that black people could neither own nor effectively trade in properties. Consequently, significant numbers of South Africans have never in the history of their families experienced formal property ownership and its wealth-creation benefits. This has a fundamental impact on the economic potential of South Africa and black people, in particular. The role

of the department's entities such as the Independent Development Trust, IDT, Construction Industry Development Board, CIDB, and Council for the Built Environment, CBE, will be critical in this process.

Despite legislative and policy interventions to eradicate these inequalities, in practice, skewed patterns of ownership, participation, and benefits remain. Black people continue to be significantly underrepresented in the ownership of property, whilst administrative, legal, and financial constraints restrict the ability of black people to participate in the property market.

This is the effect of the structure of the financial and property sector of the economy of this country.

Commercially, direct property ownership is dominated by institutional investors, monopoly capital, large private owners, collective investment schemes, property loan stocks, and listed property entities. The government needs to have a greater impact on the structure of the property market. [Applause.]

There is limited participation of black-driven activities surrounding property, including development, management, and sales, all of which largely rest in white-owned monopolies, some of which have a percentage of black shareholding. Enterprises in the sector have inadequately addressed employment equity with the result that

the sector continues to be underrepresented in terms of race, gender, and class.

There is limited investment in skills development and limited commitment to workplace training. At tertiary education level, property is inadequately supported as a profession, combined with a lack of appreciation of property as a career. Preferential procurement has been implemented insufficiently with few enterprises being able to demonstrate any progress in increasing spend from targeted supplier implementing.

The sector has not effectively addressed gender equality, and particularly black women are underrepresented in ownership, control, management, and professional skills in the sector. The sector does little to promote the growth of sustainable enterprises.

The TEMPORARY CHAIRPERSON (Mr N A Masondo): Time has expired.

Dr C Q MADLOPHA: In conclusion, hon Chair, the portfolio committee will continue to monitor this sector and tighten our oversight function on its transformation agenda. The RDP developed challenges for the current government that include ...

The TEMPORARY CHAIRPERSON (Mr N A Masondo): Time up!

Dr C Q MADLOPHA: Hon Chair, I think, as the ANC, we support this Budget Vote. Thank you very much. [Applause.]

The MINISTER OF PUBLIC WORKS: Hon Chair and hon members, first and foremost, I would like to thank the constructive contributions that have been made by some hon members of the House insofar as sharpening our area of policy work as well as administrative work is concerned. Certainly, we do need to make an effort to attend to some of the comments and interventions that have been made.

For instance, hon Adams, you spoke on the issue of settling and paying creditors within the 30-day period. It is absolutely critical that we do so precisely because, if we are not careful, we are compromising the issue of economic and business development on that front, and we cannot be accomplices to that. Therefore, I agree with that and, of course, with many other points that have been made.

Hon Kopane, you know, some of the aspects that you spoke of perhaps are best defined by an English philosopher, Thomas Hobbes, in the olden days who said that absurdity is a privilege of no one else but man. I don't understand the logic. Your conclusion is that I am corrupt and, because I have been assigned to this, I am here to pursue the so-called Nkandla and the second phase of it. Now, this is not backed up by any scientific fact except that you disagree with the conclusions that I arrived at scientifically.

[Interjections.] That is where your problem is. I still do say this

point here today that no one in this country has ever interrogated the report that I produced around that issue – no one, not a single person.

Ms D KOHLER: It was a whitewash!

The MINISTER OF PUBLIC WORKS: In fact, I was happy when I heard the initial reaction on the side of the DA was that they wanted to take this matter to court. I said I would welcome that particular opportunity. They never did that, and the reason why they did not is because they know very well that we followed the scientific method in dealing with the issues at hand. [Interjections.] Regardless, hon members, of how you feel and what the conclusions are, the fact is I still do say ... [Interjections.] Hon Chair, could I ...

The TEMPORARY CHAIRPERSON (Mr N A Masondo): Can we have order just for the few minutes left? Please, do not interfere with the right of the Minister to be heard.

The MINISTER OF PUBLIC WORKS: The fact of the matter, hon Chair, is that I am still here. Anyone who wants to know and interrogate that report, it is really up to this particular House of Parliament to decide whether it wants to do so. If it wants to do so, I will certainly be glad to deal with it.

Dr C P MULDER: Hon Chair, on a point of order ...

The TEMPORARY CHAIRPERSON (Mr N A Masondo): What is the point of order, Mr Mulder?

Dr C P MULDER: Chair, I rise on a point of order. I want to know if the hon Minister is prepared to answer a question. [Interjections.]

The TEMPORARY CHAIRPERSON (Mr N A Masondo): I couldn't hear you. Would you please repeat?

Dr C P MULDER: Let us try again because these hon members think they are the Chairpersons. That is the Chairperson. Wake up! Chairperson, I would like to know if the hon Minister is prepared to answer a question, and it is for the hon Minister to indicate, not for these members.

The MINISTER OF PUBLIC WORKS: Respectfully so, sir, I will not take a question at this stage. Thank you.

Now, let me also deal with the other issue that has been raised by Rev Meshoe from the opposition side. I think he is the only person in this debate that I respect very much in terms of how he raised the issue of what the *Sunday Times* reported because he was sincere about it.

Now, let me just clarify this issue, Rev Meshoe. The *Sunday Times* claimed that they based their story on e-mail exchanges between the

departmental officials. When one looks at said e-mail exchanges, for example, it resembles absolutely nothing similar to what the *Sunday Times* subsequently wrote. It was a complete invention, including quotations that were then lifted and said to be attributed to a particular member of the department in legal services. So, the question arises: Why did they lie? It is a blatant lie that Mr Ntlou said in an e-mail all the things that were then subsequently written in the *Sunday Times*. That is one problem, but that problem, in a sense, defines the overall moral outlook of where this country is today.

For instance, hon Sithole and hon Hlophe, you are falling into the trap of our former colonisers as well as our oppressors, who, on account of just looking at you, think that you are a thief and nothing else. They even taught their dogs to only bark at and bite us because that was the orientation and the outlook.

[Interjections.] Now, for example, the two of you stand here saying that I am here to loot more because there is nothing else that you see. When you see me, you see looting. On what basis do you arrive at this conclusion? You don't have a basis, except utter subjectivity that allows you to just simply come to this particular conclusion.

This question arises: Why have we, as society, degenerated to that particular level? That is the issue. In your very elegant English and posture of sorts, you stand here and say this thing, proudly so,

knowing that it is not correct, and it is completely untrue. The question is: Why? Let us confront that question.

The one issue is that some of the points, hon Hlophe, much as I disagree with you, would be useful at some point when the portfolio committee begins to identify some of the policy issues that we must discuss, engage, and debate on. This includes the issue of state capacity, for instance, to be able to do certain things ...

[Interjections.] No, no, no, it is not because I agree with you.

[Interjections.] No, no, no, hon Hlophe ...

Ms H O HLOPHE: But your Deputy Minister disagrees!

The MINISTER OF PUBLIC WORKS: No, no, no, hon Hlophe.

The TEMPORARY CHAIRPERSON (Mr N A Masondo): Can we please stop the dialogue?

The MINISTER OF PUBLIC WORKS: It is not because I necessarily agree with you, but I think those were by far the best-sounding ideas from your side up to this point. I think they are worth interrogating at some point and looking at how we have to take them forward in shaping our policy outlook.

I do think that some of the issues do not belong to this Budget Vote. The manner in which you conduct yourself in the portfolio

committee has nothing to do with us and holding ourselves as the executive to account. It has everything to do with how administratively you deal with the issues.

The hon Sithole also stands here to say that I have captured the portfolio committee or members of the portfolio committee. You actually declared that they are stupid. That is what you are saying because only one man – me, myself, and I – has this capability of just simply manipulating the whole lot of them. So, they cannot think. [Interjections.] Who told you this? Who really did?

An HON MEMBER: The problem is that you are not listening.

The MINISTER OF PUBLIC WORKS: On two other things ...

The TEMPORARY CHAIRPERSON (Mr N A Masondo): Please proceed, Minister.

The MINISTER OF PUBLIC WORKS: ... hon members, this question of blacklisting certain companies is put across as if it was arrived at by a particular jurisdictional kind of body, and, yet, no investigation or investigating agency arrived at a conclusion or a recommendation that said particular companies that were involved in the Nkandla security upgrades, as a project, needed to be blacklisted. Nobody said that. So, you, as hon members, where did you derive this thing from to say that we are not blacklisting as if

there was a particular conclusion either by the court or by an investigating kind of body that we should actually do so? Nobody ever said so.

Similarly, Ms Kopane, I don't know the question of the National Prosecuting Authority, NPA, declining because it has absolutely nothing to do with us. My apologies to the hon Ms Kopane. The missus behind you has just corrected me. [Interjections.]

Ms D KOHLER: Really! Really! How much racism must we take?

Ms S P KOPANE: On a point of order, Chair: I think the hon Minister is degrading people. There is no "missus" here. We are hon members in this House. Hon Minister, if you want us to take you seriously, I think you must start taking yourself seriously too.

The TEMPORARY CHAIRPERSON (Mr N A Masondo): The Minister will adapt accordingly. [Interjections.]

The MINISTER OF PUBLIC WORKS: My apologies, hon Chair, that I referred to the missus. It is because, in any case, it was the hon missus who corrected me in this case. So, my apologies. I withdraw, hon Chair.

The TEMPORARY CHAIRPERSON (Mr N A Masondo): The Minister will adapt his speech accordingly and therefore avoid any words that may be perceived to be offensive. [Interjections.]

The MINISTER OF PUBLIC WORKS: Hon Chairperson, I have withdrawn and apologised to the hon missus that I referred to her as missus.

The TEMPORARY CHAIRPERSON (Mr N A Masondo): He has apologised. [Interjections.]

The MINISTER OF PUBLIC WORKS: Now, I just want to offer a word of advice and counselling to the hon Mulder. By the way, hon Mulder, at some point, when we deal with the Nkandla issue, I'll also tell each and every one of you who constituted that delegation, what you said ...

The TEMPORARY CHAIRPERSON (Mr N A Masondo): A minute left, Minister.

The MINISTER OF PUBLIC WORKS: ... on the day when you visited that particular homestead, which is contrary to some of the postures that have been taken. That will be a subject for debate for another day, but I will tell each and every one, including the delegation of the DA. However, I don't want to deal with that at this stage, given the time factor.

Let me deal with one last issue. You know, hon members, it is always important to deal with issues as opposed to dealing with persons. The hon Mulder, the hon Hlophe, and the hon Filtane talked about my sweating. Now, I have a problem ...

Dr C P MULDER: Hon Chairperson, I just want to correct the Minister. I did not say anything about that. It was not me.

The MINISTER OF PUBLIC WORKS: My apologies if you did not say anything. Hon members, I think we need to be careful about what we say sometimes. For instance, let me give you an example.

Mr M L W FILTANE: Point of order, Chair ...

The TEMPORARY CHAIRPERSON (Mr N A Masondo): What is the point of order?

Mr M L W FILTANE: I said he wiped his face. I did not say anything about sweating. [Laughter.] Check the records.

The TEMPORARY CHAIRPERSON (Mr N A Masondo): That is not a point of order. Please sit down.

The MINISTER OF PUBLIC WORKS: Hon members, it is just friendly advice really. [Interjections.] For argument's sake, hon Filtane, what if my sweating was a particular sickness? [Interjections.]

An HON MEMBER: No!

The MINISTER OF PUBLIC WORKS: No, no, no, what if? What if? Hon Chair, can I just finish my response, please? [Interjections.]

The TEMPORARY CHAIRPERSON (Mr N A Masondo): Order, members! Let us allow the Minister to finish. His time is almost up.

[Interjections.]

Mr G R DAVIS: On a point of order, Chairperson: The Minister has now been speaking for 14 minutes. He was only allocated eight minutes. They said his time had expired. That was three minutes ago, and he is still speaking.

The TEMPORARY CHAIRPERSON (Mr N A Masondo): What I have done is take into account all the interjections, comments, and so on. The Minister is ... [Interjections.] Please conclude.

Ms L A MNGANGA-GCABASHE: Point of order, Chairperson ...

The ACTING CHAIRPERSON (Mr N A Masondo): Please conclude.

An HON MEMBER: He has 15 minutes. There were five minutes left at the beginning.

The MINISTER OF PUBLIC WORKS: Yes, I have been made to understand, hon Chair, that the time I saved in my initial allocation has been gravitated over. The last point here is that the question of performance bonuses has nothing to do with the question of disciplinary cases.

Mr G R DAVIS: On a point of order, Chairperson: The Table has already signalled that the time has expired, and yet you still let the Minister continue. [Interjections.]

The TEMPORARY CHAIRPERSON (Mr N A Masondo): Please conclude. You have less than one minute.

The MINISTER OF PUBLIC WORKS: The question of the ongoing disciplinary cases has nothing to do with the awarding of performance bonuses. Any person who has ever been exposed to industrial relations kind of matters ... Thank you very much. [Time expired.] [Applause.]

The ACTING CHAIRPERSON (Mr N A Masondo): Before we leave, I did say at the beginning that I was going to come back to the matter of the hon Hlophe. I just want to say the following. Hon Hlophe, I personally did not hear what you said, and there is no recording. However, it is quite clear that there was something disruptive going on there. I'll let it go and just say that finally this marks the end of the session.

There is one little point that I need to announce. Members are reminded that the debate on the Higher Education and Training Budget Vote will take place at 16:15 in the National Assembly Chamber. The debate on the Health Budget Vote will take place at 16:15 as well here in the Old Assembly, and the debate on the Mineral Resources Budget Vote will take place at 16:15 as well in Committee Room E249.

Debate concluded.

The mini plenary session rose at 16:12.