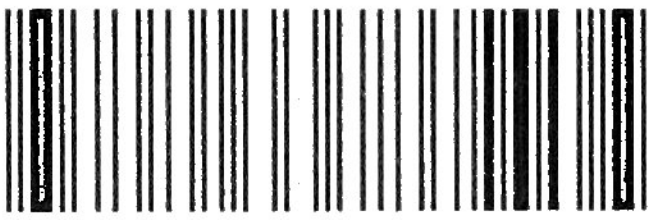
PARLIAMENTARY INFORMATION CENTRE



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REPUBLIC OF SOUTH AFRICA

DEBATES

OF THE

NATIONAL ASSEMBLY

(HANSARD)

FOURTH SESSION – THIRD PARLIAMENT

1 March to 29 March 2007

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DEPUTY PRESIDENT

Ms P G Mlambo-Ngcuka

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Minister for Agriculture and Land Affairs	Ms L M Xingwana

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Deputy Minister of Safety and Security	Ms S Shabangu
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Deputy Minister of Environmental Affairs and Tourism	Mrs T R Mabudafhasi
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Deputy Minister of Home Affairs	Mr M K N Gigaba
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(1) Deputy Minister of Minerals and Energy	Vacant
Deputy Minister of Foreign Affairs	Ms S C van der Merwe
Deputy Minister of Education	Mr M E Surty
Deputy Minister of Public Works	Dr N M Kganyago
Deputy Minister of Sport and Recreation	Mr C G Oosthuizen
Deputy Minister of Trade and Industry	Dr R H Davies
Deputy Minister of Trade and Industry	Ms E Thabethe
Deputy Minister of Correctional Services	Ms L Jacobus

(1) Vacant wef 22 May 2006 owing to the appointment of Ms L M Xingwana as Minister for Agriculture and Land Affairs wef the same date.

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The Speaker	Ms B Mbete
The Deputy Speaker	Ms G L Mahlangu-Nkabinde
House Chairperson	Mr G Q M Doidge
House Chairperson	Ms C-S Botha
House Chairperson	Mr K O Bapela
The Leader of the Opposition	Ms C-S Botha
(1) The Chief Whip of the Majority Party	Vacant
The Chief Whip of the Opposition	Mr D H M Gibson

(1) Vacant wef 14 December 2006 owing to the resignation of Mr T M Goniwe wef the same date.

MEMBERS OF THE NATIONAL ASSEMBLY

PARTIES: African National Congress = ANC, Democratic Alliance = DA,
Inkatha Freedom Party = IFP, United Democratic Movement = UDM,
Independent Democrats = ID, African Christian Democratic Party = ACDP,
Freedom Front Plus = FF Plus, United Christian Democratic Party = UCDP,
Pan Africanist Congress of Azania = PAC, Minority Front = MF,
Azanian People's Organisation = AZAPO, Progressive Independent Movement = PIM,
United Independent Front = UIF

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Arendse, Mr Jonathan Doneley ..... ANC
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[1]Vacant
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Siboza, Mr Sipho ..... ANC

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Zondi, Rev Keith Muntuwenkosi ..... IFP
Zulu, Mr Bhekizizwe Zeblon ..... ANC
Zulu, Prince Nhlahla Elijah ..... IFP

(1) Vacant wef 16 March 2006 owing to the resignation of Mr T S Dodovu.
(2) Vacant wef 14 December 2006 owing to the resignation of Mr M T Goniwe.
(3) Vacant wef 1 March 2007 owing to the resignation of Mr M S Manie.
(4) Vacant wef 1 February 2007 owing to the resignation of Dr E Nkem-Abonta.
(5) Vacant wef 1 October 2006 owing to the resignation of Mr T D H Ramphele
(6) Nominated wef 28 February 2007 *vice* Mr Z J Kati, who passed away on 29 September 2006.

NATIONAL REPRESENTATIVES

Asmal, Prof A K
Balfour, B M N
Batyi, Ms F
Bekker, H J
Benjamin, Dr J
Bhoola, R B
Biyela, Chief B P
Bloem, D V
Bonhomme, T J
Booi, M S
Buthelezi, Dr M G
Carrim, Y I
Chang, Prof E S
Chauke, H P
Chohan-Khota, Ms F I
Cronin, J P
Davies, Dr R H
De Lange, Adv J H
Didiza, Mrs A T
Dikgacwi, M M
(1) Vacant
Direko, Ms I W
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Dlali, D M
Dlamini-Zuma, Dr N C
Dudley, Mrs C
Du Toit, Adv D C
Erwin, A
Fraser-Moleketi, Mrs G J
Gabanakgosi, P S
Gerber, P A
Ginwala, Dr F N
Godi, N T
Gogotya, N J
Gore, V C
Green, L M
Greyling, L W
Groenewald, P J
Gumede, D M
Gumede, Mrs M M
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Joubert, L K
Kalako, M U
Kasrils, R
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Khumalo, K K
Koornhof, Dr G W
Kota, Ms Z A
Landers, L T
Lekgetho, G
Lekgoro, M M S
Lekota, M G P
Likotsi, M T
Louw, T J
Mabandla, Mrs B S
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Mabena, D C
Madikiza, G T
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Magwanishe, G B
Mahlaba, T L
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Mahote, S
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(2) Vacant
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Mfundisi, I S
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Mogale, O M
Mogase, I D

Mohamed, Prof I J
Mohlaloga, M R
Montsitsi, S D
Moonsamy, K
Morobi, Mrs D M
Mpahlwa, M B
Mshudulu, S A
Mthembu, B
Mthethwa, E N
Mtshali, E
Mufamadi, F S
Mulder, Dr C P
Mulder, Dr P W A
Mzondeki, M J G
Nawa, Ms Z N
Ndzanga, Mrs R A
Nefolovhodwe, P J
Nene, N M
Newhoudt-Druchen, Mrs W S
Ngaleka, Ms E
Ngcobo, Ms B T
Ngcobo, E N N
Ngculu, L V J
Nhlapo, V H
Nkabinde, Ms N C
Nonkonyana, Chief M
Nqakula, C
Ntuli, S B
Nzimande, L P M
Oliphant, G G
Oosthuizen, G C
Padayachie, R L
Pahad, A G H
Pahad, Dr E G
Pandor, Mrs G N M
Pheko, Dr S E M
Phungula, J P
Pule, B E
Rabinowitz, Dr R
Radebe, J T
Ramakaba-Lesiea, Ms M M
Ramgobin, M
Ramotsamai, Ms C M P
(3) Vacant
Reid, L R R
Rwexana, Ms S P
Saloojee, E (Cassim)
Seadimo, Ms M D
Sefularo, Dr M
September, Ms C C
Shabangu, Ms S
Sibuyana, M W
Sikakane, M R
Sisulu, Dr L N
Skosana, M B
Skweyiya, Dr Z S T
Solo, B M
Solomon, G
Sonto, M R
Sosibo, Ms J E
Stephens, J J M
Swart, S N
Thomson, Ms B
Tobias, Ms T V
Tsenoli, S L
Tshabalala-Msimang, Dr M E
Tshivhase, Mrs T J
Turok, Prof B
Van den Heever, R P Z
Van der Merwe, J H
Van der Merwe, Ms S C
Van Wyk, Ms A
Vos, Ms S C
Vundisa, S S
Wang, Y
Woods, Dr G G
Yengeni, Mrs L E
Zikalala, Ms C N Z
Zulu, B Z

(1) Vacant wef 28 July 2006 owing to the passing away of Mr M Diko.
(2) Vacant wef 1 March 2007 owing to the resignation of Mr M S Manie.
(3) Vacant wef 1 October 2006 owing to the resignation of Mr T D H Ramphele.

REGIONAL REPRESENTATIVES

EASTERN CAPE
(30 representatives)

Bhengu, F
Bici, J
Botha, Ms N G W
Chalmers, Mrs J
Delport, Dr J T
Doidge, G Q M
Farrow, S B
Fihla, N B
Frolick, C T
George, M E
Gomomo, P J
(1) Vacant
Hendricks, Ms L B
Hendrickse, P A C
Holomisa, Adv S P
Johnson, M
Kondlo, Ms N C
Lee, T D
Ludwabe, Mrs C I
Mahlawe, Ms N M
Mayatula, Prof S M
Mdaka, Ms N M
Njobe, M A A
Nogumla, R Z
Schoeman, Dr E A
Sigcau, Ms S N (Sylvia N)
Sonjica, Ms B P
Trent, E W
Tshwete, Ms P
(2) Twala, Ms N M

FREE STATE
(14 representatives)

Abram, S
Botha, A J
Botha, Mrs C-S
Khoarai, L P
Khunou, Ms N P
Komphela, B M
Madumise, Mrs M M
Magau, Ms K R
Mnguni, B A
Modisenyane, L J
Mosala, B G
Ntombela, Ms S H
Radebe, B A
Sotyu, Ms M M

GAUTENG
(53 representatives)

Bapela, K O
Blanché, J P I
Bogopane-Zulu, Mrs H I
Boinamo, G G
Cachalia, I M
Camerer, Mrs S M
Coetzee, R
Daniels, Ms P
Davidson, I O
De Lille, Mrs P
Dhlamini, B W
Dreyer, Ms A M
Fubbs, Ms J L
Gibson, D H M
Gxowa, Mrs N B
Hajaig, Ms F
Hogan, Ms B A
Jacobus, Ms L
Kekana, C D
Labuschagne, L B

Leon, A J
Madasa, Adv Z L
Maluleka, H P
Maluleke, D K
Maunye, Mrs M M
Minnie, K J
Mlangeni, A
Mokoena, A D
Moleketi, P J
Monareng, O E
Morutoa, Ms M R
Motubatse-Hounkpatin, Ms S D
Nel, A C
Ngcengwane, Ms N D
Ngele, Ms N J
Ngwenya Ms W
Njikelana, S J
Ntuli, R S
Nxumalo, S N
Ramodibe, Ms D M
Schmidt, Adv H C
Schneemann, G D
Semple, Ms J A
Sithole, D J
Smith, V G
Spies, W D
Steyn, A C
Thabethe, Ms E
Vadi, I
Van Dyk, Dr S M
Waters, M
Xingwana, Ms L M
Zita, L

KWAZULU-NATAL
(41 representatives)

Ainslie, A R
Bhamjee, Y S
Bhengu, M J
Bhengu, Ms P
Cele, M A
Cwele, S C
Dambuza, Ms B N
Ellis, M J
Gcwabaza, N E
Gigaba, K M N
Huang, S
Kalyan, Mrs S V
Kohler-Barnard, Ms D
Lowe, C M
Lucas, E J
Luthuli, Dr A N
Madlala-Routledge, Ms N C
Mbili, M E
Mdlalose, Ms M M
Mkhize, Z S
Mnyandu, B J
Morgan, G R
Mpontshane, A M
Ndlovu, V B
Nene, M J
Ngcobo, N W
Ngema, M V
Ngiba, B C
(3) Vacant
Ntuli, Ms M M
Nxumalo, Ms M D
Rajbally, Ms S
Roopnarain, Dr U
Sayedali-Shah, Moulana M R
Seaton, Mrs S A
Smith, P F
Tlake, Ms M F
Vezi, T E
Xolo, E T
Zondi, Rev K M
Zulu, Prince N E

LIMPOPO
(22 representatives)

Baloyi, M R
Diale, L N
Lishivha, Ms T E
Maake, J J
Mabudafhasi, Mrs T R
Maja, S J
Maserumule, F T
Mashangoane, Ms P R
Mashigo, Ms R J
Mashile, B L
Mathibela, Ms N F
Matlala, M H
Moloto, K A
Morwamoche, K W
Ngwenya, Mrs M L
Nkuna, Ms C
Nwamitwa-Shilubana, Mrs T L P
Phadagi, M G
Phala, M J
Swathe, M M
Tolo, Bishop L J
Van der Walt, Mrs D

MPUMALANGA
(15 representatives)

Chikunga, Mrs L S
Gololo, C L
Kholwane, S E
Kotwal, Z
Manana, Ms M N S
Masango, S J
Mathebe, P M
Nhlengethwa, Mrs D G
Ntuli, Mrs B M
Nyambi, A J
Sekgobela, Ms P S
Sibande, M P
Sibanyoni, J B
Siboza, S
Weber, Ms H

NORTHERN CAPE
(5 representatives)

Asiya, S E
Combrinck, J J
Loe, Ms S J
Mentor, Ms M P
Nel, A H

NORTH WEST
(18 representatives)

Anthony, T G
Ditshetelo, P H K
(4) Vacant
Kasienyane, Ms O R
Khumalo, K M
Louw, S K
Maine, Mrs M S
Makgate, Ms M W
Maloney, Mrs L
Maloyi, P D N
Moatshe, M S
Mokoto, Ms N R
Molefe, C T
Rasmeni, S M
Seremane, W J
Skhosana, W M
Surty, M E
Swart, Adv P S

WESTERN CAPE
(31 representatives)

Arendse, J D
Beukman, F
Burgess, C V
Cupido, H B
Doman, W P
Gaum, Adv A H
Greyling, C H F
Harding, A
Johnson, Ms C B
Julies, I F
King, R J
Madella, A F
Maduma, L D
Makasi, Mrs X C
Marais, S J F
Mkongi, B M
Morkel, C M
Moss, Ms L N
Moss, M I
Olifant, D A A
Opperman, S E
Pieterse, R D
Rabie, Dr P J
Schippers, J
Selfe, J
Simmons, S
Smuts, Ms M
Swart, M
Tinto, Mrs B
Van Niekerk, Dr A I
Van Schalkwyk, M C J

(1) Vacant wef 14 December 2006 owing to the resignation of Mr T M Goniwe.
(2) Nominated wef 28 February 2007 *vice* Mr Z J Kati, who passed away on 29 September 2006.
(3) Vacant wef 1 February 2007 owing to the resignation of Dr E Nkem-Abonta.
(4) Vacant wef 16 March 2007 owing to the resignation of Mr T S Dodovu.

STATE OF PARTIES

(as at 29 March 2007)

PARTY	NATIONAL REPRESEN-TATIVES	REGIONAL RERESENTATIVES (*see:* Section 40(1), Act 200–93)									
		Eastern Cape	Free State	Gauteng	Kwa-Zulu-Natal	Lim-popo	Mpuma-langa	North-ern Cape	North West	West-ern Cape	Total
ANC	131	22	11	35	19	20	13	3	14	17	286
DA	2	4	2	15	7	2	2	2	2	10	48
IFP	12	—	—	1	10	—	—	—	—	—	23
UDM	4	2	1	—	—	—	—	—	—	—	7
ID	3	—	—	1	—	—	—	—	—	1	5
FD	1	—	—	—	—	—	—	—	—	—	1
ACDP	3	—	—	—	—	—	—	—	—	1	4
FF PLUS	3	—	—	1	—	—	—	—	—	—	4
UCDP	2	—	—	—	—	—	—	—	1	—	3
PAC	3	—	—	—	—	—	—	—	—	—	3
MF	1	—	—	—	1	—	—	—	—	—	2
AZAPO	1	—	—	—	—	—	—	—	—	—	1
UPSA	—	—	—	—	—	—	—	—	—	1	1
NADECO	1	—	—	—	3	—	—	—	—	—	4
UIF	1	1	—	—	—	—	—	—	—	—	2
PIM	—	—	—	—	—	—	—	—	—	1	1
VACANCIES	3	1	—	—	1	—	—	—	1	—	6
TOTAL	171	30	14	53	41	22	15	5	18	31	400

EXPLANATORY NOTE:

In view of the fact that bound volumes will henceforth be published on a quarterly basis, the number in parentheses directly after the column reference number indicates the number of the volume in which the relevant information may be found.

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Abbreviations: AhC = Ad hoc Committee; AhJC = Ad hoc Joint Committee; JBC = Joint Budget Committee; JC = Joint Committee; JMC = Joint Monitoring Committee; JPC = Joint Programming Committee; JPSC = Joint Programming Subcommittee; JR = Joint Rule; JSC = Joint Standing Committee; JTM = Joint Tagging Mechanism; NA = National Assembly; NCOP = National Council of Provinces; NHTL = National House of Traditional Leaders; PC = Portfolio Committee; RC = Rules Committee; SC = Select Committee; StC = Standing Committee

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PROCEEDINGS OF THE NATIONAL ASSEMBLY

The House met at 14:03.

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

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS—see col 1270.

PRECEDENCE GIVEN TO FIRST ORDER UNDER FURTHER BUSINESS

(Draft Resolution)

The ACTING CHIEF WHIP OF THE MAJORITY PARTY: Madam Speaker, I move without notice:

That after Members' Statements, precedence be given to Order No 1 under Further Business.

Agreed to.

FILLING OF VACANCIES ON COMMISSION ON GENDER EQUALITY

(Draft Resolution)

The ACTING CHIEF WHIP OF THE MAJORITY PARTY: Madam Speaker, I move the draft resolution printed in my name on the Order Paper, as follows:

That the House—

(1) notes that—

(a) the Ad Hoc Committee on Nominations on Filling of Vacancies on the Commission on Gender Equality, which was established on 2 November 2005, had been given the mandate to take into account the statutory requirement that the terms of office of full-time Commissioners should not expire simultaneously; and

(b) the report of the Ad Hoc Committee did not address the question of staggering of the appointment of full-time Commissioners; and

(2) resolves that the Ad Hoc Committee be reconvened specifically to consider and make recommendations to the President, through the Office of the Speaker, on the staggering of terms of office of the full-time Commissioners.

Agreed to.

COLLISION OF TWO BUSES IN MAKHADO, LIMPOPO

(Member's Statement)

Mufumakadzi T J TSHIVHASE (ANC): Ndi a livhuwa Mulangadzulo, ho ḓo vha na makhaulambilu kha vunḓu ḽa Limpopo. Ndi nga mbilu vhuṱungu u ḓivhadza Nnḓu iyi nga ha khombo makhaulambilu ye ya bvelela badani vhukati ha bisi mbili Limpopo, tshiṱirikini tsha Vhembe kha Masipala wa Makhado. Vhanameli vha 19 vho ḓo ri sia kha khombo iyi. Hu na vhane vha kha ḓi vha vhuongeloni. Khombo iyi yo bvelela nga ḽa 19 Luhuhi 2007.

Khombo iyi yo kwama na u kwasha mbilu dza vhanzhi shangoni ḽoṱhe. Ri livhuwa Masipala wa Makhado, vhoramabindu vha dzingu vhane vha ḓo thusa kha u vhulunga avho vhathu ngauri vha ḓo ita uri mbulungo i leluwe.

Vhembe Association vho bvisa kholomo ṱhanu, mabogisi, matombo na saga dza 40 dza mugayo, na vha mimotshari vho thusa nga maanḓa. Ri lila na miṱa yo zhakiwaho nga ndozwo iyi. Ngavhe Mudzimu a tshi vha fha mulalo na nungo musi vha tshi ya u awedza vhafu vhavho nga Swondaha. Ri na vho dzithabeloni, zwihulu kha vhane vha

vha na khuvhabvu vhuongeloni. Ndi a livhuwa. Makhaulambilu aya a ri kwasha. *(Translation of Tshivenḓa member's statement follows.)*

[Mrs T J TSHIVHASE (ANC): Thank you, Chairperson. There has been a tragedy in the Limpopo province. It is with a broken heart that I inform this House about the accident which happened on the road, between two buses in Limpopo, in the Vhembe District under Makhado Municipality. Nineteen passengers passed away in this accident. There are some who are still in the hospital. This accident happened on 19 February 2007.

This accident has touched and saddened many people throughout the country. We thank the Makhado Municipality and the businesspeople in the region who will help with the burial of the deceased because they will make the burial easy.

The Vhembe association has provided five beasts, coffins, tombstones and 40 bags of mealie-meal. Funeral undertakers have also helped a lot. We sympathise with the bereaved families for this loss. May God shower them with peace and strength as they lay their loved ones to rest on Sunday. We are with them in prayers, especially those whose loved ones are still in hospital. I thank you. We are totally devastated by this tragedy.]

DRAG RACING AND ITS CONSEQUENCES FOR WEST RAND COMMUNITY

(Member's Statement)

Mr A C STEYN (DA): Madam Speaker, there is a community within my constituency in a suburb called Davidsonville, on the West Rand, Gauteng, that lives in fear and that is unable to enjoy the public spaces within its suburb freely.

This is partly due to an illegal practice called "drag racing" which has been taking place most weekends for many years now, but particularly on weekends closer to the end of the month. For those members who are not familiar with the term "drag racing", it is a form of car racing that takes place on public roads using ordinary commercial vehicles that are often modified. They also carry out other antics like car spinning, referred to as "making doughnuts".

About two years ago, a female resident from this community was killed when an out-of-control vehicle smashed into her and pinned her to a wire mesh fence. Notwithstanding this tragedy, the drag racing—and, in this instance, the associated drunken behaviour —continue to this day.

I have approached the Johannesburg Metro Police and the SA Police Service at the Roodepoort Police Station, together with local residents and other public representatives, for a solution to what is clearly a simple law-enforcement problem.

Imagine, therefore, my surprise when, after months of interaction with the SA Police Service and one or two arrests, the residents are simply told, "There is nothing we can do", and the harassment of this community continues.

> Certainly, we cannot erase that which is ugly and repulsive and claim the happiness that comes with freedom if communities live in fear, closeted behind walls and barbed wire, ever anxious in their houses, on the streets and on their roads, unable freely to enjoy our public spaces. Obviously, we must continue and further intensify the struggle against crime.

That is a quotation from the President's state of the nation address. To the community from Davidsonville, it must sound very hollow indeed. How can we fight the war against crime if we cannot win one small battle in the fight against crime? I thank you.

IRAN AND COMPROMISE IN URANIUM ENRICHMENT PROGRAMME

(Member's Statement)

Mr M B SKOSANA (IFP): Madam Speaker,

hon Ministers and members, considering that the Iraq-Iran question threatens to feature prominently in the run-up to the US presidential election in 2008, Washington is likely to amend the Bush doctrine on punitive diplomacy. At the same time, it is highly improbable that Washington will at any stage make radical changes to a core traditional foreign policy on international power, peace and security.

It is therefore opportune for South Africa, through a rotating presidency of the UN Security Council, to encourage Security Council member states and, above all, the United States to appraise as a creative and constructive compromise Moscow's proposal to establish international centres for the enrichment of uranium—in the words of President Putin "a democratic multipolar world".

Moscow's compromise initiative has the potential to introduce fresh mandates for the enrichment of uranium, an avoidance of the possibility of a renewed international arms race. The prospect of the US engaging Syria, Turkey and others in discussing the uranium enrichment programme with Iran should be welcomed and encouraged. I thank you.

APPREHENSION OF SUSPECTS WHO STEAL BOREHOLES AND WATER PIPES

(Member's Statement)

Mufumakadzana T E LISHIVHA (ANC): Mulangadzulo, ANC i fhululedza mihasho na zwiimiswa zwitevhelaho, Tshititshi tsha Mapholisa tsha Tshilwavhusiku na tsha Makhado, Muhasho wa Madi na Madaka, mahosi, vhaimeleli vha mivhusoyapo, community policing forum (foramu ya tshumisano vhukati ha mapholisa na tshitshavha), Eskom na vhadzulapo vhothe vha fhasi ha Masipala wa Makhado kha mushumo we vha u ita nga duvha la vhufumi na vhuvhili nwedzi wa u thoma nwaha wa gidi mbili sumbe, musi vha tshi bva fulo la u lwa na u tshinyadzwa ha milonga ya madi na u tswiwa ha dzikhebulu dza mitshini ya madi.

Vho do kona u fara vhathu vhatanu na vhararu vhe khavho munwe ndi khotsi na nwana wawe wa muthannga. Vhadzulapo vhothe vha Afurika Tshipembe kha ri ime nga milenzhe ri lwe na vhuada vhufanaho na u tshinyadzwa ha ndaka. Muhaso wa Tsireledzo na Vhutsireledzi na wa Madi na Madaka vho lwa nndwa uri vhadzulapo vha Makhado vha wane madi, ngauri thambo a dzi tsha tswiwa mapholisa vha a fara. Ndo livhuwa. [U vhanda zwanda.] *(Translation of Tshivenda member's statement follows.)*

[Ms T E LISHIVHA (ANC): Madam Speaker, the ANC would like to congratulate the following departments and institutions: the Makhado and Tshilwavhusiku police stations, the Department of Water Affairs and Forestry, Chiefs, representatives of local governments, the Community Policing Forum, Eskom and all the residents of Makhado Municipality for the excellent job they did on 12 February 2007, when they embarked on a campaign to fight against borehole vandalism and the theft of cables which support the water machinery.

They were able to apprehend three people, two of whom were a father and son. South Africans, let us stand firm and fight against corruption which has to do with the vandalism of property. The Department of Safety and Security and the Department of Water Affairs and Forestry have fought hard to ensure that residents of Makhado Municipality have water. Cable theft has stopped as a result of police arrests. I thank you. [Applause.]]

PROMOTION OF HOMOSEXUALITY IN SCHOOLS

(Member's Statement)

Mrs C DUDLEY (ACDP): Madam Speaker, the ACDP views the project by the department in conjunction with gay and lesbian organisations, aimed at facilitating accep-

tance of homosexuality in schools, as another dangerous experiment on children which serves only to advance the homosexual agenda.

According to the Director-General of Education, the national department was approached by gay and lesbian organisations with the proposed programme, which has been referred to provinces. Gauteng is the first province to run the programme and is said to be trying it out in a few schools as a first phase. I have requested information regarding which schools are involved, what age groups are targeted and requested access to the content of the programme but I have not had any response yet.

The ACDP has raised this issue as an urgent warning to parents, communities and provinces. It is no secret that gay and lesbian organisations like OUT and the Gay and Lesbian Archive promote homosexual lifestyles as normal and subscribe to a broader homosexual agenda. An example of this, contained in the Gay Liberation Front Manifesto reads:

> The long-term goal is to rid society of the gender role system, which is at the root of our oppression. This can only be achieved by the abolition of the family as the unit in which children are brought up.

The ACDP makes no apology for the fact that it stands for family values and the strengthening of the family unit, which is the basic building block of strong healthy communities and a strong healthy nation. Homosexual behaviour is abnormal sexual behaviour and is addictive. It is not genetic but learnt behaviour. Those entrapped in it deserve to know the truth in order to access the best possible help. Claims of scientific proof of homosexuality being biological have been soundly and scientifically discredited, yet the campaign is spread and this misinformation flourishes.

It is indeed outrageous for people to use the education system to label certain children as homosexual. Sensitive children, emotionally confused or abused children and even those exhibiting learnt behaviour out of sync with accepted norms are not homosexual; they are children. People have different temperaments and different ways of expressing themselves. Yes, it is necessary to teach young people to respect each other and to accept each other's differences and no child should be bullied or harassed in any way, but it is not okay to label children as homosexual, and it is not okay to teach acceptance of a homosexual lifestyle. [Time expired.]

RESIGNATION OF JOHN PERLMAN

(Member's Statement)

Mrs P DE LILLE (ID): Madam Speaker, for nearly a decade, I woke up each morning to the voice of *SAfm* journalist, John Perlman. Together with brilliant co-presenters like Nikiwe Bikitsha, John woke South Africa to be optimistic but critical and he kept government and opposition on their toes. As a journalist who puts the ethics of his profession before all else, John has at times been a thorn in the flesh of many of us.

I know millions of South Africans will agree with me that John Perlman has grown as a journalist as our new democracy has grown. Those of us who thought that, as a public representative, we would breeze through an early morning interview with John, found ourselves waking up earlier and earlier to prepare. But there is no aggression in John's voice—only a polite, yet undying urge to run after the truth and hold all of us to account. Not even President Mbeki was spared his sharp and penetrating questions. As a member of the Fourth Estate, John set an example for other members of his crucial profession.

But the circumstances under which John resigned will remain a blemish on the reputation of the SABC. During the blacklisting saga, John showed that his faithfulness to the truth and journalism ethics was unshakable. Sadly, instead of rewarding the journalist who spoke out against the black-

listing, in a show of contempt for the freedom of the press the SABC got rid of the whistle-blowers. John's resignation represents not only an act of principle, but a sad day for the SABC. Ultimately, it is our people who have lost the most. I wish John and Nikiwe all the best for their future. [Applause.]

COMMUNITY POLICING FORUMS PLAY MEANINGFUL ROLE

(Member's Statement)

Mr M P SIBANDE (ANC): The ANC is committed to working tirelessly with the community policing forums and to empowering them to play a more meaningful part in the safety and security of communities. This co-operation is yielding positive results in that communities now have trust in the police, unlike what we used to have before 1994.

Recently, the community of Extension 22 in eMZinoni, Bethal, in Mpumalanga, handed over a suspect to the police who was wanted for murder. The man was accused of shooting and killing his friend with whom he was drinking.

The ANC applauds the action taken by this community of Bethal and urges other communities across the country to emulate this shining example. Phambili nge-CPF, phambili! [Forward with the CPF, forward!]

HON MEMBERS: Phambili! [Forward!] [Applause.]

AFFIRMATIVE ACTION NOT SERVING ITS PURPOSE

(Member's Statement)

Mr S SIMMONS (UPSA): Madam Speaker, with reference to the headline article in the *Cape Times* this morning, it would appear that there is a growing realisation that affirmative action in its current form does not serve its intended objective of equality in the workplace. I have over the past year, on numerous occasions, attempted to bring to the government's attention that affirmative action is doing more harm than good.

UPSA calls for a complete redesign of affirmative action as it is currently worsening the problem of capacity and polarisation. We believe that a new affirmative action policy should encompass the following principles: Firstly, it should redefine the concept of designated groups to include the youth. Secondly, it should clearly demand equal treatment among the categories within designated groups and thirdly, it should include a sunset clause.

This is the only way in which we can ensure that our country's problems with capacity and the ever-increasing polarisation are countered. [Applause.]

SOUTH AFRICA'S BORDERS ARE POROUS

(Member's Statement)

Mr M SWART (DA): Madam Speaker, the footage dubbed *"Border Jump"*, shown on SABC 3's *Special Assignment* on 27 February 2007, drove the message home regarding the failure of the government's measures to deal effectively with the influx of illegal immigrants into South Africa, especially those from Southern Africa.

While there are no reliable statistics on the number of immigrants who enter the country clandestinely, a study conducted by the Human Sciences Research Council in 1996 estimated that between 2,5 million and 4,1 million persons reside in South Africa illegally, and this figure would have increased considerably right now. The influx could eventually have a serious impact on our social grants.

Exact figures aside, some drastic steps need to be taken in order to improve our control measures. Chief amongst these is the porous state of our borders. Moreover, corruption needs to be ruthlessly rooted out so that the illicit assistance of illegal immigrants is eradicated.

Those who are involved in this malpractice should be severely punished by law. If no innovative ways are found to turn back the tide of illegal immigrants, South Africa is destined to be a haven for human traffickers.

The TV documentary, *Border Jump*, should serve as an eye-opener and a wake-up call to South Africa.

LEGISLATION ON TRUSTEES NEEDS REVIEW

(Member's Statement)

Mr Y S BHAMJEE (ANC): Madam Speaker, the ANC notes with concern the recent report by the Financial Services Board on Fidentia companies, which highlighted serious irregularities on the part of trustees and asset managers with regard to their fiduciary duties.

The report didn't emphasise the plight of all the beneficiaries, in particular, the widows and orphans of the mineworkers who died in service, who may lose their only source of meagre income.

The ANC further notes that the custodial responsibility entrusted to trustees and asset managers has been seriously neglected. As such, the ANC believes that such a serious disregard for fiduciary responsibilities reduces the quality of life of such beneficiaries to extreme poverty, particularly the most vulnerable people in our country.

We believe that urgent steps should be taken to review all legislation and regulations related to the role of trustees in asset management companies so that such people are not allowed to use technical or legal loopholes to abdicate their fiduciary responsibilities. I thank you. [Applause.]

MOB JUSTICE NOT TO BE TOLERATED IN THIS COUNTRY

(Member's Statement)

Mr E J LUCAS (IFP): Madam Speaker, three people have recently been killed in two separate incidents as a result of vigilante behaviour. Fifteen women were arrested in Nongoma, KwaZulu-Natal, over the past weekend in connection with the murder of a 49-year-old man who they believed had raped a 29-year-old woman. The man was stoned to death last week.

In the other incident two men were beaten and then burnt to death in Diepsloot, after being accused of robbing a woman of two cellphones this past weekend. We are a civilised society where the rule of law should be obeyed.

Although we do encourage communities to assist the police in identifying criminals, mob justice is totally unacceptable and shall not be tolerated. If people continue taking the law into their own hands and dishing out their own brand of justice, anarchy will prevail.

It is, therefore, imperative that the relevant authorities take action to put an immediate stop to this unlawful behaviour, as well as to do their utmost to gain the confidence of the people.

TOURISM AN IMPORTANT SECTOR OF OUR ECONOMY

(Member's Statement)

Mr D K MALULEKE (ANC): Madam Speaker, the ANC acknowledges that tourism is an important sector of our economy that needs to be prioritised and adequately supported to enhance its performance and job-creation capacity within the economy. The ANC-led government's efforts to promote tourism in our country and internationally are now paying dividends. This is supported by records that indicate that the first nine months of 2006 saw a phenomenal growth of 14% in tourism in our country. All indications are that we will surpass the national record set last year.

The ANC urges all those South Africans involved in the tourism industry to continue with the good job they are doing and to ensure that women and the disabled, in

particular, share in the fruits of our freedom. I thank you. [Applause.]

BOXING SA IN FINANCIAL CRISIS

(Member's Statement)

Mr T D LEE: Madam Speaker, Boxing SA has been in financial turmoil for the past four years. Scopa has threatened to close the entity down if it does not improve its financial situation.

In 2006, Boxing SA received a disclaimer order from the Auditor-General for gross financial maladministration. This is the responsibility of the chief financial officer, who should be fired for incompetence. Furthermore, in light of this, the entire financial management team should have their jobs reviewed.

Boxing SA was without CEO for two years as a result of the failure by the Minister of Sport and Recreation to appoint one. Dali Mpofu, Group CEO for SABC, was appointed as chairperson of Boxing SA. Scopa found this to constitute a conflict of interest as Mr Mpofu has other responsibilities at SABC. A dedicated chairperson must be found for Boxing SA.

Boxing is a sport that South Africans excel at. We must not allow South Africans, both boxers and nonboxers, to suffer any longer because of the incompetence of Boxing SA's management. I thank you. [Applause.]

VULNERABLE CHILDREN SHOULD BE REGISTERED FOR GRANTS

(Member's Statement)

Mnu N B FIHLA (ANC): Somlomo, umbutho wesizwe i-ANC, ubambisene namahlakani awo, amadlelandawonye eli loMzantsi Afrika, i-SACP kunye nemanyano yabasebenzi i-Cosatu, kubandakanywa nombutho wabahlali i-Sanco, usebenzela ukubuyisa isidima sabantu bakuthi.

Namhlanje ndimi phambi kwamalungu ndizaliswe yimincili ngenxa yento entle eyenziwe nguNkskz Nontsikelelo Mgquba, othe yena akubona intsokolo ejongene neenkedama ezimbini, uZikhona noMandisa, wasikwa yinimba. Sithetha nje ntsuku zonke aba bantwana, ukusukela oko badibana noSisi Nontsikelelo, abalali bengatyanga, kwaye banayo impahla yokunxiba esikolweni.

Isenzo esenziwe nguNontsikelelo sithi ngeliphandle: Ubomi bomntu ngamnye apha emhlabeni buyalingana. Ixabiso labo liyafana.

UNkskz Nontsikelelo Mgquba wenze isibheno kwabanye abazali ukuba bakhawulelane norhulumente kwiinzame zokunceda abantwana ngokuthi babhalise abantwana abakwimeko efana nale, ukuze bakwazi ukuzuza iinkonzo zikarhulumente ezilungiselelwe bona. Ndiyabulela. [Kwaqhwatywa.] *(Translation of isiXhosa member's statement follows.)*

[Mr N B FIHLA (ANC): Madam Speaker, the ANC, together with its alliance partners, the SACP, the labour movement Cosatu, as well as the civic organisation Sanco, is fighting to bring back human dignity.

Today I'm standing in front of members filled with excitement because of a wonderful thing that Mrs Nontsikelelo Mgquba has done and who after she witnessed the suffering of two girls, Zikhona and Mandisa, felt sympathetic. As we speak now, ever since they met Nontsikelelo, they do not go to bed on empty stomachs and they also have school uniforms.

The initiative took by Nontsikelelo simply means that each person's life here on earth is the same as that of another one, they are worth the same. Mrs Nontsikelelo Mgquba has made an appeal to other parents that they must meet the government halfway in its endeavours to register children who have the same problem, in order that they could be able to benefit from government services that are being provided for them. [Applause.]]

INTRODUCTION OF A COMPREHENSIVE SOCIAL SECURITY SYSTEM

(Member's Statement)

Ms L S CHIKUNGA (ANC): Madam Speaker and hon members, the ANC resolved at the 2002 Stellenbosch national conference that the government should continue to work towards a comprehensive social security system and the introduction of a national health insurance through strengthening and progressively expanding the social wage.

Today it is estimated that more than half of those who contribute to retirement funds reach retirement age with a pension that is less than 28% of their final wage or salary. Over two thirds of people are dependent on the state old age pension.

The ANC welcomes the announcement made by the Minister of Finance, on behalf of the ANC-led government, that mandatory earnings related to the social security system will be introduced to provide improved unemployment insurance, disability and death benefits. Ngiyabonga. [Thank you.] [Applause.]

The SPEAKER: That concludes Members' Statements. Are there any ministerial responses? The first is hon Hendrickse, followed by hon Shabangu.

COMMUNITIES SHOULD GUARD THEIR INFRASTUCTURE AGAINST VANDALISM AND THEFT

(Minister's Response)

The MINISTER OF WATER AFFAIRS AND FORESTRY: Thank you, hon Speaker, and it is Hendricks.

The SPEAKER: Hendricks. Sorry about that.

The MINISTER OF WATER AFFAIRS AND FORESTRY: I would like to thank the hon member, hon Lishivha, who has called on all of us to lend a hand in the fight against crime, particularly crime directed at vandalism of our infrastructure that we have put in place to provide basic services to our people.

The issues that she talks about have been going on since December, where cables are being stolen in Makhado by people from the community, the result of which is that the boreholes that supply water to the people are not functioning. In one case 24 500 were affected when these cables were stolen and the meter box destroyed.

I think the important message that she is giving to us is that with the co-operation, particularly with regard to the work of the community, of the community policing forum, and working with the traditional leaders, they were able to identify these thieves. The thieves have been arrested and in one case we have had successful prosecution.

It is very important that the community should itself protect the infrastructure which government has put there in order to serve the community. So, we thank them very much, the police, the municipality, traditional leaders, as well as the community policing forum of Makhado. They must continue to be vigilant because the latest cases are as early as 14 February, when again there was a theft.

The Department of Water Affairs and Forestry must go in and spend money which was not intended for that purpose to keep on putting back these cables on the ground.

So, we would really like to call on the community to assist us in this regard, and commend those who have taken up the fight against the criminals. I thank you. [Applause.]

COMMUNITIES SHOULD PLAY A ROLE IN FIGHTING CRIME

(Minister's Response)

The DEPUTY MINISTER OF SAFETY AND SECURITY: Hon Speaker, I would like to take this opportunity also to thank the hon member from Makhado for bringing this

matter to the attention of the House, showing the role played by the various departments, together with the communities, in fighting crime successfully. Furthermore, delivery can only happen when there is participation of the community in jealously guarding any infrastructure put in place on their behalf.

I also thank the community of eMzinoni. May I also indicate that this is a reflection that where communities are involved in fighting crime, there is always success. If we see crime in this country being fought in a way that takes us forward, it is for everybody to stand up and join hands in fighting it.

That also goes for the hon member of the DA, who had indicated that in his community there is drag racing. May I also take this moment to say that we are going to investigate this because there needs to be prosecution in this regard. Maybe what you need to do is to give us the information so that we are able to make a follow-up. But, may I indicate to you, wire and barbed fences are not going to assist in fighting crime. We don't want to create cages amongst ourselves in our communities because you said that in your community you put up high fences and all that to protect yourselves.

We need to leave no space for criminals in our country. Communities must claim their streets. We must take over our space, and we cannot allow a few individuals to take away our freedom. So, I will urge the hon member, together with your community, make sure that you create strong community police forums. Every member of the community must come out to fight against criminals in your area.

But we also have to involve the various security companies which we normally try to get to assist us in fighting crime or creating a safer environment for us. No one can create a safer environment except us.

Hon Lucas, may I indicate to you that I agree with you fully. In this country there is no place for mob justice. We have the Constitution and it applies to everybody. We also have laws and we will make sure that when these things happen, the police leave no stone unturned, because we cannot afford that people take the law into their own hands. We would highly appreciate it if you could give us these incidents, so that we may be able to make a follow-up and make sure that proper steps are taken against individuals who take the law into their own hands. [Applause.]

SOUTH AFRICA'S POSITION ON THE ENRICHMENT OF URANIUM

(Minister's Response)

The DEPUTY MINISTER OF FOREIGN AFFAIRS (Ms S C van der Merwe): Madam Speaker, I would like to respond to the hon Skosana and say that South Africa's position on the enrichment of uranium has been and continues to be that all countries should be bound by the rules of the International Atomic Energy Agency and the Nonproliferation Treaty that any enrichment of the uranium should be used in peace and development, and for such purposes only as medical and energy purposes.

In this regard we defend the right of all countries who adhere to this internationally and accepted and agreed upon standards and we believe that what applies to one country should apply to all. We also welcome any initiatives to resolve problems and disputes thorough diplomatic means including discussions with Iran and other countries with the capacity for enrichment.

South Africa will use her position as a nonpermanent member of the United Nations Security Council to promote these views. Thank you very much. [Applause.]

TOURISM THE FASTEST GROWING SECTOR OF THE ECONOMY

(Minister's Response)

The MINISTER OF ENVIRONMENTAL AFFAIRS AND TOURISM: Madam Speaker, I would like to thank the hon

member for the motion with regard to tourism and he is absolutely correct in stating that it is the fastest growing sector of our economy at the moment. We have just released the figures for the first three quarters of last year compared to the previous year, and there is a growth of 14,5%. If we analyse these figures a very interesting picture emerges. With regard to Africa, it is the fastest growing continent. Tourism in our country shows 18,3% growth, but the American market is also doing extremely well, and it is growing at just under 10%. It is more than just the recovery of the pre-9/11 market. There is a huge growth arising from that market at the present moment.

But even our traditional markets are growing well from Europe, just under 5%, and we see a broadening and the deepening of those markets as well, with many of the other new European countries from the East also becoming part of those markets. The reasons, *inter alia*, we believe are that we have increased the marketing budget quite substantially, but we have a much more focused, more concrete and better marketing strategy, and also a hard-nosed approach with regard to the markets we invest in.

We must see a return on our investments and there is a limit to the role that sentiments play in our decisions. But Minister Erwin is here. Last year Cabinet decided on the new airlift strategy. We have seen a number of airlines announcing new flights to South Africa and also new airlines coming in, but SAA is also involved in a very aggressive, and I must say a very exciting, creative process of looking at the new markets.

Obviously, markets like China and India are very important to us. Last year the growth from the Indian market was quite good, but we are not satisfied with the growth from the Chinese market. Our objective is to have 10 million international visitors in 2010 and the way that we are going now, I believe we will definitely achieve that target. Thank you very much. [Applause.]

FIDENTIA; TEACHING VALUES IN SCHOOLS; EMPLOYMENT EQUITY

(Minister's Response)

The MINISTER OF FINANCE: Madam Speaker, let me just express my appreciation for the comments on social security. It's something we will deal with a bit further.

I would like to comment on three of the member's statements. The first issue I would like to comment on is the statement by the hon Bhamjee on the matter relating to Fidentia. I agree with his concerns. Legislative and regulatory reforms are part of it but I think we must also be committed to strengthening the administrative oversight. The Financial Services Board looks after 13 500 pension funds, there are more that 400 collective investment schemes, over 500 investment managers, of which Fidentia was one, and over 13 800 financial service providers. So, it is an enormous load with an organisation with limited capacity. We will have to deal with this issue and so legislation will be part of it.

But, the other side of it, I think, includes a larger investment in the training of trustees of all manner of pension funds and trusts. I think that as we proceed from here, the lesson that Fidentia provides for us, hopefully the process of curatorship, will throw up a series of lessons. It would be one set of issues.

The other thing is that we must ensure that South Africans actually develop a better sense of numbers. People come along and offer all kinds of things about the returns that they can generate from investments. There was one leader of a political party who even believed that Miracle 2000 is real. These are the kinds of things we must prevent, and I think that part of what we have to do is to ensure that all South Africans develop a better sense. Even these numbers that are generated about losses from power outages and so on, you have to develop a better sense of them. But, I think we need to collaborate on these issues.

The second issue I would like to respond to is the matter raised by the hon Dudley. Of

course, we are going to disagree about many things in society. One of the things we must have a debate about is how we teach South Africans basic values and how we teach South Africans to take decisions for themselves. People decide that at birth you are this or that religion. People decide at birth that you are this or that. Rather, we should encourage a wider discourse and teach our children values and allow them to decide when they are old enough to do so. But, that's a discourse we must have rather than indoctrinate the young and claim them for particular causes at the time of their birth. We can have that debate happily.

In respect of the issues raised by the hon Simmons, I would like to draw his attention to the Employment Equity Act. The Act is there. In its practice it is frequently very poorly used. It is sadly abused, but it is there and the intent of the Act is abundantly clear. Thank you very much. [Applause.]

CONSIDERATION OF REPORT OF PORTFOLIO COMMITTEE ON PUBLIC ENTERPRISES ON SOUTH AFRICAN AIRWAYS BILL

There was no debate.

The Acting Chief Whip of the Majority Party moved:

That the Report be adopted.

Motion agreed to.

Report accordingly adopted.

SA AIRWAYS BILL

(Second Reading debate)

The MINISTER OF PUBLIC ENTERPRISES: Madam Speaker, hon members of Parliament, ladies and gentlemen, the tabling of the SA Airways Bill for your deliberation marks significant progress in the process of separating SAA from Transnet Limited. You'll recall that our intention is to focus Transnet on the movement of freight by rail, through the ports and in the petroleum pipelines.

SAA is a major enterprise in its own right and operates in an industry that has markedly different conditions to those of the rail and port freight systems. Accordingly, to ensure that there is full focus by the boards and management on these differing domains, it has been decided to take SAA off Transnet's balance sheet and move its shareholding to the Department of Public Enterprises. The draft Bill gives legal effect to the decision to separate SAA from Transnet which was set out in an agreement between Transnet, SAA and me, acting in my capacity as a representative of government. As part of the conditions of that transaction, we are bringing this Bill before Parliament. Although the Bill is largely a simple and enabling piece of legislation with little fanfare, the vigorous discussions within the portfolio committee raised some very important issues.

The portfolio committee raised the entirely valid point that if SAA is strategically so important that it is brought before this Parliament, then surely any change in its future status must also be important—and if this were the case, what role would Parliament play? As we develop and stabilise the role of the state-owned enterprises, it is questions such as this that have to be addressed. I'm very pleased that the portfolio committee raised the issue.

The precise matter that precipitated this discussion was a provision that allowed for the conversion of SAA from a private company, as it is now, to a public company. The majority of the state-owned enterprises that are major public entities under the Public Finance Management Act, such as Eskom and Transnet, are also public companies. This status allows these public entities to rely primarily on their balance sheets for purposes of funding their respective operations and reduces the extent of reliance on government guarantees. This is something that we also wish to encourage for SAA. The ability to fund off a balance sheet essentially distinguishes state enterprises from government agencies and utility companies.

However, as I indicated, this issue raised an even more basic issue with regard to the role of Parliament in any change of status of a

state-owned enterprise. It so happens that within the Department of Public Enterprises, and along with the work in the Department of Public Service and Administration and the National Treasury, similar issues were under consideration. We support a process where major changes in the future will allow for a role for Parliament.

We are working on the body of legislation that will deal with the overall strategic shareholder management of the state-owned enterprises. Accordingly, I'm happy to report that we managed to reach an agreement with the portfolio committee that this issue will be thoroughly dealt with in the proposed legislation which is scheduled to come to the portfolio committee in the second half of this year.

A departure from the enabling legislation of the other public entities is the insertion of a preamble to contextualise and specify the significance of SAA as a strategic asset to this state. This is something we agreed upon with the portfolio committee and it is a precursor to the overall approach to the shareholder management of the SOE in the draft legislation just referred to.

I did give an indication of government's thinking on the ownership of SAA when the draft Bill was tabled. The preamble gives the basic strategic reasons for retaining ownership. The state ownership of SAA will retain strategic control of the decision-making in SAA and therefore help us to promote air links with our main business trading and tourism markets within the African continent and internationally.

As members may be aware, to contribute to the rapid growth of this continent, we need a strong aviation platform. South Africa and the continent are the third-fastest-growing markets in the global airline industry. The continent cannot grow faster without a strong aviation platform and air transport is the only real form of transport on the African continent, given the underdeveloped transport infrastructure, geographic landscape and the very vast distances on our continent.

Through this separation and direct government shareholding, we, as government, would be able to have direct access to and clearly distinguish and separate the risk between SAA and Transnet. We have already established a clear policy on oversight into SAA. The separation will also refocus Transnet Management on turning Transnet around and establishing it as an efficient freight company. Thus, the indirect hedging of SAA through Transnet, which adversely affected Transnet's balance sheet, will be removed through separating SAA from Transnet and bringing it directly under government ownership and control.

We will then be able to ensure that these two long-term strategic balance sheets do not contaminate each other adversely. The task of returning SAA to profitability is a difficult one, given the highly competitive nature of the airline industry. However, whilst we are seeking and negotiating a capital injection, I am happy that we are moving in the right direction and value the hard work and commitment of the board, management and the excellent employees of SAA.

In conclusion, I would like to thank the chairperson of the portfolio committee and his members, Peter Hendricks in particular, for assisting us in getting the Bill processed at such short notice. I appreciate the extra work that they have done to achieve this and thank them for their understanding. I hope that this House will support the Bill. Thank you. [Applause.]

Mr Y I CARRIM: Comrade Speaker, comrades and friends, the committee is acutely aware of the financial and other strategic challenges confronting SAA and the need, therefore, for this Bill. The Bill was processed expeditiously and our report on it was carried in this morning's ATC. Basically I will take us through our report and other members will deal with other aspects thereof.

Consistent with the government's new emerging shareholder management model and the committee's view on this, the committee decided to effect amendments to the Bill that would provide for, firstly, a pre-

amble to convey the sense of SAA as a national carrier and strategic asset; secondly, the strategic role that SAA plays; and thirdly, the need for the Minister to account to Parliament for any major changes in SAA's role and decisions about converting SAA into a public company.

We are not naïve social democrats. We are excruciatingly aware of SAA's needs for funds and that this cannot come from the national fiscus alone. We are just as aware of the need for SAA to attract investors. The committee's proposed amendments, we believe, would not discourage potential investors or unduly bind the Minister.

The Minister's response was to stress that he agrees with the amendments proposed, as he just said, but explain that it would be more appropriate to provide for them in the forthcoming Shareholder Management Bill. A key reason for this is that the provisions that the committee wants in regard to SAA apply to state-owned entities generally, and in a letter to the committee the Minister said:

> With respect to the recommendation to involve Parliament in the decision to convert SAA into a public company, the department is in the process of drafting legislation to regulate state-owned enterprises such as SAA. This SOE legislation will facilitate a role for Parliament in the formation and change in the status of any SOE. I believe this will accommodate the important point made by the committee that if an enterprise is strategic enough that we bring the matter to Parliament, then surely Parliament should have some role if that status is changed. Our intention is to bring this piece of legislation to the committee in the second half of this year.

Of course, I am sure the Minister agrees that the recommendation that he refers to is a proposed amendment, but the committee recognised the value of what the Minister proposed and accepted it. However, we did insert a preamble that provides a very broad, general overall sense of the strategic value of SAA. The Minister told us, as I think he said earlier, that the Shareholder Management Bill will provide for each SOE—perhaps he didn't say this but he said it at least in his letter or in the discussion he had with us—to have a charter that sets out its strategic role. Any major change to this charter would be brought to Parliament. We think it is a very welcome offer by the Minister. In fact, to some extent it goes beyond what we sought, but on reflection it is exactly what we think should be done.

The Minister has, of course, just explained his intentions. I think I will skip that, having heard what he said, and save you the time. May I go on to say that finally we agreed that the SAA Bill amendments we had in mind would be better addressed in the Shareholder Management Bill and, of course, that Bill will come before our committee and we will process it accordingly.

Just in case—since the chair of the committee looks like Fidel Castro with glasses and since Ncumisa Kondlo would say I can talk for just as long—there is any misunderstanding . . . [Interjections.] You aren't invited to say that! It must be stressed that we do not have some romantic, idealistic notion that SAA is as precious as water and must somehow, in principle, be 100% state-owned at all times.

Most of us in our committee believe that water, electricity, education, health and basic transport like trains should be mainly in state hands. We would like SAA to also remain mainly in state hands, but the case for this, it seems to us, is not as strong as for these other basic services and our views on SAA certainly do not flow from some abstract principle. However, for the reasons set out many times by the Minister before our committee and in public I think, and in the broad sense conveyed by the preamble to the Bill, we feel that SAA is a strategic asset and should for now be retained as a national carrier owned by the state.

While air travel has traditionally been for the

well-to-do, it is slowly becoming more of a mass service with the introduction of low-cost carriers, not least SAA's own Mango, with fares that are affordable by the lower middle classes and even sections of the working class. SAA can certainly contribute to some of these broader economic and developmental goals of the country. One that comes to mind, though I didn't have time to think more carefully about it and it may not be the best, but it came to mind five minutes before I came into the House at 2 o'clock, is that by making air travel more accessible the development of SMMEs could be advanced. Maybe Peter Hendrickse, who will speak after me, would think of better examples.

Of course, the committee recognises the volatility of the airline industry and SAA's vulnerabilities and the government may need to act swiftly, but the committee believes that any major changes to SAA relating to the issues dealt with in this Bill should ideally take place after the Shareholder Management Bill is passed. If this is not possible, the Minister should inform Parliament of major decisions taken in terms of the SAA Bill.

Finally, it must be said that as a committee we are not exercising our oversight role of SAA effectively and we simply have to do better. Of course, we desperately need an aviation expert and we are seeking such assistance, but in the meanwhile we simply have to manage more effectively.

In conclusion, I am signalling that we would certainly have to do so. May I finally thank the department's officials who processed the Bill with us, particularly the two officials who are here, Ursula and Litha and also Reneva, who is the parliamentary liaison officer, and the Minister and the Ministry generally for their co-operation. I should point out to this House, in particular, to hold the Speaker to account. I have clipped off one minute and 42 seconds of my time and presumably in terms of the new Rules it will be carried over to my next debate. Thank you. [Applause.]

Dr S M VAN DYK: Madam Speaker, on 26 July 2006, Cabinet endorsed the separation of SAA (Pty) Limited from Transnet Limited as part of Transnet's new four-point turn-around strategy.

In other words SAA would be transferred from Transnet to government and be regulated similarly to all other state-owned enterprises.

It was decided at that stage that SAA should be a stand-alone state-owned enterprise reporting directly to the Minister of Public Enterprises.

In June 2006, the Minister and Transnet agreed to transfer Transnet's entire shareholding, including claims, to SAA in terms of a share sale agreement.

In terms of clause 4 of the above mentioned Bill, the Minister of Public Enterprises may convert SAA (Pty) Ltd into a public company after the company has been transferred to the state.

The intention is that SAA should be an entity reporting directly to the Minister, but in documents to the parliamentary committee and the memorandum on the objects of the Bill the reason for the transfer of SAA is referred to as being the volatility of the airline industry and the need to assist SAA with strengthening its balance sheet.

Another reason was to align SAA as a major public entity and to create flexibility for funding and private sector involvement. It differs, though, from the preamble to the Bill, which refers only to the promotion of air links with the Republic's main business, trading and tourism markets within the African continent and internationally.

Having a national airline to fulfil this role is not unique to South Africa—witness, for instance, countries such as Australia, New Zealand, Malaysia, Singapore and China.

However, in relation to the management and financial management with respect to which such airlines are operated, not all of these

airlines have been as reliant on top-ups from the fiscus as SAA has been.

In terms of the proposed statute, the financial implications for the state pertain particularly to the provision of guarantees to various third-party lenders and entities such as the International Licensing Council. The state will thus substitute Transnet as its guarantor, thus becoming a direct responsibility for the taxpayer.

In terms of the SAA risks profile, I want to refer to the national carrier's involvement in the low-cost carrier, Mango. Mango, so it is argued, was established to promote competition to low-cost air transport.

But there are various questions that surround SAA's entry into this market sector and how competitive this relationship between SAA, with its possible access to the fiscus, and Mango actually is.

Mango was begun by SAA through a R100 million shareholder loan by the latter to the new low-cost entrant. In the face of refusals by the therefore taxpayer-owned Mango to divulge the terms of its agreements with SAA pertaining to the aircraft being sublet to it, the media has put the monthly cost of the aircraft leases at between R16 million and R24 million.

The question now is: Having been started with a mere R100 million capital loan from SAA, how long will it be before the taxpayer will have to bail out SAA and, by extension, Mango again?

It is hoped that such a situation will be averted when SAA is separated from Transnet.

As it will then be licensed as a public entity, as per schedule 2 of the Public Finance Management Act, or PFMA, and specifically clause 54, taking into account the national carrier's borrowing powers, it will be subject to the same requirements of all public entities, which entail that the lease agreement with Mango should be opened to public scrutiny.

The DA will make full use of this opportunity to ensure that the taxpayer does not have to continuously bail SAA out. The DA supports the Bill. [Applause.]

Mr M J BHENGU: Madam Speaker, the Bill is of great importance for the future and the profitability of SAA. The retention of the SAA as a strategic asset, we believe, would enable the state to preserve its ability to contribute to key air linkages in supporting our economic growth.

The main aims of this Bill before us today, are to transfer SAA's share and interests from Transnet to the state, convert SAA into a public company with share capital and list SAA as a major public entity.

These measures are being taken, according to the background of the Bill, due to the volatile airline industry and the need to assist SAA in strengthening its balance sheet.

It has been noted that the airline industry is volatile and that various factors, such as unpredictable oil prices and increased competition, have contributed to this volatile situation and SAA's current position. It is, however, obvious that SAA is not coping in the competitive airline industry and desperately needs assistance.

In 2004, Transnet ploughed in R6 billion to clear the SAA's huge book losses. Towards the end of last year, it also announced that 8% of their workforce was actually going to be fired. This, coupled with the fact that SAA's profit fell by 90% in 2005-06 is a clear indication that our national carrier is in a state of uncertainty.

It is imperative that SAA is eventually self-sufficient and able to stand on its own two feet and compete against its competitors, both local and international, without needing government to bail it out. This will not only lead to a more efficient allocation of

the department's resources but will also eventually make SAA more attractive to potential investors and will likely increase any chances of success.

During the committee's deliberations, we proposed amendments and recommendations, which we believed would strengthen the Bill. Included amongst these was the need for the Minister to account to Parliament regarding the major changes in SAA's strategic role as well as decisions regarding its conversion into a public company.

We were assured that these issues would be dealt with in the forthcoming shareholder management Bill. We hope that this Bill will have the desired effect and provide the impetus needed to assist SAA in strengthening its balance sheet and in eventually attracting private sector involvement. The IFP supports the Bill.

Mr H B CUPIDO: Madam Speaker, the ACDP states its support for the SA Airways Bill. Measures that made it easier for Transnet to concentrate on its core business would make a significant contribution to the efficiency and productivity of Transnet and to the country as a whole.

The core activities of Transnet, which are rail, ports and pipelines, form a vital component of the infrastructure on which many of our industries depend, and which is so essential for the growth of our country.

SAA would focus solely on that which pertains to the airline industry, which in reality differs a lot from the responsibilities of Transnet.

We further welcome the proposal that SAA be converted into a public company, which will create the opportunity for private sector investment in the future. We trust that this move would enhance the profitability of SAA.

Mr P A C HENDRICKSE: Madam Speaker, during the First Reading debate we raised certain questions and concerns. This was followed up with discussions within the committee. Let me remind the House about some of them. There was a concern about foreign ownership. We were told that Australia and the United States of America, for example, do have laws that limit foreign ownership. The question is, was it necessary to have a law or were there any other effective mechanisms that could be used? We were also concerned about the control of the state. If a foreign bank or another airline were to purchase SAA, would we have any control over it?

In the committee, we had discussions and outside input with regard to the differences between a private company and a public company and about other modules such as 100% state-owned, majority-owned and minority-owned.

We believe also that it was important that we maintain the strategic role of SAA. SAA is the biggest airline in South Africa. It is important to 2010, internally and internationally, and also has a crucial role to play in our trade with the rest of the African continent. It is the biggest in Africa and it must contribute to the growth of our continent. The important point is that whatever form future ownership takes, it is essential that the state maintains effective control of SAA by setting its objectives and goals, some of which we expressed in the preamble.

The committee was also unanimous in its view that Parliament should have an effective role if the role and ownership of SOEs are fundamentally changed. It was felt that before an SOE could be sold off, parliamentary approval should be a requirement. The Minister also referred to this in his input.

To a lesser extent this should also be the position of the committee when it comes to public or private partnerships. These state-owned enterprises belong to the state. The government exercises control over them on behalf of the people, and Parliament represents the people. Surely, therefore, Parlia-

ment should have a say if there are major changes to the ownership and roles of SOEs. If an SOE is going to be privatised, does it not make sense that the Minister account to Parliament? By saying this we are not trying to bind the executive but rather to strengthen it.

The committee feels strongly that the state should not lose its ability to use the resources to drive the developmental programme of government. This could be by means of a majority shareholding, or the so-called "golden share", or other effective mechanisms. I keep referring to effective mechanisms because we need to learn from our mistakes.

While in Telkom, we do have a golden share, it was told to roll out infrastructure in terms of government's goals and it was given certain targets to meet. But we also made the provision that if they do not meet those goals and targets, a fine could be imposed. The problem is that it is cheaper for Telkom to pay the fine than to meet the more expensive goals and targets.

Last week in this very House, Parliament was required to agree to the excision of land from the national park—a requirement of the relevant legislation that whenever land is excised from a national park it should be approved by Parliament. We had originally thought of something similar, namely that before the Minister approaches the Registrar of Companies to register SAA as a public company, Parliament should agree by resolution.

After talks with the department, and in a letter addressed to the chairperson and the committee, the Minister gave certain undertakings that were aimed at addressing the concerns of the committee and that the committee found acceptable. The Minister agreed with many of the concerns raised and stressed that these were also applicable to other state-owned enterprises.

It is thus envisaged that the proposed Shareholder Management Bill that is due to be tabled later this year will address the concerns much more. The Minister and Comrade Yunus Carrim have already addressed the position of this Shareholder Management Bill. We have also inserted a preamble in the Bill as a means of conveying Parliament's approach towards SAA, and the Minister did refer to one or two points in this regard.

One paragraph in the preamble states:

> And since the state has a developmental orientation and regards South African Airways as a national carrier and strategic asset that would enable the state to preserve its ability to contribute to key domestic, intraregional and international air linkages, the state intends to retain it as a national carrier.

Having said all this, and as stated by the chairperson, we are not oblivious to the state of SAA as conveyed to us. Unfortunately, in the 13th year of our democracy Parliament is still either incapable or unwilling to provide committees with the necessary resources to do their work. We are not experts! I am in no position to efficiently and effectively do proper oversight. We do not have the financial or, in this case, aviation experts to assist us. To this extent the committee, a few weeks ago, engaged the services of an expert on Eskom to assist us in our engagement with Eskom regarding the latest blackouts, those of 18 January 2007. It was most useful and educative having him there.

Parliament, however, requires that one has to get three quotes before one can engage such an expert. Now while one shares the need for transparency and the need to combat corruption, there does not seem to be a provision that acquiring such expertise is a matter of choice, and not price. This is not like purchasing cups or other equipment.

The committee has decided that we shall engage an expert to assist us when SAA next comes to Parliament. It is important that we

too, and not just the board and the Minister, be satisfied that SAA is being managed efficiently.

In conclusion, I wish to express our appreciation to the Minister and the department for the way in which they interacted with the committee. We support the Bill. [Applause.]

The MINISTER FOR PUBLIC ENTERPRISES: Madam Speaker, I thank the parties for their support. A few issues were raised which I would like to comment on. Let me begin by saying that when we speak of SAA we are talking about the second-oldest commercial airline in the world. This is quite an important point and obviously, I think for the country and for ourselves it would be a sad day if we were not to maintain this very proud brand and its reputation.

I think we should also stress—and I'd like to really make this point strongly—that SAA's reputation in regard to safety, technical oversight, pilots and efficiency is really outstanding. It ranks as one of the top airlines in the world in this regard. [Applause.]

We can feel proud of that as South Africans. We need to improve that. We can always have scope to improve, but I make these points because the value of this asset needs to be understood. This is a well-known, well-renowned airline with an excellent reputation for its safety and operational efficiency. We are very determined to ensure that it does improve its performance and that we return it to profitability.

The hon Van Dyk pointed out that airlines have been topped up. There are far more of them that have than that haven't. This is an exceptionally difficult industry. I think there are probably very few airlines in the world today that haven't, either now or at some point in the recent past, received state support. This is such a big industry with so many complications.

Our objective is, obviously, to reduce that and make sure that it is more sustainable and return it to profitability. We do have to lower that—and other speakers have raised this. This is something that the board, the Chief Executive Officer and I have said. In order for SAA to be returned to profitability we do have to make it operate more efficiently. We have to lower its basic cost structure, and this is across the board. It is not just focusing only on employees, but it is also focusing on a whole range of activities, and the board are seized with this matter, just as we are seized with it.

One of the problems that we explained at the time was that in order for us to compete with a very viable, very vibrant low-cost market, SAA had to give discount on so many fares on its higher-cost airline that the effect on the total airline was negative. So, we've done what Comair, British Airways and everyone else has done. We've extracted that dimension of the market to serve a different kind of clientele and established it as Mango. That's a stand-alone company and it is a subsidiary with its own balance sheet. It must make its own way, and I think it will be successful. But we are certainly not looking, as I've indicated time and time again, to support the airline industry at all costs. It has to operate efficiently. It has to be more competitive.

The hon Hendrickse raised a few points which I would like to comment on very briefly, since these matters did come up. The issue of foreign ownership is an important question. What should be the position? We did canvass with the committee on a number of different situations that do exist, but what is definitely the case in South Africa, not only within aviation law and those areas, is that the question of the ownership of the airline is a matter that is regulated by law, and essentially, if SAA is going to be a national carrier of any type, it would have to be majority-owned by South Africans. That gives it the position of being in any way a national carrier.

We also agree that it is important that with SAA we now have direct oversight. We will

have to improve both our own capacity for oversight and its capacity to comply with the Public Finance Management Act and the other issues, which previously it did through Transnet. So, there is a lot to learn and deal with.

The airline industry, as I have indicated, is volatile. We are, and I have said this time and time again, in a process of planning the new capital injection. We have to do that, and we need to complete it very soon. But I must say, as I have said before, that the process of returning SAA to profitability is, in our view, on track. There is work to be done, but we are moving very clearly and definitely in the right direction. I thank the House for its support. This is a very important step for us in clarifying the position of SAA and clarifying the position of Transnet. I thank the House. [Applause.]

Debate concluded.

Bill read a second time.

CONSIDERATION OF REPORT OF PORTFOLIO COMMITTEE ON PUBLIC ENTERPRISES—ANNUAL REPORTS OF THE DEPARTMENT OF PUBLIC ENTERPRISES AND STATE-OWNED ENTERPRISES (ALEXKOR, DENEL, ESKOM, SOUTH AFRICAN AIRWAYS, SOUTH AFRICAN FORESTRY COMPANY LTD AND TRANSNET)

Mr Y I CARRIM: Madam Chairperson, comrades and friends. Madam Chair, you were not here when I spoke earlier . . .

The HOUSE CHAIRPERSON (Ms C-S Botha): I was here, sir, and you cannot have the extra minute. [Laughter.]

Mr Y I CARRIM: All right. We will negotiate that outside this meeting, if we may.

The debate on this report is essentially on the report that was carried in the ATC of 20 November. What I'm going to read is very easy. It's just to go through aspects of the report. I'm going to provide an overview of the tentative observations and conclusions of the committee on the state of the Department of Public Enterprises (DPE) and the state-owned enterprises. I will deal in particular with the SOEs, because DPE is dealt with in budget reports that also get published in the ATCs. I will take you through an overview, and other members will deal with different aspects of the report.

Our overall assessment, as we note in the report, is that DPE and SOEs are generally far more focused, directed and driven now compared to, let's say two years ago. We've seen this. It's quite a significant advance. It's not just a movement forward, in our view.

Obviously, different SOEs face different challenges, and they are at different stages of their re-engineering and restructuring processes, but overall, to differing degrees, state-owned enterprises—we call them SOEs for short, although the Minister calls them in the department "SOE", but that's another debate we can have—are more actively fulfilling government's mandate, and performing better now than in the past two years. That, at least, is how we see it.

In a nutshell, our conclusions for now about the SOEs are that, firstly, until the land claims dispute is finally settled, and government is clearer about what it wants to do with Alexkor, it is difficult for the committee to have a clear enough sense of how Alexkor is performing. It seems, to us at least, that Alexkor is very challenged. We feel, though, that Alexkor could do significantly better, even in the current circumstances.

Since the report was published, we have read in the public domain, in the media, that Alexkor has entered into a partnership with De Beers, and it seems that progress in other respects, too, is unfurling.

Despite its many complex challenges, Denel's new strategy overall is sound, and progress in the first year of its implementa-

tion is good. It will be a long haul. It is too early to say whether the turnaround strategy will succeed, but it is promising. Denel's leaders are certainly firmly committed to fulfilling that promise.

In respect of Eskom, we say that the power outages exposed both Eskom's weaknesses and strengths. Despite the challenges of the power outages and its capital infrastructure programme, Eskom is doing well, and its financial performance remains impressive. On SA Airways, we say that SAA operates in a very difficult—as you heard earlier—volatile and unpredictable industry, with many factors largely beyond its control, especially fuel prices. It is difficult for the committee to tell how much of SAA's difficulties flow respectively from factors beyond its control, legacy issues and weaknesses of the present management. We believe SAA can do better, and its managers certainly have the potential to ensure this.

In regard to Safcol, we say that with Safcol being retained in state hands—although that, too, is being negotiated through Cabinet—it will have to adjust from its privatisation mindset, if that's the direction government finally decides it should take.

The committee waits to see what precisely the new mandate is that government will provide. I understand that will come very shortly. The committee will then be better able to assess Safcol's performance. For now, that means in November last year, notwithstanding internal transformation challenges, Safcol seems to be doing well.

Transnet's recovery, we say, over the past two years, is remarkable. There is still a long way to go to ensure sustainable progress, but a solid foundation for this has been created. Major challenges persist, but if there is any leadership that can, over time, triumph over these, it is the current one. I refer here in particular to Transnet because it overlaps to some extent with some of the subterranean debates that occurred in the earlier debate.

We say in 9.28 on page 40 of our report:

> While the committee was somewhat cautious in welcoming Transnet's progress last year, this year we are clear . . .

That is, 2006—

> . . . that Transnet has made major commendable progress that is sustainable.

Of course, we have limited technical expertise, but it seems to us that while huge challenges persist, and there is still a long way to go, the progress achieved is a very solid foundation on which to build further.

Clearly, the current leaders of Transnet have done a remarkable job, and their performance suggests that with an effective and driven board and management, operating within the clear mandate from government—this must be stressed—SOEs can be successful. Their performance, in other words, reinforces the case to keep enterprises involved in key sectors of the economy in state hands, rather than privatising them.

Without being glib about this, it seems to us that where there is a will, there is often a way. Notwithstanding their excellent progress in the eyes of the committee, note what the CEO has to say, though she and her management team have done so well, under 9.41.

Transnet's performance during the year under review, we say, was very impressive. In her review, Ms Ramos said, and I quote: "More and better results are achievable." Good, we say. We look forward to that.

I don't think one can translate the experiences of Transnet literally into other SOEs or even at all times, but it is a remarkable case of a turnaround strategy, notwithstanding the many, many challenges that remain.

We said in our report also that we look forward to the shareholder compacts the Minister concludes with the SOEs being

presented to the committee early in this year. It will significantly contribute to ensuring that we are more focused, rigorous and effective in our oversight role.

It will also contribute to the SOEs being more specific and focused in their briefings to the committee on their annual reports. In this regard, we would like all SOEs to be more concrete about progress on specific targets that are set out in the shareholder compacts.

We also note that Eskom's and Transnet's capital infrastructure programmes are taking place at the same time as the 2010 World Cup, municipal infrastructure and other capital investment programmes. The committee would like to be briefed within the next six months on the strategy to meet the following needs: One, the massive demand for cement, steel and other material necessary to build an infrastructure plan by the SOEs; two, the major skills requirements; and three, the challenges of our environmental impact assessments.

The performance of the SOEs seems to be significantly influenced by the political direction provided by the government, and the quality of leadership of the SOEs. It is crucially important that the SOEs have effective succession plans in place. There needs to be greater stability and continuity within the SOEs that is not undermined by each change in their leadership. Eskom seems to be adopting a good approach to the replacement of its chief executive. We want to be briefed on succession plans by DPE and the other SOEs.

On the department, we stressed that we welcome the much more direct, focused report given by DPE. It's a significant advance on the previous year. We say that it has set out its targets much more clearly, as well as how the budgets are allocated to programmes where those targets were used, and what progress has been achieved in meeting those targets.

Overall, it seems to us that DPE made effective progress in achieving its targets for 2005-06. Of course, some of the targets and achievements, we say, were too general, so it was difficult for us to evaluate progress effectively, but we insist that they are doing extremely well. We think that the Minister's got a very good department, potentially, and in practice. It's a young department, but a very dynamic department. We congratulate him and the department on the progress they have achieved, though together with them, we hope to see better progress. Thank you very much. [Applause.]

The HOUSE CHAIRPERSON (Ms C-S Botha): Thank you, hon Carrim. If we adjourn at the end of the day, everybody is going to be thankful that I didn't give you an extra one minute and 42 seconds. [Laughter.]

Dr S M VAN DYK: Madam Chair, arising from the report under discussion here today, there are two issues that I would like to address in the time allocated. As the committee's report indicates, it heard last year from the Department of Public Enterprises that the department was engaging Eskom on what should be the appropriate margin for surplus electricity in South Africa.

The DA believes that, as government's shareholder manager department, the Department of Public Enterprises may well have some vested interests with respect to the security and regulation of electricity supply in South Africa, but that the Department of Mineral and Energy Affairs should be leading the charge in this regard.

In short, we believe that the business of electricity supply should be dealt with separately from ensuring the security and regulation of electricity supply. We believe that the confusion that has prevailed on various occasions with respect to power outages and appropriate surplus supply margins over the past 18 months has resulted mostly from government's refusal to separate these roles.

The Minister of Public Enterprises, in particular, has lost credibility in the eyes of the public as a result of having succumbed to the inherent conflict between the interests of government as the business shareholder on the one hand and government as the service deliverer on the other.

Of course, we now know what the situation is, thanks to the recent release by the department of the so-called confidential report on the state of electricity supply in South Africa.

However, it is a sad day for democracy when a government fails to make its citizens privy to the truth, especially on matters with respect to which the truth should be deemed vital, or considers it an extraordinary step to do so, as was the case with the release of this report.

With respect to the troubled Alexkor, I would like to register the DA's dissatisfaction with the reigning situation as well. Currently government funds this non-performing state-owned enterprise from the fiscus. It recently received R80 million from Treasury and seems to justify this partly by holding Alexkor responsible for performing services that should long have been taken over by the relevant provincial and local governments. If the provincial and local governments responsible for service delivery in those locations cannot deliver the relevant services in the necessary fashion, they should be capacitated to the required extent and held accountable, rather than government pouring more taxpayer funds into the bottomless pit that Alexkor seems to be.

In any event, given the government's intentions with respect to the issue of downstream beneficiation, with the state now setting up a diamond trader itself, the necessity for Alexkor to remain in the state fold seems diminished. We believe the time has come for government to cut its losses and sell Alexkor off. Thank you.

Mr M J BHENGU: Thank you, Madam Chair. The annual reports of the Department of Public Enterprises and the different state-owned enterprises were considered by the portfolio committee during October-November last year. The report that we in the portfolio committee have adopted is very detailed and thorough, as has been the case in previous years.

I would like to congratulate the chairperson as well as the committee's support staff for all the hard work in preparing such a comprehensive and detailed report. We look forward to assisting our chair in monitoring the progress of the department as well as the various state-owned enterprises. We agree with this report. I thank you.

Mr Y WANG: Thank you, Chairperson. Today I would like to focus and report to the House on Denel's annual report. The committee continues to find Denel one of the most technically challenging state-owned enterprises to deal with. I personally feel it is because of our own lack of capacity from Parliament's side. I mean, it is already impossible to find a super-researcher that can understand the technical aspects of all the state-owned enterprises within our portfolio, never mind the fact that our committee was running for a long time without a researcher.

Despite that, we feel that Denel's broad direction and strategy generally are sound, given the challenging and unpredictable environment in which it operates. As the chairperson pointed out earlier, the leaders of Denel are also very determined to see Denel succeed. The CEO also made the same statement with confidence. The CEO further pointed out that 12 months after the turnaround strategy Denel is very comfortable with the process and performance evident in a number of indicators such as staff behaviour, revenue lines and cost reductions, amongst others.

In the 2005-06 financial year, Denel suffered a net loss of R1,3 billion against R1,5

billion. Revenue is down from R3,6 billion to R2,7 billion. Overall capital and reserves improved from a negative R16 million to a positive R607 million, making Denel solvent.

Denel's improvement or lifesaving strategy is based on six pillars, the first being transformation and people. A major survey among 45% of its workforce revealed that staff were very negative in how they saw management, career opportunities, remuneration and transformation. Therefore it is important for Denel to transform its personnel into a motivated and empowered workforce with a commercial and performance-based mindset, within a truly representative and diverse environment.

The second pillar is about engaging with state agencies such as the Department of Public Enterprises, the Department of Defence and Armscor in areas of industry structure, acquisition policy and industrial participation. This is to ensure the full buy-in of all stakeholders to synchronise the participation level.

The third pillar is to secure local markets of defence acquisition, such as Denel's competitors overseas are enjoying as a privilege in their respective countries. Where 70% to 85% seems to be the norm in Nato countries, and I think, if I am correct, 95% in the US market, only 30% of Denel's revenue comes from the South African local market. It is suggested that at least 70% of South Africa's acquisition should be procured from the local industries, including Denel.

The fourth pillar of the strategy is commercial viability. The re-engineering of Denel in the year reported brought about cost reduction, improved business process and business viability, with product offering investigated. The disposal of the noncore assets and the restructuring of Denel into 8 to 12 independent business units allowed more focus on its core business and more accountable management by each line business. If you think of the holding company, Denel as a chicken farm, it is now easier to evaluate which chicken is doomed with bird flu and which chicken has healthy financial aspects.

The fifth pillar is to identify potential partners, equity transactions and strategic alliances to increase market share. Two important ones include Denel's aerostructure partnership with SAAB, and Optronics with Carl Zeiss.

The sixth and last pillar is to raise capabilities and productivity to world standards. A radical change to the remuneration policy will take into account the performance of individuals to incentivise them and encourage the workforce to strive and conform to world standards.

To conclude on Denel, the committee will pursue further the above issues, and in addition also focus on Denel's compliance with the Public Finance Management Act, its broad-based BEE procurement—which will be outlined later—and also the role of the Defence Evaluation and Research Institute. I thank you.

Mr H B CUPIDO: Madam Chairperson, the ACDP welcomes the strong stand taken by the portfolio committee on the absence of board chairpersons from the annual report briefings. Being the chairperson of a state-owned enterprise is a huge responsibility which cannot be taken lightly. South African citizens and some neighbouring countries depend hugely on the services rendered by state-owned enterprises.

The ACDP would like to congratulate the Department of Public Enterprises on yet again receiving an unqualified report from the Auditor-General. It has been proven that where a good reporting system is in place problem areas can be identified and rectified at an early stage.

With reference to Alexkor, the ACDP urges all those involved in outstanding land claims to resolve these cases more swiftly. We also commend the settlement reached on the land

claims dispute, which will surely enhance the performance of Alexkor. The ACDP supports the report.

Mr L M GREEN: Deputy Chairperson, the FD welcomes the report on state-owned enterprises—SOEs. The perception of the general public on the performance of government institutions is one way to assess the normative output which government, with its number of state organs, has with regard to the lives of ordinary citizens.

A classic case is the performance of Eskom over the last number of months. Besides the millions lost by business through the disruption of power supplies in the Western Cape, the enterprise has caused great insecurity in the lives of the normal citizens who once had faith in the sustainable capacity of electricity supply to their households.

Although it is purported that we are the world's lowest producer of electricity, it does not please the public if we do not have the management capacity to sustain supply of electricity. It creates uncertainty in communities, let alone uncertainty in our economic growth prospects.

Eskom must not be allowed to get away with a simple apology. It has let us down as a nation and still has not been able to confidently assure us that it has capacity to maintain efficiency and that it is able to do an excellent job. The FD supports the report.

Mr S E KHOLWANE: Chairperson, hon Minister, colleagues, ladies and gentlemen, in 2002 we, as the ANC, resolved that many households still lacked electricity, whilst some of those that were linked up to the grid had been cut off for failure to meet payments, and resolved that the process of rationalising electricity distribution should continue, ensuring viable and affordable electricity supply for all regions as well as progressive achievement of universal and affordable access.

With regard to the foundation of a minimum free basic electricity service to all households, we indeed view Eskom as a very important player. According to clause 6(9) of the report, Eskom has managed to electrify a lot of houses. We note that the pace at which Eskom is going is very slow, so much so that we might miss our target.

However, we are not confused. We know very well that this issue of electricity distribution lies squarely with the Department of Minerals and Energy. That is why, as a committee, we have resolved that we will engage the Department of Minerals and Energy so that we understand exactly what the problems are with their accounting in order to achieve this goal.

It is in this respect that when the hon Van Dyk was here and said that the Minister had lost credibility, one would say it is not true. Maybe the problem is that Dr van Dyk has attended only one meeting of the committee. So, I think he has not yet been properly briefed on what we have been doing as a committee. Sometimes to read and then interpret and give a meaning is different from understanding exactly what was discussed in a meeting. So, I will request him to attend the meetings more frequently, rather than just coming here and saying something unacceptable, like saying the Minister has lost credibility, because that is entirely not true.

Dr S M VAN DYK: Can you prove me wrong?

Mr S E KHOLWANE: I will prove you wrong.

Furthermore, in 2002 we resolved that government must intensify its support for small, medium and micro-enterprises as a critical component of black economic empowerment—BEE—and ensure that such support reached them, and so it was included. In the current year of the Annual Report, which we are debating today, Eskom has spent R11 billion through BEE entities, of which R1,3 billion was spent through black women-owned enterprises, 24% of the total spent

was spent through SMEs, whilst in Denel the BEE procurement has declined from 22% to 18,6%. This reduction can be attributed to the verification process that revealed that several companies defined as BEE were actually fronts for whites' businesses, and a drop in IT procurement which drew in several BEE companies.

We have also noticed with concern as the committee that there are no BEE strategies in SAA and also in Safcol. However, this has been noted by the SOEs themselves. As a result, they will be tabling their BEE plans in the coming financial year.

As a committee, we welcome the discussion between Transnet and Eskom, in particular in relation to the angle of job creation, where Eskom is engaging Transnet in terms of how we can ensure that we minimise the trucks on our roads. Transnet and Eskom will have a deal. Eskom will be able to find some railway lines and Transnet will be able to operate those lines, with the proviso that we will ensure that those poor communities who are living nearby those power stations will receive an opportunity to be trained so that they can form part of this particular strategy. I think it is a progressive strategy which will assist us and will also assist Transnet. If you have read the report of Transnet, you will have seen that Transnet have said that they want to reduce the number of trucks on our roads through ensuring that we have efficient and effective railway lines.

As I have mentioned, this project will also take care of the issue of BEE. If we look at the BEE procurement in particular in Transnet, as much as they are doing very well, we as the committee feel that there is still much room for improvement. Hence, we emphasise that when they come back we must have that particular plan. After all, we acknowledge the difficulties and challenges which Eskom has had in term of the power outages. However, we are saying that out of that Eskom has emerged stronger because Eskom has managed to table its plan according to how it is going to add the megawatts which are so needed for the next 20 years. This will reassure us as a nation and as a country, so that no one is going to be worried, no one is going to have any mistrust. In that way, when we host the 2010 World Cup, we will not have this problem of outages.

I would appeal to the leader of the opposition, in particular the DA, to please brief their member about what we are doing in the committee and also invite Mr Green and Mr Cupido to attend the portfolio committee meetings; we need their contribution.

Debate concluded.

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

Motion agreed to.

Report accordingly adopted.

DEBATE ON JOB CREATION AND EMPLOYMENT SECURITY IN THE ERA OF GLOBALISATION (IPU TOPIC)

Mrs B M NTULI: Chairperson and colleagues, job creation and employment scarcity in the era of globalisation is a reality. Since 1994 the South African economy has performed very well and has consistently had a positive economic growth.

South Africa has a greater number of international investors, a substantial growth in the manufacturing sector and has become more globally competitive compared to when the economy was protected prior to 1994. But South Africa still has a high unemployment rate, which is about 28%-38%. Government has to put in place policies and a clear programme of intervention, particularly on small business development and on agriculture and land reform projects. We need more domestic investment.

The government has embarked on a comprehensive strategy to provide support for SMMEs to enable them to create jobs and economic wealth. The improvement of agriculture is at the heart of government's

improvement strategy. Economic development and growth play a role in poverty alleviation and the absorption of the surplus labour in rural and poor urban areas, and in restoring human dignity and self reliance, to encourage South Africans to utilise their own strength, ability and political leadership to generate development and growth domestically and on the continent.

Conditions for rural development entail that farm structures and land tenure patterns must be adapted to a dual objective of increasing food productivity and promoting a wider distribution of the benefits of agrarian reform. Agricultural and rural development that benefits the masses of the people can succeed only through a joint effort by government and all stakeholders, big and small farmers, and not just commercial farmers.

We must deal with the issue of the second economy. It is for this reason, and the reason of higher agricultural output and the achievement of greater efficiency and more equity, that land reform is proposed as a necessary first condition for agricultural development in many countries with least development.

The highly unequal structure of landownership is the greatest determinant of the existing highly inequitable distribution of rural income and wealth. When land is highly unevenly distributed, rural peasants can have very little hope for economic advancement. What I am saying is, this means that the full benefit of small-scale agricultural development cannot be realised unless government support systems are created. That will provide the necessary incentives and economic opportunities as well as access to the needed credit and inputs to enable small cultivators to expand their output and raise productivity, raise farm and nonfarming rural income, job creation through industrialisation and agro-processing from agro-industries.

Most underdeveloped and developing countries or economies start at the farming level. Let us take care of this sector. One of the challenges facing agriculture is to produce sufficient and affordable food, especially at household level. Another challenge is the lack of adequate support structures for emerging farmers—black and, in particular, women. Vulnerable groups have limited access to information, less experience and fewer resources due to their historical exclusion from the mainstream economy in the past. This must be corrected.

Other frustrations include the slow pace of land reform and the inaccessible loan system from various financial institutions citing the risk factor. The Department of Agriculture's farmer support programme is critical to the development and support of emerging farmers, including the land reform beneficiaries.

Government intervention in the development of restitution grants, issued after settlement of land claims to buy tractors, cattle or any other livestock, is welcomed. It will go a long way in assisting these new incoming farmers to develop. Not only that, but land care programmes and programmes for infrastructure development are also welcomed to build dams and dipping tanks, erect fencing and purchase seeds and manure. If well monitored by the provinces this will go a long way. After that people can go to Mafisa for small loans.

Support from extension services must be enforced. Irrigation schemes must be built and the old irrigation schemes must be rehabilitated. Agricultural co-operatives working with the Department of Trade and Industry, the Small Enterprise Development Agency, Khula and all other Council of Trade and Industry institutions must be promoted.

The AgriBEE Charter will soon be finalised to enable blacks to also participate in agro-processing and export promotion. Private-public partnership and skills transfer by commercial farmers is welcomed. Universities must also take part in training. The

review of the National Agricultural Marketing Council is very important so that rural people can also have access to domestic markets—our chain shops, fresh produce markets nationally and in neighbouring countries.

One of the most important things in South Africa is to respond to the change in the way in which the world economy works, which is globalisation. We cannot shy away from globalisation. It is there, the world is trading globally. The question is not whether we can globalise but how do we manage globalisation in a developing country like ours?

Usho njalo umhlonishwa uTrevor Manuel. [That is what the hon Trevor Manuel is saying.]

We must understand the change in policies in the world economically and socially and say what it is that government can do to create a positive environment for agricultural development and economic wealth and ensure efficient physical infrastructure through regulatory reform, investment in roads, rail transport, telecommunications, power, and information and technology to improve our performance.

We must increase expenditure on research, training and managerial skills development, which will make a critical contribution in stimulating economic growth and reducing poverty and unemployment by improving agricultural productivity. It will also serve as an engine for growth and income for rural poor, smallholder farmers and the commercial farmers.

Research linkages with the global research systems are important for us to be more competitive. Research is very expensive but working within the limited resources that we have, we can make a mark. It is clear that reforms are needed to increase efficiency and sustainability, but with all the reforms we need funding.

Lastly, special attention should be given to the vital food-producing and entrepreneurial role of rural women and urban African women in informal and formal agricultural production. They must also have hope that one day they will have compensation for their labour.

Surely, all of us want to see a progressive South Africa, an economically stable country. Let us all work together to achieve this and make sure that our neighbouring countries are also developing so that we do not find ourselves being flooded with immigrants looking for greener pastures.

Kusobala ukuthi uma sifuna ukuthuthuka, ngeke sikubalekele ukuhlangana kwezizwe zonke emikhakheni yezohwebo futhi ngeke sikubalekele ukuhwebelana namanye amazwe. Okufanele sikwenze nje ukuqaphela ukuthi lokhu kuhwebelana sikusingatha kanjani ukuze kusize thina, nokuthi futhi abantu bakithi kube yibo ababamba iqhaza elibalulekile ekuzithuthukiseni, ikakhulukazi amabhizinisi amancane. Lolu usizo olutholakala kwa-DTI, usizo olukhona kwezolimo ngezinhlelo ezifana ne-Casp neMafisa, kanti futhi kunemali enikezwa labo abanikezwe imihlaba le ababeyifunile, abasuswa kuyo ngendluzula esikhathini esingaphambilini. Lokhu kwenziwa ngenhloso yokuthi bakwazi ukuqala ukwenza imisebenzi ezobaphakamisa ibasuse ebuphofini, ibabeke ezingeni lapho nabo bengasho khona bathi, "Sizophumelela ukuhweba namanye amazwe angaphandle. Kodwa masiqale ngokuhwebelana thina sodwa ukuze sikwazi ukuqina, sibambisane namazwe angomakhelwane bethu ukuze sikwazi ukuqina sibe nezwi elilodwa lokukhuluma namazwe angaphesheya ukuze nabo bavule kwezabo izimakethe sikwazi nathi ukungena."

Siyacela-ke ukuthi abantu bakithi kuyo yonke le mizamo balibambe iqhaza, basukume ngamandla, baphakamele phezulu ukuze bakwazi nabo ukubuyisa isithunzi sabo nekusasa labo liqhakaze. Ngiyabonga. *(Translation of isiZulu paragraphs follows.)*

[It is clear that if we want to develop, we cannot run away from globalisation and trading with other countries. What we need to do is to be on high alert and make sure that we use this trade to our advantage. We also need to make sure that our people play an important role in developing themselves, especially the small businesses. Assistance is available from the DTI; and there is also financial assistance available in agriculture through programmes like Casp and Mafisa. There is also financial assistance given to those who receive their land back, from which they were forcefully removed in the past. This is all done with the aim of enabling them to start doing projects that will uplift them and remove them from poverty, and put them on the level where they can say, "We will succeed in trading with other foreign countries. But let us start trading amongst ourselves so that we can be strong, work together with our neighbouring countries and speak with one voice with overseas countries so that they can open their markets for us."

We ask our people to actively play a meaningful role in everything that we are trying to do. They should stand up for themselves and walk with pride so as to reclaim their dignity and brighten their future. Thank you.]

Mr C M LOWE: Chairperson, a global world is a competitive world, and globalisation tells us that if we cannot compete then we will simply be left behind and the jobs and opportunities will go elsewhere. In a global world we have to be competitive and highly skilled to stay ahead of the game—and right now we are not.

Being a competitive nation and ensuring that our workforce acquires useful skills starts with education. Every successful nation has recognised the need to concentrate on providing quality education to its young people and skills training to its workforce. We have not done very well at either.

It is a sad but undeniable fact that more young people successfully passed their matriculation exam in 1994 than did last year. Of greater concern is the dramatic drop over that period in the number of matriculants leaving school without studying, let alone passing, higher grade maths and science. Without those two subjects their chances of studying further, acquiring skills and finding employment in a competitive global world are extremely limited.

Finance Minister Manuel has cited the example of the Eastern Cape, where more than nine out of ten children leave school without higher grade maths and are therefore unable to enter any of the technical professions.

The Deputy President has also acknowledged this problem, but now we need to do something radical to resolve it. We need to make mathematics and science interesting and exciting again so that young learners are encouraged to take them up. To do this we need to produce many more qualified maths and science teachers. Perhaps the Minister of Education can factor this into her planning when she utilises the extra funding announced in the Budget last week.

Perhaps it is time, most of all, to consider making mathematics, and possibly even science, compulsory subjects for all learners up to Grade 12, even if just at the standard level. If we are going to be competitive in a fast-changing and technical global world then that is something that should be seriously considered.

At tertiary level, too, there needs to be far more emphasis on producing engineers, actuaries, chemists, economists, physicists, accountants and scientists. Yes, the arts and social sciences are important and provide balance to a nation, but their faculties are largely oversubscribed and it is to the economic, scientific and engineering schools and to skilled artisans that we must look to provide citizens who will cope in a global world.

That is the future, but what of right now?

What do we do with an unemployed workforce approaching 8 million, many of whom are totally unskilled? Where do they fit into a rapidly growing economy that seems to have left them behind?

The first thing we need to do is to stop blaming the past and rather concentrate on providing as many of them as possible with the right skills, those skills that are most needed in the economy. Again, we have not been terribly successful at doing that either.

It is another sad but undeniable fact that, since 1994, the average age of South Africa's remaining qualified artisans has steadily risen to a now embarrassing 54 years of age. Instead of producing more artisans to meet the growing needs of our rapidly expanding economy, we have simply stopped training them, creating instead what the Seta system euphemistically calls "learnerships". Now we have a crippling shortage of engineers and skilled artisans.

Many of those skilled artisans have been driven overseas by affirmative action legislation that makes it impossible for them to find work, even when there are scores of vacancies to be filled, simply because they are the wrong race or skin colour. A whole generation of patternmakers, boilermakers, electricians, plumbers, welders and other artisans have taken their skills, acquired at great effort and much cost to the South African taxpayer, and gone elsewhere. That is not something a competitive nation in a global world can afford to do.

We urgently need to reverse the debilitating skills brain drain, and the proposal announced today by the Western Cape MEC Marius Fransman to put a moratorium on affirmative action in scarce skills to entice white South Africans back to South Africa, must be supported. In fact, the legislation must be scrapped, not just put on hold. What does the MEC propose doing with those South Africans whom he welcomes back so enthusiastically when their three years are up? Sling them all out again? No, it is long overdue for the Minister of Labour to announce a complete rethink of the employment equity legislation, repealing affirmative action, certainly in respect of scarce skills, and setting out plans actively to recruit engineers and skilled artisans back to their homeland where they belong and are so desperately needed.

In an era of increasing globalisation, it is vital that we tackle this most important of our challenges. After more than a decade of vast positive social change, and huge improvement in the lives of millions of South Africans, we still find that more than 7 million people cannot find work, and we cannot or do not fill the 500 000 skilled vacancies that exist. That is a tragedy that we have in our power to address, here in this House, starting today. And now is the time to do so. Thank you. [Applause.]

Mr M J BHENGU: Chairperson, globalisation has many definitions and is strongly supported by the one side while the other is vehemently opposed to it.

In brief, it can be defined as a process of increasing and accelerating integration between states, corporations, other organisations and individuals. Generally, the increasing convergence of markets, economies and politics can be identified. The term, of course, covers economic, trade, social, technological, cultural and political aspects.

Some hold that globalisation relies on three forces for its development: These are the role of human migration, international trade, and the rapid movement of capital across financial markets. The International Monetary Fund stresses, and I quote—

> . . . the growing interdependence of countries worldwide through increasing volume and variety of cross-border transactions, free international capital flows, and more rapid and widespread diffusion of technology . . .

International trade has undergone a revolution since the middle of the last century, with

barriers to trade lowered almost across the board through the General Agreement on Tariffs and Trade, popularly known as Gatt, and its successor, the World Trade Organisation or WTO.

What this has meant is that markets across the world have been opened to fierce competition between truly global corporations which have adapted their products to penetrate new markets, becoming vastly more profitable as long as they retained their competitive edge. It has also meant that those countries and companies that do not have the competitive edge in human and capital resources have been crowded out from the benefits of international trade.

Rapid advances in communications and transport technology have increased the pace of international trade even further, with companies moving operations and technologies to countries where they will achieve the most benefit, while deserting those countries and markets that hinder their operations through over-regulation, lack of skills and political interference in the economy.

While the effects of globalisation have been beneficial to many developed countries, its effects on poor and underdeveloped or developing countries have sometimes been negative and dramatic, as whole industries went under, capital outflows increased and employment opportunities diminished. One of the main criticisms of globalisation is indeed that it is capitalism gone wild, with corporations and world bodies such as the IMF driving a neoliberal, unfettered form of globalisation that serves only the interests of the rich, while neglecting and marginalising the poor.

How, then, to create jobs and secure them in an economy that is still in a developmental phase? The answer is complex, but what is not is that globalisation is a fact. It is happening at an increasing rate and those countries that do not adapt to its demands will be left behind and will not achieve a developed status.

Such countries have to adapt by lowering trade barriers, creating a business-friendly regulatory environment, increasing skills development and developing new technologies. In essence, such countries have to open up their economies to greater competition while taking advantage of comparative strengths. At the same time, such countries have to provide adjustment measures to industries that are uncompetitive and to workers that are poorly skilled.

Finally, and this is where the Inter-Parliamentary Union can play an important role, the negative effects of globalisation should be addressed by launching a global forum for dialogue between all interested stakeholders. This forum should engage governments, global corporations, institutions such as the IMF, trade unions and community representatives, and should develop mechanisms and interventions that can assist those that are negatively affected by globalisation. That would actually help poor and underdeveloped countries to have a say in the whole process of globalisation, rather than to experience it as another form of colonialism. Thank you.

Mrs C DUDLEY: Chairperson, urgent measures to stimulate job creation and employment security in this era of globalisation must be implemented, and debate exploring innovative ideas is welcomed by the ACDP.

Interesting insights by Jason Urbach, published on the Free Market Foundation website, could add to this debate. He notes that unemployment has been a regular fixture in the South African economy since at least the mid-1970s.

According to the latest labour force survey, approximately 4,2 million potential workers are unemployed in South Africa, which equates to an official unemployment rate of approximately 26%. If we include discouraged workseekers, those that have given up searching for work because they believe that there is simply no work available, the number of unemployed jumps to 7,9 million,

representing an expanded unemployment rate of approximately 39%.

Despite the South African government's best intentions in wanting to protect workers, an unintended consequence over the present labour laws is that they effectively prevent the unemployed from gaining employment. The sayings "if you can't fire you don't hire" and "you can't hire those who don't earn their keep" may be unpalatable to politicians, Urbach says, but they are harsh realities of employing responsibility.

If government reduced the bureaucratic red tape and relaxed the statutory requirements that prevent people from getting jobs in the formal sector, it would not be necessary for so many people to turn to the informal sector for employment.

He further suggests that to allow labour market forces to function unhindered for young people at the low end of the market would benefit large numbers of jobless people if implemented. Young people, he argues, would not have such a desperate struggle to get onto the first rung of the employment ladder.

While the already employed of course argue that any weakening of job security legislation and erosion of minimum wages will lead to increased poverty, studies have shown that a significant driver of poverty is in fact unemployment. Thank you. [Time expired.]

Mr B A D MARTINS: Madam House Chairperson and hon members, the twin issues of job creation and unemployment, and the detailed investigation of the concept of accelerated and shared growth, and specifically, how the poor and the unemployed are to be engaged in development, becomes critical.

It is common knowledge that the South African economy has experienced the longest upswing in its history. While average GDP per capita growth was less than 1% per annum between 1994 and 2003, it has accelerated from 3,1% in 2003 to 4,8% in 2004, and to 5,1% in 2005. Government's objective of growing the economy by at least 6% beyond 2000 remains within reach.

However, of the remaining challenges that need government's focused attention, foremost amongst these are unemployment and poverty. According to Statistics SA's Labour Force Survey of March 2006, 544 000 more people were actively seeking employment, and the unemployment rate declined slightly from 26,5% in March 2005 to 25,6% in March 2006.

The survey further states that over the period from March 2001 to March 2006, slightly over 1,2 million jobs were created in the formal sector, excluding agriculture. The reality that we face, however, is that the current levels of economic growth are insufficient to meet the needs of all South African citizens. Thus, for many, the dignity of work and the entitlement to a minimum standard of living remains a distant ideal.

The average annual growth target of 6% by 2014 is ambitious but realistic. This target is derived from the goal of cutting unemployment by half. The Accelerated and Shared Growth Initiative for South Africa document begins to spell out the various strategies and interventions designed to meet the 6% average annual growth rate. To ensure structural change in the economy, the critical growth path will have to highlight key interventions and key decisions required to actualise the 2014 ideal.

With the passage of time, in addressing the challenge of job creation and unemployment, the ANC-led government has enacted four key pieces of labour legislation, namely the Labour Relations Act, the Basic Conditions of Employment Act, the Employment Equity Act and the Skills Development Act.

In conjunction with legislation, other instruments such as government spending, taxation, and the provision of services such as health, welfare and education may be

equally important in creating jobs for effecting a more equitable distribution of income, either directly or indirectly.

Creating jobs and ensuring the equitable distribution of income requires a common vision and co-ordinated action between government, business and labour. Our common endeavour to create a better and prosperous future for our country makes it imperative for us to include, amongst others, the following objectives: a need to continuously develop new strategies to sustain employment creation; raising investment levels; increasing labour absorption; broadening economic participation and increasing competitiveness; creating effective strategies to create employment in the formal economy to address the economic marginalisation that characterises the second economy.

Realising the aforementioned challenges, the Department of Trade and Industry's five medium-term strategic objectives are: One, to promote the co-ordinated implementation of the Accelerated and Shared Growth Initiative for South Africa; two, to raise the levels of exports and promote equitable global trade; three, to promote direct investment and growth in the industrial and services economy, with particular focus on employment creation; four, to contribute towards the development and regional integration of the African continent within the New Partnership for Africa's Development framework; and five, to promote broader participation, equity and redress in the economy.

Furthermore, the following policy initiatives will support the DTI's strategic objectives just listed. The National Industrial Policy Framework's objectives are to promote diversification, to facilitate progression up the value chain, and to foster growth in labour-intensive sectors of the economy. Implementing the policy will entail a range of incentives and interventions focused on job creation, investment and growth. Further, it is envisaged that an annual industrial policy action plan that identifies priority areas will guide implementation. Greater co-ordination between the different departments will be pursued through the economic cluster in order to overcome co-ordination failures in implementing industrial policy.

With regard to sector strategies, industrial policy work will focus on the implementation of sector strategies that have been finalised, and identifying action plans in sectors that have been flagged as priority sectors, such as capital goods.

In order to address regulation for growth, the department will put in place a range of regulations and legislation with the objective of contributing to the environment for growth. This, amongst others, will include the Companies Bill and amendments to competition regulation.

As far as enterprise development and broad-based black economic empowerment is concerned, the DTI will continue implementing strategies in support of enterprise development focusing on greater access to microfinance at the survivalist lowest end of the spectrum; the roll-out of infrastructure that provides financial support, such as the expansion of Khula; and the rolling out of the Small Enterprise Development Agency as a provider of nonfinancial support with expanded infrastructure to enable improved delivery.

Expanding trade and investment is critical in realising the objectives of Asgisa. In this regard, the DTI will focus on strategies to diversify and raise the level of exports, as well as promote foreign direct investment. Furthermore, the department will engage in a range of market access initiatives, in particular to contribute to the successful conclusion of the Doha development round of trade, as well as undertaking negotiations for free trade agreements with key countries such as China, India and other countries on the African continent.

In conclusion, consistent with the objectives

of Asgisa, the outcomes the DTI seeks to realise are: One, an increase in manufacturing growth supported by sector strategies; two, increased industrial financing and broader economic inclusion; three, increased foreign direct investment; and four, overall growth in line with the Asgisa target of 6%. I thank you. [Applause.]

Mr J P CRONIN: Chairperson, in 1906 a young South African who was studying in the United States won a speech competition, which was a countrywide competition in the United States among college students. His name was Pixley ka Isaka Seme, and delivering his prize-winning speech, he said, among other things:

> See the triumph of human genius today! Science has searched out the deep things of nature . . . taught the lightning to speak . . . spanned the sweeping rivers, tunnelled the longest mountain range, made the whole world a vast whispering gallery, and has brought foreign nations into one civilized family. This all-powerful contact says even to the most backward race, you cannot fall back, you must advance! A great century has come upon us!

Then he went on to predict an imminent African Renaissance. That was a hundred years ago.

Ours is not the only generation that has had the sense of living in the midst of an accelerated process of globalisation. Seme, who was one of the founders of the ANC a few years later in 1912, was of course celebrating the technological and scientific advances of his day—steamships, the telegraph system, railway engineering feats that spanned vast continents. These were the advances that, so Seme believed, had turned the world into one civilised family.

Over the past 30 years we've been living through another accelerated period of globalisation, spurred on in particular by the information and communications technology revolution. When we speak of globalisation and an era of globalisation, what exactly are we speaking about? The past 30 years? Well, certainly, yes, but also I believe that we need to see our past three decades as part of a general process that has been occurring in waves of acceleration for at least one and a half centuries.

For South Africa, the modern globalisation period begins really in the last quarter of the 19th century with the mining revolution. The most advanced forms of capitalism were imposed ready-made, out of the box as it were, from outside, with multinational joint stock companies, international finance houses, cutting-edge technology and modern logistical networks of railway lines and ports.

This global reality was superimposed, with the aid of a British army of occupation, of course, upon a geographical space that had seen a relatively extensive European settlement, as in other temperate zones like Canada, the United States, Australasia and parts of Latin America, which also had, unlike those other temperate zones and other colonial societies, a majority indigenous population still relatively intact, thanks to the durability of their societies and to the fierce military resistance that they had put up for some centuries.

It was this combination of three factors that laid the foundation of modern South Africa: an externally imposed imperial industrial revolution, extensive European settlement, and a black majority still present within the territory.

We speak nowadays of two economies, a so-called first economy and a so-called second economy, but from the very start our country's insertion into the global circuits of advanced capitalism was based on duality. In fact, there were two kinds of duality, an internal duality and an external duality.

The internal duality at the beginnings of our industrial revolution was premised on a modern mining sector on the one hand and

peripheralised labour reserves that exported not cotton, not tobacco, but labour—hundreds of thousands of male migrant labourers each year. It was labour that was reproduced cheaply, of course, for the mining houses, by peasant farming under the coercive domination of colonial and patriarchal power in the reserves.

But the mining revolution also involved another, external, duality. It integrated South Africa into the global economy as a semiperipheral exporter of primary products and as an importer of capital goods and consumer luxuries.

In the course of the 20th century, of course, many things changed, at least changed somewhat. By the mid-century a dual economy based simply on the articulation between an advanced mining sector and labour reserves was now taking immense strain. The war years, particularly in the early 1940s, had seen a vast expansion of secondary industry in South Africa and the increasing urbanisation and proletarianisation of black people. The overcrowded reserves were also in deep crisis and their ability to continuously reproduce hundreds of thousands of migrant labourers every year was more and more depleted.

Apartheid can be explained in many different ways, but one of the ways of understanding apartheid is that it was an attempt to sustain this dual colonial character of South Africa within a new reality. While the modern economic sector continued to depend to some extent on rural labour reserves, which were now called bantustans, increasingly, the internal dual economy was now characterised by a much more diversified formal economy and a mass of semiskilled black workers and their families, housed very often in peri-urban townships.

To forge this new relationship, the apartheid regime carried out harsh forced removals, it tightened up on influx controls and on many other coercive measures, including, of course, direct political repression.

But the apartheid government, we need to remember now in 2007, also delivered. It also rolled out mass housing, tiny matchbox houses in racially segregated townships, but mass housing.

It also delivered mass public transport. The late 1950s and early 1960s was the last time, until very recently, that any serious public transport systems were built, particularly rail infrastructure, which is why the average age of the Metrorail carriages is now 45 years. They date back to that roll-out.

There was also even the roll-out of mass education for the first time for the black working class. It was, of course, horrible, racially inferior bantu education designed to ensure basic literacy and numeracy for the new factory operatives. Now, none of this had anything to do with generosity of spirit or concern for the black majority. It had to do with ensuring a continued supply of suitable labour for the formal economy.

Indeed, apartheid succeeded in stabilising the economy and introducing growth. Between 1963 and 1973 the average growth rate in South Africa was between 6% and 7%. We have not succeeded in doing that since 1994.

Of course, in 1973 the global oil crisis struck and there was never to be a full economic recovery in South Africa until post-1994. Having done exceedingly well, thank you very much, out of white minority rule for many, many decades, by the mid-1980s the major South African corporations were increasingly restless. Apartheid could no longer guarantee profitability for them. The costs of repression, of militarisation, of regional destabilisation, of international sanctions and of an import-substituting industrial policy had become a huge constraint for them.

It was in these circumstances that big capital in South Africa began to support a negotiated settlement. Especially after the end of the Cold War, the risk of majority rule, from

their perspective, seemed like a lesser threat than the stagnation of late apartheid. So, the new South Africa arrived into an era of renewed and accelerating globalisation, catch-up modernisation, liberalisation, access to markets, macroeconomic alignment and investor-friendly fundamentals. "Get competitive, -petitive, -petitive, -petitive, -petitive!" were the slogans of the day into which the new South Africa was born.

Indeed, we have certainly succeeded in stabilising the economy, ensuring that key sectors are globally competitive, and we've returned our economy to sustained growth. But this stabilisation and growth have gone hand in hand with the loss of 1 million jobs in the formal sector, with hundreds of thousands more workers being casualised. One million black farm labourers and their families have been forced off farms since 1994, as agriculture has been compelled to liberalise and become globally competitive on export markets. The growth of the past decade and the marginalisation of large numbers of working people are not disconnected phenomena. Similar patterns are to be found throughout the south over these past three decades.

So what can be done? In the first place we need to note that our growth path has not been, unfortunately, terribly dissimilar from the same growth path that integrated us for the first time into the global economy back in the late 19th century. Still today, our growth trajectory is excessively dependent on primary product exports, on capital goods and luxury consumable imports. Our economy continues to be characterised by dualities of all kinds, for example a dual labour market now, with the key division now being less racialised—that still is a factor—but increasingly between a small, permanent segment of workers in the formal sector on the one hand and a great mass of informalised, marginal, temporary and underemployed workers on the other.

We seem—I believe and I hope this is the case—to have stabilised our unemployment situation and perhaps there is some marginal growth in employment, but we've stabilised it at an extremely high level of between 35% to 40%. So, how do we address these challenges?

Well, other ANC speakers have elaborated, on specific sector interventions, but generally speaking, first of all we need an active industrial policy that begins to transform our growth path away from its colonial mode of excessive primary product export dependence.

We need to transform the labour market in which we, among other things, need to overcome the unsustainable dualities that we find there, not least the widening—not narrowing, widening!—wage gap between upper levels of management, corporate owners and so forth, and the mass of workers. We also need, obviously, to address the huge problems of skills imbalances.

We need an accelerated agricultural and land reform programme, which is less about redress—that, of course, is important—but it needs to be much, much more about ensuring sustainable households, ensuring that there is basic food security for millions of South Africans, many of whom are unlikely ever to find secure employment in the formal sector.

Above all, we need to build sustainable local economies in a world in which the so-called formal economy is increasingly unable to offer jobs to a large proportion of the world's population, not only in South Africa, but right around the south. We need to affirm that socially valuable work is not necessarily a job, that work and jobs are not necessarily the same thing.

We sometimes speak and think like the young Pixley ka Isaka Seme 100 years ago, as if the global trends that we are living in at the moment will just continue like this for ever.

But this era may end and it may end sooner

than we expect. Somewhere in the next 20 years, perhaps sooner, oil production will peak and our oil-driven, globalised world economy will run out of bountiful, cheap energy. Will the global tourism industry survive? How will we compete, as South Africa, with our primary product exports, given our very long logistics chains and given the distance from our major markets, all of which are very energy-intensive and -consuming. What kind of global instability will oil scarcity bring? Already the opening rounds of what may prove to be a more generalised energy war are being waged in the Middle East as we speak.

It's in this context that we need to understand that valuing local economic development, sustainable communities, sustainable households, land reform, and not just setting a premium on export-driven growth, is crucial. We need to value socially useful work like public sector teaching and health care. These are not just tax burdens—that's how the rich view them—but they are also essential for building a caring society in the midst of an unsustainable global reality.

Building people-friendly communities, towns and cities that are walkable, where amenities are accessible, where it is pleasant and safe to walk or to cycle, are not just charitable acts to help the poor or to ensure a better quality of life for all; they may very well be the lifeboats for the challenges that lie ahead. Thank you. [Applause.]

Mr L M GREEN: Chairperson, at the centre of the economic philosophy of the prophets of a global economy is not a people-centred society, but a profit-centred society. People are viewed as an economic resource, not for their own improvement, but for the enrichment of those who would pay little to those whose economic power is only their labour.

Once their labour is no longer needed to enrich the rich, they will be discarded as a useless, redundant resource. It is believed that globalisation will address the divide between rich and poor. Countries will open their borders, relax exchange controls, scrap certain state subsidies, especially to farmers, and it is hoped that such policies will create a world market of equal access. Yet, when it comes to negotiating these initiatives, one soon realises that, the playing fields are far from equal or level.

Employment security is no more a guarantee, national governments are at pains to keep up with this global onslaught and the global monster appears to be ruthless. States will be required over time to relinquish their sovereignty if they want to be effective partners in a global economy.

Foreign assistance will come at a price, and this price seems to come with diminishing benefits for the developing country's citizens. Although labour-intensive job creation strategies will alleviate the plight of joblessness for a while, this cannot be sustained, since governments will need to develop at a faster rate to compete globally.

Yet, South Africa is a country with the infrastructure to build its skills pool and create jobs at a faster pace than certain other countries in our region. What is demanded by the global economy is that we are only as strong as our weakest neighbour. Thus, the more we aim to develop our economy, the more we must lend a hand and hope that our neighbouring countries will become partners in building the regional capacities. Thank you.

Ms H WEBER: Madam Chair, in a globalised world, investment goes to where the returns are the highest. If a market is popular as an investment destination, chances are that it will be able to provide more employment for its people and greater levels of employment security.

In South Africa we are hungry for investment in Greenfield Manufacturing projects, because of the acknowledged fact that such ventures will mop up the type of labour of which we have an excess namely, unskilled

labour. In other words, we want this type of investment because it will create jobs where jobs are needed.

Traditionally, South Africa has had difficulty in attracting this type of investment with the reasons being, amongst others, the regulatory burden of our economy, the high cost of doing business in South Africa, and our low levels of productivity.

Accordingly, it came as a surprise that government did not use the President's state of the nation address, the recent one-year anniversary of Asgisa or the fresh-off-the-press Budget 2007 to bring about reforms or innovations that will address these problems in a substantial manner.

We need changes in our fiscal system that will stimulate investment in the production side of our economy, and there is room for it—R30 billion, in our estimation. Firstly, it is inescapable fact that our corporate tax regime needs to be looked at. We need to compete with other emerging market economies, whereas currently our effective corporate tax is more akin to the more mature economies such as the UK, the US and Canada.

It is no good that the Minister reduces the outmoded second tax on companies by a mere fifth, only to take what he gives by withholding tax on dividends. Our effective corporate tax needs to go down to below the psychological 30% barrier. This would require drastic reductions both in STC as well as in the primary corporate income tax.

Secondly, we need to put incentives for the creation of new jobs in the hands of employers and not waste wage subsidies on inappropriate applications such as income poverty relief, when the institution of a basic income grant and sectoral wage bargaining could deal with the latter in a much more fitting manner.

We need to look at our industrial policy. Far from seeing it as a discredited idea, the DA believes that effective industrial policy can make a very real contribution to job creation in our country, but not as it currently stands.

Government should stop wasting its time and taxpayers' money on something that it is not competent to do—picking winners in the private sector. Instead, government should invest in strategy priority projects that will boost productivity and create interesting investment opportunities.

With respect to the latter, the conversion of our country's five lame duck industrial development zone projects into export processing spring to mind immediately. These suggestions may seem bold, but they are affordable, and if government and the members on my right are serious about creating jobs and employment security in South Africa, then there is no way that they can deny their sensibility. Thank you. [Applause.]

Mr M J G MZONDEKI: Chairperson, Jenkins in his paper on "Contrasting perspectives on globalisation and labour in South Africa" has this to say:

> The impact on workers is a key aspect of the political debate about globalisation. Opponents of globalisation claim that it has been a major cause of job losses in the north, first in manufacturing, and secondly and more recently, in services as production migrates to low-wage countries.

It has also been held responsible for increasing wage differentials between skilled and unskilled workers, and seen as causing a shift in power from labour to internationally mobile capital. In the south, critics have focused on issues such as the exploitative conditions on export industries, and the instability associated with the expansion of footloose industries in the context of increased competition among developing countries.

On the other hand, defenders of globalisation argue that by increasing efficiency and growth, it creates new and more highly

skilled employment opportunities in the north, whilst in the south, integration with the global economy is an important way in which countries can accelerate the economic growth and boost employment.

Now, whether we as South Africans are opponents or defenders of globalisation is another matter. The reality is that we are part of the world that is affected by globalisation. What is key for us as a country—I believe—is that we must be able to deal with the challenges that are brought about by globalisation, and to grab the opportunities. We therefore have to equip ourselves appropriately to take this challenge on.

I would like to focus on skills development, and specifically on employment security. There is no doubt that in order for us to compete in this new era we need new skills. Our oversight work as MPs in our various committees has clearly indicated that there is a great need for skills development. Hence, as government, we have embarked on programmes such as the national skills development strategy, the Joint Initiative for Priority Skills Acquisition, not only to compete globally, but also to achieve our goal, which is to improve the lives of all South Africans.

We have also noted the increased allocations in the Budget towards education so that our education system improves and assists us in producing the skills that we require.

We also note that there is great work in terms of making our roads, telecommunications, port facilities, etc, better. We note the efforts as a country to improve our infrastructure. We also know that, while we have been able to create more jobs, we have not been able to reduce unemployment.

The changing nature of work is a challenge. We are beginning to see more and more casual jobs, and more and more labour brokers, which have serious implications for employment relations. We observe less job security, as jobs become more and more short-term. We are beginning to hear noises about inflexible labour laws, and all these impact negatively on our workers, and our productivity. I am sure that my hon friend from the DA is an advocate of inflexible labour laws and, as the ANC, we know that there is nothing inflexible about those laws.

Bruno Trenton, in discussing rebalancing the employment relations at the International Labour Organisation, makes an observation that the new information and communication technologies, which have brought about a great leap forward in the process of globalisation, eventually affect all directly or indirectly. Far beyond the new economy, they are bringing about huge changes in types of skills in the very substance of the employment relationships and, more generally, in the postwar social contract.

He further refers to the introduction of new types of contracts, which we are very familiar with, like part-time, flexitime, temporary or even part self-employment, with very variable social protection in the form of retirement, sickness and unemployment. All of them are below those guaranteed by full-time indefinite contracts. I have no doubt that these are trends that we are seeing here at home. It is unfortunate that this is one of the evils of globalisation that we need to fight against.

He also refers to the firms returning to unilateral management of conditions of employment and working hours. These are rarely covered in collective bargaining, he says. I am also told, even if I do not have evidence of this, that the multinationals are now beginning to move into those countries where there are weaker trade unions. These lead to new insecurities in private and professional life, in family organisations and in male-female relationships. It is important therefore that, as find ourselves in this era, we must not allow the evils of the past to be smuggled back in the guise of globalisation.

It is important, I believe, that we should as a nation strive to strike a balance between

being productive and competitive, and remain committed to the principles of decent work. That will need us to work together as business, labour and government. In doing our oversight work, we need to remain observant with regard to these trends and caution in time. It is clear, therefore, that, while globalisation creates new opportunities for growth and employment, it also brings challenges and problems such as job displacement and job losses, as well as increased stresses and tensions at the workplace.

However, it is important to be part of the trade and investment flows of the global economy. If we decide not to participate in these flows, we will remain as primary commodity exporters. Our efforts to improve in the beneficiation of resources such as diamonds, gold, and others that we are so blessed with, will go a long way to ensure that, while we produce the skills, we also create the opportunities for employment. Our legislative framework makes it possible for us to achieve these objectives. I believe that there is nothing wrong with our labour laws.

Finally, we welcome the announcements that have been made by the Minister of Finance toward economic services. We believe that the allocation of R17 billion for industrial development promotion, BEE, and small business development as well as the R1,2 billion for science and technology will go a long way to place us favourably in the global economy.

I just want to finally respond to the hon member Lowe from the DA, who will never finish any discussion without blaming affirmative action. He also wants us to forget the past. I am sure that we need to give him a bit of education, so that he can understand the reasons why we put affirmative action in place. It was precisely to deal with those imbalances that he wants us to quickly forget now. [Applause.] He talks about an education system that is poor. It is precisely that poor education system that has put us in the situation where we are, where we do not have the requisite skills. [Interjections.]

Mr C M LOWE: Madam Chairperson, I wonder if the hon member would take a question about the education system, seeing that he has so much to say? I would like to put a question to him. Thank you.

The HOUSE CHAIRPERSON (Ms C-S Botha): I think he is indicating that he is not going to take a question. Thank you. Please continue.

Mr M J G MZONDEKI: He fails to do that in the committee, so he can't do it here.

The progressive laws in our country are in no way a reason for the people that decide to leave our country. There are countries that actually envy the laws that we have in our country. There is no way that, as the ANC, we are going to move away from the Employment Equity Act, which put this country where it is. Thank you. [Applause.]

Debate concluded.

The House adjourned at 16:49.

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

ANNOUNCEMENTS:

National Assembly and National Council of Provinces

The Speaker and the Chairperson

1. **Classification of Bill by Joint Tagging Mechanism**

   (1) The Joint Tagging Mechanism, on 1 March 2007 in terms of Joint Rule 160(6)(b), classified the following Bill as a section 75 Bill:

   (a) ***South African Judicial Education Institute Bill*** [B 4—2007] (National Assembly—sec 75).

TABLINGS:

National Assembly

1. **The Speaker**

(a) Report of the Public Service Commission on the Evaluation of Performance and Compliance with the *Batho Pele* Principle of Access—October 2006 [RP 233-2006].

(b) Report of the Public Service Commission on the Evaluation of Performance and Compliance with the *Batho Pele* Principle of Redress—October 2006 [RP 234-2006].

PROCEEDINGS OF THE NATIONAL ASSEMBLY

The House met at 14:02.

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

ANNOUNCEMENTS, TABLINGS, AND COMMITTEE REPORTS—see col 1299.

NEW MEMBER

(Announcement)

The SPEAKER: Order! I have to announce that the vacancy which occurred owing to the death of Mr Z J Kati on 29 September 2006 has been filled with effect from 28 February 2007 by the nomination of Ms N M Twala.

OATH

Ms N M Twala, accompanied by Ms E Ngaleka and Mr N B Fihla, made and subscribed the oath, and took her seat.

NOTICES OF MOTION

Mr M SWART: Madam Speaker, I hereby give notice that I shall move on the next sitting day of the House:

> That the House debates the practical application of the policy of the Department of Environmental Affairs and Tourism in respect of the allocation of long-term fishing rights and the resulting impoverishment of hundreds of fishermen and their families.

The ACTING CHIEF WHIP OF THE MAJORITY PARTY: Madam Speaker, I hereby give notice that I shall move on the next sitting day of the House:

> That the House debates the 50th anniversary of the independence of Ghana and its significance for Africa today.

CONDOLENCES EXTENDED TO FAMILIES WHO LOST LOVED ONES IN EASTERN CAPE FLOOD

(Draft resolution)

The CHIEF WHIP OF THE OPPOSITION: Madam Speaker, I move without notice:

> That the House extends its condolences to the families who lost loved ones in the floods that have devastated the Eastern Cape since 3 March 2007, and expresses the hope that they can find the strength to overcome this tragedy.

Agreed to.

CONGRATULATIONS TO ANTON HAIG

(Draft Resolution)

Mr M J ELLIS: Madam Speaker, I move without notice:

> That the House—
>
> (1) congratulates South African golfer Anton Haig on his historic victory in the Johnny Walker Classic Golf tournament at Phuket, Thailand; and
>
> (2) notes that Anton Haig is the youngest person ever to win this tournament and wishes him well in his future career.

Agreed to.

GHANA CELEBRATING 50 YEARS OF INDEPENDENCE

(Draft Resolution)

Mrs R A NDZANGA: Madam Speaker, I move without notice:

> That the House—
>
> (1) notes that today, 6 March 2007, Ghana is celebrating 50 years of independence from Britain;

(2) further notes that Ghana's independence gave great impetus to the decisive struggle for freedom and independence throughout Africa—freedom from colonial rule;

(3) recalls that this act asserted the ancient pride of the people of our continent and gave us hope and conveyed the message that the long interregnum of humiliation was over;

(4) further recalls that Ghana's founding fathers recognised the challenge that their freedom and independence would be meaningless unless it is linked with the total liberation of the African continent;

(5) believes that the new challenges confronting us today demand of the people of Africa to unite in action to work for the further strengthening of the African Union and Nepad as we pursue the goal of a peaceful, democratic, prosperous, healthy and stable continent fully living up to its promise and potential;

(6) calls upon all humanity to celebrate together with the people of Ghana and to unite in the struggle for the entrenchment of the culture of human rights and the eradication of poverty in Africa and the world; and

(7) extends its congratulations to the people of Ghana on the historic occasion of the 50th anniversary of their independence.

Agreed to.

SOUTH AFRICA ASSUMES PRESIDENCY OF UN SECURUTY COUNCIL

(Draft Resolution)

Ms F HAJAIG: Madam Speaker, I move without notice:

That the House—

(1) notes that last week, on Thursday, 1 March 2007, South Africa assumed the presidency of the United Nations Security Council;

(2) believes that, coming two months after our assumption of a non-permanent seat on the United Nations Security Council, this responsibility is indeed an honour for our government and the people of our country;

(3) further believes that our country will use this opportunity to work with all members of the Security Council to ensure a collective response to the global challenges and placing the United Nations at the centre of the process of resolving the challenges facing humanity; and

(4) congratulates our government on assuming this important responsibility on behalf of our country and our people.

Agreed to.

AFRICA FORUM ON FIGHTING CORRUPTION

(Draft Resolution)

The ACTING CHIEF WHIP OF THE MAJORITY PARTY: Madam Speaker, I move without notice:

That the House—

(1) notes that last week, from 28 February to 2 March 2007, the government of the Republic of South Africa (RSA), the African Union Commission (AUC) and the United Nations Economic Commission for Africa (ANECA) co-hosted the Africa Forum on Fighting Corruption (AFFC);

(2) further notes that about 300 par-

ticipants from all over Africa, comprising ministers, parliamentarians, anticorruption agencies, civil society, regional economic communities, former African heads of state and international organisations—including donors —attended the forum;

(3) recalls that the main objective of the forum was the consolidation of African anticorruption initiatives as Africa needs to pursue a common understanding of corruption within the continent and globally in order to advance the African agenda;

(4) further recalls that the forum is a precursor to the Global Forum V on Fighting Corruption and Safeguarding Integrity, which will be hosted by South Africa in April 2007 and that the African anticorruption agenda needs to be promoted at the Global Forum V on Fighting Corruption and Safeguarding Integrity; and

(5) calls on all South Africans, the private sector, civil society and all government departments to applaud, actively support and promote the collective efforts by African governments to consolidate anticorruption initiatives in all our countries.

Agreed to.

LOCAL GOVERNMENT DEMONSTRATION AND UNLAWFUL BEHAVIOUR

(Member's Statement)

Dr M SEFULARO (ANC): Thank you, Madam Speaker.

ANC e etse tlhoko maemo a a sa iketlang mo dikarolong dingwe tsa porofense ya Bokone Bophirima. Re le Palamente ga re itumelele gore baeteledipele ba megwanto e le balatedi ba bona ba ikgatholosa dikomiti tsa dikgaolo le ditheo tse dingwe tse di tlhomilweng go ya ka Molaotheo wa naga le melao e e tshwanang le Municipal Systems Act le Municipal Structures Act.

Re le ANC, re tshegetsa ditshwanelo tsa baagi botlhe go tshwara dikopano, go bua ka tokologo, go ipelaetsa le go dira ditshupetso ka ntlha efe kgotsa efe e e ba tshwenyang. Se re se nyatsang le go se kgalema ke mokgwa wa go dirisa ditshwanelo tse tsa demokerasi go tsweletsa bosenyi, tlhaselo go batshabi le baagi ba Aforika Borwa ba ba tswang dinageng tse dingwe, le tshenyo ya dithotho le tsa batho ba ba senang molato.

Re kgwela mathe maiteko afe kgotsa afe a a sa yeng ka demokerasi a go fetola dikhansele tsa bommasepala kgotsa go tlosa baemedi ba ba tlhophilweng ka 1 Mopitlwe 2006. Re kgalema, re sa kgale mathe ganong, botlhe ba ba tlhaselang le go tshosetsa makhanselara le ba malapa a bona. Ka jalo, re ipelatsa go matsholo tshireletso le makgotla a bosiamisi go sireletsa setšhaba le go otlhaya botlhe ba ba tlolang molao le go gataka ditshwanelo tsa ba bangwe. Ke a leboga. [Legofi.] *(Translation of Setswana member's statement follows.)*

[The ANC is monitoring a tense situation in some parts of the North West province. We are not happy, as Parliament, about the fact that the leaders and the supporters of this protest ignore the ward committees and other government structures which were established as enshrined in the Constitution of our country, and other laws such as the Municipal Systems and Municipal Structures Acts.

The ANC supports the rights of all citizens to exercise their freedom of expression, to hold meetings and demonstrations about any issue on which they need clarity. However, we condemn the abuse of democratic rights. We would like to warn anyone who commits crime, launches attacks on refugees and South African citizens and vandalises the property of innocent people.

We would like to condemn, in the strongest possible terms, the undemocratic processes which are followed to replace leaders and unseat municipality councillors who have been elected on 1 March 2006. We would also like to further warn strongly all those who are attacking and harassing councillors and their families. Therefore, we are making an appeal to the police and the justice system to protect the nation and to punish all those who do not abide by the law and violates the rights of others. Thank you. [Applause.]]

AGGRESSIVE MANNER OF MINISTER JORDAN TOWARDS AFRIKAANS AND NAME CHANGES

(Member's Statement)

Mev D VAN DER WALT (DA): Mevrou die Speaker, die aggressiewe trant van die Minister van Kuns en Kultuur, Dr Jordan, se onlangse omstrede uitlatings oor Afrikaanse plekname is direk teenstrydig, eerstens, met die gees van die Grondwet van Suid-Afrika, en tweedens met die visie van sy eie departement wat dit ten doel het om nasiebou te ontwikkel en te beskerm.

As beskermheer van bogenoemde, wanneer, vra ek die Minister, gaan hy wegbeweeg van 'n "ons" en 'n "hulle" mentaliteit en hyself daarna streef om na Suid-Afrikaners te verwys as "ons"? Ek verwys u weereens na die 1947 Afrikaanse vertaling van *Nkosi Sikelel' iAfrika*, en ek haal aan:

> Ek kyk en sien die skare voor my staan;
> Zoeloe en Kosa, Soeto en Sjangaan, en ek,
> 'n blanke . . . vele volkre, ja . . .
> almal verenigd om Gods seën te vra op
> net een tuiste, net een vaderland,
> want die Alwyse het ons saam geplant
> en . . .
> saam laat worstel in Suid-Afrika. . .
> seën, Heer, die land wat vele volke dra.

Die Minister skuld hierdie groep mede-Suid-Afrikaners 'n verskoning vir sy onsensitiewe en ondeurdagte uitlatings. Ek dank u. [Applous.] *(Translation of Afrikaans member's statement follows.)*

[Ms D VAN DER WALT (DA): Madam Speaker, the aggressive tone of the recent controversial pronouncements by the Minister of Arts and Culture, Dr Pallo Jordan, on Afrikaans place names is in conflict, firstly, with the spirit of the Constitution of South Africa, and secondly with the vision of his own department, whose aim it is to enhance and protect nation-building.

I ask the Minister, as custodian of the above-mentioned department, when he intends to move away from an attitude of "them" and "us", and when he will strive to refer to all South Africans as "us"? I refer once again to the 1947 Afrikaans translation of *'Nkosi Sikelel' iAfrika*, and I quote:

> Ek kyk, en sien die skare voor my staan;
> Zoeloe en Kosa, Soeto en Sjangaan, en ek,
> 'n blanke . . . vele volkre, ja—
> almal verenigd om Gods seën te vra
> op net een tuiste, net een vaderland,
> want die Alwyse het ons saam geplant
> en saam laat worstel in Suid-Afrika.
> 'Nkosi Sikelel' i-Afrika'—
> seën Heer, die land wat vele volke dra".

The Minister owes this group of fellow South Africans an apology for his insensitive and ill-considered pronouncements. Thank you. [Applause.]]

FIFTIETH ANNIVERSARY OF GHANA'S INDEPENDENCE

(Member's Statement)

Mr M B SKOSANA (IFP): Madam Speaker, if I was in the House of Commons in Britain I would have said that my learned friend who spoke about Ghana just shot my fox, but because this is South Africa, I will continue. [Laughter.]

Today the IFP joins President Thabo Mbeki and Foreign Affairs Minister Nkosazana Dlamini-Zuma in celebrating with the leadership and people of Ghana their 50th

anniversary of freedom and independence from British colonial rule.

The authors of African nationalism in the 20th century in 1965 wrote that as he was leaving the United States of America in 1945, after 10 years of study and hardship, and his ship passed the Statue of Liberty, Kwame Nkrumah, with misty eyes vowed: "I shall never rest until I've carried your message to Africa." Indeed, 12 years later, on 6 March 1957, Ghana became a free and independent country. True to his quest for a united Africa, Nkrumah called the Conference of Independent African States, which met in Accra, Ghana, in 1958.

Like most of his African-American contemporaries, among others Tom Boya, Nnamdi Azikiwe, Julius Nyerere, George Padmore and W E B Du Bois, Nkruma believed that the African personality, cultures and identities had been traumatised and adulterated in the name of civilisation; that self-government of a free and independent Africa would restore the collective historical consciousness so impaired by colonial rule. Thank you. [Applause.]

DETERMINATION OF PAROLE AND CORRECTIONAL SUPERVISION

(Member's Statement)

Mr D V BLOEM (ANC): Madam Speaker, I wish to bring to the attention of this House and the public at large that the parole boards, and not the Minister of Correctional Services, have the competency and prerogative to consider and make recommendations on parole and correctional supervision. This is in line with the policy and legal imperatives, as outlined in the Correctional Services Act, which states that inmates, or any person nominated to represent them, can make a submission or an application to the department's Case Management Committee for parole or correctional supervision.

It is the duty of the Case Management Committee, therefore, to advise on, or refer qualifying parole cases to the parole boards, which are constitutional structures comprising members of the community, representatives of justice and of safety and security. Only the parole boards are vested with the powers to grant or decline parole, for stipulated reasons.

It is only when a decision not in favour of the request for parole has been made by the parole boards that inmates can write to the Minister to request a review of the parole decision, citing valid reasons. In that instance, the Minister will write to the parole review board for a review of the decision. However, the review board's decision to uphold or overturn the earlier decision of the parole boards is final and binding. After this process no further applications are made for another decision.

It is therefore incumbent upon us—public representatives—to educate the public of South Africa about the pieces of legislation that this House passes. And it is for this reason that we support the public education campaign of the department to raise awareness about these core functions, especially those related to the role of parole boards and the processes of granting parole and correctional supervision.

The SPEAKER: Order! Hon member, your minute has expired.

Mr D V BLOEM: We also commend the Minister for ensuring that the public knows about it. Thank you very much. [Time expired.] [Applause.]

MURDER OF SHELDEAN HUMAN

(Member's Statement)

Mr J BICI (UDM): Madam Speaker, the UDM extends its condolences to the parents and family, as well as the classmates, of seven-year-old Sheldean Human, who was discovered murdered yesterday. Our thoughts and prayers are with them during this time of bereavement.

After two weeks of trepidation and hope, the worst possible news broke yesterday. We

draw a small degree of comfort from the fact that the police have a suspect in custody, and that he apparently confessed. Justice must follow swiftly so that guilty persons can be locked up and the keys thrown away.

We are horrified by the regularity of these despicable crimes against children in our country. A democratic and caring society cannot tolerate the presence of these predators in our midst. Yes, there are many broad strategies against crime in general, but the question needs to be asked: "What is the government doing specifically and efficiently to counter these particular crimes?" Thank you.

The SPEAKER: The FF . . . Plus! [Laughter.]

NATIONAL CIVIL SAFETY AND SECURITY ACTION

(Member's Statement)

Mnr P J GROENEWALD (VF Plus): Dankie, mevrou die Speaker, die "Plus" is belangrik! [Tussenwerpsels.]

Die Grondwet van Suid-Afrika bepaal in artikel 205(3) die taak van die Polisiediens is om misdaad te bestry en om die inwoners van die land asook hulle eiendom te beskerm en te beveilig. Dit is hoekom mense belasting betaal. Die regering kom egter nie sy grondwetlike plig na nie.

As 'n mens met die agb Minister van Veiligheid en Sekuriteit daaroor praat, sê hy jy moet ophou kla of die land verlaat. Inwoners moet hulself beveilig en self hulle eiendom beskerm.

In dié verband het die VF Plus ook die inisiatief geneem en onder leiding van sy Gauteng-leier, mnr Jaco Mulder, die Nasionale Burgerlike Veiligheid- en Sekuriteitsaksie gevestig.

Hierdie artikel 21-maatskappy sonder winsbejag het ten doel om gemeenskappe te aktiveer om saam te staan teen misdaad, om gemeenskappe te bemagtig om misdaad op proaktiewe wyse te beveg en om slagoffers van misdaad te ondersteun. In kort is die missie om deur middel van 'n nasionale inisiatief burgers van die land, ook in die buiteland, te mobiliseer tot 'n geïntegreerde veldtog vir die herstel van wet en orde.

Omdat die regering te sleg is om misdaad te bestry word die publiek gevra om hierdie inisiatief te ondersteun, en meer inligting kan verkry word by www.nacissa.org.za. [Tussenwerpsels.] Ek dank u. [Tussenwerpsels.] *(Translation of Afrikaans paragraphs follows.)*

[Mr P J GROENEWALD (FF Plus): Thank you, Madam Speaker, the "Plus" is important. [Interjections.]

The Constitution of South Africa stipulates in section 205(3) that the tasks of the police services are to combat crime and to protect and secure the inhabitants of the Republic and their property. That is why people pay taxes. This government is, however, not performing its constitutional duty.

If one speaks to the hon Minister of Safety and Security about that, he tells you to stop complaining or to leave the country. The inhabitants must safeguard themselves and protect their property.

In this regard the FF Plus have also taken the initiative and under the leadership of its Gauteng leader, Mr Jaco Mulder, established the National Civil Safety and Security Action.

This non-profit seeking section 21 company aims to activate communities to stand together against crime, to empower communities to fight crime in a proactive manner and to support the victims of crime. In short, the mission is to mobilise the citizens of the Republic, including those abroad, through a national initiative into an integrated campaign for the restoration of law and order.

Because the government is too feeble to combat crime the public is being asked to support this initiative, and more information can be obtained at www.nacissa.org.za. [Interjections.] I thank you. [Interjections.]]

WISHING FATHER KIERAN CREAGH A SPEEDY RECOVERY AND SUPPORTING THE FIGHT AGAINST CRIME

(Member's Statement)

The ACTING CHIEF WHIP OF THE MAJORITY PARTY (ANC): Madam Chair, I am deployed to the ANC parliamentary constituency office in Atteridgeville in the Tshwane Metro, together with the hon Lulu Xingwana and the hon Richard Ntuli. On Thursday, 1 March 2007, we were shocked to hear that Father Kieran Creagh had been shot twice outside his house at Leratong Hospice in Atteridgeville West.

Father Kieran, a Catholic priest from Dublin, Ireland, was instrumental in setting up and running the hospice. He has also volunteered to be injected with a trial HIV vaccine. In 2004 he was named Irish International Personality of the year. On Sunday, Dr Gwen Ramokgopa, the Mayor of Tshwane, ward councillor Antoinette Swart and I visited Father Kieran's father, Jim, and his brother, Paul.

The spirit of ubuntu that pervades his work was evident from the moving way in which they described his commitment to the hospice and the community of Atteridgeville West. The SA Police Service in Atteridgeville has given the assurance that they, working together with the members of the community, will leave no stone unturned to get to the bottom of this terrible crime.

We call upon all members of the community to answer the call made in the ANC 8 January Statement to participate in an extensive mass campaign to mobilise communities to assume leadership in the struggle for peace, stability and safer places to live by strengthening partnerships between communities and the police services, and between the public and private sectors, and by intensifying the struggle against the causes of crime.

We wish Father Kieran a speedy recovery, and would like to say to the entire Creagh family that they are in our thoughts and prayers. We pledge our support to the patients, staff and board of Leratong Hospice during this difficult time. [Applause.]

BUILDING OF SCHOOL AND DESTRUCTION OF WETLAND AREA

(Member's Statement)

Moulana M R SAYEDALI-SHAH (DA): Chairperson, the decision by the ANC-run Nelspruit municipal Town Council to bulldoze and destroy a wetland area in order to build a school speaks of a flagrant disregard for proper procedure and relevant legislative requirements. Specifically, no environmental impact assessment was undertaken and no environmental management plan was drafted. The consequence is that the entire exercise was, in fact, illegal.

While the DA understands the necessity for relocating the school in order to make way for the 2010 Mbombela Stadium, this incident is completely unacceptable. Those individuals responsible must now be brought to account. It is simply no good to impose a general and relatively small fine on the municipality.

Both the Ministers of Local Government and Environmental Affairs must take urgent action and find out who in particular, was responsible and what action was taken against them specifically. If none, they must move to make an example of them.

There is a culture, I might add, of unaccountability that has come to define the ANC government's management style. Too often mismanagement is simply glossed over and dismissed. The country's rules and regulations mean nothing, unless there is a strong leadership to support and implement them. Thank you. [Applause.]

PREVENTION OF ILLEGAL MONEY LENDING BY LOAN SHARKS

(Member's Statement)

Mnr C T FROLICK (ANC): Mevrou die

Voorsitter, die praktyk van onwettige geldvoorskietery in arm gemeenskappe moet kortgeknip word ten einde te verseker dat kwesbare groepe, soos vroue en kinders, beskerm word teen uitbuiting en finansiële verwaarlosing.

Persone wat dié praktyk toepas, of te wel die sogenaamde skoppers, wat hulle skuldig maak aan hierdie wanbedryf, skiet gewoonlik teen buitensporige hoë rentekoerse geld, kos of alkohol voor aan ontvangers van maatskaplike toelae. Dit word gedoen met die voorvereiste dat so 'n persoon se identiteitsdokument, bankkaartjie en maatskaplike toelaekaart aan die skopper oorhandig moet word as 'n waarborg dat die lening terugbetaal sal word.

Die gevolg is dat die ontvangers van maatskaplike toelae wat betrokke is by hierdie wanpraktyk nie meer in besit van hul persoonlike items is nie, en oorgelewer word aan manipulasie van die geldvoorskieter. Gevolglik kan sulke mense nie in aanmerking kom vir die regering se armoedeverligtingsprogramme en gratis munisipale dienste nie.

Verlede week het 'n lid van die gemeenskap 'n plastieksak vol persoonlike dokumente, insluitende identiteitsdokumente en bankkaarte, by my kiesafdelingkantoor kom inhandig nadat dit in 'n vullishouer gevind is. Die samewerking van die plaaslike polisie en amptenare van die Departement van Maatskaplike Ontwikkeling het daartoe gelei dat twee persone wie onwettig geld voorskiet aangekeer is en eendag sal hulle in die hof verskyn op 'n reeks aanklagte van bedrog. Die ANC doen 'n beroep op alle ontvangers van maatskaplike toelae om die geld op 'n verantwoordelike wyse aan te wend om hulle lewensomstandighede te verbeter, en nie die prooi te word van gewetenlose skurke nie. Ek dank u. [Applous.] *(Translation of Afrikaans member's statement follows.)*

[Mr C T FROLICK (ANC): Madam Chair, the practice of illegal money lending in poor communities must be stopped in order to ensure that vulnerable groups, such as women and children, are protected against exploitation and financial neglect.

People who practice this, the so-called loan sharks, who are guilty of this malpractice, usually advance money, food or alcohol at exorbitantly high interest rates to the recipients of social grants. This is done on condition that such a person's identity document, bank card and social grant card are handed over to the loan shark as a guarantee that the loan will be repaid.

The result is that the recipients of social grants who are involved in this malpractice are no longer in possession of their personal effects, and are subject to the manipulation of these loan sharks. As a result such people cannot qualify for the government's poverty alleviation programmes and free municipal services.

Last week a member of the community came to hand in a plastic bag filled with personal documents, including identity documents and bank cards, at my constituency office, after it had been found in a rubbish bin. The co-operation of the local police and officials from the Department of Social Development led to the arrest of two people who advance money illegally and one day they will appear in court on a series of fraud charges. The ANC calls upon all recipients of social grants to use the money in a responsible manner to better their living conditions, and not to fall prey to such unscrupulous thugs. Thank you. [Applause.]]

The HOUSE CHAIRPERSON (Ms C-S Botha): Before I call the IFP, could the DA remain slightly quieter? Thank you.

LANGUAGE EQUALITY AND PROTECTION IN THE CONSTITUTION—MULTILINGUALISM

(Member's Statement)

Mr V B NDLOVU (IFP): Wenza kahle-ke

impela. [You are absolutely doing the right thing.] Deputy Chair, the IFP knows that the FW de Klerk Foundation and the Premier of Western Cape have recently reached an agreement to respect and uphold the language rights of non-English-speaking police officers in the Western Cape.

The original case was brought by the foundation after complaints by the Afrikaans-speaking officers. This was the result of an unconstitutional order by the Boland Area Commissioner four years ago that only English must be used by police officers for internal communication purposes. The IFP welcomes this agreement but deplores the fact that the foundation had to threaten court action before an amicable settlement could be reached. Surely, the authorities must have known that the original order was unconstitutional and illegal? It was also a contravention of standing national police orders.

Furthermore, the Constitution protects South Africa's 11 official languages and places them on an equal footing. It also promotes multilingualism and especially promotes indigenous languages. This constitutional protection is not optional and open to different interpretation. It is cemented in the Constitution. The IFP therefore calls on the government to accelerate the promotion of multilingualism, especially the promotion of indigenous languages in all organs of state. Thank you.

WOMEN'S ECONOMIC EMPOWERMENT WORKSHOP HELD IN LENASIA

(Member's Statement)

Mr S J NJIKELANA (ANC): Chairperson, an economic empowerment workshop which was a joint effort between Lenasia, Palestine and Kliptown parliamentary constituency offices and the Department of Trade and Industry was held for 280 women in Lenasia in the deep South last month. This workshop was a follow-up to the one held at Orange Farm last year, which was attended by 349 women. The focal point was to expose women and other marginalised sectors to government services that are aimed at empowering them economically.

Whilst around 25 officials from various government departments participated in last year's workshop, the one held this year resolved to establish a business forum for women in the deep South and develop a long-term programme on economic empowerment that goes beyond the mere running of workshops.

Fellow MPs, we need always to be mindful of the ANC's commitment to the creation of material and cultural conditions that would allow the abilities of women to flourish and enrich the life of the nation. This was also a response to the President's call in his state of the nation address last year which emphasised paying particular attention in this regard to broad-based black economic empowerment and the development of women and the youth.

As I stand here, I wholeheartedly salute all the women who worked with me to make this endeavour a resounding success; the Department of Trade and Industry, particularly Deputy Minister Elizabeth Thabethe; MPs Vadi, Dr Ebrahim Saloojee, Mazibuko and Prof Mohamed. Ndiyabulela. [Thank you.] [Applause.]

DEATH OF SHELDEAN HUMAN AND SAFETY OF CHILDREN

(Member's Statement)

Mr M WATERS (DA): Chair, the terrible death of seven-year-old Sheldean Human is yet another sad reminder that no child in South Africa is safe from sexual and violent predators. The DA sends its deepest condolences to her family.

Real South Africa and E-Block Watch are declaring Friday a pink day in remembrance of Sheldean as it was the colour she wore on the day of her abduction. Flowers are also to be laid at the gates of Parliament.

But we must not forget the three children that are murdered every day in our country, and that's according to official government figures. There are practical and affordable steps that the government, the private sector and concerned residents can take to protect children better. The first few hours after a child goes missing are the most crucial. It is during this period that we need to implement targeted intervention strategies.

The DA released a policy in 2005 outlining proposals that could be used in combating this scourge and we propose the following, firstly, that a voluntary partnership between the police and cellphone companies be adopted using photos and SMS messages: cellphone users in the area where the child was reported missing would then receive the information first and the circle would widen as time progressed; secondly, that a similar partnership between the police and broadcasters be set up so that as soon as radio stations in the vicinity of a reported abduction receive an alert from the police, they will immediately broadcast all available information about the child and the alleged abductor; thirdly, that in large shopping centres and retail stores, procedures should be put in place to immediately alert customers and staff to a child reported missing.

We also propose a compulsory inclusion of fingerprints on birth certificates after the age of one year to be included on a national database linked to the SAPS. Finally, we propose using chips and street bags and cool drink cans to raise awareness of both children and parents about the safety of children. Thank you very much. [Applause.]

DOUBT CAST ON ABILITY TO HOST SOCCER WORLD CUP

(Member's Statement)

Mr M M DIKGACWI (ANC): Madam Chair, late last year certain sectors of society persisted in casting doubt on the ability of our country to meet the guarantees to host the Fifa 2010 Soccer World Cup. At the time the focus was on the progress made in the awarding of tenders for construction and the upgrading of the venues earmarked to host this prestigious event.

No effort was spared in driving a concerted campaign to undermine the sterling work done in preparation for the event, and this went so far as to suggest that our country was at risk of losing the host status for the event.

The confidence displayed by Fifa executive and by President Sepp Blatter in our country's ability to host a successful event is simply ignored by the prophets of doom. It is thus not surprising that the hon Leon could not resist the temptation in his weekly on-line publication self-righteously to cast aspersions of corruption on the tender and bidding process for the construction of the stadium in the Nelson Mandela municipality.

The Local Organising Committee, through the National Treasury, provided technical support to municipalities to ensure that all provisions of the Public Finance Management Act and the Local Government: Municipal Finance Management Act were adhered to. The final decision remains the responsibility of the municipality after meeting the requirements.

It is surprising that more often when black people get to be involved in business, some sections of our society raise the flag of corruption, even before establishing the facts on the ground. They are more interested in creating negative perceptions about black people than about finding and telling the truth. Ilo ndaba! [That is the problem.] Thank you. [Time expired.] [Applause.]

The HOUSE CHAIRPERSON (Ms C-S Botha): Two parties did not use their opportunity for making statements. The ANC has another opportunity.

COMMUNITY CENTRES AND SERVICES IN BOLUBEDU

(Member's Statement)

Manana C NKUNA (ANC): Muchaviseki

Mutshami wa Xitulu inkomu. Hi siku ra 3 ra n'hweti ya Nyenyankulu lembe leri, Muprimiya wa xifundzankulu xa Limpopo, yena Tatana Sello Moloto u simekile multi-purpose community centre endhawini leyi vuriwaka Mukwakwaila, etikweni ra Hosi Mudjadji. Eku sunguleni xikongomelo xa muako lowu a kuri ndhawu ya vutiphini hi ku hambana hambana ka byona, ku nga ri vukorhokeri bya tiko.

Hofosi ya Palamende eka Mokwakwaila, mfuno wa xikaya kunye na Ndzawulo ya Vuhlanganisi va endlile leswaku muako lowu wu va wa vukorhokeri bya vaaka-tiko hi lembe ra 2005. Tindzawulo leti kumekaka eka vukorhokeri lebyi hi ti, i Ndzawulo ya Vutisirheleli na Ndzawulo ya Swa Nhlayiso kasi tindhzawulo leti taka kan'we hi vhiki hi leti, Ndzawulo ya Swa Mintirho, Ndzawulo ya Makhotso, Ndzawulo ya Timhaka ta Xikaya na Ndzawulo ya Swa Vutleketli. Tindzawulo leti ti nga ri ki kona i Ndzawulo ya Dyondzo, ya mintirho, ya rihanyo ni ya mati.

Holobye wa xifundzankulu xa Limpopo u komberile no hlohlotela vaaka-tiko ku tirhisa vukorhokeri lebyi. U tlhele a vula leswaku ku akiwa ka patu ra xikontiri swi ta engetela vukorhokeri na mingingiriko eBolubedu. Inkomu. *(Translation of Xitsonga member's statement follows.)*

[Mrs C NKUNA (ANC): Thank you, hon Chairperson. On 3 March this year, the Premier of Limpopo, hon Sello Moloto, launched a multipurpose community centre at a place called Mukwakwaila, in the jurisdiction of Chief Mudjadji. The initial purpose of this institution was to provide various entertainment activities and not to provide community services.

The local Council at Mukwakwaila, the local government and the Department of Communications turned this building into a community service centre in 2005. The Departments of Defence and of Social Services are represented in this building, while those of Labour, Correctional Services, Home Affairs and Transport only come once a week. The Departments of Education, Public Works, Health and Water Affairs and Forestry are not catered for.

The Premier has asked and encouraged community members to make use of these services. He also said that the construction of a tarred road would further enhance service delivery as well as other activities at Bolobedu. Thank you.]

SUSTAINABILITY FOR ENVIROMENTAL POLICY ON GLOBAL WARMING

(Member's Statement)

Mrs S V KALYAN (DA): Chairperson, there is no doubt that, as a country, we need to change our attitude and mindset in relation to the natural environment. Our resources are running out fast. Water, land and air pollution is on the increase. The drastic impact of global warming and climate change is there for all to see, and its effect continues to threaten the very survival of both animal and human life. Put plainly, we are living on borrowed time unless we put the issue of climate change high on the country's agenda. Surely it can't be business as usual?

The DA therefore calls on government to formulate and implement a vigorously sustainable green policy, actively seeking the co-operation of all relevant stakeholders, including the private and government sectors. [Applause.]

DETERMINATION OF PAROLE AND CORRECTIONAL SUPERVISION; GOVERNMENT COMMITTED TO FIGHTING CRIME''

(Minister's Responses)

The MINISTER OF CORRECTIONAL SERVICES: Chairperson, I am rising on two matters. One, on the issue of parole and correctional supervision. I do want to thank the chairperson of the portfolio committee for assisting in spreading the message of

parole and correctional systems to all the people of our country, and for the call he made on all of us as public representatives to assist communities to understand this new system of correction and rehabilitation.

It is a new system that was accepted by our Cabinet in 2005, and therefore we call upon those families to assist their offenders or inmates to understand how it works—that it doesn't work via the Minister, but via the case management systems, which they know of. It goes to parole boards and thereafter to the Parole Review Board. Should you not be happy with the decision, you can then write to the Minister who will, in turn, write to the review board. The Minister does not interfere in that.

As Minister, I will try to adhere to these systems and processes, and there will be no back door or nonprocedural requests directed to me. The integrity of this department must be protected by me and by all who work in it. Thank you very much. [Applause.]

With regard to the second matter, there is no doubt that the government of South Africa, the ANC, is committed to fighting crime and to bringing about safe and peaceful as well as stable communities. We therefore ask communities to work in partnership with our Police Service to intensify the struggle against the causes of crime and crime itself.

Therefore, our thoughts and prayers go to Father Kieran, to Sheldean and her family, and to all the families that are affected by crime. Thank you. [Applause.]

NAME CHANGES

(Minister's Response)

The MINISTER OF ARTS AND CULTURE: Madam Chairperson, the issue of name changes has been on the agenda in South Africa since 1998, when the relevant legislation was passed. Since then a number of changes of place names have been executed. During my incumbency, I have also agreed to a number of changes to place names.

Why this should be seen as an issue impacting negatively on national cohesion or nation-building still eludes me. The terms that were used by the hon speaker on the other side of the House: insensitivity, violation of the spirit of the Constitution, etc, I think, are absolutely inappropriate. Let us understand that sensitivity is not only sensitivity about the feelings and the pride of one section of our community. Every place that is occupied by human beings in South Africa had a name before Jan van Riebeeck landed here at the Cape in 1652—every place—including Cape Town itself. [Applause.] Every river had a name; every mountain had a name. We don't use those names anymore. They are not even on the maps, because those who came with Van Riebeeck and afterwards obliterated those names without one gram of sensitivity to the people who were here before. So, please, do not lecture us on sensitivity—please! [Applause.] Please don't lecture us on that.

Reconciliation means a two-way street, not a one-way street, which seems to be what the hon member proceeds from. [Time expired.] [Applause.]

CLIMATE CHANGE

(Minister's Response)

The MINISTER OF PUBLIC WORKS: Madam Chair, hon members, I just want to say about the issue of climate change that, indeed, there might be a need for engagement, particularly with the Ministry of Environmental Affairs and Tourism, together with the department.

There have been processes in which an interdepartmental committee, including researchers from other institutions, as well as academia, have looked at the South African situation with regard to climate change, at the global situation and therefore at the mechanisms we as a country can put in place

Mutshami wa Xitulu inkomu. Hi siku ra 3 ra n'hweti ya Nyenyankulu lembe leri, Muprimiya wa xifundzankulu xa Limpopo, yena Tatana Sello Moloto u simekile multi-purpose community centre endhawini leyi vuriwaka Mukwakwaila, etikweni ra Hosi Mudjadji. Eku sunguleni xikongomelo xa muako lowu a kuri ndhawu ya vutiphini hi ku hambana hambana ka byona, ku nga ri vukorhokeri bya tiko.

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The DA therefore calls on government to formulate and implement a vigorously sustainable green policy, actively seeking the co-operation of all relevant stakeholders, including the private and government sectors. [Applause.]

DETERMINATION OF PAROLE AND CORRECTIONAL SUPERVISION; GOVERNMENT COMMITTED TO FIGHTING CRIME

(Minister's Responses)

The MINISTER OF CORRECTIONAL SERVICES: Chairperson, I am rising on two matters. One, on the issue of parole and correctional supervision. I do want to thank the chairperson of the portfolio committee for assisting in spreading the message of

examples—because if you make examples in the law of interpretation it means you exclude others.

We felt it better to make the definition in the strictest sense of the definition, without reference to the amendments in this regard. In this regard, therefore, those amendments of the portfolio committee were accepted, and I think we would like to thank in particular our Acting Chief Whip who assisted greatly in terms of accepting this. We also would like to thank the parliamentary law advisers and the state law advisers in this regard. Thank you very much. [Applause.]

The ACTING CHIEF WHIP OF THE MAJORITY PARTY: Chairperson, I move that the Bill be passed.

Motion agreed to.

Bill accordingly passed.

The House adjourned at 14:50.

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

MONDAY, 5 MARCH 2007

ANNOUNCEMENTS

National Assembly and National Council of Provinces

The Speaker and the Chairperson

1. **Classification of Bill by Joint Tagging Mechanism**

   (1) The Joint Tagging Mechanism, on 1 March 2007 in terms of Joint Rule 160(6)(b), classified the following Bill as a section 75 Bill:

      (a) ***Convention on International Interests in Mobile Equipment Bill*** [B 1—2007] (National Assembly—sec 75).

The Speaker

1. **Membership of Assembly**

   (1) The following member lost his seat in the National Assembly with effect from 14 December 2006:

      Goniwe, M T.

   (2) The vacancy which occurred in the National Assembly owing to the death of Mr Z J Kati on 29 September 2006, has been filled with effect from 28 February 2007 by the nomination of Ms N M Twala.

TABLINGS

National Assembly and National Council of Provinces

1. **The Minister of Social Development**

   (a) Strategic Plan of the Department of Social Development for 2007 to 2010 [RP 23-2007].

   (b) Strategic Plan of the National Development Agency (NDA) for 2006/07 to 2010/11 [RP 15-2007].

2. **The Minister of Safety and Security**

   (a) Report of the National Commissioner of the South African Police Service (SAPS) for the period of July 2006 to December 2006, in terms of section 18(5)(d) of the Domestic Violence Act, 1998 (Act No 116 of 1998).

3. **The Minister for Agriculture and Land Affairs**

   (a) Strategic Plan of the Department of Land Affairs for 2007 to 2010.

National Assembly

1. **The Speaker**

   (a) Report of Public Protector in terms of section 8(1) of the Public Protector Act, 1994 (Act No 23 of 1994), on a complaint by Mr L Khumalo.

   Referred to the **Portfolio Com-**

in order to mitigate the situation, and also at working with other countries in managing this important issue that has been mentioned by the hon member.

I will say that if there is a further detail that is required, I think it would be proper that maybe the Committee on Environment with those who are interested may engage on this discussion to look at how far South Africa has gone in managing, as well as having foresight into, what might be required in terms of policy or regulation to ensure that we can meet this challenge, all of us.

MICROLENDERS WHO DEMAND PIN NUMBERS FROM CLIENTS

(Minister's Response)

The DEPUTY MINISTER OF TRADE AND INDUSTRY (Dr R H Davies): Chairperson, I want to respond to the statement that was made by the hon Frolick. The practice of microlenders' holding identity cards and bank cards and demanding pin numbers from clients has actually been an offence and has been a prohibited practice for a number of years. I am glad that in the particular case he mentioned, action was taken against the perpetrators.

I just want to take this opportunity to urge members who come across these practices in their constituencies to approach the police, the Micro Finance Regulatory Council, the National Credit Regulator—when that body is up and running—or to approach the department through us. This is because we are actually determined to stamp out all practices which prey on vulnerable poor people at the expense of unscrupulous moneylenders. Thank you very much. [Applause.]

CONSIDERATION OF REPORT OF MEDIATION COMMITTEE ON FOODSTUFFS, COSMETICS AND DISINFECTANTS AMENDMENT BILL

There was no debate.

The ACTING CHIEF WHIP OF THE MAJORITY PARTY: Chairperson, I move that the Report be adopted.

Motion agreed to.

Report accordingly adopted.

FOODSTUFFS, COSMETICS AND DISINFECTANTS AMENDMENT BILL

(Consideration of Bill)

The HOUSE CHAIRPERSON (Ms C-S Botha): I now call the co-chairperson of the Mediation Committee.

Mr L V J NGCULU: Chairperson, the Bill itself was presented to the Chamber and thus referred to the Mediation Committee on the basis of some of the concerns arising from some amendments relating to some specific clauses and/or definitions of the Bill itself.

I won't take much time of this House in terms of going back to the objects and other related matters of the Bill, suffice perhaps to say in particular here that the amendments that were actually proposed by the portfolio committee to the House, especially around the species of mollusc, were actually referred to the NCOP. In the NCOP amendments, I think, they made certain amendments that in practice might have tended to create problems in the implementation of the Bill.

In that regard therefore the Portfolio Committee on Health heard certain suggestions around these issues and could not technically agree with the amendments of the NCOP. Our own view in particular was around the definition of the mollusc. I don't really want to go into the detail of the scientific definitions of the mollusc for the purposes of this House, because it may not be of great interest in this regard.

But in terms of our own view as a portfolio committee, having met with the Mediation Committee on 21 February 2007, we agreed that in fact the proposal of the portfolio committee on the definition of the mollusc was more limited in terms of the definition of the species itself rather than presenting

Employer: Mr Fuernes, Argentina

Having outlined the procedures and identified other officers at the meeting, the Chairperson suspended the plenary until Monday, 6 June 2006.

4. AFRICA GROUP

The Africa Group met daily under the co-ordination of Kenya. These meetings discussed the continent's common position in the various committees, and progress and feedbacks on agreed interventions. During the discussions of the Africa group, amendments were discussed and agreed to before submission to committees. The spokesperson of different committees provided written reports of their presentations so that members could familiarise themselves with the document. Member states that would appear before the Standards Committee were expected to provide written submissions so that other member states could be able to support them.

The representation of the African group in Committees was agreed as follows:

Committee on Finance and Administration: Senegal

Committee on Employment Relations: South Africa

Committee on Occupational Safety and Health: Uganda

Committee on Technical Cooperation: Morocco

Committee on the Application of Standards: Nigeria

The group had an honour of being addressed by President Johnson-Sirleaf of Liberia.

5. Governing Body Membership

The Governing Body is the executive council of the ILO that takes decisions on policy and establishes the programme and budget of the 178 member states of the ILO. This body meets three times annually in Geneva.

The Governing Body elected Minister Mdladlana as Chairperson for the 2006/07 session. Sir Leroy Trotman, General Secretary of the Barbados Worker's Union and spokesperson of the Workers' group, was elected as Workers' Vice-Chairperson. Mr Daniel Funes de Rioja, President of the Social Policy Department of the Argentine Industrial Union, and Chairperson of the Employers' group was re-elected as Employer Vice-Chairperson.

The Governing Body also approved the Report of the ILO Committee on Freedom of Association and examined 102 cases.

Reports of the Director-General and Governing Body

Report on the changing patterns in the world of work

The report on changing patterns in the world of work provided a synthesis of the global context in which the ILO was advancing the decent work agenda. It also provided an integrated view of the multiple changes and processes in the world of work and how the ILO tools could be used, shaped and adapted to address these changes.

The report was aimed at putting experiences and knowledge about work in the global perspective. It acknowledged the centrality of

mittee on Justice and Constitutional Development for consideration.

(b) Report of the Public Service Commission on Managing Conflicts of Interest in the Public Service—2006.

COMMITTEE REPORTS

National Assembly

1. **Report of the Portfolio Committee on Labour** on the **International Labour Conference (ILO)**, dated 27 February 2007:

The Portfolio Committee on Labour, having been represented by a multi-party delegation at the International Labour Conference, reports as follows:

1. **Background**

The Committee resolved to send a multi-party delegation to attend the annual International Labour Conference (ILC) in Geneva. Ms Kasienyane (ANC), Mr BM Mkongi (ANC) and Ms H Weber (DA) accompanied by the Committee Secretary, Ms P Jayiya, attended the Conference from 12-16 June 2006. The delegation attended meetings of the Africa group, tripartite alliance, proceedings in Committees and plenaries.

2. **Introduction**

The report gives a synopsis of the proceedings of the 95th Session of the International Labour Organisation (ILO) which took place in Geneva from 31 May to 16 June 2006. The agenda consisted of standing items and items placed on the agenda by the Conference of the Governing Body, items that were dealt with by various Committees, the reports of the Director-General of the ILO, a summary of the activities of the Africa group, a summary of discussions in Committees, and instruments that were adopted at the Conference.

Standing items

- Report of the Chairperson of the Governing Body and the Director-General
- Global report under the follow-up to the ILO Declaration on the Fundamental Principles and Rights at Work
- Programme, budget and other questions
- Information and reports on the application of Conventions and Recommendations

Agenda:

- The occupational safety and health-standard setting, second discussion with a view to adopt a Convention and a Recommendation.
- The employment relationship-standard setting, single discussion with a view to adopt a Recommendation
- The role of the ILO in technical co-operation- general discussion

3. **Official opening**

The official opening took place on 31 May in Palais des Nations and was addressed by Mr Trotman (Worker Vice-President). The following people were elected as officials of the 95th session of the Conference:

President: Minister Khalil, Minister of Labour: Jordaan

Worker: Sir Trotman, Barbados

ciples and Rights at Work, adopted by the Conference at its 86th Session in 1998, is expected to table a report annually that provides a global picture that relates to one of the four categories of the fundamental principles and rights.

This year's global report focused on the effective abolition of child labour in member states that have ratified and those that have not ratified the relevant fundamental ILO Conventions, namely the Minimum Age Convention, 1973 (No. 138) and the Worst Forms of Child Labour Convention, 1999 (No. 182).

The report indicated that the involvement of children in work had declined, especially in the areas of harmful work. The highest incidences were, however, still found in Sub-Saharan Africa. According to the report, in 2004 it was estimated that out of 317 million economically active children in the world, 218 million were child labourers. Of these, 126 million were engaged in harzardous work.

The report also focused on the different policy choices governments made to address child labour and why certain countries have managed to reach a critical threshold in achieving universal education and the elimination of child labour. It concurred that coherence in policies such as poverty alleviation, provision of quality education, social protection measures, including the protection of worker rights, were important to eliminate child labour.

The report pointed out that cooperation between employers and workers was critical in the fight against child labour. Corporate social responsibility and capacity building were also identified as important elements in addressing child labour.

Mainstreaming of child labour issues was highlighted as one of the interventions in dealing with child labour. The focus was on gender mainstreaming, ie, to promote gender equality and get children back to school.

What emerged from the report was that although there was a high rate of activity in policy formulation and the adoption of plans of action, limited attention was given to the most vulnerable children, and even less to the situation of girls. It was also felt that very few governments were giving attention to forced and bonded labour. Less action was reported on improving legislation against the use, procuring or offering of children for illicit activities.

The value of Time Bound Programme (TBP) measures was discussed thoroughly in the report. The TBP is a tool that was developed to deal effectively with the worst forms of child labour. The effectiveness of the TBP could be achieved through the empowerment of key agencies and institutions, governments, organised business and labour, and non-governmental organisations (NGOs).

6. **Summary of discussions in Committees**

Committee on Freedom of Association

Special attention was drawn to the cases of Cambodia, Djibouti and Zimbabwe because of their serious and urgent nature.

work as a source of dignity and fulfilment in people's lives. Whilst work is recognised as diverse, the report alluded to the dignity of work having been devalued and thought as simply a factor of production. However, that connects with the reality of the ILO's mandate. The report stimulated a debate around issues that will contribute to the achievement of the strategic objective of making decent work a global and national reality.

The report acknowledged changes brought about by the liberalisation of trade and capital flows resulting in more workers and employers competing in a global market.

The report related to the significance of human rights as an anchor of values at work. It argued that the management of change in the workplace will depend on the quality of work organisation. It called for the balance of the need for flexibility and security which required a strong based approach to the governance of labour markets that foster social dialogue.

The item on the creation of work was part of the report. It emphasised the importance of investment and enterprise development and skills development in the creation of work.

The Director-General commended the manner in which tripartism had contributed to explaining and promoting the decent work agenda. He reiterated that although tripartism was not perfect in every country, the decent work programmes would progressively become the main instrument for co-operation by member states. He acknowledged that the ILO was faced with a challenge of stepping up its efforts in translating the global political support into policies that make decent work a national reality. He also suggested that if the decent work agenda had a connection with politics, there was a need for the ILO to assist governments and social partners to align this approach to policies and translate it into meaningful change in people's lives.

The ILO is working with multilateral, regional and individual development co-operation agencies, including the International Monetory Fund and the World Bank, to systematically integrate the objectives of productive employment and decent work in their policy dialogue .

The Director-General pointed out that while the international community was analysing and giving support to the decent work agenda, the ILO had continued its regular business of discussing, negotiating and agreeing on action on some key policy approaches to make that agenda happen. In order to respond to the challenges that might be faced, there would be a need to strengthen the capacity of the ILO. There should be a global commitment and recognition of the role that tripartism played in stabilising societies, ensuring consensus building, as well as having good industrial relations.

Global Report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work

The Director-General of the ILO, as part of the follow-up to the Declaration on Fundamental Prin-

African countries. In addition to fundamental Conventions, several technical Conventions such as those relating to indigenous people, asbestos, wages, vocational rehabilitation and employment of disabled persons, were covered. These Conventions were of great importance to achieve decent work in the context of the poverty reduction strategy.

The Committee requested the Office to adopt all possible measures to improve the situation and solve problems mentioned by governments. It further suggested that particular attention be given to countries that were registered at the Conference.

Committee on Occupational Safety and Health

The 93rd Session of the Conference decided, by resolution adopted on 15 June 2005, to place on the agenda of its 95th Session, an item entitled "Occupational safety and health" for the second discussion, with a view to adopt a Convention and a Recommendation.

The Committee, however, during the 95th session discussed Report IV (2A) on the Promotional Framework for Safety and Health which was drafted on the basis of contributions from governments, employers and workers organizations. It also focused on Report IV (2B), which contained the texts of the proposed Convention and Recommendation These were linked to other relevant ILO occupational safety and health instruments, particularly the Occupational Safety and Health Convention, 1981 (No. 155). The Convention further called for member states to consider steps that could be taken at national level to ratify and implement some key ILO occupational safety and health instruments.

The Conference adopted a resolution concerning asbestos which aimed to help prevent the unnecessary asbestos diseases and deaths in the future. This resolution reaffirmed the ILO's longstanding policy on the protection of workers from cancer-causing substances.

Committee on Employment Relationship

The Conference dealt with this important subject for the second time in three years. The aim was to examine the increasingly frequent situations in which it was difficult to establish the existence of an employment relationship. The Conference considered the possible adoption of an international labour recommendation on the basis of a draft. The main lines were drawn from the debate, general discussion and conclusions on the employment relationship which took place at the 91st session of the ILC in 2003. The draft encouraged member states, in consultation with the social partners, to formulate and adopt a national policy that aimed to guarantee effective protection for workers carrying out their work in the context of an employment relationship.

The Conference dealt with two reports as a basis for this item. The first report, namely The employment relationship, Report V (I) International Labour Conference, 95th Conference, 2006, which contained a general presentation

With respect to Cambodia, the Committee urged the government to take measures to ensure that trade union rights of workers were respected, and that trade unionists were able to exercise their activities in a climate that was free from intimidation.

In the case of Djibouti, the Committee requested the government to take measures concerning the reinstatement of trade union officials and workers who were dismissed following a strike, and to launch an independent inquiry into allegations of harassment and unfair dismissal of trade union officials.

In the case of Zimbabwe, the Committee reiterated its deep concern about the general trade union climate in Zimbabwe. It requested the government to accept a direct contact mission.

The Committee also drew the attention of the Governing Body to the case of the Islamic Republic of Iran. It urged the government to institute an independent inquiry into allegations of interrogation, threats and harassment by the Ministry of Intelligence against trade unionists and to keep it informed of the outcome.

Committee on Application of Standards

This Committee is a standing Conference Committee whose terms of reference are defined in article 7 of the Standing Orders of the Conference. Its mandate is to report on the extent to which member states fulfil their standards-related obligations.

The work of this Committee is based on the report of the Committee of Experts on the Application of Conventions and Recommendations, which is composed of legal experts from different regions of the world.

Part of the general discussions in this Committee included examining the General Survey of the Committee of Experts concerning the following:

- Labour Inspection Convention, 1947 (No. 81);
- The Protocol of 1995 to the Labour Convention, 1947 (No. 81);
- Labour Inspection Recommendation, 1947 (No. 81);
- Labour Inspection (Agriculture) Convention, 1969 (No. 129);
- Labour Inspection (Mining and Transport) Recommendation, 1947 (No.82); and
- Labour Inspection (Agriculture) Recommendation, 1969 (No. 133).

The Committee elected its officers as follows:

Chairperson: Mr Sergio Paixao Pardo (Government member, Brazil);

Vice Chairpersons: Mr Edward E Potter (Employer member, US); Mr Luc Cortebeeck (Worker member, Belgium); and

Reporter: Ms Carine Parra (Government member, France)..

The Committee's work during this session involved the examination of individual cases. Twenty-five governments were invited to discuss the implementation of the law and practice of specific ratified conventions. Of these, five were

dialogue were recognized as fundamental pillars in the design, implementation and evaluation of technical co-operation activities and in the realization of the decent work agenda. In the area of public-private partnerships, the conclusions clearly stated that the Governing Body should establish and monitor the implementation of clear guidelines and criteria for such partnerships.

Finance Committee

This Committee is responsible for discussing and concluding the budget of the ILC. The items discussed during the 95th session included the following:

- The status of the collection of contributions;
- The assessment of the contributions of new member states;
- The scale of assessment of contributions to the budget;
- The composition of the Administrative Tribunal on the ILO; and
- The programme and budget proposal for 2006/7.

7. **Instruments adopted**

The Conference adopted the following instruments:

- The Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187);
- The Promotional Framework for Occupational Safety and Health Recommendation, 2006 (No. 197); and
- The Employment Relationship Recommendation, 2006 (No. 198).

The Committee notes the following resolutions of the Conference:

- Employment Relationships;
- Resolution on asbestos; and
- Occupational Health and Safety

With respect to employment relationships the Committee resolved the following:

(1) The Committee should commission a study, with the assistance of DOL, on the impact of labour brokers in South Africa.

(2) The Committee should invite DOL to present to it all the instruments that were adopted in the 95th International Labour Conference.

(3) The budget of the Committee should be increased to allow for more members to attend the International Labour Conference.

Report to be considered.

2. **Report of the Portfolio Committee on Provincial and Local Government** on an **International Oversight Visit to Kerala, India,** dated 27 February 2007:

The Portfolio Committee on Provincial and Local Government, having undertaken an international oversight visit to Kerala, India, reports as follows:

A. INTRODUCTION

1. The Portfolio Committee on Provincial and Local Government undertook a major study tour of municipalities from 20 to 30 January 2003 covering 41 municipalities, three metro sub-councils, 7 MECs and provincial departments, 4 ward committee and

and a comparative analysis of the question, as well as a questionnaire to which governments were asked to give reasoned replies, in consultation with the representative organisations of employers and workers. The second report which consisted of Report V(2A) and Report (2B) included summaries of replies received and Office commentaries, and the proposed Recommendation to be submitted for discussion respectively.

The Recommendation, however, addressed the key issue in the world of work, and employment relations as the foundation on which most labour standards were built. The Recommendation recognizes that there were threats to the employment relationship which arose from different sources such as disguised and ambiguous employment, multiple and contractual arrangements and develops helpful responses to such threats.

The Recommendation provides for criteria, indicators and mechanisms to determine the existence of an employment relationship. It also addresses the gender dimension of the employment relationship and the challenges faced by women, as well as the cross-border movement of workers. The instrument also recognizes that laws and regulations, as well as their interpretation, should be compatible with objectives of decent work. The Recommendation laid a solid basis for future work by the ILO through guidance it gives to member states.

Committee on Technical Co-operation

Since 1999, significant changes took place in the approach and modalities for the development and implementation of ILO programmes and activities. The 2006 report of the Conference dealt with how the recent changes had affected ILO technical co-operation, and outlined the current developments in international development policies and programmes with a view to assist the Conference in making its views known on the role of technical cooperation in promoting the ILO decent work agenda.

The report dealt with trends in technical cooperation, reviewed the substantive work conducted under strategic objectives and raised cross-cutting issues of mainstreaming tripatism and gender equality. Subsequently, in reviewing the programming framework for technical cooperation, the report described the integration of technical cooperation into the system of strategic planning and budgeting, discussed reform in the United Nations (UN) system aimed at harmonizing activities and creating synergies and partnerships, assessing the needs of constituents, and described Decent Work Country Programmes.

The Committee adopted conclusions that will lead the ILO's work in the coming years, and recognized that technical co-operation was at the core of the ILO's work. The conclusions identified priorities for action and challenges ahead of the ILO. The Conference reiterated that decent work country programmes would require an active involvement of social partners and the mobilisation of financial and human resources for their operation. Tripartism and social

ters of Local Government and Finance. Meetings involved a range of stakeholders including regional parliamentarians, local government councilors, government officials, academics and elected and official functionaries. All relevant institutions and role players were readily available to share their experiences with us in meetings supplemented by books and journals.

6. The study tour was facilitated by the South African High Commission in New Delhi in conjunction with the Department of Foreign Affairs. The Committee records its appreciation to the Commission and Department and in particular Ms M L Minnie, Acting High Commissioner, Dr S George the programme coordinator and Ms Lynne Abrahams of the Parliamentary Research Unit for the valuable research material she was able to supply the delegation prior to the departure. The Committee is also especially grateful to its secretary, Mr L Brown, for the enormous amount of work he did to ensure the success of the study tour.

B. OBJECTIVES OF THE STUDY TOUR

Apart from all of the above mentioned—the main objectives of the study tour were:

- To interact with key policy makers behind the system of public participation.
- To interact with implementers and practitioners.
- To examine the systems institutional, financial, regulatory framework that underpins public participation.
- To examine the history and other contextually relevant issues that support public participation.

C. BACKGROUND ON KERALA

1. Kerala is one of India's 25 states, situated in the south-western tip of the country, with the capital Thiruvananthapuram. Critical to Kerala's governance model is the state's political and social history. It was formed in 1956, by integrating the Malayalam-speaking states of Travancore and Cochin and the British province of Malabar. Kerala's coastal area and its somewhat isolated location contributed to the State's very specific climatic, religious, socio-political and economic characteristics. Its location allowed Kerala since very early to maintain contact with foreign cultures, and kept it little affected by the many wars that took place in India (Pillai, 1994). Kerala's contact with foreign cultures in the past is still reflected in its unique pattern of religious affiliations, the most heterogeneous in India with 57% Hindus, 21,5% Christians, 21% Muslims and the remaining 0,5% Buddhists, animists and others (Pillai, 1994). Kerala combines this unique social structure in one of the most densely populated regions in the world.

public meetings, 3 urban and rural nodes, and 3 Planning and Implementation Management Support Centres (PIMS). In several districts, the local municipality representatives not only raised issues about the districts to which they belong, but also the specific challenges and other issues relating specifically to their respective local municipalities. Several, in fact, gave full reports on the conditions in their local municipalities.

2. Flowing from the study tour of 2003, a report and supplementary report was produced and adopted by Parliament (See ATC No 53—2003 dated 13 May 2003 and ATC No 69—2003 dated 6 June 2003). One of the main challenges emanating from the report was that of public participation. The Committee felt that public participation and the involvement of residents in matters of local government was of strategic significance. More importantly it is at the heart of strengthening our system of local government and requires further study. Current mechanisms were partly drawn from international experience and therefore we thought Kerala in India, being thought of as one of the pioneers in this field, would yield interesting lessons.

3. Kerala was specifically chosen because there are a number of features of the Kerala system of government that are either similar to those obtaining in South Africa, or which have a bearing on possible future developments here. The Committee's goal was to study the various dimensions of the decentralised and participatory developmental initiatives in Kerala. The Committee was keen to understand the different models of participatory development programmes currently being explored in Kerala—where huge leaps have been made in the devolution of powers and funds to local bodies.

4. Those who participated in the tour were: Mr Solomon Lechesa Tsenoli (Chairperson, African National Congress), Mr Mpho Morepye Sephwe Lekgoro (African National Congress), Mr Isaac Dank Mogase (African National Congress), Mr Willem Phillips Doman (Democratic Alliance), Mr Peter Francis Smith (Inkatha Freedom Party) and Mr Llewellyn Alexander Brown (Committee Secretary).

5. The central government and the regions (provinces) of Kerala were visited. These included visits to the Kerala Institute of Local Administration (Kila), Thrissur, Cochin, Varkala,, ,Thiruvananthapuram, the Velookkara Village Panchayat, the Thycattuseery Block Panchayat, the Perumbalam Village Panchayat, the Kudumbashree Units, the Municipal Corporation of Cochin, the Ernkulam District Panchayat and sessions with the Minis-

ters of Local Government and Finance. Meetings involved a range of stakeholders including regional parliamentarians, local government councilors, government officials, academics and elected and official functionaries. All relevant institutions and role players were readily available to share their experiences with us in meetings supplemented by books and journals.

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Kerala's experience challenges conventional business arguments that for poor regions to progress they must first have economic growth. Kerala has taken a different path. Rather than waiting to increase the State's wealth, popular movements and left-wing governments have redistributed a significant level of the existing wealth. As a result the State has achieved a broad-based basic living standard.

2. Kerala's unemployment runs about 25%. A quarter of the State GDP actually comes from remittances of Keralans working abroad. While this testifies to the high education levels achieved it also makes Kerala quite vulnerable to external events. As in much of the developing world, corporate practices have savaged the environment. Industrial fishing methods have destroyed fish stocks. Kerala has experienced major deforestation—leading the State to nationalise much of what remains. Villages have sued Coca Cola for destroying their water table through a bottling plant that extracts 1,5 million litres a day. Green revolution crops have drastically reduced biodiversity in coconut, bananas, and other plants leaving farmers highly vulnerable to changes in climate and pest conditions. Eighty-five percent of the State's cultivatable land focuses on rice and just ten cash crops. It has a population of around 32 million.

3. According to the census of 1991, the rate of literacy in Kerala is 94,59%. This literacy rate is more than double that of the country. This is attributed to the fact that throughout much of the 20th century, Kerala's people organised to bring about near first world levels of literacy, life expectancy, birth rates and infant mortality, an effective public food distribution system, a land reform that undercut the exploitation of the privileged castes, and an agricultural labourers' act that codified wages, working conditions, and benefits.

4. The Kerala Model therefore means that across the State one finds an educated population that has experienced major social reforms in recent times.

D. POLITICAL AND ADMINISTRATIVE STRUCTURES

1. India had a three-tier system of government with the centre being the national government, the State and the Village Assembly at the micro level. Other intermediary government levels (District and Block) involved in development planning processes have since been introduced.

2. Previously, government structures tended to consolidate power and authority at the centre, however recent constitutional amendments in India have decentralised power and authority to the grassroots, especially political power. Sectoral commit-

tees at village level have been created to cater for general administration, education, health and social welfare, construction and development, and those receive their mandates from the Wards (the lowest but most important units of development planning in the villages).

3. The main aim of devolution of the planning process was explained as attempting to reduce bureaucracy and to allow people to take responsibility for development. Nevertheless, villages are still dependent on the higher levels of government for financial support. The national government provides a development framework and guidelines, and is generally responsible for ensuring that development happens and that the needs of the people are met. Finances are therefore mobilised at the centre and allocated down to the state, districts, and eventually to the blocks.

4. Decentralisation aims to strengthen and promote democracy to enable local participation in development processes as well as providing transparent, accountable and responsive governance. Thus the salient features of the 73rd Amendment included the following:

- To provide a three-tier system of Panchayat Raj;
- To hold Panchayat elections regularly every five years;
- To provide reservation of seats for Scheduled Castes, Scheduled Tribes and women (not less than 33% of total seats);
- To appoint State Finance Commissions (SFCs) to make recommendations regarding the financial powers of the Panchayats, and
- To constitute District Planning Committees to prepare draft development plans for districts.

5. The new decentralised governance model is structured to provide an enabling environment for ordinary people to participate in the planning processes, especially the disadvantaged groups of the Indian society living in rural areas. Schedules 73 and 74 made allowance for what is known as the Reservation Clause. The states (provinces) have gone a long way in decentralisation though the Reservation Clause—reports received suggested a deep level of mobilisation (politically and socially). This clause provides for inclusion and representation of women and lower castes in the political structures. The representation is aimed at being proportional to the percentage population of Panchayats at all levels. In terms of the Reservation Clause, 30% of the seats and positions should be reserved for women and 10% for Other Backward Castes (OBC)

E. STRUCTURE OF PANCHAYATS

The Panchayat is an India political system that groups five villages in a quincunx (four peripheral villages around a central one). Each had appointed tasks and responsibilities, such as cart-making or basket-weaving. The central village, usually the largest of the Panchayat, traditionally handled food storage and meeting places for the officials, as well as their residence.

1. *Village Panchayat*—A Village Panchayat consists of between 1 000-5 000 voters and 10-20 members serving 10 to 20 wards. Voters in the Village Panchayat elect one member per ward to form a Village Panchayat Committee. This Committee is led by an elected Sarpanch or Village Head. In addition to this committee, residents of each village form committees to deal with local issues—these committees are coordinated by a Village Assembly. The Village Assembly is the lowest form of local government.

2. *Block Panchayat*—A Block Panchayat is composed of 10-25 Village Panchayats. Each Village Panchayat elects one member to represent it on the Block Panchayat Committee. The Block Panchayat Committee is headed by a president elected by the committee members.

3. *District Panchayat*—A District Panchayat consists of 10-25 Block Panchayat. Each Block Panchayat elects one member to represent it on the District Panchayat Committee. This committee is headed by a CEO, who must be an appointed government official (rather that an elected politician).

4. *Gram Swaraj*—Provides for village self-rule that is expressed through the Village Panchayat. The political representation at the Village Panchayat level is one way in which communities can express their development needs.

In addition to the general functions prescribed by the Constitution, the Village Panchayat also has the power to raise its own revenue by imposing local taxes, conduct social audit of programmes and schemes implemented in the village, review, monitor and evaluate local development plans and ensure that regular Village Assembly meetings are held.

F. VILLAGE ASSEMBLY (GRAM SABHA)

1. At the village level, the concept of village self-rule (Gram Swaraj) is expressed through the "Gram Sabha" or Village Assembly. Each village has a Village Assembly which is composed of seven standing committees, namely for Education, Health, Agriculture, Public Property, Infrastructure, Security and Social Justice. The specific roles and functions of these committees include:

   - Ownership of minor forest produce;
   - Approval of development plans;

- Selection of beneficiaries under various programmes;
- Consultation on land acquisition;
- Management of minor water bodies;
- Control of mineral leases;
- Regulation/control of sale of intoxicants;
- Prevent alienation of land and restore unlawfully alienated land;
- Management of village markets;
- Control institutions and functionaries in all social sectors.

2. Each committee may have up to 12 members and must elect a president. The presidents of these seven committees plus the Village Sarpanch form the Village Development Committee of the Village Assembly. This committee is responsible for coordinating development plans and priorities at village level. The Village Panchayat Committee in turn, consolidates the plans from the various villages under its jurisdiction, in the form of an annual development plan.

3. The Panchayats substantially remain only as implementing agencies and suppliers of inputs of government-conceived schemes. Resources such as budgets and staff largely remain with the government, and funds are provided to Panchayats tied to specific schemes.

G. THE PLANNING PROCESS

1. *Village Panchayat Level*

Each village elects a Village Assembly to facilitate the village level planning process. The Village Assembly (Gram Swaraj) is a statutory body that can sue and be sued. The Village Assembly prepares plans at the village level through its seven sub-committees. The Assembly meets every month with a quorum of at least one third being women. Decisions are unanimously reached. The planning process has the following essential features:

- Planning at the village level starts with ward meetings (usually attended exclusively by male household heads). During these meetings issues are raised and priorities set;
- Those priorities are then submitted to the Village Assembly for adjudication;
- Sub-committees of the Village Assembly consider the priorities and submit ideas for solutions to the Village Development committee;
- The Village Development Committee sends its consolidated plans/priorities to the Village Panchayat.;
- The Village Panchayat assesses priorities, discusses options and develops an integrated annual plan for the whole Panchayat;
- The approved plan of the Panchayat with budget is then forwarded to the

Block Panchayat and then to the District.

The Block Panchayat cannot alter the plans submitted by the Village Panchayat. The Block only exercises a monitoring role over the Village Panchayat. The Village Assembly sometimes receives direct projects or programmes from the Block Panchayat for approval and implementation. In such cases it is the responsibility of the Block Panchayat to ensure that funds are made available for the execution of the projects or programmes.

2. *Block Panchayat Level*

The Block Panchayat receives plans forwarded by the Village Panchayats under its jurisdiction. It then does an assessment on all and consolidates them into an integrated annual plan for the Block. Projects and Programmes that are beyond the jurisdiction of the Block are forwarded to the district for approval. It is the duty of the Block Panchayat to ensure that funds are made available for the execution of the projects and programmes approved by the Village Assemblies.

3. *District Panchayat Level*

At the district level, the District Planning Committee (DPC) embodies all the plans from the Block Panchayats into an integrated annual plan for the district. These plans are prepared based on inputs from the Village Panchayats and Block Panchayats. The approved plans including departmental budgets are sent to the State Planning Commission (SPC) for approval.

4. *State Government Level*

At the State Government level, district plans are received, discussed and voted upon by the State Planning Commission. However, 30% of the State funds by-pass the District and Blocks and go directly to the various Village Assemblies for project implementation.

5. *National Government Level*

At the National Government level there is a National Planning Commission (NPC), which is responsible for overall national planning functions. It receives plans and proposals from all State Governments, and considers them for funding.

H. DECENTRALISATION AND LOCAL GOVERNANCE

1. The democratic decentralisation process in Kerala has received national and international attention. The political will shown by the successive governments have been helpful in transforming the local bodies into institutions of local self-governance. This has contributed to enhancing the capacity of local governments to broaden and deepen the democratic process at the local level.

2. The core objective of decentralisation was to:

   - to promote local economic

development by increasing production and productivity of agriculture

- move towards greater social justice and reduction in gender disparities
- improve governance i.r.o responsiveness, transparency and management
- achieve improved efficiency of resources

3. Some of the challenges that decentralised governance in Kerala faces included:
   - the values generated have not been translated into local governance and they are not yet institutionalised
   - local governments have not internalised the concept of self-governance
   - lack of capacity to develop comprehensive plans and strategies for sustainable local economic development
   - redeployment of staff to local governments are still incomplete and local governments do not have sufficient staff to carry out the mandatory development responsibilities
4. In Kerala, a third of the plan fund is devolved to local governments for local level planning and separate guidelines are issued by the government for the utilisation of the funds in core sectors. Local government should earmark at least 30 percent for the productive sector.
5. The State Government has taken initiative in promoting best performance local governments through awards, certificates, prize money and additional plan assistance. These awards are given to three tier local governments at both state level and district level.

I. KUDUMBASHREE MODEL (STATE POVERTY ERADICATION MISSION)

1. The State Poverty Eradication Mission was launched in Kerala in 1998 with the explicit mission to eradicate absolute poverty within a period of ten years. Kudumbashree, which means "prosperity for the family", also works in partnership with The National Bank for Agriculture and Rural Development (NABARD), commercial banks and international agencies such as UNICEF.
2. Kudumbashree fosters community organisation through the formation of Neighbourhood Groups (NHGs), each which consists of between 15-20 women from families that fall below the poverty line. The number of NHGs formed through the Kudumbashree totals more than 7 800 in the urban areas, while in the rural areas 150 604 groups has been formed, covering just fewer than two million families.
3. Each of these NHGs makes use of five volunteer organisers consisting of a Community Health Volunteer, Community Infrastructure Volunteer, Income

Generation Volunteer, Secretary and President. NHGs form a federation at the level of local government wards, and these are in turn organised into Community Development Societies (CDS). CDSs are registered with the State government as non-profit organisations.

4. NHGs act as Thrift and Credit Societies (T&CSs) in which the members each contribute small amounts weekly as savings. Members are free to bring whatever amount they have as savings and there is no compulsion on their contribution. Before the formation of thrift societies, the only access for credit to the poor women in the State was the local money-lenders, who lend money at an exorbitant rate of interest. At the same time, the formal banking system and its services were almost inaccessible to the poor. Thrift societies pave the way for women to build up a credit record (albeit informal), because they not only save, but also lend to each other from the communal savings.

5. In its early stages, the money saved by the thrift society is used mainly for daily necessities such as food or fuel; however, it is the first step towards using the savings to start up income-generating projects. These informal NHG banks are run on transparent principles agreed on by the group, and members of the group receive training from NABARD on accounting practices.

6. One of Kudumbashree's core strategies is directly linking self-help groups with financial resources, training and other resources. At the more advanced stage of the NHG's development, the money saved by the women is deposited in a nearby bank in a joint account operated jointly by the President and Secretary of the NHG. Once a Neighbourhood Group has participated in their own small savings scheme for at least six months, they are assessed. Upon positive assessment, they are eligible for a government grant of 25 000 rupees. The Group uses this money to secure materials for income-generating projects that range from traditional handloom weaving to wood carving to computer assembly and maintenance.

J. POVERTY REDUCTION

1. Kerala has considerable achievements in the coverage of basic minimum services. However, the poorest of the poor have not benefited significantly from the anti-poverty programmes.

2. As an initial step the destitute have to be identified using criteria developed by Kudumbashree. All families qualifying at least seven out of the following nine criteria may be listed as destitute families:

   - Kutcha house.
   - No access to safe drinking water.

- No access to sanitary latrines.
- Illiterate adult in the family.
- Family having not more than one earning member.
- Family getting barely two meals a day or less.
- Presence of children below the age of five in the family.
- Alcoholic or drug addict in the family.
- Scheduled Caste or Scheduled Tribe family.

3. In addition to the above, the short listed families may be verified with reference to the following factors at the next stage. All the short listed families having at least one of the criteria mentioned below would qualify to be called a destitute family:

- Having no landed property to create their own dwelling place.
- Spending nighttime in public places or streets.
- Unwed mothers, single parents or those separated women living in distress.
- Young widows who are economically poor or women who have passed the age of marriage and remain unmarried.
- Those subject to severe, chronic and incurable diseases or physically and mentally challenged.
- No healthy member below the age of sixty to win bread for the family.
- Beggars who resort to beggary as a vocation.
- Women subject to atrocities.

4. Once the list of destitute families has been drawn up by the NHGs they would visit individual families to draw a profile of the family. The list of identified families is placed before the Grama Sabha for approval.

5. Once the list is finalised the trained volunteers interact with these families and prepare family-based micro-plans to assist families until they are no longer destitute and a tracking system is put in place to monitor progress.

K. OBSERVATIONS

1. Municipalities in Kerala enjoyed extensive competence over a number of matters that are in South Africa the prime competence of provinces and/or the national government. This was particularly applicable with respect to social services such as housing and welfare. Kerala's political leadership expressly subscribed to the principle of subsidiarity in structuring its decentralisation programme.

2. The Kerala system also has three categories (city, urban and village), but there is no typology within each category. Moreover, the rural system is three-tiered rather than two-tiered (as in South Africa). The system appears to work.

3. In Kerala the state had devolved not only its powers and budget, but also its staff. This resulted in capacity being present in even the poorest and weakest municipalities.

4. The manner in which Community Based Organisations (CBOs) are integrated into the governance system is striking. Indeed, it is sometimes almost a misnomer that they are termed CBOs because they are seemingly local welfare organs of state rather than autonomous organs of civil society. Be that as it may, the system clearly delivers.

5. The relationship between the state (province) and municipalities seems healthy in as much as the state cannot interfere unilaterally in municipalities as long as the latter execute its function properly. It is praiseworthy that the state have to consult the Municipal Ombudsman before it can interfere.

6. As far as planning is concerned, it is admirable that India follows the approach from bottom up—starting at the local village level. It is noteworthy that they plan in five year cycles.

7. The emphasis on woman participation and upliftment was outstanding. Because of the history of India, there is a concentrated effort to mainstream women and women issues. One third of positions on Panchayats (councils) are reserved for women.

8. Weekly meetings with a structured agenda are held and all money matters are dealt with at these meetings. An interesting project of their municipalities was to provide for computer literacy for one member per family to enable all families to derive benefit from it. As far as officials are concerned the politicians expressed that the two main concerns were corruption and lack of execution of the policies of the council. One overall impression is the thrust for decentralization in governance of India.

9. The success in Kerala lay in the high levels of literacy, long history of social and political mobilisation and a thorough land reform programme

L. RECOMMENDATIONS

The Committee would like to urge the Minister and Department to ensure the following:

1. That municipalities should have more input on public works buildings and programs of government.

2. That municipalities should be encouraged to strengthen their consultation process and reporting back to communities on a regular basis and encourage participation by communities on issues of basic services especially housing and sanitation.

3. That municipalities reinforce the need for concentrated efforts to encourage the upliftment and support for effective participation of

women in matters that affect them. There was a need to focus more sharply on women in the fight against poverty.

4. That municipalities investigate the utility for improving our system of participation as per the Kerala model. Powers of ward committees is a key issue.

5. That municipalities focus attention on the poor and marginalised groups as demonstrated by the 10% quota on projects towards scheduled tribes.

6. That municipalities examine innovative ways in which capacity at local level can be improved using provincial staff (mentoring, secondment, deployment etc).

7. That delivery partnerships between institutions of civil society and government are strengthened.

8. That the creation of a relationship and partnership with the Department of Local Self Government in Kerala and the Kerala Institute of Local Administration in India because of their particular experience be explored.

Report to be considered.

TUESDAY, 6 MARCH 2007

ANNOUNCEMENTS:

National Assembly and National Council of Provinces

The Speaker and the Chairperson

1. **Classification of Bill by Joint Tagging Mechanism**

(1) The Joint Tagging Mechanism, on 6 March 2007 in terms of Joint Rule 160(6)(b), classified the following Bill as a section 77 Bill:

(a) ***Appropriation Bill*** [B 2—2007] (National Assembly—sec 77).

TABLINGS:

National Assembly and National Council of Provinces

1. **The Minister of Social Development**

(a) Strategic Plan of the South African Social Security Agency for 2007 to 2010 [RP 16-2007].

2. **The Minister for Justice and Constitutional Development**

(a) Report of the Auditor-General on the Financial Statements of the President's Fund for 2004-2005 [RP 25-2006].

(b) Report of the Auditor-General on the Financial Statements of the President's Fund for 2005-2006 [RP 252-2006].

National Assembly

The Speaker

(a) The President of the Republic submitted the following letter dated 16 February 2007 to the Speaker of the National Assembly informing Members of the Assembly of the employment of the South African National Defence Force in The Kingdom of Lesotho:

EMPLOYMENT OF THE SOUTH AFRICAN NATIONAL DEFENCE FORCE IN THE KINGDOM OF LESOTHO, FOR SERVICE IN FULFILMENT OF THE INTERNATIONAL OBLIGATIONS OF THE REPUBLIC

OF SOUTH AFRICA TOWARDS THE KINGDOM OF LESOTHO

This serves to inform the National Assembly that I have authorised the employment of the South African National Defence Force (SANDF) personnel to the Kingdom of Lesotho, in fulfilment of the international obligations of the Republic of South Africa towards the Kingdom of Lesotho, in support of the general elections which will take place on 17 February 2007.

This employment was authorised in accordance with the provisions of section 201(2)(c) of the Constitution of the Republic of South Africa, 1996, read with section 93 of the Defence Act, 2002 (Act No 42 of 2002).

A total of twenty (20) SANDF members are employed as from 15 January to 20 February 2007 to assist in distribution and collection of electoral material and transportation of party representative. The Independent Electoral Commission (IEC) of Lesotho will be responsible for cost of the employment. The total estimated cost to be borne by the IEC of Lesotho for the deployment is R2 233 900.

I will communicate this report to the members of the National Council of Provinces and the Chairperson of the Joint Standing Committee on Defence, and wish to request that you bring the contents hereof to the attention of the National Assembly.

Regards

signed

T M MBEKI

PROCEEDINGS OF THE NATIONAL ASSEMBLY

The House met at 15:06.

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

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS—see col 1400.

QUESTIONS FOR ORAL REPLY

SOCIAL SERVICES AND GOVERNANCE

Cluster 2

MINISTERS:

Outcome of inquiry into alleged blacklisting of commentators

55. Ms M Smuts (DA) asked the Minister of Communications:

Whether the Chief Executive Officer of the SA Broadcasting Corporation announced at the conclusion of the inquiry into the alleged blacklisting of commentators that the inquiry had shown that there was a "case to answer" by both a certain announcer (name furnished) and a certain news MD (name furnished) and that both would be submitted to disciplinary proceedings; if so, (a) what steps have been taken in this regard and (b) what was the outcome in each case? N354E

The DEPUTY MINISTER OF COMMUNICATIONS (On behalf of the Minister): Madam Speaker, we must express an apology on behalf of the Minister, who was unable to be here.

The response to the question posed by hon member Ms Smuts is as follows. The Group CEO of the SABC tabled the findings of the Sisulu commission to the SABC Board. After deliberating on the matter, the SABC Board decided in the case of announcer Mr John Perlman, that he should be counselled by the Group CEO and cautioned that if he aired organisational issues again in public, without exhausting internal remedies, sterner action would be taken. Effectively what was meant by sterner action was that there would be a combination of counselling and a verbal warning.

In the case of Group Executive of News and Current affairs, Dr Snuki Zikalala, the board decided that he should be given a verbal warning, jointly by the Group CEO and the chairman of the board, in respect of some of the issues raised in the Sisulu commission report, which were indeed serious and certainly unacceptable to the board, that he be instructed to co-operate in the remedial steps that were recommended by the commission and that he be warned that should the conduct in question be found to occur in future, stronger action would be taken.

Both these actions were duly and separately conveyed to the two employees in November 2006.

Ms M SMUTS: Madam Speaker, would the hon the Deputy Minister agree that what he has just described is not even a mild rebuke towards Mr Zikalala and that, in fact, any pretence at disciplinary proceedings against him was pre-judged when the SABC Board expressed its full confidence in him the day before it announced that disciplinary steps would occur against both Mr Perlman and Mr Zikalala?

Whereas, does he not agree that there are, in fact, grounds for dismissal of Mr Zikalala in the findings of the inquiry to the effect that he practiced the arbitrary and improper exclusion of individual commentators and that this impermissibly narrowed the range of use available to South Africans? That is a clear infringement of the SABC's editorial

policy, if not the law. If those are not grounds for dismissal, I don't know what is.

In the circumstances, would you not agree that this issue has been, firstly, pre-judged, and, secondly, that what has been delivered to Mr Zikalala is the mildest of rebukes, whereas we have lost Mr Perlman, who has gone down for doing his professional duty? [Applause.]

The DEPUTY MINISTER OF COMMUNICATIONS (on behalf of the Minister): Madam Speaker, I think that we do have a fundamental problem in dealing with this issue, and this is that the hon member of the opposition—and I have made this comment before—has consistently made statements concerning the SABC that purport to interfere in terms of the internal management processes of the SABC. [Interjections.] She always accuses the executive and the Minister, in particular, that the Minister should not interfere in the internal affairs of the SABC, yet she does.

I think that we are governed by the principle that what happens inside the SABC is a matter for the SABC Board, and the board has to decide in its wisdom and it is the board to which Parliament entrusts the management of the SABC. The members of the SABC Board are not selected by the Minister. The members of the board are selected by this Parliament. [Interjections.] They are the public custodians of the right to good expression in that institution, and they certainly are accountable for the management of the internal processes of the board.

So it would be entirely incorrect for the Minister or me—or any one of us in government—to make a value judgment on the correctness or incorrectness of the kind of disciplinary measures that the board has chosen to adopt in view of the fact that it has the benefit of a commission that thoroughly investigated the matter and made certain recommendations. On top of it all, the SABC is on record as having said that it has accepted all the recommendations of the commission and that, indeed, has acted on them.

In the case of Mr John Perlman himself, I think that none of us has a point of difference on the quality of that particular journalist; on the integrity of that journalist and on the value that he brings to the public broadcaster. We are very, very clear about that. The fact that he has been lost to the SABC is something that one should not be gleeful about. I think it is sad that we had to lose a respected journalist of that calibre, but unfortunately the situation we have before us is that he chose to resign, and so we have lost him. That is a fact that is delivered to us. It is his choice. It was not the desire of the SABC Board that he should have resigned, but he chose to do so, because of his own position in that he would be better off doing something different.

On the matter of Mr Snuki Zikalala, the SABC Board was very, very clear that it would not countenance such conduct again; regarding the conduct the commission made statements on. I think that, at best, we should leave it at that and not interfere in the internal processes of the management of the board as we have the greatest respect for their integrity and to which Parliament has given the right to manage that institution to benefit our people. Thank you. [Applause.]

Mr K K KHUMALO: Madam Speaker, Parliament appoints the board of the SA Broadcasting Corporation through the Portfolio Committee on Communication. The recommendations of the Sisulu commission will also be tabled again for a second time before the Portfolio Committee on Communication on 16 March 2007. What is fundamental is the fact that freedom of expression has not been violated by this particular recommendation. Secondly, the multiplicity of views is also contained in terms of what the corporation is supposed to be doing.

What I need to check with you, Deputy Minister, is whether in terms of the recommendations there has been any corporate governance violation. Secondly, has the corporation suffered when it comes to this

fundamental independence in terms of freedom of expression and the multiplicity of views? As far as we are concerned, as the ANC, we think that that is more serious than what the opposition is raising. Thank you, Madam Speaker. [Applause.]

The DEPUTY MINISTER OF COMMUNICATIONS (on behalf of the Minister): Madam Speaker, I can only but agree with the hon member that we have to respect the integrity of the management processes of the SABC Board. We have put them there on the board to do a job, and we must give them the right and freedom to do what they think is necessary. Thank you. [Applause.]

Mnu V B NDLOVU: Somlomo, mhlonishwa Phini likaNgqongqoshe Wezokuxhumana, umbuzo wokuqala uthi, ngabe ibhodi yamncoma yini uZikalala ngaphambi kokuthi imphenye? Owesibili umbuzo uthi, uthini umhlonishwa uma ethi uphenyo luthole ukuthi "possibly" kungaba uyena? [Ubuwelewele.] Impela ngikhuluma naye umhlonishwa. [Ubuwelewele.] Ngabe akezwa ukuthi ngithini? Somlomo ngibona sengathi umhlonishwa iPhini likaNgongqoshe unenkinga . . . *(Translation of isiZulu paragraph follows.)*

[Mr V B NDLOVU: Madam Speaker, hon Deputy Minister of Communications, the first question is, did the board express confidence in Mr Zikalala before investigating him? The second question is, what does the hon Deputy Minister mean when he says, "the investigation found out that 'possibly' it might be him"? [Interjections.] Yes, I am definitely talking to the hon Deputy Minister. [Interjections.] Doesn't he understand what I am saying? Madam Speaker, it seems like the hon Deputy Minister has a problem . . .]

The SPEAKER: Let's give him half a minute to ensure that he can be with you.

Mnu V B NDLOVU: Ngiyabonga, Somlomo. Umbuzo wokuqala ubuthe: Ibhodi ayizange imncome yini uMnu Zikalala ngaphambi kokuthi imphenye; ayizange isho yini ukuthi uziphethe kahle futhi ungumuntu okahle owaziyo umsebenzi? Owesibili umbuzo uthi, njengoba ngizwe umhlonishwa ephendula ilungu elihlonipheki le uNk Dene Smuts, lapho ethe uphenyo lwathola ukuthi ku-"possible" ukuthi uMnu Zikalala wakwenza lokho, u-"possible" lo kanti usho ukuthini ngempela? Ngabe usho ukuthi wakwenza noma akakwenzanga lokho? *(Translation of isiZulu paragraph follows.)*

[Mr V B NDLOVU: Thank you, Madam Speaker. The first question was: Did the board express confidence in Mr Zikalala before investigating him? Did the board say his behaviour is good and he is somebody who knows the job? The second question is as a result of the response that the hon Deputy Minister gave to the hon member, Ms Dene Smuts, when he said the investigation found that it was "possible" that Mr Zikalala had done that. What does "possible" really mean? Does it mean that he had or had not done that?]

The DEPUTY MINISTER OF COMMUNICATIONS (on behalf of the Minister): Madam Speaker, let me just apologise to the hon member, because I was struggling with the microphone here and I was unable to listen earlier on.

Let me just say that the board decided that he should be given a verbal warning, jointly by the Group CEO and the chairman of the board. Also, it does appear from that particular decision that the board found it necessary to caution Mr Zikalala on some of his actions and, therefore, took that decision. So, it cannot be that the board had condoned this conduct that the commission found, in practice, might have been unacceptable. So, it's clear from the reply of the SABC Board that they found those aspects of the conduct unacceptable and objectionable, and, therefore, sought to caution Mr Zikalala.

The matter about whether the board expressed confidence in Mr Zikalala before

they had adjudicated on the report of the commission . . . [Interjections.]

Ms M SMUTS: On 12 October.

The DEPUTY MINISTER OF COMMUNICATIONS (on behalf of the Minister): I think, again, you are dealing with an internal management issue, because if you were sitting on a management board and one of your employees was being criticised for particular conduct, the subject of which a commission of inquiry had been specifically appointed to look into the details, surely it would be improper for you to go out and say that you had no confidence in your employee, even before that commission had conveyed its findings?

The SABC Board has to have confidence in its employees, and until it is proven that their conduct has been such that it warrants some disciplinary action, it has to take the position that it has confidence in the staff it has employed. Mr Zikalala is not a junior member of staff; he is a senior employee of the organisation. [Interjections.] There is nothing wrong in expressing confidence. But, certainly, we would not respond the same if the commission had found that some of his conduct was unacceptable and then the SABC Board went on to say: "No, no, despite that, we still have the fullest confidence in him."

Instead they sought to correct that aspect of his conduct that was unacceptable. We must remember that what the commission found was that there was no policy on the part of the SABC Board that said that some of these commentators should not be brought before the board. There is no such policy, but there may have been an error in the practice. That is where Mr Zikalala was cautioned. Thank you. [Applause.]

Ms M SMUTS: To the hon Deputy Minister: Is it the case—yes or no—that the Department of Communications, upon publication by the Sowetan of allegations that four commentators at that stage were being blacklisted, sent a request to the SABC saying: "Now, kindly advise us, is this blacklisting occurring: yes or no; if so, why?"

I consider that proper conduct, and I am responding to his nonsensical allegations of interference. You yourself prompted this inquiry. The department sent that question. The SABC responded in the form of a statement which was misleading, found so by the inquiry. Mr Perlman contradicted that statement, and the rest is now history.

It was, in fact, the perfectly proper inquiry by your own department as to the existence or otherwise of blacklisting that led to the inquiry—which was an excellent thing—that has told us that there was censorship at the SABC and that now leaves us in a situation in which the people who practised this censorship are still there, and those who revealed it have gone.

The SPEAKER: Hon Smuts, you've run out of your minute and you haven't asked a question. I didn't hear a question there, but if the hon Deputy Minister wants to say something, please go ahead.

The DEPUTY MINISTER OF COMMUNICATIONS (on behalf of the Minister): Madam Speaker, I don't see the question in that statement. [Interjections.] I think the hon member is trying to suggest that it is the Department of Communications that initiated this inquiry.

Now, the hon member entrusts the department with the responsibility of oversight over this institution.

Ms M SMUTS: I don't! Absolutely not.

The DEPUTY MINISTER OF COMMUNICATIONS (on behalf of the Minister): If you don't, then why do you ask us the question? I think because we feel compelled . . . [Interjections.]

The SPEAKER: Hon Smuts, please take your seat and let the Deputy Minister finish.

The DEPUTY MINISTER OF COMMUNICATIONS (on behalf of the Minister): If

there is a public statement about an institution that falls under our governance on the allegations that emerged in the particular article that she referred to, I think it is the right of the Minister to ask the board if there is any truth in the allegation.

Ms M SMUTS: I agree.

The DEPUTY MINISTER OF COMMUNICATIONS (on behalf of the Minister): You do agree with that. Then, that is what may have been done in this particular instance. So, if you agree with that, then I can't see the reason for your question. Thank you.

Position of Department of Education on mother-tongue education

37. Adv A H Gaum (ANC) asked the Minister of Education:

What is her department's position with regard to mother-tongue education, with specific reference to a certain high school (name furnished)? N336E

The MINISTER OF EDUCATION: Thank you, Madam Speaker. The reply is as follows. The department's policy on language in education encourages learners to choose to learn in their mother tongue. Learners in public schools—and by that, really, in brackets we might put parents—have a right to choose any of the 11 official languages as a language of learning and teaching and as a subject from Grade 3 onwards.

We also have in the policy the intention of promoting the increased learning and utilisation of the indigenous previously neglected languages of South Africa. The department, therefore, in its policy encourages all learners to have studied an African language for three years by the end of Grade 9. This particular aspect is taking a long time to be taken up by our various provinces, but I am pleased that the Limpopo province and the Western Cape have indeed acted in this particular area of policy.

On the matter of the high school whose name the member furnished to me, the matter, given that there is a ruling pending, is sub judice. I will—and offer to the member—come back to address the House on this matter once the case is finalised. All I can say to the hon member is that as far as I am aware at this time learners in that school continue to be taught in a language of their choice.

Adv A H GAUM: Thank you, Speaker. Minister, in a multicultural society parallel-medium schools can contribute towards nation-building. However, these schools require much more physical and human resources than single-medium schools to function properly and to prevent the situation in which they are forced to become single-medium English institutions.

Firstly, is the Minister willing to provide the substantial additional resources required to encourage schools to become and to stay parallel-medium institutions? Secondly, were the steps taken against the Ermelo school worthwhile in view of the fact that with the first quarter almost at its end only 19 learners requiring education in English have applied to be admitted to this school? Also, would the Minister regard it to be reasonably practicable for a school, in terms of the Constitution, to provide education in the official language of choice to only 19 learners and not the 113 that were originally mentioned? Thirdly, under which circumstances would the Minister support the establishment and continued existence under the Constitution of single-medium Afrikaans schools? Thank you.

The MINISTER OF EDUCATION: Madam Speaker, I will not reply to the particular matters with respect to the school. As I have said, I will come back to it once the matter has been concluded and we have the judge's ruling.

With respect to the matter of parallel-medium schools, it is, of course, not the Minister of Education who provides resources for schools, but provinces that have the funds allocated to them by their provincial treasuries and they determine the allocation. Of course, they should ensure that

schools have sufficient resources to teach children in our schools adequately, as well as learning and teaching support materials.

As far as I am aware, every person who studied teaching up to the year 2005 actually anticipated, in the degree that they took, that they would be bilingual in terms of their ability to teach. So, the notion that a multilingual student body somehow is an impediment to the ability to teach is not confirmed by the reality of the qualifications offered by our universities. So, clearly, greater resources: yes; but also full utilisation of all educators available to the children of South Africa.

With respect to the realisation of single-medium schools, of course, our Constitution says that where practicable this should be allowed for and supported, and it does occur in many schools where there are significant numbers of children who choose a single language as their medium. Indeed, they are able to continue with their education.

However, when you have a context in which there may be children who have the right to education, you then have to look at how you weigh this and integrate it with the correct constitutional provision concerning the provision of single-medium schools. So, in terms of the children's right to education, surely the hon member would agree, cannot be trumped by the provision which relies on reasonable practicability. Thank you.

Mev D VAN DER WALT: Agb Speaker, ek gaan my vraag in Afrikaans aan die Minister vra. U, Minister, is geboekstaaf dat u ten gunste van moedertaalonderrig is en ook veeltaligheid ondersteun. Indien so, watter aksies het u departement geneem om moedertaalonderrig, ongeag of dit Sotho, Venda, Xhosa, Zulu of enige een van ons ander amptelike tale is, werklik tot op datum te implementeer? *(Translation of Afrikaans paragraph follows.)*

[Mrs D VAN DER WALT: Hon Speaker, I am going to put my question to the Minister in Afrikaans. Minister, you are on record that you are in favour of mother-tongue education and that you also support multilingualism. If this is the case, what steps have your department taken to date to really implement mother-tongue education, irrespective of whether it is Sotho, Venda, Xhosa, Zulu or any of our other official languages?]

The MINISTER OF EDUCATION: Madam Speaker, as I have attempted to indicate to members with respect to the school level in South Africa, the provision of resources for the implementation of a national policy, which sets a national norm and standard, depends on action by provinces. I made reference to two provinces which have already taken action with respect to what the member called vernacular languages, the indigenous languages of black persons in this country.

Limpopo as well as the Western Cape have provided support for the teaching of IsiXhosa in the Western Cape, and Sepedi and Sesotho in the Limpopo province. So, we have positive action there. And, of course, I shouldn't forget KwaZulu-Natal; my colleague there would be very angry, because IsiZulu is also being offered to young people in that province. So, there has been action.

The next layer is, of course, higher education, and there it is entirely my responsibility. With respect to that, there are institutions that offer dual-medium teaching. There, what we have done, with the support of vice chancellors, is to begin to calculate the cost of adding a language of teaching to the university. From our side, we are going to be providing additional resources from the new financial year to support universities in implementing this dual-medium policy or multilingual policies. These are still new steps that are being taken by higher education institutions in our country, but we are committed to ensuring that we do support them.

Our reliance, however, in the final analysis,

is on what the schools do, and, if the schools have respect for the development of a multilingual character in our schools, then certainly the higher levels of education would also develop such an approach.

Mr A M MPONTSHANE: Thank you, Madam Speaker. Hon Minister, mother-tongue education may prove to be very disempowering in the end in the sense that the economy and, in fact, all other means of production, are still to a very large extent controlled by both English and Afrikaans-speaking sections of our population.

The question is: Does the Minister envisage a time when companies and other businesses may be asked or compelled to include in their correspondence African languages, including interviews, so that those who might have been taught in their mother tongue compete successfully? I thank you.

The MINISTER OF EDUCATION: Madam Speaker, it is important for me to indicate, through you to the hon member, that it is not my belief that education in the mother tongue should be access to one language only. Our policy encourages multilingualism and, therefore, proficiency in a language other than the one which is your mother tongue is in my view absolutely important.

The notion, which all of us are propounding, that somehow if we use our mother tongue we are competing with English merely shows how colonised we are intellectually. The Afrikaans-speaking community in South Africa was able to wield power utilising Afrikaans.

Why would it be impossible not to wield power, because we don't want to repeat some of those negatives—and I've posed this in the public domain—for our intellectuals, who are schooled in language development through Afrikaans development, to assist in the further development of other languages in this country? When did the Afrikaner become afraid of the English, I ask?

So, hon member, the use of the mother tongue doesn't mean drowning in English; it means acquisition of the opportunity for full cognitive development alongside acquisition of other languages that are available, both in our society and worldwide. [Applause.]

Rev K R J MESHOE: Thank you, Madam Speaker. Hon Minister, the ACDP believes that children who begin their education in their mother tongue make a better start and continue to perform better than those for whom school starts with a new language.

A practical problem we are anticipating is that some languages do not have the range of vocabulary and concepts to be useful beyond the early stages of schooling without additional qualifications. In view of this, what will the government do to ensure that children do not spend more time learning newly invented words than learning the subject at hand? Thank you.

The MINISTER OF EDUCATION: Madam Speaker, it is possible to develop vocabulary, and it has been done worldwide. In fact, the proven research findings that the Rev Meshoe now claims as the ACDP's knowledge do, in fact, indicate that it is better for children to begin in their mother tongue.

This notion began from Rousseau right through to researchers today, so well before the time of the ACDP, and the ACDP should not claim it as their knowledge.

You develop concepts. Language grows through utilisation in a range of settings. Language adapts. *"Coup de grâce"* is French, but it is used in the *Oxford English Dictionary* as part of English expression. So, the notion that language is some immutable thing in society is absolutely wrong.

In Setswana, you speak of electricity as "motlaxase". How do you explain how you got to that particular conception? So language is able to grow; it's able to be developed. The way you do this is through your higher education institutions which need to be dynamically evolved in the process of

developing these languages which have previously been neglected.

We are working with teachers, for example, in pursuit of our mother-tongue beginning policy to write material for children from native speakers of the languages, and we are publishing these materials with the assistance of the United States Agency for International Development, and placing them in our foundation classes so that our children have access to material which is drawn from people who are actually competent in the languages that we intend our young children to use.

So, work is being done, and you use the speakers of the language and your academics to assist you in developing the concepts, the vocabulary and the methodology. [Applause.]

Adequacy of institutional and human resource funding arrangements for understaffed municipalities

73. Mr P F Smith (IFP) asked the Minister for Provincial and Local Government:

Whether, with regard to the research conducted by the Municipal Demarcation Board (details furnished), institutional and human resource funding arrangements for understaffed municipalities are adequate for them to perform their developmental obligations and to properly service their residents; if not, what has the government done or what does it intend doing to address this matter; if so, what are the relevant details? N374E

The DEPUTY MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT: Madam Speaker, the answer to the question from the hon Smith is as follows. The Ministry and department have taken note of the research conducted by the Municipal Demarcation Board into this matter. The challenges and issues they have identified continue to feature in our deliberations relating to the capacitation of the local government sphere and to structuring of the equitable share.

Currently, from a funding perspective, municipalities are funded from a subsidy sourced through the institutional support component of the local government equitable share. The subsidy supplements the funding of a municipality for administration and governance costs, including the cost of councillors' allowances for their legislative and oversight roles.

However, the subsidy does not fully fund the entire administrative and governance costs of a municipality, as these are considered to be the primary responsibility of each municipality. Institutional support, through the administration of each municipality and that over and above the base costs, caused administration and governance to go up in terms of the size of the population.

Municipalities, on the other hand, are also assisted financially from the national fiscus through the municipal systems improvement grant, which is meant to augment institutional assistance and capacity.

Lastly, these mechanisms are meant to assist all the municipalities in view of the low revenue base within some municipalities. It will take some time before the ratios are brought down to acceptable levels. Steps are being taken to improve the revenue base through, for example local economic development initiatives.

Mr P F SMITH: Thank you, Speaker. Thank you, Deputy Minister. For the benefit of colleagues here who don't understand what the question is, because the figures have been taken out unilaterally by Parliament, let me say that the board's figures are the following. If you look at municipal staff as a ratio to the number of households in a municipality, the average nationally is one staff member serving just over 2 000 house-

holds in a municipality. But this varies from 1 to 200 households to 1 to over 10 000 households.

We think that's a completely untenable situation. In fact, if you apply the same sort of logic to, say, education—I don't know what the exact figures are—a staff:learner ratio of 1:30 is the norm, but in one school year you had 1:1, while in another school year you 1:1 000, you would have a crisis on your hands. You'd have parents and pupils marching to get this remedied.

But, for some reason, for local government we seem to think it is acceptable. There is an institutional component—it is true—in the equitable share formula, but it does not solve the problem for these municipalities.

So, my question is: Is it true that there are no norms and standards governing this matter at all from the national government; and, if that is true, what does government intend doing about it?

The DEPUTY MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT: Firstly, we have to acknowledge, as a department, the work of the demarcation board. Secondly, there are financial programmes to assist and capacitate the affected municipalities. What we also have is many grants that we give to municipalities, and different programmes. We have those grants. What we are saying is that the process is still taking place, and we need to be patient with the process being run by the demarcation board. Thank you.

Mr W P DOMAN: Madam Speaker, the demarcation board also pointed out that the municipalities were failing to appoint officials to serve the public. That's why you get this big ratio. They found that they had underspent on their salary budgets, although those salary budgets are restricted to 35% of operational expenditure.

I want to ask the hon Deputy Minister: Doesn't she agree that these municipalities are failing South Africans by not appointing these officials and are often using this money on other luxuries like mayoral cars and overseas trips?

The DEPUTY MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT: Madam Speaker, I fail to understand, because through Project Consolidate, the department had actually tried its best to make these interventions.

What we have also done as a department was to identify and call for experts in the various fields, like engineering, to come in and assist local government with their capacity problems. What we are saying is that it is not true that nothing is happening at local government level. There are those skills. There are many retired engineers that we have called in, and recently we had 99 students trained to assist and make these necessary interventions at local government level.

It is not true that nothing is being done about the officials. There are training programmes that are taking place in order to assist with this intervention and to capacitate municipalities.

Mrs C DUDLEY: Hon Deputy Minister, concerns that municipalities risk losing gains of stability and service delivery are contained in a report by engineers seconded to struggling municipalities. With many of the posts vacant, the project engineers found that there were no full-time staff to mentor, and that they were forced to do many of the projects themselves instead of transferring the skills.

As the report advises, will government urgently review its salary structure to avoid a situation of training staff simply to lose them to the private sector? Thank you.

The DEPUTY MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT: Hon member, I'd like to say that we have learnt key lessons. I don't recall having that report by these deployed engineers, because they

are accountable to us. We've identified them; they did not identify themselves. Therefore, any report would come to us, instead of going just to the public. This is so that we can make a proper assessment as to whether these interventions are in fact working.

The lesson we've learned is that at local government level there's a possibility that urgent attention should be given to the following areas in sustainable infrastructure development: the appointment of senior municipal personnel; the development of appropriate and meaningful technical organisational structures; the development of flexible and appropriate compensation systems for technical personnel and improvement in revenue management. We promise that we will get there with these identified professionals.

Mr I D MOGASE: Madam Speaker, today South Africa is the toast of Africa and the world. The building industry is booming and the investors are optimistic. But despite challenges in service delivery, many areas throughout the country are experiencing development and service delivery.

My follow-up question to the hon Deputy Minister is: Is the Deputy Minister satisfied with the majority of local economic development strategies adopted by municipalities in terms of their alignment and consistency with municipal integrated development plans? Thank you.

The DEPUTY MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT: Madam Speaker, it is not for us to decide whether the local economic strategies at local level are the correct ones. What happens is that these go into local areas and the people on the ground themselves decide what the best strategies are. It is through the IDPs that the decision is taken, and that particular municipality then agrees with the strategy. But we can't actually decide for the municipalities.

Ability of Public Service to strengthen democracy in accelerating service delivery

42. **Mr A J Nyambi (ANC) asked the Minister for the Public Service and Administration:**

Whether the Public Service is in good stead to drive the agenda to strengthen democracy in accelerating service delivery; if not, what are the challenges in this regard; if so, what are the relevant details? N341E

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION: Madam Speaker, I'd like to thank the questioner for the particular question that's before us.

I think first and foremost it's necessary to say that since 1994 we've prioritised transforming Public Service delivery, and this is reflected in the Batho Pele White Paper of 1997. The White Paper says:

> . . . a transformed South African Public Service will be judged by one criterion above all: its effectiveness in delivering services which meet the basic needs of all South African citizens. Public services are not a privilege . . . they are an . . . expectation.

So, clearly, improving service delivery is the ultimate goal of the Public Service transformation policy.

Have there been achievements? I think there's a need for us to state very clearly and unequivocally that when we look at institution-building and management we have come a long way. We've amalgamated and re-established public services in the sense that from 14 disparate public services we've built a single Public Service, and a transformed one at that.

So, significant progress has been made in advancing public sector reforms in addition to the amalgamation that I've referred to in bringing it all into one service. Since 1994 we've seen one of the world's most far-

reaching programmes of public service reform and transformation in our own country, resulting in services being extended to millions of our citizens—from basic services to increased efficiency in revenue collection, and a very positive environment for growth and economic development. We see this in the trajectory that has been identified in the Reconstruction and Development Programme, through the Growth, Employment and Redistribution programme and now the Accelerated Shared Growth Initiative for South Africa.

Do we have any intention and do we see the capacity to accelerate service delivery? Yes, we do. Are there challenges? Indeed there are challenges, because if you transform so large a machinery, it does not go without its challenges, and there are challenges around capacity.

Hence, as government, we have a very clear focus on capacity assessments, and these are being dealt with systematically. Under those assessments we deal with skills assessment; we look at skills development and very specific interventions in this regard; we look at capacity-building programmes that target the officials at different levels of the Public Service from the level of management all the way down, or starting from the lowest level official going up.

We're also looking at the challenges around integrated service delivery. We're dealing with improving and deepening planning as well as ensuring that we have a sound, government-wide monitoring and evaluation system in place. Thank you, Madam Speaker.

Mr A J NYAMBI: Madam Speaker, I'd like to thank the hon Minister. The question has been clearly answered, so I don't have a follow-up. We'll make sure that we maximise the vigorous oversight in the various departments. Thank you.

Dr U ROOPNARAIN: Madam Speaker, the hon Minister spoke about the skills deficit in the Public Service. Another challenge is also the growing corruption in the Public Service. How can we ensure, with the principles of ubuntu, that corruption is curbed in the Public Service? Thank you very much.

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION: Thank you, Madam Speaker, and through you to the hon Roopnarain. I think we need to be careful to simply look at corruption in the Public Service in isolation from corruption that is pervasive in society as a whole. Also, we should see our interventions in this regard in relation to a societal response.

I agree with the hon Roopnarain that we need to look at the kinds of values that should and must underpin not just the Public Service but society as a whole, and hence our endeavour to build a national integrity system.

In this regard it is not alien to us to embrace the value of ubuntu—elsewhere in Africa we may call it *ujamaa* [familyhood]—which is very clearly a central value that is captured in our Constitution, not necessarily through the use of the term ubuntu, but in the need to ensure that we pursue values that talk about the integrity of people, obviously in such a manner that it does not allow for the abuse of power or authority by any one person or the misuse of status or position for self-enrichment.

Finally, through ubuntu, no citizen should at any point feel compelled to pay for a service that they have a right to, because public servants are there to serve the community and ours is to ensure that we put in place the kind of value system that is and furthers ubuntu, which comes from our past as part of the traditional values of our country and our continent and that must be reflected in our work ethic, in the integrity with which we take things forward. I want to conclude by saying that this must not be limited to the public sector, but be pervasive in all sectors of society.

The HOUSE CHAIRPERSON (Mr G Q M Doidge): Order! Hon members, please lower your voices.

Mnr K J MINNIE: Agb Voorsitter, agb Minister, "whether the Public Service is in good stead"—dis 'n ope vraag of die Staatsdiens, met die oog op versnelde dienslewering, in 'n goed genoeg toestand is. Kyk 'n mens na dienslewering tyd, met ander woorde die tyd wat dit neem om diens te lewer, met verwysing na departemente soos die Departement van Binnelandse Sake en ons lisensie-afdelings in provinsies, dan ontstaan daar groot twyfel.

Die Minister bevraagteken syfers wat die DA ter tafel lê oor vakante poste in die Staatsdiens, asook beramings wat uit die jaarverslae vir 2005-06 kom. Dit het nou tyd geword dat ons die feite oor vakatures oor die hele spektrum van die Staatsdiens bekend maak, van skoonmaker tot departementshoof.

Indien volledige syfers nie beskikbaar is nie, is my vraag aan die Minister of sy bereid sal wees om ' n oudit te laat doen om die feite oor vakatures in die Staatsdiens te bekom. Indien nie, waarom nie? *(Translation of Afrikaans paragraphs follows.)*

[Mr K J MINNIE: Hon Chairperson, hon Minister, "whether the Public Service is in good stead"—it is an open question, whether the Public Service, in view of accelerated service delivery, is in good stead. When one looks at service delivery time, in other words, the time that it takes to deliver a service, with reference to departments such as the Department of Home Affairs and our licence departments in provinces, then a big question arises.

The Minister is questioning the figures that were tabled by the DA with regard to vacant posts in the Public Service, as well as estimates obtained from the annual reports for 2005-06. The time has now come that we make known the facts with regard to vacancies across the full spectrum of the Public Service, from cleaner to department head.

If the total figures are not available, then my question to the Minister is whether she will be prepared to do an audit in order to obtain the facts with regard to vacancies in the Public Service. If not, why not?]

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION: Thank you very much, Chairperson. Hon Minnie, are you trying to claim some easy victories once again?

I think as government we've made it very clear that it is our business and intention to establish exactly what the skills and competency levels are in the Public Service. In terms of vacancy levels, we have those figures from Persal. There's no question about that. We are also looking at matching the figures that are on Persal against what is in the personnel expenditure budget.

In that regard as well, if you bothered to check the statement we issued after the lekgotla, you would have been aware of the fact that we are indeed looking very closely at ensuring ... No, not looking very closely—we've actually instituted, since July of last year, a procedure in which all Ministers, when looking at their organograms, make submissions to the Minister for the Public Service and Administration so that we closely look at the organogram against the strategic plans and business plans.

Part of this is to ensure that there is a signing off on organograms and a placing of that information on our information systems as government, so that there are alignments between the organograms in departments and the budgets that are available. This is because right now the discrepancy around figures relates, amongst other things, to the discrepancies as to what's on the organograms vis-à-vis what's in the personnel expenditure and Persal itself.

In terms of improving service delivery, there is no question that there are differences, or shall I rather say, that we do have problems within the Public Service and different levels of service delivery.

I want to give you one good example. The Government Employees Medical Scheme, Gems, at this point in time has 100 000 plus principal members. If you were a member of Gems, which, sadly, you cannot be at this point in time, and you phoned a call centre, as a result of their having your information, any one of the call centre operators would be able to respond to you with all the details concerning your particular file, the information you require, etc. Turnaround time there is excellent, and that's a reflection of very strong management at the head of that public entity. [Interjections.]

The HOUSE CHAIRPERSON (Mr G Q M Doidge): Order!

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION: You don't get that with any other medical scheme at this point, and this is a government employees' medical scheme. [Time expired.]

Mr H B CUPIDO: Chairperson, hon Minister, in order for the public visiting government offices to be served by well-trained public officials, could the Minister give this House the assurance that in order to be well understood the public will be privileged to make their enquiries and complete documentation in their mother tongue and that they will receive an answer they will be able to understand, because surely communication in a mother tongue must be an important factor in service delivery.

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION: Hon Chair, this is one thing that we aspire to. We cannot guarantee at this particular point in time that any one of us in this House can speak all 11 official languages. What we are aspiring to is to have public servants who are able to speak more than one of the predominant regional languages in the areas in which they are.

We have taken a decision, as part of our commitment to the roll-out of Batho Pele something like three, four years ago, that we would encourage a greater increase in proficiency in multilingualism in order to ensure that we are able to serve the public in a multiplicity of languages, but we do not guarantee something that we know is not possible, because, hon member, other than two languages, I'm not sure which others you speak. Thank you very much.

Mr M T LIKOTSI: Thank you, Chairperson. Hon Minister, with the exception of managerial and administrative skills, are there programmes in place to help to change the attitude of public servants towards the citizens, because we perceive—or it is actually what is happening—public servants as not having a sense of urgency. They are not caring, and this actually destabilises the whole process of providing service to the citizens. I thank you.

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION: Thank you very much, hon Chairperson. I'm sure, hon member, you are not suggesting that it's every public servant who has that attitude. I think we're talking about the rotten apples in the barrel who tend to spread and infect the whole barrel.

But yes, indeed, we do have programmes that are specifically targeted at changing the attitude and culture that have been prevalent in the Public Service. I think you should remember that we come out of an old public service that we had to start and started transforming 12 or 13 years ago. If you look at the size of the Public Service—this colossus machinery—it is not automatically going to transform overnight. Hence, right now we are involved in what we call a massification programme by Samdi, the SA Management Development Institute, that looks at the induction of 100 000 public servants a year.

The induction and reorientation is precisely to influence attitudes and cultural approach, as well as specifically reorienting, steeping our public servants in an understanding and

appreciation of the Constitution, the values in the Constitution and Chapter 10 of this Constitution that reflects the very principles that should govern the Public Service, so Samdi is leading that programme. That programme won't be centrally led; it will be decentralised and in many instances departments will run it, but we are looking at a core curriculum to take this forward.

We also have a very specific programme called the Batho Pele Frontline Service Delivery Programme, which also looks at the attitude, approach and demeanour of public servants as they interface with the community and the public. So, yes, we are working on that, but the big push right now is to try to influence and impact quite greatly on the Public Service.

Proposed scrapping of VAT on medicines

53. Mr G R Morgan (DA) asked the Minister of Health:

    (1) Whether, in light of a recommendation by her department 's Pricing Committee in 2006 that value-added tax (VAT) on medicines be scrapped, she has recommenced discussions with the Minister of Finance about this issue; if not, why not; if so, what are the relevant details;

    (2) whether scrapping VAT on medicines on the essential drugs list will have an impact on the cost of medicines in the public sector; if not, what is the position in this regard; if so, what are the relevant details? N352E

The DEPUTY MINISTER OF HEALTH: Sihlalo, impendulo yelungu elihloniphekile imi kanje: [Chairperson, the response to the hon member's question is as follows:]

In her answer to this part of the question last year, the Minister of Health indicated to the hon member that she had not recommended discussions with the Minister of Finance on the removal of VAT on medicine.

She also indicated that the National Treasury had noted the VAT issue and that the Minister of Finance had indicated that the correct policy was not to zero-rate medicines. The issue of VAT on medicine prices has been subjected to rigorous analysis by an international panel, and the Minister of Finance is satisfied with the present status and hence no changes are envisaged at this time.

With regard to the second part of the question, the Department of Health does not believe that scrapping VAT would make medicines cheaper in the public sector. VAT is only one of the factors affecting costs. Other factors also come into play, such as the manufacturers' cost recovery strategy, to ensure return on investment, as well as global market forces.

Only when these factors have been dealt with in our pricing structures through, for example, the current international benchmarking exercise and other similar measures, can we then understand the impact of VAT on the cost of essential medicines.

Mr G R MORGAN: Thank you, hon Deputy Minister. I would hope that the Department of Health would take on this issue and not defend the views of the Treasury on this, no matter what their views are. This is because, certainly, the government frequently trumps its progressive credentials, but continues to implement many policies that are, in fact, regressive. VAT on medicines is one of them, because it targets people who are sick. The incumbent Minister, Dr Tshabalala-Msimang, said in January 2004 that she would be introducing measures to reduce medicine prices by 50%, but the target so far has exclusively been on the private sector, particularly pharmacies.

Now, a study by the World Health Organisation shows that taxes on medicines do provide minimal income to the government,

but are nevertheless passed on to sick people. Therefore, hon Deputy Minister, in principle do you agree that it is necessary for the government to play its part in reducing the cost of medicines by reducing VAT? Secondly, would you continue to champion, from a Health department point of view and not a Treasury point of view, the need to reduce VAT irrespective of the other components of medicine pricing? [Time expired.]

The DEPUTY MINISTER OF HEALTH: Thank you, hon member. Maybe I should start by reminding this hon member that it is the ANC-led government that has taken measures since 1994 to lower the cost of health care. Among the measures that we have taken are to provide free primary health care for pregnant mothers and children under six years of age. We are engaging with the pharmaceutical industry and not just the pharmacists. The pharmacists are but one part in the supply chain.

We are engaging with the industry in an attempt to lower the cost of medicines, which, unfortunately as the member knows, is taking longer than we had anticipated. But we are also working towards putting in place the policy that will see a sharing of resources in the private health sector.

We are making good progress on the issue of the social health insurance, which essentially aims to increase access to medical cover for the poor. So, the price of medicines per se is one issue that we have been engaging in from the start, to try to see that prices are reduced.

VAT alone is not the measure that will help us solve this problem. As I have said, it depends on what the price is, from the manufacturer to the pharmacist and to the supplier. In this regard, I also want to inform the member that when we decide, as the public health sector, which supplier we are going to give a tender to, it is based on the price that they offer us, and at times we have been able to achieve as low as 40% of the price. So, we have engaged in a number of exercises to try to mitigate the cost of health care, including the price of medicines.

I also want to remind the hon member that he must realise that the Minister of Finance cannot just exempt the state from paying VAT on medicines, because the system will be very difficult to administer. Manufacturers and distributors that sell to the state would have to declare how much medicine the state has bought and, therefore, how much VAT exclusion they would have, as opposed to the same medicines they would have sold to the private sector.

So, as you can see, this is a very cumbersome process that our Revenue Service would have to administer. In fact, I would think that we are trying to introduce something that would be very difficult to implement. But indeed this government, led by the ANC, is very committed to lowering the cost of health care. [Time expired.] [Applause.]

Mr A F MADELLA: Chairperson and hon members, please allow me to express our collective appreciation for the eloquent, illuminating reply by our Deputy Minister of Health to the hon G R Morgan.

Hon Deputy Minster, an ongoing challenge of your Ministry is to see to the procurement, as you rightly pointed out, of medicine from the pharmaceutical industry at an affordable price rate for the public sector, in particular the public health sector which services the poorest of the poor.

Hon Deputy Minister, is there perhaps a sense from you that the pharmaceutical industry is using the issue of the scrapping of VAT from medicine as a smokescreen to hide their reluctance to make medicine available to the public health sector and, ultimately, the poorest of the poor at an affordable price? Thank you.

The DEPUTY MINISTER OF HEALTH: Thank you, hon member, and thank you very much for your congratulations on the answer. This is the ANC policy that I am

articulating. I think, indeed, you should thank the ANC for putting in place these kinds of policies.

Indeed, as the ANC, we are concerned about the plight of the poor; we are concerned about the prices of medicines in this country. People have told us that if you go to the UK, you can find exactly the same medicines that we buy here but at a much lower price. So I think all of us, including the opposition, should be working hard to ensure that indeed the manufacturers and the suppliers all work with us.

This is because there is something you can never buy. You can never buy health. When you are sick, what you want is to improve; you want to get better, and if you cannot access health care simply because you cannot afford the cost of health care, all of us must realise that this is a violation of one of the most fundamental of our rights.

In this case, hon member, I would really like to engage, as we have started to do, with the private sector, to say "Yes, it is right for you to make profits, but please think about what happens to poor people when they cannot afford basic health care."

Section 27 of Chapter 2 of our Constitution says that health is a basic human right. We need everybody to assist us in this. We know that some pharmaceutical industries are actually not keen to sell to the state some of their medicines because they say the state cannot afford the prices. Now that they actually realise this, we think they should ask themselves, "Is it fair to charge so much that even the state cannot afford to pay?" [Applause.]

Mr G R MORGAN: Madam Deputy Minister, it is your own pricing committee that recommended the scrapping of VAT on medicines in 2006, it wasn't the pharmaceutical companies. Perhaps, as I have said before, it is not necessary for you to defend the Treasury, but to defend those people who are sick in South Africa and need VAT. What I am asking for is an equitable division. The private sector must do what they can, but so must the public sector. So, I put the question to you again, Madam Deputy Minister: Would you at least seek to engage the Minister of Finance on this issue, because you have said you have not sought discussions with him yet?

The DEPUTY MINISTER OF HEALTH: The reply that I gave you, hon member, is a reply from the Minister of Finance. So the very fact that we have been able to get the reply from him does indicate that we have taken the step to ask him what the situation is, what the implications would be if VAT were to be scrapped. He has given us an answer, and we are satisfied with that answer. He has told us that it would be extremely complicated to say that only those suppliers that sell to the state would then, from our side, not pay VAT, while in the private sector VAT would continue to be paid.

I want to mention to you, hon member, that when the Minister appoints a committee, that committee is meant to look at all the various angles of that issue. The committee then reports to the Minister. It is the responsibility of the Minister, as the person who has been appointed by the President, to have applied her mind. Indeed, she did in this case even go to the point of speaking to Treasury, and this is the answer that Treasury gave us. We are satisfied with the answer. We are working very hard to lower the prices of medicines, but the scrapping of VAT, at this stage, is not an option.

Steps to ensure reasonable and nondiscriminatory fees at educational institutions

38. Ms M J J Matsomela (ANC) asked the Minister of Education:

    What steps have been taken to ensure that fee increases (a) at higher education institutions are not excessive and

(b) do not discriminate against poor students? N337E

The MINISTER OF EDUCATION: Thank you, Chairperson. The reply to the question is as follows. With respect to part (a) of the question: there is currently no government policy that regulates student fees at higher education institutions. The determination of a fee structure is the responsibility of the councils of higher education institutions.

I have, however, on a number of occasions, raised my concerns about the rates of fee increment and the escalations that we see in this sector. In this regard, I directed my department to work jointly with the National Treasury to investigate the macro funding for higher education. This report highlighted, amongst other things, the need for further investment in higher education to minimise the impact of fees for access to higher education.

In addition, I have requested the vice chancellors of higher education institutions, through their body Hesa, Higher Education SA, to investigate the primary drivers that lead to the current high fee increases. I will continue to work with the National Treasury and higher education institutions to develop a sustainable solution to the problem.

With respect to part (b) of the question, which relates to the impact on poor students, our government is committed to assisting financially needy but academically deserving students through the National Student Financial Aid Scheme, NSFAS. In this regard, the current government contribution, including loan repayments to the scheme, is over R1,3 billion. In addition, students who are allocated financial aid through NSFAS are not required to pay upfront registration fees, which have been a hardship factor for many students, as I have provided for this in the bursaries that are provided to them.

Ms M J J MATSOMELA: Thank you, Chairperson. Minister, thank you very much for your response. As the department and the National Treasury engage with different institutions, I think we should be cognisant of the interpretation of this practice of escalating fees by the public. The perception that has been created out there is that this is but another form of discrimination against the poor students by denying them access to these institutions.

With regard to the National Student Financial Aid Scheme, I would like to know how many students have already benefited from this scheme and in which areas of study they enrolled. I thank you.

The MINISTER OF EDUCATION: I have to write down the questions first so that I can answer them, Chairperson. I have addressed the matter of how we deal with the impact of fee increases for students and, as I have indicated, we'll continue to work with institutions. We have already begun to see a fairly significant appreciation of the budget allocated for higher education, and I think this is a positive signal from government of support to higher education. I hope that there will be a quid pro quo, through the councils of our institutions, which will see a decline in the levels of fee increments that we see in this sector.

The number of students that has been assisted through the National Student Financial Aid Scheme since its introduction—and I begin with the Tertiary Education Fund of SA, which was established around 1992 and began providing support to students as the whole number forms part of the pool that relates to the NSFAS—is over 160 000.

Of course, the assistance takes a range of forms. The poorer students receive a higher allocation, while those who have some financial means might get an award, at times a single award or repeated over their degree study period, but small amounts because their families have some financial means. The poorest students are the beneficiaries of the National Student Financial Aid Scheme and the fields are all the disciplines that are offered in higher education.

Mr M J ELLIS: Thank you very much, Mr Chairman. I want to say that the way the question was put to the Minister seems to suggest that the questioner believes that universities can run on fresh air. Obviously, this is not the case, and I think that the Minister has indicated this to some extent.

But, I am also saying, Madam Minister, that I don't believe your answer has been entirely clear, and I look for clarity from you this afternoon. I think it really is time that the ANC did make up its mind that either tertiary education is free to all, or that students must pay fees, while deserving cases must be given scholarships and certainly on merit. Really, Madam Minister, I would like you to please clarify your point with regards to this if you would. Thank you.

The MINISTER OF EDUCATION: Chairperson, this is the first time I have been accused of not being clear, so I'm a bit taken aback. [Laughter.] But it is only the hon Ellis who can say that to me and get away with it.

The HOUSE CHAIRPERSON (Mr G Q M Doidge): He wants to benefit from your teaching skills, Madam Minister.

The MINISTER OF EDUCATION: I don't know. Well, I am not aware of any university that runs on fresh air. There are some institutions in the country, particularly private higher education institutions, that enjoy full subsidies from certain private-sector companies in the country. But, clearly, I have indicated that it should be possible for higher education institutions to manage their costs better. If one examines some of what goes on in some of our universities, there is certainly a sense that some of the increments might not be entirely justified.

This is why, instead of imposing a framework that would limit increments or fee levels, we have asked Hesa to actually examine the matter. This is because if you do a comparative analysis internationally, the fee levels—the income from tuition fees—in most university systems throughout the world range from 20% to 22% of the entire budget of the university. In South Africa the ranges are far higher than 25%.

So, clearly, we are falling outside of the international law and we need to address why. This is because there doesn't seem to be a good rationale as to why we would extend well beyond internationally accepted norms. These are the questions I have put to Hesa.

Part of the rationale that they may have cited a year or two ago, was, of course, the fact that the subsidy they were receiving from the government have had years of decline, but we have now actually had a significant improvement. Several vice chancellors have, in fact, expressed support and appreciation for the kinds of changes they are beginning to see in subsidy levels and support for infrastructure and development in the universities. Mr Leon, do resist asking; I know what you would want to ask about.

With respect to the policy of the ANC, we do not have a policy that there is free higher education. Our policy is very clear that universities are allowed to charge tuition fees. Students that are academically able have the potential to succeed, but that do not have the financial means are supported through the financial aid scheme and a range of bursaries and scholarships from the private sectors, state-owned enterprises, private individuals and in a range of other ways.

Ms S RAJBALLY: Thank you, Chairperson. Hon Minister, you have answered my questions but I still want to ask you the following. Hon Minister, how will the increase in the fees of higher education institutions be determined for each student between the rich and the poor? Thank you.

The MINISTER OF EDUCATION: Chairperson, I am not quite sure how to answer that. But I think one has to point out that in many societies there has been recognition that if you want a sustainable and thriving

higher education sector, you can't rely solely on public means. Hence, the recognition that due to the immense private benefit that derives to a person who has completed a higher education programme, it is, in fact, fairly logical and reasonable to demand some fee from those who can pay and then for the state to support those who do not have the means to pay. So, we are well within international practice in the manner that we are providing higher education fee support to young people in South Africa.

The HOUSE CHAIRPERSON (Mr G Q M Doidge): The last question goes to the IFP, to Mr A M Mpontshane.

Mr A M MPONTSHANE: Thank you, Chair. Hon Minister, there is another category of students, which is those students who are admitted but halfway through they fail to pay the university. The university lets them continue until their final year of study. What happens is that the university withholds the results and these students end up not knowing whether they have passed their final year or not. Is there any way that the department can intervene to help such students who find themselves in this situation?

The MINISTER OF EDUCATION: Chairperson, there have been instances in which I have been approached by students who have been in such a situation. Where a young person has had a successful job interview and has a job offer, but requires proof of completion of a degree in order to actually take up the offer of a post, the university usually, in collaboration with an employer, will provide certified results and an arrangement to repay the university would be made.

There are contractual obligations that the new graduate might have towards the institution. So, I think, the students who have made contractual obligations need to meet those obligations. But where a student really doesn't have financial means—just cannot, in any way, meet the obligation—we would ask the university to see how they can assist them. Of course, when many of us were at university we sought part-time jobs to assist here and there to pay for the little things. We didn't have hi-fi sets in the dormitories we occupied, nor did we have radios, nor was there beer-drinking, nor did we have cellphones, nor would we have been able to pay cellphone costs.

There are some cost measures that we must also look at, so that while we receive support we also recognise that achieving our degree is an important discipline and responsibility that we also need to play a part in.

Analysis of policy implementation in Public Service

41. Mr B Mthembu (ANC) asked the Minister for the Public Service and Administration:

(1) Whether she or her department has done any impact analysis into the implementation of policies in the Public Service since the dawn of freedom in South Africa; if so, what are the output and/or outcomes in this regard; if not, why not;

(2) whether such a policy analysis is critically important; if not; why not; if so, what are the relevant details;

(3) whether there is any specific emphasis on accelerating outcomes-based policy implementation measures as we advance into the second decade of freedom; if not, why not; if so, what are the relevant details? N340E

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION: Thanks, Chairperson, and thanks to the House. I think it is clear that in order for government to be effective in the delivery of services to the people, it is critical that state administrations put in place systems to monitor and evaluate the implementation of policies.

This is a challenging task and is quite central to the international debate on public service reform.

Such systems are new areas, and governments across the world are striving to develop effective systems and measures to monitor and evaluate the performance of government developments, and the effectiveness of government programmes.

Let me give you some specific examples of what we are doing. I think, firstly, we should say that there is the government-wide monitoring and evaluation system, which is a very key programme for the governance and administration cluster. In this regard, the President, in his state of the nation address of February 2007 this year and in the government programme of action, clearly indicated the acknowledgement within the Public Service of the critical importance of monitoring and evaluation. So, we acknowledge the need to create a culture of continual learning and evidence-based decision-making to facilitate continual improvement.

As a government, we have led the development of this government-wide impact evaluation programme, and it is a unique and innovative government-led approach for improving evidence-based policy-making through the use of rigorous impact-evaluation techniques.

This particular programme was initiated at a seminar held in Pretoria in June last year. We are moving forward with it through the implementation of seven large-scale and methodologically rigorous evaluations of programmes in the Departments of Agriculture, Land Affairs, Housing, Provincial and Local Government, Education, Social Development, Trade and Industry and Health.

The high degree to which the programme is being institutionalised and embedded across several major departments, and the significant progress made by sector departments since June last year demonstrates a high level of commitment to internalising the values of impact evaluation for advancing government's programmes.

The programme is of strategic importance, because it will set us as a model for countries in the region and across the world. Thanks, Chairperson. [Applause.]

The HOUSE CHAIRPERSON (Mr G Q M Doidge): Hon members, I appeal to you to lower your voices, please.

Mr B MTHEMBU: Hon Chair and hon Minister, let me express my thanks for your very incisive response. Arising from your response, an indication has been made that policy monitoring and evaluation is not only intended to assess implementation challenges, but is equally important in identifying areas in which amendments may be made.

Now, that being the case, would you indicate to us whether there are any policy areas that would need some kind of a review so as to enhance their potential for the realisation of the intended outcomes? Thank you.

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION: Thank you very much, hon Chairperson . . . Deputy Chair. Is it Chairperson or the Deputy Chair?

The HOUSE CHAIRPERSON (Ms C-S Botha): Chairperson.

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION: Chairperson. Thanks for the correction. We have ongoing peer reviews, as you can see. [Laughter.]

So, in response to the question, indeed we see it as an important tool. It is a bit early, in view of the studies we are conducting, to indicate where the reviews will take place, but what we will definitely do is to use them to deepen areas of service delivery.

If the Minister of Education permits me, an example I could make reference to is that the Department of Education has agreed to

identify the inventory of Quintile 1 schools by province, in terms of which they will define the quality of roll-out capacity within each province. In terms of this the source of data for the impact evaluation will include achievement tests on numeracy and literacy and data on school infrastructure, which will be drawn from the national education infrastructure management system.

Having said that, the outcomes of those findings and the whole impact evaluation that will be done will surely inform the Minister of Education what considerations we should take forward, as the government, in deepening our work on advancing numeracy and literacy in schools. Thanks.

Mnr K J MINNIE: Agb Voorsitter en agb Minister, ons kom pas verlede week uit 'n baie geslaagde anti-korrupsie konferensie, "The Africa Forum on Fighting Corruption". Ubuntu, integriteit en implementering, ensovoorts is baie erg en sterk gedebatteer.

Beleidsimplementering is van uiterste belang en daarom is dit baie kommerwekkend dat die staatsdienskommissie, in sy mediumtermyn strategiese plan, die volgende syfers ten opsigte van korrupsie binne die Staatsdiens sedert 2004 bekend gemaak het. Die getal sake wat sedert 2004 na die department verwys is, is 3 650. Dit sluit in dienslewering en sake wat nie met korrupsie gekoppel kan word nie, met ander woorde, navrae wat ontvang is, wat 1 120 beloop.

Daar is steeds 2 217 onafgehandelde korrupsie sake. Minister, my vraag is: Watter maatreëls word getref om hierdie onaanvaarbare laksheid van departemente te stop om teen korrupte amptenare op te tree? Dankie. [Tyd verstreke.] *(Translation of Afrikaans paragraphs follows.)*

[Mr K J MINNIE: Hon Chairperson and hon Minister, last week we have just returned from a very successful anticorruption conference, "The Africa Forum on Fighting Corruption". Ubuntu, integrity and implementation, etc were debated very seriously and vigorously.

Policy implementation is of extreme importance, and it is therefore of great concern that the Public Service Commission, in its medium-term strategic plan, made the following figures known with regard to corruption within the Public Service since 2004. The number of cases that have been referred to this department since 2004 is 3 650. It includes service delivery and cases that are unrelated to corruption, in other words, enquiries that have been received amount to 1 120.

There are still 2 217 corruption cases in progress. Minister my question is: Which measures are taken to end this unacceptable negligence of departments to act against corrupt officials? Thank you. [Time expired.]]

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION: Thank you very much.

Ek is baie dankbaar dat die agb lid baie nou geluister het in daardie konferensie en selfs geluister het na . . . [I am very grateful that the hon member has listened attentively in that conference and has even listened to . . .]

. . . what the Public Service Commission put before the portfolio committee.

Indeed, we have performed various assessments on degrees of corruption, or the extent of corruption, within the Public Service. We have also done it in broader society as a whole. We have done an audit of compliance by departments with regard to the overall framework that we have put in place in terms of the Public Service anticorruption strategy.

In terms of this, hon member, we have noted the point you have raised as actually being the cases that have been reported to the Public Service Commission both in terms of the help line and in terms of whistleblowing. Our task is to follow up on this. We

would like to increase the levels of compliance that we are currently seeing. It is necessary to state, if we look at the audit that has been done to date, that 65% of departments have complied with the set requirements.

We would like to move towards a situation in which we see 100% or much closer to 100% compliance. Our task is to ensure that both the Public Service Commission and governance and administration look very closely at the extent to which we can ensure full compliance with the various regulatory and compliance frameworks that we have put in place. Thanks. [Applause.]

Dr U ROOPNARAIN: Thank you, Chair. Hon Minister, I am partly covered. In the state of the nation address, President Mbeki said, and I quote:

> We need to be prepared to roll up our sleeves and get down to work, fully understanding that the task to build South Africa for which we yearn is a common responsibility we all share.

Now, how do we ensure that this becomes the lifeblood of managers and every civil servant; that they begin to realise their responsibility towards the citizens and the community so that service is not just unhampered but begins to flow? Thank you.

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION: There is a fair amount we can do in terms of the various regulatory and compliance frameworks; and I have spoken about part of that. We have spoken about ongoing monitoring of government services, the use of the government-wide monitoring and evaluation system.

We need to look at the more effective use of performance management systems. There is the importance of the role of the executive in effecting performance management systems within departments, and ensuring the performance evaluation of directors-general, and that being implemented within government departments.

There is also the big question of the role of Parliament and its oversight, and ensuring that the executive and administration are held accountable by Parliament.

Finally, I think we should remember that a lot of this is also based on our own individual and community-collective understanding of our commitment to public service in ensuring that we do comply with the values that are set out in our Constitution and ensure the fulfilment of those values. So, there is a role for all of us in taking this forward. I thank you.

Expenditure of capital budgets by municipalities falling under Project Consolidate

68. Mr M M Swathe (DA) asked the Minister for Provincial and Local Government:

    (1) Whether, in light of the fact that 20 municipalities falling under Project Consolidate spent less than 10% of their capital budgets for the first quarter of the 2006-07 financial year, his department has taken any steps to ensure that municipalities falling under Project Consolidate will spend their full capital budgets by the end of the 2006-07 financial year; if not, (a) why not and (b) who is held accountable for this underspending; if so, what steps;

    (2) whether any action has been taken against those accountable; if not, why not; if so, what action?

N368E

The DEPUTY MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT: Chairperson, the answer to the question by the hon member is that he should note, firstly, that the National Treasury monitors municipal budgets, for example capital and operational in terms of sections 71 and 72 of the Local Government: Municipal Finance Management Act. On the other hand, the

Department of Provincial and Local Government monitors the municipal infrastructure grant allocation.

With regard to the part of the question on the municipal infrastructure grant allocation, the answer is: R2,2 billion was allocated to all the 139 Project Consolidate municipalities for the financial year 2006-07. Project Consolidate municipalities reported expenditure of R1,1 billion or 49% as at the end of the second quarter of the municipal financial year.

As the Department of Provincial and Local Government, we are satisfied with the current spending levels and we are confident that these municipalities will be able to spend their allocations.

In view of the fact that the hon member has not identified the specific municipalities he is concerned about, no comment can be made thereon. However, municipalities are generally provided with support to ensure that they utilise all the funds granted to them for the intended purposes.

The answer to part (b) of the question is that accounting officers for municipalities are responsible for expenditure management in terms of section 65 of the Local Government: Municipal Finance Management Act. However, there is no evidence currently of gross underspending.

The answer to part (2) regarding grants to municipalities is that the annual Division of Revenue Act, Dora, makes provision for the management of all transfers, receiving officers—for example, government departments, provinces and municipalities. It also makes provision for the handling of noncompliance and nonperformance relating to the transfer made by receiving officers. Such action may include the withholding, stopping and reallocation of transfers. The relevant provisions of Dora, with regard to underspending on the municipal infrastructure grant, will be applied should evidence of such underspending come to the fore. Thank you.

Mr M M SWATHE: Thank you very much, Chairperson and Deputy Minister. Deputy Minister, two weeks ago we experienced and witnessed protests by the people of the North West province about the lack of service delivery by municipalities, and yet a bulk of money from the last financial year was unspent. It is also noted in the Auditor-General's report that the majority of municipalities, including those under Project Consolidate, got qualified reports. This indicates that Project Consolidate is failing to deliver on its mandate. If this is so, what action will the Deputy Minister and her department take to correct the situation; if not, why not? Thank you.

The DEPUTY MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT: Chairperson, all of what you call "unrest" in the various municipalities have political connotations. As I said earlier, regarding the 139 municipalities identified under Project Consolidate, we have specialists that are actually busy in those municipalities assisting with the lack of capacity in those municipalities. I don't think I should actually repeat that.

But what I would like to share with the hon member is that at the extended Cabinet lekgotla in January 2007, it was decided that the White Paper on Local Government of 1998 would be reviewed. This process will further examine the question of the institutional and funding capacities of our municipalities. It will also reflect on the lessons of Project Consolidate and priorities of the five-year local government strategic agenda.

It should be remembered that our framework for local government finances is based on grants from national government—conditional and unconditional grants—and sources of own revenue. Thank you.

Ms P BHENGU: Thank you, Chairperson. Hon Minister, do you believe that the Project Consolidate municipalities are indeed beginning to generate the critical skills required to correct the incapacities currently experienced?

The DEPUTY MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT: Chairperson, when the department decided upon Project Consolidate together with Cabinet, it was a pilot project so that we could ascertain what was happening in local municipalities. I think it is too soon for people to say that Project Consolidate is not working.

As I said, we will wait until the end of their term of Project Consolidate so that we can make a proper assessment. At the moment what we, as the department, are saying is that we think Project Consolidate has made some impact on the various municipalities. It is also very early to say how big the impact is, but we believe that something needs to be done. We can't just simply sit back and say the municipalities have no capacity at all. We need to come with a programme, and that pilot programme is Project Consolidate.

Mr P F SMITH: Chair, I thought I heard the Deputy Minister saying now, in response to the question from hon Swathe, that she or the government, at least, was satisfied with the level of spending on capital grants.

Minister, I have a newspaper report here—and perhaps one doesn't give too much credence to newspaper reports—that quotes a senior official, Mr Bologo, in your department, who says that there is persistent underspending on the MIG grant and that this is so bad that the department was requesting Treasury to reallocate funds. In fact, you made reference to the Dora proposals yourself. The report also goes on to say that 106 municipalities have already been identified for this reallocation of funds; further, that if you identify the provinces where this is problematic, they are the Eastern Cape with R144 million, Gauteng with R117 million and Mpumalanga with an R80 million shortfall on their spending. Given that, Deputy Minister, would it be satisfactory for you to indicate that you are happy with the spending levels as they are at present?

The DEPUTY MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT: Chairperson, I did not say that I am happy, but I said we are quite satisfied with the trend in spending so far.

Unfortunately, you are quoting from a newspaper report that I haven't seen; so it is very difficult for me to comment on some newspaper report that is not in front of me. What we are saying as a department is that we are fairly satisfied because things are beginning to move, and, with those assistants and the capacity that we were talking about, we are fairly satisfied. We hope that the municipalities will spend all the MIG money.

What we also want to say, as the department, is that from now on if particular municipalities are unable to spend all those MIG funds, we will take them to the performing municipalities. That is the best way to ensure that municipalities do perform and finalise their funds. Thank you.

Mr W P DOMAN: Chair, it's exactly on this last point that I want to question the hon Deputy Minister. By reallocating money away from poor-spending municipalities to those that are performing, isn't that going to lead to more skewed development in our country? Shouldn't we rather concentrate on capacitating those municipalities that can't deliver, especially in the rural areas, because this is a new apartheid development that you are creating now?

The DEPUTY MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT: Chairperson, I am earning my salary today. [Laughter.] I hear your concern, hon member, and I think it is correct. I think that these programmes can run simultaneously; it doesn't mean that simply because we remove funds from a nonperforming municipality to one that is performing that we can't run these programmes parallel to each other, because it is also our responsibility to capacitate those local municipalities so that we can improve service delivery. This is because, at the end of the day, ordinary

people must be able to feel the service delivery of a particular municipality.

I think those programmes that we will run simultaneously will assist with capacity. At the same time, we need to also create healthy competition amongst municipalities. That is why, at times, hon member, you see this unrest—I don't like this word "unrest"—or these disturbances in the various local municipalities. This is because one performing municipality will perhaps deliver so many houses, whereas the municipality next to that particular municipality will not deliver houses. That is where the problem is—with performing and nonperforming municipalities. People ask why a particular municipality is able to build so many houses while they still live with the bucket system. Thank you.

Use of dam water for economic development of Bushbuckridge area

71. Mr M W Sibuyana (IFP) asked the Minister of Water Affairs and Forestry:

    (1) Whether the supply of water from the Inyaka Dam to Bushbuckridge is intended to satisfy both the domestic and economic water needs of the local communities; if not, how does her department plan to address issues of the use of water for economic development in this area;

    (2) whether her department will consider the utilisation of water from the Klaserie Dam for the economic development of the Bushbuckridge area; if not, why not; if so, what are the relevant details?
    N372E

The MINISTER OF WATER AFFAIRS AND FORESTRY: Hon Chairperson, my department's integrated approach to water management has to take into account various considerations and competing demands for water, and it tries to address these competing demands by taking into account, firstly, social equity, where we look at the equitable distribution of water amongst all people and at ensuring that as we do that we do address and redress the imbalances of the past.

Secondly, we look at ecological sustainability, so that our aquatic ecosystems are protected, and so that we preserve the quality of our water resources, and so that we balance the water use as required both by upstream and downstream users.

Thirdly, we have financial considerations, which enable us to continue to generate revenue from the supply of this water that assists us with the management, upkeep and maintenance of infrastructure whilst, at the same time, ensuring that the poor are addressed through receiving free basic water and other poverty eradication programmes.

Lastly, we also take into account economic considerations and economic efficiency so that there's greater efficiency in the allocation of water, particularly in those areas where water is very scarce.

To ensure that all these considerations and all these demands are properly balanced and measured, we as the department have decided that we are going to establish, at a very local level, what we call catchment management agencies for every water management area in South Africa where local people are represented—the municipality, business and everyone who has anything to do with that water. These demands are going to be weighed properly by the catchment management agencies.

It is in this context therefore that the supply of water from the Inyaka Dam to Bushbuckridge must be considered. We have to address all these needs. Currently, the Inyaka Dam has 123 million cubic metres and was constructed specifically to address the growing needs in Bushbuckridge.

Regarding the second part of the question, we do not intend to supply Bushbuckridge from the Klaserie Dam as the intention is to

increase the capacity to supply Bushbuckridge from this Inyaka Dam. The Klaserie Dam, as you know, coming from this area, is a very small dam in comparison to the Inyaka Dam. In comparison, its yield is only 12% of that of the Inyaka Dam, and, as we speak, the water from the Klaserie Dam is fully utilised. Thank you.

Mr M W SIBUYANA: Thank you, Chairperson and hon Minister. As far as I know, and I was there this past weekend, the water supplied to Bushbuckridge from the Inyaka Dam is only for domestic use. That water has nothing to do with economic development. What does the department intend doing about the economic development of the people in the area?

The MINISTER OF WATER AFFAIRS AND FORESTRY: Chairperson, the hon member is correct in that currently the water from the Inyaka Dam, which is pumped up to the Inyaka Dam reservoir, where it is purified and then transferred to Bushbuckridge, is currently being used for domestic use because it is potable water.

We do acknowledge, as a department, that there is the requirement of water to be used for economic reasons as well. It is important to say that in this area there is a significant amount of irrigation that is taking place; that is in Bushbuckridge, mainly by black farmers. This is economic development because here we are talking agriculture.

My department is currently working with the provincial government as well as the local government to see how we can increase the supply of water from the Inyaka Dam to Bushbuckridge to enable us to supply not only domestic water, but also to support emerging economic development, which could be tourism. This is if you look at the utilisation of the dam itself around clubs, fishing, golf courses of course, and all of that, and it could also be used for agriculture and other economic activities. So, we are working. I think the hon member must remember that potable water must be used for drinking. We are trying to get water for economic development, which is going to be used for economic development. Thank you.

Mev D VAN DER WALT: Dankie, Voorsitter. Ek wil graag twee dinge van die Minister weet met betrekking tot Bosbokrand. Die eerste vraag is: Met verwysing na die nuwe dam wat gebou gaan word, die De Hoop-dam, is enige navorsing gedoen om ook vir die gemeenskappe van Bosbokrand 'n pypleiding aan te lê en ook daar te help met die voorsiening? Dit is 'n baie groot area, natuurlik, baie wydverspreid, en daar is baie probleme met water. Die tweede vraag is of daar enige voorsiening is of beplanning gedoen word vir die droogte-omstandighede, spesifiek in Bosbokrand? Dankie. *(Translation of Afrikaans paragraph follows.)*

[Mrs D VAN DER WALT: Thank you, Chairperson. I would like to know two things from the Minister with regard to Bosbokrand. The first question is: With regard to the new dam that will be built, the De Hoop Dam, whether any research has been done about laying pipelines for the communities of Bosbokrand and helping with the supply there as well? Naturally it is a very big area, and widespread, and there are many problems with water. The second question is whether any provision or planning is made for the drought conditions, specifically in Bosbokrand? Thank you.]

The MINISTER OF WATER AFFAIRS AND FORESTRY: Chairperson, the question about Bosbokrand, water supply pipelines and drought is a new question. I would appreciate it if the hon member would table that question for proper attention. Thank you.

Mev D VAN DER WALT: Voorsitter, ek neem die Minister se punt in ag dat ek oor die droogte-omstandighede 'n aparte vraag moet stel. Maar is daar ondersoek gedoen of die De Hoop-dam kan bydra? Daar is hier

gevra oor Inyakadam en Klaseriedam. Is De Hoop-dam ook in ag geneem vir dieselfde gemeenskappe? *(Translation of Afrikaans paragraph follows.)*

[Mrs D VAN DER WALT: Chairperson, I take the Minister's point into consideration that I should ask a separate question about the drought conditions. But has it been investigated whether the De Hoop Dam can contribute? There was a question asked here about the Inyaka Dam and the Klaserie Dam. Was the De Hoop Dam also taken into consideration for the same communities?]

The HOUSE CHAIRPERSON (Ms C-S Botha): Minister, I don't know the geography of that area. I don't know whether the question is related.

The MINISTER OF WATER AFFAIRS AND FORESTRY: Chairperson, as I've said, the question is completely unrelated. The hon member knows that various studies have been done, and I've answered questions about De Hoop Dam here. She must table a question about this particular area she is referring to—I'm not sure whether it's Bushbuckridge—so that I can respond to it as far as the De Hoop Dam is concerned.

What I've said is that what we are doing in Bushbuckridge right now is concentrating on the Inyaka Dam in order to get the complete supply of water required. Maybe in the future, if it proves feasible, we could look at the Klaserie Dam to see if we can get water from there, or if we can get water from outside the area of Bushbuckridge. Thank you.

School Nutrition Programme: status and plans for extension

39. Mr B G Mosala (ANC) asked the Minister of Education:

    (1) What is the status of the School Nutrition Programme;

    (2) whether there are any plans to extend this scheme to secondary school learners; if not, why not; if so, what plans? N338E

The MINISTER OF EDUCATION: Chairperson, the reply to the question is as follows. With respect to the first part of the question, the national School Nutrition Scheme is proceeding well in most of the provinces. The Eastern Cape has faced a number of challenges, but these have been addressed and children are once again being provided with school meals.

With respect to the second part of the question, the Northern Cape and the Western Cape have extended the programme to some secondary schools. The Western Cape provides school meals to 21 000 learners in 116 Quintile 1 and 2 secondary schools, while the Northern Cape provides school meals to 59 862 learners in 101 Quintile 1 and 2 secondary schools.

In collaboration with the Financial and Fiscal Commission, my department has undertaken research into the feasibility of extending the nutrition programme to all deserving secondary schools in our provinces. The report from this study is currently being finalised and we will make a statement on the findings when we have the report. Thank you.

Mr B G MOSALA: Thank you, Chairperson. Thank you, Minister, for the response that you have given. Furthermore, I wish to commend our ANC-led government for demonstrating so much concern and care for the basic rights of children. We extend an appeal to officials at all levels of government, school management teams as well as voluntary food handlers and suppliers entrusted with the task of rolling out this programme to do so with honesty and integrity.

However, my question is whether we have sufficient and effective measures in place to deal with defaulters who undermine specific conditions laid down for the successful

implementation of this important programme. Thank you.

The HOUSE CHAIRPERSON (Ms C-S Botha): Hon Minister, we have two minutes for supplementary questions and answers, so try to make this brief, please.

The MINISTER OF EDUCATION: Yes, I will be brief, Chairperson. I just want to say yes, we do have measures in place. I have a co-ordinating unit in the national department. We have now appointed co-ordinators in every province. Every provincial department has a team and, therefore, whenever there is a difficulty we actually work with the directors that serve as the provincial co-ordinating teams in order to assist the provinces to address their problems.

The HOUSE CHAIRPERSON (Ms C-S Botha): Thank you. Hon Boinamo, will you also help by keeping it short?

Mr G G BOINAMO: Modulasetulo, ke tla leka go tsibosa Ntlo e gore kgang e ke tla simololang ka yona ga se mafoko ame ke nopolo e e tswang mo go *Noseweek*: "Let them eat kak". [Chairperson, I would like to warn this House that what I am going say at the beginning of my speech to start with are not my words, it is a quotation from *Noseweek*: "Let them eat kak".]

> A bunch of well-connected ANC fat cats are using an Eastern Cape school . . .

[Interjections.]

The HOUSE CHAIRPERSON (Ms C-S Botha): Hon member, please take your seat. There is a point of order.

Mr C T FROLICK: Madam Chairperson, I rise on a point of order: the reference to a particular article, which is not parliamentary material, and the reference to the words specifically are unparliamentary.

The HOUSE CHAIRPERSON (Ms C-S Botha): I got the words. Thank you.

Mr M J ELLIS: Madam Chair, can I address you on that please? [Interjections.]

The HOUSE CHAIRPERSON (Ms C-S Botha): You may address me, yes.

Mr M J ELLIS: Madam Chair, the hon member was quoting from a newspaper article, and I believe under the circumstances it is quite in order for that word to be used. [Interjections.] He is not using it in an unusual context; he is quoting it from the newspaper.

The HOUSE CHAIRPERSON (Ms C-S Botha): Hon Deputy Chief Whip, the hon Frolick is quite right. The wording is unparliamentary whether it comes from a newspaper or not, and the fact that it is quoted from a newspaper is not acceptable. [Applause.] Hon Boinamo, I would ask you to withdraw that particular statement.

Mr G G BOINAMO: I withdraw.

The HOUSE CHAIRPERSON (Ms C-S Botha): Thank you. On this point, hon Boinamo, having had very little time to ask the question, I am going to say that your time has expired. Thank you. [Interjections.]

Mr M J ELLIS: Madam Chair, on a totally unrelated matter, could I please indicate to you that the hon Ministers of Finance, Public Service, and Justice and Constitutional Development appear to be restudying a document which is of great interest to this whole House. I wonder whether the Minister of Finance or any of the Ministers would care to give us a bit of information as to what is in that document they are studying. [Interjections.]

The HOUSE CHAIRPERSON (Ms C-S Botha): Go ahead, hon Minister. We are very interested.

The MINISTER OF FINANCE: It is a race card for Kenilworth racecourse tomorrow. I don't know of what interest it is to the House. [Laughter.]

The HOUSE CHAIRPERSON (Ms C-S

Botha): Well, perhaps you can pass on the information to us if you have a winner. The time allocated for questions of all kinds has expired and outstanding replies received will be printed in *Hansard*.

See also **QUESTIONS AND REPLIES.**

NOTICE OF MOTION

Mr C M LOWE: Madam Chairperson, I hereby give notice that I shall move on behalf of the DA:

That the House—

(1) notes the proposal and report delivered by the Western Cape Transport and Public Works MEC, Marius Fransman, to the Western Cape provincial cabinet last month that a three-year moratorium be placed on affirmative action in order to ease the looming skills crisis in certain sectors; and

(2) hereby resolves to debate the merits of the proposal as contained in the report delivered by MEC Fransman.

CONDOLENCES TO PARENTS OF SHELDEAN HUMAN

(Draft Resolution)

Mrs C DUDLEY: Madam Chairperson, on behalf of the ACDP I give notice that I shall move:

That the House—

(1) expresses its sadness and anger at the brutal killing of another innocent seven-year-old girl, Sheldean Human;

(2) extends heartfelt condolences to the parents of little Sheldean, family members and friends, and prays that the Lord comfort and heal their broken hearts; and

(3) commends all who worked tirelessly to find Sheldean, who was abducted from near her home in Pretoria last month.

The HOUSE CHAIRPERSON (Ms C-S Botha): Hon member, is that a motion without notice?

Mrs C DUDLEY: It was notice of a motion.

The HOUSE CHAIRPERSON (Ms C-S Botha): If I'm not mistaken, it would be more suitably placed under motions without notice.

Mrs C DUDLEY: We just didn't have time to get it through by 12 noon, as we were in a Whips' meeting.

The HOUSE CHAIRPERSON (Ms C-S Botha): Anyway, considering the subject matter, if there is no objection . . . [Interjections.] I didn't want to rule it out of order; I wanted you to change it. I don't want to rule this out of order, because I find it very difficult to rule out of order a motion on that subject.

Mrs C DUDLEY: I'm happy with that. Thank you.

The HOUSE CHAIRPERSON (Ms C-S Botha): In which case I have to ask if there were any objections. None. Okay, thank you.

Agreed to.

The House adjourned at 17:09.

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

ANNOUNCEMENTS:

National Assembly and National Council of Provinces

The Speaker and the Chairperson

1. **Assent by President in respect of Bill**

   (a) ***Postal Services Amendment Bill*** [B 22B—2006]—Act No 22 of 2006 (assented to and signed by President on 25 February 2007).

TABLINGS:

National Assembly and National Council of Provinces

1. **The Minister for Public Enterprises**

   (a) Amendment to Eskom's pricing structure, tabled in terms of section 42(4) of the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) and supporting documents required in terms of section 42(3) of the same Act.

2. **The Minister for Justice and Constitutional Development**

   (a) Report on withholding of remuneration of Magistrate K Suliman, in terms of section 13(4A)(b) of the Magistrates Act, 1993 (Act No 90 of 1993).

COMMITTEE REPORTS:

National Assembly

1. **Report of the Portfolio Committee on Communications on the filling of a vacancy on the Council of the Independent Communications Authority of South Africa**, dated 6 March 2007:

   In its report to the National Assembly on 7 September 2006 the Committee recommended that the House submits to the Minister of Communications a list of suitable candidates at least one and a half times the number of councillors to be appointed on the Council of the Independent Communications Authority of South Africa. They were Dr A J Barendse, Ms M Matlala, Ms M Mohlala, Mr R Nkuna, Ms B Ntombela, Ms K A Serero Chiloane, Dr M Socikwa and Prof J C W van Rooyen.

   After consideration, the Minister recommended that the following persons be appointed to serve on the Council:

   Dr A J Barendse, Ms M Mohlala, Mr R Nkuna, Ms B Ntombela, Prof J C W van Rooyen.

   Dr Barendse subsequently withdrew his nomination, and the matter was referred back to the Minister who recommended that the National Assembly approves the appointment of Dr M Socikwa as councillor.

   On 28 February 2007 Parliament referred the matter to the Committee, which considered the Minister's recommendation on 6 March 2007, and reports as follows:

   That the House agrees to the appointment of Dr M Socikwa as councillor on the Council of the Independent Communications Authority of South Africa.

   Report to be considered.

2. **Report of the Portfolio Committee on Minerals and Energy on the Convention on the Physical Protection of Nuclear Material**, dated 7 March 2007:

   The Portfolio Committee on Minerals and Energy, having considered the request for approval by Parliament of the **Convention on the Physical Protection of Nuclear Material**, referred to it, recommends that the House, in terms of section 231(2) of the Constitution, approve the said Convention.

   Report to be considered.

3. **Report of the Portfolio Committee on Transport** on the ***Convention on International Interests in Mobile Equipment Bill*** [B 1—2007] (National Assembly—sec 75), dated 7 March 2007:

   ''

   The Portfolio Committee on Transport, having considered the subject of the ***Convention on International Interests in Mobile Equipment Bill*** [B 1—2007] (National Assembly—sec 75), referred to it and classified by the Joint Tagging Mechanism as a section 75 Bill, reports the Bill without amendment.

PROCEEDINGS OF THE NATIONAL ASSEMBLY

The House met at 14:01.

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

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS—see col 1490.

NOTICES OF MOTION

The CHIEF WHIP OF THE OPPOSITION: Chairperson, I hereby give notice that on the next sitting day I shall move:

That the House—

(1) expresses its strong disapproval of the fact that the report of the ad hoc committee appointed to propose what action Parliament should take in respect of the Travelgate fraudsters was handed to the Speaker and the Chairperson of the National Council of Provinces on 8 February 2007, but has not yet been tabled in this House or debated; and

(2) enquires whether the Speaker and the Chairperson disagree with the recommendations of the ad hoc committee and, if so, whether this is the reason for the failure to inform the House of those recommendations.

Mr L B LABUSCHAGNE: Chairperson, I hereby give notice that on the next sitting day I shall move:

That the House is of the opinion that unspent funds of state departments be returned to taxpayers in the form of tax credits.

ANNIVERSARY OF THREE DOCTORS' PACT OF 1947

(Draft Resolution)

The ACTING CHIEF WHIP OF THE MAJORITY PARTY: Chairperson, I move without notice:

That the House—

(1) notes that tomorrow, 9 March 2007, marks the 60th anniversary of the Three Doctors' Pact signed in 1947 by Dr A B Xuma of the African National Congress, Dr G M Naicker of the Natal Indian Congress and Dr U M Dadoo of the Transvaal Indian Congress;

(2) recalls that the Three Doctors' Pact expressed its sincerest conviction that for the future progress, goodwill, good race relations, and for the building of a united, greater and free South Africa, full franchise rights must be extended to all sections of the South African people;

(3) further recalls that the three organisations recognised that unity in action among the people is fundamental to the advancement of the liberation struggle; and

(4) calls on all South Africans to work tirelessly for the realisation of the goal of a better life for all and social justice.

Agreed to.

MONEY ALLOCATED FOR IMPROVEMENTS IN MZIMKHULU AREA

(Member's Statement)

Nksz N M MAHLAWE (ANC): Sihlalo, umhla we-19 nowama-20 kweyeDwarha,

kunyaka ophelileyo, ziintsuku ezingasayi kuze zilityalwe ngabantu bengingqi yaseSisonke KwaZulu-Natala, ngakumbi kwabesithili saseMzimkhulu. Ezi ziintsuku apho uMongameli weli lizwe, ohloniphekileyo uQabane Thabo Mbeki, wathi wandwendwela esi sithili eRiverside. Olu tyelelo ke luthe lwaba neziqhamo ezincumisayo nezivuyisayo kubantu baseMzimkhulu. UMongameli uthe jize umasipala waseMzimkhulu ngama-31,9 ezigidi zeerandi. Umasipala uyicalucalule kakuhle le mali.

Okokuqala ezimbalini, lo masipala uza kukwazi ukuba afake imibhobho kwisithili sonke, eza kutsala amanzi ukuze afakwe kwiindawo ngeendawo. Kwakhona, zonke izikimu zamanzi zaseMzimkhulu ziza kuvuselelwa ukuze kufakwe amanzi acocekileyo kwimizi ngemizi ebingenawo amanzi, kunye nombane kwiiwadi ezintathu ebezisebumnyameni.

Bathi abantu baseMzimkhulu: Nangamso, Sijadu, Zizi elimnyama neenkomo zalo, ngokusipha ubomi obungcono. Ze wenze njalo nakwabanye. Ndiyabulela. [Kwaqhwatywa.] *(Translation of isiXhosa member's statement follows.)*

[Mrs N M MAHLAWE (ANC): Chairperson, the days 19 and 20 October 2006 will never be forgotten by the people of the Sisonke district in KwaZulu-Natal, especially those from the Mzimkhulu district. These are days on which the President of this country, Comrade Thabo Mbeki, visited this district in Riverside. This visit was fruitful to the people of Mzimkhulu. The President allocated an amount of R31,9 million to the Mzimkhulu Municipality, which was accordingly divided for different projects.

This will enable the municipality to install water pipes that will supply different areas in the whole district with water for the first time in its history. Furthermore, all Mzimkhulu water schemes will be revitalised in order that clean water can be supplied to all households to which it was previously not accessible. Electricity will also be supplied to three wards that had no electricity at all.

The people of Mzimkhulu sing your praises, and they say: Well done, Sijadu, one from the Zizis—he who is, like his cows, black. [Applause.]]

GREEN POINT STADIUM FOR 2010

(Member's Statement)

Mnr T D LEE (DA): Voorsitter, dit is verregaande dat mev Helen Zille, die persoon wat die belastingbetaler in Kaapstad se belange op die hart dra, in die ontwikkeling van die Groenpunt-stadion deur mnr Mcebisi Skwatsha daarvan beskuldig word dat sy met "haar speletjies" Kaapstad se kans om 'n gasheerstad in die 2010-Wêreldbeker te wees in die gevaar stel.

Dit is geensins onduidelik dat daar 'n definitiewe geldelike tekort bestaan vir die aanbou van die nuwe Groenpunt-stadion nie, en dat nóg die stad Kaapstad nóg die Wes-Kaap as provinsie in staat is om die tekort te finansier. Die versigtigheid waarmee mev Zille die saak benader is dus nie 'n poging om Kaapstad se kans om die sokkertoernooi aan te bied in gedrang te bring nie, maar 'n voorbeeld van verantwoordelike en verantwoordbare leierskap. Mnr Skwatsha kan dalk iets by haar leer.

Die DA steun met oorgawe Suid-Afrika en Kaapstad se poging om die beste Sokker-wêreldbekertoernooi aan te bied, maar wil die ANC-regering weer eens ten sterkste aanmoedig om eienaarskap te neem van die stede se pogings en 'n bereidwilligheid te openbaar om hulp te verleen, in welke vorm dit ook al mag nodig wees. Dit is nie regverdig om die belastingbetalers te belas met 'n finansiële verpligting wat hulle nie kan nakom nie. Ek dank u. [Tyd verstreke.] *(Translation of Afrikaans member's statement follows.)*

[Mr T D LEE (DA): Chairperson, it is preposterous that Mr Mcebisi Skwatsha, with regard to the development of the Green

Point Stadium, is accusing Mrs Helen Zille, the person who has the interests of the taxpayers in Cape Town at heart, of jeopardising Cape Town's chance to act as a host city in the 2010 FIFA World Cup by way of the "games" she is playing.

It is clear that there is a definite monetary shortfall with regard to the construction of the new Green Point Stadium, and neither the City of Cape Town nor the Western Cape as a province is able to finance the shortfall. The cautionary manner in which Mrs Zille is approaching this matter is, therefore, not an effort to jeopardise Cape Town's chance to host the soccer tournament, but an example of responsible and accountable leadership. Perhaps Mr Skwatsha can learn something from her.

The DA wholeheartedly supports the effort by South Africa and Cape Town to host the best Soccer World Cup Tournament, but would, once again, in the strongest terms encourage the ANC to take ownership of the cities' efforts and to demonstrate a willingness to render assistance in whatever form it might be necessary. It is not fair to burden the taxpayers with a financial obligation that they are unable to fulfil. I thank you. [Time expired.]]

BUDGET CUTS IN MARINE AND COASTAL MANAGEMENT

(Member's Statement)

Ms C N Z ZIKALALA (IFP): Chairperson, the IFP notes with great concern that the research budget of Marine and Coastal Management has been cut drastically to about half of what it recently was.

The research budget is used to do annual fish stock surveys on which MCM then bases the amount of fish that can be caught by the various permit holders. What is even more shocking is that MCM has apparently now asked fishing companies to make additional contributions to it so that the research can be carried out. This is particularly worrying because the fishing companies already have to fork out substantial levies to MCM for exactly this purpose.

One consequence of inadequate research into the health of fish stocks is that South Africa might lose its marine stewardship certificate, something which European customers insist on. If we do lose this certificate it would have dire consequences for our fish exports to the continent. The Auditor-General recently uncovered a number of accounting problems in the Marine Living Resources Fund and qualified its audit report. Marine Coastal Management is also responsible for the fund and, taken together with these latest revelations, it is clear that MCM is in trouble. [Time expired.]

EDUCATION POLICIES—GRADE R

(Member's Statement)

Ms R J MASHIGO (ANC): Chairperson, Sadtu women educators in the Thabazimbi region of Limpopo were addressed by the Deputy Director-General of Education on 3 March 2007. The dialogue reiterated the fact that the educators' priority is the education of learners.

What came out clearly was the fact that some teachers had to understand that Grade R learners should not be mixed with Grade 1 learners, as Grade R learners are there for stimulation, nor should their programmes be the same.

Grade R is actually for stimulation and this, in the areas of disadvantaged communities, should be taken into cognisance because they need stimulation before they go to Grade 1. The Deputy Director-General, Mrs Tyobeka, will follow this issue up and organise a meeting with the foundation phase educators.

The ANC applauds the step taken by the department in this regard. Thank you. [Applause.]

HUMAN TRAFFICKING

(Member's Statement)

Mr S N SWART (ACDP): Chairperson, on 23 February 2007, the bicentenary date of the Slave Trade Abolition Act passed in the British House of Lords was officially celebrated in many countries. This Act was the result of tireless efforts of the parliamentarian, William Wilberforce, one of the greatest reformers in British history who, motivated by his Christian faith, for 18 years campaigned to end the slave trade.

Regrettably, 200 years later slavery still exists, despite the fact that it is banned in most of the countries where it is practised. Women from Eastern Europe are bonded into prostitution; children are trafficked between West African countries and men are forced to work as slaves on agricultural estates, and that is not to mention the slavery that still exists in the Sudan.

Other forms of slavery include bonded labour, early, enforced marriage, slavery by descent and child labour. The question is whether parliamentarians worldwide will be prepared, like William Wilberforce, to similarly dedicate themselves to the eradication of all forms of modern-day slavery.

We particularly need to support anti-slavery movements worldwide, particularly in this bicentenary year. Let us seize the abolitionist spirit. Thank you.

CLIMATE CHANGE

(Member's Statement)

Mr L W GREYLING (ID): Chairperson, climate change is an impending global catastrophe and it will affect the livelihoods of people across the world, particularly the most vulnerable who live in developing countries. It is imperative for us to take action now to avoid the dangerous destabilisation of the earth's climate. This requires action on an international, national and local level. It also requires action on an individual level.

Today I did what most politicians are loathe to do: I got my hands dirty. I am not talking about corrupt activities; I am talking about planting trees. I planted 20 trees at schools in Philippi and Khayelitsha to offset my carbon emissions from air travel. Due to the nature of our work, Members of Parliament have a high carbon footprint, because of air travel.

I therefore urge all members of this House to stand up as leaders and also offset their emissions by purchasing trees and planting them in needy areas. I also call on Parliament to institute an initiative whereby our collective emissions can be offset by either tree planting or investments in renewal energy sources.

As the hon Minister of Finance said last year, the environment is not a party-political issue, but it must be the responsibility of us all. This is an opportunity to rise to the challenge and prove to the public that we take responsibility for all the hot air that we produce in this House. Thank you.

ERADICATION OF BUCKET SYSTEM

(Member's Statement)

Mof N N MADUMISE (ANC): Modulasetulo, ke ema mona ka ho hlahisa polelo ka kaho ya matlwana, eleng "Eradication of Bucket System" mane Masepaleng wa Matjhabeng, moo nna ke dulang teng. Mokgahlo o moholo wa ANC o boetse o bontshitse botshepehi ba ona, ka ho neha bo-masepala tjhelete ya kaho ya matlwana. Sepheo e le ho fedisa tshebediso ya mabakete metseng e fapaneng,jwalo ka ha Mopresidente Mbeki a tshepisitse puong ya hae ya pulo ya Palamete selemong sena.

Kahoo mothating ona, masepala wa Matjhabeng o bonahala o le matholeng a ho phethahatsa thomo eo o e entseng dikgethong tse fetileng tsa bo-masepala, ka ho ahela baahi ba se nang matlwana, matlwana dibakeng tsa Meloding, Kutlwanong le Phomolong.

Hona ho tla phethelwa ka kaho ya matlwana a 7 000, le ho fana kapa ho hlahisa mesebetsi ya nakwana batjheng ba . . . [Nako e fedile.] *(Translation of Sesotho member's statement follows.)*

[Ms N N MADUMISE (ANC): Chairperson, I want to comment on the eradication of the bucket system in the Matjhabeng municipality, where I stay. The ANC has again showcased its commitment by giving municipalities funds for sanitation. The objective is to eradicate the bucket system in our communities, as President Mbeki promised in the state of the nation address this year.

Matjhabeng municipality is therefore on the verge of accomplishing its mandate set in the past municipal elections. It has built toilets in the areas of Meloding, Kutlwanong and Phomolong.

This will be completed by building 7 000 toilets and giving or creating temporary job opportunities for the youth of . . . [Time expired.]]

INEFFICIENT SERVICE DELIVERY

(Member's Statement)

Mr M T LIKOTSI (PAC): The PAC of Azania wishes to bring to the attention of this House that as we are comfortably seated in this Chamber, there is economic, social and political unrest in North West at Ikageng, Boikhutso, Boitumelo, Khutsong and some other areas such as the Barcelona informal settlement extensions 25, 26 and 27 at Ekurhuleni due to inefficient service delivery. The PAC wants to repeat what it said in the past: Our people are fast losing patience, and due to their revolutionary background they will do anything to fight any form of oppression that comes their way.

The councillors, provinces and the Cabinet must stop intellectualising about service delivery and provide people with what they want: employment opportunities, housing, better equipped educational and health facilities, equitable distribution of land and wealth. Let us all, as the members of this House, get out of our shell and attend to the grievances of the struggling masses of our country, nationally. I thank you. [Applause.]

RAPE AND MURDER OF WOMEN AND CHILDREN

(Member's Statement)

Ms S RAJBALLY (MF): Chairperson, the rape and murder of women and children is a serious reality. While the tragedy and loss affect all of us, we need to realise that there are many more horrific and barbarous crimes of rape and murder that we do not hear of, but which occur on a daily basis. Our police stations report a frightening number of these cases being reported throughout the day.

Headlines talk of the South Coast victims to a number of cases of rape and murder of women, the handicapped, and children. In most cases victims know the perpetrators, and this instils more fear in us. There should be greater determination to clamp down on these criminals.

We appeal to all parents and guardians that they should not be obligated to trust anyone, but they are obligated to protect their children. Temptation is a human flaw. A rapist is a criminal and doesn't have one face. It has many faces, shapes, sizes and colours, and different sexes. Please take the necessary precautions to protect. Don't regret.

We further call for a revision of legislation governing the crime of rape and murder with the intent to legislate harsher punishment for the protection of our people from these sick, perverse monsters. The MF calls on all communities to get together and assist our police departments to overcome crime in our communities. Thank you. [Applause.]

TSHWANE METRO COUNCIL

(Member's Statement)

Dr S M van DYK (DA): Voorsitter, die Tshwane Metroraad is besig om baie sleg agteruit te gaan. Sedert die burgemeester,

Dr Gwen Ramokgopa verlede jaar aan bewind gekom het, is 'n mosie van wantroue reeds verskeie kere teen haar in die raad geopper. In 'n verslag wat aan die raad se korporatiewe en gemeenskaplike dienste komitee voorgelê is, blyk dit dat ongeveer 50% van die huishoudings in die Tshwane Metrogebied ontevrede is met dienste wat deur die raad gelewer word.

Een-en-sewentig persent van die inwoners word nie met die eerste foonoproep gehelp nie. Sewe-en-sestig persent moet drie of meer oproepe maak voordat klagtes aangespreek word.

Twee-en sestig persent van die inwoners beleef gereeld kragonderbrekings. Dan praat ek nie eers van die chaos by lisensiekantore en die foutiewe diensterekenings wat uitgestuur word nie.

Boonop, is die topbestuur van die raad besig om uitmekaar te tuimel. Sowat 15 topbestuurslede het die raad verlaat sedert Ramokgopa burgemeester geword het. Verlede week het twee lede van die burgerskomitee ook bedank. Die munisipale bestuurder het ook bedank vanweë Ramokgopa se bestuurstyl.

Daar word nou bespiegel dat Ramokgopa blykbaar die swakste van vier kandidate gaan aanstel as nuwe munisipale bestuurder omdat dié persoon die burgemeester se gunsteling is.

Ons vra dat die Minister van Provinsiale en Plaaslike Regering dringend sy invloed by die President gebruik sodat Burgemeester Gwen Ramokgopa vervang word voordat sy die Tshwane Metroraad verder skade aanrig. Dankie. [Applous.] *(Translation of Afrikaans member's statement follows.)*

[Dr S M VAN DYK (DA): Chairperson, the Tshwane Metro Council is deteriorating very badly. Since the mayor, Dr Gwen Ramokgopa, came into office last year, a vote of no confidence in her has been proposed several times in the council already. In a report tabled in the council's Corporative and Community Services Committee it is apparent that nearly 50% of households in the Tshwane Metro area are dissatisfied with the services provided by the council.

Seventy-one percent of the residents are not attended to with the first phone call. Sixty-seven percent have to call three or more times before complaints are dealt with.

Sixty-two percent of the residents are expe-riencing power failures regularly. And that is not to mention the chaos at licence offices and the incorrect services accounts that are sent out.

Furthermore the top management of the council is also in the process of disintegrating. Approximately 15 members of the top management left the council since Ramokgopa became mayor. Two members of the mayoral committee also resigned last week. The municipal manager also resigned as a result of Ramokgopa's management style.

Presently there is speculation that Ramokgopa will probably appoint the poorest of four candidates as the new municipal manager because this person is the mayor's favourite.

We urgently request the Minister for Provincial and Local Government to use his influence with the President in order to replace Mayor Gwen Ramokgopa before she causes even more harm to the Tshwane Metro Council. Thank you. [Applause.]]

CRIME IN MAFIKENG

(Member's Statement)

Moht N R MOKOTO (ANC): Modulasetilo, mokgatlho wa ANC o tshwentse thata ke kokotsego e e makatsang ya bosenyi, bogodu le go kgothusiwa ka dikgoka mo go tsweletseng go itemogelwa ke baagi ba kgaolo ya Mafikeng. Mo dikgweding tse pedi tse di fetileng, baagi ba Mafikeng le metse e e mabapi, ba itemogetse mefuta e e latelang ya botlhokotsebe: Go tseelwa

Hona ho tla phethelwa ka kaho ya matlwana a 7 000, le ho fana kapa ho hlahisa mesebetsi ya nakwana batjheng ba . . . [Nako e fedile.] *(Translation of Sesotho member's statement follows.)*

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Furthermore the top management of the council is also in the process of disintegrating. Approximately 15 members of the top management left the council since Ramokgopa became mayor. Two members of the mayoral committee also resigned last week. The municipal manager also resigned as a result of Ramokgopa's management style.

Presently there is speculation that Ramokgopa will probably appoint the poorest of four candidates as the new municipal manager because this person is the mayor's favourite.

We urgently request the Minister for Provincial and Local Government to use his influence with the President in order to replace Mayor Gwen Ramokgopa before she causes even more harm to the Tshwane Metro Council. Thank you. [Applause.]]

CRIME IN MAFIKENG

(Member's Statement) ,,

Moht N R MOKOTO (ANC): Modulasetilo, mokgatlho wa ANC o tshwentse thata ke kokotsego e e makatsang ya bosenyi, bogodu le go kgothusiwa ka dikgoka mo go tsweletseng go itemogelwa ke baagi ba kgaolo ya Mafikeng. Mo dikgweding tse pedi tse di fetileng, baagi ba Mafikeng le metse e e mabapi, ba itemogetse mefuta e e latelang ya botlhokotsebe: Go tseelwa

dithotho ka dikgoka, go kgobogelwa ke magodu, go betelelwa le go thubelwa mo matlong.

Re le mokgatlho wa ANC ga re kitla re letlelela magodu go pateletsa baagi go itseela molao mo matsogong a bona. Re tla tswelela go ema nokeng kgaratlho ya bona go netefatsa gore mo re dulang teng re dula ka tshireletsego, kagiso le kgololosego. Ntwa kgatlhanong le bosenyi re tla e fenya fela ka tirisanommogo ya baagi le mapodisa le fa re nna le kgatlhego ya go tsaya karolo le go nna maloko a di diforamo tsa sepodisi tsa baagi (Community Policing Forums) le batlaleletsi ba sepodisi (Police Reservists).

Kwa bokhutlong, rona mokgatlo wa ANC re ikuela kwa go ba SAPS gore ba oketse mapodisi a bona mo metsemagaeng, kwa ditoropong le gotlhe kwa batho ba dulang gona go netefatsa ponagalo e e tiileng ya mapodisi ka nako tsotlhe, le go kgapela basenyi kwa sekhutlwaneng se se ba tshwanetseng. Ke a leboga. [Legofi.] *(Translation of Setswana member's statement follows.)*

[Ms N R MOKOTO (ANC): Chairperson, the ANC is very concerned about the substantial increase of crime, theft and mugging that is continuing to be experienced by the people of Mafikeng. During the past two months, the residents of Mafikeng and neighbouring villages experienced the following types of crime: robbery, rape and housebreaking.

We, as the ANC, will not allow these criminal elements to force the community to take the law into their own hands. We will continue to support their efforts, to ensure that the places in which we stay are safe and peaceful, and that we live in freedom. We will win the war against crime only if the community and the police work together by taking part in community policing forums and becoming police reservists.

Lastly, we, as the ANC, would like to appeal to the SA Police Service to increase the number of police officers in the villages, towns and places where people stay to ensure that their services are available at all times, and to get rid of these criminals.] [Applause.]]

TEACHER PROFESSIONAL DEVELOPMENT AND TRAINING

(Member's Statement)

Prince N E ZULU (IFP): Chairperson, the Department of Education has been accused of poor planning and a lack of urgency towards implementing teacher professional training despite the availability of funds. According to recent research more than 12 000 teachers lack proper qualifications and those that were qualified were battling to implement the new curriculum and new education policies.

The IFP believes that continuous teacher professional development is critical to the improvement of the overall quality of education. Lack of teacher training, together with our crowded classrooms, low pay, school violence and lack of support, will drive many students and teachers away from the teaching profession.

The shortages of teachers are felt in classrooms across the country. A shortage of 35 000 teachers is predicted by the year 2008. Many teacher unions believe that a well-planned teacher training programme will restore the image of the teaching profession. Teachers who are well-trained and supported by the department are unlikely to leave the profession.

The IFP therefore urges the education department to fast-track the roll-out of its policy framework on teacher development. The policy framework should come with clear strategies for training students, the induction of new graduates and retraining of teachers in the profession. Somlomo. [Thank you, Chairperson.]

BRUTAL EVICTION OF PEOPLE FROM FARMS

(Member's Statement)

Mr S E KHOLWANE (ANC): Chairperson, I am deployed to the Lydenburg constituency office in Mpumalanga. The ANC-led government has put in place legislation and policies to regulate relations between farm owners and the people living or working on farms to realise the objectives of the Freedom Charter.

However, we are concerned that around Lydenburg, particularly in Badfontein, most of the farmers still disregard the implementation of the sectoral determination and other pieces of legislation. There are illegal and brutal evictions, such as that of Mr Moyo, who was evicted and had his property, including livestock, confiscated by the farm owner.

Our people are not allowed to have visitors. Their electricity and water supplies are cut. They are forced to drink water from the same source as their livestock, not to mention that they are refused permission to bury their loved ones on the farms. Indeed, these are really inhumane practices.

We will continue to work with government institutions and other role-players in educating our people about their basic human rights, whilst condemning strongly the unscrupulous farmers who continue to violate the laws of the land and who have no regard for basic rights and human dignity. Thank you. [Applause.]

MISMANAGEMENT OF FUNDS BY ANC OFFICERS

(Member's Statement)

Mr C M LOWE (DA): Chairperson, the Minister of Labour's sudden interest in the affairs of Sector Education and Training Authorities, Setas, in the wake of the Fidentia scandal begs the question: Why only now? The DA has brought a number of matters to the Minister's attention, but he has failed to act. Why has he not intervened in the ongoing problems of the Construction Education and Training Authority Seta and the Media, Advertising, Publishing, Printing and Packaging, Mappp-Seta, where the CEO has had death threats made against herself and her family?

The DA recently revealed a forensic report into alleged financial mismanagement at the Seta. The findings have criminal implications. Yet the Seta's response has been to deny the seriousness of the report. The chairman said that there was nothing new about the allegations and that the Seta, the Department of Labour and the Auditor-General all had copies of the report. He is wrong!

There is strong evidence that the general public was deliberately kept uninformed about the deficiencies in the construction Seta's management. Financially, the Seta is technically insolvent. Money has been stolen and high-level management is involved in the theft, fraud and corruption.

A culture of unaccountability has come to define the ANC government's mismanagement of the public's money. If the people in charge mismanage money, there must be consequences. Until the ANC government realises that it is accountable to the South African people, it will continue to mismanage their money.

The Minister of Labour and the Director-General, who is also the department's financial officer, need to start leading by example and putting principle ahead of excuses. The Minister needs to act. [Applause.]

CONGRATULATIONS TO THE SA NATIONAL DEFENCE FORCE

(Member's Statement)

Ms T V TOBIAS (ANC): Chairperson, the ANC hereby takes this opportunity to congratulate the SA National Defence Force for the sterling work that it continues to do in disaster management in Africa. It has been

reported that the SANDF will be spearheading the flood-relief project in Mozambique, after the country has experienced more unfortunate floods for the second time in a short space of time.

As part of the ANC policy outlined in the Defence Act, social engagement is important to ensure that the army does not just participate in military aspects, but also in social, environmental and economic security programmes that seek to create a peaceful and stable continent. It is only the ANC, through its policies, that can do this.

Phambili ngamasosha eNingizimu Afrika, phambili! Ngiyabonga. [Forward with the South African Defence Force, forward! Thank you.]

THE CHALLENGES FACING SETAS; INTERNATIONAL WOMEN'S DAY; CLIMATE CHANGE; FARM COMMUNITIES

(Minister's Response)

UNGQONGQOSHE WEZEMISEBENZI YOMPHAKATHI: Sihlalo ohloniphekile namalungu ale Ndlu, ngiyabonga ngethuba esilitholayo lokuba siphendule. Ngithanda nje ukuqala ngokuphendula uzakwethu lo okhulume mayelana namaSeta, lapho ebuze khona ukuthi yini uNgqongqoshe Wezabasebenzi abe nomdlandla manje emveni kwalo mkhonyovu otholakale kwi-Fidentia. *(Translation of isiZulu paragraph follows.)*

[The MINISTER OF PUBLIC WORKS: Hon Chairperson and members of this House, thank you for the opportunity that we get to respond. I wish to start by responding to my colleague who spoke about the Setas. The member concerned asked why the Minister of Labour had started showing an interest now that corruption has been found in Fidentia.]

I think it will be important to correct the perspective that there hasn't been an interest by the Minister of Labour in the challenges that are facing Setas. Hon members will recall that the Minister of Labour has on more than one occasion in this House, both in the answering of questions and in his own budget statement, indicated some of the challenges that the Setas are facing and what he and his colleagues are doing.

In my capacity as Minister of Public Works I am responsible for the construction Seta, and we have been working with the construction industry to try and resolve some of those challenges and find a way in which we can bring that Seta into better management. In our analysis of the problem, we've not shied away from accepting that there has indeed been mismanagement. There have indeed been problems, but this does not mean we need to sit back and complain. Our solution has been to find the way in which we can resuscitate and rebuild that construction Seta. I must say, I thank the construction industry which has been part of that process in working with us in resuscitating the construction Seta in particular. Therefore, what the member is saying about the Setas is not new. It is a matter that he has continuously dealt with.

Hon members, I also would like to say on this important day, which is International Women's Day, that one cannot but agree with the hon member of the MF who raised sharply the issue of rape amongst women and also the crime that has engulfed some of our communities, but what she says, which I agree with, is how we as community members must work with the law enforcement agencies to ensure that we bring down the level of crime and actually eradicate it as it affects our communities. It cannot happen only by saying the police must do this. It will happen as a result of how we see our responsibility as citizens in working with our law enforcement agencies to actually deal with the scourge.

Hon member of the PAC of Azania, even though we are in South Africa, I would like to say that we did acknowledge the issues

you are raising about the challenges of service delivery in a number of our municipalities. You will recall that last year and the year before both the Minister of Finance and the Minister for Provincial and Local Government, working together with their colleagues, put in place a programme known as Siyenza Manje and also looked at Project Consolidate to find a way in which we can assist hands-on that sphere of government, given the challenges that it is facing, and we will continue to do so. But it is also important to indicate to our citizens that it does not help to actually destroy the infrastructure that we have just because of anger at the lack of service delivery. It is our responsibility to find a way in which we can support one another—even those municipalities—to actually change the situation for the better.

On the issue of climate change, I must say I am very happy that this Parliament has raised this important matter twice in a week. One hon member from the DA, I think, on Tuesday raised the importance of us finding some programme of action and policy on how we could work on this important challenge that faces the world.

And again our hon member from the DA has just indicated how we, as citizens, can also get hold of the spanner to fix the problem. I am sure that the Ministry and the Department of Environmental Affairs and Tourism will be very happy that we are indeed becoming conscious even about our own responsibilities in managing this situation.

Lastly, on the matter raised by the hon member deployed in Lichtenberg, it is indeed a pity to note once again that we still face such challenges in our country, where some among us still disregard the human rights that must be enjoyed by all of us as citizens. It is sad that some farmers who continue to treat their workers badly actually spoil the name of many farmers who have been working in partnership with their communities to do better. We do hope that the sectoral determination that has been put in place by the Minister of Labour in dealing with the issue of wages at the farm level will be taken positively. We all know that this is one sector where there have been low wages, among those workers on farms, and this is a measure to ensure that at least some people can also have a living wage. Thank you very much.

Mr L W GREYLING: On a point of order, Chair, can I just remind the Minister that I haven't crossed the floor and I am not a member of the DA. I am a member of the ID. Thank you.

The HOUSE CHAIRPERSON (Mr G Q M Doidge): Those might be the effects of climate change. [Laughter.]

CONGRATULATIONS TO THE SANDF; REDUCTION IN VIOLENT CRIME

(Minister's Response)

The DEPUTY MINISTER OF CORRECTIONAL SERVICES: Thank you, Chairperson. There are two statements I would like to respond to: The first one is from the hon member Tobias, and I want to add my voice to hers in congratulating the SANDF for their efforts. As government, we have, since 1994 committed ourselves to the creation of peace, stability and development on the continent. This commitment also extends to assistance in times of disaster and to the rebuilding of those communities affected by disaster. As I said, I also wish to add my voice in congratulating the SANDF.

The next one is the statement by hon member Mokoto on crime. May I just say that the reduction of violent crimes and crimes against women and children top the list of government's priorities and it has been so since 1994. Those committing these crimes must be assured that they will face the might of the law, especially now that we today, as we speak, have launched the 365 days of activism of no violence against women and children and we would like to

urge all members of this House to rally their communities, their constituencies, in support of this campaign. Thank you.

ERADICATION OF BUCKET SYSTEM; SISONKE AND RIVERSIDE IN MZIMKHULU

(Minister's Response)

The MINISTER OF WATER AFFAIRS AND FORESTRY: Chairperson, on this International Women's Day I would like to wish all women of this country a very happy day indeed.

I rise on two statements. With regard to the first one, I would like to join hon member Madumise who congratulated the municipality on the progress that it has made with regard to bucket system eradication. Indeed, as we all know, we have set ourselves December 2007 for bucket eradication in all established settlements in our country. I might also say that we are on track with delivering on that commitment.

We all know that sanitation is about health and hygiene, and it is also about respect and dignity of our people and this ANC-led government has taken the decision that it wanted to restore the dignity of our people to ensure that everyone who doesn't have basic sanitation in our country actually gets it.

As the ANC-led government, we will leave no stone unturned until all our people have access to basic and decent sanitation. The highest backlogs of sanitation as we speak are in the North West, Eastern Cape and the Free State.

I must say that all these provinces have programmes in place to ensure that we eradicate the bucket system. Municipalities who face problems are being assisted by national government. We have a programme like Masibambane where we are hands-on as all departments, the Department of Provincial and Local Government, the Department of Water Affairs and Forestry, and provinces.

We have a programme with the Development Bank of South Africa, Siyenza Manje—We are doing it now. Again, it is a programme that seeks to accelerate the delivery of this service. We have deployed engineers to all the municipalities that are struggling with the planning, implementation and spending of their money.

It is all systems go with this. We have a budget from the Minister of Finance to deal with bulk water infrastructure and I can assure members that we will meet this target. All we ask is that all of our people assist us in ensuring that we deliver these services and in the event where waterborne sanitation is not a solution or an option, they must understand when we have to implement alternative types of sanitation.

The next statement that I would like to respond to is the one that was about Sisonke district and Riverside in Mzimkhulu. Indeed, I was part of the delegation that accompanied the President during that imbizo, and what was unacceptable to all of us who were there is that, here is this district municipality which is bordered by three rivers, and yet there was such an acute shortage of water.

So, we are very happy and excited that our visit to the Sisonke district has yielded such quick results. As you know, that district is rich in agriculture and it is somewhat of a food basket in that area.

We are going to continue holding izimbizo to make sure that we consult our people on what their needs are. Indeed, this is the success story of this very innovative programme that is held by the Presidency, assisted by the Department of Provincial and Local Government, to ensure that we talk to our people and explain to them what our plans and programmes are, in bringing delivery to their areas, and we are happy when there is delivery that everyone can see.

It is important, hon members, that we also congratulate the municipalities who do well so as to encourage them because most of the

time they are under attack for not delivering services. I thank you. [Time expired.]

WELCOMING OF DELEGATION FROM FATAH

The HOUSE CHAIRPERSON (Mr G Q M Doige): Before we proceed to the first Order of the day, I would like to welcome the delegation from Fatah in the gallery, which is led by Jamal Shobaki. You are most welcome. Thank you very much.

DEBATE ON INTERNATIONAL WOMEN'S DAY: DEEPENING THE DEBATE ON GENDER MAINSTREAMING IN THE WORK OF PARLIAMENT

Ms S P RWEXANA: Chairperson, on 10 February 2007, we laid Mama Adelaide Tambo to rest. As the ANC Women's League and the nation, we paid tribute to her commitment to the ANC. She was a towering figure in our struggle. We will miss her positive contribution towards the upliftment and the empowerment of women in rural areas.

Our nation mourns her passing away and that she is remembered by all nations across the globe. Once again, we congratulate the Foreign Minister of Tanzania, Asha-Rose Migiro, who was appointed to the post of United Nations Deputy Secretary-General. As South African women, we pledge to offer her our full support.

Allow me to begin this debate on International Women's Day by alluding to the words of the late Comrade Samora Machel:

> The emancipation of women is not an act of charity; the result of a humanitarian or compassionate attitude. The liberation of women is a fundamental necessity for the revolution, the guarantee of its continuity and the precondition for its victory.
>
> The main objective of the revolution is to destroy the system of exploitation and build a new society, which releases the potentialities of human beings. This is the context within which women's emancipation arises.

Gender mainstreaming is defined as a means of addressing gender imbalances that existed within our society. It therefore seeks to insert gender into a decision-making process and that is critical to good governance.

During the last decade the ANC-led government has developed, enacted and implemented a comprehensive legislative framework that gives effect to the right of women to be free from gender-based violence.

The national gender machinery, which is another aspect of the Constitution, contributes to the direct promotion of women's equality. It has been functioning hand in hand with the Commission on Gender Equality which is one of the constitutional institutions to strengthen constitutional democracy.

Gender mainstreaming in the work of Parliament has been conducted in various ways. Departmental monitoring is required to supervise the implementation of gender mainstreaming programmes so that we are able to identify the progress made and the obstacles that have been encountered.

The Joint Monitoring Committee on the Improvement of Quality of Life and Status of Women was primarily established to monitor government's implementation of the Committee on the Elimination of Discrimination against Women and the Beijing Platform for Action. Its functions relate to formulating specific legislation on gender issues and legislation that is gender sensitive.

The multiparty women's caucus was appointed last year by the initiative from the office of the Speaker. It consists of all women members of the National Assembly and permanent women delegates in the National Council of Provinces. It functions as an advisory, influencing and consultative

body. Its functions include engaging with civil society. At this stage it has been referred by the Joint Rules Committee to the review of Rules Committee for finalisation.

Awareness of gender equality became one of the crucial areas for the Commission on Gender Equality. This commission is trying to make education awareness to promote gender equality through the use of radio stations that broadcast in all the indigenous languages.

It gives me pride and joy to say that our Constitution in South Africa is among the best leading globally for its recognition for its equality clause, which leads to the implementation of the promotion of the Equality Act. This legislation seeks to eliminate gender discrimination.

Section 39 of our Constitution allows us to apply and make use of international instruments. These foreign instruments create an obligation on the state to take action to bring domestic policy and practices in line with relevant international standards. We are collaborating with other international human rights instruments that constitute the international legal framework aimed at eliminating gender discrimination and advance the status of women globally.

The African Charter renders any custom, tradition, culture or religious practices that are inconsistent with the rights, duties and obligations contained in its charter null and void. It further compels state parties to apply all appropriate measures to abolish customs and practices that are harmful to the welfare, dignity normal growth and the development of women and girl children.

We would like to congratulate the trauma centre in Cape Town which offered to give counselling to the young girls who were kidnapped for a long time by a serial killer in Caledon. Further, we call on government, civil society, NGOs and the business sector to stand together and fight gender violence against women and the girl children.

We have collaborated with the international protection for women and girls against gender-based violence, which is a comprehensive body of international law which sets the norms and standards that hold governments accountable for allowing patterns of violence against women and obliges them to prevent violations where possible.

In 2003 the African Union Assembly held its second ordinary session in Maputo, Mozambique, where it adopted the protocol to the African Charter on human and people's rights on the rights of women in Africa. This protocol recognises that despite the African Charter on human and people's rights and the other international instruments, women in Africa still continue to be victims of discrimination and harmful practices.

This resulted in the adoption of the optional protocol which contains provisions such as the elimination of discrimination against women by state parties through appropriate legislative, institutional and other measures, and the right to participate in political life and decision-making. Our Parliament adopted the optional protocol on 17 November 2004.

The ANC constitution provides that one third of the representation should be by women. I am proud to say that today we have gone beyond that. Relevant structures such as Chapter Nine Institutions and policies have been put in place to ensure that gender discrimination is eliminated, women are empowered, their voices are heard and they participate equally with men in decision-making. Quoting from one of our great leaders, the late O R Tambo, when he delivered a speech in Luanda on 14 September 1981:

> We need to move from a revolutionary declaration to revolutionary practice. We invite the ANC's women's section and the black women of South Africa, more oppressed and more exploited than any section of the population, to take up this challenge and assume their proper role

> outside the kitchen among the fighting ranks of our movement. The women's section is not an end in itself. It is a weapon of struggle to be correctly used against all forms and levels of oppression and inequality in the interest of a victorious struggle of our people.

We express our people's solidarity with the women of Somalia and Darfur. We stand firmly with our comrades who are fighting for social and political freedom. Our conviction in the certainty and their victory is unshakeable. Malibongwe igama lamakhosikazi! [Praise the name of women!]

Ms J A SEMPLE: Chairperson, today we celebrate International Women's Day and yes, we are having yet another so-called "women's debate". The men might roll their eyes and yawn but the women of this Parliament, and indeed, the women of this country, have news for them. Gender is not just about women; it is also about men and until men and women are equal not only in law but at home, at work and in this House, we will keep on having these debates. [Applause.]

Only once we have closely examined all the organisational policies and practices of Parliament, to see how they impact on men and women, can we really determine whether these policies are equitable and nondiscriminatory.

Debates are all very well but as my leader, the hon Tony Leon, is fond of saying, "talk is cheap but money buys the whisky". So we can talk as much as we like, but only when the hearts and minds of all of us in this House are committed to change in terms of gender transformation, can we truly say that gender mainstreaming has been achieved within this institution.

This is not only about the number of women versus men. Nuket Kardam defines mainstreaming gender as:

> Both a technical and political process which requires a shift in organisation of culture and ways of thinking, as well as in the goals, structures and resource allocations of international agencies, governments and NGOs. Maintaining gender requires changes at different levels within these institutions, in agenda setting, policy-making, planning, implementation and evaluation. Instruments for the mainstreaming effort include new staffing and budgeting practices, training programmes, policy procedures and guidelines.

How do we relate this to our institution, Parliament? My friend, Claire Mathonsi, from the Gender Advocacy Programme says:

> Parliament has a multifarious, radial relationship with gender mainstreaming, because Parliament is a key player in the process of relations between other key players, the state, civil society and the market within different domains.

Parliament should have a dual focus; on one level there is a need for gender sensitive responses to all legislation—a task undertaken by the JMC as mentioned by the previous speaker; and on the second level, there is a need for gender mainstreaming within the internal structures of this institution.

However, while the gender sensitive response of legislation is monitored and evaluated, implementation must also be monitored. The Domestic Violence Act is a good example.

Internally, the organisational culture of Parliament also needs to be transformed. This organisation, like most others in our country, and indeed around the world, is based on deeply historical political patriarchal norms and values which must be transformed if you are truly going to talk about gender mainstreaming.

The organisational structure of Parliament needs to be seriously interrogated to ensure that Parliament itself complies with the

principles of gender equity and equality beyond numbers of men and women present. Yes, we do now have enough toilets for female members although they all appear on one side of some buildings, but what happened to the crèche for children of working parents in this institution?

Why is there no sexual harassment policy that applies to everyone who works here? When I tried to put this question to the Deputy President it was sent back by the Questions office. Which Minister is going to champion this course and why does it have to be a woman? Is it only because women are victims of sexual harassment or are they the only ones who are brave enough to talk about it?

Post-1994 parliamentary hours were changed to accommodate working parents, but we are now looking at a new form of programming which reverts to late hours one evening a week. Did anyone look at this from the view of gender mainstreaming?

Most of us acknowledge that gender equality is critical yet it is quite appalling how consistently your so-called "gender machinery" is underprioritised and underfunded. All government departments are supposed to have gender focal points.

No lesser person than Prof Kader Asmal recently asked: What is a gender focal point? I am sure a lot of other people would ask the same question. Why is the issue of gender so jargonised? It gives people the perfect excuse for not understanding what we are talking about. The gender focal point is the person who is supposed to keep the gender mainstream flag flying.

The problem is that the effectiveness of gender focal point is largely dependent on the level at which that person is appointed and who they report to. If that department has not changed in the fundamental way necessary to hear and accept critical gender voices, participation and influence, then the necessary enabling conditions for the implementation of development priorities and accountability for genuine gender mainstream will not exist either, regardless of the gender focal point. All too often top leadership takes the position of "add women and stir". In other words, we have our gender focal point, and the gender mainstreaming ends right there.

Gender analysis of departmental budgets is another area where gender mainstreaming can play a huge role—and I intend to ask questions to all departments in this regard.

We have come a long way in terms of gender mainstreaming since 1994 but there is still plenty of work to be done in this institution and throughout our society. Let's match the talk with action and genuine conviction from men and women in this House. Thank you. [Applause.]

Ms C N Z ZIKALALA: Chairperson, first of all allow me to thank the presiding officers of Parliament for setting aside time in the parliamentary programme for today's debate. Some may consider it a small matter but International Women's Day means a tremendous amount to billions of women around the world.

Today marks a day when we celebrate women's achievements and honour their roles and contributions to global society. It is also a day on which we identify the problems that many hundreds of millions of women face every day. We should therefore note specifically that the theme for this year's celebration of the role of women is "Ending Impunity for Violence against Women and Children". I will return to this theme a bit later.

It is also apt that the focus of this debate should be on gender mainstreaming in the work of our Parliament. With perfect hindsight it can be argued that this Parliament could have done more for gender mainstreaming since 1994.

Understandably, when the democratic Parliament was first established there were

many competing issues that had to be addressed and perhaps one of the issues we got to a bit later was to examine our own internal organisational functioning and culture from a gender perspective.

In the first years of the democratic Parliament some attention was paid to investigating and overseeing the gender mainstreaming of budgets to see, for instance, how they impacted on women and water, women and sanitation and women and health.

In later years it seems that the emphasis has shifted to other aspects of oversight and holds the executive to account and less critical analyses of gender budgets have been done. There is also a school of thought that suggests that the available resources within Parliament have not been properly allocated to gender mainstreaming.

It is a sad fact of life that some form of violence is perpetrated against women and children every minute of the day both in our country and around the world. All we have done and accomplished for women's rights over the decades has not eradicated this societal aberration. It continues unabated across race, ethnic, religious, cultural and class lines and has serious implications for every single society in which it occurs.

In 1998 this Parliament adopted the Domestic Violence Act in the hope that legislative intervention would protect women and children from violence. It has not. It may have helped to a certain extent but clearly legislation is not the answer to the problem. The answer lies much deeper, in changing societal attitudes and addressing the root causes of crime against women and children.

In the next few months parliamentarians will scrutinise the budgets of various departments and institutions. It is in this process that gender mainstreaming in our work can be advanced by hon members, critically analysing budgets to gauge their impact on women and children. For instance, we have to ask how the Water Affairs budget will benefit women in providing access to clean water and sanitation. How will the Social Development budget provide for the women that are unemployed and vulnerable? How will the Justice budget cater for victims of domestic violence and will it improve the maintenance system? Will the Tourism budget provide employment and business opportunities for women entrepreneurs?

I can go on and on but the picture is clear. We have to re-introduce and re-emphasise critical analysis of budgets and government programmes to determine their effects on women. In this way, we will definitely deepen the debate on gender mainstreaming in Parliament. Thank you. [Applause.]

Ms M R MORUTOA: Chairperson, hon Minister, hon Members of Parliament and distinguished guests in the national gallery, I must say, "Malibongwe!". [Let it be praised!] [Interjections.]

International Women's Day is an annual day for the recognition of and struggle for women's economic, social and political rights, and opportunities for awakening self-consciousness among women workers and for the unity of the working class.

Women's Day emerged out of the simultaneously growing workers' and women's rights movement during the rapidly industrialising period of the early 20th century. In the United States, in 1908, the Socialist Party's newly formed women's national committee responded by calling for the party to designate a day each year to campaign for women's suffrage.

International Women's Day is an important occasion for women all over the world. It is not only an occasion for women from all continents to celebrate our triumphs and achievements, but to take stock of what still needs to be done.

In South Africa, we also have a lot to celebrate. During the brutal years of apartheid, women were at the forefront of the battles against that dreaded system of sys-

tematic oppression. Our history is filled with stories of heroic deeds carried out by patriotic South African women who were not prepared to concede to the yoke of apartheid.

Women in urban and rural areas, black and white, rich and poor, religious and nonreligious, stood together side-by-side to fight emphatically and to defeat apartheid.

The struggle for women's emancipation in South Africa is as old as the struggle itself. In the first instance, it is worth noting that women played a central role in production and reproduction during the pre-colonial era. As a response to the increased attempts of the apartheid government to enforce a systematic control over movement through the pass laws, women stood up against Prime Minister Strydom and organised a massive anti-pass march to the Union Buildings in Pretoria on 9 August 1956.

Two years before the historic Women's March, the first Women's Charter was adopted at the founding conference of the Federation of South African Women in the same year that the Bantu Education minister enforced a separate and unequal education system for African children.

Way before the advent of feminism in the West in the sixties and seventies, South African women started a movement that situated women's emancipation within the context of a broader liberation struggle. At its core, the Women's Charter denounced and challenged a struggle for liberation that benefitted only one section of society.

Since 1994, South African women have achieved many milestones. These include, one, having amongst the highest proportions of women parliamentary representivity in the continent, and a Constitution that guarantees the right of women to dignity, protection and access to opportunities. Many women have made their mark in the political and business arenas. We have a woman Deputy President, two women Speakers of Parliament, and a record of 12 Ministers in our national Cabinet.

South Africa performed very well in respect of the indicators mentioned in the gender and Millennium Development Goals, to which our government has subscribed. The third MDG prescribed indicators are: Indicator 9—ratio of girls to boys in primary, secondary and tertiary education; indicator 10—ratio of literate females to males of 15 to 24 years of age; indicator 11—share of women in wage employment in non-agricultural sector, and indicator 12—the proportion of seats held by women in national parliament.

Despite the fact that we have performed very well on the MDG's specified indicators, I want to point to a few achievements as well as areas that still need attention.

I want to speak about women and poverty. More than one billion people in the world today, the great majority of whom are women, live in unacceptable conditions of poverty, mostly in the developing countries. Poverty has various causes, including structural ones.

Poverty is a complex, multidimensional problem with origins in both the national and international domains. The globalisation of the world economy and the deepening interdependence amongst nations present challenges and opportunities for sustained economic growth and development, as well as risks and uncertainties for the future of the world economy.

The gender disparities in economic power-sharing are also an important contributing factor to the poverty of women. Migration and consequent changes in family structures have placed additional burdens on women, especially those who provide for several dependents.

Macroeconomic policies need rethinking and reformulation to address such trends. These policies focus almost exclusively on

the formal sector. They also tend to impede the initiatives of women and fail to consider the differential impact on women and men.

While poverty affects households as a whole because of the gender division of labour and responsibility for household welfare, women bear a disproportionate burden, attempting to manage household consumption and production under conditions of increasing scarcity. Poverty is particularly acute for women living in rural households.

Women's poverty is directly related to the absence of economic opportunities and autonomy; lack of access to economic resources, including credit, land ownership and inheritance; lack of access to education and support services, and their minimal participation in the decision-making process. Poverty can also force women into situations in which they are vulnerable to sexual exploitation.

Gender mainstreaming is a globally accepted strategy for promoting gender equality. Mainstreaming is not an end in itself but a strategy, an approach, a means to achieve the goal of gender equality.

Mainstreaming involves ensuring that gender perspectives and attention to the goal of gender equality are central to all activities—policy development, research, advocacy, dialogue, legislation, resource allocation and planning, implementation and monitoring of programmes and projects.

Pertaining to gender mainstreaming in business, in the next five years, as it embarks on its R84 billion infrastructure programme, power utility Eskom has to appoint two new members of staff every working day, and it is adamant that one of them will be a black woman.

The need to recruit 5 000 skilled employees will impose unique challenges even for Eskom, widely acknowledged as South Africa's most empowered company. Having launched an affirmative action and employment equity drive in the early 1990s—well before it became a moral and regulatory imperative—Eskom is in a better position than most to meet the skills crunch head-on, while retaining its empowerment momentum.

The state-owned enterprises have been tasked with spending more than half of the R400 billion government is setting aside to improve public infrastructure over the next few years. However, in this endeavour they have to contend with shortages in key skill categories, particularly engineering, technical and project management skills.

The sharp decline in technical and artisan skills in South Africa over the past decades is hurting the private sector as well, but the damage is more severe in the SOEs. Thank you very much. [Time expired.] [Applause.]

Ms S N SIGCAU: Chairperson, the quest for gender equality continues. This Parliament has demonstrated in a number of ways that gender equality matters, but still there remain improvements that we can make to advance the cause.

We concur with the suggestion that the Parliamentary Women's Group should be formalised in the Rules of Parliament to ensure that it is taken more seriously by the institution. At the same time, we must ensure that such a structure rises above party politics, otherwise it will not succeed.

We also agree that gender budgeting is a vital parliamentary tool. Speeches and discussions about gender mean nothing if they do not lead to actual change. As we all know, real change occurs when budgets are allocated and spent.

We must ensure when this Parliament asserts a greater role in the overall budget process that gender is one of the leading criteria for evaluating budgets before they are approved.

The continuing scourge of sexual violence against women and girl children is a blight

on our society. These violent crimes remind us that patriarchy did not die with the advent of democracy.

The ability of Parliament to engage government on this issue and to force positive change will, in the end, be the yardstick with which our efforts at gender equality are measured by future generations. Thank you. [Applause.]

Mrs P DE LILLE: Chairperson, hon members, I want to deal with this so-called notion of "deepening the debate". I think it is totally unacceptable that on such an important day as International Women's Day we can deepen the debate in one minute. How is that possible? The ANC must understand that they do not hold the monopoly on ideas in this country.

It is an indictment on the two women Speakers of Parliament to actually allow this to happen. It is the International Women's Day and we must come and stand here for only one minute. I want to appeal to the Speakers and the Whips that instead of allowing a long weekend, which is meant for constituency work on a Monday, we should rather use that time to add extra time for debates in this House. Then we can talk about deepening and strengthening the debate.

The ID do not want just more dresses in Parliament; we want more women who can take up the issues of women outside here, like our MP Florence Batyi who has put 20 men behind bars for failing to pay their maintenance. Those are the issues that we in Parliament must do for women. Women don't just want long speeches from us here; they need our help out there and we should stop claiming to speak on behalf of them when we don't even know where they live in this country. I thank you. [Applause.]

Mrs M L NGWENYA: Chairperson, I just want to say that I feel pity for hon De Lille, for, I thought, that if you really want to get hold of more women you should go to their constituencies and meet more of them. [Applause.] But, maybe you are right, hon member.

Lehono ke Letsatsi la Basadi Lefaseng ka Bophara. [Today is International Women's Day.]

Hunger and poverty are enemies of human dignity; and women are the primary victims of hunger and poverty. Yet women are also crucial partners in finding sustainable solutions to these twin scourges. Without women, the target we all set in 1996 to halve the number of the hungry in the world by 2015 will not only remain elusive; it will become impossible to attain. Women and girls constitute three-fifths of the world's poor. Their poverty level is worse than that of men as clear gender disparities in education, employment opportunities and decision-making powers exist.

Basadi ba bantši mo Afrika ba swaragana le thankga ya go fepa malapa a bona, mola ka lehlakoring le lengwe ba rwalela dikgong šokeng le go ga meets kgole, go ruthufatša malapa a bona. [Most women in Africa are struggling to provide for their families. On the other hand, they still have to get wood from the fields to keep their families warm, and water from the wells, which are far away from their homes!]

Statistics show that in Sub-Saharan Africa women food farmers produce 80%, do 90% of the work to process the food, 80% of the work to transport and store the food, 60% of the work to market the food and provide 90% of water, wood and fuel. This they do using rudimentary hand-held tools and without appropriate modern technology. Indeed, women meet the basic survival need of the continent, despite the fact that they own only 1% of the land, receive less than 7% of farm extension services, and receive less than 10% of the credit given to small-scale farmers.

Provision of household water needs is a major problem facing African rural women.

Only 47% of urban women in Africa have access to safe drinking water. Most of those in the rural areas have to trek long distances from their homes in search of water, no matter the quality. This remains a challenge for African governments and international funding agencies.

A large number of women are mainly engaged in subsistence agriculture as well as the micro and small-scale enterprises. In most of the developing countries, particularly in Africa, women consist of 70% to 80% of the total agricultural labour force and they account for over 80% of food production. It is not surprising therefore to find many women engaged in food processing, weaving, personal services, beverages, preparation and selling of snacks.

To strengthen the partnership with rural women, one of the vital challenges would be to support their continued empowerment. This is viewed as a necessary catalyst to ensure that they can fulfil their potential and participate on an equal footing with men in the formulation and implementation of agricultural and rural development policies and programmes. Several instruments for bringing about this change are already available. In 1979, the international community reached a milestone with the adoption of the Convention on the Elimination of All Forms of Discrimination Against Women, which contains important legally binding provisions in support of women in agriculture.

In South Africa, land is an important source of capital used in economic activity and a factor of production. During the apartheid years, around four million people were removed and displaced from the land they were occupying. A small percentage of African people gained access of land through freehold title prior to introduction of the laws in 1913 and 1936. Many of these people have since been dispossessed.

Since 1994, an opportunity has presented itself to all the citizens of South Africa, particularly the previously disadvantaged, including rural women. That opportunity is the enabling legal and policy framework of land reform. However, rural women have not been able to take advantage of this opportunity and use it for improving their quality of life.

Mmuso wa rena wo o eteletšwego pele ke ANC, o kgonne go thuša batswadi ba dikobo-di-magetleng go godiša le go fepa bana ba bona ka tšhelete ya kgwedi le kgwedi, mola diputswa kgwedi ka kgwedi di hwetša mphiwa-fela go lwantšha tlala le bohloki ka malapeng. *(Translation of Sepedi paragraph follows.)*

[The ANC-led government has managed to make children's grants available monthly in order to assist poor parents to provide for their children. The elderly people also get pensions monthly to fight hunger and poverty in their homes.]

The Department of Land Affairs has encouraged participation of women in land reform projects. However, there has been no concerted effort to mainstream women's issues in such projects. Recognising this weakness in strategies for implementation of the land reform programme, the department has resolved to develop strategies for gender, particularly mainstreaming of women's issues in land reform.

These are some of the strategies that the department may explore. Firstly, representation of women, particularly rural women, at all levels in decision-making positions in rural development public institutions. Secondly, giving women a voice at village level and village development structures to try to avoid and reduce patriarchy. Thirdly, we need to establish women-only land reform projects. Fourthly, establishing communication and information sessions of land reform programmes that would target rural women.

Essentially, these strategies will contribute to enabling rural women to develop tools that they need to bring about organisational transformation in rural development struc-

tures, particularly those dealing with issues of access to land and land tenure rights.

Rural women must stand up and fight for their socioeconomic rights. No one but they themselves will free them from the shackles of poverty, victimisation and abuse.

A plan or strategy must be designed and implemented in close co-operation with various development partners in different specialised areas, notably education, health, human rights as well as environment and energy.

There is a need, therefore, even in South Africa, to strengthen the public administration to make . . . [Time expired.] [Applause.]

Mr H B CUPIDO: Chairperson, according to a report compiled by the Inter-Parliamentary Union based on information received from 189 parliaments as at 31 January 2007, it is the country of Rwanda on the African continent that has the most women representatives in parliament. Rwanda leads all parliaments by 48,8%. Mozambique is at number 10 with 34,8% and South Africa at number 13 with 32,8%, doing much better than the countries like Australia, New Zealand and Germany, that follow at numbers 14, 15 and 16. South Africa therefore still needs to do a lot. The colonial power who dominated the world during the previous century, the UK, only rank at number 53, with a mere 19,7% of women representation.

Many African countries still need improved policies in order to tackle gender inequality and to fight poverty and HIV/Aids.

The ACDP supports the campaign launched by the NGO Gender Links to increase the numbers of women representation in the South African Parliament and other spheres of government. Thank you. [Applause.]

Ms M M MDLALOSE: Chairperson, on International Women's Day, let us salute the brave souls who went on hunger strikes, who created the Suffragette Movement for women.

Size sibonge ngisho iNgcugce imbala. [Let us salute even the women's regiment, iNgcugce.]

Let us create a sense of unity and energy between women. Let us work towards the betterment of all women, rural and urban. Let us all unite. The women of Parliament need to give much more to other women who are outside of Parliament, because they are the women who suffer most; they are the women who need most help and we here in Parliament are the ones best suited to help them. Thank you, Chairperson. [Applause.]

Mr K M KHUMALO: Chairperson, before I speak, I just need to dedicate this speech to women who contributed to the struggle internationally. One, I am speaking about Indira Gandhi of India, who fought quite fiercely; two, Aung San Suu Kyi, who is currently under house arrest in Myanmar, formerly called Burma; three, Benazir Bhutto of Pakistan who fought, and actually after her father was assassinated, led the people of Pakistan; four, Comrade Ray Alexander, a trade unionist from the ICU, and five, Lillian Ngoyi. So this speech will actually be a dedication to women.

I just want to clarify that the debate on women is not about women only, but about both men and women. For us to achieve an equal society, both men and women must be dedicated to eradicating all forms of discrimination.

A writer in Africa known as Buchi Emecheta writes in her book called *The Joys of Motherhood* that the pain and suffering of women are normally seated in the context of their barrenness, witchcraft and many other things.

Now it is quite clear that it is not only in pre-colonial society that these things are prevalent. It is unfortunate that today the suffering and pain of women continue to persist in postcolonial society, democratic

states and independent states. These are the things that we need to fight for quite seriously.

The consequences of such perceptions lead to serious discrimination against women, and all of them lead to something called misogyny, which is hatred towards women. Now, we need to make sure that we deal with this, because this may lead to serial rapists, murder, systematic exploitation of women and all those forms of discrimination.

Young women are quite vulnerable in our society. They are exploited, raped and they disappear amongst all forms of discrimination. This is a fight that men and everyone must engage in and something they must fight against.

It is important for us to make sure that the current debate on the issue of learner/student pregnancies is understood in the context of society that counts on a particular past that needs to be corrected. One aspect of this is that these pregnancies that we need to deal with in our schools are a reflection of a society that is quite sick. It is the type of issue, which we as parents, young people and teachers must attend to.

It is important to note that the protection of young women will need to be achieved not only through laws and legislation, but also by men and women of strong morals and values, to inculcate the culture of human dignity, respect, and honour. Extensive sexual education in schools, within youth organisations, nongovernmental organisations and higher learning institutions must be intensified. Current statistics will indicate that, today, there are more young women living with the prevalence of HIV/Aids. It is important for us to make sure that we deal with that particular issue and attend to it.

I also want to deal with the issue of women and disability, just to indicate to all of us that we are all susceptible to some form of disability or another. In the past, we used to cage people with mental disabilities, keep them in institutions and places like Witrand in Potchefstroom, Sterkfontein and Bephelong. It is important for us to show some love and respect for those of us who are living with mental disabilities, and make sure that we help them so that they feel part of society.

It is also important that when government engages in programmes of construction and housing, it must make sure that it accommodates people with disabilities, in particular those in wheelchairs. If I could raise an example: The houses that are being built currently are not designed in such a way so as to accommodate those people in wheelchairs. Therefore, when we build them, we must take into account that the doors need to be bigger, and the toilets must be built so that they are compatible for people in wheelchairs. The electric plugs that are installed must also be able to accommodate those in wheelchairs. These are the things that we believe that women and men with disabilities must be provided with.

We also wish to request that the SABC must make sure that in all their programmes, and not only in the news programmes, subtitles and sign language are used; thus in each and every single programme that is run.

We also request that when the Ministry is imposing quotas on specifications, those RDP houses, houses of development, government institutions, buildings and everything must be accessible to all by means of ramps and many other things.

We also believe that in most of the municipalities around the country there are no translation and interpreting facilities. Now, it is important that these institutions must have those, so as to allow those people who cannot hear or see or are suffering from any form of disability can be accommodated.

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We also request that these government departments, even Parliament, must at least avail national documentation application forms and all other important documentation

in Braille so that those who are blind can get access to information, and all other important things.

In terms of gender and education, two economists called Michael Todaro and Stephen Smith wrote quite extensively regarding the discrimination against women and youth in terms of gender. In the study that they conducted, they discovered that out of 108 countries, 66 had a 10% to 20% discrimination average of girls against men, but then Todaro and Smith indicated that there were areas that were quite important to us. And to prove that point there is empirical evidence that once you teach young girls they sometimes perform better than men.

They mention quite a number of reasons. Firstly, that the rate of return on investment on education for women is higher than for men in developing countries. Secondly, an increase in women's education increases productivity in the workplace, leads to later marriage, lowers fertility, and improved health and nutrition. Thirdly, they indicated that improved child health care and nutrition and more educated mothers lead to the multiplier effect on a nation's human resource and generation income. Fourthly, they also discovered that once you educated the young girls, compared to educating men, education can have an important impact on breaking the vicious cycle of poverty and inadequate schooling of young girls.

In terms of rural women, those who are disabled are likely to be neglected, left by their spouses, their children, and they also face degradation, isolation and helplessness.

It is the duty of every man and woman in this House and out there to make sure that young women are protected and that women with disabilities can live properly, be respected and get love and care. Thank you. [Applause.]

Ms S RAJBALLY: Igama lamakhosikazi! Igama lamadoda futhi! [Uhleko.] [The name of women! The name of men too! [Laughter.]]

Chairperson, today we commemorate the greatness of women of South Africa and around the world. It is crucial today to applaud our Bill of Rights that has, with the birth of our democracy, enshrined our equality to men in every factor and sector of the community and in our daily lives. When we look around us in the House today, I am proud to note the growth of female representation in the NA and the NCOP, and the Cabinet, as well as the office-bearers of both Houses.

South Africa is noted as being one among the top developing countries such as Jamaica, Belize and Antigua, as our women are at the helm of both Houses. The MF however has a vision that, some day, we shall have an equal number of male and female representatives that shall encourage a balanced representation of all sexes.

I take this opportunity to thank all the comrades that strove to achieve freedom, democracy and a voice for all women. I wish all South African women who strive to preserve their culture, customs and religion in a fast-changing society the very best.

To our mothers, sisters and daughters of South Africa, we celebrate and salute your greatness. I thank you. [Applause.]

Nkszn P TSHWETE: Sihlalo, malungu abekekileyo ePalamente, iindwendwe ezibekekileyo, kunye nabemi boMzantsi Afrika uphela, xa sisithi ngalo nyaka we-2007 sivuyisana nomhla wesi-8 kaMatshi singuMzantsi Afrika, sisithi uMzantsi Afrika uyabalwa nawo kumazwe athe anyusa izinga loomama kurhulumente wabo sithi siyabulela koomama beli abalwela inkululeko kwanakuMongameli weli.

Xa ndingqina ndithetha ukuba uMzantsi Afrika walungiselela amakhosikazi nakuMgaqosiseko wawo ngokumisela iziko

esithi yi-sithi Commission on Gender Equality, CGE. *(Translation of isiXhosa paragraphs follows.)*

[Mrs P TSHWETE: Chairperson, hon members, hon guests and South African citizens, as we celebrate the day of 8 March 2007, we want to express our sincere gratitude to the women of this country who fought for liberation, as well as to the President. Today South Africa is counted amongst the countries that have raised women representation in their government.

Furthermore, South Africa provided for women even in its Constitution. They established what is known as the Commission on Gender Equality, CGE.]

The CGE is one of our constitutional institutions that was established under Chapter 9 of the Constitution to maintain and promote democracy through gender equality.

One of the most important tasks of our democratic government was to repeal old laws and policies that discriminated against women. The new laws and policies give women the rights that they were previously denied.

In South Africa, more than half of the population is female. We are still undergoing a process of gender transformation within our country and globally. Women are still under-represented in other spheres of government, especially, in important positions of power.

It is the duty of Parliament, government and civil service to acknowledge the role of women and ensure that their voices are heard in the democratic South Africa.

The Commission on Gender Equality's mandate, among others, is to monitor and evaluate policies and practices of state agencies, public bodies and the private sector in order to promote gender equality and the rights of women.

CGE not only designs legislated society, which equally balances the needs of both women and men of democratic South Africa, but it also analyses priorities set by government to impact positively on gender issues as it has done in partnership with the Office on the Status of Women.

CGE has much broader tasks practically to encourage both men and women to speak out and demand a stop to the violence they experience daily.

Sisenenxaxheba ekufuneka siyithathile ke boomama le yokufundisa ootata ukuba nabo bathethe, bathethe xa bedlwengulwa, beze ngaphambili. Mayingasoloko ingomama abaza ngaphambili xa bedlwengulwa. Sinenxaxheba ekufuneka siyithathile, ngoba ubukhulu becala ngoomama abatshoyo ukuba baphatheka kakubi. Amadokethi amapolisa akhoyo phaya ezikhululweni ndiqinisekile ukuba ngawoomama, alikho idokethi likatata elithi, 'Mna ndiyabethwa ngumfazi wam yonke le mihla.' Ngoko ke siyanqwena ukuba ootata beze ngaphambili, ukuze nabo sibancede kwezi nkathazo bakuzo. *(Translation of isiXhosa paragraph follows.)*

[We still have a role to play as women to educate men about sexual abuse. Those men who have fallen victim to this must come forward and speak out. It should not only be women who report it when they are abused. I can assure you that most police dockets have the rape cases of women rather than men. Men do not go to court to report abuse. You will never find a police docket in which a male complainant wrote: "My wife beats me up daily." Therefore, we wish to make an earnest appeal to men, that they must come forward to get help.]

The "alpha male" mindset is still dominant among culturally diverse South Africans. This is what further complicates the transition to gender equality.

Our practical participation should be to encourage the CGE on their mandate and deepen the "how to" discussions on gender issues through studies and asserted research

so that we can stop these brutal killings of womenfolk and attacks on children.

Members of Parliament can be utilised as a link between the CGE and constituencies where the MPs in both the NA and NCOP can be empowered in areas of gender equality so that they can take the influence down to their constituencies. For instance, to participate in implementing legislative measures that would keep out of our beloved country the damaging exposure of media materials that stimulates inappropriate sexual awareness. We have to deepen our participation and invite CGE to encourage survival-friendly environments in law facilities, communities and families.

So, when sexually violated survivors are interviewed and not interrogated, we, as the ANC, welcome the idea that CGE can be invited to workshop the committees so that they may encourage awareness in decreasing the "silent father" syndrome that I've been talking about.

"I-silent father syndrome" le bendithetha ngayo yokuba ootata abathethi . . . [The "silent father" syndrome I spoke about, that men do not speak out . . .]

. . . and both parents being active participants in child rearing.

In 1994, we were honoured with the Constitution that even respects and promotes a nonsexist environment of democracy and equality. The battle of addressing gender imbalances became manageable through the role played by Chapter 9 institutions. Kula maqhawe sithi, nangamso! [To those heroes we say: Well done!] As South Africans, we can never say that we have achieved democracy. It is not enough without equality for both men and women.

Ngubani owayesazi ukuba ngonyaka wowe-1956 xa oomama baphuma iphulo beyokukhalazela amalungelo abo kabuhlungu phambi koStrydom kwi-Union Buildings ukuba namhlanje siza sisitya iziqhamo zemizamo yabo, sihleli eziPalamente nathi singoomama?

Xa ndigqibezela ndithi, ndiyabulela kwabo mama abathatha inxaxheba. Sithi kaloku ne-Commission on Gender Equality kufuneka siyiqinise, sibonakalise ukuba nathi siyabaxhasa kwimizamo yabo abayenzayo kumaphondo ethu. Sithi ke, Phambili ngomhla wesi-8 kuMatshi oyi-International Women's Day! Ndiyabulela. [Kwaqhwatywa.] *(Translation of isiXhosa paragraphs follows.)*

[No one ever thought that when women vigorously faced Strydom and others at the Union Buildings in 1956, that it would bear the fruit we are enjoying today. Today, we women, are in Parliament.

In conclusion, I would like to thank those women who took part in the struggle. We therefore, need to put our weight behind the Commission on Gender Equality and support their hard work they are doing in our provinces. We say forward with the 8th of March, International Women's Day! I thank you. [Applause.]]

Mr L M GREEN: Chairperson, the FD is aware that South Africa has a proud history of the role of women in political activism. In justification of the efforts and astute political tradition, South Africa is ranged 13th in the world, with 32% of women holding positions in Parliament.

However, women's representation is not only about numbers; it is also about driving policy issues that impact on the total wellness of women in our society. Women parliamentarians ought to drive the processes that will advance gender influence in the political arena.

Men have a supportive role to play to give women their rightful place in society as equal partners serving complementary functions for the benefit of the family and society at large.

The FD believes that women's presence

should be felt in all spheres of government. Most women are naturally peace loving, and we therefore want to see more women taking leading roles in decisions affecting defence and world peace.

Women's perspectives are what is needed in our hostile world. However, to be effective, women ought also to show leadership when they are in positions of power, especially in the perspectives of an inappropriately male dominated world.

We have women in powerful positions in Parliament, yet there is very little example of how women have shaped parliamentary processes, specifically for their needs, for example. Where there is legislation affecting women, certain parliamentary processes could be set in place whereby the passage of legislation goes through, for example, a women's ad hoc committee to assess its impact on women in society. And the women's caucus can play a leading role in this regard.

In conclusion, if all women in this House would form a political movement, they would represent 32% of the members in this House. They would become the official opposition overnight. We men, we would be in serious trouble. I thank you.

Ms F HAJAIG: Chairperson, comrades and colleagues, I should begin by quoting Kofi Annan, the former Secretary General of the United Nations. He noted that African women had always been a force for peace and development. Africa was now showing an economic growth and a renewed sense of hope and determination as well as an increased respect for Human Rights. However, violence and conflicts were still rampant and women were more affected by both.

He further emphasised that, at international level, global conferences had provided a new purpose to the course of women. The countries that had ratified conventions with reservation were doing so against the tide of history. He emphasised women's rights as Human Rights, which should include qualitative education, health care, economic rights, freedom from violence and participation and decision-making. Without recognition of women's rights as Human Rights and as a cross-cutting issue, the development process would falter. He urged the African countries to respect and protect women's rights. Gender equality was a goal in itself and a precondition for poverty eradication, sustainable development and good governance.

After the Cairo and Beijing Conferences a number of UN agencies began to engage women in a more constructive manner. In situations of armed conflict women were doubly exposed. They were targeted at home and in camps due to the unequal power relations. With regard to the use of rape—a military strategy—the UN Refugee Commission had adopted three strategies, namely prevention, protection and solution of the problem. Refugee women were like any other women but had particular immediate needs. The UNHR planned to continue to support post-conflict initiatives for returnees and assist in the reconstruction and reconciliation process.

UNICEF noted that true gender partnership needed to take into account the feminisation of poverty and that women needed space for participation in the economy. Women needed to be aware of globalisation and that process should also be accountable to communities and not only to capital markets. In this respect, women should participate in the development of trade policies and have a voice in macro-policy development. The use of ITC should be encouraged.

UNICEF also addressed issues of violence against women. It said that the empowerment of girls was in principle enshrined in the Convention on the Rights of the Child and Cedaw, not forgetting the Vienna Convention of 1993. Girls' education was at the heart of the matter. There were 140 ongoing education projects in Africa sponsored by

Unesco, the World Bank and a UN system-wide special initiative in 15 countries, particularly in the Horn of Africa, in the Sahel, Kenya and Uganda.

The UNDP informed that among the challenges that constrain women's participation in development were lack of resources to enhance women's productivity and the exclusion of women from economic management and decision-making. UNDP programmes will include mainstreaming gender and capacity-building training. These human development reports will be given to respective governments where they will have an opportunity to analyse the situation of women. The reports can give women a platform on which they can lobby for change.

Unesco said that peace-building is much cheaper than peacekeeping. Unesco had a project in place to develop education for women on traditional peacekeeping strategies. In collaboration with the UNDP and FAWE, Unesco is training women trainers to support peace initiatives.

Although African women have made significant progress in the two past decades, the process is not easy. Women contend with cultural factors, belief systems that often impose limitations on what a woman can aspire to, irrespective of whatever talents and capacity she may be endowed with.

The African Union took a major step by promoting gender parity in its top decision-making positions. In 2003, five males and five women were elected as AU Commissioners. The following, Ms Gertrude Mongella was chosen to lead the African Union's Pan-African Parliament, where women make up 25% of the parliamentarians. Madam Savane leads the APRM which oversees standards for good governance.

On 25 November 2005, at last, the protocol to the African Charter on Human and People's Rights relating to women's rights came into effect. The protocol, beyond recognising women's rights, addresses the fundamental issues pertinent to the lives of women in Africa. The protocol, through its provisions, allows scope for addressing crucial issues such as multisided violations of rights in marriage violence; and attacks to life, physical and moral integrity to women and girls' security.

The coming into effect of the protocol provides an irreplaceable legal framework to put an end to violations of which women and children, particularly girls, are victims in periods of conflict as civilians, refugees or soldiers and to take up the challenges of peace in Africa and indispensable condition for development.

The coming into effect of this protocol will enhance the credibility of the African Union's re-equitable representation of women in the AU Commission and equitable representation of judges at the African Court of Justice and the African Court on Human and People's Rights.

A special advisor on gender issues at the United Nations states that because the continent is diverse, the problems are complex. Therefore, in global debates, the problems in Africa should not be made simplistic or be reduced to a single denomination—for example, girls do not only need access to education but must also be protected from violence and harmful practices.

While there is a need to continue with basic strategies to lift women out of poverty and to halt HIV and Aids, there are also important, second and third generation strategies to put in place. These include ensuring that global trade agreements, new information and communication technologies provide immediate benefits to women. Empowerment of women should not be confined to a narrow range of factors within countries but should also ensure equal participation of women in fast moving global processes.

Women throughout Asia confront systematic discrimination and abuse, often with little hope of any redress. From deeply entrenched

social norms that subordinate women to pervasive and horrific acts of violence, women's rights violations remain one of the most enduring and grave human rights crises in the region. Recent decades have witnessed the proliferation of women's rights groups and activism in many countries, new legal reforms, strides in education and public participation.

Despite these hard-won changes, hundreds of millions of women in Asia still struggle on a daily basis. Among the major human rights violations against women in the region are exploitation and abuse of women workers; high rates of gender-based violence; discrimination in education, health care and property rights; and barriers to women's free movement and participation in the public sphere.

I'm going to skip a few things. I just want to outline something which I think all of us ought to know. I think one of the members did make some reference to it. As you know, Rwanda's Parliament leads in the participation of female representation. It's interesting that the five permanent members of the UN Security Council are not included among the top 20 countries as far as women's representation in Parliament is concerned. China is ranked number 48, the United Kingdom number 50 and the United States of America number 69. In Afghanistan, and, as you know, it is a very poor country, there are 27% women in Parliament and Iraq has 25%. France holds position number 85 with only 12% of women. Russia is ranked number 100 with only 9% women. Currently, there are 11 women heads of state in 193 countries.

Women represent over half the world's population or should I say more than half of humankind. Let us rededicate ourselves today to level the playing fields and let women have their rightful place for a better home, a better country and a better world. Thank you.

The HOUSE CHAIRPERSON (Ms C-S Botha): Chairperson, on International Women's Day I want to give credit to the ANC for their leadership in the field of women's rights. But all, well those of us who are here in this House, deserve a pat on the back for embracing these values and contributing to South Africa becoming internationally reckoned as a frontrunner in the field of gender parity.

Pre-1994 South Africa was virtually unaware of the tremendous drive for the equality for women, along with equality and human rights for all which was bubbling up throughout the world. Compare us to Mongolia, a country that had already ratified three important international conventions on rights and equality for women in the 1960s.

Somewhat unreconstructed chauvinists still survive here and they should be consigned to a dustbin, but I have sympathy for those parliamentarians who have a slightly puzzled response to the language used to keep gender in the mainstream of political thinking and also for the difficulties it presents to the language service.

Byvoorbeeld, indien ek hierdie debat in Afrikaans gevoer het, sou ek gepraat het oor "geslag in die hoofstroom van die Parlement," en dis nie wat ek sou bedoel het om te sê nie. *(Translation of Afrikaans paragraph follows.)*

[For instance, if I were to conduct this debate in Afrikaans, I would have spoken about "gender in the mainstream of Parliament" and that would not have been what I had meant to say.]

But, to serious matters: Are we doing enough? Of course not. The periodic country report of government to the United Nations on our levels of compliance with Cedaw, the Convention on Elimination of Discrimination against Women, is not tabled in Parliament before submission to the United Nations.

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Parliament ratified Cedaw and is then sidelined in the report on our compliance.

Parliamentarians doing oversight work must keep the issue of gender-mainstreaming foremost in their business. This is all the more self-evident if we recognise poverty-mainstreaming as the flip side of gender-mainstreaming. If we don't succeed with the one, we will fail with the other. Gender-mainstreaming is not only best practise for women, but for Parliament as an institution and for the people as a whole.

The World Bank makes a clear business case for mainstreaming gender for the simple reason that the development of women is the most cost-effective way of spending development funds. From Andorra to Australia and Zambia and from St Kitts and Nevis to Kazakhstan, gender-mainstreaming is occurring in some form or another.

In Nigeria's House Committee on Women's Affairs the membership is 20 men and 20 women; in Lebanon, 8 men and 4 women; in Japan's Committee on Health, Labour and Welfare there are 39 men and 6 women, but in India it is 5 men and 25 women. Our own JMC, help me if I am wrong, has 3 male members and, I think, 13 women. [Laughter.]

Kuwait has a committee on Women's Affairs. Since there is only one gender present in the National Assembly, I give you no prizes for guessing what the membership is. So we can safely assume that to have a committee devoted to gender issues is not a foolproof method for ensuring success.

Swedish studies confirm that the gender perspective is often forgotten when a large number of proposals are considered before parliament and gender equality is weighed against other priority areas. If Minister Manuel was here, I would have asked him what has happened to our much-vaunted gender-budgeting. Pfft, weg! [Phfft, gone!]

SADC also reported that regardless of the head of state affirming the need for women in decision-making, cultural barriers present major challenges to women in gaining access to positions of power. And in this Parliament, specifically, almost daily, and internationally as regularly, I see how culture is used to excuse indefensible positions and to justify discrimination against women and we mustn't fall into that trap once again.

With an average of 150 rapes per day in South Africa reported, with the alarming increase in teen pregnancies, with the burden of Aids falling squarely on women, with the unemployment rate of African women at 37%, gender considerations cannot be left out of any sphere of parliamentary operation for any reason.

The World Health Organisation puts it this way:

> Gender is not something that can be consigned to watchdogs in a single office, since no single office could possibly involve itself in all phases of each of parliament's activities.

I cannot say it any better. Thank you. [Applause.]

Mr H P CHAUKE: Chairperson, on a point of order: In the past 12 years, this has been the first time we heard a wonderful speech from a DA member. I therefore want to propose that she becomes the leader of the DA. Thank you. [Applause.]

The HOUSE CHAIRPERSON (Mr G Q M Doidge): Unfortunately we can't endorse any such decision here, Mr Chauke, but I am sure Mrs Botha will consult with you outside the House.

Nkskz R A NDZANGA: Mgcinisihlalo, ndibulela eli thuba undinike lona lokuba mandize kuthetha apha. Ndimamele intetho kamama onguSekela Sihlalo namhlanje, kwaye uyandothusa, ngoba bona emakhayeni abo umntu omnyama wasethyini ebengumntu obahlambela iimpahla, abaphekele nokutya. Babengakhathali nokuba loo mntu unabo na abantwana. Babengambuzi

nokuba baphekelwa ngubani bona. Namhlanje bafunde isifundo apha kuKhongolozi. *(Translation of isiXhosa paragraph follows.)*

[Mrs R A NDZANGA: Chairperson, I would like to thank you for affording me the opportunity to come and have a word here. The speech of the Deputy Chairperson really surprises me because black African women used to wash their clothes and prepare their food. They were not interested in knowing whether that person had children nor did they bother to ask any questions about who made food for her children. Today they have learned a lesson from the ANC.]

Chairperson, thanks for affording me the opportunity to take part in this debate. The issue of global warming is a world concern, the concern being that reduced rainfall will lead to a decrease in maize production and that grazing for livestock would also be reduced.

Global warming effects are being felt in hot areas where adult plants survive the heat as old plants have water storage capacities and younger plants die because they cannot hold water. The general opinion is that some parts of the world are becoming hot and dry and the question is what effect global warming will have on the future of poor farming communities who farm in dry hot areas in our country.

Climate change and global warming are issues linked to all the citizens of the world. While global warming increases temperatures, damage to crops is expected, especially in hot rural areas. Wildfires occur regularly resulting in the death of animals, both wild and domestic. Shortages of drinking water for both domestic animals and human beings are experienced. There are always shortages of food and medicine in hot rural areas.

Sources of energy are sought and as a result women, the people who suffer most, cut wood in forests due to a lack of another means of energy to prepare whatever meals they can find for their families as well as to keep their families warm during severe, cold winters. Energy and clean drinking water is still a problem in our poor rural areas. Young mothers suffer most as they have to take care of their infants both during summer and severe, cold winters; the babies have to be kept clean and well-fed.

We could start by acknowledging the amount of work that is being done by the SA Weather Service on global climate change, which is a great environmental change facing our country in this century. We are thankful to the SA Weather Service for helping to safeguard lives, to safeguard the environment and we hope that their services will in future be extended to our deep rural areas as well. The indigenous methods of detecting weather disasters have passed on with the elders of our communities.

I would also like to thank Parliament for always celebrating March 8, International Women's Day, to remind the women of the world that women in our rural areas celebrate with all other women. Our democratic government under the ANC has done a lot to provide water and electricity in our rural areas. Our rural areas are vast. We still have areas that are in need of clean energy and clean drinking water.

Climate change is always associated with tornados, with floods, with heat waves and spells of severe cold. The SA Weather Service uses some of the most sophisticated types of technology to serve our country, and is of great assistance to our country's disaster management authorities.

Our South African weather personnel participate in international conferences and groups focusing on climate change. The SA Weather Service has representatives in international working groups and intergovernmental panels on climate change.

The priority of our SA Weather Service is saving lives through effective and timely

warnings. I wish to thank you very much for this opportunity. Malibongwe! [Let it be praised!] [Applause.]

HON MEMBERS: Igama lamakhosikazi! [The name of women!]

Mrs R A NDZANGA: A pula e ne! [Let it rain!]

An HON MEMBER: Yebo Mama! [Yes, Madam!]

DEBATE ON PROMOTING DIVERSITY AND EQUAL RIGHTS FOR ALL THROUGH UNIVERSAL DEMOCRATIC AND ELECTORAL STANDARDS

Mr S L TSENOLI: Chairperson, the formation of the ANC was an affirmation by Africans, in Southern Africa, that they are better off working together politically in their diversity to seek remedies for the concerns they had as individual types. Its formation was a positive reaction to a universally growing spirit of the right of people to self-determination.

Through struggle the movement learnt to appreciate more the value of unity and increased its campaign to fight exclusion, fragmentation and always looked forward to working with others to pursue common objectives. The promotion of diversity and equality was as much an internal imperative as it was an external reason for its existence. Systematically the ANC campaigned to win over people to its objectives for a common South Africanness that the majority were denied.

The rejection of colonialism and apartheid was a rejection of an imposition of alien rule and its immoral inhumanity and exploitation that stood in dramatic opposition and contrast to our people's philosophy of "botho" or "ubuntu" [humanity].

In addition, and following decades of struggle, the ANC grew to appreciate even more the value of inclusiveness and, through a deeply democratic process, collected demands from people across the country that ended being quoted in the Freedom Charter.

As many members now know, the Freedom Charter, following its adoption by the ANC in 1956, became its basic political statement. It became the beacon that pointed its members and allies, including the people of South Africa as a whole, towards the kind of society that it stood for.

The key statement that South Africa belongs to all who live in it, black and white, was a clarion call to reject fragmentation on racial grounds or any other grounds. The equality before the law clause of the Freedom Charter was self-explanatory.

The problematic and one of the practical steps that the apartheid system insisted on was the removal of blacks and others representing them from the problematic voters' roll that existed then, pushing for a separate arrangement only on the basis of racial and/or tribal affiliation. People saw through these sham electoral schemes, and rejected them as meaningless.

The 1994 breakthrough signalled a profound change from the past. The majority of South Africans emphatically endorsed a democratic dispensation that provided a democratic a universal right for anyone above 18 years to vote and/or stand to be voted for, irrespective of race, colour or creed.

Respect for diversity is not just our historical practice in the ANC, but it is now a value in our supreme law of the land, the Constitution, which unites all South Africans. So is equality such a value as well, even as we continue to strive for the realisation of that provision in practice in every sphere of life.

Elections and electoral processes are only part of a broader dispensation that is required to entrench the values of respect for diversity and equal rights for all. The huge campaign to eradicate poverty in our country is critical to making such equality meaningful.

Poverty and its many negative manifestations, including crime and corruption, can effectively render aspects of our Constitution meaningless. It is not an accident that our Constitution contains both social and economic rights. It is precisely because of the value of this that they are inseparable, and that we insist on their full implementation.

By concerted efforts across the boundaries, we have to recognise the importance of poverty eradication to making democracy and elections meaningful. The work that is now underway in South Africa and elsewhere is crucial. The Interparliamentary Union, where these debates will be taken up further, has to concretise a programme of work to identify and remove those factors that affect the poorest, most marginalised, from full benefits of democracy and elections.

South Africa, in 2004, during the 10th anniversary of our freedom, joined Idea, an intergovernmental Institute for Democracy Through Electoral Assistance. This body does its work by sharing knowledge, resources and providing assistance when called to do so by government. Its website and links are rich repositories of useful material to compare and contrast our work, so go and learn from that.

Idea, as an institution, provides newsletters, various forms of information and holds conferences, and in so doing, brings nearer and closer to people the kind of information that will make the quality of their lives improve. This body has relations with several United Nations organisations and agencies—with the International Union of Local Authorities, International Union of Journalists, International Commission of Jurists and others that advance its cause.

In so doing, South Africa, by being part of this body and as part of a collective international effort, is spreading the values of respect for diversity, equal rights for the entrenchment of democracy and proper electoral standards. The elections that we have had in our country since independence are a forceful example, a modelling of what we wish others to emulate. The accolades that South Africa's Independent Electoral Commission has received for the work it does, both inside the country and outside, is a good example of what we want to see in the rest of the continent and globally.

That excellent work is complemented by similar accolades that the President received for the hands-on support he lends to countries in difficult conflict situations that are clearly struggling with issues of diversity, of democracy and electoral concerns. The time, energy and resources he expends in those efforts will contribute enormously to our own peace, development and prosperity.

To put it like Nkrumah did when talking about Ghana's independence, South Africa's independence, prosperity and its development will be unsustainable without the neighbours themselves on the continent also developing and moving significantly to stop debilitating conflict, and embrace emerging and strong democratic impulses that exist in those countries.

It is on this note of collective solidarity that the principles of respect for diversity and equal rights for all will stand or fall. Our country is on the right track under the steadfast guidance by the oldest movement in Africa, the internationalist 95-year-old ANC. I thank you. [Applause.]

Mr M SWART: Madam Chair, diversity is a key feature of South Africa. We have 11 official languages. We form a cultural melting pot. We have various ethnic groups and we have different religions. We hold various beliefs—the list is endless and despite all these differences, we as South Africans have committed ourselves to being united in our diversity.

It is, however, disturbing to note that after almost 11 years since the lofty ideals regarding what we are and how we would like to be

were enacted into law in order to hold the rainbow nation together, some South Africans feel that they are no longer treated equally. They feel some sense of alienation.

In this regard, I would like to refer extensively to the verbal exchange between *Sunday Times* Editor Mondi Makhanya, the designated executive officer of the *Federasie van Afrikaanse Kultuurverenigings* and editor of *Die Vrye Afrikaan* and the Afrikaans edition of the *Le Monde Diplomatique*, Johan Roussouw. Writing in his column of 25 February entitled, "We must delve deeper into new wave of Afrikaner seize mentality", Makhanya claims that there is a strong feeling of alienation within some sectors of the Afrikaner population and a sense that it is time to fight back against something.

He goes further and asks the following questions:

> Did something recently happen that resulted in the reduction of the status of Afrikaners? Was there a pronouncement that said Afrikaners were henceforth to be regarded as lesser South Africans than others? Was there an edict that reduced their rights?

Makhanya fails to understand why some Afrikaners feel alienated because in his view:

> The new South Africa has been good for Afrikaners; better than apartheid South Africa in many respects. Their language is no longer regarded as the language of the oppressor and is jealously protected by those who once took to the streets to reject it.
>
> In both the public and private sectors, it enjoys a status far above that of the other official languages other than English. It is thriving in the print and electronic media and its literature is in bloom. In business Afrikaners have done well. Freed from the bondage of the civil service they have transformed themselves into great entrepreneurs. Afrikaner symbols still dominate our urban landscapes and Afrikaner sportsmen are everybody's heroes nowadays. One could go on and on.

This is then what Makhanya said.

Responding to this, Roussouw makes the following observation in the *Sunday Times*, dated 4 March:

> Firstly, avoid the myth that Afrikaners are still suffering from power loss syndrome. After all the young Afrikaners singing about De la Rey never knew state power. Secondly, avoid reducing Afrikaners to mere economic beings by claiming that since some have become successful entrepreneurs and often ugly materialists Afrikaners should be happy. Thirdly, avoid the myth that Afrikaans is doing well. Two-thirds of Afrikaans schools have disappeared or are being anglicised and Afrikaans universities are all in various stages of Anglicisation, except Stellenbosch. Afrikaans has practically disappeared from the civil service. The root cause of the alienation is the fact that the recognition between Afrikaners and Africans that served as the basis for 1994 have been severely eroded after the Mandela era. The important point is that the alienation is much more symbolic than material and there is no reason it can't be dealt with speedily.

Roussouw's suggestions to ensure that Afrikaners do not feel unwelcome in the new South Africa and that their fears are allayed include, *inter alia*, the following:

> By all means restore all African place names but not by erasing Afrikaans place names, for example Tshwane or Pretoria. Increase mother tongue education for all children instead of targeting Afrikaans schools in the name of access, often anglicising those schools and winning poor education in a second language for speakers in African languages.

More than anything else the exchange between Makhanya and Roussouw highlights

two important lessons for South Africa. Firstly, the need to constantly engage one another so that we are able to have some form of mutual understanding.

Secondly, we have to guard against complacency. In a diverse country such as ours a ceaseless conversation is imperative; after all, South Africa's democracy came through the use of words. In effect, the need to constantly negotiate our diversity resonates with this year's parliamentary theme: "Let's deepen the debate, South Africa".

The theme should not just be an empty slogan; if anything, it requires a pragmatic and meaningful application. It should not be confided to the politicians; on the contrary, the misconceptions can only be dispelled if there is a candid and serious debate. People's fears and concerns should not be taken at face value. That is one of the ways to preserve our diversity and practically demonstrate that indeed South Africa belongs to all who live in it.

Touted as one of the most democratic constitutions in the world, our Constitution makes provision for a multiparty democratic system of government to ensure accountability, responsiveness and openness. In a nutshell, this is the fundamental role of an opposition party. It is regrettable that some of our colleagues from the ruling party view opposition parties as nothing more than bunch of people who are hellbent on attracting media attention and focusing on what, in their view, are trivial issues.

Contrary to what these sceptics believe, all that we say and do is driven by our unshaken commitment to the democratic values of this country. Perhaps more importantly, we have a constitutional right to express views which may not appeal to the ruling party.

This is made possible by our electoral system, the proportional representation or PR system as we know it. One of the measured advantages of the PR system is that political parties or candidates have the percentage of legislative seats that reflect their public support. Put differently, the PR system leads to more diverse representation and it accords with the diverse nature of South Africa.

To demonstrate that we uphold the values of our Constitution and to promote diversity and equal rights for all, we have to listen to all South Africans. We have to treat them equally. Let's show them that they all count by taking their concerns seriously. Let's meaningfully deepen the debate in South Africa. Thank you. [Applause.]

Mr J H VAN DER MERWE: Chairperson, at the forthcoming meeting of the International Parliamentary Union at the end of next month in Indonesia, 147 parliaments from all over the globe will be discussing the very subject that we are discussing today, namely promoting diversity and equal rights for all through universal democratic and electoral standards. It is therefore incumbent on this House today to air its views on this subject so that our delegates could take an informed stance in Indonesia on behalf of this Parliament. That is what this debate is about.

Democracies across the world are increasingly being confronted by the realities; realities of accommodating cultural and ethnic diversity. The idea of one nation state with one homogenous population group is an idea that is dead and buried. Even the most traditional nation states of Europe such as Germany and France are being challenged by minority language and religious groups.

The greatest challenge faced by the EU is how to build a Europe-wide identity while at the same time recognising multiculturalism.

France, for instance, recently had some severe ethnic demonstrations and public violence. Belgium is battling to remain a single country with Flemish and French speakers moving in separate directions. The United Kingdom is gripped with fear that

large parts of London and other cities have lost their British character.

Spain is feeling the weight of waves of illegal immigrants. Australia last year stood witness to public violence when Muslim and white youths embarked on open conflict. The USA is spending billions of dollars to keep immigrants from the south out of the country. The dream of democracy in Iraq is in tatters due to intercommunity conflict and hatred.

We have learned precious lessons from our international experiences such as that the protection of individual rights alone is not enough to ensure survival of cultural identities. Recognising cultural diversity is a strength and not a weakness. Winner-takes-all electoral methods and models are not equipped for ethnically diverse societies where voting is, in many instances, along group lines. Language, cultural and religious diversity is a reality; a reality that must be recognised in the legal framework and policy measures of states. Recognition of diversity does not imply discrimination against individuals on the basis of race or any other aspect.

The state has a duty to protect cultural diversity and to enable groups to maintain and develop their unique identity. Failure to accommodate diversity is arguably the greatest threat in young democracies. A range of constitutional and legal techniques as well as policy measures must be used to build national unity and recognise diversity. For example, provincial and local government must be resourced to serve local needs, the electoral system must accompany the diversity of views and opinions, the Bill of Rights must recognise that many individual rights only come to fruition within the context of community and governments at local, provincial and national level must be formed on coalitions to give minorities a voice in the executive.

We have to be careful not to be held captive by an outdated, old-fashioned approach to cultural diversity. Majority dominance is not a guarantee for democratic stability and those that believe so are ignoring the lessons of history. Democratic stability is ensured by giving all a space in the sun: By allowing children to speak their mother tongue, to be taught in the language of their mothers, to learn and practice the traditions of their ancestors, to hear their cultural music on public broadcasters, to see their leaders in government and to take decision over things that matter to them—that is democratic government for a new millennium which we are taking to Indonesia. Thank you. [Applause.]

Ms N C NKABINDE: Madam Chair and hon members, the objective of promoting diversity and equal rights for all is best served by democratic norms. This is why democracy is the pre-eminent political system in the world today, because it best succeeds in promoting diversity and equal rights. In its simplest definition, democracy is about allowing everybody the opportunity to participate and to be heard and for the majority of the citizens to govern through their elected representatives.

Promoting diversity is a continuous task. We must constantly guard against the tendency to suppress dissenting views and diversity. Recently, the SABC went through the public embarrassment of the blacklist saga and has subsequently lost a number of quality media workers. This is a current example of the erosion of diversity and of the suppression of dissenting views.

Political intolerance remains in our midst. This morning we were shocked by the news that a new UDM member in Cape Town, formerly from the ANC, was shot dead. If this was a politically motivated attack, we must be concerned about the willingness of some among us to protect and promote diversity and equal rights for all. I thank you, Madam Chairperson. [Time expired.] [Applause.]

Ms N R MOKOTO: Madam Chairperson,

hon members, people everywhere want to be free to determine their destinies, express their views and participate in the decisions that shape their lives. Just as crucial for human development as being able to broaden one's choices is to enjoy good health and being able to read.

In the 1980s and 1990s, a dramatic turn of events swept across the world bringing into life new political systems and extensions of political freedoms.

The UNDP Development Report of 2002 hinted that at the time about 81 countries took significant steps towards democracy and at the same time in 2002, more than ever before, close to 140 of the world's nearly 200 countries held their regular multiparty elections.

It has been pointed out that even where democratic institutions are firmly established, citizens often feel powerless to influence national policies. Many people have traditionally occupied disadvantaged positions in society, including women, youth and the disabled and they have entered into dialogue with politicians at local and national levels to promote and press for greater recognition of their concerns, as the instruments of parliamentary democracy are not sufficient to answer their needs.

Women and youth struggles seem to be under-valued and their attempts to form part of or even influence outcomes are neglected if not viewed as sectoral and transitional matters, hence not so significant. This is exacerbated by the fact that they do not have access to diverse platforms to raise their own perspectives.

In the 1999 Gallup International's Millennium Survey recorded responses from more than 50 000 people in 60 countries on whether their countries were governed by the will of the people less than a third of the respondents said yes and only one in ten said their government responded well to the will of the people.

As the ANC, we believe that in any democracy we have to acknowledge that effective public participation depends not only on dedicated institutions and procedures, but also relies on the creation of a broader environment in which general rights can be exercised and the empowerment of the marginalised groups are pursued.

We have to understand that the promotion of democracy does not only start and end with the successful holding of elections and people voting in large numbers every five years, but it is all about ensuring massive participation of the diverse range of people in the democratisation process right from the beginning of policy formulation through to the implementation of and finally at the evaluation stages of those policies.

While in many older democracies, public participation and other democratic involvement of the citizenry is the result of an evolution of political system, in South Africa the concept was enshrined in the Constitution itself right from the onset. The Bill of Rights, which is well-constituted and with various supporting legislations and policy mechanisms employed by government, provides for solid testimony to this practice.

The right to petition government generally is recognised in section 17 of the Constitution. Petitions allow individuals or groups to raise issues in a formal way without having to go through a particular member of the legislature. They are useful mechanisms for unorganised sectors of society to come together to raise particular issues for consideration by the legislative authority.

In South Africa, where language and illiteracy or poor educational background and lack of confidence and material resources stand in the way of participation in political processes, administrative assistance has served as a crucial way of ensuring that petitioners are assisted through the intricacies of the petition process.

There are a number of ways in which

members of the public or constituencies can use their MPs to approach the legislature, including asking for motions and statements to be put in the House and raising issues for consideration.

Another area of interest relates to the right of the public to contribute to and participate in the implementation of laws and regulations. Internationally, environmental legislation has led in this respect, probably because environmental lobbyists challenged the prevailing power of established sectors and tend to be driven from the grassroots. The environmental lobby groups that came to fore in the 1960s and 1970s operated outside the fringes of the political order.

Ideally, these democratic practices provided means whereby public comment and experience with regard to existing legislation, regulations and processes may be entertained and revisited. Thank you, Madam Chairperson. [Applause.]

Mr A HARDING: Madam Chair, the ID continue to believe that we must adopt the recommendations of the Van Zyl Slabbert report, because we believe that it will deliver to us a system in which MPs are more responsive to the people who vote for them and thereafter their political bosses.

To this effect, the ID has, since 14 August 2006, asked the Minister of Home Affairs twice to report to this House with regard to the process. In August 2006, the Minister promised, and I quote: "The current government will take the responsibility to ensure that public engagement takes place in preparation of the 2009 elections." She went on to say, and I quote: "I will then, as the line Minister, present it to Cabinet for further consideration and will certainly report back to Parliament."

In following up on the original question of the hon De Lille, I asked the Minister about a timeframe for this report-back and she replied: "Soon!" Yesterday we again asked the same question and seven months later we are impatiently waiting for an answer.

Consequently, we believe that it is of little use for this House to debate lofty IPU topics against a background of such blatant disregard, and in one minute on top of it all. I thank you, Madam Chair. [Time expired.]

Mr S N SWART: Chairperson, in the one minute that I have I want to take you back to the deadlocks that we had when we were negotiating the new South Africa. A crucial one was related to the new Constitution and the fact that there was a rigidly controlled minority regime and a majority that was resisting that.

The question arose: why were the negotiators not elected? There is also the whole idea of bringing these two diverse positions together. Let us not forget that the impasse was resolved by compromise with the newly-elected national legislature then doubling as a constitution-making body; and that is the issue that we are discussing today—how to promote diversity and equal rights for all three universal democratic and electoral standards.

We were able to do that and we should never forget it; that we were able to bridge that historical divide that threatened to engulf our country and that we were able to unite in our diversity. So, we fully support this motion and the urgent need to promote diversity and equal rights and we trust that these views will be passed on to the Inter-Parliamentary Union debate. Thank you very much.

Mrs B M NTULI: Deputy Chairperson, Deputy Minister, colleagues and friends, for promoting diversity and equal rights for all through universal democratic and electoral standards there are several democratic models in the world. After the removal of apartheid South Africa was based on a constitutional democracy with a Bill of Rights playing a central role in shaping the values adopted by the country.

Elections cannot be regarded as the main or the only base of a working democracy. As a result it was imperative that the country considered adopting a Constitution that would act as another tier of ensuring democracy.

The country's citizens had to agree to this Constitution. We also needed to become involved in peace-building efforts beyond our borders to make sure that democratic values are adopted as widely as possible.

Diversity, equality and inclusivity are dynamic concepts. They recognise that no society is composed of people of the same kind and are uniform. They are not homogeneous. Diversity cuts across cultural, social, linguistic and economic features of society, just as we have 11 official languages in South Africa.

Governments are required to promote diversity through legal and constitutional institutions and make sure that there is inclusivity. The state must make sure that it does not create divisions in the country and promote human rights, democracy and equality that cut across the diverse groups in society to ensure unity and peace.

Equality and diversity are key elements of democracy and can be promoted through universal democratic election standards that allow for the promotion of effective ways of combating violence and crime against humanity. The Human Rights Charter calls on all countries to embrace human rights, equality and ensure that democracy is internationalised and not only localised. Protection and promotion of democracy, diversity and equality is vital.

Throughout the ages people have tried to make sense of their reality and the society they live in and have tried to understand the meaning of life, social relations, spiritual entities, moral and ethical framework of law and of how society should be organised. This in turn impacted on how society manages its social relations.

Once we claim a universal value for a democracy, it follows that there must be mutual benefits from sharing the experiences of common problems and workable solutions across different countries and traditions, assuming that all are transiting towards the same goal. Of course, there will be objections to fitting all countries with divergent political cultures and traditions into the same straitjacket.

There are many types of democracy in the world that countries practise. We have participatory democracy, single-party democracy, Marxist democracy, liberal democracy, constitutional democracy and many more. Democracy without freedom is a contradiction. Individuals must be guaranteed a set of rights in a constitutionally protected Bill of Rights.

We need to make sure that our democracy involves values, effectiveness and accountability in the delivery of electoral programmes between equality and accountability in an electoral system. All rights are entailed in equality and all rights in principle should guarantee equality. In all human rights policies there is a strong antidiscrimination clause.

Secondly, it is increasingly insisted on in human rights circles that civil rights and political rights should not be separated from economic and social rights. The rights belong to individuals. The duty to protect the rights resides with the states which are signatories to the relevant international conventions.

States must be effective in protecting the rights to the extent that communities themselves are prepared to acknowledge the rights of others. This means respect for the rights of others even if they differ from yours and readiness to accept the results when others win in a fair competition for votes. The laws must command our deep respect for public affairs and we must keep the law.

It is the parliament's role to act as a voice for

members of the public or constituencies can use their MPs to approach the legislature, including asking for motions and statements to be put in the House and raising issues for consideration.

Another area of interest relates to the right of the public to contribute to and participate in the implementation of laws and regulations. Internationally, environmental legislation has led in this respect, probably because environmental lobbyists challenged the prevailing power of established sectors and tend to be driven from the grassroots. The environmental lobby groups that came to fore in the 1960s and 1970s operated outside the fringes of the political order.

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late, but have instead remained apart in language, culture and appearance.

No doubt this country represents a microcosm of global differences in its own right. But within these diverse communities there is also a vibrant contrast of artistic expression clearly visible in the cultural field of music, where kwaito hits thrive side by side with classical, ballet and Wagner's *Ring*.

The county's diversity reaches its fullest expression in nature as its glistening beaches embrace magnificent landscapes, such as Cape Town's Table Mountain; needless to talk of aquariums, snake parks, etc. Indeed, at this juncture it seems appropriate to call our country a land of sun and fun, another shape of Good Hope for our rainbow nation, if not the prize and pride of Africa as a whole.

The biggest challenge in any democratic society founded on freedom, human rights and equality has been the promotion of equality and maintenance of diversity. Likewise, in the case of our society, the rainbow nation that I have just described as the prize and pride of Africa can only be sustainable if all the people of South Africa are united in diversity in accordance with their desires and aspirations as outlined in the Freedom Charter adopted in 1955 in Kliptown's people's historic congress.

In a document known as "Ready to Govern", the ANC states that a central place in the Constitution would be occupied by the Bill of Rights, at the heart of which lies the notion of fundamental equality of all people irrespective of race, colour or creed.

Centralisation of equality by the ANC was a response to our brutal past which, as many of us know, was characterised by gross and immoral unequal treatment of human beings on the basis of race and gender. The Reconstruction and Development Programme document of the ANC-led government further committed the government to eliminating or eradicating racism, gender, inequality and all other forms of inequality wherever they manifest themselves in our society.

It is therefore the duty of our Parliament, as a public representative institution, to improve the performance of government by ensuring that the notion of the abovementioned documents is monitored and upheld.

Parliament has to uphold the service standards of our government. It must ensure a continuous channel of communication and consultation with our masses. Parliament must bring government closer to the masses through instruments like izimbizo; it must build an atmosphere of safety in our communities and it must also build a better Africa and the world.

From the latter statement, thus, there are many reasons for promoting participation of democratic Parliament in multilateral interparliamentary forums and bilateral relations with other Parliaments. These forums create opportunities for our Parliament to actively participate in building a global society founded on democracy, equality, justice, peace and prosperity.

But furthermore, our participation in such forums as the International Parliamentary Union ensures some degree of external progressive influence into otherwise internal, aggressive decision-makers who believe in unilateralism in solving international problems and conflicts, thus resulting in the genocide of innocent lives and the instability of our world.

Furthermore, participation of our Parliament in international forums maintains and reinforces the fact that legislative institutions everywhere in the world are representative of the people, defenders of public interest and also overseers of government actions. In a nutshell, participation indirectly improves the position of our own democratic Parliament in the international scene whilst at the

the voiceless and to protect vulnerable persons against the emerging dictatorship of international capitalism, which creates poverty. Parliamentarians have to encourage dialogue, the pursuit of truth and common good, listening, forgiveness and reconciliation. Institutions that help to build democracy like the Independent Electoral Commission have to be developed, maintained and protected.

Finally, countries need to become involved in peace-building efforts beyond their borders to ensure that democratic values are adopted as widely as possible. There are key international codes and standards relating to democracy, diversity and equality rectified by South Africa. These codes include the following: the Charter of the United Nations Universal Declaration of Human Rights, the International Convention on Civil and Political rights, Forced Labour Convention on Political Rights of Women, Convention on the Rights of the Child, the International Convention on the Elimination of All forms of Discrimination and many more. If I had time I would list them all.

The Bill of Rights constitutes the cornerstone of democracy in South Africa. It enshrines the rights of all South Africans and affirms the democratic values of human dignity, equality and freedom. It binds all organs of state in one. Everyone is equal before the law.

In terms of the language and cultural rights enshrined in the Constitution everyone has the right to use the language and to participate in the cultural life of their choice. Section 31(1) provides that persons belonging to cultural, religious, and linguistic communities may not be denied the right to enjoy their culture, practise their religion and use their language. Within the context of the progressive human rights-oriented Constitution, South Africa's social transformation is grounded in a legislative framework that is supportive of facilitating a positive social change. While diversity and equality can survive under different political systems, it is under democracy that they are guaranteed.

Phambili-ke ngentando yeningi. [Forward with democracy.] Discriminatory laws and practices should be a thing of the past ... izinto ezasala nobandlululo. [... things that were buried with apartheid.]

Countries have individually and collectively recognised that equality and diversity are a requisite for political stability, predictability, political legitimacy and allow for efficient allocation of scarce resources. It is also important for international institutions like the Inter-Parliamentary Union to begin dialogue across the globe on the different interpretations of human rights, democracy and liberty.

Asihlalisane ngokuhloniphana sibe munye kule lizwe esilinikwe uNkulunkulu wethu ukuze izwe lethu libe nokuthula nenqubekela-phambili. Ngiyabonga. [Let us live together and respect one another. Let us unite in the country that our God gave us, so that there can be peace and prosperity in our country. Thank you.]

Mr E N N NGCOBO: Hon Madam Chair, hon Ministers and Deputy Ministers, you who are here—hon members, the flowers of our nation, the sons of the soil, people of integrity, let me remind you in this House about where we come from as a new nation. Perhaps no country in the world has ever changed as dramatically as South Africa, with a clash of cultures, interlinked but powerfully divergent struggles to find a common voice in the globalised world.

Well, contrast is nothing new in South Africa. For centuries various people fleeing national conflicts, natural disasters, starvation, continental wars, etc, came to settle in this country of ours in search of a better life. Although isolated by extremes of apartheid policies and removed from the dynamic world of change, the inhabitants of this beautiful country never managed to assimi-

where everyone can live in peace and joy equally and have no fear of discrimination. I thank you.

Mr Y I CARRIM: Madam Chairperson, comrades, friends, I have a slight bout of the flu, so I'm not going to take responsibility for what I say. In fact, I tried this morning to wriggle out of the debate, but . . .

The HOUSE CHAIRPERSON (Ms C-S Botha): Order! Hon Carrim, will you please take your seat? I heard you're ill, so I want you to sit down.

Mr M J ELLIS: Madam Chair, I simply wanted to say to the hon member that if he's feeling very ill, we really don't mind if he doesn't speak. [Laughter.]

Mr Y I CARRIM: I was going to offer not to use my full nine minutes, especially as the opposition members, for once, have been so conciliatory. I've been one who believes that we should have consensus, we should be conciliatory and that, within the national framework, we should defer, and so on.

Madam Chairperson, I'm not sure that that is a very happy state of affairs because, in fact, I was meant to reply to the very controversial things they usually say. And now that they've been so conciliatory and so harmonious with the majority party, I have so little to say that I'm pleased to tell you that I shall indeed only take half the nine minutes I have been allocated. [Interjections.]

May I also add, since I'm being so kind to the opposition, that one would imagine that they would not heckle me, but now they're heckling me. Madam Chairperson, I'm prepared to give you two minutes of my time to explain to them what exactly it is that I have said, slowly and simply, so that they understand that I'm complimenting them for once.

May I point out that the topic, mind you, is not an easy topic to understand. Those who are representing us on the Inter-Parliamentary Union, IPU—you, I suggest, and I've engaged with some of them—might want to seek some clarity.

There are two senses in which this topic has to be understood. The first is that it's not precisely clear what is meant. For example, it's not always clear that diversity has the same weight as equal rights, nor indeed is it clear what exactly is meant by democratic and electoral standards. Does this simply mean democracy and elections, or does it mean standards about democracy or both? If both, what precisely is the significance of the distinction?

Of course, another interpretation, which is what I think most speakers have made from what they said, is that the topic is just concerned with standards of democracy and electoral systems because, of course, in each country we have different notions of what democracy is and what electoral systems best suit us.

In any case, I thought it simple, for my purposes at least. The leader of my delegation in this debate said it's in fact fine to do so, and presumably he had the support of the Chief Whip in saying so. However, that's a matter between the two of them, outside this meeting. Promoting diversity fairly, through democracy and elections, is at least, Mike, what we are speaking on and, I fear, not very illuminatingly.

Well, given globalisation, internal and international migration, socioeconomic, historical and other factors, most societies are far more diverse today than in the past. And every democracy has to address issues of diversity, however defined and in whatever form.

Of course, there is a variety of forms of diversity. These include ethnic, racial, cultural, religious, linguistic, sexual orientation and others. But there is also—it must be stressed—the diversity of ideas. A society can be considerably enriched if it encour-

same time it enhances our international reputation within the inter-parliamentary networks.

Such networks surely create possibilities and opportunities for our Parliament to build a strong progressive international movement which no doubt advances the interests of the poor and marginalised sections of our global society that has been hitherto condemned to backwardness, disease and superstitions by the so-called modern society.

Indeed, the shape of good hope brought about by the 27 April 1994 historic elections, the long-awaited taste of victory over evil and justice over unjustifiable injustices of apartheid, must be kept alive and be developed by this People's Parliament. Yes, April 27 was a historic day when black first truly met white, a day when our country once scarred by the tyranny of apartheid became the laboratory of mankind in the resolution of political conflicts. I thank you. [Applause.]

Ms S RAJBALLY: Madam Chair, when we look at our past and our achievements as a democracy, the desire for democracy to liberate nations all around the world is born.

But then we also need to realise that there are a variety of political systems and traditional political systems that countries have successfully maintained for centuries and have become an order for the people of that nation with their acceptance.

However, in democracy today we still find taboo political systems and imposition on human life and harsh cruelties that we point a finger at. But it is a supreme Constitution that swears by a Bill of Rights that secures human dignity, equality and other rights.

We certainly support universal democratic and electoral standards to be practiced globally. But we believe that the respect of human life must be sanctified first before we label ourselves as democracies. I thank you.

Mr L M GREEN: Chairperson, the FD believes that democracy is the foundational prerequisite that enables qualities such as diversity and equality to function freely. The means and mechanisms must exist to ensure that these qualities are protected and promoted without favour or discrimination in a democratic society.

Although these qualities may be entrenched in the Constitution of many countries who purport to be democracies, the will and obligation to protect and respect these qualities remain the primary prerogative of those in authority and in power. A society that is governed by an open and transparent system provides certain checks and balances to keep that balance of power in favour of democratic practice.

A heterogeneous or diverse society, enshrined by democratic principles, promotes inclusiveness whereby everyone has equal access to the institutional and legislative means within that society.

The FD supports and will promote international treaties such as the International Convention on the Elimination of All Forms of Discrimination, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights, which are examples that recognise the importance to protect the democratic principles of diversity and equality.

South Africa, in the Preamble to its Constitution, states that the country belongs to all who live in it, united in our diversity. The Bill of Rights in Chapter 2 of our Constitution has a list of provisions on how these will be enacted.

In conclusion, as far as possible, all states must seek to avoid the temptation of dominance over the other, within its borders or outside its borders, and to engage in broadening the field of democratic interpretation without jeopardising basic human rights,

Commission, the Gender Commission, the Section 185 Commission, as we call it, on culture, language and religious rights, the Public Protector, and so on are wonderful institutions.

So democracy, as an expression of diversity, comes not only through elections, but through a variety of other means as well. Ultimately, I think, one of the biggest challenges we have—and I'm running out of time, I'm amazed to see—is religion, given the complexities around the fundamentalisms of all sorts. I really think that managing religious diversity is important. As somebody who is not a religious practitioner, it surprises me that there is so much tension. Ultimately, I think, all religions have the same basic core values and it's regrettable that as democracies we have not been able to manage that.

Ultimately, I want to say that we don't have a choice about this; we have to manage diversity. The issue, simply, is how, at what pace and towards what goal? But the goal, ultimately, surely, should be some or other form of recognising that we need not just a national consensus, but a global one. Ultimately, whatever our religious or ideological background, or whatever, we belong to the one final human race. I thank you for that. [Applause.]

The HOUSE CHAIRPERSON (Mrs C-S Botha): Nine minutes to the second, hon Carrim.

Debate concluded.

The House adjourned at 17:08.

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

ANNOUNCEMENTS

National Assembly and National Council of Provinces

The Speaker and the Chairperson

1. **Classification of Bill by Joint Tagging Mechanism**

   (1) The Joint Tagging Mechanism, on 6 March 2007 in terms of Joint Rule 160(6)(c), classified the following Bill as a section 77 Bill:

   (a) ***Finance Bill*** [B 5—2007] (National Assembly—sec 77).

National Assembly

The Speaker

1. **Membership of the Assembly**

   (a) The following member lost her seat in the National Assembly with effect from 6 March 2007:

   Mdaka, M N.

ages a fair expression of diversity within the framework of a national consensus that all share.

Finding the right balance between diversity and unity is never easy. Usually it's a fine, delicate act. But those countries that get it right have considerable rewards to reap. Unfortunately, most never do.

For diversity and democracy to be mutually reinforcing, there has to be clarity about the content and the scope of the diversity. In other words, where does diversity begin and end? Of course, there cannot be an unfettered expression of diversity. Basically, it seems to me, the limit should be two-fold. Firstly, any subgroup or individuals within society can express their specific identities, provided that these do not intrude on the rights of any other subgroup or individuals. Secondly, diversity has to be expressed in a way that doesn't contradict the basic core values of a society or undermine its fundamental cohesion.

Flowing from this, it's possible that in certain societies diversity cannot be expressed through giving equal rights to all those seeking expression of diversity. There may well be cases where rights to diversify are reduced or taken away altogether from some, if the rights of others are infringed or the society's cohesion is significantly undermined.

It may well be too that in certain cases there are different levels of right for the expression of different forms of diversity, where the two conditions I have just referred to have not been met. But such restrictions will only apply in exceptional conditions.

As far as possible, diversity and equal rights should go hand in hand, and where there are restrictions, there must be clear constitutional, legal, normative and other foundations for them. There must indeed be structures to decide on this ultimately and in most societies, presumably, it's the judicial system.

Of course, flowing from what I've said, there are many issues concerning clarity that need to be addressed. Unfortunately, there isn't time in this debate to do so. We may come back to this in future debates, in this House, in topics that are similar to the one we currently have before us.

It's certainly clear that free and fair elections are a vital means of consolidating democracy and providing for diversity. Elections are an important, though by means no final, barometer of the diversity of a country.

Of course, the value of elections in this regard depends crucially on the electoral system and various aspects of elections. Some electoral systems encourage outcomes that more accurately reflect diversity than others. For example, generally in proportional representation systems . . . I think somebody has covered this, so I'll skip the rest of it.

HON MEMBERS: Hear! Hear!

Mr Y I CARRIM: I'm getting worried now. The DA is so complimentary about me.

I do want to point out that in many ways our country is a remarkable example. Obviously we are not going to go to the IPU to extol ourselves in some sort of uncritical way; we have many challenges, and Mr Swart and others referred to some of them.

But I do think, Madam Chairperson, that our country has phenomenally useful examples. At the time we were undergoing a transition we opted for a full PR system so that any party, even the one that got 0,25% of the vote, could end up in this Parliament. I think that should be reviewed now, 13 years down the road. I think it's still possible with the ward and the PR system to provide for diversity.

I think that if we look at our Constitution, this very Parliament right now is looking at Chapter 9 institutions and the degree to which they are performing their roles. However, it is true to say that the Human Rights

from the President carried an eloquent analysis of the 2007 Budget and the theme chosen by the Minister of Finance, "Human life has equal worth." It is in this context that, as we debate this Appropriation Bill, we reflect on the state of affairs as they have unfolded since the advent of our democracy in 1994.

In his address the Minister posed the question whether we have done enough to give practical effect in South Africa today to our shared humanity, and if we have acted in a manner that shows that human life has equal worth. He also questioned whether we still live in a society where the shadow of history dominates the opportunities of an open society. He concludes this point with these words: "Without a powerful countervailing, the shadow of history will dictate opportunities, entitlements and outcomes."

In the analysis I have referred to, the President's letter identifies the Budget as occupying a critical place among the major annual statements as it allocates public sector resources to address the objectives stated in the statement of 8 January, and the state of the nation address of this year.

According to this analysis, the Budget also impacts on how the private sector and civil society respond to the national challenges and, therefore, it is important to understand the broad policy framework that informs any budget.

It goes on to refer to the Budget Review that outlines the Medium-Term Strategic Framework that defines the main priorities over the Medium-Term Expenditure Framework. This framework seeks to enhance the social and economic welfare of all South Africans as reflected in the following key objectives. The first is that of accelerating the pace of economic growth; the rate of investment in productive capacity; advancing the participation of the marginalised in economic activity through expanded job creation and the promotion of sustainable livelihoods. It also seeks to maintain and expand a progressive social security net, alongside investment in community services and human development. It also seeks to improve the capacity and effectiveness of the state, including combating crime and promoting service-oriented public administration, and finally, building regional and international partnerships for growth and development.

These objectives, as stated in the Budget Review, constitute an important part of our response to the task of enhancing social and economic welfare of all South Africans and to achieve the goal of a better life for all. In line with the central task of our national democratic revolution of constructing a people-centred society that in practice demonstrates that it values every human being on an equal basis, determined that each should enjoy a life of dignity, regardless of race, colour, gender, age and belief, this Budget focuses on those objectives.

What apartheid and colonialism bestowed upon us over the years continues to haunt us to this day. Poverty and high levels of unemployment largely affect unskilled black people with low levels of education. Gross imbalances exist in the distribution of wealth, income and opportunities along structural fault lines of race, gender and geographic space.

The state machinery that we had was constructed to serve the minority of the population and repress the majority which was incapable of playing a significant role as an instrument for the all-round development of society as a whole. The system of public finances was structurally designed to serve the purposes of a discriminatory and repressive state machinery and, finally, the purposes of an economy that was incapable of achieving significant growth, competing in the global markets and creating jobs.

All these and other socioeconomic challenges have occupied the centre stage in the ANC-led government's agenda since 1994. The trust placed by the masses of our people in this movement is a great source of

PROCEEDINGS OF THE NATIONAL ASSEMBLY

The House met at 14:03.

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

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS—see col 1613.

NOTICES OF MOTION

The CHIEF WHIP OF THE OPPOSITION: Madam Deputy Speaker, I hereby give notice that on the next sitting day of the House I shall move:

> That the House joins the UN and the EU in condemning the human rights violations, the police brutality and the arrest of Mr Morgan Tsvangirai at the instance of the Zimbabwe government because, if it fails to do so, it would mean that South Africa is complicit before, during and after the shocking situation in Zimbabwe.

Mrs C DUDLEY: Madam Deputy Speaker, I give notice that on the next sitting day of the House I shall move:

> That this House urgently debates South Africa's response to the shocking human rights abuses taking place in Zimbabwe as the Zimbabwean government continues to ban all public gatherings, including prayer meetings, and brutally attacks and imprisons opposition leaders in the run up to the 2008 elections.

Thank you.

MOTION WITHOUT NOTICE WITHDRAWN

Mrs C DUDLEY: Madam Deputy Speaker, I hereby move without notice:

That the House . . . [Interjections.]

The ACTING CHIEF WHIP OF THE MAJORITY PARTY: Madam Deputy Speaker, on a point of order, we have not been given any notice . . . [Interjections.]

Mrs C DUDLEY: No, you have.

The ACTING CHIEF WHIP OF THE MAJORITY PARTY: No, we haven't, and I thought there was an agreement amongst Whips that we wouldn't be moving motions today.

The DEPUTY SPEAKER: Order! Mrs Dudley, let me say there hasn't been sufficient consultation. So, I think that we may do so and still have that motion without notice tomorrow, if you are comfortable with that.

CONSIDERATION OF REPORT OF PORTFOLIO COMMITTEE ON FINANCE—APPROPRIATION BILL 2007-8 NATIONAL BUDGET

There was no debate.

The ACTING CHIEF WHIP OF THE MAJORITY PARTY: Madam Deputy Speaker, I move: That the report be adopted.

Motion agreed to.

Report accordingly adopted.

CONSIDERATION OF REPORT OF JOINT BUDGET COMMITTEE—2007-8 NATIONAL BUDGET

There was no debate.

The ACTING CHIEF WHIP OF THE MAJORITY PARTY: Madam Deputy Speaker, I move: That the report be adopted.

Motion agreed to.

Report accordingly adopted.

APPROPRIATION BILL

(First Reading debate)

Mr N M NENE: Madam Deputy Speaker and hon members, the online voice of the ANC, commonly known as "ANC Today", Volume 7 of 23 February 2007, in the letter

cal policy that mitigates the boom and bust of the past business cycles was equally welcomed. However, the global imbalance and reliance on short-term capital inflows accompanied by a growing current account deficit were mentioned as possible challenges to achieving the projected economic growth.

On domestic economic outlook, allow me again to refer to some observations by our panellists. According to Mr Maia of the Industrial Development Corporation, although the pace of growth by the manufacturing sector was below the economic average, it recorded substantial improvement in growth performance with an average of 3% per annum versus 5% in the preceding years.

The key driver behind the tertiary sector's performance is the strong domestic demand, more particularly in construction, electricity and telecommunications. Panellists agreed that the primary sector's contribution to the gross domestic product has been substantially reduced with National Treasury arguing that if one excludes this sector, the economy would be growing at more than the 6% projected for 2010.

However, in the pre-Budget sessions that the committee held with various sectors, it emerged that even though the primary sector is on the decline, its contribution to the other sectors through forward and backward linkages cannot be underestimated. This augurs well for job creation and subsequent reduction of poverty.

Inflation remains the more pronounced focus of monetary policy and has been under control for at least the past 41 consecutive months with the Consumer Price Index averaging 4,6% in 2006—well within the target range of 3% to 6%. Whilst the panellists did not enter the debate whether interest rates are the best tool for controlling inflation, there was general consensus that co-ordination between fiscal policy and monetary policy is yielding positive results. Whilst this development was welcomed, warnings by the Central Bank of impending risks in this regard should also not be underestimated.

The current account deficit, as mentioned earlier, remains cause for concern as it is a result of domestic spending on imports over the past two years against poor export performance over the same period. Again, some economists argue that, as long as these imports are capital goods, it will have a positive effect in the long run. The other argument is that the current account deficit not only reflects an imbalance between investment and savings, but is also symptomatic of a country that is consuming more than it produces.

The scenario I have painted is a clear indication of an economy that is poised to deliver on its objective of poverty alleviation and acceleration of economic development and, ultimately, guarantee a better life for all. I thank you, Chairperson. I yield the rest of my minutes to the other speakers. Thank you. [Applause.]

Mr I O DAVIDSON: Madam Deputy Speaker, once again, the Minister has presented this House with the Budget that has, as its mark, prudent macroeconomic policies, which give us an excellent base for economic growth going forward.

Let us acknowledge that 5% GDP growth is a good base from which to work. It is a base, which brings us within striking distance of the 6% growth rate set by the Deputy President's growth initiative Asgisa, but let us remind ourselves what our real challenge is, and that is to reduce unemployment to below 15% and to halve the poverty rate in our country. Is 6% enough? Is 5% sustainable?

The underlying problem in the South African economy is that growth has been generated by the demand side, more particularly in a nontradeable sector of the economy with this supply side remaining fairly muted.

inspiration and continues to drive our government to the realisation of the fundamental goal of the national democratic revolution of building a nonracial, nonsexist, democratic and prosperous society.

Driven by this ideal, we continue to see resources being deployed where it matters most—on infrastructure and poverty alleviation.

Phini Lika Somlomo kanye NeNdlu ehloniphekileyo, awungivumele nje ngisho ukuthi lo hulumeni oholwa yi ANC impela uyinkomo esengwa iviyo, noma-ke singathi umfazi omabele made ngoba ukwazi ngisho nokuncelisa ingane isemhlane. Ngisho lokhu ngoba phela umkhankaso wokulwa nomashayandawonye usewukhathule kwaze kwabona ngisho ingane ekhasayo.

Isabelo sezimali salo nyaka siwuphawu olusobala lwalokhu engikushoyo. Bheka nje ngoba ukuzinza komnotho kunikeza ithuba lokuthi kuqiniswe ukwakha amathuba emisebenzi kuphinde futhi kuqinise nezakhiwo zemiphakathi, kuye kudlule kuqinise ngisho ukulethwa kwezidingo ngqangi kubantu bakithi ikakhulukazi labo abadla imbuya ngothi.

Sizwile-ke futhi nokuthi labo abahola imali kadekle neyabantwana bakhushulelwe. Kanjalo nalabo abahola eyokugula noma ukukhubazeka nabo bathi ngcingci kamjoli. Into nje okumele siyenze emiphakathini yethu, ukukhuza umkhonyovu kulabo abahola kungafanele ngoba siyabazi futhi sihlala nabo. Uma bengawuyeki lo mkhuba, nazo ezikaDalawane phezu kwabo, bayohlangana nemamba iphunga umhluzi. *(Translation of isiZulu paragraphs follows.)*

[Madam Deputy Speaker and this august House, allow me to say that this ANC-led government is like a cow milked by many and it can also be likened to a woman with ample breasts, one who can breast-feed a child whilst carrying her on her back. I say this because this government has gallantly fought the frontiers of poverty to an extent that even a crawling child can testify to this.

This year's Budget debate is a clear indication of what I am saying. The stability of the economy affords the chance to strengthen job creation opportunities and the community structures. It goes on to intensify the delivery of services to our people, especially those who are poverty-stricken.

We also heard about the increment of the old age pension and the child support grant. And those who get disability grants are also happy. What we must do now in our communities is to expose those who get these grants fraudulently because we know them and we live with them. And if they do not stop this habit, they will be arrested, and they will get into serious trouble.]

At the macroeconomic level, the committee, after the tabling of the Budget, listened to the economists, academics, business and civil society. As the committee's report states, which we adopted here a few minutes ago, there was general agreement amongst panellists that South Africa is currently enjoying the longest sustained period of economic growth, with the current upswing in the business cycle in its seventh year.

It is on this sound and prudent macroeconomic stability that this year's Budget builds. This enables the Budget to provide for further channelling of the benefits of economic expansion to increase savings, economic and employment growth, and it contributes to transformation and poverty alleviation.

There was also consensus amongst the panellists that the Budget identified the need for stronger export performance through the development of a growth-oriented trade and industrial policy as it seeks to address the constraints of higher economic growth.

Global conditions also continue to be favourable and supportive of our strong economic outlook. The consolidation and expansion of economic growth through fis-

suggestion in 2005 that STC be scrapped ringing in my ears. He responded to me in this House by saying: "It won't disappear for as long as the ANC is in government. Of that I give the assurance."

The proposal to introduce a wage subsidy to reduce the cost of doing business by reducing the direct costs of employment and thereby alleviating the high rate of joblessness is also welcomed by the DA. While this proposal, which is also linked to the proposed social security reform process, is still in its concept stage, I cannot help but reflect that when the DA proposed the wage subsidy two years ago, I was accused by the Minister of having a colonial mind and I was told categorically by the Minister that that would not happen.

What the Minister's speech does raise however, is the prospect of a very clear disincentive to the supply side, namely a possible tax on windfall gains in the synthetic fuels industry. While countries like Qatar, India, Australia and the USA are busy incentivising Sasol to utilise its technology in their countries in order to reduce their oil import bill and save foreign exchange, we threaten to slap an extra tax on them with a view to limiting the extent to which the company can maximise their return on investment.

Similarly, concerning the imminent imposition of a royalty tax on the mining industry, on an industry that has since 2002 registered negative growth, has since 1987 shed 383 000 jobs and now directly contributes only 6,3% to GDP, I would have thought the Minister would have been looking to stimulate this sector of the economy, not slap a further tax on it.

Indeed, from a fiscal stance, ever since 2004 we have seen R33,1 billion pumped into the demand side by way of tax relief to individuals as opposed to a mere R9,1 billion by way of tax relief on the supply side.

Little wonder there is upward pressure on interest rates. Little wonder also that the growth of our economy has been unbalanced.

Turning to the spending side, the DA welcomes the increased budget allocations to a number of key departments. Increases to safety and security, health, education and housing are particularly welcome. There is one caveat however to this approval and that is, firstly, the money is spent; and secondly, it is spent effectively and efficiently.

The point has to be made that the amounts voted are just budgeted amounts and in this respect it has to be noted that certain departments have been voted healthy increases in their budgets, notwithstanding the fact that according to the statement of expenditure of departments issued by the Treasury for the period ending 31 January 2001, they remain well short of their expenditure budgets for the present financial year.

Safety and security had by 31 January 2007 spent only 80% of their budget, namely R26 billion of R32,5 billion originally voted and are now with a new budget of R35,9 being given an effective 37% increase on the amounts spent as at 31 January 2007.

Justice had only spent 69% of their budget. It would have been given 61% increase on their expenditure as at 31 January 2007. Housing, likewise, had spent 79% of R5,8 billion and its effective increase would be 52% on expenditure at that date. Health's calculated in the same vein would be an increase of 36% and Transport's 43%.

Noticeable is Land Affairs that had spent 74% of its budget, that's R2,7 billion of R3,7 billion, but with the new budget of R5,6 billion is getting a whopping 104% increase on expenditure at that date, and the provincial and local government, which had spent 59% of its budget—R15 billion of R25,4 billion—would, with the new budget of R28,8 billion, be getting an effective 91% increase.

The question is whether the Minister is

As a nation we are consuming more than we are producing. The balance has to be imported and this is manifesting itself in the growth of our current account deficit. While household consumption demand may be levelling off, the infrastructural roll-out, as envisioned by Asgisa and upon which the government relies for the generation of growth, reinforces the demand side with its high import content, which further boosts an already high import bill.

So yes, we have GDP growth, but it is unbalanced growth. Gross domestic expenditure is growing and continues to grow faster than gross domestic product and imports are growing faster than exports. Import volumes for the first nine months of 2006 rose 14,2%, an increase on the 12,1% growth for the same period last year, while exports for the same period grew by only 2,2%, which is down on the 3,9% growth of the previous five years.

If we look at the contribution of sectors to GDP growth in real terms over the 2002-06 period, where do we see the growth? It's again mostly on the demand side in the nontradeable sectors of the economy. Construction, finance and business services, transport and communication, together with wholesale and retail, were our strong growth sectors, while the tradeable supply side sectors such as mining and manufacturing produced below average growth and the agricultural, forestry and fishing sectors recorded negative growth.

While it is acknowledged that growth in fixed investment has reached 12,5% in the third quarter of 2006 and as a percentage of GDP improved to over 18%, this is still well short of the 25% growth figure required to reach 6%.

The government's R415 billion infrastructural roll-out will push this figure higher, yet as the Harvard economists point out, this "capital deepening" is not where the key to growth acceleration lies. While, of course, we acknowledge the need for, and are supportive of higher spending on the infrastructural side in order to create and support an environment in which the economy can grow, we also know that capital deepening at most explains about a third of growth accelerations.

But, we have 5% growth, which together with good tax compliance and an excellent connection service has enabled the government to grow its revenue strongly. Indeed, revenue as a percentage of GDP has grown from 22,5%, when the Minister first took office in 1996, to 28% in the present budget.

While the government has used these increased revenues laudably to bring down debt, improve infrastructure and give personal tax relief, for Asgisa to succeed, the government needs to stimulate the supply side rather than boost demand. This need is all the more urgent in the light of strong revenue flows, which will be needed in order to support the proposed social security plan estimated to cost the fiscus between R20 to R30 billion a year.

Yet, does this Budget address this need? In respect of fiscal policy, we see the government yet again in this budget massaging the demand side with personal income tax relief for individuals amounting to R8,4 billion. While we clearly welcome this relief, we would have liked to see this accompanied by strong supply side incentives, which the government clearly had the fiscal space to do.

The decision to phase out STC, secondary tax on companies, and replace it with a dividend tax is a modest stimulus to the supply side. While the reduction of the rate from 12,5% to 10% will only result in the fiscus sacrificing R2 billion in revenue, it will translate into a welcome decline in effective company tax rate to 35,4%.

STC was never popular with foreign investors, a point made repeatedly by ourselves. I cannot help but smile at this point in time, as I still have the Minister's rebuff to our own

personal tax, which have moved quite high in terms—if you would take into consideration the fiscal brag with this. In this regard, the IFP would suggest that the time is ripe for a taxation summit. We have also been very delighted on the pension fund side with the abolishment of tax on all pension funds. We also trust that this tax relief will end up in the pockets of the pensioners and not in the pockets of the companies.

With regard to the existing 5% growth, which we are grateful about, we believe that we shall take the government's hand as well and that we see if we can move it even higher than the present 5% in order to assist with what is necessary in our country.

We recognise that the Expanded Public Works Programme as well as the National Youth Service will create substantial temporary jobs. But, it is important to note that only the private sector can create permanent jobs and this is what this country needs.

We also appreciated that the Minister said that red tape should be eliminated in business. And particularly in this regard, we will give him all the support we can.

I would also like to refer to the Cross-Border Road Transport Agency as an example. This agency is supposed to create income. Yet, we found that the total expenditure—the cost of having this agency—is more than the total income that it has produced.

The cost factor to business, the lack of their profitability and the revenue should actually be looked upon by the Minister of Finance and Minister of Transport to give serious attention to closing down the agency and transferring and streamlining its functions into the Department of Transport, for instance, or better transfer the staff to customs and provincial traffic authorities.

The IFP must also take issue with the red tape apparently in the South African mining sector. Despite assurances from the Department of Mineral and Energy Affairs, we still find that investors do not at the end get what they really want. Just last week, it was reported that an international investment group was planning to sue the government for hundreds of millions of Euros because, in their opinion, our new minerals legislation is in breach of a large number of international treaties.

The IFP does not necessarily share the latter view of this international companies, but it is of great concern that investment uncertainties still exists.

Turning to some of the detailed allocations, education—particularly school development—is of fundamental importance to South Africa. The Minister made a concerted effort with regard to the additional moneys regarding HIV/Aids, and this is definitely a step in the right direction.

The IFP applauds the extension and improvement of the system of welfare grants and the future introduction of the subsidy for low-income earners together with the improvement of other social grants and the introductions of a form of a compulsory saving scheme or even call it a core kind of government pension scheme.

The IFP will, however, study the details, as we are apprehensive of the creation of a "honey pot" which can be creamed off by corrupt politicians and civil servants.

The IFP believes that whether Minister Manuel believes it or not, we are indeed slowly-slowly moving towards the gradual introduction of a basic income grant as proposed in the Taylor Report. Madam Deputy Speaker, that is as far as economics are concerned. Politically, two reéént developments underlined the fact that the ANC is scratching in places where there is no itch. The first is the obvious vendetta that the ANC has launched against Afrikaans-medium schools. The IFP will never tolerate a situation where Afrikaans-medium schools cater exclusively to white children. We will not tolerate that! But it is completely ridicu-

concerned at the capacity of departments to spend exiting budgets without fiscal dumping taking place, let alone spend the increased budgets for 2007-08. Voting for money is one thing, having the ability to spend it is another.

Clearly what we are speaking about here is the whole question of the weak capacity of the state to deliver, which speaks about both management and skills shortages.

But also what has to be addressed here is the efficiency and effectiveness of the spending. To give but a few examples, in respect to education, while spending has increased 35% over the past three years, and while the number of learners and educators has increased, the number of schools has declined, the pupil-teacher ratio has slipped and the average pass rate fallen.

In respect of health, while spending has increased 48% over a three-year period, our infant mortality rate has increased from 53 per 1 000 in 2004 to 60 in 2006. Our life expectancy decreased from 46 years to 42 years. The number of doctors per 100 000 of population decreased to about 77.

In respect of Safety and Security, the amount voted increased 43% over the three-year period, yet I don't think anybody here could honestly believe that there has been 43% reduction in crime. So, the efficiency and effectiveness of the expenditure has to be interrogated more closely. Throwing more money at the problem is not the entire solution.

In closing, let me say that the DA welcomes the steps the Minister has taken in respect of the reform of the retirement industry, as it will not only provide a framework for individuals to adequately provide for their retirement, but also actively promote savings and so add greater resources for the country to invest.

We will monitor and positively contribute to the debate, particularly as it relates to the role to be allocated to the private sector in respect of the administration of the relevant funds as well as the underpinning of the asset allocations.

In conclusion, the DA supports the Budget. Thank you. [Applause.]

The DEPUTY SPEAKER: Just before you address us, hon member, there are too many meetings taking place in the House, and I think that we need to ask some members to continue with their meetings elsewhere.

It won't be polite when your name is called for you to excuse yourself from the House, because it's very difficult for us to follow the debates.

We are appealing to you to please give us an opportunity to follow the debates. If the debate is not very appealing to you, there is a lot of work for you to do in the office and nobody will actually have anything against you for doing so.

But let us allow those people, including the presiding officers, to follow the debates so that when points are raised, they are able to give the correct judgement on that.

Mr H J BEKKER: Madam Deputy Speaker, the IFP has welcomed the Budget as presented by the hon Minister of Finance. It is a well-constructed Budget and we applaud him for that. Also, they had the privilege of looking at a tremendous amount of money that was oversupplied technically by means of the income side.

We in the IFP were, however, critical about the underexpenditure of certain departments, as this means that critical services had not been rendered. The IFP, however, was delighted that the shortfall originally planned for ended up in a surplus of R6 billion.

We want to congratulate the SA Revenue Services, which was the jewel in the Minister's crown, for coming up again with a tremendous amount of taxation.

We would, however, look at the lowering of corporate and company tax as well as

is why the average age of a Metrorail coach is now 45 years because it dates back to that time.

Often, also as a direct result of bus boycotts and other popular mobilisation, white minority governments with the support of local chambers of commerce also had begun to provide limited public subsidies to bus operations in this period.

But none of the so called roll-out was motivated, of course, by concern for township dwellers. Overwhelmingly, black communities were compelled to pay for their own forcible exclusion to distant localities and then also for their inferior inclusion by way of long, and for them costly, daily commutes.

Much has, of course, changed, especially over the past 13 years since the 1994 democratic breakthrough. But working class and poor communities are still overwhelmingly located in distant peri-urban dormitory townships or stranded in even more marginalised dirt poor rural townships and villages.

Today, some 10 million South Africans commute into work on public transport. The buses, the trains and the now predominant minibuses that they use generally offer trips that are not noticeably safer, more dignified or more affordable than the public transport of earlier decades.

Still today, transport is typically the second largest expense item after food for a majority of poor households. They spend more than 10% and in many cases more than 20% of pitiful household incomes on transport costs.

That is the reality and that is the weight of history that bears down on this Budget 2007-08.

I am pleased to say that, perhaps for the first time substantially since 1994, there is now the beginning of a focused attention on public transport, not just on extending by a few kilometres a railway line here or maintaining bus subsidies there, or on upgrading 45-year-old Metro coaches. We obviously do need to do running repairs. We do need to do these things, but we cannot afford to remain locked simply into an upgrade, maintain, recapitalise and extend mode. If we do that, we will never break out of the cycle of exclusion and costly, unsatisfactory inclusion to which the majority of South Africans are condemned.

We have to actively transform the past that is still very much with us in the present. This is a question of money, to be sure. But it is not just money. In fact we are already spending enormous amounts of budget on public transport—over R5 billion a year on bus and train operating subsidies. A proposed R7,7 billion will be spent on taxi recapitalisation and, dare I say, R23 billion on the Gautrain —my G-spot! [Laughter.] And R10 billion is now set aside for 2010 World Cup public transport.

In his Budget Speech, Minister Manuel quite correctly located the question of public transport within the broader context of mobility, access and, above all, the spatial character of our built environment. He noted that since 2001 the government has channelled an ever greater share of our resources into capital spending and that one of the key pillars in this regard is the transformation of the built environment, he said, I quote:

> These programmes seek to change the landscape across both urban and rural areas, to turn barren, dusty land into places that people feel proud to live in.

This is the context from within which we must approach the challenges of public transport. It doesn't help if we built RDP houses in one direction and recapitalise taxis or subsidise bus and rail operations somewhere else. If we are to transform our reality we have to integrate our planning and our implementation, especially at the local level.

There are, of course, many national challenges, for instance in 2010, Minister of

lous to try and recolonise that school to an English-medium school or a parallel-medium school.

Secondly, the mad rush to change place names just for the sake of change. If I look at my old alma mater, why would you want to change Potchefstroom to "die bokke se Tlokwe"? Even worse, the ANC in eThekwini has now apparently decided that its new soccer stadium should be named after the comrade to satisfy the incessant barking of the leftists.

Why this person's name rather than a generally-accepted name like the proposed original name of the historically revered figure King Senzangakhona of the Zulus? [Laughter.] Particularly in this case, the principle should be addressed whether the renaming should focus on party-political figures instead of culturally significant persons. Please, do not scratch where there are phantom itches.

The deplorable events of the past few days in Zimbabwe also put a spotlight on our government's policy of silent diplomacy. Is it not ironic that the ANC's policy of "No sanctions against Robert Mugabe and his dictatorship" is based on the argument that sanctions will not hurt the leader or the regime but the ordinary people of Zimbabwe, especially the poor?

We in the IFP, of course, agree with this notion, but this was exactly what you said with regard to Prince Mangosuthu Buthelezi at that time. Thank you. [Time expired.]

Mr J P CRONIN: Madam Speaker, in January 1957 the bus company Putco announced a one-penny fare increase for the trip from Alexandra to Johannesburg. The response of Alexandra residents was immediate. From the date of the fare increase, which was 7 January, for three months all the way till the end of March 1957, 15 000 Alexandrans walked, daily, the 9 km to work and 9 km back from work, to cries of, "Azikhwelwa!" and "Asinamali!"—"We won't ride!" and "We don't have money!"

The Alexandra bus boycott, whose 50th anniversary we commemorate this year, was in fact not confined to Alexandra. Residents from Sophia Town and from the Pretoria townships also boycotted the buses. Some 60 000 people in all stopped using the green Putco buses for those three months.

This most celebrated bus boycott was not the first of its period, and nor was it to be the last. In the early 1940s the bus company had tried three times to increase the Alexandra bus fare by one penny and each time it was forced down by resolute boycotters.

Now it's a measure of the desperation of township households in the 1940s and 1950s that a one-penny fare increase could provoke such determined resistance. But with 80% of African families living on incomes below what was then called the minimum essential expenditure level, a one-penny fare increase was often the proverbial final straw.

We often say now that apartheid excluded the black majority and that is true enough. But apartheid was not just about excluding black people; it was also about including them, but of course on inferior terms, as exploited factory operatives, as underpaid municipal cleaners, as menial domestic workers in white suburbs and as consumers in white-owned shops.

Public transport was the raw nerve at the centre of this contradictory push-pull situation of racial exclusion and simultaneous racial inferior inclusion.

Successive white minority regimes did the bare minimum to ensure that black workers got to work and indeed during the height of apartheid in the mid-1950s and early 1960s public transport was in fact rolled out so to speak. There was delivery. In the case of commuter rail this was the last time that there was a halfway serious effort to construct rail infrastructure to townships which

Mr J BICI: Madam Deputy Speaker and hon members, the Minister delivered a good Budget and this Bill presents the fruits of yet another year where revenue collection exceeded focus.

The years of austerity that had to deliver these revenues have prolonged the hardship of many. So it is only right that now this benefit must be ploughed back into socially responsible programmes.

The UDM is therefore pleased with the promised increases in the salaries of teachers, medical workers and members of the police force.

As we have indicated earlier, these core groups of the civil service represent the backbone of building a caring democratic society. Similarly we welcome the social grant increases, but we are still content that these increases are from a relatively small base.

The UDM contends that the government could have done much better than the revenue expected to be at its disposal. The Social Development Net can and should be expanded, and similarly the government can and should enhance its efforts to fight HIV/Aids. It is our conviction that the revenue at the government's disposal could be used to lower the threshold of ARV treatment by, for example, commencing treatment at a higher CD4 count than currently. It would mean that we would save many more lives.

The current policy correctly seeks to distribute the bulk of revenue to the lower spheres of government, because resources must necessarily be devolved downward to be as close as possible to the people who require the delivery. However, the capacity of provincial and local government to correctly utilise the revenue remains suspect.

A combination of insufficient skills, the failure to adhere to the PFMA and related audit requirements, as well as critical staff vacancies, continue to bedevil many provinces and municipalities. Even national departments such as Justice and Constitutional Development and Home Affairs, both of them critical service delivery conduits, have dismal track record on spending and management.

The additional revenue at government's disposal must be used to fill the obvious scales and capacity shortages and gaps. It is inexcusable that the money to uplift the poor cannot be spent because we are not willing to spend a fraction of it on appointing people who will ensure delivery. The UDM supports the Bill. Thank you.

Mr A HARDING: Chair, the Budget for 2007 is tabled at a time when the South African economy has been growing in a sustained and possibly accelerating fashion. The government has been able, through an administratively efficient tax system, to collect increased tax revenues as a result of the trend. Thus, whilst the fundamental resource constraint remains applicable, the context of Budget 2007 is also framed by the question of how one budget does in a time of plenty.

There are encouraging features in the 2007 Budget that suggest a higher allocation to programmes aimed at eradicating poverty. The allocations for housing subsidies and land reform grants show significant increases over the MTF period even after discounting inflation. Housing increased by 15% and land by 80% in real terms. Moreover, the maintenance of the tax to GDP ratio above 27% is significant given pressure from the private sector to reduce expenditure. Furthermore, the adjustments for the MTF show a significant focus on supporting jobs in education and social work. These are important steps in dealing with poverty in our society.

The ID, however, believes that there is little in Budget 2007 to make significant inroads into appalling levels of unemployment, poverty and hunger, which still scar our country. There is good evidence to suggest that the budget will be more supportive of business and the poor. There is also little in a budget

Finance, we will be transporting something like 150 000 fans every three or four days in the first week of that event, from one city to another. Currently we only have 500 quality luxury buses and a very inadequate national rail system to do that, so I don't think we've quite got our minds around the magnitude of the national public transport challenges. But it is especially at the local level that we shall either succeed or fail in getting public transport and the built environment generally right.

Therefore this means that as national and provincial spheres of government, we have to have the courage and confidence to devolve planning and implementation, particularly of public transport, as much as possible to the municipal, and particularly, if we are talking about capacity and large volume commuting, to the metro sphere.

It is for this reason that we particularly welcome Minister Trevor Manuel's Budget Speech observation that:

> The impetus that the World Cup provided has resulted in something of a revolution in municipal planning for public transport and forward thinking about urban development.

We agree with this observation, of course, and we have also conducted oversight with many of the metro governments. It is true that there is imaginative planning, but often it's wonderful PowerPoint presentations and beautiful maps, and the implementation issue is still one which I think needs to be looked at seriously. But we've noticed these encouraging developments. They are also often stymied by a range of institutional counter-pressures from diverse quarters and a mismatch between plans and actual funding flows for implementation. Sometimes major projects, which are multi-year projects, as most these are, are treated as if you only approve one a year, and it often leaves the planning and implementation a little bit stranded.

We believe that the Department of Transport and the Treasury should be alert to these challenges and play, as they have been generally, an active and facilitating role.

Minister Manuel went on to say in his Budget Speech:

> The city 2010 bids that we have seen are impressive in terms of knitting together communities with places of work, recreation and leisure.

He mentioned, in particular, the development of bus rapid transit schemes which offer exciting opportunities to improve municipal public transport systems.

Again we agree. As Minister of Transport, Comrade Jeff Radebe has said that we must use 2010 to do the things that we have to do on the transport front in any case. But we need now to move very quickly with operational planning and implementation of catalytic rapid public transport networks. Time is quite short.

We've heard from some experts that we are already too late to spend all of the R9 billion to R10 billion set aside before early 2010. But let us use the next three years to begin to implement these integrated rapid public transport systems as a key component of transforming the way our towns and cities work. We owe it to the many guests that we will be receiving in 2010, we owe it to the 10 million South Africans who are still commuting in unsafe, unreliable and often costly public transport modes.

And on this 50th anniversary of the Alexandra bus boycott we owe it to the memory of the 15 000 Alexandrans who marched 18 km daily for three months against a one-penny fare increase.

With this budget, we can no longer say as they said then: Asinamali—we don't have money. We do have money. The challenge now is to use it wisely, effectively and with determined transformational intent. Thank you.

slagoffermarkopname wys dan ook dat blankes en Indiërs onveiliger voel as swart en bruin Suid-Afrikaners.

Landman haal dan interessante statistiese gegewens van Johnny Steinberg aan: blankes maak een elke 11 mense in die bevolking uit—net meer as 9%—maar slegs een uit elke 33 moordslagoffers. *(Translation of Afrikaans paragraphs follows.)*

[A popular and very dangerous statement that is mostly made for short-term political gain is that crime is an attempt to get rid of whites. The same victim's market survey also shows that whites and Indians feel more unsafe than black and brown South Africans.

Landman quotes interesting statistical data from Johnny Steinberg: whites constitute one out of every 11 people in the population—just more than 9%—but only one out of every 33 murder victims.]

What Jonny Steinberg, a sociologist, is saying is that even though whites constitute one out of 11 of the population, they are only one in 33 murder victims. You have a far better chance in South Africa to die a violent, crime-related death if you are young, black and male.

This dangerous spreading of lies by some in politics and many on the political fringes, posing as labour organisations, agricultural bodies and yes, even cultural bodies, need to stop. It is creating a fear that is clearly unfounded and devoid of all truth, but has the capacity to lead to paralysing fear and unjustified action.

In the past the Minister has referred to the fact that in 81% of murder cases, the murderer knew the victim. In rapes, 76% and in serious assault 89,5% of assaulters were known to the victim.

In the last two weeks, the country was shocked and outraged by the murder of two young and innocent girls, Sheldean Human and Annastacia Wiese. Both of them were murdered by someone they trusted, a close family friend. Why does this happen? Since when do we treat people that we know and are suppose to care for in such a violent manner? What is wrong with a nation's social fibre and morals when four young white males with their future ahead of them pass the time by beating an unknown homeless person to death, like the so-called "Waterkloof Four" did? Or what drives a 23-year-old like the murderer of David Rattray to commit such a senseless act?

These are questions that we believe need to be asked. We need to get answers and implement solutions and only then will we be able to address crime effectively.

Landman makes a couple of suggestions himself. Firstly, he says that just to talk about police efficiency and political accountability is not the answer: "People do not change their values and behaviour because politicians ask them nicely to do so." The ANC believes that we need a concerted effort by all the role-players in society, organised civil society, and family units. In all of this, the government must play a leading role.

Secondly, he suggests that we need to rebuild the social capital of our nation, unlike the West Germans after the Second World War. We need a concerted effort to counter our own legacy of apartheid. We should counter nepotism and corruption, take action against incompetence, but very importantly, we should avoid cynicism.

He ends his article by challenging the government to ask what we are going to do to change the feelings about crime. His question is one of service delivery and the quality of that service.

In an effort to answer Mr Landman's question, I would like to raise a few points from this Budget and the SAPS strategy that clearly illustrates what it is that the government is doing not only to address the feelings about crime but its commitment in fighting crime. This budget allows the Department of

for unemployed people, especially young adults. Yet unemployment is the most important problem in our country.

Similarly, the adoption of a fiscal surplus of 0,6% for the current financial year is aimed at reducing inflation, and is in turn an attempt to keep interest rates low. The ultimate aim is to keep the cost of borrowing down in the hopes of continuing the economic growth of South Africa. The problem is that the current levels of economic growth support the creation of low-paying casual jobs—thus increasing the ranks of the working poor. Overall, the government can do more to address poverty.

Using the Budget to target poverty and inequality more effectively is, however, complex but not an unattainable policy objective. Reducing inequality in our society is important for ethical reasons if, in the Minister's words: "Human life does have equal worth."

However, it is also important to support economic growth in the long run. Tackling inequality is good for economic growth in that it supports a longer run of economic growth but, more importantly, it ensures that the poor benefit from growth.

Breaking inequality in our society requires significant transfers of resources to the poor. Despite welcome increases in housing and land the budget lacks a measure redistributive mechanism such as the basic income grant. The Public Service must be improved because building an effective Public Service is a long-term project.

World Cup 2010 presents a good opportunity for local economic development but serious political will is critical.

Implementation of these ideas cannot be undertaken without a comprehensive development plan. This is a responsibility of government to drive. In conclusion, the ID supports the budget. [Time expired.]

Ms A VAN WYK: Chairperson, a budget remains just figures on paper and it only becomes of value once action and service follow the amount that was budgeted and allocated, and it is in light of this that I want to address specifically the issue of safety and security in the Budget.

Under the headline, "Crime—Where Facts, Politics and Emotions Clash" the political commentator and analyst J P Landman refers to the intensity of feelings around crime. He describes it as a "combustible combination". He says South Africans have never felt as "vulnerable and fearful of crime as now". The conclusion, he says is clear: "Citizens' perceptions of crime are that it has deteriorated—matters got worse."

The second point he makes, as an empirical fact, is that several categories of crime have declined. Here he makes use of figures provided by the SA Institute of Race Relations, an organisation that, even the opposition would agree, cannot be considered a friend of the ANC government.

The SA Institute of Race Relations reported that 8 out of 12 categories of crime have declined over the period 1994-2005 to 2005-06. These are confirmed with victim surveys. For those of us that might not know, in victim surveys, official statistics are ignored and a sample of the population is asked if they experienced crime, what types, how often and so on. Interestingly, these independent victims' surveys confirm the official statistics of the SAPS, on which the opposition tries so very hard to cast suspicion.

According to these surveys, crimes that have decreased include murder by 41%, attempted murder by 36,5%, car theft by 32,8% and commercial crime by 28,9%. In light of this you correctly ask then why citizens still feel unsafe. He offers that an increase in the number and violent nature of housebreakings might be a factor. After all, our houses are suppose to be our safe haven.

'n Populêre en baie gevaarlike stelling wat gemaak word, meestal vir korttermyn politieke gewin, is dat misdaad 'n poging is om van blankes ontslae te raak. Die einste

ties, to be in partnership with the police, to prevent and combat crime. Government has the added responsibility to lead that process. The SAPS' responsibility is to treat the communities they serve with the necessary respect and be accountable to them.

We are not going to strengthen our police-community relationships when, like happened in Pretoria just last week, a business across the street from a police station is robbed. The case is reported and no one arrives to investigate. We are not going to get our communities involved if after hours of waiting the owner of that business walks over to the station and then, in very rude terms, is chased out of the station.

Our communities will not get involved when the SAPS spokesperson's comments on radio was that the aggrieved complainant must go back to the station and report the matter to the station manager. This kind of action undermines the strategy and the budget that supports it.

Die Minister het ook in sy toespraak op 13 Februarie aangekondig dat gemeenskapspolisiëringsforums onafhanklike liggame gemaak moet word, verantwoordelik aan die gemeenskappe wat hulle dien. In dié verband sal die portefeuljekomitee die begroting in die toekoms fyn dophou om toe te sien dat wanneer dit realiseer dit wel geïmplementeer kan word.

In die lig hiervan wil die ANC op die vele anti-misdaad burgerlike groepe wat hulle ontstaan toeskryf aan die misdaad in die land 'n beroep doen: as julle ernstig is om 'n verskil aan die misdaadsituasie te maak, sluit aan, en moedig julle ondersteuners om hulle aan te sluit, by julle plaaslike gemeenskapspolisiëringsforums. Dit is die enigste plek waar werklik 'n verskil aan misdaad gemaak kan word, waar 'n impak gemaak kan word. Dit is hier waar woorde en emosie omgesit kan word in aksie, waar goeie voornemens daadwerklike optrede word, nie op verhoë saam met sangers nie. Dit ís die verantwoordelike ding om te doen. *(Translation of Afrikaans paragraphs follows.)*

[On 13 February the Minister also announced in his speech that community policing forums must be declared independent bodies, responsible to the communities they serve. In this regard, the portfolio committee will keep a close eye on the budget in future to ensure that when it is realised, it will be implemented.

In light of this the ANC wants to make an appeal to the many anti-crime civil groups in the country that attribute their existence to the crime in the country: if you are serious about making a difference to the crime situation, join and encourage your supporters to join your local community policing forums. It is the only place where a real difference to crime can be made, where an impact can be made. It is here where words and emotion can be put into action, where good intentions become real actions, not on stages with singers. It is the responsible thing to do.]

The resources are available. The budget has been committed, what we now need is the will and action to make these plans a reality. Thank you. [Applause.]

Dr S M VAN DYK: Agb Voorsitter, Minister Manuel se begroting vanjaar skenk nie genoeg aandag aan ekonomiese groei nie. Die ekonomiese groeikoers word jaarliks opwaarts aangepas, maar die werkloosheidskoers staan steeds op 39%, so in werklikheid het Suid-Afrika 'n werklose ekonomiese groei, want die vraag na werk groei vinniger as die aanbod van werksgeleenthede.

Die gevolge van die 8 miljoen werklose mense is armoede en misdaad, en dit het 'n verdere negatiewe effek op ekonomiese ontwikkeling, wat werkloosheid net verder vererger.

Wat armoede betref, leef 53% van die bevolking in armoede en 'n groot persentasie daarvan oorleef op staatstoelaes.

Safety and Security to implement their strategy without any budgetary constraint whatsoever.

Over the past seven years expenditure in the Safety and Security Vote increased significantly. In 2003-04 it was R22,7 billion. Today, in 2007-08 it stands at R35,9 billion. It is 44% of the total allocation for the justice and protection services clusters. It is expected to reach R43,6 billion by 2009-10. The question that we as parliamentarians and selected leaders of the community should start asking is not one of more money or resources, but one of value added to the budget made available.

The strong growth in expenditure reflects the employment of large numbers of additional police officers; investment in capital infrastructure and improvement of conditions of service. In other words, this budget reflects a robust increase in resources, both human and capital, directed towards the fight against crime.

The ANC government is increasing visible policing by increasing the number of such personnel. By the end of March 2007 we should have an establishment of 163 000 members. By the end of 2009-10 this number should have to increase to 193 000. It is now the responsibility of the SAPS management and us as Parliament to oversee that, to develop and implement an operational deployment plan to make ultimate use of these increased numbers on the streets to do visible policing.

The increased presence of SAPS members on our streets and in our communities will contribute greatly towards a feeling of safety.

With rapidly growing personnel numbers as replacements and additions, the all important aspect of training comes to the forefront. Vast numbers of people are trained; from annual enlistments to detectives and station commissioners. It is of utmost importance that the qualitative elements of training programmes be ascertained as to enhance the capabilities of the human resources we have. We cannot be naïve and think that with increased numbers to be catered for and a shift in focus towards community involvement and sector policing, we can simply expect that our training capacity and modules can remain as is.

Experience indicates to us that many station commissioners were not up to the task despite their training and it resulted in the transfer of skills to stations that we now see. Like in the training of any other occupation or careers, the training of our members in the SAPS should be cutting edge.

Funding was made available to implement an automated vehicle location system for SAPS vehicles with the focus on improved service delivery. This system, if properly used and managed, will bring to an end the abuse of police vehicles for private use and will allow for rapid and more effective deployment of vehicles and members to incidents of reported crimes. They should mean quicker reaction time and should also boost the confidence of the citizens.

On January 13 in Witbank in Mpumalanga, the President said:

> The Police Service and government agencies cannot fight crime alone. It requires the involvement and active participation of all communities and all sectors of society.

The Minister of Safety and Security a month later on 13 February 2007 reminded us about this. He went further to say that effective policing was not dependent on huge police numbers, but on better police community relations. He highlighted two main aspects required for that to happen. The police must be rooted in and very importantly accountable to the community in whose name they do policing.

As government and as elected leaders, irrespective of our political affiliation, we share a responsibility to mobilise our communi-

groothandelaars in toerisme sê hulle sal die aantal besoekers na Suid-Afrika met 50% verhoog as dit nie vir die hoë misdaad was nie, en gegewe dat elke agt buitelandse besoekers aan Suid-Afrika kan lei tot die skepping van een werkgeleentheid, beteken dit dat 125 000 ekstra werkgeleenthede hierdeur geskep sou kon word.

In die sesde plek beperk misdaad ook buitelandse beleggings en investering in Suid-Afrika. Frankryk, Brittanje, Kanada en Australië waarsku reeds hulle landsburgers op webtuistes om twee keer te dink voordat Suid-Afrika oorweeg word. 'n Onlangse peiling wat deur die kamers van groothandel van Brittanje, Duitsland, Italië en Swede gedoen is, toon dat 69% respondente pessimisties is oor misdaad in Suid-Afrika, en miljarde rande se beleggings heroorweeg.

In die sewende plek absorbeer onwettige immigrante Suid-Afrika se werkgeleenthede. *Sake Rapport* verwys na bevindings van 'n verslag wat deur ekonome saamgestel is wat daarop dui dat onwettige immigrante tot 2,8 miljoen werkgeleenthede van Suid-Afrikaners ontneem.

In die agste plek is veediefstal 'n bron van groot kommer. Volgens *Landbouweekblad* is daar in net drie maande vanaf Julie tot September verlede jaar 60 000 beeste en 109 000 skape en bokke met 'n waarde van R89 miljoen gesteel. Enersyds is dit vee wat bemark kon word, met laer verbruikerspryse as resultaat, en andersyds bring boerderyverliese mee dat werkers afgedank word in plaas daarvan dat groter winsgewendheid meer indiensneming meebring.

In die negende plek maak baie geskoolde persone deel uit van die meer as 100 000 mense wat sedert 2001 vermoor is. As in ag geneem word dat een hoogsgeskoolde persoon volgens 'n ekonoom van Barlow World agt verdere werkgeleenthede sou kon skep, het derduisende werkgeleenthede verlore gegaan as gevolg van dié moorde.

Laastens sit Suid-Afrika met die grootste tronkbevolking in Afrika—154 000 gevangenes. Van hierdie mense is ook reeds opgelei en sou andersins meer voordelig in die ekonomie aangewend kan word, in plaas daarvan dat dit die belastingbetaler nou meer as R18 miljoen per dag kos om hulle in tronke te onderhou.

Wat is dan die probleem? Volgens die Instituut vir Strategiese Studies spandeer Suid-Afrika reeds twee keer meer as die wêreldgemiddeld per persoon aan veiligheid en te min op wat misdaad veroorsaak, naamlik werkloosheid, ongeletterheid, behuising en maatskaplike dienslewering.

Minister Manuel slaag baie goed daarin om die gehoor in die Parlement se steun te kry met gewilde aanhalings wat dit vir kritici moeilik maak, maar ongelukkig praat die harde werklikheid van die ekonomie anders. Armoede en werkloosheid kan nie verder verskans word nie.

U sê ook in die Begrotingsrede dat die regering 'n voorbeeld vir Suid-Afrika stel met die begrotingsoorskot. Minister, met alle respek, 'n begrotingsoorskot is verkeerd. 'n Oorskotbegroting in Suid-Afrika se omstandighede is 'n skande en vir 'n ontwikkelende land is dit uiters ongehoord. Verder ook, in die lig van ons openbare hospitalekrisis, onderwys en opleidingskrisis, werkloosheid en behuisingskrisis en agterstand in maatskaplike dienste, kan dit nie bekostig word nie.

Die DA wil graag sien dat u die begrotingsoorskot terugploeg en voldoende begroot vir agterstande in hierdie verwaarloosde dienslewering sodat die oorsake van misdaad en armoede bekamp kan word. Suid-Afrika se lae staatskuld aan die een kant en ruimte vir 'n 2% begrote tekort van die BBP aan die ander kant gee vir die Tesourie daardie fiskale geleentheid.

Alternatiewelik, gegewe die staat se kapasiteitsprobleme, moet ons daaraan begin dink om meer fiskale aansporings in terme van korporatiewe subsidies en

Armoede kan verlig word met sosiale welvaartstoelaes solank die ekonomie dit toelaat, maar mense wat afhanklik is van toelaes dra nie produktief by tot die skepping van werk of welvaart nie. Hulle raak afhanklik van die staat vir ekonomiese oorlewing. In plaas dat meer werk geskep word sodat die ekonomie self armoede kan verlig, kruip daar jaarliks meer mense onder hierdie veiligheidsnet van sosiale sekuriteit in, want uitgawes aan sosiale welvaartstoelaes groei vinniger as enige ander vorm van openbare besteding en beloop tans R89 miljard van die nasionale Begroting.

Daar word dus 'n groter las op die bestaande werkersklas geplaas om 'n persentasie van die bevolking te onderhou. Belastingbetalers het toegeneem met 85% sedert 2000, terwyl die ontvangers van welsynstoelaes toegeneem het met 295%, en om genoeg geld vir die staatskas te vorder, het die totale belastinglas as persentasie van die BBP vanaf 2003 tot nou toe van 23% tot 28% gestyg.

Die vraag is hoe lank Suid-Afrika se ekonomie die gevolge van bakhandstaan sal kan dra. Die ekonomie moet eerder bevorder word sodat mense hulself kan bemagtig.

Wat misdaad betref, rem dit ekonomiese ontwikkeling, dit rem ook ekonomiese groei, produktiwiteit en werkskepping, en ek wil graag na faktore verwys wat die koste en ekonomiese opoffering van misdaad reflekteer.

Eerstens, die "brain drain". Business Against Crime se navorsing wys daarop dat 30% van alle besigheidsmislukkings aan misdaad toegeskryf kan word en dat 26% mense in Suid-Afrika nie 'n besigheid plaaslik sal begin nie, as gevolg van misdaadvrees. Kundiges verlaat nou die land terwyl die ekonomie 'n tekort aan geskooldheid ervaar.

Tweedens sê die SA Versekeringsvereniging dat motordiefstal en kapings die versekeringsbedryf R2,5 miljard per jaar kos. Die koste daarvan in terme van verhoogde versekeringspremies word ook op verbruikers afgewentel en dit is ook geld wat andersins meer ekonomies spandeer kon word aan welvaartsverhoging.

Wat betref gesteelde goedere soos motors, voorraad en toerusting moet die verbruikers by die vervanging daarvan weer BTW betaal—ook geld wat andersins direk in produksie teruggeploeg kon word. Maar aan die ander kant vind Minister Manuel hierdie miljarde rande belastinginkomste gerieflik. Miskien is dit een van die redes hoekom die regering so traag is met misdaadbekamping.

Derdens kan die indirekte koste van misdaad nie gemeet word nie. Die waarde van produktiwiteitsverlies as gevolg van menslike trauma is onmeetbaar. Ons lees dat die gemiddelde Suid-Afrikaner 'n stresvlak ervaar wat 80% hoër is as die wêreldgemiddeld, as gevolg van onder andere misdaad.

In hierdie verband verwys die internasionale ouditfirma Grant Thornton se internasionale sakeverslag dat 65% sakeondernemings in Suid-Afrika erken dat misdaad hul werkers se produktiwiteit en motivering ondermyn; 41% sakeondernemings sê dit verlaag werkers se kreatiwiteit en vindingrykheid, terwyl 32% sakeondernemings beweer dat hulle werkers verloor as gevolg van misdaad.

In die vierde plek wys die Grant Thorntonverslag ook daarop dat 84% private sakeondernemers in Suid-Afrika self, óf 'n gesinslid óf van hul werkers, verlede jaar 'n slagoffer van misdaad was en 88% van hierdie sake-eienaars sê dat hulle steeds groter uitgawes moet aangaan vir beveiliging.

In die vyfde plek kelder misdaad toerisme. Volgens die bedryfstydskrif *Southern African Tourism Update* beweer 85% toeroperateurs dat misdaad die grootste hindernis is om die getal buitelandse besoekers op te stoot. Bykans 75% oorsese

the average South African are 80% higher than the global average, as a result of, *inter alia*, crime.

In this context the international audit firm Grant Thornton's international business report refers to 65% of South African business enterprises that acknowledge that crime undermines their workers productivity and motivation; 41% of business enterprises say that it reduces workers creativity and ingenuity, while 32% of business enterprises allege that they lose workers as a result of crime.

In the fourth instance the Grant Thornton report also refers to the fact that 84% of private entrepreneurs in South Africa were themselves, or a family member or some of their workers, victims of crime last year and 88% of these business owners say that they have to continue to increase their expenditure on security.

In the fifth instance crime hampers tourism. According to the business periodical *Southern African Tourism Update* 85% of tour operators claims that crime is the biggest obstacle to increasing the number of foreign visitors. Almost 75% of overseas wholesale-merchants in tourism say that they would increase the number of visitors to South Africa by 50% were it not for the high crime rate, and given that every eight foreign visitors to South Africa can lead to the creation of one job, it means that 125 000 extra employment opportunities can be created in this way.

In the sixth instance crime limits foreign investments and investing in South Africa. France, Britain, Canada and Australia are already warning their citizens on websites to think twice before considering South Africa. A recent survey by the chambers of wholesale trade of Britain, Germany, Italy and Sweden, shows that 69% of respondents are pessimistic about crime in South Africa, and are reconsidering investments worth billions of rand.

In the seventh instance illegal immigrants are absorbing South Africa's job opportunities. *Sake Rapport* refers to the findings of a report compiled by economists which show that illegal immigrants deprive South Africans of up to 2,8 million job opportunities.

In the eighth instance theft of livestock is a great source of distress. According to *Landbouweekblad*—in only three months from July to September last year 60 000 cattle and 109 000 sheep and goats were stolen worth R89 million. On the one hand it is livestock that could have been marketed resulting in lower consumer prices, and on the other hand farming losses bring about retrenchment of workers instead of higher profit yields bringing about more employment.

In the ninth instance many skilled people form part of the more than 100 000 people who have been murdered since 2001. If it is considered that one highly skilled person can according to an economist from Barlow World create a further eight jobs, then thousands of job opportunities were lost as a result of these murders.

Lastly South Africa has the largest prison population in Africa—154 000 prisoners. Some of these people are already trained and would otherwise have been utilized more profitably in the economy, instead of it costing the taxpayer more than R18 million per day to provide for them in prison.

What is the problem? According to the Institute for Strategic Studies South Africa is already spending double the global average per person on security and too little on the causes of crime, namely unemployment, illiteracy, housing and delivery of social services.

Minister Manuel succeeds very well in gaining the support of the audience in Parliament with popular quotations that makes it difficult for the critics, but unfortunately the hard reality of the economy tells a

belastingverligtings aan die privaatsektor toe te staan, om investering te bevorder, werk te skep en selfs tradisionele staatsdienste op kontrak te lewer.

Ons moet dus die ekonomie bevorder om meer werk te skep, gepaardgaande met voldoende owerheidsdienslewering sodat die oorsake van armoede en misdaad eerste aangespreek kan word. Dankie, Voorsitter. [Applous.] *(Translation of Afrikaans speech follows.)*

[Dr S M VAN DYK: Hon Chairperson, Minister Manuel's budget this year does not pay enough attention to economic growth. The economic growth rate is adjusted upwards annually, but the unemployment rate remains on 39%. In reality South Africa has jobless economic growth, because the demand for employment grows faster than the supply of employment opportunities.

The results of having 8 million unemployed people are poverty and crime, and this has a further negative effect on economic development, which further increases unemployment.

Regarding poverty, 53% of the population are poverty-stricken and a large percentage of them survive on government grants. Poverty can be alleviated with social welfare grants for as long as the economy permits it, but people who are dependent on grants do not contribute productively to job creation or prosperity. They depend on the government for their economic survival. Instead of more jobs being created so that the economy by itself can alleviate poverty, more people are annually making use of the safety net of social security, because expenditure on social welfare grants is growing faster than any other form of state expenditure and at the moment it amounts to R89 billion of the national Budget.

Thus a greater burden is placed on the existing working class to support a percentage of the population. Taxpayers have increased by 85% since 2000, while those that receive welfare grants have increased by 295%, and in order to collect enough revenue for the Treasury, the total tax burden as a percentage of GDP has increased from 23% since 2003 to the present 28%.

The question is how long South Africa's economy will be able to bear the results of this begging. The economy should rather be stimulated so that people can empower themselves.

Regarding crime, it inhibits economic development, it also retards economic growth, productivity and job creation, and I would like to refer to factors that reflect the cost and economic sacrifices of crime.

Firstly, the "brain drain". Business Against Crime's research shows that 30% of all business failures can be attributed to crime and that 26% of people in South Africa will not start a business locally as a consequence of fearing crime. Experts are leaving the country while the economy experiences a skills shortage.

Secondly, the SA Insurance Association says that motor vehicle theft and hijackings costs the insurance industry R2,5 billion per year. The cost of this in terms of higher insurance premiums is also devolved to the consumer and this money could otherwise also have been utilised more economically to improve prosperity.

Concerning stolen goods like motor vehicles, stock and equipment, consumers have to pay VAT again when they replace the stolen items- money that could otherwise also have been directly ploughed back into production. But on the other hand Minister Manuel finds these billions of rands in tax revenue convenient. This might be one of the reasons why the government is so slow to combat crime.

Thirdly, the indirect cost of crime cannot be calculated. The value in loss of productivity as a result of human trauma is incalculable. We read that the stress levels experienced by

announcement of a bursary scheme and better salaries for social workers.

The agricultural sector is a potential area for huge job creation, particularly if accompanied by possible wage subsidy. Successful models of job creation in the agricultural sector should be copied and rolled out nationally.

Hon Minister, you have attempted to allay concerns regarding the growing current account deficit. Should we not be concerned, particularly in view of the recent market jitters which may affect capital inflows used to cover the shortfall?

To conclude, the critical issue is whether the increased budget addresses unemployment and poverty, whilst stimulating economic growth and development in a safe and secure environment.

The ACDP will support today's Budget Vote. I thank you.

The HOUSE CHAIRPERSON (Mr G Q M Doidge): Order! Hon members, please lower your voices.

Dr P W A MULDER: Mr Chairman, the FF Plus congratulates the Minister on a good news Budget—a Budget according to which huge amounts of money are going to be spent on education, crime and infrastructure.

Meneer, ons het vir 89 maande in Suid-Afrika nou volgehoue groei gehad en dit is beslis 'n nuwe rekord. Ek dink die vorige rekord was 44 maande. Die harde ekonomiese werklikheid is dit kan nie altyd so aanhou nie, en miskien moet die Minister tog maar in die Bybel gaan lees van Josef in Egipte en die sewe vet jare en die sewe maer jare en dat ons ook vir die sewe maer jare moet voorbereiding tref. *(Translation of Afrikaans paragraph follows.)*

[Sir, we have had sustained growth in South-Africa for 89 months and this indeed is a new record. I think the previous record was 44 months. The harsh economic reality is that it cannot always continue like this, and maybe the Minister should go read in the Bible about Joseph in Egypt and the seven years of abundance and the seven years of famine and that we should also make provision for the seven years of famine.]

The problem is that this is the seventh year of continued growth and of this kind of good news Budget without the results being visible on ground level. Somewhere there is a hole in the bucket—dear Trevor, but I don't know where it is—which causes that the good news which is announced in Parliament every year do not always filter through to ground level.

The capacity problem of the provinces and local management at present places a definite restriction on the capability of the government to make use in full of the continued growth.

It is very important that the country in years of growth uses its surplus for capital projects which in more difficult years will help to stimulate tax incomes. Against this backdrop, it is important that the billions of rands which have been budgeted for the 2010 Soccer World Cup are created in a practical manner and will still be available after the tournament.

The FF Plus has for a number of years been asking that tax on pension funds be abolished as it is an extra burden on the finances of people who try to provide for retirement. We welcome the fact that the Minister has listened to our request and abolished this tax.

Die regering gee toe dat misdaad baie ernstige afmetings aanneem. As deel van die oplossing stel die Minister van Veiligheid en Sekuriteit voor dat die gemeenskap moet help om misdaad te bekamp. Dié VF Plus vra reeds sedert 2001 dat die agb Minister van Finansies moet kyk in watter mate belastingtoegewings moontlik is vir die groot bedrae wat gewone landsburgers tans moet spandeer vir hulle eie veiligheid.

Die Begroting is soos die aankondiging van die Springbok-rugbyspan of soos Bafana

different story. Poverty and unemployment cannot be entrenched any further.

In your budget speech you also say that the government sets an example for South Africa with the budget surplus. Minister, respectfully, a budget surplus is wrong. A surplus budget in South Africa's situation is a shame and for a developing country it is utterly unheard of. Further more, in the light of our state hospital crisis, education and training crisis, unemployment and housing crisis and the backlog in social services, it can be ill afforded.

The DA would like to see the budget surplus being ploughed back and that sufficient funds are allocated in the budget for the backlog in this neglected area of service delivery so that the causes of crime and poverty can be combated. South Africa's low public debt on the one hand and room for a 2% budget deficit from the GDP on the other hand lends the Treasury this fiscal opportunity.

Alternatively, given the government's capacity problems, we must think along the lines of more fiscal incentives in the form of corporate subsidies and the granting of tax relief to the private sector, promoting investment, job creation and even delivering traditional public services on contract.

Thus we have to stimulate the economy to create more jobs, coupled with adequate service delivery by local government so that the causes of poverty and crime can be addressed first. Thank you, Chairperson. [Applause.]]

Mr S N SWART: Chairperson, hon Minister, this is indeed a watershed Budget with the first ever budgeted surplus, an ambitious social security pension plan, scrapping of retirement fund tax and huge infrastructure spending to encourage faster economic growth. Individuals are to receive a cut in personal tax and companies are aided by the phasing out of STC and loosening of foreign exchange controls. Our cup indeed runneth over, for which we should be grateful.

We are now committed to becoming a welfare state which is undoubtedly necessary in the short-term to address widespread unemployment and poverty. Human life does have equal worth and citizens should enjoy equal opportunities. Certain questions do however arise as to the sustainability of a welfare state in the long run. Does the danger not exist in the long run of focusing too much on fiscal redistribution to raise living standards through welfare rather than job creation? Is it further compatible with the concept of a developmental state?

However one looks at it, fiscal restraint has enabled funding for growing social reform, and to lift an estimated half of our population out of dire poverty, which is commendable and which the ACDP supports.

The reduction in and the eventual phasing out of STC is to be welcomed. We trust that this step will also stimulate the supply side of the economy and encourage an investor-friendly economy where growth is not driven by consumer spending on imports.

Additional government spending will also help raise economic growth to the projected level of 6%. The critical question remains whether the government can spend capital budget effectively. Capacity constraints must be addressed.

In view of the unacceptably high crime rate, fighting crime and ensuring personal safety remains a paramount concern and needs to be addressed. South Africans would, we believe, even forgo tax cuts if they were assured of personal safety. The ACDP, therefore, welcomes the additional amounts to be spent on providing resources to fight crime.

There is also a huge need for more and better paid social workers to assist families and strengthen families struggling with unemployment, poverty and HIV/Aids. The ACDP believes that strong families result in strong communities and thus welcomes the

As our young nation enters its 13th year, we have much to be proud of. We are building a society founded on the principles of equality, nonracialism and nonsexism. We have built institutions of democracy, creating an open society founded on the rule of law. After stabilising the economy and the public finances we have created the conditions of rapid economic growth, job creation and the broadening of opportunities.

We in the ANC, therefore, take great pride that this Budget puts, once again, emphasis on the stated goals of the ANC, that is, the value of shared humanity. We are, therefore, pleased that in eliminating the backlogs in social services delivery, including improved salaries for the health professionals and people in the educational and social development sectors, as well as increasing the numbers of these professionals in the public sector, is one of the five key social and economic development policy objectives of the next three years, as prioritised by our Minister of Finance. We say so, because we know that there is a direct link between people's health and their social conditions and their ability to contribute to the betterment of society. It is, therefore, clearly in the interests of all of us that we strengthen social services within this country, as largely provided for by the state.

For us, when it comes to health, we would like to state the most important elements in the Budget. The real growth in the Health budget is about R3-R4 billion per annum. The main areas emphasized in the Budget are the following: Firstly, the conditional grants, and here in particular we refer to grants for the fight against HIV and Aids, are estimated to be R1,68 billion over the next three years. There is also the modernisation of hospitals and the hospital revitalisation programme.

Secondly, there is the area of equitable shares that would allow new ambulances, better and improved communication in the ambulance system as a whole, as well as improvement in the air ambulances service that would better prepare South Africa for 2010. The third area deals with the new wage deals that are put forth here and lastly, there is the area of the additional health personnel that will go up to about 30 000 over the MTEF period, at about R5,3 billion over the said period.

To give effect to these policy imperatives, it is particularly taken into account in the Budget that the public health sector serves 80% of the population of South Africa. We, therefore, welcome the increased allocation in the MTEF period in 2007-08 Budget and in particular we welcome the hospital allocations, the modernisation of tertiary services, the allocation for HIV and Aids is also welcomed, and these are all additional resources. We are of the view that we will see a marked improvement in the delivery of better health services in our country.

It should also be emphasized here that whilst these are indeed large amounts of new funding for the health sector, the public sector requires significantly more resources to meet the needs of the population. We have already seen, for instance, in terms of the national strategic plan that is being unveiled by the government, that more demands to give effect to this particular plan will be required from us in order to meet the demands in future. Besides the conditional grants referred to, there are also the hospital revitalisation programme and the comprehensive HIV and Aids allocations, the increased allocation for human resources for health, as well as emergency medical services and medical equipment that are all allocated through the equitable share to provinces. It is critical that these increases are indeed passed on to the Department of Health.

The National Treasury and the national Department of Health are therefore called upon to work together under the political guidance of the respective Ministers to ensure that these funds are indeed chan-

Bafana. As die name aangekondig word hier in die Raad, dan klink dit baie goed en ons is baie tevrede omdat ons al die goeie goed hoor. Maar as jy die volgende dag in die koerant lees wie nie die span gehaal het nie, is jy ongelukkig, want jy het nie besef wat die Minister eintlik nié gesê het nie. Dit is met die Begroting dieselfde.

Die Minister het hier in die Raad gepraat van belastingverligting van R8,4 miljard vir ons mense. Dit klink baie goed en ons het dit verwelkom. Volgens my somme word die belastinglas op individue net elke jaar al groter. Een rede hiervoor is dat die fiskale sleuring, oftewel belasting weens inflasie, nie werklik uitgeskakel word nie.

Die belofte was dat die staatskas nooit meer as 25% van BBP behoort te beloop nie. Hierdie jaar beloop dit reeds 27%. Met ander woorde, die staat het te veel geld wat dit van ons vat en vashou aan hierdie kant, wat groei kon gestimuleer het. As ons ook provinsiale belastings bytel, dan trek dit by 30% van BBP.

Ons kan nie voortgaan om 'n klein klompie belastingbetalers op 'n subtiele manier ál meer en meer te belas en steeds dink die koei gaan nie lateraan leeg gemelk word nie. Ons moet die belastingbasis uitbou, anders gaan ons vorentoe probleme hê. Ek dank u. *(Translation of Afrikaans paragraphs follows.)*

[The government acknowledges that crime is reaching alarming proportions. As part of the solution the Minister of Safety and Security proposes that the community assists in the fight against crime. Since 2001 the FF Plus has been asking that the hon Minister of Finance should see to what extent tax concessions are possible for the big amounts that ordinary citizens are currently spending on their own safety.

The Budget is like the announcement of the Springbok rugby team or like Bafana Bafana. When the names are announced in the House, it sounds very good and we are very satisfied because we hear all the good things. But if you read in the newspapers the following day about who did not make the team, you are unhappy, because you did not realise what the Minister actually did not say. It is the same with the Budget.

The Minister spoke here in this House about tax relief of R8,4 billion for our people. It sounds very good and we welcomed it. According to my calculations the tax burden on individuals just increases every year. One reason is that the fiscal drag, that is tax due to inflation, is not really eliminated.

The promise was that Treasury should never amount to more than 25% of the GDP. It already amounts to 27% for this year. In other words, the government has too much money that they take from us and hold onto on this side, which could have stimulated growth. If we also add provincial tax, it will add up to 30% of GDP.

We cannot continue to subtly burden a few taxpayers more and more and think that the cow will not be milked dry at the end of the day. We must expand the tax base otherwise we will have problems in future. I thank you.]

Mr L V J NGCULU: Chairperson, the Minister of Finance in introducing the Budget, quoted Will Hutton's book on China and globalisation, as follows:

> The foundation of human association is the idea that human life has equal worth and that human beings are equally entitled to political, economic and social rights which allow them to choose a life they have resolved, they have reason to live.

The idea that human life has equal worth and that is the core value that unites us, invites us to ask whether we have done enough to give practical effect in South Africa today to our shared humanity. Have we acted in a manner that shows that human life has equal worth or do we still live in a society where the shadow of history dominates over the opportunities of an open society?

daaruit put. Ek moet met konstruktiewe kritiek 'n noemenswaardige bydrae maak en erkenning gee waar dit regverdig is. Ek gee graag aan Minister Manuel erkenning vir die fiskale disipline van sy departement en ook die rol wat die portefeuljekomitee daarin speel.

Een van my ander passies is om gestremdes te verteenwoordig. Dit is vir my lekker om vandag van my gestremde vriende, al die pad van Worcester af op die galery saam met ons te hê. Minister Manuel, hulle is die kwesbaarste van die kwesbares en is baie dankbaar vir die verhoogde toelaag wat hulle kry. Wie min het, vir hulle is elke rand baie welkom.

Tog is dit so dat my vriend Desmond de Koker en sy vrou albei van elektriese rolstoele gebruik moet maak wat elk R20 000 kos. Die beoefening van sport is vir hulle almal baie belangrik. Verskillende rolstoele is nodig vir rolstoelbasketbal, rolstoelrugby, rolbal, marathon, ens, teen ongeveer R12 000 per stoel per sport. Verder betaal hulle hul huishuur, munisipale kostes en moet hulle hul skoolgaande kinders onderhou. U sal met my saamstem dat dit nie met die R870 per maand gedoen kan word nie. *(Translation of Afrikaans paragraphs follows.)*

[I am a proud member of the DA and grateful to my party leadership here and in the Western Cape for the trust they have placed in me to take up this office; also to my political mentor, the hon King, for his guidance and advice. My gratitude to my spouse and for the wonderful support from my family and my constituency, Helderberg and for their presence here.

I have passions in my life and it is a privilege to live them. I must get satisfaction from them. I must make a significant contribution by means of constructive criticism and give recognition where it is due. I gladly give credit to Mr Manuel for the fiscal discipline of his department as well as the role that the portfolio committee plays.

One of my other passions is to represent persons with disabilities. It is my pleasure to have my disabled friends here with us today in the gallery, all the way from Worcester. Minister Manuel, they are the most vulnerable of those at risk and they are grateful for the increased grant which they receive. Those that have little welcome every rand that they receive.

Yet it is so that my friend, Desmond de Koker, and his wife both have to make use of electric wheelchairs which cost R20 000 each. The practice of sport is very important to them all. Various wheelchairs are needed for wheelchair basketball, wheelchair rugby, bowls, marathon, etc, at approximately R12 000 a chair per sport. Furthermore they pay their rent, municipal costs and they must support their school-going children. You will agree with me that it cannot be done with R870 per month.]

I want to challenge Mr Manuel with the following, especially if again Budget surpluses materialise, when considering the Mid-term and the Main Budget of next year: bigger allocations to benefit the disabled in the roll-out of the new social security scheme, meaningful contributions directly benefiting the disabled practising sport, both on developmental as well as high performance levels. This will result in more Paralympic medals and bigger representation of PDIs in Team South Africa, grants to ensure the improved accessibility of facilities in our communities and implementation of mechanisms to ensure that the targeted employment of persons with a disability is reached.

Soos dit elkeen se plig is om na oueres en siekes om te sien, is dit ons morele plig om te verseker dat ons gestremdes alle moontlike hulp van die regering kry, sodat dit as 'n gelykmakende faktor vir hulle kan dien. Ek dank u. [Applous.] *(Translation of Afrikaans paragraph follows.)*

[Just like it is everyone's duty to look after the frail and aged, we have a moral duty to

nelled to improving the public health sectors in each of our provinces.

Finally, we call on the political heads as well as the management of the public health sector to work hard to ensure that all the resources provided for by this government are utilised efficiently and effectively. Even as we request additional funding to strengthen the national health system, we must ensure optimal use of existing resources.

As this House knows, the national health system also comprises the private health sector in our country. We are all aware that it is indeed disturbing that this sector has not been able to curb the cost increases. We are aware that even though this sector provides care to only 20% of the population, yet if you compare it to what is actually spent in the public sector, it comes to much more. This inequity itself requires the need to be addressed. Indeed one might add that this level of greed by elements within the private health sector cannot be left unchallenged. We must, as we continue to support this Budget, call upon the government to review the expenditure in the private health sector, with a view to firstly contain the cost increases in this sector and, secondly, we need to ensure that the implementation of the Health Charter is actually an instrument that will assist us to achieve these results. We therefore hope that the finalisation of the Health Charter will be implemented with greater speed and haste.

Chairperson, may I also take this opportunity to wish our Minister of Health well and a speedy recovery. [Applause.] I am aware that there are those who have displayed and behaved in a manner so insensitive and perhaps reflective of their uncouth upbringing and whose values for human life are found to be despicable and objectionable. Perhaps it is very easy for them, even as we speak here at this podium today, whilst perhaps the bulk of our population listens attentively, they have got the temerity to howl and scowl, rather than to take an interest in the debates at hand. This is a character perhaps that has actually characterised the party on my left here. [Interjections.] It is indeed important in the ANC to state the following. There is a song that we sing in the ANC. [Interjections.] Umthetho wakho awunambeko. Abantu abadala akubazi. [You are known to be disrespectful towards elderly people.]

Whilst therefore the Minister of Health was lying in her sickbed, the villains who have no regard for or respect the quality of black life, danced on the floor, praying for her removal from office. [Interjections.]

Yet, on Sunday, they may declare themselves Christians and servants of God, but their behaviour reflects the opposite and they are perhaps servants of Lucifer. [Interjections.] We who have known the Minister for years and have been with her long before the luxuries of government were even in our thoughts, and we have no doubt about her commitment to her profession and her responsibility. We must therefore know that as she lies in her bed reflecting on her work and life, that we in the ANC value her so much and wish her a speedy and complete recovery. [Applause.]

Mr S J F MARAIS: Chairperson, thank you very much for this first opportunity to address this House. It is an honour and a privilege for me as a proud South African. I am looking forward to my constructive involvement in the future.

Ek is 'n trotse lid van die DA en dankbaar teenoor my partyleierskap hier en in die Wes-Kaap vir die vertroue in my gestel om hierdie amp te vul; ook aan my politieke mentor, die agb King, vir sy leiding en advies. My dank aan my gade en vir die wonderlike steun van my gesin en my kiesafdeling, Helderberg, en vir hulle teenwoordigheid hier.

Ek het passies in die lewe en is dit 'n voorreg om dit te kan uitleef. Ek moet satisfaksie

... because such resources do not come from anywhere else but from us, as citizens; unless government policy would need to be dictated by whoever foots the bill to implement government policy. Thus taxation is the main source of government revenue. The question then is: How much tax should citizens, individuals or corporates pay? This brings us to the tax proposals outlined by the Minister in his Budget Speech two weeks ago.

Personal income tax or individual tax has been greatly reduced since 1994, when the ANC government took over. This has put more money in the pockets of individuals to make their lives a little bit easier or a little bit better. This year another R8,4 billion will be taken back to the taxpayer in order to improve their lives. The majority of the taxpayers who will benefit from these mostly are from those who earn less than R3 583 per month, as they no longer have to pay any tax from their salaries or wages. According to the retirement fund industry, more than R50 billion was collected by the SA Revenue Service over the 11-year period; that is money which should have gone to the beneficiaries.

Doing away with retirement fund tax means less burden for individuals and better benefits when one retires. We, however, should ensure that those benefits do reach the intended beneficiaries. We should guard against fund managers who would like to make a quick buck through the misery of the poor and ignorant people. Incidents such as Fidentia, illegal or secret profits through bulking by the likes of Alexander Forbes, Glenrand-MIB and others should come to a stop. We cannot be complacent and expect that the Financial Services Board will effectively arrest such incidents as it has to oversee more than 13 000 retirement funds.

Ngakho-ke kufuneka siqiniseke ukuthi abantu esibakhethayo abazoba yiso nezindlebe zethu ezigungwini zokuqhuba le zikhwama zezimpesheni bangabantu abanolwazi noma abanekhono ngalolu daba. Kungenjalo, kufuneka thina siyizinyonyana noma singabantu nje siqinisekise ukuthi banolwazi olufanelekile ukuze babhekane nalezi zimo. *(Translation of isiZulu paragraph follows.)*

[Therefore we need to ensure that people that we elect, who will be our eyes and ears in the Financial Services Board are people with knowledge and the necessary skills. If not so, we as unions or ordinary people need to ensure that they have appropriate knowledge in order to face these situations.]

The argument by the business fraternity at the public hearings and mostly from our colleagues, the DA, is that personal income tax in South Africa is too high. When you look at developing countries, South Africa is among the countries with the lowest personal income tax. For instance, when you look at Brazil, personal income tax ranges from 15% to 27%, which is one of the lowest. But when you look at Egypt, it ranges from 20% to 40%; and with Morocco it's from 0% to 41,5%. Therefore, it is not really true that South Africa has the highest personal income tax when compared to developing countries. If you look at developed countries such as Sweden, you will find that it's up to 51,1%.

We cannot run away from globalisation. We have to, from time to time, adjust our policies to capitalise on opportunities that come with it. Doing away with secondary tax for companies is not yielding to pressure from the DA or its lobbyist group, but it's because it is the right time to do so and in order to broaden our tax base.

South Africa is also one of the developing countries with the lowest rate when it comes to income tax on companies. Although investors would like to see returns at the end of the day on their investments, it is not tax rates that keep investors away. During our visit to the US recently, the Africa Commission informed us that most companies or individuals would like to invest in South

ensure that our disabled persons get all the help they can from the government, in order for it to serve as an equalising factor. I thank you. [Applause.]]

Dr G G WOODS: Chairperson, we don't have any serious difficulties with the Budget at all. We think it's a Budget that's well harmonised, has the right emphasis and has a set of priorities which we think represent the national reality. It's a very credible plan of what we need to do in our country to take our country and its people forward. So the issues I would rather spend my time on in the few minutes I have are the issues that a lot of the other members have referred to in passing, where they talked about the lack of capacity, poor implementation, poor execution and those sorts of problems. I would rather not just do that in passing, I think those problems are far more serious than we give voice to.

Perhaps, I should start off by talking about some well-known Harvard research that shows that even the world's most successful businesses, which are very adequately resourced and which work in very fiercely contested industries, often produce up to 80% value for money return on their budgets. In other words, 20% of their resources is poorly used. So, deriving from that, we must ask ourselves: What percentage might there be for an undermanaged government bureaucracy that doesn't have any competitive forces driving its efforts? In other words, what social or other returns do we or does the taxpayer actually get back for our budget each year?

I think we only have to look at areas of faltering service delivery and one could name health, education, the criminal justice system—to name some. We only have to look at the rather regular incidence of wasteful spending, underspending and dishonest or corrupt spending to see that we do have something of a problem.

To us, it all gets back to the same thing: The quality of management across the administrative structures is generally poor, where many of the management positions are filled with people with insufficient capabilities; and then, indeed, many of the positions not filled at all, and some filled by lesser bureaucrats.

Without being melodramatic, we would see this as a crisis of substantial proportions. It's a crisis which costs the country so much and which in many instances makes the very good intentions of a fine budget somewhat farcical. So why, might we ask, is the problem not being adequately dealt with? And it is a problem which we have watched and spoken about as it grew and grew over the years. Each year, Minister Fraser-Moleketi appears before the House, where she seems to have a new range of ideas and a new range of assurances. But with respect, these do not seem to demonstrate a full enough understanding of what is causing this crisis and how to fix it.

I have even seen now that Samdi, who have been with us for so many years, have now come forward with their, probably, 54th plan which is about to go before Cabinet on their latest ideas, but what happened to all the other plans? Surely, we cannot go on simply dabbling with the problem.

It is a crisis, a very central and costly crisis, and one which requires big thinking and a comprehensive plan. Mr Minister, we think we have developed such a plan, which we would like to discuss with you. It is a plan which we feel could do justice to the important intentions of the budget and the money it provides. Thank you.

Mr B A MNGUNI: Chairperson, hon Ministers and colleagues . . .

. . . mangikhumbuze aMalungu ePhalamende ukuthi uhulumeni ngeke akwazi ukuthi afeze izethembiso ngaphandle kokuthi thina singabantu sikhokhe intela . . . [. . . let me remind the Members of Parliament that the government cannot fulfil the promises if we, as the people, do not pay tax . . .]

entity or constitutional institution has and maintains an effective, efficient and transparent system of financial and risk management and internal control.

This, without compromise, is a *sine qua non* in the appropriation of state funds. I am happy to indicate that the UCDP is supporting the Bill and not noncompliance with financial regulations. The UCDP supports the Bill, and not unauthorised wasteful and fruitless expenditure. The UCDP supports the Bill, and not emphasis of matters. The UCDP supports the Bill, and not qualifications, disclaimers or adverse opinions.

It must further be explicitly clear that this institution, Parliament, must also account for monies it receives. Parliament must not wait for big guns, as suggested by weekend's newspapers . . . [Time expired.]

Mr T M MASUTHA: Mutshami wa xitulu, ndzi tlakuka ndzi seketela ku avanyisiwa ka timali leti nga endliwa lembe leri hi murhangeri wa hina, Holobye Trevor Manuel. Hi khensa swinene marito ya yena lama ya nge: Vutomi bya vanhu hinkwavo bya ringana. [Chairperson, I rise to support the appropriation of money which was done this year by our leader, Minister Trevor Manuel. We are very grateful for his words that went: "The lives of all the people are equal."]

At its 50th national conference held at Mafikeng in December 1997, the ANC, having noted that the government inherited a system of social security which was fragmented, unco-ordinated and based on past policies of discrimination, inequality and inaccessibility to beneficiaries, acknowledged and supported the present process in government to transform the social security system into a co-ordinated and comprehensive policy.

In addition and in pursuance of this objective, the government appointed a commission, which I am most privileged to have been part of, led by Prof Vivienne Taylor, to investigate the possibilities of developing a comprehensive social security policy.

At its 51st national conference, December 2002 in Stellenbosch, the ANC acknowledged the Taylor report presented to the government that year as providing a basis for the development of such a social security policy and affirmed the need to strengthen the implementation and to expand the reach of existing policies whilst finding new ways to close existing gaps which leave certain people still vulnerable. It also called on the government to continue with plans towards a comprehensive social security system through the consolidation and ongoing review of all existing social security measures.

Allow me, before I proceed, to express my sincere gratitude to the Minister of Social Development, Dr Zola Skweyiya, who in 2000 invited a number of us from the Portfolio Committee on Social Development and the Taylor committee to join him on a visit to Berlin to study the German social security system, commonly known as the Bismarck System—forgive Bismarck for all his ills; at least he produced something positive—famous for its tenacity and having endured for more than 100 years, survived two world wars and a few economic depressions, and continues to give the German people a common sense of nationhood and social solidarity till this day.

A question may well be asked, legitimately so, as to what is wrong with our current arrangements given the proverbial rhetorical question: Why fix it if it is not broken? The current arrangements after all seem to be working and millions of people benefit from them. The problem, however, is that in 1994 South Africa inherited splinters of both publicly and privately managed social security schemes be they contributory in that they are funded by members of the respective schemes or noncontributory in that they are publicly funded through the general tax system.

The only thing that was common amongst

Africa, not because there is low tax but because of financial and political stability, and macroeconomic and sound macroeconomic principles. Therefore, South Africa is one of the countries that enjoys such confidence.

The remaining budget proposals are actually mainly the yearly improvements that are there on a year to year basis. For instance, sin tax is basically aimed at changing our behaviour in society. The increase on tobacco, wine and spirits is a way of trying to ensure that other health principles are adhered to, and that policies that we pass as Parliament are adhered to by the citizens. These changes are on a yearly basis therefore they are not such a problem.

Regarding the percentage of investment to GDP, it is proposed by Treasury that 25% of investment be made to the GDP so that the 6% growth rate can be reached, as envisaged. It's not a principle that's cast in stone because that is an economic model and, therefore, every economic model, as I usually say, has a percentage error that needs to be accommodated. The emphasis by our friends or colleagues that we have to make sure that . . .

. . . noma kanjani i-25% iba yingxenye yezimali ezitshalwa eNingizimu Afrika ukuze sithole ukukhula komnotho ngama-6% akulona iqiniso. Sithanda-ke ukwazisa wonke umuntu emakhaya nanoma ikuphi lapho bekhona ukuthi baqaphelisise ukuthi imali yabo iyakhula, ikakhulukazi njengoba sesiwususile lo mthetho wokuthi impesheni yabo ibanjelwe intela uma umuntu esethatha umhlalaphansi. Uma singakuqaphelisisi lokho, izinkampani ezifana nabo-Fidentia, Alexander Forbes zizoqhubeka nokuthi zithathe imali okufuneka ifinyelele kubantu okudingeka bahlomule kulokho. Ngiyabonga, Sihlalo. [Ihlombe.] *(Translation of isiZulu paragraph follows.)*

[. . . exactly 25% of GDP is made of our domestic savings rate so that we can have economic growth of 6% is not true. We would therefore like to inform everybody at home, wherever they may be, that they must be aware that their money is growing, especially now that we have scrapped the law that states that retirement funds should be taxed when one is retiring. If we are not alert about these things, companies like the Fidentia Group and Alexander Forbes will go on taking monies that need to reach people who must be compensated. Thank you, Chairperson. [Applause.]]

Mr B E PULE: Chairperson, the UCDP congratulates the Minister of Finance, hon Trevor Manuel, for the comprehensive budgets he presents to this House. The 2007 Appropriation Bill was tabled in order to allocate money to the different national government departments in terms of section 213(2) of the Constitution of the Republic of South Africa, 1996, that makes provision that money may be withdrawn from the National Revenue Fund only in terms of an appropriation by an Act of Parliament. To this end the Appropriation Bill divides R299 billion of the National Revenue Fund among departments. This is 11,04% higher than the previous year's national allocation of R266 billion.

I have indicated and, of course deliberately, that this appropriation is in terms of an Act of Parliament. In the same breath allow me to remind government departments that an Act of Parliament cannot and shall not be compromised in the use of these monies.

The UCDP would like to draw the attention of both executive authorities and accounting officers to section 63(1)(a) and (b) and 63(2) and section 2, and sections 38-41 of the Public Finance Management Act, No 1 of 1999 respectively, about their financial responsibilities.

Of paramount importance is section 38 1(a) of the Act. I quote:

> The accounting officer for a department trading entity or constitutional institution must ensure that the department trading

In order to improve on the social programmes that we have implemented over the years, we aim this year to complete the work already started to reform our system of social security so that phased implementation can start as early as possible. A critical part of this reform will be the task of repairing a defect identified in the 2002 report of the Committee of Inquiry into a Comprehensive System of Social Security in South Africa. This is that the contributory earnings-related pillar of our social security system is missing or unreliable for large numbers of our working people. The principle guiding this approach is that, over and above social assistance provided through the government budget, we need to explore the introduction of an earnings-related contributory social security system that is informed by the principle of social solidarity.

Key recommendations emanating from the Taylor report include: Mandatory insurance cover for all in formal employment and their dependants; voluntary contributions to social insurance for those who cannot realistically be covered by mandatory arrangements; adoption of an official poverty line and improved data and research on poverty and human development; a phased and measured introduction of a comprehensive system of incomer support, on the strength of improvements over time in fiscal and administrative capacity—something which all of us will agree, has been showing significant improvements; continued active labour market and job creation policies alongside the extension of social insurance to all workers; special attention to the needs of children, particularly those in child-headed households—in this regard I think we have seen a significant rise in the uptake of the foster care grant which signifies that a lot more orphaned children are actually being covered in that safety; a phased reform of health care financing towards mandatory, universal coverage—these are matters that my colleague, hon Ngculu, has dealt with to some length; an integrated approach to retirement provision based on mandatory participation, preservation and benefits, improved fund administration and governance, simplification of the tax structure and improved consumer protection; and last but not least, improved disability insurance and compensation, for occupational injury and diseases, as well as reform of road accident benefits, as part of a new insurance framework. The ANC supports the Budget. [Time expired.]

Mr M T LIKOTSI: Chairperson, let me start by saluting the President of Zimbabwe, his Excellency Robert Mugabe of Zanu-PF in protecting the legitimate people of Zimbabwe. We want to assure you, Comrade President, that you have our full support in the defence of the people of Zimbabwe's hard-fought liberation and freedom. Soldier on until the whole continent of Africa is totally emancipated from the bondages of neo-colonialism.

Coming to the topic at hand, hon Minister, this Budget has some elements of capitalism in it, as in its outlook it speaks too little about the plight of the downtrodden and poorest masses of our people—the unemployed, illiterate and landless Africans.

This Budget, as it stands, will find it difficult to address the scourge of abject poverty, inequalities and the suffering facing the Africans. Some pensioners die in the long queues of the pension payout points. Many school-going children become dropouts at high school level due to hunger as the crafters of the school-feeding schemes pretend that only children at the primary schools come from poor families.

The Budget speaks about envisaged subsidy remuneration of the working people, whilst many unemployed people are denied an unemployment allowance. Students who pass their matric for university entrance are unable to register due to the high costs of tertiary education fees. The African small businessmen only hear about millions of

these schemes was that they were not bound together by any common thread other than to address white poverty and income security and to deal with the rest of the population incidentally as an afterthought. It thus did not afford equal access and protection to all citizens, irrespective of race, gender or social class, so as to secure all from such contingencies as the loss of a breadwinner, or loss of income due to unemployment, retirement, ill-health or disability.

Before 1994, for instance, the maintenance grant provided by the apartheid government was only available to poor white children and a few black children—mainly coloured children in the Western Cape. All this has since changed and today over seven million children of all races from poor households are receiving the grant. [Applause.]

The UIF, until recently, did not include domestic and farmworkers and because of poor regulation and lack of proper auditing and management, many employees were often left out in the cold when after years of working they discovered that their employer was dodging contributions to UIF or Codia.

The fault principle applicable to the motor vehicle system, which is currently applicable, means that motorists, commuters and pedestrians alike have no claim to any social benefits under that scheme, unless they can prove fault on the part of the other party—proof which is often near impossible to adduce.

Oft-times, insurers will repudiate claims because of the failure of the policy holder to disclose certain information, citing the common law principle that an insurance agreement is a contract *uberima fides*, that is, of utmost good faith. Given the low literacy levels, language difficulties and other challenges, many of us do know that a lot does go wrong, resulting in many beneficiaries being left out in the cold.

Then there is the problem of the poverty trap. Whilst citizens, especially those at the lower end of the income distribution ladder, are strongly encouraged to save up for their retirement, their meagre resources work against them when they retire, because at a certain point those meagre resources are taken into account when consideration is made as to whether they qualify for state social assistance or not. [Interjections.] I will retire some years after you. [Laughter.] For this reason and others, many who worked their entire lives often find themselves retiring in poverty, with limited hope of recovery in their lifetime.

What then is the primary objective of the respective comprehensive social security system that is being envisaged? This is to ensure the human wellbeing of all through measures that address income poverty through adequate incomes throughout a person's life cycle, including efficiency of benefits.

The Taylor committee distinguishes between income replacement measures, as the area on which social security is largely focused on the one hand, and the broader area of social protection which takes a more holistic view of social policy and the various social interventions aimed at protecting people from exclusion from participation in the social life of society, or protection against social exclusion on the other.

A distinction is drawn between income poverty, asset and/or capability poverty—which relates to a lack of access to such assets, whether tangible or otherwise—including skills necessary to enable one to participate in productive or gainful activity or for their general wellbeing; and poverty relating to access to basic services such as water, sanitation, electricity, etc, matters for which this Budget has adequately or significantly made provision.

With regard to the development of a system of comprehensive social security, the President, in his state of the nation address this year, had the following announcement to make:

federations must really be an incentive that is biased towards the development of the athletes.

We have a proposal that you must introduce another challenging incentive in that even those that are rural-based—completely rural-based in terms of development—must be told as to what they can come and have so that the people in Limpopo and down at Dlangezwe in KwaZulu-Natal must also be able to get this. That should be one of the most inspiring incentives that those people could get.

Regarding those that want to put facilities in areas like those, and regarding those who want to engage in social responsibility issues, the Minister must look into that, saying that it is a good thing for them to do, and he must look into incentivising those who are biased towards the rural areas and those who are responsible for the social responsibility programmes. This will strengthen the partnership between the government and the federations so that they advance community participation in sport all over the country.

On the question of 2010, Comrade Jeremy, whilst you are having nightmares, I think in as far as game play is concerned, South Africa can play a game now. So, unfortunately, you are having those nightmares, but in as far as playing the game goes, we can play the game at any time as South Africans.

Minister, the R8,4 billion appropriation for the building of five new stadiums and also the upgrading or renovation of the stadiums is something that we welcome. By 2008, which is the target date for the final inspection of the stadiums by the Fifa delegation, we shall have met that target.

With regard to the new stadiums—completely new—that we have gone around to see, when you look at their underground parking, there is not a single indoor facility. I do not think it is the intention of the government to put up stadiums that are not multipurpose, and are only meant for rugby and soccer. So, our input, Minister, is that a certain little space should be provided for an indoor sports centre where people can go and enjoy themselves.

In 2008, the construction of the stadiums for the confederation will be completed. By December 2009, the whole question of the 2010 stadiums and the supporting infrastructure will also be finalised, in spite of all other things, and probably the worries that people have.

Minister, we have gone to the FNB Stadium; the nation is at work. We have gone to KwaZulu-Natal to see the new stadium; the nation is at work. We have gone to Mangaung; people are working there. We have gone to Nelson Mandela Stadium in Port Elizabeth; people are working there.

One important feature that we have observed in the Nelson Mandela Stadium and also in the KwaZulu-Natal Stadium is that, as we speak, people are serious. They are working 16 hours per day trying to finish this work. By June 2007, they are prepared in their plan to increase the work that is going to be done. Therefore, they will be working 24 hours per day. I think we need to applaud those people who are committed to their work in dealing with those kinds of things. [Applause.] They are prepared to finish in time.

The new upgrading of stadiums will really be a permanent feature for this country and there will never be a legacy programme. According to the business cases that were submitted by these hosting cities, it is clear that, after the 2010 Soccer World Cup, those stadiums will remain a commodity or entity that our people will enjoy forever, and they will be owned by the people of this country.

When you stand there, in the Nelson Mandela Metropole you'll see how the city is working; you'll see how the network, the upgrading of the roads that converge on the old taxi rank and the work that is going on at the taxi rank in preparation for this kind of work is progressing. Definitely, the network

rands reserved for small, medium and micro enterprises for economic development, and none or very little filters down to the prospective beneficiaries.

The projected 9,2% economic growth over three years will have little significance if the present much-publicised 5% growth is mum about the plight of the homeless persons, people who live under bridges, the street kids who sleep on empty stomachs and our schools that are without science laboratory accessories and equipment, and the schools that have hospitality classes without the necessary equipment.

Hon Minister, the bottom line of capitalism is that the poor should remain poor whilst the rich become richer. The first thing to do in our country is to uncompromisingly fight capitalism as the evil that will keep us slaves forever.

The PAC finally wishes to put it in clear terms that the budget for the poor and the downtrodden masses of our people should in principle address the issue of equitable distribution of land and wealth. It must speak to the issues pertaining to free medication, free education, stopping the privatisation of strategic assets and the protection of its citizens. It must speak to the effective and efficient delivery of much-sought-after services and create permanent jobs. The PAC supports this Bill. [Applause.]

Mr B M KOMPHELA: Hon Ministers, hon Deputy Ministers, hon members and comrades, I want to invite hon Likotsi to a meeting where the sports and recreation committee is dealing with the 2010 Special Measures Bill, and to see the location of those downtrodden people he is talking about. These are deliberate efforts created by the Department of Trade and Industry in collaboration with Treasury to make sure that the ordinary people at home are going to be the beneficiaries of that.

The 30% that is requested there that should deliberately go to the poorest of the poor, MaMkhize, I think is something that the hon Likotsi is supposed to applaud and he probably knows that. If he doesn't know, I am prepared to show him the 2010 Special Measures Bill.

Hon members, we are ready to kick off. If today, Minister, it could be said we must stage the Confederation Cup of Nations, South Africa would do that, and in a better way and in its own unique way. So, it is not that we are not ready. We are ready to do that. Winning the bid to host the 2010 Soccer World Cup is more than a national triumph. It has immense financial benefits for Africa and South Africa. It will change the lives of millions of people.

After and before the 2010 Soccer World Cup, South Africa will never be the same, both in terms of infrastructure and international exposure. South African tourism will boom forever because of this important occasion that the country is going to host.

Can you think what is going to happen to the gross domestic product of this country? Think of the increase in direct foreign investment in this country. Think of the marketing opportunities that this country is posed to have for the nations of the world. It cannot be something that we think is just not going to benefit the people of this country forever. I think it is something that is going to last for decades in this country.

Minister, you spoke about the very important aspect of the tax incentives for federations that are going to have a development programme. I think this is the most important thing that federations have been expecting to get. Time and again, they say: "We are not getting tax incentives even if we are doing the developmental programme." This is one of the most important things that has happened to the federations.

Minister, we want to keep our eye on the ball. This incentive that you are giving to the

of necessity. Debt is a tax on future generations, but better a tax than a pox, an insufficiently developed infrastructure and a legacy of unrelenting poverty. Future generations will gain from present capital programmes at today's prices; why should they not assist in paying for them?

The Minister faces a dilemma. He cannot increase spending because the public sector lacks capacity to spend fruitfully what they already have. He will not lower taxes further for fear of soon having to raise them again. So, he's stuck with a surplus that might get worse but he prays that it will disappear in a year or two.

Given this dilemma, dramatic steps to improve the civil service are expected, but not proposed. Take a leaf out of the exemplary French experience. France has a national network of 35 French civil service training colleges. We have not a single one.

Without a competent, fully staffed civil service, excellence in service delivery is impossible. I mention only two critical areas: Firstly, provinces cannot transform hospitals efficiently. The government's only policy is to throw more money at them, yet chaos increases while hospital budgets are actually cut. Secondly, our commuter transport system needs urgent development. Taxi recapitalisation might give us more roadworthy taxis but not more taxi-worthy roads. [Laughter.] Off-road rapid transit commuter networks throughout South African urban areas are required.

When will we be able to attend to these and other chronic, yet urgent, problems? We cannot start before we fix our civil service and we cannot win before we innovate in socio-economic policy. I thank you. [Applause.]

Ms J L FUBBS: Madam Speaker, members of this House, comrades, colleagues, I must say that I was a little nervous until I heard the wisecracking by the hon Stephens. Thank you, that really relaxed, me. I enjoyed your jokes.

It's quite clear that South Africa is facing a huge struggle in the scarcity of skills. When I was told that this is going to be my topic to speak on, it did worry me because it is such an incredible challenge. I then decided to acquaint myself fully with what was happening in our Budget. But also, with whether they have problems like these overseas or is this indeed unique to South Africa? I was actually quite taken aback when I read the words of one writer: "There is a call to arms. We are in the midst of a battle as we compete on a new fresh warfront for skills."

Now, I must say that I don't believe that because one recognises that there is a global crisis, that this should in any way reduce our own response. And indeed it has not. If anything, I think we've shown them a thing or two and we've also benefited their own services with our skills.

Madam Speaker, the department's projected expenditure on infrastructure and services as reflected in the Estimate of National Expenditure and the Budget Review, underpin the scarcity of skills such as engineers, scientists, technicians, artisans, managers and especially, project managers, financial skills and IT competencies.

Yes, we do need skills development and corresponding programmes. And yes, indeed, we need corresponding allocations. I am happy to say to those who have already studied the Estimates of Expenditure, there have been significant allocations in a number of departments in this regard.

Given the time that I have, I would highlight but a few of these to illustrate my point. One of the things is the joint initiative on skills, which will conduct job-matching guidance and placement, which will help address the current irony around unemployed graduates in our country and other skilled workers through to tracking down these individuals

there is a mind-blowing network. We are definitely sure that this country will never be the same in as far as the flow of transport and conducting of business is concerned, because everything that would make this country efficient in the delivery of service and also in conducting business is contained in that plan.

We are urging the municipalities to have fiscal discipline in as far as the funding of sport is concerned. Why do I say this, Minister? I can just give you a brief outlook. From 2003 to 2005, when the Department of Sports and Recreation had a programme called "The Building for Sports Programme", it built 189 basic facilities. With the advent of the municipal infrastructure grant, it has had unintended consequences.

From 2005 to 2007, no basic facility has been built. It is a great loss, from 189 down to nothing. It is a great loss. I think the municipal infrastructure grant, as good as it is, has unintended consequences. I think it has to be looked into how it could contribute deliberately to the MIG. There is no problem with the MIG, but the problem lies with the question of prioritising the sports facilities out of that MIG. I think the municipalities need to be sensitive on the issue of sports facilities.

Municipalities do not prioritise the maintenance of the stadiums and all that is related to those stadiums. I can tell you a very sad story. In Montshiwa, the stadium was upgraded at a cost of R8 million, but if the Minister were to go there now; because the municipality is very small, it has no financial capacity, and that stadium has collapsed, because the municipal infrastructure grant does not provide for the maintenance of that facility. We urge municipalities to really look at fiscal discipline in as far as the MIG is concerned and also to look after those stadiums. That is a very important thing that we need to look into.

As far as the legacy programme is concerned, having R312 million for legacy projects in the community will also be wonderful. We were at the Orlando Stadium, which people were saying is dilapidated. Orlando Stadium has become the mecca of Soweto's people, and this project is long overdue. They applauded and said that they thought the 2010 Soccer World Cup and the commitment of the government in making Orlando Stadium a home for the people of Soweto again is something that is very commendable.

The school sports funding from the Minister, which refocuses on the funding of school sports, is something very important because many times parents say, "We don't have money for our children to go to such and such a place." Therefore, this time, we will not tax our parents heavily. You have created relief for the parents to help their children to go and participate in this free of charge.

Also, with regard to mass participation, that programme is booming. It is like petrol being poured on the fire, but ... [Time expired.] Thank you very much. [Applause.]

Mr M J J STEPHENS: Madam Speaker, hon Minister, hon members, this Budget presents us with a Minister at the end of his tether. His increasing ability to collect revenue has finally caught up with his government's ability to spend it. Some countries have budget surpluses, some aspire to have them, but I fear, this Minister has had a surplus thrust upon him.

Never has a balanced budget been advanced as a policy target, much less than a surplus. The Minister's conversion to the balanced budget lobby was rather sudden. Hence, one finds the rationalisation that debt is a tax on future generations rather disingenuous. He now finds himself in the philosophical space occupied by far right American organisations, such as the Cato Foundation. Developing countries without socio-economic backlogs and challenges certainly cannot afford budget surpluses.

But the Minister clearly makes a virtue out

trained over the next few years to meet the demands of our growing economy. And this budget identifies artisan development programmes aligned to the National Skills Development Strategy, which is being conducted by the Department of Labour. Again, more than 116 learners have been registered through the Sector Education Training Authorities Systems.

Complementary to that, the Further Education Training Programme is a programme to train the trainers in the national development of trade, employment and labour assessment. And that is allocated R47 million to upgrade facilities and equipment. A further R681 million has been proposed for bursaries and curriculum development.

And the bursaries, incidentally, will target disadvantaged people so that they too can benefit from FET colleges. But we should not divorce this from previous allocations. In the previous budget, R2 billion, I think, was for the recapitalisation of FET.

Scarce skills in the social sector have not been forgotten. They also receive additional funding. Indeed, it would target the training of social workers and educators.

An additional R700 million will go to prospective educators over this Medium-Term Expenditure Framework, MTEF. Some 13 000 students are expected to benefit from this new bursary scheme.

This ANC government recognises that education is indeed the nurturing process to cut the skills shortage and it thus receives R6 billion, as a pay progression for teachers. It is unfortunate that I don't have the time to go into those bursaries that target maths, science and other areas of specialisation. An amount of R8 billion goes to education and support staff, R5,3 billion to the health sector for increased remuneration of existing staff but also to hire more staff. To ensure that we avoid the donga of dependency, National Treasury has earmarked increasing funds related to bursaries in this field.

The military skills development programme is one that has received international acclaim. Really, what a far cry it is from what we were doing in field 20 years back.

Skills begin with reading skills—and that gets R1 billion. Labour has sharpened its skills strategy and is focusing on engineering, construction, artisan development and infrastructure.

The World Cup by now has been spoken of. Perhaps I haven't heard sufficiently myself about farmers and chemical workers. They will also benefit through the biofuels industry.

One thing I must raise in my last minute is my concern about the SITAS and the mismanagement of funds. In the previous years they were underspending, now they've gone on a spending spree. I don't know what they are spending it on. They are spending it so fast. They can't even figure out what investments to go to. We don't need risky investments and a focus from people who don't know what they are doing and risky things such as Fidentia.

In fact, what's worrying me is that they have interpreted their autonomy as a licence to abuse their mandate and their commitment has become liquefied in the process rather than solidified as a clear commitment to the mandate.

The ANC supports this Budget, as indeed I do, and I believe that we are on the right path to addressing the scarce skills challenge in our country. [Applause.]

Mr R B BHOOLA: Madam Speaker, as a democracy, the nation eagerly awaits this time of the year when the Budget and the appropriations indicate the government's reaffirmed commitment to delivering and transforming South Africa into an aspiring global entity with an affluent citizenry that works together at advancing its aims and intentions. The Appropriation Bill gives a clear breakdown of the government's divi-

with scarce skills. This, I believe, would go a long way to addressing the urgent situation in our communities, which all of us as MPs find in our constituencies. There are so many skilled technicians, qualified workers who perhaps—perhaps I shouldn't use the word "qualified"—they are skilled workers with competencies but they don't necessarily have a recognised qualification.

This is just one major impediment, which must be urgently addressed. And that is where skilled and or a professional person's qualifications do not satisfy some professional institution or someone who has the competency, who simply requires this to be tested in order to be given the paper recognition for it. We also need to consider and revise exactly what the various qualification criteria guidelines are that are currently being used as gates, quite often, to professional recognition to undertake a job.

We may think that it is a joke. We may think this is a new form of affirmative action. I certainly don't think I was affirmed anyway. But I can remember that I would no sooner get an undergraduate degree. And if I didn't get my experience fast enough, I would learn that there was yet another little qualification I would have to take because somehow I'd missed one year and now I was no longer competent to be a clinical physiologist. Oh dear, hell! I wonder what I've done to all those other people I've been working with.

This is not a new thing, the problem is we in the past—believe you me Afrikaners know this only too well—we followed the British system. We said we would belong to the royal blah, blah, blah institution.

I know that you are going to say I should be talking about lowering skills. I don't need a bloody doctor on my table in the surgery that is not qualified. Let's not get ridiculous! Let's not get ridiculous!

Mr M J ELLIS: On a point of order, Madam Speaker: The hon member uses some interesting phrases and words, but I do think that she overstepped the markers slightly there by referring to a certain word that begins with a "b" and ends with a "y". [Laughter.]

Ms J L FUBBS: Well, I thought in using it there would be semantic licence because a theatre in a hospital is full of blood. [Laughter.]

The SPEAKER: A bit of colour here and there, especially when the hon member is not really throwing it at any hon member's face, is not out of order.

Mr M J ELLIS: Is it not out of order?

The SPEAKER: She is not out of order.

Mr M J ELLIS: Well, that's marvellous news. We look forward to using it ourselves. Thank you very much.

Ms J L FUBBS: There's a lot of poetic licence in my speeches, thank you.

Well, let's just get back to the point. The point I'm making is that we should not take anything to a ridiculous edge. And that's not the case at all. We do need both vertical and horizontal strategies, as indeed do the Jipsa employees. We need to fast-track people's skills within the country. We need to identify skills that are outside the country and bring them in. Some of them belong to our own South Africans, and we are busy doing that.

We also need to look within our own educational system—I know that we are doing that—and to develop a solid foundation for the future so that we breed a new generation of people whose development and skills match the nature and the requirements of the developmental state we are working towards achieving.

The first year of a three-year Medium-Term Expenditure Framework is, I believe, making a serious attempt to do just that with some departments showing more evidence than others.

Just to quickly note a few of these, what we have currently is the sum of 50 000 artisans—we recognise that—that have to be

trained over the next few years to meet the demands of our growing economy. And this budget identifies artisan development programmes aligned to the National Skills Development Strategy, which is being conducted by the Department of Labour. Again, more than 116 learners have been registered through the Sector Education Training Authorities Systems.

Complementary to that, the Further Education Training Programme is a programme to train the trainers in the national development of trade, employment and labour assessment. And that is allocated R47 million to upgrade facilities and equipment. A further R681 million has been proposed for bursaries and curriculum development.

And the bursaries, incidentally, will target disadvantaged people so that they too can benefit from FET colleges. But we should not divorce this from previous allocations. In the previous budget, R2 billion, I think, was for the recapitalisation of FET.

Scarce skills in the social sector have not been forgotten. They also receive additional funding. Indeed, it would target the training of social workers and educators.

An additional R700 million will go to prospective educators over this Medium-Term Expenditure Framework, MTEF. Some 13 000 students are expected to benefit from this new bursary scheme.

This ANC government recognises that education is indeed the nurturing process to cut the skills shortage and it thus receives R6 billion, as a pay progression for teachers. It is unfortunate that I don't have the time to go into those bursaries that target maths, science and other areas of specialisation. An amount of R8 billion goes to education and support staff, R5,3 billion to the health sector for increased remuneration of existing staff but also to hire more staff. To ensure that we avoid the donga of dependency, National Treasury has earmarked increasing funds related to bursaries in this field.

The military skills development programme is one that has received international acclaim. Really, what a far cry it is from what we were doing in field 20 years back.

Skills begin with reading skills—and that gets R1 billion. Labour has sharpened its skills strategy and is focusing on engineering, construction, artisan development and infrastructure.

The World Cup by now has been spoken of. Perhaps I haven't heard sufficiently myself about farmers and chemical workers. They will also benefit through the biofuels industry.

One thing I must raise in my last minute is my concern about the SITAS and the mismanagement of funds. In the previous years they were underspending, now they've gone on a spending spree. I don't know what they are spending it on. They are spending it so fast. They can't even figure out what investments to go to. We don't need risky investments and a focus from people who don't know what they are doing and risky things such as Fidentia.

In fact, what's worrying me is that they have interpreted their autonomy as a licence to abuse their mandate and their commitment has become liquefied in the process rather than solidified as a clear commitment to the mandate.

The ANC supports this Budget, as indeed I do, and I believe that we are on the right path to addressing the scarce skills challenge in our country. [Applause.]

Mr R B BHOOLA: Madam Speaker, as a democracy, the nation eagerly awaits this time of the year when the Budget and the appropriations indicate the government's reaffirmed commitment to delivering and transforming South Africa into an aspiring global entity with an affluent citizenry that works together at advancing its aims and intentions. The Appropriation Bill gives a clear breakdown of the government's divi-

sion of funds to the various departments of the government to enable delivery of functions.

This year we have an increase of 11,04% in the allocation to the national Budget. The MF takes this opportunity to once again, applaud our hon Minister of Finance, Mr Trevor Manuel, for a terrific job in managing state affairs. Over the past two terms of this democracy that this portfolio has been entrusted to you, hon Minister, we have enjoyed great progress, and overwhelming development as a nation.

Budget allocations award us insight into the government's commitments for the year ahead. It appears that, in line with the state of the nation address of 2007 by our hon President and the Budget Speech of 2007, there is a substantial increase in the budget for Sport and Recreation, Land Affairs, Labour, Government Communication and Information Services, and Foreign Affairs.

With the 2010 World Cup just three years away, we accredit the 69,6% to Sport and Recreation to the government's commitment to infrastructure development, job creation, and preparing the nation for the 2010 Fifa World Cup.

The Department of Land Affairs remains heavily backlogged with land restitution and redistribution claims. The MF hopes that the 34,31% increase in its budget for this financial term serves to endorse more effective delivery and address the backlog.

With the loopholes in our bureaucracy, we welcome the 26,53% increase to the Government Communication and Information Service with the hope that it shall assist in co-operative governance and more efficient and effective administration.

South Africa has built strong international ties and has entered into a variety of global initiatives to our domestic benefit. With the acknowledgement of this and the honorary seat we now fill on the UN Security Council, we welcome the 21,11% increase to the Department of Foreign Affairs' budget for this year. Our growth as a fast-progressing Third World country is a threat to the First World countries. We need to cement strong relationships to ensure that we continue to grow, but as a minimal threat.

Alarm is not raised noting the decrease in budget to Public Enterprises since there had been a large increase in the department's budget in the Adjustments Appropriation Bill of 2006.

Furthermore, since Statistics SA has had much underspending over a number of years, we agree with the decrease of its budget by 5,6% for the financial year 2007-08.

In consideration of the fact that many departments such as Education and Agriculture received the bulk of their funding from provincial government funding, we accept the decrease of the Agriculture budget by 3,8%.

With the determination to eradicate poverty, government enforces a budget that shall award each portfolio funding to facilitate a variety of projects for the transformation of South Africa into a true democracy, free of the shackles of poverty and progressing aggressively to take our rightful place on this continent of Africa and globally.

The creation of jobs will save us from hunger and sickness. It will ensure our children's right to education, and give our nation a supply of skills that shall enable economic growth, social cohesion and effective advancement.

It is easy for us to point out shortfalls, because of the great need, but we need to ensure equal opportunity by supporting policies that shy away from an elite dominance. We once again call upon the government to reassess our policy of affirmative action, and whether we have a reversal of discrimination.

The MF looks forward to effective governance in 2007. We support the Appropriation Bill. Thank you.

Mr S A MSHUDULU: Madam Speaker, hon Ministers, hon members, and the House at large, on behalf of the ANC, let me first support this Budget on the day when the NCOP, as part of this Parliament, visited my constituency in Sedibeng under "Masijule Ngengxoxo Mzansi". [Let us deepen the debate, South Africa.].

In his state of the nation address, the President said:

> Fifty years before, as they prepared to convene the Congress of the People, which adopted the Freedom Charter, the patriots of the day had said, 'Let us speak together, all of us together—African and European, Indian and Coloured . . . all the people of South Africa . . . let us speak together of freedom. And of the happiness that can come to men and women if they live in a land that is free.'

He said:

> We must today renew our pledge, to speak together of freedom, to act in partnership to realise the happiness for all that should come with liberty, to work together to build a South Africa defined by a common dream, to say, together in action—enough of everything that made our country to contain within it and represent much that is ugly and repulsive in human society!

He said:

> We must continue to respond to the perspective we spoke of as the present government began its term of office, fully conscious that 'none of the great social problems we have to solve is capable of resolution outside the context of the creation of jobs and the alleviation and eradication of poverty', and therefore that 'the struggle to eradicate poverty has been and will continue to be a central part of the national effort to build the new South Africa'.

These words were quoted a month ago as we stand here today. This happened at the time when communities in some areas had gone out marching and were showing petitions as a gesture of expressing how they feel. As a democratic country, we therefore call on all South Africans to utilise instruments of dialogue that are at their disposal. Let me quote the President again, when he was in the last opening of the NCOP in KwaZulu-Natal:

> . . . that a central feature of the evolution of the South African government as close as possible to the people, to engage them in process of government and not allow gaps to appear between the governors and the governed.

He further emphasised, according to the oversight report, the importance of entrenching the process of popular participation, and strengthening the process of transformation, which is focused on the objective of ensuring a better life for all. In these words, he was communicating to us a need to, at all times, make sure that the tools of consultation, like the independent development plans, are utilised.

These directives preceded the tabling of the Budget by Minister Trevor Fowler . . . Trevor Manuel on 22 February 2007. [Interjections.] I worked with him; maybe that is the case. This included the Medium-Term Expenditure Framework. He says that this Budget, through the Division of Revenue Bill of 2007, is a financial instrument that is used to ensure that the policy programmes of the ANC-led government are brought into effect through the provision of the necessary financial resources as this Budget represents the legal division of revenue.

We must also note that he drew our attention to focus on an area where we must awaken to the reality of capacitating municipalities,

given the deployment of such resources. The Minister of Finance further asserted that the Budget allocations must reflect the priorities that the government had set. He added that the huge increase in provincial and municipal coffers was in recognition of the critical role that these spheres of government played in the delivery of social and household services.

In addition, he said, municipalities received the bulk of the allocation for stadiums and related infrastructure. The local government equitable shares received a further R5 billion for the delivery of free basic services, which now reach an average of about 80% of household services, which then means that the transfers of local government will grow by 19%.

This then takes us to the total infrastructure transfer of R53 billion over the next three years. This selective shift of resources, we must note, is aimed at a targeted approach to maximise impact.

This is not a numbers game, but a challenge to all implementers and beneficiaries as well as Parliament with all its oversight instruments. Before we get excited by the deployment of such financial resources, let us look back at where we have come from since 1994. We must remember that the ANC-led government, at the attainment of its democratic dispensation, was faced with the challenges that have been mentioned earlier, but amongst these was the need for significant institutional transformation and the introduction of new policies aligned to our new Constitution.

The Government had a task of dealing with the legacy of apartheid, as was mentioned. We were faced also with the systematic dismantling of apartheid social relations, and the creation of a democratic society based on principles of equity, nonracialism and nonsexism. We are still faced with backlogs and other developments that have been inherited from the apartheid regime, as services in the past were not designed to reflect public interest and expectations.

The ANC-led government in its 10-year review, and also in its analysis, utilised the Human Sciences Research Council indexes, which included infrastructure; quality of life; political participation, which I must emphasize that has to do with the trust people have in institutions; economic participation that has to do with quality of work and poverty alleviation policies; safety and security; economic preparedness and social inclusion.

In order for our government to champion the cause of transformation, it introduced—this is very important for you to know—a national planning framework to enhance integration in the areas of strategic policy prioritisation, and improved policy decisions of government's national spatial development perspective. It also enhanced the facilitation of dialogue between and within spheres about the country's spatial priorities regarding infrastructure investment and development.

We also have to be aware that for us not to lose focus, we should single out areas of priority in our municipalities. Noting that, unlike provinces, municipalities vary significantly in their revenue capacity like those we have adopted from the TBVC states, rising from 97% in some metros that do have capacity to 3% in the most rural municipalities, the national transfer of municipalities takes account of fiscal capacity. It also complements own revenue, and positions such municipalities to fulfil their developmental role in terms of delivering on provision of free basic services, progressive redressing of backlogs, job creation, and the enhancement of service delivery. Another area, which I think remains a challenge to us is the capacity of our municipalities, in institution and personnel terms. Hence, through project management and financial management, these municipalities will be capacitated to manage such a budget.

I also have to touch—before I pause—on the fact that the Minister for Provincial and Local Government has been also involved, through his department, and through Project Consolidate, which was aimed at evaluating capacity shortcomings, in inculcating the hands-on approach; giving support as required by the Constitution; deploying the technical expertise required, and transferring skills to both institutions and personnel; deepening democracy through monitoring and evaluation of IDPs; enforcing the policy of an integrated approach and co-operative governance; maximising popular community participation, and championing targeted service delivery to the poor and marginalised areas that were in dire need of basic services.

Before I close, it is important that one must also highlight to this House that the role of women in local government has been accommodated, and we urge all . . .

. . . oomama ukuba bathabathe inxaxheba ngamaxesha onke kukho i-IDPS ukuze bangathathelwa izigqibo ngootata. Imithetho efana neStructures Act, kunye neSystems Act, yawiselwa ukwenzela ukuba kwiWard Committee, oomama bakwazi ukuthetha ngezinto ezingqamene nabo. Kwakhona, kubalulekile ukuba uluntu luthabathe inxaxheba kwindlela yobomi boomasipala banamhlanje. Laphela elaa xesha lokuba amagosa oomasipala angabi nasizathu sokubeka iinyawo zawo kwezinye zeendawo ezihlelekileyo ezifana namatyotyombe ukuya kunika iinkonzo.

Inkqubo yophuhliso oludibeneyo (integrate an interg development) yenye yeendlela zokuzisa ulawulo lwentando yesininzi nakwiiwadi ezisezantsi. Ndiyabulela. [Ixesha liphelile.] *(Translation of isiXhosa paragraphs follows.)*

[. . . women to participate at all times when IDP programmes take place, so that men do not make decisions on their behalf. Acts like the Structures and Municipal Systems Acts have been passed, so that women in ward committees should talk freely about issues that affect them directly. Once again, it is important that everybody should participate in the local government programmes. Gone is the time when municipal officials could not visit historically disadvantaged areas and informal settlements with the intention of delivering services to these communities.

The Integrated Development Programme is one of the traditions of bringing democracy to the wards. Thank you. [Time expired.]]

Mr V B NDLOVU: Somlomo neNdlu yakho ehloniphekile . . . [Madam Speaker and your august House . . .]

. . . as a country, we spend the biggest chunk of money on learners in the world. Our education budget takes the biggest slice of the entire budget. But despite all that money allocated we still have shortages of classrooms and schools and thousands of our learners are being taught under the trees. Therefore, quality sometimes suffers and we must desist from doing so.

The IFP insists on more schools and better equipment in our schools. The IFP demands better qualified teachers that are not allowed to strike or disrupt the teaching programmes. Therefore, the labour relations and wage negotiators for teachers should be streamlined to avoid any possibility of having a strike within the period of learning.

While the departments in the cluster of justice, peace and security receive increase allocations every year, their spending is inadequate and the large sum of money is often utilised ineffectively. Therefore, the departments of Justice, Safety and Security and Correctional Service must be better integrated and must share throughout the entire criminal justice process, from the arrest to trial and incarceration.

The IFP does not accept that children should be incarcerated together with dangerous criminals. Officials are easy to buy as we know from the Mathe case, for example. Court officials must be disciplined and work longer hours instead so that the awaiting-

trial prisoners or people should not be in the system for more than six months before their trials come to court.

EMnyangweni Wezokuxhumana, kubonakala sengathi ngaso sonke isikhathi uma sishaya izincingo kuyadula lapha eNingizimu Afrika kunakwamanye amazwe. Ikakhulukazi kudinga kwenziwe umhlahlandlela wokuthi kubhekisiswe izindaba zokuxhumana, ngamafuphi izincingo zokuxoxa, ama-e mail ne-Internet ngoba kuyadula kakhulu ukukwenza lokho lapha eNingizimu Afrika kunakwezinye izindawo. Ngakho-ke uMnyango Wezokuxhumana kufanele uqhamuke nomhlahlandlela ongcono, ozokwazi ukulekela abantu bakithi abasemakhaya, abantu bakithi abasemadolobheni nalaba abahlala ezindaweni eziyizakhiwo ezingahleliwe.

NePosi kufuneka likwazi ukusiza bonke abantu. Makungabi elezicwicwicwi kuphela, okungabantu abakhuluma isiNgisi, abakhuluma o-because no-although, kodwa abantu bakithi emakhaya bebe bengakucoshi lokho kusizakala.

ILUNGU ELIHLONIPHEKILE: Njengawe nje.

Mnu V B NDLOVU: Yebo, njengami nje. Ngakho-ke kufuneka kwehliswe lokhu kubiza kangaka kokuxoxisana ngoba kuzokwenza abantu bangakwazi ukuxhumana ngendlela abafanele baxhumane ngayo.

Siyathokoza mhlonishwa Ngqongqoshe Wezezimali ukuthi ukhiphe imali enkulu kangaka ukulekelela imidlalo yezebhola eza lapha eNingizimu Afrika ngo-2010. Kuyasithokozisa kakhulu lokho. Siyabona-ke kodwa ukuthi engathi uvele wabeka iqatha phezu kogqoko ngoba sesibona izinkampani ezinkulu zilwa nezinkampani ezincane zibanga lelo qatha, esingazi ngempela ukuthi kuzogcina kwenzeke njani ngoba sibona nokukhula kokwakhiwa kwezinkundla kuthuthuka kakhulu manje, kanti kukhona abantu lapha abangobhodweliyaconsa. Lapho kukhona ngakhona imali bagijima bashayise bonke abanye abantu ngoba bengafuni ukuthi izinkampani ezincane zicoshe ukusebenza.

Sibona kufanele ukuthi uMnyango Wezasekhaya noMnyango ophathelene nezohulumeni basekhaya yelekelelane noMnyango Wezemidlalo ukwenza isiqiniseko sokuthi nezimboni ezincane ziyakucosha ukuthi zikwazi ukuthola izinkontileka zokwakha lezi zinkundla ukuze konke okwavunyelwana ngakho kwenzeke kusenesikhathi, futhi nezimboni ezincane zikwazi ukucosha umsebenzi, kungadli izimboni ezinkulu kuphela.

Ukwakhiwa kwezinkundla kufanele kwenze isiqiniseko sokuthi kuyalekelela ekuqashweni kwabantu bakithi abangasebenzi, kungatholi abantu abambalwa kuphela. Nezinkampani eziqhamuka ngaphandle kufuneka ziqashe abantu bakithi. Zingabuletha ubuchwepheshe babantu abathile kodwa maziqashe abantu bakithi lapha abazosebenza ngaphakathi ukuze abantu bakithi bakwazi ukucosha imisebenzi.

Thina siyakholelwa ukuthi maqondana nalezi zinkundla zonke ezikade zishiwo umhlonishwa uKhompela, onguSihlalo Wekomiti Lezemidlalo Nokungcebeleka, uma bengase baqashwe bonke abantu bakithi, imvamisa kulezo zindawo lapho zizokwakhiwa khona, kuyokwazeka ukuthi bacoshe imisebenzi ukuze ikati l ingalali eziko.

Siyakuthokozela-ke mhlonishwa ukuthi, akuthi konke kwenzeka lokhu kube kukhona ingqalasizinda yokuqapha ukuthi izimali ezinikwe laba bantu zokuthi bakhe izinkundla zokudlala aziweli phansi, okungadala ukuthi kuze kuphele isikhathi zingakhiwe izinkundla zo kudlala. Ngeke kwalunga ukuthi siphuthelwe ukubukela umdlalo esiwuthandayo, siyeke ukuyohlala emakhaya lapho sibuka kumabonakude imidlalo esiwuthandayo.

Asincome-ke ukuthi iSabiwomali sakho sibe sihle. Siyathemba ukuthi thina esihlala

emakhaya sizokwazi ukucosha ukusizakala kuso. Ngiyathokoza. *(Translation of isiZulu paragraphs follows.)*

[The Department of Communications needs to look at the following. It seems like it is still very expensive to make a phone call here in South Africa as compared to other countries. We need to have the policy to look at issues of communication, ie things like telephones, e-mails and Internet because it is costly to use them in South Africa, when compared to other countries. Therefore, the department must come up with a better guideline, which will help our people in rural areas, urban areas and those who live in informal settlements.

The SA Post Office must help all people. It should not be for a selected few of the elite who speak English, using big English words like "because" and "although", but it should also cater for our fellow people in the remote rural areas.

An HON MEMBER: Like you, for example.

Mr V B NDLOVU: Yes, like me. Therefore, we need to reduce these exorbitant communication costs because they will make it hard for our people to communicate the way they are supposed to.

We are pleased hon Minister of Finance that you have allocated such a huge budget to support the 2010 Fifa World Cup that is coming to South Africa. That makes us joyful. We are, however, aware that you have put something interesting on the table because the big companies are now scrabbling with small companies for what you have put on the table. We really do not know what will finally happen because the reconstruction of stadia is developing fast now and there are people who are opportunists. These opportunists would run to wherever there is money, in the process pushing away whoever stands in their way just because they don't want small companies to get jobs.

We believe that the Department of Home Affairs and the Department of Provincial and Local Government should co-operate with the Department of Sport and Recreation to see to it that small companies also secure contracts to build stadia so that what we agreed on happens on time, and that small companies, like big companies, should also benefit.

Construction of stadia should make sure that it does help in the employment of our fellow countrymen who are unemployed, not to benefit only a few people. Foreign companies should also employ our people. They can, however, bring in certain professionals and experts but they must also employ our people to work under their supervision so that our people have jobs.

We believe that with regards to all these stadia that were mentioned by hon Khompela, who is the Chairperson of the Portfolio Committee on Sport and Recreation, if they can employ our people, particularly in those areas where construction is taking place, they would have jobs, and they would not go to sleep hungry.

We would be happy, hon Minister, if by the time all this happens, we have a centre to monitor the allocated funds which are given to these people to build stadia, to see that they are not mismanaged, which may jeopardise the chances of completing these stadia well on time. It would not be a good thing to miss a game that we like; but refrain from just watching games that we like on television.

Let us commend your Budget. It was good. We just hope that we who live in the rural areas will get help from it. Thank you.]

Mr V G SMITH: Madam Speaker, comrades, hon members, the Budget allocation is the primary tool available to the government to ensure that service delivery is possible.

Almost 51 years ago there was the adoption of the historic manifesto of the people of South Africa in Kliptown. We, the legitimate democratically elected leaders of the people, have an obligation to implement the Free-

dom Charter. In that document, we promise that the people shall share in the country's wealth. We further promise that the land shall be shared amongst those who work it, and we further promise that there shall be work and security.

The access to physical resources, particularly land, housing and community infrastructure is critical to the transformation of the economy so that we can confront the legacy and ultimately be victorious in the struggle against poverty.

Public spending rose by an average of 9,2% a year over the last three years. The consolidated Budget in the year 2003-04 stood at R375 billion. In the year 2004-05, the Budget stood at R410 billion. The consolidated Budget figure in the year 2005-06 stood at R466 billion, and the estimate for the year 2006-07 stands at R529 billion.

The real concern, however, is the expected underspending of approximately 15% of the total Budget allocations for national departments in the current year. This amounts to R42 billion in addition to R5 billion in the previous year.

A simple calculation shows that, for whatever reason, underspending by national departments over the past two years is a staggering R47 billion. This is money that, we believe, with proper planning and management, would have gone a long way in the struggle to improve the quality of life of the citizens of South Africa. Parliament's oversight and timely intervention in ensuring maximum value for money spent must be improved upon, and indeed it must be strengthened.

At the ANC conference in 2002, the movement noted with respect to financial management in the Public Service that, one, staff do not have sufficient skills; two, fraud, maladministration and corruption is often not detected; three, financial management systems are not adequate to meet the challenges, and four, state assets are not managed prudently.

We then resolved that the government must address the skills gap, and that the government must develop and adopt appropriate financial management systems.

As we speak, many departments have been called upon to account for the unspent funds blamed on lack of skills. Another reason being offered in mitigation of financial misconduct is a lack of financial and information systems.

Those tasked with the responsibility for the implementation of government policy must be made to understand that the consequence of their actions or lack thereof results in a young child still being taught under a tree in some parts of Limpopo. A child in the Eastern Cape, because of poor financial management and corruption within the administration, must spend its day at school hungry because the school is unable to provide a slice of bread or a glass of milk. The mother in rural KwaZulu-Natal still battles to feed her family due to the non-existence of a reliable system of getting child maintenance from an absent or distant husband—13 years into our democracy.

Section 55 of the Constitution demands that the National Assembly provide mechanisms that ensure that the executive arm of government is accountable to it, and also to exercise oversight over the national executive authority.

In addition to the constitutional requirements, the ANC at its 51st conference noted that, firstly, misconduct is widespread within the Public Service; and secondly, a culture is evident where individuals lack accountability and responsibility for their performance of their jobs. At that conference, we resolved that such acts must be punished urgently and appropriately.

The question that must be answered is: Does the National Assembly have the mechanism

demanded by the Constitution, and if so, does that mechanism work effectively? We want to argue that the current practice of portfolio committees focusing on policy and the Standing Committee on Public Accounts focusing on financial management only is not yielding the desired results.

We argue this point because Scopa interacts with departments as late as 18 months after the year-end, and in our view, accountability delayed is not very useful. We suggest that because of the more regular interaction between departments and portfolio committees, it makes sense that all committees must engage departments on financial management as well as the findings of the Auditor-General so that oversight is exercised, and corrective action—where necessary—is effected immediately it is detected.

To continue the practice of committees working as silos and not in an integrated fashion, examining financial management and policy simultaneously, can only result in the child in Limpopo continuing to be taught under a tree, or the hardships that South Africans experience because of a lack of services continuing.

The real tragedy is that this hardship experienced by the masses of our people is not because of a lack of resources, but rather because of a lack of accountability, a lack of a culture of Batho Pele, and a lack of effective and efficient oversight by Parliament and other constitutional institutions established to entrench the Bill of Rights as well as to protect the benefits derived from our hard-fought democracy.

The strategy of departments spending aimlessly in March so that they are not guilty of having unspent funds must be discouraged with all the vigour that we can muster. Money is used for meaningless procurement of goods and services at the expense of real investments that could contribute in fighting poverty. [Interjections.]

In some instances, moneys that must be returned to the National Revenue Fund lie in uncleared suspense accounts instead of being deposited into the National Revenue Fund and then rerouted by Treasury to more needy causes.

All of us must accept that, by its very nature, oversight means that there will be inherent tensions between the legislature and the executive. All of us, the executive and the legislature—at least the ANC component thereof—must understand that, together, we are co-implementers of the ideals of the Freedom Charter, and must not view each other as watchdogs or opponents.

"A better life for all" is not just a slogan. It is an achievable reality. Parliament, as the primary oversight arm of the state, dares not fail in exercising its constitutional mandate because of fear or because of favour.

HON MEMBERS: Hear, hear!

Mr V G SMITH: Oversight is not a Sunday morning picnic in the park or a popularity contest. Oversight is about disturbing comfort zones. We have no doubt that if our role of oversight is exercised diligently, this will have a direct and meaningful impact on our meeting the obligations and responsibilities entrusted to our generation by the Freedom Charter.

The struggle to eradicate poverty and its legacy is the responsibility of all of us. This struggle is in recognition and in honour of the sacrifices of the Chris Hanis, the Joe Slovos, the Solomon Mahlangus, the Steve Bikos, the Robert Sobukwes, the Lillian Ngoyis and many other heroes and heroines who went before us. Eventually we must succeed in pushing back the frontier of poverty for the sake of our grandchildren and their grandchildren.

Daar is van hulle wat tussen ons is wat wil sê die stryd van die mense van Suid-Afrika het geëindig op 27 April 1994. Feit is, die stryd om politieke mag het miskien geëindig, maar dit was die begin van die stryd om die

lewe van alle Suid-Afrikaners, wit en swart, te verbeter. *(Translation of the Afrikaans paragraph follows.)*

[There are some among us who would say that the struggle of the people of South Africa ended on 27 April 1994. The fact is, the struggle for political power might have ended, but it was also the beginning of the struggle to improve the lives of all South Africans, white and black.]

We want to emphasise that the struggle, as some amongst us conveniently believe, did not end on 27 April 1994. Comrade Trevor, like you, we believe that the Budget must contribute towards ensuring that human life has equal worth. Aluta continua. [The struggle continues.] [Applause.]

Mr S SIMMONS: Chair, it is evident that the primary functions of the Department of Finance are well-comprehended by its leadership, and are complemented by sound utilisation of all the department's human resources, resulting in the delivery of sound annual national budgets. However, given our unique national challenges, it is important that the department guards against blind allocations.

Departmental financial needs should, rightly so, be a major consideration for all allocated amounts. However, given the clear lack of financial and other operational management skills, a department's budget allocation should also be determined by its ability to utilise its budget optimally and for its intended purpose that is ensuring a better life for all South Africans.

So byvoorbeeld blyk die Departemente van Gesondheid, Onderwys, Maatskaplike Ontwikkeling, Binnelandse Sake asook die SA Polisiediens nie oor die vermoë te beskik om verbeterde dienste te lewer ooreenkomstig hulle groter finansiële tockenning nie. Hierdie feit word weerspieël in die posisie wat Suid-Afrika op die Menslike Armoede-indeks beklee, wat sowat 50% swakker is as vroeër; 'n duidelike mislukking in die doelwit om 'n beter lewe vir almal te skep. So byvoorbeeld is dit nie voldoende dat fondse beskikbaar gestel word om net meer polisiebeamptes aan te stel nie, maar moet daar ook gekyk word na hoe fondse aangewend word om die effektiwiteitsvlakke van die bestaande lede te verbeter. *(Translation of Afrikaans paragraph follows.)*

[It appears, for example, that the Departments of Health, Education, Social Development, Home Affairs and the SA Police Service do not possess the capacity to deliver improved services in accordance with their greater financial allocation. This fact is reflected by South Africa's position on the Human Poverty Index, which is approximately 50% weaker than before; a clear failure in the aim to create a better life for all. Therefore, for example, it does not suffice to make funds available to only appoint more police officers, but the focus should also be on how the funds are utilised to improve the levels of efficiency of the existing members.]

The UPSA believes that this problem would be alleviated with the implementation of a mentorship or guardianship programme for the financial management of the problem departments. These departments cannot be allowed to continue in the manner they do. This would broadly mean that Treasury has regular liaison sessions with problem departments, which would require that their performance be measured along the same lines as Project Consolidate.

In conclusion, if Treasury is to achieve its objective of accountable, economic, efficient, equitable and sustainable management of South Africa's public finances, with emphasis on sustainable management, then the Department of Finance, together with the Office of the Auditor-General, has to make sure that measures are in place to ensure that individual departments meet their fiscal responsibilities. The UPSA supports the Bill. I thank you.

Prof S M MAYATULA: Chairperson, hon Ministers and Deputy Ministers, hon mem-

bers, on 6 March 2007 the portfolio committee had a presentation from Unisa. They reminded us of the Millennium Development Goals, which, among other things, are: One, to eradicate extreme poverty and hunger; two, achieve universal primary education; three, to promote gender equality and empower women; four, reduce child mortality rate and, five, combat HIV/Aids.

Regarding the status of South Africa and achieving these goals, Unisa has made the following observations: One, that the gross enrolment rate at primary schools increase from 99% in 2000 to 103% in 2006; two, there is a new curriculum focus on outcomes-based learning; three, gender parity has been attained. However, there is a challenge with high drop-out rates for boys at secondary schools and higher ones for girls at tertiary level; four, there's a concern at the low uptake for children aged 0 to 5 years in the Early Childhood Development phase; five, 5,9% of 15 to 19-year-olds are living with HIV/Aids; six, violence, including gender-based violence, is a major concern in our schools.

Fortunately, Unicef conceded that these concerns were raised by the President in the state of the nation address, when he said, among other things, that South Africa is making progress in achieving the Millennium Development Goals.

There is recognition of the importance of Early Childhood Development; investing through the Expanded Public Works Programme; the resolution to increase nonfee-paying schools in order to expand the opportunity for all children; and the situation of violence against women and children is unacceptable.

We have to intensify the campaign against HIV and Aids, and implement a comprehensive package in addressing this pandemic. In order to address some of these challenges, the ANC's NEC/Lekgotla commands all of us to ensure that school governing bodies are empowered to play a leading role in the provision of Early Childhood Development in their respective local communities, particularly in rural and poor farming areas.

We are also called upon to ensure that Adult Basic Education and Training is accessed more and expanded by utilising empty school buildings, in the process ensuring that poor families move steadily out of the shackles of poverty.

We are called upon to ensure that the school nutrition programme is expanded to include schoolchildren of all grades who are experiencing extreme poverty.

We are called upon to ensure that proper school infrastructure and resources, such as laboratories and libraries, are in place, including the appropriate catering for special needs of disabled learners. We are called upon to ensure that career guidance and computer literacy subjects are compulsory in our schools.

Does the current budget come anywhere close to addressing these issues? Is the ANC-led government putting its money where its mouth is? The facts do speak for themselves. The Minister of Finance, in his Budget Speech, made the following announcements.

Imali engange-8,1 yezigidi eziliwaka leerandi iza kubekelwa ecaleni ukuze isetyenziselwe ukuba kuqeshwe iititshala, kunyuswe imivuzo yeetitshala. Iititshala ezilalini ziza kuba nabancedisi. Liphelile ixesha lokuba iinqununu zibe kwangomabhalane.

UMphathiswa ukwabekele bucala imali engangama-700 ezigidi zeerandi ęza kuncedisa bonke abantwana abafuna ukufundela ubutitshala. Akuzi kuthi andikwazi ukufundela ubutitshala kuba ndingenamali; ikhona imali ebekwe ecaleni ukulungiselela iimeko ezinjalo.

UMphathiswa ukwabekele bucala imali engange-850 yezigidi zeerandi yokufundisa abantu abadala. Sesinawo nomthetho othi

kuloo ndawo kukho abazali kuyo, kufanele ukuba kubunjwe la maziko. Ngoko ke, maqabane, masiye kwenza ezi zinto kwiindawo esizabelweyo njengabameli boluntu.

UMphathiswa uphinde wabeka ama-600 ezigidi zeerandi ukuze abantwana bethu bakwazi ukuya kwiikholeji zokufundela imisebenzi. Ngelishwa, ezi kholeji ziyinto entsha nalapha kuthi. Singabanye zange khe singene ngaphakathi, kwaye asazi nento eyenzekayo kuzo.

Ndenza isicelo sokuba kwezo ndawo sizabelweyo njengabameli boluntu, sikhe siye kubona ezi kholeji zokufundela imisebenzi zintsha nezilungiswe ngokutsha. Kufanele ukuba sikhuthaze abantwana bethu ukuba bangafundeli ukuba baqeshwe, koko bafundele ukuzenzela umsebenzi. Iyenzeka loo nto kwiikholeji zokufundela umsebenzi. *(Translation of isiXhosa paragraphs follows.)*

[About R8,1 million will be set aside to hire additional teachers and to improve remuneration levels of teachers. Teachers in rural areas will get assistance. The time when principals used to work as secretaries is over.

The Minister has also set aside R700 million that will assist all young people who want to train as teachers. You will not say, "I cannot train as a teacher because I do not have money."

The amount of R850 million has been set aside by the Minister for an adult basic education programme. We already have legislation, which provides that these institutions should be established in places where there are parents. However, comrades, let us work in partnership with our constituencies.

The Minister has also set aside R600 million so that our children can get access to these further education and training colleges. Unfortunately, these colleges are new to us. Some of us did not attend them; we are not well informed about what is happening there. I appeal to our constituencies; we need to visit these new Further Education and Training Colleges that have been refurbished. We need to encourage our children that they must not study to become employed, but to be self-employed. This is possible in these Further Education and Training Colleges.]

The Minister has introduced a new conditional grant, the community library services grant, to consolidate library services at provincial level. This programme provides R984 million to transform library infrastructure. This will transform our youth into a reading nation. This resource will revolutionise our communities and enhance a better understanding of the world we live in.

Xa kusithiwa abantu abamnyama abafundi, ngelinye ixesha siye sizibuze ukuba inokuba yenziwa yintoni loo nto. Isiqhelo siyayoyisa ingqondo. Ukuba uthe ngexa usesesikolweni awaqhela ukumana ufunda, kuba nzima ukuqala ebudaleni. Le projekthi iza kujika loo nto, ukuze abantwana bethu babe neencwadi ezikolweni zabo, bafunde ukufunda. *(Translation of isiXhosa paragraph follows.)*

[There is a saying that black people are lazy to study, and we sometimes ask ourselves what that means. Usuality conquers the brain. If it happened that when you were at school, you did not acquaint yourself with studying, it is difficult to start when you are old. This project will transform that, so that our children can have their own books and study.]

In his Budget Speech, the Minister of Finance had this to say, and I quote:

> Our teachers are the frontline of our education system. It is in their hands that we place our 11 million children each day. In most cases our teachers do a sterling job under difficult conditions. We pay tribute to them and we ask no more than that they continue to serve with dedication and integrity.

On 1 March 2007, I was privileged to attend the most improved school awards ceremony, which was hosted by the national Department of Education in Pretoria. I saw with my own eyes, and I met the kind of teachers that our Minister was referring to. They received awards in different categories. One of these was excellence in mathematics.

Kufuneka sazi ukuba kwiititshala zethu zikhona ezenza umsebenzi ekumele ukuba ziyawenza. [We must understand that among our teachers there are still those who perform their duties as required.]

Ten schools were honoured for achieving high passes in mathematics, specifically at higher grade level. Another award was for outstanding achievement in home language and English as second language.

Xa sisithi iilwimi zethu ezisesikweni zili-11, sikutsho oko sinyanisile. Kungoko bethiwe jize ngamawonga abantwana abaphumelele yo Kwiilwimi zabo. [When we say we have 11 official languages, we mean that. That is why we gave awards to learners who have made an outstanding achievement in their home languages.]

The third award was for consistent improvement. Nine schools, mainly from the disadvantaged communities, were honoured in this category for the number of endorsements they achieved, with emphasis on quality education.

Into eyonwabisayo ngeli candela kukuba sithetha ngezikolo ezingenazilabhoratri, amathala eencwadi kwanezikolo kwezinye zazo ekungekho nezindlu zangasese ezi, kodwa ezikwazileyo ukuthi zivelise abantwana abaziincutshe kwizibalo. Loo nto ke ithetha ukuba simele ukuba singamane sisithi ingxaki yethu yile. Ingxaki yezikolo zethu lulawulo ezikolweni. *(Translation of isiXhosa paragraph follows.)*

[What is consoling about this category is that we are talking about schools, some of which do not have laboratories or libraries, while other schools have no toilets, but which have managed to produce experts in mathematics. That means, therefore, that we should not always say that this is our problem. The problem of our schools is management at schools.]

One award was referred to as "the 100 club".

Kweli candelo bekuwongwa izikolo ezithe zakwazi ukuba isikolo ngasinye sibe nabantwana abangaphezu kwekhulu abaphumelele izibalo ngeNqanaba eliPhezulu, okanye i-Higher Grade. Naleyo yinto eyenzekayo kwizikolo zethu. *(Translation of isiXhosa paragraph follows.)*

[In this category schools that have managed to have more than 100 learners who passed mathematics on the higher grade were honoured. That also obtains in our schools.]

The bond that binds these schools together is the professionalism of their teachers, the commitment to their jobs, the sense of duty and the calling to better the lives of their learners. Teaching is a profession. No one needs to be pushed and no one needs to be supervised. It needs that sense of responsibility, knowing that you are responsible for changing the lives of our people.

These are the kinds of schools that I wish everybody to take note of so that they can emulate their success. I thank you.

Mr L M GREEN: Chairperson, hon Ministers and members, I do want to say that I liked the theme of Mr Manuel's speech when he presented the Budget Speech, especially on the issue of human life that has equal worth. I think as a pastor I can construct a sermon on that called: The importance of equality as far as human life is concerned.

However, there are many people in South Africa who do not actually believe what the Minister has said in terms of that theme, namely that human life has any value whatsoever. That is why there are, unfortunately, still between 18 000 and 20 000 murders in South Africa every year. Those who murder,

rape and loot from ordinary citizens with impunity every day must, I think, hear this message very clearly, that not only does human life have equal worth or value, but that we must be able to stay alive in order to enjoy a life of equal value.

Prof Koos Malan of Public Law at the University of Pretoria presents a very persuasive argument in an article in Business Day of 7 March 2007 in an article entitled, "In the absence of state protection", when a government fails to protect the public against violent crime.

We all have the inalienable rights, and I quote him, "to life and physical integrity." Each one of us is also entitled to do personally what is necessary to defend ourselves against attacks that endanger our physical integrity. This right—the right to private defence—is also inalienable and universal.

We act in private defence whenever we defend ourselves against an unlawful attack, but also when we help somebody else in fending off an unlawful attack.

The point is that whenever a pressing emergency arises, when life and limb are under threat, everyone is naturally entitled to take the law into his or her own hands individually, corporately or as a community. And when that happens, of course, we have a situation where more and more people are defending themselves and relying on the right to self-defence, but this right must, in a normal society, be the exception and not the rule. If it becomes a rule, however, the very integrity of government will be at stake.

The Minister, I think, successfully attempted to deal with this issue in his Budget Speech when he spoke of protection services and our criminal justice system. We applaud the Minister for the Budget allocation and the significant increases in resources—the huge amount of money. The hon Minister has done his fair share. I hope the police and the courts will do theirs and we will have fewer deaths in our society. I thank you.

Mr G D SCHNEEMANN: Chairperson, comrade Ministers, comrades and hon members, in its 2004 election manifesto, the ANC committed to invest more than R100 billion in improving roads, rail and air transport, as well as telecommunications and energy. The ANC also committed to build more subsidised housing, improve health infrastructure, ensure that all children have decent classrooms, speed up programmes to provide water, sanitation and electricity.

Two years later, in its 2006 local government election manifesto, the ANC committed to invest more than R400 billion in infrastructure to create jobs and fight poverty, build roads, rail networks, dams electricity-generating plants and communications infrastructure. The ANC also committed to providing all households with access to clean running water and decent sanitation by 2010, and to providing electricity to every household by 2012.

In his address to the first Joint Sitting of the Third Democratic Parliament on 21 May 2004, President Thabo Mbeki announced the following: That all households would have easy access to clean water within the next five years. Within the next eight years, working together with our state enterprise Eskom, we will ensure that each household has access to electricity and that there should be no learner or student learning under a tree.

The ANC statement of 8 January this year stated that:

> Clearly, the guiding principle of our road map must continue to move forward decisively to eradicate poverty and all other elements of the legacy of colonialism and apartheid.

The ANC National Executive Committee declared 2007 as the year to intensify the

struggle against poverty as we advance in unity towards 2012—Phambili! [Forward ever!]

The Budget presented by the Minister of Finance on 21 February this year provides the necessary resources to deliver the necessary infrastructure which is required to meet these commitments.

The spending priorities of this Budget have been informed by the need to accelerate economic growth, create employment and reduce poverty.

Significant allocations in this Budget are directed towards the provision of infrastructure, such as new classrooms, water, electricity and sanitation in schools, which will help to improve the quality of education in our schools; the hospital revitalisation programme; the built environment, with emphasis on the building of vibrant and safe communities; the provision of efficient and effective public transport and related infrastructure; the provision of water sanitation and electricity and the eradication of the bucket system by the end of this year; the construction of stadiums for the 2010 Fifa World Cup and other related infrastructure, such as the upgrading of roads, railway stations and precincts that will help make the 2010 Fifa World Cup the best yet staged; and the provision of well-equipped libraries in our communities.

It is estimated that the public sector expenditure on infrastructure over the MTEF period to 2009-10 will amount to R415,8 billion. In addition, major investment commitments have been made by Eskom and Transnet which include power generation and the expansion of the freight rail network. These investments will assist in reducing the cost of business by providing certainty of the supply of critical services to industry.

The investment in infrastructure, and not only the maintenance but also the provision of new infrastructure, provides an opportunity to develop a new generation of workforce which is well skilled and equipped to serve the economy in years to come.

It will be important that we ensure that we develop the skills that we will need in the future now, and not wait for the future to arrive before we realise that we do not have the necessary skills or capacity both to utilise available resources and to deliver the required infrastructure.

This is not the task of the government alone. It requires the private sector and all other relevant stakeholders to join the government in both identifying and providing the necessary skill and capacity through the Joint Initiative on Priority Skills Acquisition programme, Jipsa, led by the Deputy President.

The allocations which are provided for the built environment provide an opportunity to continue to implement the Breaking New Ground housing strategy, which seeks to build new residential communities that are vibrant, sustainable, safe, nonracial, and have the necessary infrastructure, such as housing, roads, community halls, sports fields, water, sanitation, electricity, police stations, schools, libraries and clinics.

Whilst we are seeing the roll-out of the pilot projects which focus on informal settlements upgrading and the creation of new human settlements, the speed at which they are being implemented needs to be increased. Even though the concept of these pilot projects was announced in mid 2004 as part of the Breaking New Ground housing strategy, in some provinces these pilot projects are still in the planning phase on paper.

Although the N2 Gateway pilot project here in Cape Town is progressing, we need to see a speeding up of the implementation of this important housing project.

The resources of R32 billion over the next three years provide an opportunity to accelerate the provision of new human settlements and the upgrading of informal

settlements. However, this will necessitate better and more streamlined municipal and residential planning, as well as improved interdepartmental co-ordination, planning and budgeting.

Red tape, which often reportedly delays delivery of housing and related infrastructure, needs to be identified and simplified to allow faster implementation. According to Sasha Planting, who wrote in the *Financial Mail* of 23 February this year—

> Money is not the issue. Overcoming the backlog is about getting the execution up to speed and forging good partnerships with all tiers of government, the financial sector and the handful of developers who are able to tackle projects on a big scale.

Whilst the Minister of Finance commended provinces on the progress they have been making in rolling out their infrastructure programmes, it is incumbent on national departments to strengthen their monitoring strategies on provinces, municipalities and agencies to which they make transfers.

Here in Parliament, we need to pay special attention to our oversight over those departments who have received significant infrastructure allocations. These departments need to provide relevant portfolio committees with detailed plans and spending projections linked to timeframes so that we will be able to institute effective monitoring.

We are often told that our policies are excellent but that the implementation thereof is what often lets us down. Departments in all spheres of government need to take proactive steps to ensure that effective, efficient and quicker implementation of policies takes place.

The financial resources which are available for infrastructure must be well utilised to ensure that employment opportunities are created, that poverty is eradicated and that economic growth takes place. The 2007 Budget provides resources to improve co-ordination in policy development and planning and the technical capacity to manage expenditure effectively.

Furthermore, the Infrastructure Delivery Improvement Programme, which addresses underspending of provincial capital expenditure budgets, targets poor planning, lack of delivery, management systems and the general lack of skills. It also supports improved effectiveness and efficiency of public sector infrastructure delivery through the use of best practice methods and also builds capacity to enable departments to deliver on their mandates.

This provides a clear indication of the seriousness of the government in ensuring that departments are well equipped and capacitated to deliver on their mandates. This applies not just to government departments but also to those in the private sector who are awarded tenders by government departments.

In particular, I want to draw your attention to two news items which appeared in the *Star* of 12 March relating to a housing development at Everton in Gauteng and the Metro supplement of the *Sunday Times* of 11 March, which relates to a housing project at Cosmo City in Johannesburg.

In both of these cases, tenders were awarded to specific companies who have in turn reportedly not delivered what they were required to. If these reports are correct, such mismanagement of state funds cannot be tolerated and must be condemned, with the necessary action being taken.

I have raised these two examples because it must be clearly understood that the infrastructure budget allocations are there to improve the lives of all South Africans, particularly those who are most marginalised. This also reaffirms the need for departments to improve their monitoring and the evaluation of funds which they transfer, be it to other spheres of government or to private sector companies who are awarded tenders.

According to the 2007 Budget Review:

> Civil construction in particular benefited from increased investment in road and water infrastructure. Employment gains have been robust with labour complement increasing from 348 000 in March 2001 to 548 000 in March 2006.

This is a clear indication of the impact of employment creation through investment in infrastructure. These figures will be significantly increased with increased allocation for infrastructure which includes the 2010 World Cup Stadium construction and the Gautrain.

President Mbeki wrote the following in his weekly letter in the ANC Today of 23 February 2007:

> The central task of the national democratic revolution is to construct a people-centred society that will, in practice, demonstrate that it values every human being on an equal basis.

Whilst we have done a lot to give meaning to the statement that human life has equal worth, we still have to do more to confront the legacy of poverty, racism and sexism.

In concluding his state of the nation address on 9 February this year, President Mbeki made a call to all of us to roll up our sleeves and get down to work. He made that call to all of us here in Parliament, to provincial legislatures, local government and every person in the employment of the different government departments to get down to the work of delivering quality services to all South Africans. He made a call to improve the living conditions of all South Africans and to create employment and reduce poverty. I thank you. [Applause.]

Dr P J RABIE: Madam Chair, hon Ministers and hon members, the 2007-08 Budget must be seen in context. Our economy is fairly buoyant and commodity prices like coal, platinum and gold are doing well. The Gross Domestic Product growth for the period was 4,9%, and that is in line with projections.

The rand is one of the emerging currencies, but foreign investment capital is of a short-term nature. The influence of relatively high domestic interest rates and positive dividend payments must be taken into account when we evaluate this Budget.

The DA welcomes the further relaxation of exchange controls announced by the hon Minister in his Budget Speech. However, the DA appeals to the hon Minister to abolish all exchange controls for individuals.

A number of economists have expressed the view that seen in the light of our present positive financial position and the healthy increase in foreign reserves, the removal of exchange controls for individuals will have the net effect that a normalisation with international money markets will take place; the investment horizon for domestic investors will widen and the economy as a whole could benefit.

Ondanks die feit dat valutabeheer op buitelandse beleggers afgeskaf is, bly dit steeds 'n onweerlegbare feit dat individuele binnelandse beleggers steeds aan beperkte valutabeheer onderworpe is, wat steeds buitelandse beleggers tot 'n mate van skeptisisme teenoor langtermynkapitaalbeleggings in Suid-Afrika stem. *(Translation of Afrikaans paragraph follows.)*

[Despite the fact that exchange controls for foreign investors have been done away with, it is an irrefutable fact that individual local investors are still subject to limited exchange controls, resulting in foreign investors harbouring a degree of scepticism towards long-term capital investments in South Africa.]

The DA welcomes the abolishment of retirement fund tax from 1 March 2007. With respect to the hon Minister, this announcement is long overdue. The significance of it is that this reform will make an important contribution to the adequacy of funds avail-

able to about nine million members of retirement funds in South Africa. The raised income interest exemption for under and over 65 is also welcomed.

Hon Minister, in your Budget Speech you announced an additional R89,5 million to be spent to attain accelerating economic growth, modernising our public services and infrastructure and reducing poverty and inequality. More than merely spending money is, however, required.

It is estimated that about 5,5 million South Africans pay individual income tax, most of them being middle income earners—the remainder pay indirect taxes. It is to be expected that the South African electorate get value for their hard-earned tax payments regarding protection, health, education, etc. If we benchmark ourselves with internationally accepted norms we find that there is ample room for improvement regarding basic services.

Another key characteristic of the South African economy is its severe shortage of skills. The Centre for Development and Enterprise estimates that between 1994 and 2005, 841 000 white skilled South Africans emigrated.

In a number of submissions to the Joint Budget Committee, various departments attributed their lack of capacity to deliver to high personnel vacancy rates. Allow me to quote CDE figures:

> Junior to middle and senior management vacant posts in domestic affairs amount to 34%. For Trade and Industry the figure is 41%, for Education 26%, and 45% for senior management in the Department of Transport.

This is reason for grave concern. The only way to solve the problem is to acknowledge that our labour sector is part of an international global network like the communications sector. It is thus in the national interest to relax our rigid labour laws and to encourage skilled immigrants to settle in South Africa.

Vergun my die geleentheid om na die uitspraak van mnr Marius Fransman, lid van die Uitvoerende Komitee van Wes-Kaap, te verwys toe hy gemeld het dat daar 'n moratorium van drie jaar op SEB-vereistes geplaas word. Die DA verskil met hom slegs ten opsigte van die tydelike vergunning rakende verblyfreg. Waarom moet persone hul werksekerheid ontneem word indien hulle 'n positiewe bydrae tot die ekonomie van die land kan lewer? Meriete, en nie velkleur nie, is die ... [Tyd verstreke.] *(Translation of Afrikaans paragraph follows.)*

[Allow me the opportunity to refer to the pronouncement delivered by Mr Marius Fransman, member of the Executive Committee of the Western Cape, when he indicated that a moratorium of three years would be placed on BEE-requirements. The DA differs with him on the issue of temporary residential rights only. Why should those who can make a positive contribution to the economy of this country be deprived of job security? Merit, not skin colour, is the ... [Time expired.]]

Mme L L MABE: Modulasetilo, ba re e re o ntima o mphele ngwana. Ngwana yo ke tlileng go bua ka ena yo, ke ngwana wa motlhomphegi. Fa ke bua ka motlhomphegi, ga ke bue ka ngwana wa nnete, ke bua ka motlhomphegi, motho yo o sokotseng, a lebeletse puso e, gore e tla mo thusa, gore bophelo ba gagwe bo ke bo tokafale. *(Translation of Setswana paragraph follows.)*

[Ms L L MABE: Chairperson, there is a saying that it does not matter if you do not give me something but help my child. The child that I am going to talk about here, is a child of a respected person. By a respected person I am not referring to the real child, but to a poor person who has suffered with the hope that this government will help him improve his life.]

I want to demystify the mist that blurs the vision of some people in the society that the ANC's deployees in Parliament cannot be critical of their own indifferent trenches in their deployment. This mist ignores the critical fact that the ANC in Parliament has the responsibility to the nation to have vigorous oversight over implementation of ANC policies that are translated into government policies.

ANC MPs must be the vanguards of ensuring that the government's fiscal resources are efficiently and effectively utilised towards the achievement of a better life for all. Therefore, it is crucial for ANC MPs in committees of Parliament to ensure that the departments spend as planned, but also that spending should be premised on quality and value for money.

This scenario is dictated to by the ANC's vision, thus we will be failing the nation if we do not hold all those who received funding from the national fiscus to account. The *ANC Today* of 23 February 2007 states that our nation has deeply entrenched poverty underpinned by high levels of unemployment, largely affecting unskilled black people with low levels of education. Women and the youth are the hardest hit. They are also unemployed due to the legacy of apartheid. But the reduction of dependence on debt service costs has opened fiscal space to spend more on core issues that affect our society and to gear the government for long-term reforms to release funds that would have been utilised for the service burden and more capacity by the SA Revenue Services, commonly known as the taxperson, not the taxman, to collect taxes.

Most of the departments were caught off balance in the spending of their budgets and I deliberately indicate this fact, because most of the departments cannot account properly on how they use the funds, and on how they implement policies of the government to ensure that the ordinary person's life on the street is improved.

But I also want to indicate that departments in the past did not invest in capacity to spend. Although their capacity to spend has improved in the 2005-06 Budget, the critical issue is: Is spending targeted at balancing the books to bid for increased allocations or is that spending for value for money? By value for money I refer to the projects that would be completed, being quality projects and not the ones that will lead to people complaining about the government's service delivery.

I also want to quote one of the commentators on the Budget, Jabulani Sikhakhane, when he says, "People must have power." Power in this sense refers to the form of resources that we have. Without physical resources you do not have power. We have fought for liberation, but we also fought for power to have resources to participate meaningfully and effectively in the economy, and without these resources our hard-fought freedom will not be achieved. As a result, it is incumbent upon the departments to ensure that they spend qualitatively, efficiently and effectively to ensure that our people benefit to the maximum.

Research also confirms that there is ample evidence that access to services for the poor has increased to a great extent over the past 12 years, and that is a reality, because most of the people before 1994 did not have access to basic services. Right now most of the people can have access to those services. This is an achievement on the side of the ANC, but it does not at the same time say that we must be complacent as the ANC that we have achieved the best for every South African citizen. The year 2014 is still yet afar, and we therefore have to roll up our sleeves to ensure that the targets that we have set up as the ANC—not as government—but as the ANC, will be achieved, and it will be possible if we monitor the Budget.

I also want to refer to the Budget Review of 2007 that states that rapid growth in budgeted expenditure does pose a challenge in

terms of the capacity to effectively utilise the allocated funds. It is good that the government acknowledges that the capacity to spend is a big challenge. We therefore say that as parliamentarians we must roll up our sleeves and hold them to account. We should have proper oversight in the committees, and that will mean fighting against our own comrades who are in the executive or who are in government. The aim is to alleviate poverty and achieve a better life for all. We are all destined towards the same direction.

The government acknowledges that there have been lags in the implementation of policy and challenges in the co-ordination of delivery, especially for large infrastructure projects, but the pace of investment has continued to grow strongly since 2001, and that is a fact, because in 2001 our spending on servicing debt reduced dramatically, which means that it leads to resources being made available to be used in critical sections which address poverty in our communities.

The ANC welcomes special attention given in the Budget to improve co-ordination in policy development and planning and technical capacity to manage expenditure efficiently.

It is time for those who are tasked with the responsibility of providing service and improving the lives of our people to do some self-introspection and a departmental analysis. I want to state this in Setswana:

A re dira go tlala seatla go netefatsa gore re atlegisa puso go tokafatsa maphelo a batho ba rona, kgotsa re itumelela go phara molato mo pusong re lebala gore puso e re thapetse go tlhomamisa maikano le maikaelelo a yona jaaka badiredipuso? Potso ke gore, a re itumelela go bona dikhuduego le ditshupetso mabapi le ditirelo re sa ipotse bongwe ka bongwe, gore a re nnile le seabe mo go tliseng seemo se se ntseng jalo?

Tseo di diregang kwa porofenseng ya Bokone-Bophirima, re tshwanetse re ipotse jaaka badiredipuso gore a re nnile le seabe gore go fetse go le ka mokgwa oo. A naa madi a re a neilweng gore re tokafetse maphelo a batho a re a dirisitse gore re ba fe ditirelo, kgotsa ga re a dirisa jalo? Re tlogetse bao ba ratang manyofonyofo, gore ba tseye madi ao ba a dirisetse maitlhomo a bona, e seng maitlhomo a ANC, e seng maitlhomo a puso?

Kgotsa re dira ka bomo tse re di dirang, re dira gore re senye puso ya ANC leina? Kana re lebela gore badiredipuso re tshwanetse go tlhomamisa maitlhomo a puso, ka lebaka la gore puso ke yona e e re thapileng, ka jalo, re tshwanetse re lebale gore re ba dipolotiki tse dife re lebelele gore re dire, re diragatse maitlhomo a puso.

Fela fa go direga tsotlhe tse, tse di diregang jaaka kwa Bokone-Bophirima di a direga mo lefatsheng la rona la Aforika Borwa. Fela ditshupetso tse di diragalang tse, ga re dumelane rona re le mokgatlho wa ANC le tshenyo, ka lebaka la gore tshenyo eo, e re busetsa kwa morago go tseo puso e setseng e di dirile. Ke ka moo re dirang boikuelo go setshaba gore le na le tshwanelo ya go dira ditshupetso, fela ga le na tshwanelo ya go senya, ka gore se le se senyang, ke se se tshwanetseng se le thuse ka moso, se thuse bana ba lona. *(Translation of Setswana paragraphs follows.)*

[Are we doing enough in ensuring that the government succeeds in improving the lives of our people, or do we enjoy blaming the government and forgetting that as public servants we are employed to ensure that the government achieves its aims and objectives? The question is: Are we happy to see protest actions and unrest as a result of poor service delivery without asking ourselves, individually, whether we have contributed to this situation?

We, as public servants, have to ask ourselves if we have contributed to what is happening in the North West province. Are funds allocated to us being used to improve the lives of our people? Did we use these funds for service delivery or we did not use them

as we were supposed to? Did we allow those who are corrupt to use these funds for their own benefit and not that of the ANC or government?

Are we doing this purposefully to tarnish the image of the ANC-led government? It seems that we as public servants tend to forget that we are employed by the government to ensure that it meets its objectives. Therefore, we need to put aside our political affiliation and focus on achieving the government's objectives.

But when all these occur, as is the case in the North West province—a part of our country, South Africa—we, as the ANC, condemn vandalism despite the ongoing protest actions because vandalism regresses what the government has already achieved. That is why we acknowledge the right of the people to protest but we condemn acts of vandalism, because what people destroy is what might help them and their children in future.]

It is important for Parliament to urgently address the problem of member support and to make provision for human resources to improve service to members and committees of Parliament, to enable them carry out their oversight functions with increased efficiency. Without proper support, Parliament will not be able to do this function properly.

I therefore, as a member of the Joint Budget Committee, tell Parliament that it is doing us a disfavour. It is doing the nation a disfavour by not properly capacitating committees of Parliament so that members can have information at their fingertips. [Applause.]

Without having information at our fingertips, how will we call the departments and state institutions to account? People will get away with murder, and this is not what the ANC wants.

I also want to say that it is unfortunate that tertiary institutions took a long period to come to the table to transform and bring meaningful change in the new dispensation. This exacerbated the skills deficit that we have now. It solidified the structural unemployment and deficiencies in our economy, because tertiary institutions did not want to come to the table as part of the transformation of this country.

That is unfortunate because it is only now that they are rolling up their sleeves. By this time we ought to have moved a great leap forward in addressing the skills problem and education problems. We are spending a lot on education, but it does not give us the necessary outputs.

Modulasetilo, ke rata gore ke re madi ao a tshwanetseng go katisa batho, ao a fiwang di Seta, tota go re utlwisa botlhoko, e bile di Seta bontsi ba tsona di re tsholotse, gore ba feleletse ba tsaya madi, ba ye go a naya ditlamo tse di tswanang le bo Fidentia.

Tota di Seta di re tsholotse, mme di re tsholotseng, go raya gore se ke neng ke se bua ke re, a dikomiti tsa Palamente di fiwe ditlabakelo tse e leng gore di tla kgona gore di re fe tshedimosetso, re kgone go re re ba bitse batle go ikarabela ka nako, e seng tshenyo e e kanakana e setse e diragetse. *(Translation of Setswana paragraphs follows.)*

[Chairperson, I am disappointed by the decision to allocate funds to Setas which were intended to train people. Most Setas are established financially and it was not a good decision to have allocated funds to companies like Fidentia. In fact, I would like to suggest that parliamentary committees be provided with resources that will enable them to solicit information to call Setas' related companies to account in time, before any damage is done.]

If proper integrated planning, implementation and monitoring of the Budget by government departments and institutions can be the priority, with vigorous oversight by Parliament, we can meaningfully reduce poverty and improve the lives of our people.

An increased budget estimate from R534

billion to R650 billion over the Medium-Term Expenditure Framework can go a long way towards tilting the scales of income inequality and poverty in our communities.

I also want to say that I am disappointed that some people from time to time talk about the flight of white skills out of the country. It is so unfortunate that people forget that it is not only whites who are leaving the country. Blacks also do. Why don't you talk about the skills of blacks who are leaving? Is that racism? [Interjections.] White and black are leaving the country and the government is playing its part to ensure that those skills across the racial divide come back to the country to be utilised. [Applause.] [Interjections.]

I also want to state that we welcome the task team that is in the Department of Home Affairs and we monitor the outcomes and outputs of that task team, because without a Home Affairs that functions properly, service delivery by all departments will be compromised. We are therefore interested, as Parliament, that Home Affairs must be up and running on its own feet. We hope that this task team will assist Home Affairs to improve on service delivery because, as the ANC, this is a concern to us, as Home Affairs is central to service delivery.

Ke rata gore ke re, re le ANC re dumelana le Molaotlhomo Tekanyetso o. [I would like to say, as the ANC we support this Budget Vote.]

The MINISTER OF FINANCE: Deputy Chairperson, I would like to express my appreciation to all parties in the House, because all of them supported the Budget. I am not quite sure how some of them arrived at the conclusion, but we appreciate the fact that they supported it.

I also want to say a special word of welcome to my colleague, Minister Pandor, because when we delivered the Budget she was in hospital. It's good to have you in the House—a lonely place this afternoon. Good to have you here. [Applause.]

Let me respond by dealing with a few of the thematic issues that were raised. The first of these issues is that of surplus, which was raised by the hon Bekker, Harding, Van Dyk and Stephens. But I think the counter to that is what has been raised by the hon Mulder. We've said that many of our revenues are cyclical. [Interjections.]

Mr T D LEE: [Inaudible.]

The MINISTER OF FINANCE: Hon Lee, would you please allow me to speak? [Interjections.]

Mr T D LEE: I didn't say a thing, Trevor! [Laughter.]

The HOUSE CHAIRPERSON (Ms C-S Botha): Order! Please continue, hon Minister.

The MINISTER OF FINANCE: So many of our revenues are cyclical, and if we aren't careful about that, we will make commitments that can't be supported by financial flows later, and we will have to cut them.

This idea that we should be ashamed of the surplus in the current commodity cycle has to be born of ignorance. It's very important that we deal with the issues for what they are, because we must be careful about making mistakes. We have seen this all over the world. We have seen the exuberance of people who believe that there is no tomorrow. But economies, companies and businesses all operate cyclically and commodities have proven themselves to be cyclical, and there is sufficient evidence in this regard. So, we shouldn't be silly about this.

In respect of the tax issues, on the one hand, we've broadened the tax base but we have reduced the tax rates. The tax-to-GDP ratio is something. It is there. We've said it would be optimally 25%, but I don't think we should be too hung up about this issue.

On the issue of the secondary tax on companies, STC, we aren't eliminating it; we are converting it to a dividend tax. If the hon Davidson doesn't believe me, I am inviting him to look at chapter 4, on page 67 of the Budget Review, which explains the two-step change. It will be there. For the moment, we estimate that we will probably cede about R2 billion, but I'm pretty sure that knowing the recipients of those dividends would not be too difficult for SARS. So, it's not a gap that will be a permanent feature.

On the issue of the wage subsidy, the hon Davidson is, of course, being quite disingenuous, because his arguments a few years ago were about subsidising those who employ domestic workers who can drink their gins and tonics while they lie by the side of the pool. That was the argument we heard, and what we are dealing with here is substantially different. He knows that and he shouldn't mislead the House or anybody else.

On the issue of social security, I heard the hon Bekker saying that this is BIG, or a basic income grant. It's not BIG. I think that it's very important that we understand this issue, and perhaps this House will afford us an opportunity to have a wider discussion about the social security reform, which is quite fundamental!

Philosophically, what we are talking about is a contributory scheme that deals with the poverty trap. It's very different from a "bakhand" approach—the state must provide everything. This deals with people who will contribute, and therefore we will be in a much better position to deal with a series of other issues in society. It's a big change; it's a monumental change. But it is a change that deals with the lives of people long beyond their working lives. And that is what is so significant about it. So, we must disabuse ourselves of the idea that this is BIG by the back door, or BEG—a basic endowment grant—or anything else like it. It's not that. And the President has spoken on this issue.

The issue of capacity was raised by a number of members. The first thing I'd like to do is to recognise that we have challenges. As we said in the Budget Speech, don't knock the provinces too hard, because if we tracked the infrastructure spending, as I am sure all members of this House regularly do through their section 32 reports—it's there in the Government Gazette, and I am sure that every committee discusses this section 32 report of the PFMA every month—then we would all know that the infrastructure spending of provinces has improved very significantly.

What was left at the end of the last fiscal year was 5%. And if you track it six months into this fiscal year, it is already 35% up. There are some provinces that are going to overspend this year on infrastructure, and that is not an entirely bad thing.

So, in examining the oversight issues, let's take account of those issues as well, because they are indicative of very significant changes.

We are not unique in this regard. Labour came to government in the UK almost eight years ago now. For the first four years of their tenure, each year, the infrastructure spending remained untouched. This is also a situation where the government takes account of spending for roads and so on in municipalities. Long untouched! So, don't feel too het up about this issue.

Just like in respect of the skills base of our skills endowment, the hon Stephens, apart from the other silly things he was saying, said: "Look to France, where there are 37 colleges that train the public servants". Well, there is an article now in a news magazine that has just come out that indeed looks at France. Amongst the things they raise in this article is the fact that the picture in France is not so pretty.

The article says in 1975 a 30-year-old Frenchman earned 15% less than a 50-year-old; now it's 40% less. It also says that only