

TUESDAY, 16 JULY 2019

PROCEEDINGS OF THE NATIONAL COUNCIL OF PROVINCES

The Council met at 14:02.

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

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS - see col 000.

The DEPUTY CHAIRPERSON OF THE NCOP: I have been informed that the Whippery has agreed that there will be no notices of motion or motions without notice.

Before we proceed, let me take this opportunity to welcome all special delegates and the SA Local Government Association, Salga, representatives in the House as well as special guests that are here today for Budget Vote No 2, the ambassadors of the Nelson Mandela Children's Fund, Nwabisa Bisholo, Sibongiseni Sikodi as well as 10 learners of the Leap Science and Maths school and four learners from Rylands High School. You are most welcome. [Applause.] We also welcome our Chairperson.

APPROPRIATION BILL

(Policy debate)

Vote No 2 - Parliament:

The CHAIRPERSON OF THE NCOP: Madam Deputy Chairperson, House Chairpersons, Chief Whip of the Council, hon delegates and guests, allow me to indicate that there are a number of organisations that are with us today, ranging from the Nelson Mandela Museum to NGOs to academic institutions. It is a pleasure to stand before you to present the budget of Parliament to this House. Please allow me to take this opportunity to thank you once again for the confidence you have in me by electing me to the position of the Chairperson of the NCOP. I also wish to reiterate my congratulations to the Deputy Chairperson, House Chairpersons, committee chairpersons, Chief Whip and Whips for their election to those positions. With those positions come responsibilities that we must regard very highly and with all the seriousness that they deserve. We must perform our functions to the best of our ability and with diligence, and exercise the powers bestowed on us impartially and to the necessary high ethical standards.

We meet today after being hard at work, ensuring that the key structures of the Houses of Parliament are set up. We have established the Rules Committee, Programme Committee and all Select

Committees. For the purposes of joint business, we established the Joint Rules Committee, the Joint Programme Committee and all the relevant joint committees established in terms of the Joint Rules. We have also established the joint committee responsible for overseeing the financial management of Parliament as required by the Financial Management of Parliament Act and the Provincial Legislatures Act. The select committees have already commenced with their consideration of the budgets of the various departments. I have no doubt that we are indeed on course to carry out our constitutional responsibilities to serve all the people of our country.

This budget straddles the Fifth Parliament and the Sixth Parliament. I present the 2019-20 financial budget in a challenging economic climate in which we must balance the increasing legitimate demands of our people with decreasing financial resources. This period instructs that, while seeking to satisfy the needs of our people, we must do so in a manner that is prudent and in a way that seeks to ensure we manage the finances of this institution efficiently and in a sustainable manner. This will determine whether we will be able to achieve more with the increasingly limited resources that are at our disposal.

Our economy, like the economies of other countries in the world, still faces slow, if not sluggish growth. As a result, the country has to contend with a stubbornly high unemployment rate, poverty and

inequality. It is within these difficult economic constraints that we have to consider the budget allocation to Parliament. We are quite cognisant of the fact that our harsh economic realities affect, amongst others, the youth who are at the receiving end of the high unemployment rate and who are affected by other social ills like drug abuse.

This comes at the time when we have an increase in the number of young parliamentarians. These young parliamentarians are bound to robustly insist, amongst others, that the desperate situation of the youth be addressed. They will be within their right when they do so, of course, in the context of the challenges that are of national interest. Yes, this voice must be heard in the context of challenges facing our people.

Alive to the important role that the youth play in the development of our country, hon Itumeleng Ntsube has been appointed as the provincial Whip of the delegation of the province of Free State. Although the youngest in the delegation, he is the most senior in position within the delegation. We must all support him in his performance of his functions. [Applause.] Despite his age, he must be recognised as a leader in his own right. As the epitome of the youth, I am confident that he will help champion and sharpen our debates on youth and other related and relevant matters.

With regard to reflections from the recent elections, pursuant to

the constitutional values of regular elections and a multiparty system of democratic government, we have just emerged from our sixth democratic national and provincial elections to give effect to the promise that the people shall govern.

It is the May 8 elections that made it possible for us to be where we are today. Pre-occupied with which party would emerge victorious during the elections, the indelibility of this date on the calendar of our democracy may have made us lose sight of certain things. We may have forgotten that 8 May marks the 23rd anniversary of the adoption of the new Constitution by the Constitutional Assembly. We may have forgotten that it was on that day 23 years ago in 1996 that the new Constitution was adopted by the Constitutional Assembly. Merely two years after we attained our hard-fought democracy – for which some of our people paid the ultimate price – the new Constitution was finally signed into law on 10 December 1996 in Sharpeville after it was certified by the Constitutional Court. It came into effect on 4 February 1997.

As the nation was on the cusp of a new beginning, the then President of the Republic of South Africa, our national hero, Nelson Rolihlahla Mandela, aptly defined the Constitution in the following words:

This Constitution is our own humble contribution to democracy and the culture of human rights worldwide, and it is our pledge to humanity that nothing will steer us from this course.

Indeed, nothing should steer us from this course.

This debate takes place two days before the worldwide celebration of Mandela Day. It is therefore befitting that I pay tribute to the father of our nation and the international icon, Nelson Rolihlahla Mandela. I do so with a sense of admiration and pride for the role he played in liberating our country from the clutches of a system which was declared a crime against humanity and its religion a heresy. He strode this country and the world like a colossus, preaching peace, reconciliation, freedom and democracy. We, as the representatives of the people, must ensure that the 27 years of incarceration that Nelson Mandela endured in prison were not in vain.

With regard to Co-operative Governance and Intergovernmental Relations, like Nelson Mandela had instructed us on the occasion of the adoption of the new Constitution as elected representatives, our preoccupation at all levels of government must be with how to co-operate in the service of the people, rather than on competing for power which otherwise belongs not to us, but to the people. For it is the votes of our people that catapulted us to these positions, not to serve ourselves or our friends and families. We must be

committed to servant leadership and the culture of doing. We must as far as possible avoid rhetoric and contestations that will steer us away from the course of advancing the constitutional promise of improving the quality of life of all our people. Together with the provincial legislatures and local governments we carry the hopes and aspirations of our people. We must ensure that the executive, at all levels of government, achieves the objectives that they have set for themselves. This we must do by ensuring accountability and co-ordinated oversight as well as meaningful public participation programmes.

Chapter 3 of the Constitution compels the three spheres of government to co-operate by, among others, informing one another of matters of common interest and co-ordinating their actions and legislation. This cannot be more apt than in the legislative sector. Madam Deputy Chairperson, to this end, as the National Council of Provinces, we must seek to build stronger, dynamic and sustainable relationships with legislative bodies in the other spheres of government. Our efforts must be directed towards a co-ordinated and outcomes-based oversight that will ensure the delivery of services to our people. And nothing must steer us from this course.

As the National Council of Provinces and the National Assembly, as provincial legislatures and as municipal councils we must not compete for power that does not belong to us but to the people. We must join hands to ensure accountable and transparent government

that is responsive to the needs of our people and gives true meaning to the notion of government by the people under the Constitution. Let us rally behind the words of the Freedom Charter: "The people shall govern!"

True to our constitutional obligations, we must represent the interests of our people in all spheres of government. While the National Council of Provinces must ensure, amongst others, that we represent the interest of provinces in the national sphere of government, the provincial legislatures and municipal councils must represent the interests of the people in the provincial and local spheres of government well.

It is the National Council of Provinces which must harness this relationship amongst the three spheres of government to ensure the eradication of the triple challenges of poverty, inequality and unemployment. It is this character that should distinguish the National Council of Provinces from other legislative bodies. The ability to facilitate and co-ordinate oversight of all spheres of government as well as the ability to ensure harmonious functioning of the executive in all three spheres of government is a very powerful tool in our hands. We must use this tool to the benefit of all our people. Like we experienced during our various election campaigns, our people have the same or similar needs and aspirations irrespective of where they are located or which political party they support. It is this commonality of challenges in all spheres of

government that must drive us towards co-ordinated oversight to ensure the realisation of a better life for all our people.

To this end, we must strengthen our relationship with the provincial legislatures and organised local government. We shall in the near future arrange a planning session with the provincial legislatures and Salga to ensure the synchronisation of our programmes.

Madam Deputy Chairperson, the fifth National Council of Provinces saw an increase in the assumption of powers in the local sphere of government by different provincial executives in terms of section 139 of the Constitution, commonly referred to as interventions.

The latest audit results on local government released by the Auditor-General must remain a concern to us. To an extent, this may signify failure of governance in the local sphere of government, or failure by the national and provincial spheres to support the local sphere of government as required by section 154(1) of the Constitution.

It is our responsibility as the National Council of Provinces to ensure that no sphere of government unconstitutionally usurps the powers of another. We must therefore ensure that any interventions in either the provincial or local sphere of government are remedial and not punitive in nature. We must ensure that those spheres that are competent to assume power of the other do so only in exceptional

circumstances. This we can only do if, as the National Council of Provinces, we assume our rightful place as an institution that lies at the centre of overseeing co-operative government and intergovernmental relations.

The unfortunate emergence of a public blame game amongst the three spheres of government on matters of service delivery should therefore be our concern. It is in these instances that we must be able to bring the spheres together to resolve these issues. Our Select Committees on Co-operative Governance and Traditional Affairs, on Human Settlements, and on Water and Sanitation must be at the centre of this conception and co-operation.

Regarding oversight and accountability, Madam Deputy Chairperson, it is axiomatic that the time for speeches and empty promises is indeed over. It is also evident that as Parliament we have made good policies and passed good laws in the 25 years of democracy.

What we have not done that well, however, as the legislative sector, is to ensure that the systematic implementation of these laws and policies are pursued to the benefit of our people. The eradication of the triple challenges of poverty, unemployment and inequality, perhaps even more important, as the President has said, lies in ensuring that our economy is grown in a sustainable manner.

It is worth repeating that, as we traversed the length and breadth of our country during our campaigns in preparation for the May 8 elections, our people complained in the main about access to water, sanitation, electricity, human settlements, availability of roads, safety and security and a myriad of other challenges that they face on a daily basis. We have heard them, and we must act for meaningful change.

Subsequent to the May 8 election, the President delivered his state of the nation address on 20 June 2019. In the consideration of the strategic plans and annual performance of government departments, Committees must ensure departmental priorities are aligned to those announced by the President in the state of the nation address as well as the Budget and the National Development Plan. It is the implementation of these priorities that we must oversee.

We therefore, as the representatives of our people, need to roll up our sleeves and ensure that government delivers on these priorities. I want to emphasise that, as legislators, our responsibility is not to implement but to oversee the implementation of government priorities in line with the annual performance plans and the money that Parliament appropriates to the departments.

We must use all the tools of oversight to ensure delivery of services to the people. Oversight activities, motions, questions to the executive and debates must be aimed at holding the executive

accountable on the basis of the announcements made during the policy debates. More time, therefore, needs to be allocated to oversight. The manner in which we programme our business in Parliament must make this possible.

As we build on the experiences and successes of the fifth National Council of Provinces, we shall continue to implement oversight programmes like Taking Parliament to the People, Provincial Weeks, Oversight Weeks and others fashioned by those who came before us. All these programmes must serve one purpose, which is overseeing the implementation of the priorities referred to above. The House Chairperson ... [Interjections.]

Maybe I should conclude by saying that we will table the speech and relevant documents as indicated. Thank you very much. [Applause.]

Mr T J BRAUTESETH: Hon Deputy Chairperson, hon Chairperson who has just spoken, hon members, fellow members, this Parliament is embodied by the members of the National Assembly and the NCOP on the mandate provided by the electorate of South Africa.

We are the lynchpin between the factory worker, the corporate class, the entrepreneur, the student, the homemaker and the executive to which the management of this country is entrusted. In simple terms we are the representatives of the people who must ensure efficient

government, hold the executive to account and work towards enacting sensible laws in the best interests of the people.

We should therefore consider the following: Are we the people's Parliament or the House of rubber stamps?

We have all been selected here by individual parties. So, when the executive fails in their mandate, do we admonish them as we must? Or do we seek to protect them and defend the indefensible? And if we do criticise, is that criticism constructive to forge a greater consensus of good ideas? Do we ensure that our various interactions lead to innovative legislation that ease the load of the people who put us in this House? And finally, do we seek to be agents of cohesion in intergovernmental relations between the provinces?

I would say we have become complacent in our business by becoming too comfortable in maintaining the status quo. We encourage the populace to dream of new cities complete with bullet trains, but we would not dream of changing anything in this institution.

The current budget is close on R500 million short of where it must be. The budget cuts across government are as a direct result of a decade or more of financial mismanagement by the executive. The budget also contains no key performance areas as all other department budgets do. There are also no clear legislative or

accountability objectives in the budget and there is certainly a massive lack of measurement criteria.

So, will we accept the inevitable and carry on as normal? Or will we find a new more efficient way of doing the people's business? As encouraged by the lyrical poetry of the great songwriter, John Lennon, I suggest that we imagine. Imagine refocusing the formulaic tradition of Parliament to the people to create a foundation for a specific inquiry into the best ways to bring together the experiences of provinces in a co-operative fashion and find the best solutions to the way forward. There are numerous interventions provided to the House in terms of sections 139, 154 and 216 of the Constitution, but, sadly, these are rarely if ever used to any real effect.

Imagine that we do not attempt to outdo the National Assembly and its committees and its oversight, but complement those efforts with the zeal to formulate effective amendments to existing legislation. Or, if required, draft new legislation to create new solutions to old problems.

Whilst oversight is important to our role, it rarely has any effect, with most oversight reports acting as scrap paper or fillers for the notorious file 13.

Instead, this House can be the catalyst to bring provinces together out of our parochial silos, to enact intergovernmental interventions and legislative innovations.

John Lennon's song *Imagine* has the following lyric:

You may say I'm a dreamer ... But I'm not the only one.

The people of our country want us to imagine. However, not necessarily of shining cities on the hill. They want us to imagine us doing our jobs. They want us to imagine fulfilling the mandate that they and the Constitution have given us. They also want the NCOP to empower its members and committees to be bold, daring initiators of new legislation and not simply the acquiescent receivers of legislative mandates from the executive or from the National Assembly.

We must break free from the constraints of decades of tradition and play meaningful roles in our provinces in our country.

Where the DA governs, we have indeed dared to imagine and deliver. We have engaged in finding new solutions to the challenges of energy, water management, city governance, crime eradication and economic development.

To be clear, I do not list these achievements out of a sense of superiority, but rather as a statement of potential co-operation. We have learnt a great deal of lessons in government, and we would like to share those lessons with the rest of the country. We would like to imagine and realise a climate of consensus-building in this House that will lead to a new, vibrant way of conducting business for the betterment of our people.

The DA extends its collective hand to this House. We are ready to help. Let us not waste this opportunity. Let us dare to imagine. I thank you. [Applause.]

Ms W NGWENYA: Hon Deputy Chairperson, hon Chairperson, hon Chief Whip, hon members and fellow South Africans, it is indeed a great pleasure and an honour for me to deliver my maiden speech in this House on this important topic of the Budget Vote No 2 - Parliament, happening under Parliament's theme for this year which is, "Following up on our commitments - 25 years of democracy."

In aligning to this theme of Parliament, allow me to quote an eminent African scholar, Ngugi wa Thiong'o, who once said, "The shortest way to the future is via the past."

This is so important because as we try to make the future of South Africa better, we will be reflecting on our past actions so as to

follow up on the commitments we made in the past, especially the commitments made in the Fifth Parliament.

Hon members, we are aware of the component of members support as one of the key functions of one portfolio as per the Rules of this House. In the Fifth Parliament, it was co-ordinated through a structure called Members Support Forum. It was co-chaired by both House Chairpersons from both Houses responsible for members' interests in their respective Houses. Whether this structure will be reviewed in this Sixth Parliament is dependent upon you, hon members.

Some of the key issues that fall within this portfolio include the following: training, travel, catering, research, library services, information systems, accommodation and other member support services. Members have already received some of their tools of trade and other services are being rolled out. Members who still have challenges with one or more of these services can contact me. My office door is always open.

However, there are other immediate issues that we must deal with in this term, such as the following: space and accommodation. Members might have seen the construction work that is currently taking place, especially in the NCOP. This is because the current design of the parliamentary precinct is not conducive to meeting the spatial needs of members.

Nizovumelana nami ukuthi nanoma kune-Joint Sitting ngale kuMkhandlu kaZwelonke sihlala ngathi siyizinhlanzi ama-sardine thina singamalungu woMkhandlu kaZwelonke weziFundazwe. Asikwazi ukulula izinyawo, ukunyakaza futhi siminyene ngani ngoba lezi ziNdlu noma le Ndlu yoMthetho eyakhiwa yayakhelwe abantu abayincosana ngalesiya sikhathi sobandlululo. Yayingakhelwanga thina abohulumeni bentando yeningi.

Namahhovisi ethu niyawabona ukuthi anjani. Angikhulumi ke okwama-boardroom ethu, uma kunoMnyango noma abezindaba asilingani sonke siyaminyana. Ngiyethemba ke ukuthe lesi sabelomali ezophasiswa namhlanje izokwazi ukuthi yenze zonke lezi zinsizakusebenza.

Sihlalo, ngivumele ngikhulume ngeZobudlelwano Namazwe Omhlaba.

(Translation of isiZulu paragraphs follows.)

[You will agree with me that when there is a Joint Sitting in the NCOP, we members of the National Council of Provinces sit close to one another as if we are sardines. We cannot even stretch our legs or move a bit; we sit tightly together, close to one another, because these Houses or this Legislative House was built for the minority during the apartheid times. It was not built for us who run a democratic government.

You are also aware of how our offices are designed, let alone our boardrooms. The doors are narrow and we do not fit. I hope,

therefore, that the Budget that is going to be passed today will be able to cater for all these facilities.

Allow me to speak about the issues in respect of International Relations Cooperation.]

As hon members will know, one of Parliament's functions is to participate in international relations and the ... [Inaudible.] ... international law instrument. The so-called parliamentary diplomacy ... our participation in it occurs at two levels. The first one is the institution which includes legislative processes such as the ratification of treaties and protocols.

To this end, section 231 of the Constitution provides that an international agreement binds the Republic only after it has been approved by resolution in both the National Assembly and the NCOP, unless it is an agreement referred to in subsection 3. Subsection 3 provides that an international agreement that does not need the approval of Parliament in both Houses must still be tabled in Parliament within reasonable time.

The second level at which our Parliament's participation in parliamentary diplomacy occurs is at the level of orthodox diplomacy. This includes bilateral diplomacy, which aims to strengthen co-operation with other parliaments and thus to strengthen the ties of people as well as multilateral diplomacy,

which may be regional like the Southern African Development Community, SADC, continental like the Pan-African Parliament, PAP, and global like the Interparliamentary Union, IPU, or the Commonwealth Parliamentary Association and Brics.

Amalungu ahloniphekile azovumelana nami ukuthi lokhu kulukhuni kakhulu, ikakhulukazi isigaba sesibili sobudlelwane esibizwa ngokuthi i-orthodox diplomacy. Ngakho-ke ukuze iPhalamende likwazi ukwenza lokhu libe selivumelana ngohlaka olusemqulwini oluyisihloko esithi "Policy perspectives and operational guidelines for Parliament's involvement and engagement in international affairs."

Lo mqulu uqukethe izinjongongqangi ezichaza kabanzi ngenkambiso enhle ezindabeni zamazwe omhlaba. Kodwa-ke kuzomele ngisheshe ngichaze ukuthi lo mqulu kwakuvunyelwane ngawo kulePhalamende lesihlanu esibuya kulona. Lo mqulu udinga ukubuyekezwa phecelezi-review. Lokhu kungenye yezinto ezingama-legacy projects okumele kwenziwe yileli Phalamende lesithupha leli esikulo njengamanje.

Imithetho Ehlanganyele yePhalamende - Joint Rules 128 to 130 - nayo isungulwe yibhodi elibizwa ngokuthi i-Parliamentary Group on International Relations, phecelezi i-PGIR, elihlanganise amalungu eSishayamthetho kuZwelonke kanye namalungu oMkhandlu kaZwelonke Wezifundazwe bese liba nenhlanganisela yoSihlalo beziNdlu zombili ababhekene nobudlelwano namazwe omhlaba, okuyibona abakha ukuxhumana

babe sebeyabika ngomsebenzi wePhalamende ezindabeni zobudlelwane namazwe omhlaba. (*Translation of isiZulu paragraphs follows.*)

[The hon members will agree with me in saying that it is very difficult, especially the second phase of relations known as orthodox diplomacy. Therefore, in order for Parliament to be able to do this, it agreed with the framework that is in the manual entitled, "Policy perspectives and operational guidelines for Parliament's involvement and engagement in international affairs."

This manual contains the basic objectives that broadly define the proper procedure in respect of international affairs. But then I have to quickly explain that it is the Fifth Parliament that had agreed on this manual. This manual needs to be reviewed. This is one of the legacy projects that needs to be attended to by the current Sixth Parliament.

Joint Rules 128 to 130 were also established by the board referred to as the Parliamentary Group on International Relations, PGIR, which is the joint members of the National Assembly and that of the National Council of Provinces, as well as the joint House Chairpersons of the two Houses on International Relations and Co-operation, who are responsible for communication and give report on the work of Parliament on matters in respect of international relations and co-operation.]

As one of the Houses of Parliament, the NCOP participates in multilateral and bilateral relations of Parliament. Some of the multilateral relations the NCOP was involved in in the last term, include the Commonwealth Parliamentary Association, CPA, the Interparliamentary Union, IPU, the African, Caribbean and Pacific – European Union, ACP-EU, Forum, the Pan-African Parliament, PAP, the SADC Parliamentary Forum, SADC-PF and the Brics Parliamentary Forum, Brics-PF. We will be continuing our participation in these bodies in this term of Parliament.

The responsibilities for these relations are shared between the two Houses and in the Fifth Parliament the NCOP was responsible for the CPA and the PAP. This means the Chairperson of the NCOP was the leader of the South African Parliament's delegations to these bodies.

There is also another body, the Association of Senates, Shooraa, and Equivalent Councils in Africa and the Arab World, ASSECAA, which is normally led by the NCOP, but Parliament's participation in this body was suspended in the Fifth Parliament. Some of the reasons for this were concerns regarding its strategic importance to Parliament and large amounts of affiliation fees owing. This is another legacy projects that Parliament, NCOP in particular, must deal with in this Sixth Parliament.

There are other international relations-related issues contained in the Legacy Report that this Sixth Parliament should deal with such as the conclusion and signing of the Draft Protocol on the Brics Parliamentary Forum, but I would not want to bore you with the details thereof. However, members can easily access this Legacy Report through various parliamentary platforms.

I have already met with my counterpart in the National Assembly, the hon Ntombela, and we have agreed that we must soon have a workshop on international relations participation. Out of this workshop we should come up with a framework that will guide our dealing with these issues as well as our participation in the international forums in this Sixth Parliament.

The Parliamentary Group on International Relations, PGIR, will then, hopefully very soon, agree on these guidelines and submit them to the Joint Rules Committee for approval. These will include the formula on the composition of delegations as well as that for the focus groups on these bodies.

Despite the challenges in the fifth term, there were still some achievements such as the fact that the PGIR was able to meet regularly and endorse delegations' reports. Additionally, Parliament hosted the following international relations events: In July 2015, we hosted the 37th Plenary Assembly Session of the SADC-PF in Durban under the theme "Industrialisation and Integration in SADC - the

role of Parliaments". In November 2015, we hosted the Conference on Statelessness here at Parliament in partnership with the IPU and the UN High Commission for Refugees, UNHCR.

Key resolutions emanating from our international relations participation included the following: CPA, IPU and SADC-PF have adopted the benchmarks for democratic legislatures which serve as a best practice model and blueprint for the operations of democratic parliaments, and Parliament was fully behind these.

At SADC-PF, South Africa is championing the transformation of this body into a legislative assembly Parliament of the SADC. The Conference on Statelessness in 2015 identified parliamentary strategies to support the UN High Commission for Refugees campaign to end statelessness within 10 years through the 10 Point Global Action Plan.

At CPA, Parliament is lobbying and pushing for the change of its status as a charity organisation. This is now an African position. The 24th South Africa – European Union Interparliamentary Meeting in 2017 resolved to strengthen the relationship between the EU and South Africa despite the Brexit. [Interjections.] Alright. Chairperson, I thank you. [Time expired.] [Applause.]

Moh N P KONI: Motlatsamodulasetilo, ke rata go tsaya tšhono eno ke dumedise balwantwa go tswa kwa diporofenseng di le robongwe ...

(Translation of Setswana paragraph follows.)

[Ms N P KONI: Deputy Chairperson, I would like to take this opportunity to greet all the fighters from the nine provinces...]

... the EFF voters, the followers, the supporters, more especially, the ground forces. Deputy Chair, the Fifth Parliament will be remembered for the work of the EFF. Before our arrival in this Parliament it was nothing more than a rubber stamp for the executive of this country, and was unable to hold the executive to account. Our participation in this Parliament brought vibrancy, energy and dynamism to a lifeless institution.

We were also able to present new approaches and ideas on how to develop this country and deliver services to our people. Many of the milestones of this Parliament we were able to achieve in these last five years is a reflection of the seven cardinal pillars of the EFF. The first cardinal pillar is expropriation of land without compensation which is going to happen. The EFF will make sure that it is done. Last year on 27 February, the EFF tabled the historic resolution which was supported by the House and called for the establishment of a Joint Constitutional Review Committee to review and amend Section 25 of the Constitution to allow government to

expropriate land without compensation for equal redistribution, and it's going to happen.

This was one of many progressive motions we tabled in this Parliament, but there are many more. We tabled motions calling for free decolonised education, and a presidential pardon for all students who are being punished and victimised for their involvement in the #FeesMustFall movement and the struggle for insourcing. We tabled a motion for mineworker's salaries and working conditions to be improved, but the same ANC government, which massacred people in Marikana, rejected this proposal.

We tabled a motion that all apartheid laws that still govern South Africa today be repealed. We cannot allow racist legislation to exist 25 years into our democracy, but it was rejected by the ANC government. We tabled a motion for the nationalisation of banks. These are just examples of the motions we have tabled and there are many more, in both Houses of this Parliament, the NCOP and the National Assembly. It is because of the tireless work of the EFF that people today know what is happening in Parliament.

We were ridiculed, laughed at and called very bad names for our attitude and our principle that the constitutional delinquent Jacob Zuma must be held accountable for his actions and pay back the money, and he did. It is because of the EFF's motion that Jacob Zuma took the wise decision to resign. Anyone who thinks they can come

into this Parliament and undermine Parliament while the EFF is here ... you are mistaken. You will learn one way or another.

It is because of our work in the institution that government officials fear coming to Parliament because they know they will be held accountable by the EFF. In the Sixth Parliament, we will only continue on what we have already achieved over the previous five years. We will continue to be at the forefront of the expropriation of land without compensation – that is our pillar number one and it is non-negotiable. In Parliament we are going to influence the amendment of the Land Redistribution Act and Agrarian Reform Act.

This will form the legal basis on which we will then distribute and allocate land to our people. That is why Parliament must establish an ad hoc committee which will look into exactly how the Constitution will be changed and by when this process will be complete. We cannot continue to delay the critical issue of land redistribution; it is long overdue.

As parliamentarians, it is our duty to legislate and pass laws. It must not only be the executive arm of government who does this, or the House will become nothing more than a rubber stamp. In the past, this Parliament only dealt with legislation tabled by the ANC government alone. This is because of the laziness of previous opposition parties, and also because Parliament simply does not have

the capacity to legislate and support Members of Parliaments who tabled Private Members Bills.

Researchers are poorly trained, underpaid and overworked, the same with content advisors. Some of them don't have clue of what is happening while others are just overloaded with work. Members of Parliament are being sabotaged while carrying out their electoral mandates simply because the support office for Private Members Bills does not have the necessary resources available. This needs to change in the Sixth Parliament because, in this new Parliament, the EFF will once again be tabling legislation that will change the lives of our people and the development path of our country.

That is why we will be tabling legislation for the following: the insourcing of all workers providing services to government; for all clinics to be open 24/7; for the Reserve Bank to be nationalised and to bring an end to the practise of illicit financial flows that robs our country of billions every year. These are just some of the pieces of legislation the EFF will be presenting in the Sixth Parliament, and for that to happen, a well-equipped legislative office is needed.

In this new Parliament, we also cannot continue to see an abuse of power by Speakers, but we have already gotten off to a wrong start. We have seen how EFF members in both Houses of Parliament have been unfairly victimised by ANC-deployed Chairpersons. If this unfair

treatment continues, we will need to escalate this behaviour to the Rules Committee and, if necessary, to the courts. Chairpersons are meant to be nonpartisan and must be able to rise above the noise when debates get heated and when issues are robustly discussed. They are not here as members of the ANC but as presiding officers.

At the same time, Parliament must ensure that it has the necessary staff to support members and allow Parliament to carry out its mandate. All vacancies need to be filled, and we cannot continue to have crucial roles like the Secretary to Parliament employed as an Acting Secretary to Parliament. She must be employed on a full-time basis.

What is just as worrying is the fact that Gengezi Mgidlana continues to receive a salary of R2,9 million while there is clear evidence that he was involved in the looting of Parliament's funds. We need a parliamentary staff and parliamentary office that is nonpartisan, qualified and not corrupt. It is because we do not have such an office that the language services of this Parliament have collapsed.

You can find nearly any parliamentary document in English and Afrikaans, and debates in those two languages are always translated. But when it comes to the African languages there is no documentation, and it is always a struggle to find translators. We have written to the Acting Secretary to Parliament this year as EFF, asking him to provide interpretation services for committee

documents, and for debates in plenaries, as many of our members do not speak English or Afrikaans as a first language but, despite our requests, our members continue to be denied these basic services.

It is a disgrace that this Parliament cannot provide translation services when the majority of Members of this Parliament, irrespective of party, use an African language as their mother tongue. This is blatant sabotage and prevents our members from being full participants in this Parliament. We will fight until we have documents in our language and until we have translators in all House sittings and committee meetings. A typical example is this podium that I'm standing at which has no interpreting. If somebody were to ask me a question in Afrikaans, it would be very difficult for me to respond to the question.

In this new Parliament we must also do away with the white shirt bouncers, who beat us here illegally. There is no reason for Members of Parliament to be manhandled and abused by the South African police. We are Members of Parliament who are simply carrying out our mandate and holding this government to account. We must not be beaten up by them.

Finally, we call on all workers in the parliamentary precinct to be insourced and for all food consumed on the premises to be produced in South Africa. The expenditure of this Parliament must be used to boost local production and create local jobs. There is a lot more

that could have been done with this Parliamentary budget, but because there is nothing, the EFF rejects it. Thank you.

Mr D R RYDER: Hon Chairperson, hon members and fellow South Africans, the business of Parliament is mandated by an entire chapter in the Constitution. Parliament is an institution that is a cornerstone of our young democracy and yet its Budget Vote is often neglected due to its comparatively small size and apparent simplicity. Let's change that today.

The work of Parliament is central to the relationship between government and the people. We are the jam in the sandwich that gives the meal its substance. This is the forum where the men and women in the street get to hear issues that are close to their hearts tabled and debated. Or it should be.

The NCOP is perhaps the most accessible and important mechanism through which the ordinary people can engage with national government, and yet we are failing in this. Parliament has failed to hold the executive to account. Parliament is failing to discuss real issues that affect real South Africans.

The battles during the Fifth Parliament to get Ministers to attend Members' Statements coupled with the protection of the executive and of the President by the Speaker – who is supposed to show

independence and be nonpartisan – meant that Members of Parliament were restricted in their oversight work.

The careful selection of noncontroversial topics for debate, especially in the NCOP, was a severe limitation on dealing with real issues facing South Africa.

The long recesses of 2018 and 2019 due to the ruling party trying to sort out its personality disorders were not helpful to the running of this country.

The Constitutional Court ruled in March 2016 that Parliament had failed in its duties. We have commissions of inquiry sitting as we speak here today, doing the work that Parliament should have done and should be doing. And while I talk of Parliament's failures, we must never forget that the late Mr Lennox Garane, an erstwhile employee of Parliament, sent a letter to the Joint Chairs of the Standing Committee on Financial Management of Parliament, a letter which was described as a cry for help. May Mr Garane's soul rest in peace. Our duty, as those who remain here, is to determine what we can do to address the issues that led to his despair.

Yet now, Mr Chairperson, we are presented with a business-as-usual budget which is essentially a repeat of previous budgets, cut and paste, with the numbers slightly amended. Where is the funding for oversight? Where is the budget for training to ensure that all

members are empowered to do their work effectively? It is not only the Deputy Chairperson that would benefit from training on the Rules. Yet we see this funding diverted to fill the holes that were created by the rampant theft that is state capture. "Is" not "was". State capture continues today.

We call ourselves a Peoples' Parliament. Yet, how often is time allocated to discuss matters raised by the people of South Africa? The discourse of Parliament is too often focused on the matters that the executive wants us to discuss. The executive sets the agenda for Parliament. How can that work? We are supposed to do oversight over them.

What about running more sessions to get through more of the peoples' business? When will we make time to debate issues coming from petitions submitted to Parliament, from letters that have been sent to us by civic organisations and the men and women in the street? When do we really become the voice of the people? Certainly not with this appropriation.

The eyes of South Africa are on us. Do the people see an exchange of ideas? Do they see plans being discussed that will make a tangible difference in their lives? Or do they see people sleeping in the benches? Or perhaps playing Candy Crush? Do they see childish outbursts and threats of physical violence?

We have a new Speaker of the NA. We have a new Chairperson of the NCOP. This is our opportunity to turn Parliament into a working, effective and, above all, responsive institution. I will not dwell on the anarchist behaviour of a small minority who prefer to destroy. It is up to the rest of us to work together and make this Parliament a place where South Africa's problems are resolved through an exchange of ideas, constructive debate, negotiation, with workable solutions developed and rolled out.

The NCOP is supposed to be a place of sober thought where the resolutions of the NA are considered and tempered through a less-politically charged furnace, where the impacts of legislation on the population are carefully considered.

Respect is earned, but so is ridicule. We in the NCOP cannot carry the derogatory label of Shady Pines any longer. We have it in our power to elevate the debate of the NCOP to a level where we regain the respect of South Africans by shedding the complacency, the self-importance and entitlement and by doing the work that South Africans really need us to do.

Mr Chair, do you really believe that the officials desire a changed Parliament or are they comfortable in their rut? Constructive change will not happen if we leave the drawing up of budgets to administrators who don't desire change because it might cause them to come out of their offices and do some work.

Take ownership, hon Chair! Stamp your authority with some new thinking, some fresh ideas and some political will to elevate this House. Re tswelapele kaofela. [We are going forward together.] Thank you. [Applause.]

Mr S E MFAYELA: Hon Deputy Chairperson, I would like to start off by quoting one of my favourite African proverbs that says "If you want to go fast, go alone. But if you want to go far, go together." These words must become our creed as the Sixth Parliament so that we work together to achieve excellence. Our strength as Parliament must find its roots in our collective efforts to ensure that our beloved state receives the intended reform and development it requires.

The NCOP is arguably the House that is the most connected to the life blood of this country. In acknowledging such, we must do everything possible to ensure that full public participation in this country is not only inclusive but also seeks to educate and empower our communities.

The strategy of Taking Parliament to the People is a good idea. However, I believe it needs further funding, attendance and added activities. Taking Parliament to the People must be able to give people the opportunity to engage and understand parliamentary activities. As the IFP we propose that the programme of Taking Parliament to the People be further developed and that Parliament visits a different sector in each term.

Our constant visit each year in the third term must be to take Parliament to the universities in South Africa. Over five years, Parliament should visit all the universities of this country and seek to answer questions that the youth may have and also educate the youth as to the importance, need and role of our Parliament. We all believe that the youth is our future and the only way to impart knowledge and set the next generation on the right path is to educate and involve them now.

The programme will certainly require more funding, but we must also seek to plan for the future and make Parliament a place that the youth will recognise and be comfortable in. For this reason, we think that added infrastructure for video conferencing needs to be implemented in Parliament.

As part of the move to the Fourth Industrial Revolution, all committee rooms must be fitted with video conferencing in order to avoid the costly flights for members who only need to attend one meeting. Video conferencing can bridge the gap between distance and the importance of members' attendance of committee meetings. Last week, a simple Joint Programming Committee meeting required members to fly in from all over the country. Video conferencing would reduce this burden on the state. It may also assist and add capacity for summoning people through video conferencing in a more cost-effective manner. These further assist Parliament ... We support the Budget Vote. [Time expired.] [Applause.]

Mr S F DU TOIT: Deputy Chair and hon members, do we, as Members of Parliament, realise what an exceptional privilege and great responsibly it is to serve our people and our country, this beautiful South Africa, in this House?

The hon Masondo indeed said that we must act to the benefit of the people.

As a new member, I was struck by the realisation that some members are only focused on disrupting proceedings, intimidating, harassing and demeaning fellow members to the extent that they attempt to sabotage any form of productiveness and a positive contribution. It seems that they have forgotten that Parliament is elected to represent the people. They have forgotten that the mandate of Parliament is based on Chapter 4 of the Constitution of the Republic of South Africa. Section 44(4) determines that Parliament is, in the exercise of its legislative authority, bound by the Constitution and must, therefore, act in accordance with, and within the limits of the Constitution.

Yet, some members seem to be under the mistaken impression that they are untouchable, that their sins and crimes committed to ensure state capture will go unpunished, that their sinister plot to plunder our country's resources under the cover of VBS Mutual Bank will go unnoticed, that they can simply intimidate, ridicule and

threaten those who call them out, while ignoring the Constitution and the rights it protects and the values it embodies.

Agb Voorsitter, die algemene uitgangspunt van die ANC, in bykans alle komitees, is omkeerstrategieë wat daarop toon dat wit moet uit en swart moet in. Dit is lafhartig van die ANC om alle probleme wat in die verskillende departemente ondervind word op die blanke te blameer. Hulle verwys na kleur - dit is hoekom ek dit noem - en ons moet dit verdedig.

Dit raak so absurd dat die Afrikaner nou somer blameer word daarvoor dat toeriste nie meer Suid-Afrika wil besoek nie, aldus die voorsitter van die parlementêre Portefeuljekomitee oor Toerisme. Hierdie opmerking is gemaak nadat Toerisme SA in sy jaarverslag aangedui het dat die debat oor grondonteiening sonder vergoeding as een van vyf sleutelkwessies geïdentifiseer is wat 'n negatiewe persepsie veroorsaak en 'n invloed het op internasionale toeriste wat Suid-Afrika wil besoek.

Die uitsondering van die Afrikaner in hierdie verband dui eendersyds op 'n ontkenning dat ander rassegroepe in Suid-Afrika ook bekommerd is oor die regering se planne om grond te onteien sonder vergoeding, en andersyds op die regerende party se voorliefde vir blaamverskuiwing in stede daarvan om eienaarskap te neem vir sy eie mislukkings.

'n EFF-parlements lid het tydens die begrotingsdebat van die Departement van Openbare Werke en Infrastruktuur aangedui dat Afrikaans 'n walglike taal is. (*Translation of Afrikaans paragraphs follows.*)

[Hon Chairperson, the ANC's general point of departure in almost all committees is that of turnaround strategies, which points to white people leaving and black people entering. It is cowardly of the ANC to blame white people for all the problems that are being experienced in the various departments. They are referring to colour - that is why I mention it - and we need to defend it.

It is becoming so absurd that the Afrikaner is now simply blamed for tourists no longer wanting to visit South Africa, according to the chairperson of the parliamentary Portfolio Committee on Tourism. This remark was made after Tourism SA indicated in its annual report that the debate on land expropriation without compensation had been identified as one of five key issues that cause a negative perception and have an impact on international tourists who want to visit South Africa.

Picking on the Afrikaner in this regard indicates, on the one hand, a denial that other race groups in South Africa are also concerned about government's plans to expropriate land without compensation and, on the other hand, the ruling party's preference for shifting blame instead of taking ownership for its own failures.

During the budget debate of the Department of Public Works and Infrastructure, an EFF MP pointed out that Afrikaans is a disgusting language.]

Ms N P KONI: Chairperson, I suggest that you get interpretation because I am going to speak Setswana.

Sebui mo phodiamong ga se bue nnete fa se re pusetso ya mafatshe e koba babeeletsi bao ba batlang go bula dikgwebo mo Aforika Borwa.
(Translation of Setswana paragraph follows.)

[The speaker at the podium is not telling the truth when he says that giving the land back to the people is startling investors who want to open businesses in South Africa.]

The DEPUTY CHAIRPERSON OF THE NCOP (Ms S E Lucas): [Inaudible.] You know it's not a point of order; it's a debate for another platform.

Mnr S F DU TOIT: 'n EFF-parlementslid het tydens die begrotingsdebat van die Departement van Openbare werke en Infrastruktuur aangedui dat Afrikaans 'n walglike taal is, en dat sy Afrikaans nooit sal respekteer nie. Wat sake egter vererger is dat, ten spyte van besware deur beide die VF Plus en die DA, die ANC se voorsitter aangedui het dat hy niks onparlementêr in die EFF se standpunt gesien het nie. Dit blyk inderdaad dat beide die EFF en die ANC hul grondwetlike en morele kompasse verloor het.

Deur u agb Voorsiter, ... (*Translation of Afrikaans paragraphs follows.*)

[Mr S F DU TOIT: During the budget debate of the Department of Public Works and Infrastructure, an EFF MP pointed out that Afrikaans is a disgusting language and that she will never respect Afrikaans. What makes matters worse, however, is that, despite objections by both the FF Plus and the DA, the ANC's chairperson pointed out that he did not notice anything unparliamentary about the EFF's point of view. Indeed, it seems that both the EFF and the ANC have lost their constitutional and moral compasses.

Through you, hon Chairperson ...]

... it is a great thing that would happen today where the EFF admitted that Afrikaans is indeed a language of Africa.

What furthermore creates unnecessary duplication and chaos is the fact that most departments function like islands in a vast ocean. All departments need to start operating holistically instead of moving past each other.

We as a nation have endured more than our fair share of challenges and disappointments. We have endured instances when our fundamental rights to human dignity were impaired, as illustrated by a recent incident when 76-year-old Martha Marais was tied up with her hands

behind her back on a cold hospital floor in the Mamelodi Hospital – the Life Esidimeni disaster still fresh in our minds.

Our fundamental right to life has been infringed, as illustrated by the shocking South African murders statistics, which include the most horrific and barbaric torture and instances of rape and abuse, against which our police force seems to be absolutely toothless.

The right to equality is likewise infringed, with discriminative policies such as Black Economic Empowerment, BEE, and the so-called affirmative action.

Ms N P KONI: Chairperson, can I put it on record that we are going to expropriate land without compensation and we can't be told by white supremacists how we should go about expropriating land without compensation. We are fine, we don't need advice from them. We are going to expropriate it. Thank you.

The DEPUTY CHAIRPERSON OF THE NCOP (Ms S E Lucas): Hon Koni, I've already said to you that, that is a point of debate and we are now currently busy ... [Inaudible.] Can you continue, hon Du Toit.

Mr S F DU TOIT: Deputy Chair, I'm closing on a high note.

South Africa, there is hope! We have a God that is fair and just. Without Him, we are nothing, but with Him and through Him, we can

overcome any challenge. We will therefore fear no man, we will only fear God! We will, therefore, keep up the good fight for fairness, equality and freedom.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Deputy Chairperson, hon Chairperson, hon members, Chief Whip, distinguished guests, ladies and gentlemen, let me take this opportunity to thank you for allowing me to make a brief input in this august House on the first budget debate in the Sixth Parliament.

The Chairperson of the Council has covered many of the areas that are worth noting for the purpose of today's debate. However, I wish to take a few minutes and build on his valuable input, focusing specifically on the role committees play in ensuring that the NCOP delivers on its constitutional mandate.

The committee section leadership has, in the previous term, worked hard to ensure that the functioning of committees is improved. This was achieved through the provision of skilled and qualified human resources to various committees, such as content advisors, committee secretaries, committee assistants and executive secretaries. The aforementioned staff ensured that committees received the necessary content, logistical and procedural support necessary to take the work of Parliament forward. The work of executive secretaries in providing support to chairpersons of committees is highly

commendable and I hope they will continue in that vein in order to lighten the burden of these hard-working hon members.

I really needed to start with committees as they are the engine room through which the NCOP can attain its vision. The centrality of committees to the work of Parliament was further amplified by the unavoidable urgency to elect chairpersons to set the ball rolling for the Sixth Parliament term. The work of the NCOP, therefore, is mainly organised and pivoted around committees. The budget presented before us today is the enabler that will keep the engine running.

In support of the work of committees, the Committees Section improved its performance in achievement of targets and producing minutes and reports. I am hopeful that the support provided by committees will improve in this term through the budget which is tabled before us today.

A quick glance at statistics will indicate a total of 1 504 meetings of committees and subsequent minutes and reports in the past term. This accounts for the Committees Section achieving 97% of the set target of 90% for the production of minutes. Furthermore, the section achieved 97% targets for production of reports when its set target at 95%. We look forward to more success stories which will translate to the betterment of the lives of the people and tangible footprints in the provinces for whose interests we champion in this august House.

With a lot of housekeeping matters now out of the way, we are now looking at the next step in which committees will adopt their strategic operational plans to indicate clearly how they will perform their tasks. For this to take off, we need a healthy budget. Without a doubt, as soon as the NCOP has consolidated its planning process and has agreed on its approach to tackle the Sixth Parliament, committees will then break these down into simplified tasks and clear timelines.

Hon members, lawmaking remains a key strategic outcome for Parliament, consistent with the national legislative powers bestowed on Parliament by the Constitution. The Constitution places the obligation on Parliament to involve the public in its legislative process in keeping with the principle of an open and democratic society.

We have seen value in keeping the electorate abreast of the lawmaking process. In fact, we are adamant that the country was able to deliver successful national elections because voters are becoming aware of the role they need to play in a democratic project which also involves lawmaking.

We are ready to maintain that approach as a way of paying homage to the Constitution of our beloved Republic. We will continue to embrace the public participation model through day-to-day operations in the hope that this will improve accountability and transparency.

The Bills Office attends to the publication of Announcements, Tablings and Committee Reports, ATCs, and the processing of legislation. With regard to legislation, a register was developed for the Fourth Parliament and was adjusted so that the same information could be captured in respect of all Bills processed in the Fifth Parliament. This register assists the office in tracking information of all Bills. We look forward to an improved mechanism and envisage that a more interactive tracking system will be available this term.

Between 2018 and 2019, 46 Bills were passed by committees to strengthen oversight. We saw the principle of the public participation model at play, even in the process of processing Bills. As alluded to by the Chairperson earlier, one of the guiding principles of the model is the promotion of active and representative participation towards enabling all committee members to meaningfully influence decisions that affect their lives.

Madam Deputy Chairperson, as you are aware, the Constitutional Review Committee embarked on an extensive public participation process on the possible review of section 25 of the Constitution. This is just one example of public participation activity undertaken by committees. All provinces were visited and a call for submissions was made. Oral submissions to the committee were also concluded in Parliament, ensuring that all citizens received a fair opportunity.

This large-scale public participation project saw several organisations and academics coming forward to air their views. The various platforms provided an opportunity for diverse voices in an attempt at resolving our long-standing land question. A report was drafted on the possible review of section 25 of the Constitution to make it possible to expropriate land without compensation, and we can't wait to really put this one to bed.

Parliament's cardinal pillars are ensuring service delivery to the citizens of the country, exercising oversight over government implementation of policies and legislation, and holding government accountable. Key mechanisms to accomplish these include plenary sittings of the NCOP, together with the work of parliamentary committees. In fact, committees spend more time with departments receiving briefings and scrutinising reports on an array of subjects. As if that is not enough, committees go out on the ground to merge what is reported during meetings with what is really happening out there. Subsequently, these findings are reported in the House for further debate and adoption. While many may underestimate this process and often entertain the urge to parade naïve party politics, for us, this business defines our core existence.

We will continue to embrace our work through openness, responsiveness, accountability, integrity and professionalism. We are happy to highlight our relationship with the office of the

Auditor-General of South Africa. In the recent past, the NCOP has considered areas of concern as raised by the Auditor-General through the Select Committee on Co-operative Governance and Traditional Affairs, the Select Committee on Finance and the Select Committee on Appropriations. We will continue to strengthen these relations because they provide meaningful data that allow us to approach our oversight work from a scientific point of view.

In the recent past we visited municipalities in some provinces seeking their action plans for remedying negative outcomes. We will proceed to make courageous efforts through organised local government by seeking annual updates on the state of local government.

The recent report by the Auditor-General is one of the tools we will use to influence change as mandated by the Constitution.

The Parliamentary Budget Office was established in term of the Money Bills Amendment Procedure and Related Matters Act – also referred to as Money Bills and Related Matters Act in the amended Act – to strengthen the oversight role of Parliament. The main objective of the Parliamentary Budget Office is to provide independent, objective, professional advice and analysis to Parliament on matters related to Parliament and other money Bills. The analytical report presented in the Select Committee on Finance and the Select Committee on Appropriations includes budget analysis, economic

policy and fiscal briefs, and research reports related to money Bills and other public finance and departmental matters.

The evidence-based analytical advice to committees assists members to make scientifically backed public finance oversight decisions. In addition to these outputs, the Parliamentary Budget Office also facilitates discussions on the fiscal framework, Division of Revenue Bill, Appropriation Bill and the Medium-Term Budget Policy Statement, MTBPS.

Since its inception, the Parliamentary Budget Office has built several strategic relations at national, continental and international level. These relations serve as an important source of information and skills transfer to further strengthen the technical capacity of the Parliamentary Budget Office. At a continental level, the SA Parliamentary Budget Office is one of the funding budget offices that established the African Network of Parliamentary Budget Offices. The first three conferences were hosted by the South African Parliament and the next one will be hosted by the Parliament of Ghana next month, August 2019.

This conference has laid a strong foundation for the exchange of best practices by the Parliamentary Budget Office to enhance Africa's public finance oversight and accountability framework. The Fifth Parliament has, in the main, seen strengths, weaknesses as

well as opportunities, which at this point I wish to reflect on briefly.

With reference to the work of committees, I am thrilled to indicate that we have seen better co-ordination in terms of the general work of committees. For instance, the Finance committee of the two Houses received joint briefings by various stakeholders. I am excited to know that this approach has yielded positive results. It accelerated deliverable outcomes and subsequently cut down on the cost of Parliament and of various stakeholders that have to make appearances on the same content but at varying intervals.

We have also seen the same pattern from other committees such as Education and Social Services. Our position is that these are committees of the two Houses with unique mandates but which co-exist. As such, we will continue to motivate for this joint approach where it is possible.

My counterpart in the NA and I convened joint committees of chairpersons to look into the legislative programme oversight activities and any other work of committees. We have also jointly chaired parliamentary budget offices alluded to earlier. Equally significantly, our relations have seen the success of these joint committees.

Parliamentary committees also play a key role in assessing and ensuring that legislation passed is both effective and has a positive impact on the lives of the most vulnerable in society, recommending changes where necessary to the two Houses of Parliament.

Over the course of the Fifth Parliament, the institution implemented various information communications technology, ICT, initiatives to modernise parliamentary processes and increasing accessibility and public involvement as well as contribute to Parliament advancing its contribution to openness and transparency. For increased accessibility and public involvement, Parliament's website was enhanced to a new technology platform which has saved Parliament costs since it is maintained by internal resources. In addition, it is also easier for content owners to use this in places of ownership and accountability.

I wish to use this last part to challenge all of us seated here to take advantage of these available platforms to improve our work. This will ensure that we are not left out of the Fourth Industrial Revolution and are at the same time sensitive to the environment. The less paper we use the more we preserve the environment. That is why any person who will come after me must not attack me for using an iPad. All of us, as hon members, have been given these tools to use as hon Members of Parliament. I support the Budget Vote of Parliament. I thank you. [Applause.]

Mr M NHANHA: Hon Deputy Chairperson, I was surprised that hon Koni was quiet. Apparently, she was gathering some strength.

Hon Chairperson, Deputy Chair, hon members, fellow South Africans, this Parliament has failed at being an effective institution for the people. It has also failed at providing the much needed leadership during the dark days of the nine wasted years of Jacob Zuma. This institution could learn a few lessons from the successful government across the country and how effective and transparent leadership existed during these dark days of state capture.

Hon Nyambi, you do not need to go to Ghana to learn best practises, my friend. Adjacent to the Gamtoos River Valley in the Eastern Cape, there is the less-talked-about Kouga Local Municipality governed by the DA. With such a style of leadership, initially it was under the stewardship of a former member of this House, hon Elza van Lingen. May her soul rest in peace. The present Executive Mayor, Councillor Horatio Hendricks of the DA, has turned around the fortunes of this municipality. So, let me mention a few of these successes ...

... kungenjalo kungatshona ilanga ndinibalisela. (*Translation of isiXhosa sentence follows.*).

[... otherwise the sun will set while I am still telling you.]

In October 2017, we launched a service delivery call centre and an app. It was the first of its kind in the Eastern Cape bringing service delivery closer to communities. In Kouga Local Municipality we have not had a service delivery-related protest in the last two years. We have delivered 3 600 wheelie bins to disadvantaged communities in Kouga Local Municipality with more than 20 wheelie bins to follow in all the households of Kouga. We have also had recycling bins distributed around the schools because we are mindful of the environment.

The municipality is launching a R12,5 million project to upgrade the Jeffrey's Bay beachfront. Koni, you do not have a beachfront where you are from, so you would not know this.

In 2018, 1 688 title deeds were distributed. From 2017 we have electrified 531 erven at an informal settlement and 208 RDP houses and have connected electricity to 116 homes in Humansdorp. We are pioneering the first road in Africa made from plastic waste. This opportunity was presented to the Eastern Cape legislature two years ago but was rejected due to their lack of vision and innovation. They never believed it could be done.

We also rolled out a road repair and resealing programme throughout Kouga with 3 131 potholes having been repaired in the last seven months. We have unlocked employment opportunities for 427 youth from 2018 to date through apprenticeships in plumbing, electricity and

finance. These young people did not receive these opportunities through cadre development or nepotism or by having to have an intimate relationship with a councillor before they could be employed. They received these internships based on freedom, fairness and opportunity for all because they are South Africans, after all.

Because this is the DA's style of accountable leadership, the DA is setting the example for others to follow. In the spirit of co-operative governance, this Parliament could learn from the leadership of Kouga on how to better serve and meet the expectations of South Africans.

Ndisatshaya, enkosi kakhulu. (*Translation of isiXhosa sentence follows.*)

[Thank you, thank you very much.]

The CHIEF WHIP OF THE COUNCIL: Hon Deputy Chairperson, hon Chairperson of the NCOP, hon members, ladies and gentlemen, allow me to first recognise the manner in which the Chairperson of the NCOP, hon Masondo, gave an account of the spending priorities of this House over the last financial year and outlined the strategic priorities of the coming period ahead. Hon Deputy Chair, I must say upfront that I do agree with the meaningful contributions some of the members made with their inputs.

I will go back to those inputs as the Chief Whip and look into some of the suggestions that were raised by hon members, particularly as they relate to bringing together experiences of provinces to learn, complement and consolidate the best practices that must be shared amongst all South Africans. Some of the issues require that we make an effort to ensure that we cultivate consensus in the manner in which we conduct business in this House.

I won't go into some of the issues, of course, because, at times, when we are at this platform we tend to be more adversarial and undermine the good work that we are doing in cultivating unity amongst ourselves and focusing on the vision of ensuring that we respond, particularly, to the seven areas that were highlighted. I think we should always remind each other that there are important issues that were highlighted: issues around economic transformation and job creation; issues of education and skills; issues of consolidating the social wage through a reliable and quality basic service; and issues of spatial integration to deal with issues of human settlements and local government.

Those are very important issues for a capable and ethical state. I think they are based on an assessment of 25 years of our democratic dispensation. There are successes; there are failures. It is important that we need to consolidate on issues that will take us forward.

This budget policy debate takes place at a time when the entire international financial system is in deep crisis. This crisis is characterised by stagnation in economic growth, thus making the entire international economic system not able to respond to the growing demands for development. This continues to put the entire democratic system and institutions to the test. Key to this test is the continuous erosion of the people's confidence in the political and corporate elites' ability to address the triple challenges of unemployment, poverty and inequality.

Like the 1930s world economic recession that gave rise to fascism, the current crisis continues to precipitate a fundamental shift in the global body politic with the rise of left- and right-wing populism. The emerging threat of an anti-human rights approach to the evolving international crisis of migration is one of the living testimonies of this shift.

To borrow from one of the seminal treatises of Francis Fukuyama: The burning question of the day for all elected public representatives is whether this is the end of history and democracy. As we ponder on this fundamental question, history demands that we also re-imagine what is in stock for the future.

We in the ANC have always viewed Parliament as a contested terrain of struggle in the building of a national democratic society. Accordingly, at the heart of this contestation is the tempo at which

the realisation of the fundamental values of our constitution should be implemented. As a nation and the democratic state, we are proud that we have designed, in our National Development Plan, a unifying vision and national plan through which to realise these values. The extent to which we move with speed to realise the goals articulated in the NDP is a supreme test of the confidence of the masses of our people in Parliament as the tribune of our people in the resolution of the triple challenges of unemployment, poverty and inequality.

Our strategic vision defines us as an activist people's Parliament. This cannot only be explained in words but also in our actions. This calls for a critical reflection on whether there is a nexus between the rhetoric of an activist people's Parliament and our actions. This imposes an immense duty on us to define the core attributes and character of an activist People's Parliament. This should proceed from a shared appreciation of the distinct mandate of the NCOP in our evolving system of constitutional democracy.

As a Chamber that is located at the cutting edge of intergovernmental relations and co-operative governance, the NCOP must be focused on the facilitation and monitoring of integrated co-operative governance. In doing this, we must debunk the narrative that continues to isolate the persistence of the poor state of governance in municipalities as a purely municipal issue. This challenge is a national development problem which is a result of fragmentation, and a lack of integration and policy co-ordination

between the three spheres of government of our system of governance, as highlighted in the diagnostic report. This poor state of governance continues to rob our people of their rightful claim to basic services, like the provision of electricity and water and sanitation.

It therefore becomes critical that our high-level flagship programmes, like the NCOP's Provincial Week, the NCOP's Local Government Focus Week and the NCOP's Taking Parliament to the People are re-oriented towards being more outcomes based with a clear diagnosis of the problems at hand. I also heard many speakers commenting here that this programme should be looked at much more closely.

The outcomes-based and solution-oriented approach and methodology should proceed from the appreciation and understanding of the policy priorities of government. I have highlighted the seven areas that will preoccupy our work and the concomitant resources appropriated thereto for the implementation of such policies. This is critical to ensure that, in our work, we avoid the twin dangers of raising unrealistic expectations in our people and becoming advocates of unfunded mandates to the departments.

Parliament, without effective and meaningful participation of political parties in its running, is like a human body without oxygen. To give effect to meaningful and effective participation of

all political parties in the running of the NCOP, we have established a myriad of structures and systems, like the NCOP Whips Forum. We allow even the smallest party to propose motions or subjects for debates in the House in a rotational manner. There is nothing like a closed space for parties here; there is democratic practice. In fact, we lead in creating space for parties so that their voices can be heard. This structure includes all the Provincial Whips and the leaders designated by all political parties represented in the NCOP, as a consultative forum for the planning of the programme of the House and other related business. The engagement in the Whips Forum is always driven by persuasion and consensus. This we do with the exception of times when circumstances demand that the voice of the democratic majority prevails in line with the fundamental principle of oppositional democracy.

As we have said in the last budget policy debates, democracy is not neutral to satisfy every view and expectation. It is for this reason that we must continually encourage members across party political lines to avoid the two extremes of democracy, namely, on the one hand, blind opposition even when agreement can be reached, and, on the other hand, blind majoritarianism that keeps ears closed to the wisdom of the minority.

We have started this sixth democratic parliament on a positive note, with the provincial Whips rising to the occasion together with their liaison officers in enhancing liaison and co-ordination with the

provinces. The effective participation of our special delegates in the recent debates is a testimony to this enhanced liaison and co-ordination.

As we deal with this budget policy debates, it will be an omission on my part as the Chief Whip of this House not to raise the institutional administrative and capacity support to the Whippery, particularly provincial Whips. In the NCOP, the provincial Whips are appointed by our Parliament to lead our interaction and co-ordination with provinces. As the heads of delegations, they play the important role of assisting us with leading and co-ordinating the various provincial delegations.

One of the critical lessons drawn from the insights and experience of the fifth democratic Parliament is the poor monitoring and tracking of the section 76 legislative processes as they unfold in the provincial legislatures after briefing by the permanent delegates. This has led to a situation in which the NCOP is not able to deal with the emerging issues - both substantive and process-wise - as they arise. This weakness has always resulted either in the delay of the legislative process by the NCOP or in the concomitant danger of picking up problems that could have been addressed at the tail end of the process.

There is no doubt that this undermines the quality of lawmaking by the National Council of Provinces, which requires urgent attention.

This makes it more compelling for enhanced administrative support to the provincial Whips by the NCOP and a strategic reconfiguration of the support services provided by Constitution House through the NCOP's provincial liaison officers.

Without strong and co-ordinated administrative support to the provincial Whips as heads of delegations, the capacity of the NCOP to fulfil its mandate of integrating our system of provincial government into the national policy making cannot be realised. We have to deal with this situation.

By its own architecture, the NCOP is a multi-stakeholder-driven institution which requires maximum capacity to co-ordinate and manage different stakeholders. These stakeholders have equal weight in the overall work of the NCOP and can either stall or advance its work. The NCOP's stakeholders are located both internally and externally, and this requires enhanced and integrated stakeholder management and communication framework. This should extend to the relationship of various offices, of course, as we conduct our work.

From our very induction and training workshop it became clear that our Rules and orders need revamping and reviewed in line with the changing conditions both in the internal and external environment of the NCOP. We are happy to report that the process and systems to do this are in place and proceeding well under your leadership, Deputy

Chair. These Rules should assist us to close some gaps in relation to rules of engagements and other related issues.

We enter this process of the review of Rules with enriched insights and experiences of the last term of our democratic Parliament. We must reiterate that, from the perspective of the ANC, the Rules cannot be used as instruments to address fundamental political questions. We should all appreciate that, as public representatives, our primary task is to search for solutions to complex political questions through dialogue and engagement. In doing this, we may agree to differ but that should not compel us to explore the short cuts.

There is already some consensus amongst different political parties on the critical areas of the Rules that require a review. We expect the Subcommittee on the Review of Rules will readily take us to that level.

To conclude, I wish to express my utmost appreciation to the collective leadership of the NCOP, the House Chairpersons, the Whippery, including the various parties and provincial legislatures for assisting us with the successful establishment of the NCOP in the Sixth Parliament. Our committees are now fully functional and undertaking their role in implementing the mandate of the NCOP of representing the interests of the people, as the House Chair has indicated. I thank you. [Applause.] The CHAIRPERSON OF THE NCOP:

Deputy Chairperson, let me just quickly go through the issues that were mentioned before I run out of time. Firstly, I just want to indicate that the Parliamentary Budget Office should be properly resourced and supported. That's an issue that should be isolated and should be seen as a work in progress.

Secondly, on budget allocations ... Just to say that Parliament's actual allocation is R2 billion and, in terms of requests made for the budget, this comes to R3 billion and the shortfall is R394 million. The budget is divided into five Programmes: Strategic Leadership and Governance is R104 million; Administration is R175 million; Core business is R640 million; Support Services is R440 million; and Associated Services is R720 million.

Direct Charges come to R527 million; compensation of members and Employees is R1,6 billion; transfers to political parties represented in Parliament come to R483 million; goods and services to members entitlements comes to R175 million; and goods and services come to R312 million.

This budget includes medical aid contributions for Members of Parliament and provincial legislatures as well as transfers to political parties represented in Parliament. Parliament is of the view that it should be budget for separately as they distort Parliament's budget. Engagements with National Treasury staff and the Minister of Finance are ongoing with a view to addressing this.

Therefore, I call on members to support this Budget Vote for consideration. Thank you. [Applause.]

The DEPUTY CHAIRPERSON OF THE NCOP: Thank you very much, hon Chairperson. That concludes the Policy Debate on Budget Vote 2. However, I would also like to express appreciation to the members who participated in the debate but in the same vein remind members about Rule 31(A) which states that a member may not pass between the Chair and the member addressing the Chair. I hope we will remember that because it has happened in the course of this debate.

Before we proceed, let me take the opportunity to welcome the Minister and the Deputy Minister of Mineral Resources and Energy.

I thought we would have a stretch but I think that members are stretching enough so we will continue with the next Order of the day.

Debate concluded.

APPROPRIATION BILL

(Policy debate)

Vote No 26 – Energy:

Vote No 29 – Mineral Resources:

The MINISTER OF MINERAL RESOURCES AND ENERGY: Hon Chairperson of the NCOP, Deputy Chairperson of the NCOP, members of the House, invited guests, we are presenting here the joint Budget of Mineral Resources and Energy. It's a combined portfolio. That combined portfolio is mainly Energy and then Mineral Resources. For Energy, we have been allocated R7,44 billion, of which 90,91% is transferred to entities in our portfolios. I will take you through the portfolios.

Despite the present economic climate and stringent allocations, we must ascertain a secure and sustainable provision of energy. That's the main call for energy. It's to ascertain a secure and sustainable provision of energy. It's not just about a budget for energy in general. We must ascertain a secure and sustainable provision of energy.

In this context, we must utilise diverse energy resources in sustainable quantities at affordable prices and be mindful of the environmental requirements to support economic growth and development.

The first area of focus is the question of policy and planning. You will remember that, since energy is a critical component of economic growth, we need to create a stable, predictable policy and regulatory framework that will lead to investment and growth in the sector. Improvement of legislation should also enable security of energy supply in the country.

The mandate of the department is to ensure the secure and sustainable provision of energy for the socioeconomic development of the country. Guided by the National Energy Act 2008, government's responsibility is to ensure that diverse energy resources are available.

That takes me to a policy instrument in this regard, which is the Integrated Resource Plan, IRP. The IRP has been gazetted for public consultation. It has been taken through that. It has gone to the National Economic Development and Labour Council, Nedlac. It is coming back now. We are hoping to finalise the IRP by September 2019. That is the time frame we set for ourselves. In that IRP, we are going to discover that we are elevating ourselves above being lobbies for a particular technology, into a regulated department which is economical. That's why in the IRP, you will see us referring to cleaner coal, nuclear, gas, hydro, renewable and battery storage. All these combined must give us security of supply. We must avoid the current polarised debate on energy which is normally presented in the public domain as coal versus renewables. That's not what we are about. We are about security of energy supply for the country.

Most coal-fired power stations are coming to the end of their life, many around 2050 – the majority of them between 2030 and 2040. Once updated and approved by the Cabinet, the current IRP will outline

technology that will replace the decommissioned coal plants. As we decommission, we should replace the lost power.

In other words, it's not good enough to just say this will be decommissioned by this time without saying what we are going to do to replace that energy capacity. So, that debate is going to be brought to the fore. I would imagine that the NCOP will have time to debate that replacement.

We are working closely with the Development Bank of Southern Africa, DBSA, and Treasury. The Independent Power Producer, IPP, office is in transition as a legal entity. At this point in time, it is managed jointly by three entities – that's our department, Treasury and DBSA. But our view as a department is that it should emerge as an entity that stands alone and can also be followed through for its work.

When it comes to nuclear energy, we need a long-term planning horizon for nuclear power plants. The reason for that is that Koeberg is coming to the end of its life by 2024. But there is already a plan afoot to extend its lifespan by another 20 years. What is missing is what we are going to bring and that is to debate the possibility of creating nuclear energy to replace what Koeberg is giving us. I have always emphasised this point that Koeberg as we see it today is the most efficient and the most reliable, lowest cost energy supply for South Africa. Therefore, it's our

responsibility to ensure that we replace that capacity. Somebody said, are you bringing back the old nuclear power debate? I said no, I am not bringing any old debate. I am making the point that nuclear is a reliable, efficient source of energy. We cannot write it off because we have a suspicion about some deal in the past. We should still bring that technology back because it is efficient.

You know, if you are in the portfolio we are in, you follow the debate. Germany ... [Inaudible.] ... into renewables but, for its base load, it is heavily dependent on France. Unfortunately, we don't have France as a neighbour. Therefore, we must take responsibility for what we are going to do moving forward. Koeberg, therefore, as important as it is ... it's important for us to debate further supply of nuclear energy.

You see, when you do not have responsibility, you can howl solutions that are abstract. Unfortunately, we have a responsibility to do something responsible and ensure that the country has a secure energy supply.

NTP Radioisotopes, which is a subsidiary of the SA Nuclear Energy Corporation, Necsa, is a leader in the world in the supply of isotopes. Nuclear isotopes treat cancer and Ebola. We have seen a situation where it was closed from time to time by the regulator because of security considerations. We are having a serious discussion with all of them to say that, if you are dominating a

market, you don't play with that market, you actually protect that market, you protect your market share and you protect your competitive advantage. If you don't, your competitors are going to bring substitutes and you will begin to see new entrants into that space and you will lose the game. Therefore, we are ... [Inaudible.] ... to work with this.

The same applies to Pelchem which is producing ARVs. We want it to work with Mintek and begin to move beyond just ARVs, and also include the testing kits that are actually dependent on gold particles for its work, whether it's HIV, malaria, TB and Rift Valley fever. Working with Mintek, all those should be produced for mass commercialisation at Pelchem.

With regard to the state-owned entities ... we have a long list of state-owned entities in our portfolio. The majority of them have interim boards, acting CEOs and acting executives. One of the priorities is to ensure that we stabilise those entities. If you follow the adverts, you will see that we issued our first adverts for the board of the Central Energy Fund, CEF, last weekend. The reason for that is that if you don't have stability and good governance, you do not have capacity to manage both the operational and financial risks in an entity.

With regard to PetroSA, we are working on a turnaround strategy. In the main, the problem with PetroSA is feedstock. You need reliable and dependable feedstock for PetroSA.

With regard to the Strategic Fuel Fund ... investigation into the sale of the Strategic Fuel Fund has been completed. We have received the report. We are looking into it. We are going to decide on actions that should be taken as recommended by the investigation. So, at this point in time, we don't want to make a premature pronouncement in this regard.

The Grand Inga – which is a hydroelectric dam in the Congo ... we are part of that and we think that we are correct by being part of it.

The electrification project is quite an important project, except that we are funding it through Eskom and the municipalities. The question we are asking is why should we go through an intermediary or a person who is a middleperson to us?

Let me leave energy for now and move to mining. Again, the merger of these two departments brings two important departments into the economic sector. If you look into the performance of the economy, the decline of the GDP by 3,2% is a negative signal for us. Within our own analysis, we have come up with an analysis that says, the 10,8% decline in mining contributes 0,8% to the overall 3,2% decline

in the economy, and the 6,6% decline in energy added 0,1% to the overall decline of the economy. Therefore, as a department, we are looking into ways of engaging the two sectors to ensure that we contribute positively into the future. That's in line with our notion of mining being a sunrise industry, not a sunset industry.

We are striving to get at least 5% of the global exploration budget. That will bring US\$10 billion into our space. We are hoping to use that investment for exploration. Exploration is the life blood of mining because it is about hunting and verifying what we have on the ground.

The department's council of science together with private and other public entities are developing local phosphate resources. If you are in the Western Cape and you know the West Coast ... we are looking into strengthening the Elandsfontein phosphate deposit. If we succeed in that, we will be less dependent on importing fertilisers.

The country is endowed with many minerals. In the current space where we move more to renewable energy and better industries, deposits of lithium, vanadium, cobalt, nickel, manganese, carbon, copper and rare-earth elements are a blessing to our country. Therefore, we are going to ensure that we protect those rare minerals for the country.

The Molteno coal fields in the Eastern Cape will be supported and the suggestion is that it is one opportunity of developing carbon capture and deposit because is a virgin area for mining. We are looking at all those options.

Policy and regulatory certainty has improved in the department. At least that is attracting a lot of investment into the country. For example, total investment of R45 billion has been unearthed since the investment conference. That R45 billion can be broken down into R21,8 billion by Vedanta in the Northern Cape, two mines by Sasol which is R14 billion of replacement programme, and R3,3 billion by Exxaro in Mpumalanga. All these are an endorsement of South Africa as an attractive destination for mining investment. It demystifies the theory of old money coming to the industry. There is nothing like old money if it has not arrived. It is new at the point of arrival to the industry.

There are 60 mineral projects in the pipeline which are estimated to be an investment of R110 billion. We are hoping that they can create an estimated 32 000 jobs. [Interjections.] So, you must create one first before you say 32 000 is small. You must start by creating one.

Other aspects of focus are improvement of the licensing environment. We are digitising our licensing system. We have allocated

R20 million to that project. We are hoping that it will help us improve the process of licensing in the department.

Our manifesto enjoins us to transform the economy to serve all people through interventions that promote a developmental growth path. Beneficiation has that capacity. We have allocated R850 million to the process of our beneficiation. But we always emphasise the fact that beneficiation is difficult when the price of electricity is high. Therefore, as we talk about beneficiation, we must also talk about our administered prices. Where the state has the capacity to intervene, it should intervene in the prices that are under the control of the state, be it in electricity, rail or port. Therefore, that will be important if beneficiation is going to be massive in our country.

Mintek is processing rare elements. This will meet the global demand for rare elements used in applications like electric vehicles and wind turbine generators. The required technology and refining facilities have been developed to support the sector.

An investment of R100 million has been made to revive the declining ferroalloys sector – which includes ferrochrome or ferromanganese – and we are hoping that, over the next five years, we can revive those ferroalloys. A significant portion of the local ferroalloys smelters are currently mothballed. You can go to various areas where

there are those ferroalloys; all of them are mothballed. Again, the issue is the question of the price and reliability of electricity.

It is unfortunate that, as we sit here today, the bulk of chrome and manganese that is exported is in raw form and is beneficiated in Malaysia and the rest of Asia. Even when the export tariffs were imposed on scrap metals, it didn't reduce the pace of export because employers and companies look at the cost and discovered that they can pay for the tariffs and continue to make money if they beneficiate our raw materials outside of the country. It's an issue that we should look into.

The investment into Mintek is a priority for us. The Kloppersbos Explosion Research Facility, one of the few remaining, is being transferred back to Mine Health and Safety Council.

The last point is that ... I am leaving because my time is up ... will be an issue of health and safety and illegal mining. One point I want to make is that illegal mining is not a mining activity; it's a criminal activity. We must deal with it as such. [Applause.]

Moh T C MODISE: A ke go leboge Modulasetilo wa Ntlo e, ke dumedise maloko a Ntlo e ka kakaretso, ke dumedise Tona le Motlatsi wa gagwe, ke dumedise baagi ka kakaretso le ba ba tswang kwa lefapheng, kere bagaetsho dumelang. Modulasetilo wa Ntlo, dipuisano tse di tsena mo kgweding e eleng gore ke kgwedi e e bothokwa thata, e e leng gore

ke kgwedi ya balwela kgololosego ba tshwana le borrarona Nelson Rolihlahla Madiba Mandela, bo rrarona Goven Mbeki, ke ka mong re reng ke kgwedi e e botlhokwa e e leng gore ke yona ya Phukwi, ka segaetsho. Ntettlelele Modulasetilo ke tsene mo dipuisanong tsa letsatsi la gompieno. (*Translation of Setswana paragraph follows.*)

[Ms T C MODISE: Let me thank the Chairperson of this House. Greeting to all members of the House, all citizens and those coming from the department, my fellow people, I greet you all. Chairperson of the House, these debates are happening during a very important month, the month of our freedom fighters like our forefathers Mr Nelson Mandela, Mr Goven Mbeki, that is why I am saying this important month is called *Phukwi* in our language. Allow me, Chairperson, to start today's debate.]

This debate on the Budget Votes for Mineral Resources and Energy is conducted within a context on a reconfigured government. The President of the Republic of South Africa in his wisdom placed Minerals and Energy once again under one Ministry. Given the historical and structural relationship between the two sectors, the President's decision must be commended ...

... bagaetsho. Moporesidente yo eleng gore o na le ponelopele. Yo eleng gore o nale ditoro tsa gagwe mme di fetoga nnete. (*Translation of Setswana sentence follows.*)

[...my fellow people. The President who has a vision, who has his own dreams and can make them come true.]

However, for the purposes of this Budget Vote debate today, Vote 26 and Vote 29 are considered separately. The Votes are considered within the policy framework of the Medium-Term Strategic Framework and the Medium-Term Expenditure Framework. For the ANC, the objectives of the national democratic revolution in the immediate period include the building of a developmental state with capabilities to take forward a far-reaching agenda of national economic development, whilst at the same time placing people at the centre of all our government's programmes.

Ga re dire re le bangwe. Re dira le baagi gonne ke bona ba re tlhopileng. *(Translation of Setswana paragraph follows.)*

[We are not working alone. We are working with the community, because they are the ones who elected us.]

The two departments have a critical role in achieving these objectives, given the historical fault lines reflected in the structure of the South African economy. We welcome the opportunity once again to work with the Minister ...

... yo eleng gore o itse lefapha le. *(Translation of Setswana sentence follows.)*

[...who understands this department.]

He also knows the challenges of this department.

Le fa o ka mo tsosa bosigo a robetse ... (*Translation of Setswana sentence follows.*)

[Even if you wake him up at night...]

... he will tell you what is happening in this department.

The committee has considered the 2019-20 Annual Performance Plans as well as Budget Vote 29 on 9 July 2019, and Budget Vote 26 today, as part of our oversight duty. In the economy, this debate is taking place just over a decade after the great recession. The five years from 2003 to 2008 were characterised as a commodities super-cycle, as commodity prices rose by 300%. The boom was driven predominantly by China's consumption of energy and industrial raw materials in its construction and infrastructure building boom of the 2000s.

The period from 2016 has seen a rally in commodity prices globally. Just this year, the mineral resources sector's equity prices have gone up 30%. Gold is trading at an eight-year high, driven in part by investors seeking a safe haven. The Johannesburg Stock Exchange, JSE's, gold mining index is up about 50% in the year to June 2019. Companies in the platinum-group metals over the past six months have

seen shares rocket up to almost 100%. The platinum-group metals producers have seen good returns, driven in part by demand for use in catalytic converters in diesel vehicles. Crude oil and gas prices have been trending upwards since the 2016 lows.

These developments could signal that another commodity super-cycle is under way. The coal price in particular has soared in the past three years, thus becoming the highest earner of foreign currency into our economy. China's Belt and Road Initiative – aimed at creating a huge infrastructure supply chain from over a hundred countries, all feeding into new Chinese infrastructure – will boost demand for commodities.

It is the task of the Department of Mineral Resources and Energy to help South Africa harness its mineral and energy resources for development in the interests of all our people and not individuals or ...

... borra kgetsitona fela. (*Translation of Setswana sentence follows.*)

[...only those who have money.]

It is common cause that the resolution of our energy challenges is key to unlocking and enabling our country to achieve the vision set out by President in his Sona, almost a month ago. The President

outlined government's goal, inter alia, to grow the economy and address the unemployment challenge.

Clearly the 3,2% decline our country's GDP in the first quarter of 2019 is linked to the cost and unavailability of electricity during that period. The impact of the challenges faced by Eskom at the beginning of 2019 was felt by industry and domestic consumers alike. Our country has experienced periods of load shedding and doubling of electricity costs in the decade from 2009 to 2019. During the same period, we have seen a decline in electricity demand. Consequently, this lower economic activity coupled with rising electricity costs have created a vicious cycle that threatens Eskom's sustainability on the one hand, and our country's economic growth on the other.

The vision outlined by the President will only be possible if we have reliable and affordable electricity. In fact, the industrialisation of the South African economy has always been predicated on the availability of cheap electricity. With a deteriorating Eskom plant performance driven by old generation infrastructure, we are now in need of more investment in new generation capacity to replace the old power plants. We must note that this period is characterised by uncertainty. We have to confront technological disruptions, geopolitical influences, climate imperatives, various social challenges and global economic turmoil.

Government's energy policy is premised on balancing a number of competing objectives. These include energy security, reducing energy costs, increasing access to modern energy carriers, improving energy efficiency, reducing greenhouse gas emissions, reducing water consumption, increasing localisation, and diversifying our energy mix through regional integration.

Currently, South Africa depends on coal for 70% of its energy requirements. Our country is facing significant air pollution challenges as a result of the use of coal in energy generation. This debate should not just be about the cost of electricity as it is produced now, but about the cost of production impacts as well. The impact of air pollution on the Highveld population is significant. It is important that clarity is obtained about the realistic opportunities and constraints that alternative methods of energy production will have on the cost of electricity, and also what the true cost of coal and nuclear power generation is when all associated impacts are considered.

The Department of Energy, together with power utility Eskom, has been responsible for the roll-out of electricity to all citizens since the birth of the democratic dispensation. With the expansion of the power grid to cover all of South Africa, opportunities for rural economic growth must be enhanced. The role of energy supply in rural communities should not only be measured in terms of households, but also in terms of the industry requirements. Vibrant,

economically active and sustainable rural enterprises cannot develop without the availability of sufficient and affordable electricity. Expanded agriculture, agro-processing and other labour-intensive rural economic activities are envisaged in the NDP.

This House must be concerned that, for various reasons, the Fifth Parliament was not able to process three important Bills. Those Bills are a Bill to review the Mineral and Petroleum Resources Development Act, Act 8 of 2002; a new Bill on the legislative establishment of the Mining Company of South Africa as the state-owned mining company; and a new Bill on the amendments to the Mine Health and Safety Act, Act 29 of 1996.

The committee and our communities have raised a number of concerns. These include, amongst others, the issue of illegal mining, especially the approach that addresses the whole value chain of illegal dealings in precious metals; the need for a beneficiation strategy, with clear time frames; the need to ensure that benefits from mining flow to communities; aligning the issuing of bursaries by the department so that it deals with the problem of scarce skills in the industry; the issue of occupational diseases that continue to negatively impact the mining industry; and the legacy of the Lily Mine incident that remains unresolved.

Hon Minister...

...e e leng gore ke tlhoba boroko go baagi le rona rele komiti. Re bua ka pelo e e tletseng kgodu e khibidu gore, a kang eo e selwe morago thata. (*Translation of Setswana paragraph follows.*)

[...this is a problem for the community and for us as the committee. We speak from a painful heart. An investigation must be undertaken.]

The department must improve the process of community consultation prior to awarding mineral rights and this consultation must be meaningful.

E seke ya nna fela ka gonne ke kgakololano, go diriwa fela go diragatsa molao. A ditletlebo tsa baagi ba rona di tsewe tsiya, Tona. (*Translation of Setswana paragraph follows.*)

[It must not just be a reminder to abide by the law. Let us take the community's concerns into consideration, Minister.]

The department must ensure that the mineral wealth beneath South Africa's soil should be used to fight the socioeconomic challenges facing South Africa, especially by creating employment and lasting economic empowerment. I support this Budget, hon Chairperson. [Time expired.] [Applause.]

Mr C F B SMIT: Chairperson, hon members, and fellow South Africans, the state of our mining and energy industry is in dire need of

economic growth and we need to make sure that we do everything in our power to help this sector grow in order to create jobs and wealth for our people. This includes all South Africans. I emphasise this because there are politicians who stand at this podium and talk of "our people", referring to only a section of the population.

Hon Minister, we cannot shy away from the fact that this industry is seriously constrained and must be aware of what will come next because of policy insecurity and political flip-flopping. The mining sector has been shrinking and has been in serious decline for a few years already, contracting from 14% of GDP in the 1990s to a mere 7% of GDP today.

I urge you to be blatantly honest and acknowledge the truth of this fact and not try and shift the blame or deny it. A wise man once said, you can only fix a problem if you acknowledge that it exists. I ask you to do exactly that and not misdiagnose the causes of the problem. I would like to outline a few serious problem areas for you.

Firstly, we need to allow the mining industry to do what they do best which is to mine without the burden of government responsibilities. I am in no way implying that we must exempt them from social and labour responsibility. In fact, I believe that they have a responsibility to financially contribute to government's

efforts towards social upliftment and development programmes among mining communities.

The best way to achieve this is by establishing a centrally administered royalty fund that is independent, transparent and accountable to Parliament. It must also endure frequent independent audits. This fund can also issue strict conditional grants to affected municipalities and provincial departments to implement social and developmental programmes in and around mining communities that are just and fair.

In line with this proposal, the Mining Charter should be scrapped in its entirety due to its abuse that enriches a few elites and goal posts that have been shifted far too many times. This constant policy fluidity causes industry insecurity and instability that in return results in a lack of investment and even job losses. For example, the required share ownership in 2004 was 26%. This has now increased to 30%, negatively affecting long-term planning that is the core of business for this industry.

While we are on this subject, are you willing today to commit to the following: publicly declare all shares in the mining industry held by yourself and your direct family or companies held by you or your direct family, commit to a lifestyle audit and, lastly, compel the previous Minister, Minister Ramahlodi, to do the same?

My second proposal is for a total reform of the labour dispensation that will return individual rights and freedom of choice to workers. For example, voting via secret ballot on whether they want to strike or not, free from intimidation and the forceful hand of labour unions who think they are above the law. We need to strike a balance between ensuring productivity which leads to economic growth and protecting workers from labour exploitation. It cannot be that we over-protect a few at the expense of those who are jobless without any hope of lifting themselves out of poverty.

We cannot allow for exploitation of workers, but we need to acknowledge that our labour laws have become business unfriendly and are job killing. We need jobs and we need them now.

There is another big danger to the job market on the horizon, and that is the development of artificial intelligence and robotics. The Fourth Industrial Revolution, as we know, is on our doorstep and not just embodied through tablets as the President alluded. We need to plan and adapt to this phenomenon or we will find ourselves in big trouble. It will bring about major challenges to the labour market and mining will adapt to the new technological environment in order to increase productivity and reduce or even eliminate health and safety risks. Current South African labour legislation will force the industry to further abandon human labour as it will become impossible to survive otherwise.

You will have to collaborate with the industry as well as the Department of Basic Education and the Department of Higher Education, Science and Technology to establish a skilled work force that is prepared for what is coming.

My third proposal is that you seriously collaborate and negotiate with Transnet as a state entity to urgently establish rail infrastructure that supports mining and links mines to the rail network in order to transport their raw materials via rail. We must reduce the unsustainable and costly strain on our road infrastructure by the trucks that damage our roads and contribute to unnecessary congestion as well as road accident-related deaths. I urge you to please take this matter very seriously and attend to it urgently.

My fourth proposal is that we enhance the relationship with the Department of Environment, Forestry and Fisheries to ensure the establishment of an effective and comprehensive environmental compliance monitoring system for the industry. The Department of Environmental Affairs, Forestry and Fisheries must monitor, inspect and enforce strict environmental compliance and issue an annual compliance certificate for a mine to be able to operate.

With my fifth proposal ... I want to thank you because you have already attended to it in terms of simplifying the mining rights administration and digitising the system. Let me give you advice on

that. If we can look at the Australian model, where citizens can get access to mining rights within one day ... We just need to get that up and running urgently because our economy is in need of growth.

I want to get to a local issue in Mogalakwena in Limpopo which has the richest platinum reef in the world but cannot translate it into economic growth and jobs because the Flag Boshielo Water Project is not coming online. The Mogalakwena Local Municipality has invested more than R400 million in water infrastructure in preparation for the water pipeline from the Olifants River system to its border line, ready to pump water as soon as construction is completed. I do not know if the previous Minister Nomvula Mokonyane has something to do with it, but this is a crisis.

Will you please commit to ensuring that this project gets immediate attention, and that you will give regular feedback to this House on the progress and timelines of completion, as well as collaborate with the Minister of Human Settlements, Water and Sanitation on this matter?

Our country is rich in mineral wealth. We do not have any excuses. We need to get our mines working for the people again and do it now. It is time to get to work.

We need to ensure that South Africa has proper energy security that is affordable, available, sustainable and not reliant on foreign sources.

Renewable energy has become much cheaper over the years and dropped significantly from over R2 per kilowatt hour to about 67c per kilowatt hour, which is now less than coal. We need to intensively invest in renewables like wind, hydropower, solar power as well as gas – which we have in abundance – so as to ensure a stable supply soon.

We need to see that Integrated Resource Planning, IRP, now. I heard you spoke about it in September as your own goal but this is a matter of urgency.

The DA has the solution to our current energy crisis in the form of the Independent System and Market Operator Bill that will allow for Independent Power Producers, IPP, to come on board and help us solve our national issue. I urge you to support this initiative for the sake of our country and its people. We must allow for IPPs to supply municipalities directly and those mines that can produce their own electricity to do so.

We need to bring down the price of fuel urgently to reduce the cost of living which affects the poor the most. One of the easiest and simplest ways to achieve this is by removing the Road Accident Fund

levy from the fuel price. There are other ways to compensate road accident victims, such as third party car insurance.

We need to act in the best interest of our people of South Africa, and we need to do it now!

Let's not only dream about it, but let's take active steps to build one South Africa for all where everyone can live a dignified life with hope and inspiration for a better future. We can achieve this, but we must do the right thing. I ask you, Minister, to do the right thing. Thank you.

Mr T APLENI: Hon Chair, hon Koni our Chief Whip ... When the Mineral and Petroleum Resources Development Amendment Bill was first introduced to the National Assembly in 2013, it was opportune to realise state ownership and share in the profits of mineral and petroleum resources. The Act would have allocated the state a take in all new exploration and production rights, but you withdrew the Bill without any legal basis. The Bill was never signed and was instead withdrawn because we have a government that serves the interest of capital and foreign oil companies.

You did not sign the Mineral Petroleum Resources Development Act because it would have given the state and people of South Africa 20% ownership of the exploration rights to the Brulpadda block south of Mossel Bay – which is now going to the usual multinationals.

The amendment of the Mineral Petroleum Resources Development Act was going to fundamentally change the mining sector that for centuries had robbed South Africa of its mineral wealth and continues to kill mineworkers. You don't want the state to control the mineral and petroleum wealth that will lead to a process of rapid beneficiation of South Africa's mineral resources into finished products. Instead, you want to continue with the colonial practice of exporting raw material only to buy back finished products.

This is why you refused to listen to the people of Xolobeni in the Eastern Cape, Minister.

Ndivele ndingaqondi ngamanye amaxesha ukuba kwenzeka ntoni kuMphathiswa, ungowaseMpuma Koloni. Uye phaya kuba kunodushe, njengomntu waseMpuma Koloni kulindeleke ukuba kubekho into ayenzayo ukuzama ukuba kubekho uxolo. Endaweni yalo nto uMphathiswa uyenze yambi ngakumbi imeko. Ayothusi ke loo nto kuye UMphathiswa kuba yinto yakhe leyo. (*Translation of isiXhosa paragraph follows.*)

[I sometimes do not understand what happened to the Minister, he is from the Eastern Cape. He went there because there was an unrest. As a person from the Eastern Cape it is expected that he must do something to try to bring peace. Instead, the Minister made the situation worse. That is not surprising to the Minister because that is how he operates.]

The people of Xolobeni have a right to say no to mining. But your government is killing them because of this. The resources of this country should always serve its people and not private capital. The people have a right to choose an economic path and a developmental state that owns and controls strategic mineral resources, and uses these resources to industrialise and develop our economy using economic models that are not dependent on foreign investment.

As the EFF, we will table a Private Member's Bill to amend the Mineral Petroleum Resources Development Act to ensure that quotas are introduced on the exportation, that no more than 30% of raw mineral resources are exported, and that 70% or more of raw mineral resources are processed into finished industrial products within South Africa. Part of these amendments to the Mineral Petroleum Resources Development Act will ensure that the manufacturing and processing of mineral resources prioritises the participation of black companies in mineral beneficiations.

That is why it important that we renationalise Iscor. Let us expand the capacity of the African Exploration Mining and Finance Corporation as a state-owned mining company to reposition the state as a central player in the development, management and use of South African wealth to create jobs.

We need to have a state-owned mining company that will operate all coal mines owned by Eskom to stabilise the state-owned company.

Eskom is losing too much money and is paying premium prices for coal ... [Inaudible.] ... through evergreen contracts with criminal syndicates. We must discontinue private ownership of Sasol and Mittal Steel, and provide them with concrete developmental mandates to contribute to the sustainable industrial development of South Africa.

Your government must support all small-scale miners at every level of the extraction process as well as in access to markets. More permits need to be granted, and law enforcement must stop harassing small-scale miners.

By promoting small-scale miners, many neglected mining towns can be revitalised and jobs can be created. This is not in the interest of private capital, so you will most likely do nothing about it.

Lastly, Minister, government must establish a database of all ex-mineworkers or their close family members across every province in the country and ensure that each and every one of them gains access to their pension funds. There is too much money that belongs to workers sitting in pension funds earning huge interest, while ex-mineworkers and their families go through unimaginable poverty. This government continues to allow the mining industry to be a tool of self-enrichment for the white minority and a small political elite. For this reason, we reject this budget. Thank you. [Applause.]

Ms L C BEBEE: Hon Chairperson of the NCOP, Deputy Chairperson of the NCOP, hon Chief Whip NCOP, hon members of the NCOP, hon Minister and Deputy Minister of Mineral Resources and Energy, ladies and gentlemen, I greet you all.

When Budget Vote 26 on Energy was debated last year, we were celebrating the centenary of the birth of two of our icons, Tata Nelson Rolihlahla Mandela and Mama Nontsikelelo Albertina Sisulu. This week we celebrate the birth of Madiba and in April we celebrated the 25th anniversary of our democratic dispensation, of which he is the father.

The mandate of the Department of Energy is to ensure that diverse energy resources are available in sustainable quantities and at affordable prices to the South African economy in support of economic growth and poverty alleviation. It must do this while taking into account environmental management requirements and interactions amongst economic sectors.

The Department of Energy is appropriated of R7,44 billion for the 2019-20 financial year, of which 91% comprises transfers to its entities and the remaining balance of 9% going for operational purposes.

In order to achieve economic and social inclusion, the ANC government has taken the responsibility to provide universal access

to energy. The ongoing programme of electrification of South African households forms a supportive pillar of government's energy policy. It represents one of the democratic government's biggest success stories. Since the advent of democracy, government has provided access to over 7,6 million households. We acknowledge that there is still a backlog of 3,2 million households. These include mostly municipalities in rural areas such as King Sabata Dalindyebo, Nyandeni, Mbizane where President OR Tambo was born, Matatiele and Port Shepstone in the Eastern Cape, as well as municipalities in KwaZulu-Natal and other provinces.

Our people have faith in the promise made by this ANC-led government to reach universal access to electricity by 2030 and we trust government to ensure that this target is reached. President Ramaphosa has set a target to attract R1,2 billion of investments into our economy over a period of five years.

In the previous Budget Vote, the department set its ambition for the energy sector to contribute a minimum of a quarter to this target. We support the President's vision of an industrialised and globally competitive economy. This will be characterised by skilled employees, inclusive growth, and meaningful participation by the youth, women and people with disabilities.

We must find ways to lower the cost of energy. Recently we have seen how global political dynamics have led to a rise in crude oil

prices. The high energy prices undermine our efforts to grow the economy and create jobs. We must therefore choose an energy price that offers the least cost when compared to other options.

Electricity should be affordable to our people. Clearly, government must redouble its efforts to find the appropriate technical solutions, in collaboration with our research institutions and industry.

This makes the latest version of the Integrated Resource Plan, IRP, 2019, one of the most important for our country. We must embark on perhaps the largest ever capital expansion programme in the Southern African energy space. We have been informed that the department will conclude on the IRP2014 consultation process at Nedlac level by September 2019 and will then embark on the implementation programme straight away. IRP2019 must indicate our primary energy requirements, in respect of coal, nuclear, gas and other energy minerals. These include solar, wind, biomass and regional hydropower resources.

Parliament must work together with the executive to ensure that all the enablers for this infrastructure rolls out, and that legislative and institutional arrangements in particular are in place. We must ensure investment in the required energy infrastructure, namely, power plants, refineries, pipelines, transmission and distribution wires, and storage facilities for oil and gas.

A significant contribution should be made to increase access to thermal energy by deploying off-grid technologies, particularly in those areas that are too remote to build grid-based infrastructure.

The deployment of locally available bio-gas could play a big role in creating local enterprises that harvest and distribute this gas.

We must encourage municipalities to see this as an integral part of their services. An example is EThekweni municipality in KwaZulu-Natal which recycles waste into electricity, meaning, from trash to treasure.

Government's experience with the Renewable Energy Independent Power Producers Procurement Programme is a response to the decline in power generation. There are weaknesses in the current delivery model for renewable energy. Going forward we must see more community-owned energy systems, particularly those that seek to address energy provision within local communities.

The ANC manifesto envisions energy co-operatives and more public ownership of energy generation infrastructure. We want to see the benefits deriving from local operations, maintenance, skills development and ownership, in changing the rural and informal sectors.

The provision of affordable modern energy services is a catalyst for skills development and job creation among the youth. Lack of access to energy is one of the drivers of poverty. The challenge of the girl-child and woman who has to collect water and make a fire as part of their daily chores is an impediment to development. Our efforts must dismantle this perpetuation of gender strife entrenched by how our economy is structured.

The South African coal industry cannot be dismantled and rendered obsolete as much as we acknowledge its contribution to the crisis of air pollution and other environmental considerations. We must invest in clean coal technologies that enable us to exploit our coal reserves while observing the agreed international protocols relating to climate change. We need to support coal mining towns, in particular the economies that depend on the mining operations to make a transition to cleaner energy generation technologies with minimal social and economic destruction.

While renewable energy technologies such as wind and solar are very attractive due to their almost zero variable cost, criticisms generally refer to their low capacity factor and the cost of grid integration. Within the advent of smart grid systems at local government level, the financial viability of municipalities stands to be improved through the embedded generation.

I want to conclude by addressing the issue of municipalities. We believe that unless the challenges facing municipalities are addressed, it would not be possible to deliver energy to the end user. The final viabilities of municipalities is a cross cutting matter that impacts government's ability to deliver on energy. The Soweto Township in Gauteng alone owes Eskom about R18 billion in unpaid bills for electricity according to the power utility. We call on government to address this matter urgently as the ANC supports this budget. I thank you, Chairperson. [Time expired.]

The DEPUTY MINISTER OF MINERAL RESOURCES AND ENERGY: Hon Chair, the Deputy Chairperson of the NCOP, the Minister of Mineral Resources and Energy, Mr Samson Gwede Mantashe, the chairperson and the members of the Select Committee on Land, Environment, Mineral Resources and Energy, hon members, invited guests, ladies and gentlemen, allow me to address your august House today as the Deputy Minister responsible for Mineral Resources and Energy in this very important month of the birth of the former and the first President of the democratic South Africa, President Nelson Mandela. It is also the birth month of comrade Solomon Mahlangu. Those two comrades share between themselves a very important history of the struggle for liberation of this particular country, and for its people to access mineral resources and energy, both as economic tools and as sources of job creation.

Chairperson, as you would know, our department is going through a merging process and we seek to finish this exercise by 31 March 2020 – next year. When delivering his Sona, the President made mention of the seven priorities that government will be focussing on. Five of those priorities speak directly to our department. Amongst those are economic transformation and job creation, skills education and health, spatial planning, human settlement and local government, a capable, ethical and developmental state, and a better Africa in the world.

The Minister mentioned that the department has a budget of about R9,5 billion, of which R2,1 billion goes to minerals and R7,44 billion to energy. The Department of Mineral Resources falls within the departments that are in the Economic Cluster.

By virtue of this there is the expectation that we should be central and lead in the transformation agenda, and that we also ensure that the government is able to derive economic value from the activities of the department. We will focus on ensuring that most of the state entities that we have as a department – which are about 50 – we will ensure that leadership is there as the Minister has already mentioned. We will also ensure that they are equipped administratively as well. As you know, some would have acting chief executive officers, etc...

The department needs these entities to be operational because they are central to the execution of our mandate. It is important for them to be in the space where they can deliver. Some are state entities that should be able to produce a level of profit for this particular department so that we can come and declare that back to the coffers of the country.

The Mineral Resources part of the department intends to be a leading mining hub in the country and also be globally competitive. This demands that our focus must include bringing on board technology to enhance our licensing system which has had some challenges. It is a bit slower when it is manual, etc. Hence, one of the exercises will be to ensure that this particular year we are able to conclude the exercise of bringing a technology-dependent licensing system that is able to fast-track our licensing by being less human dependent.

We will also need to advocate for a very radical and activist mining explorations because the country seemingly has a lot of other minerals besides gold and platinum group metals that are important for the mining industry to continue to grow. So, we will need to ensure that we leave no mineral unmined and that we do this in a safe manner and aligned with communities that are involved.

We will also need to ensure that there is a bit of radicalness towards the mining safety and health by ensuring that mineworkers are sent to safe mines and that they return to their homes alive.

This will need us as a department to work together with mineworkers themselves.

We will also need to intensify the mining of minerals that have been there but have not been given so much attention. Amongst those will be vanadium, titanium oxide, shale gas, etc...

We will also need to ensure that the Mining Charter remains very central in the transformation agenda of the department.

During his Sona, the President cited mining as a growing sector. Now, South Africa has a long history of formalised mining and obviously we have noticed that most of the recent research indicates that mining of gold has gone down. When you have mined for 120 years and you are in the mining space, you will know that when you take gold out of the soil it doesn't go back. So, those will have gone down because of those reasons.

However, beyond that there has also been a bit of a challenge with regard to some of the utilities – as it has been mentioned – that are affecting how the activity of mining itself is conducted.

As we go into the energy space, the Minister has already spoken about us pursuing a review of electricity and fuel prices. We will get into the details of what is possible technically there. However, we want to say that because this has a potential we would focus in

ensuring that it grows and that we invite all the necessary role players to come onboard and assist us to be able to mine.

In the same light, we also want to bring the importance of discussions and alignment between ourselves as the regulating department, the communities and the potential investors particularly for areas where there is potential to mine. These will be examples of Xolobeni, Kokstad, the Karoo and many others. The reason we want to bring this particular discussion into your august House, Chairperson, is that, in the exercise of wanting to mine, for example, in Xolobeni, you will need to be able to give the people of Xolobeni an opportunity to interrogate what it means economically to mine in terms of job creation, ownership and also exploring what the tourism industry will bring, which is a competing industry with mining. This then allows them to take a decision on what it is that they would want to do. Do they want to mine? Do they want to go through the tourism industry or do they want to look at the possibility of having the two co-existing? Nevertheless, eventually we would need to be able to provide proper information.

Another example that I would like to refer to is that of Harding, where people have identified a material that looks like gold yet, when you put it through scientific tests, proves to be false gold. We will also bring those ones on board equally in the same manner that we will do with the people of Xolobeni. To say to them scientifically what it takes for us to test for a mineral and bring

them to understand and walk with us in that process so that we go back to that community and be able to come to a conclusion of the matter that we do not have gold there and what it is that we have. Also for them to know whether what we have there is minable or holds any form of economic value.

So is case with the issue of shale gas which has advanced quite greatly in terms of technology. Yes, if you look 10 to 15 years back, you will realise that it was really a very dangerous commodity to mine. However, recent technologies have allowed for this particular kind of a mineral to be mined in a safer and technologically advanced manner.

Social and labour plans is another area that needs a bit of attention from us in terms of improving the quality and ensuring the implementation, working together with the mine owners. Beneficiation needs lands and utilities as essential resources, as it has been said earlier. We request both the National Assembly and the NCOP to fast-track the review of section 25 of the Constitution which we will quickly need to align to the expropriation of land without compensation.

We will also implement the strategy which deals with beneficiation and ensure that, at the level of the Mining Qualifications Authority, MQA, and Mintek, we are able to deal with technologies

and expertise that our people need to have to ensure that they participate in that space.

On mining health and safety, there has not been legislation that speaks to lending or the decommissioning of mines. As a result, there is a liability not a responsibility. A liability of R49 billion – of about 6 000 derelict and ownerless mines that have been left open and which has caused follow-on problems like illegal mining, which now needs to be addressed at a different area. Some of those problems would be the issues of acid mine drainage.

One of the important things to do is to ensure that this is properly legislated and that we do not close out or allow any decommissioning without properly closing out and ensuring that it is safe to leave those particular areas.

The issue of people dying in the mines has been ongoing for quite some time. One of the things that I think we need to bring to this House is that there has been a lot of work that has been done between the workers, the department and the miners themselves to reduce these numbers from what looks very bad – which was recording about a thousand people that would have died in the mines – to about the recent quarter that recorded about 21 versus the same quarter last year at 45. It is an improvement, but any life is important. There is no life that is allowed to be lost because of the safety and health in the mines.

Illegal mining is an issue that we need to address as such. It is criminal and it is stealing this country's precious metals. Let us address that part. It has brought elements. Sometimes it is tempting to say that, as the ANC government, we want to harass people, but we are not harassing because some of the things that come with illegal mining is to send our people into mines that are not safe and they die there. The big chunk of the numbers of the miners who died in those mines is the people who were illegally mining. On top of that the majority of those people are non-South Africans. As they are non-South Africans, they come here very heavily armed because they know that it is illegal. Let's address that.

Follow on to that is the project of fast-tracking the drive of giving mining licences to our people locally so that they are enabled to become small-scale miners.

The case of Lily Mine has not been forgotten. The lives of Pretty Nkambule, Yvonne Mnisi and Solomon Nyerende still remain an important discussion. There is work in which the department is engaging with all the stakeholders to ensure that the container is eventually taken out of the ground so that the families of those three are able to find closure on this particular matter.

We must indicate that work has been done with regard to the exercise of mine rehabilitation. A total of 9 mines distributed across

Limpopo, the Northern Cape and KwaZulu-Natal and about 27 asbestos mines have been attended to.

In the last minute that is left, on energy, the important part is to understand that we will be ensuring that there is energy security through mixed energy sources. We will not elevate one energy source over another. We will still mine coal. We will just introduce technology to clean coal. We will look into the issue of gas and its mining. Gas is one of the clean energies. Nuclear is also one of the clean energies. We will look into that. The issue of Independent Power Producers, IPPs, has a challenge. That challenge we will address as well. The challenge is of buying it at an expensive price for at least the first to the third window and buying it at R2,22 and selling it at 89 cents. Those are the issues that we need to address. The issue of electricity prices has been covered by the Minister. Thank you very much. [Time expired.]

Mr S E MFAYELA: Hon Chairperson, the beneficiation of mineral resources through proper legislation and regulation in South Africa remains key to the advancement of socioeconomic prosperity for the people of this country. The President himself stated in his state of the nation address that now is the time for implementation and action over rhetoric. The hon President further stated that this is the time for South Africans to make choices. He also prioritised economic transformation and job creation, especially alluding to the

bolstering of the mining industry through greater beneficiation to the people and communities situated in mining areas.

The very mandate of this department is to ensure that all South Africans derive sustainable benefits from the country's mineral wealth.

We have had three mining charters introduced since 2004, each being more onerous than the next, the net result being a supersession of policy regulations which does nothing but give rise to greater confusion and uncertainty.

Coming to mining safety, there is still much left to be desired in this field. Mining management must embrace the concept that they are the ones who are ultimately responsible for ensuring the safety of the mineworkers. The IFP stands shoulder to shoulder with our mineworkers in stating that the only acceptable mining injury is no injury at all. Management must do everything possible to ensure that injuries onsite are prevented and that, in the event of an accident onsite, all safety procedures and processes are in place to adequately deal with it.

We need to see greater policy and regulatory certainty and relook at the current high cost of compliance. While ensuring greater mineworker safety and fewer constraints, we must at the same time

ensure greater beneficiation, employment equity, skills transfer, community development and better living conditions.

The environment is also critical and must be rehabilitated post mining operations in order to restore the area to its prior state or condition. The IFP supports the budget. Thank you. [Applause.]

Mr A B CLOETE: Chairperson and hon Minister, the ANC has been making a lot of noise around South Africa entering the Fourth Industrial Revolution. Finally, the ruling party has woken up and realised that the world is changing with or without them. It is good to hear that the ANC has realised that decentralised workforces mean employees are not all in the same place due to the fact that technology now provides us with the means to work from anywhere we choose. And as technology continues to evolve, we will develop an innate need to learn new skills and develop new ways of thinking about the world.

In this revolution, technology will work alongside humans – which remain our most important resource. However, I need to ask a question: Where will the electricity and energy to power this technology-driven revolution come from?

Eskom het verlede week aangedui dat hy sukkel om aan die vraag na elektrisiteit te voldoen, maar sê dat daar nie rede tot kommer is nie en dat beurtkrag nie verwag word nie. Met respek, as jy sukkel om aan die vraag na elektrisiteit te voldoen, is ons volgende

kragkrisis op die horison. Dan is ons weer terug by die Tweede en Derde Industriële Revolusie. (*Translation of Afrikaans paragraph follows.*)

[Eskom indicated last week that it was struggling to meet the demand for electricity, but said there was no cause for concern and that load shedding was not expected. With respect, if you are struggling to meet the demand for electricity, our next power crisis is on the horizon. Then we are back at the Second and Third Industrial Revolution.]

Ms B T MATHEVULA: I don't understand Afrikaans.

The CHAIRPERSON OF THE NCOP: I will ask the Table to check that and ensure that the situation is corrected. But please proceed, hon member.

Mr A B CLOETE: In the meantime, it appears that the long-awaited Integrated Resource Plan has been stuck in Nedlac discussions because of so-called ideological differences preventing a final agreement. One of the main concerns is the possibility of job losses that may occur should the country decide to adopt a low-carbon approach for our economy. And this is where government ought to provide clear solutions and plans to ensure that our energy plan is sustainable. As one commentator put it, we need the how spelled out, Minister.

Hier is die probleem: Terwyl die vakbonde en ander rolspelers oor die ideologiese feite van ons energieplan stry, kyk maatskappye wat alternatiewe energie vervaardig reeds na ander lande om hul geld in te belê. *(Translation of Afrikaans paragraph follows.)*

[Here's the problem: While unions and other role-players are arguing over the ideological facts of our energy plan, companies that produce alternative energy are already looking at other countries to invest their money.]

The CHAIRPERSON OF THE NCOP: Just a minute, hon Cloete.

Manana B T MATHEVULA: Ndzi lava ku yingisela njhekajekisano wa yena kambe a ndzi ri twi ririmi ra Afrikaans. Ndzi kombela vuhundzuluxeri. *(Translation of Xitsonga paragraph follows.)*

[Ms B T MATHEVULA: I would like to listen to his debate, but unfortunately I do not understand Afrikaans. I request an interpreter.]

The CHAIRPERSON OF THE NCOP: Hon members, there is just this one little thing that we need to sort it out. Those of you who have the speakers' list ... it has been noted in what language the member will be speaking. It is very important to also encourage the processes of Parliament to work properly. Amongst others is to state the language each of the persons who come to the front will be

speaking. But in addition to the issue that you are raising directly, the issue of interpreting, I am sure the Table is noting. It is one of the things which need to be attended to and it must happen at all times.

But let us assist the processes. Let us not do it because we are dramatising. [Interjections.] I am not saying that you are doing it - I am not saying you are doing it! [Interjections.] I am not saying you are doing it! Please, sit. [Interjections.] Yes, what is your point of order?

Moh N P KONI: Modulasetilo, o bua e kete ke mathata a rona kgotsa maikarabelo a rona gore go bo go se na tirelo ya go toloka mo Ntlong eno. Mokgwa oo o buileng le motl Mathevula ka ona ... karabo eo o mo e neileng kgotsa mokgwa oo o mo arabileng ka ona, ga go a siama e bile ga go a re siamela, ga o bue sentle. Ga se maikarabelo a rona gore go bo go se na tirelo ya go toloka mo Ntlong eno. Seo o neng o tshwanetse go se bua ke go re "Ke kopa maitshwarelo", o ikobe mo go rona o re "Ke kopa maitshwarelo ka gonne re a palelwa". Fa o fetsa ... *(Translation of Setswana paragraph follows.)*

[Ms N P KONI: Chairperson, you speak as if it is our responsibility to ensure that we have interpreting in this House. The manner in which you addressed hon Mathevula ... the response you gave to her or the manner in which you responded, is incorrect and it is not good for us. That is not the way to speak. It is not our

responsibility to ensure that we have interpreting services in this House. What you are supposed to say is, "I am sorry". Humble yourself before us and say, "I am sorry, because I failed".

When you are done ...]

... you accuse the member by saying she is dramatic.

The CHAIRPERSON OF THE NCOP: No, I agree with you.

Ms N P KONI: You must withdraw that.

The CHAIRPERSON OF THE NCOP: Parliament or...

Ms N P KONI: Chairperson, withdraw the word dramatic. Withdraw!

The CHAIRPERSON OF THE NCOP: No, I am not going to do that. I am not going to do that. What I am going to do is apologise for the inconvenience. [Interjections.]

Ms N P KONI: You can't say the hon member is dramatic. You should withdraw.

The CHAIRPERSON OF THE NCOP: No!

Ms N P KONI: So you decide to continue with the drama yourself?

The CHAIRPERSON OF THE NCOP: Thank you very much. Can you please take your seat? Can you please take your seat! Can you please take your seat? Hon member, I am asking you to sit down otherwise I am going to switch off the mic. If you continue I am going to switch off the mic. [Interjections.] Once again, I repeat and emphasise that we apologise for the inconvenience caused.

Secondly, I want to urge members to ensure that they also act in a way that will assist the House. For instance, you can't stand up and say that there is no translation in Xitsonga. Few seconds thereafter you say there is no translation in Afrikaans. That suggests something. Let's not dramatise, but let us raise real issues and be consistent.

Mr A J NYAMBI: Chair, I am rising in terms of the Rule of the House. If I feel that the presiding officer has arrived at a wrong conclusion there is a process that we can follow as a House. Otherwise we will set a wrong precedence.

The second part is that when a presiding officer requests a member to sit down while talking we can't stand up while you are addressing a member in the House. So, I am rising on a point of order that, Chair...

Ms N P KONI: You are standing also. Wrong precedence!

Mr A J NYAMBI: ...even that one is wrong! Chair, what I am saying is that when you are addressing a member we must sit down and respect your order.

Ms N P KONI: You are all doing wrong things.

The CHAIRPERSON OF THE NCOP: Thank you very much. Actually, I'm told that Afrikaans is on. [Interjections.] As I did before, we apologise for any inconvenience.

Ms C LABUSCHAGNE: Chair, on a point of order: English interpreting is on Channel 2. I don't know why this whole story is necessary. Thank you.

The CHAIRPERSON OF THE NCOP: Please, don't stand up before I recognise you. Take your seat, hon member. [Interjections.] Take your seat, hon member. [Interjections.] Please, take your seat, hon member.

Mr S F DU TOIT: Chair, on a point of order: Please, allow the member to proceed. I am referring to Rule 36 from the Rules Book, "Irrelevance or repetition" where the member is repeating herself all the time. [Interjections.]

The CHAIRPERSON OF THE NCOP: Can we have order, hon members. Can we please have order.

Mr M R BARA: Chair, I want to plead with you. We've had a productive day thus far. And I thought that we are getting to a point of completing the debate, as it were. Now, I think in this House there are individuals who think that they have the right over all of us. When they want they can stall debates, they can interrupt and disrupt and do all those things with impunity. People have the right to use languages of their preference.

Xa ndicingile ndithetha isiXhosa kule Ndlu kuba ndingumXhosa.

(Translation of isiXhosa sentence follows.)

[When I think, I speak isiXhosa in this House because I am umXhosa.]

But I get a feeling that there are languages that are not acceptable in this House. I think something must be done about it. We can't be held to ransom because people have certain confusions about their policies. Thank you, Chair. [Interjections.]

The CHAIRPERSON OF THE NCOP: I want to make a ruling. I did it earlier but it seems as if a bit of clarity is needed.

[Interjections.] Let me make a ruling. We will come back to the House after having looked at all the issues. The issue of languages is noted, and we will come back to it. Thank you very much. We are now proceeding. Please proceed! The issue of language will be addressed. [Interjections.] Hon member, you can't complain about

Afrikaans as a language because there are many other languages.
Please proceed.

Mr A B CLOETE: Chairperson, there is an English idiom that says a pointless action or plan is the same as bringing coal to Newcastle. We use this idiom to show that certain actions or plans will be rendered worthless. The previous hon member from the ANC mentioned this.

Mines are also situated in municipalities. Municipalities are losing their ability to deliver basic services. We are all aware of the recent Auditor-General findings. How is government going to establish an enabling environment for new mining stakeholders if our municipalities fail, Minister?

In this regard I wish to urge the Minister to first engage with Treasury and the Co-operative Governance and Traditional Affairs department to attend to our municipalities. It is good to hear that the department regards itself as an economy driven department. Maybe this department can urge Treasury and Cogta to focus on economic growth as well. It is important to focus on investors. The first thing potential investors look at is the state of our municipalities.

Let's take the Matjhabeng Local Municipality in the Free State as an example. This municipality has been labelled as one of, if not the

worst-performing municipality in the country. Welkom, Theunissen, Virginia, Odendaalsrus and Henneman were once regarded the goldfields of South Africa. Now the levels of service delivery and the extreme levels of debt have resulted in the municipality requiring immediate intervention, as stated by the Auditor-General. Matjhabeng only serves as an example of the many mining communities in South Africa where new and creative solutions are needed.

Unfortunately, it appears that the Minister's hands are tied up in his plan to revitalise old mines. The revitalisation of old mines will remain the coal to Newcastle if the ANC leadership does not broaden their scope for economic growth. Minister, maybe a different approach is needed – the granting of mining licenses with the aim to ensure that job losses do not occur once investors stop mining. As long as the ANC remains without any leadership resources and reveal low creative energy levels, this country will not grow and the FF Plus cannot support this budget. Thank you.

Mr A ARNOLDS: Hon Chairperson of the NCOP, the Minister and the Deputy Minister, hon members, energy is central to the development and growth of a country. Without it, an economy cannot create goods and services, people cannot move and the stable supply of electricity needed for industrialisation cannot be guaranteed. The world is, in many ways, driven by energy but our energy situation in this country continues to get worse. It starts with electricity and as the EFF we want to make it clear that Eskom should be under the

Department of Energy. This is where we should be discussing Eskom matters, not with the constitutional delinquent, the current Minister of Public Enterprises.

Under the current constitutional delinquent, our energy supply will not be stabilised and the crisis at Eskom will continue to get worse. White minority capital – who is working with the current Minister – wants Eskom to be broken up and sold off so that they can privatise our country's energy supply. Minister, we cannot allow white capital to get its hands on our energy supply. Once that happens, they will use their control of supply to stop providing free electricity to our people. This will increase prices and will dictate the pace of economic development.

The Independent Power Producer, IPP, deals are being used as an entry point for this programme. When you look at who owns the shares and who are debt providers for the IPP programme you will see Old Mutual, ABSA, Investec, Standard Bank, and European and American investors. The current Minister of Public Enterprises now uses these companies as advisors. Companies like Investec and the Rothschilds are planning to take over Eskom's assets. The same is happening with our petrol supply. Currently, the majority of oil refineries in South Africa are owned by big oil companies and with the recent oil and gas finds they want to keep it that way. That is why the Mineral and Petroleum Resources Development Amendment Bill was withdrawn by the Minister because he wants to ensure that oil companies control

whatever oil and gas is found on our coast line as well as the refining process.

The approach of this government to energy is failing the people and the economy of this country is suffering because of it. The EFF is a movement of superior logic and therefore we have solutions. So, we hope the Minister will listen to the solutions, which are as follows.

The state – and here we are talking about a capable and incorruptible state – must own the natural resources of the country. Energy supply must be stabilised with different energy sources including safe coal, nuclear energy and renewable energy sources. Eskom must build a nuclear power station. This nuclear power station must be built under a build-operate-transfer model in order to finance the project but with the end goal to complete the transferral to the state. Part of using mixed energy sources should include the establishment of independent state electricity and economic research institute to research and support energy planning.

Eskom must build a massive renewable energy division which will make best use of wind and solar. The ministerial determination that prevents Eskom from building renewable energy must be withdrawn immediately as it prevents Eskom from focusing on renewable energy. We call on the government to cancel all contracts with coal suppliers with immediate effect and cancel all mining rights issued

to companies mining coal that belong to Eskom. Eskom must immediately develop a comprehensive register of all assets that belong to Eskom coal mines including coal reserves.

A state-owned mining company must take over the operations of all coal mines owned by Eskom and prioritise the supply of quality coal to Eskom. [Applause.] Infrastructure development projects must be encouraged and supported. Chairperson, as the EFF we demand that all IPP contracts that former ... [Interjections.]

The CHAIRPERSON OF THE NCOP: Sorry, hon member. On what point are you rising, hon member?

Mr D R RYDER: Hon Chair, on a point of order: Going again to the language issue, if I may, it seems to me that the gentleman is struggling to speak in English, and I just want to say ...

Hy kan gerus maar in Afrikaans praat; ons sal luister.

[Tuusenwerpsels.] (*Translation of Afrikaans paragraph follows.*)

[He can speak in Afrikaans. We will listen. [Interjections.]]

The CHAIRPERSON OF THE NCOP: Please proceed.

Mr A ARNOLDS: Thank you, Chairperson. As the EFF we demand that all IPP contracts that the former Minister of Energy Jeff Radebe signed

be cancelled. We suspect that a large amount of corruption is going on in those deals and we cannot allow Eskom loans and the Public Electricity Bill to pay over-priced rates to IPPs. We know, Minister, that you will continue with the IPP programme and we expect to see this reflected in the soon-to-be-released Integrated Resource Plan.

This budget does not speak to the energy needs of this country and we as the EFF therefore reject the budget. I thank you. [Applause.]

Mr M NHANHA: Hon Koni, I commended you initially for being quiet and you are messing things up now. Hon Chairperson, allow me, one of these days, to introduce in this House an award for the party that calls for the most points of order. But, in hindsight, I think the winner of the prize is already determined, so it will be unfair for other parties!

Hon Chairperson, hon members and fellow South Africans, a Quantec standardised regional report of 2018 estimated a population of over 91 471 people, 47,8% of this population being male and 52% being female ... [Interjections.]

The CHAIRPERSON OF THE NCOP: A point of order, yes?

Ms C LABUSCHAGNE: Hon Chairperson, on a point of order: I do not think it is parliamentary to give as an interjection to say that

your wife is going to moer you, like that person said. Thank you.

[Interjections.]

The CHAIRPERSON OF THE NCOP: Please speak into the microphone so that I can hear properly.

Ms C LABUSCHAGNE: I was saying that is unparliamentary language that is being used and I want her to be withdraw it. [Interjections.]

The CHAIRPERSON OF THE NCOP: What was the language? [Interjections.] Unfortunately, I could not hear what was being said. Hon member, did you say what is said you have said? [Interjections.] You! You, yourself.

Ms B T MATHEVULA: [Inaudible.]

The CHAIRPERSON OF THE NCOP: You did not say anything at all? [Interjections.]

Hon members, I did not hear quite properly but the member has denied. What we will do is to check Hansard. Please proceed, hon member.

Mr M NHANHA: Chair, I hope you have taken note of my time?

Youth between the age of 14 and 34 years in this population accounts for 39% and are the biggest age segment of this community. The overall unemployment stands at 44% across all age groups. People who have no schooling are at 8,2%, 55% have no matric and only 27,7% have a matric or a post matric qualification. The Statistics SA community survey of 2016 estimated about 41,6% of this population lives below the poverty line.

Yet, the geological profile of Makhanda indicates that the main resource that is available for extraction is kaolin. For the benefit of members, kaolin is a clay mineral that used in the production of ceramics, bricks, tiles, paper, paints, pharmaceuticals and other industrial materials.

Makhanda boasts large untapped and under-utilised deposits of kaolin, but much of these reserves are of low-grade quality. Kaolinite from Makhanda accounts for about 25% of the national production which shows how substantial and economically important its kaolin reserves are. A study conducted by the Eastern Cape Socioeconomic Consultative Council, ECSECC, suggests that Makhanda has approximately one million tons of kaolin reserves – which is enough to supply the national market for over a hundred years based on the current demand. Various studies that have been conducted can also reveal that the Makana Local Municipality has some of the best quality kaolin in the country.

However, local people are not benefiting from this resource. Due to the lack of investment by government, non-existent infrastructure, uncertainty as to whether there will be water or electricity the following day, the high cost of energy, private companies – justifiably so – are mining this product with no option but to export their product to big cities such as Johannesburg and Cape Town.

There are however several ways in which the community can benefit from these resources, and these require a concerted effort from the Department of Mineral Resources and Energy. Firstly, invest in resources in various community-based initiatives, most of whom are now defunct. To further promote kaolin as an investment opportunity, it is worth mentioning that your department, on numerous occasions, has been to Makana Local Municipality. As always, promises were made and the rest is history.

At the last Select Committee on Mineral Resources meeting last week, I raised a question and was promised a written response and again we all know what happens when you are promised anything by this government.

Koni, you ... [Inaudible.]

The feasibility study that was conducted by the Makana Local Municipality in 2012 reveals that there is a great potential for

downstream beneficiation from kaolin and proposed a project that can be undertaken by Makana Local Municipality, the departments of Mineral Resources and Energy, Trade and Industry and many other state-owned agencies.

Presently, there is a limited opportunity for skills development and employment in Makana Local Municipality, hence the 44% unemployment rate.

The creative industries ...

The CHAIRPERSON OF THE NCOP: Your time is up.

Mnu M NHANHA: Qwathi, vuka mkhuluwa abantu baseRhini bayaphela yindlala. Akhona wona amalinge anokwenziwa. (*Translation of isiXhosa sentence follows.*)

[Mr M NHANHA: Qwathi, wake up, my older brother. The people of Grahamstown are starving. There are attempts that could be made.]

Mr A J NYAMBI: Hon Chairperson, hon Deputy Chairperson, Minister, Deputy Minister, hon members and fellow South Africans. An honourable advice to hon members as we are starting the sixth term. It will always be good that, when you get to this podium, to play the ball not the man. That will make our lives to be much easier, because once we come here, we will play the ball, but if you play

the man, we will be tempted to play the man and it collapses the House. That is why there is a saying that says "it's better to know what you know and what you do not know", and that is true knowledge.

The policy of the ANC with regards to mineral wealth beneath the soil and energy resources is informed by our philosophical outlook that these are parts of the heritage of all people of South Africa. The ANC has fulfilled an important element of this commitment when the Mineral and Petroleum Resources Development Act was passed in 2002. The Act acknowledges that South Africa's minerals and petroleum resources belong to the nation and that the state is the custodian thereof. It also affirms the state's commitment to transformation that will bring about equitable access to South Africa's mineral and petroleum resources.

The challenge in South Africa, as we always say, is to translate policies into implementation. We tend to fight over details rather than focus on taking the necessary political action to realise the strategic objectives of our legislation and policies. As the ANC we always hope that our colleagues from other political parties could engage us on substantive positions, so that we can use our opportunity of being representatives of the people in this House of Parliament to find common ground and move our country forward.

Of course, there are parties such as the DA and the Freedom Front Plus who come from very different philosophical and ideological

backgrounds than ours. The main concern about maintaining the status quo is that of maintaining the wealth accumulation patterns inherited from apartheid, whereby one group dominates the ownership and control of income and assets, to the exclusion of the majority of South Africans, most of whom are black and African.

A search for the DA's policy on minerals is a futile exercise. In the DA's 2017 document entitled *DA's approach to mining empowerment* half a page of its policy position says it will focus on jobs, growth, minerals, mine workers and mining communities. The party merely attacks the ANC and EFF positions, using extremely harsh language. This includes statements like, the DA believes the greatest contribution mines can make to the country is in employing a great number of poor South Africans. What a shame! A cursory read of the DA's 2019 election manifesto is quite revealing in terms of what the party is fundamentally all about.

The DA is clever in that it does not say much on the record, but one has to follow the statements of its public representatives to know exactly where it stands on issues. In fact, if truth be told, the DA's unwritten policy is the same as the policy of the conservative elements in the mining and energy industry. On mining, the DA only says a few lines calling for ensuring close regulation to protect ecosystems, our natural heritage and surrounding communities.

On energy, the DA only has two lines stating that it will root out corruption at Eskom in order to manage procurement more efficiently and prevent irregular and wasteful expenditure. It would restructure Eskom as envisaged in the DA's independent system and market operator. This is code language for privatisation.

The ANC-led government has a responsibility to deepen our democracy and ensure that... [interjections.]

The CHAIRPERSON OF THE NCOP: Hon member, on what point are you rising member? Hon Nhanha, on what point are you rising?

Mr M NHANHA: Chairperson, can I check, is hon Nyambi comfortable in reading a speech that was written by somebody else? He seems to be battling.

The CHAIRPERSON OF THE NCOP: Hon Nyambi, please proceed.

Mr A J NYAMBI: Sometimes it is better to keep quiet and be thought a fool than to open your mouth and leave no doubt! [Applause.]

The ANC-led government has a responsibility to deepen our democracy and ensure that our minerals and energy resources benefit all South Africans. That is why government persuaded all stakeholders in mining to negotiate the current Mining Charter. We would like to be the first to admit that the Mining Charter is by no means perfect.

In fact, it is a consensus document that sought to unite all those who have an interest in the sector to reach an agreement take will transformation forward, in the short to medium term.

The reality is that the structure and the character of the South African economy must be transformed in order for us to live together as one South African nation united in our diversity, hon Smith.

South Africa has been heavily reliant on coal for energy production for decades, and the country has fully accepted the usage of renewable energy in the scheme of things. This is all evident in the draft Integrated Resource Plan. The success of the IRP will be dependent upon the fairness of allocation of energy production by various energy resources. We must not lose sight of the fact that the basis of South Africa's economy depends on easy and affordable access to energy.

The Ministry and the department, together with Parliament, need to work efficiently to process and adopt legislative and regulatory mechanisms to effect the progressive transformation of the energy sector, while we do everything in our power to limit the negative impact on workers and mining communities, particularly where big coal-fired power stations are located.

As we transform our economy away from fossil fuels, various ways to reduce our carbon footprint should be explored so that, in the end,

South Africa can determine the percentage of each energy source which will work best for the country and its citizens. We believe that we need to focus on the following pieces of legislation, all of which are due for review in order to provide certainty for the energy sector, hon Minister and Deputy Minister: the Electricity Regulation Act, the National Energy Regulator Act, the Gas Act, and the Petroleum Pipelines Act.

We must focus on ensuring that, through our oversight and legislative mandates, all entities of the department are able to perform their tasks optimally. To cite but a few examples: the Central Energy Fund, CEF, and Petroleum South Africa ... We are concerned that our national oil and gas company, PetroSA, has been focusing on its internal challenges.

And as part of what we discussed at committee level and we have responded to the question, we will make sure that we do oversight on those.

Since its inception, the National Energy Regulator, Nersa, has issued construction licences for more than nine large-scale bulk storage facilities including import facilities. Four are located here in the Western Cape, three in KwaZulu-Natal and two in the Eastern Cape. These facilities total an estimated capital investment of R7 billion.

It is worth noting that, over the past 12 months, there has been positive development on almost all of these projects, hon Koni. The energy regulator has also embarked on the process of reviewing its tariff methodology for petroleum storage and loading facility in order to address issues identified as potential hindrances to facilities investment in petroleum infrastructure.

South Africa is a world leader when it comes to development and application of peaceful uses of nuclear technology. State-owned company NTP Radioisotopes is one of just a few global suppliers of the key medical radioisotopes that are used in diagnostic and therapeutic nuclear medicine procedures.

Njengami lengibuya eMpumalanga, kukahle kutsi ngisho kuMhlon. Indvuna yelitiko nelisekela leNdvuna yelitiko kutsi kamakhelwane wami, kunetigulumba letimbili. Sinye siyahamba, sinye asihambi. Letinja letisesitaladini, lesi lesimile lesingahambi tiyasichamela, lesi lesihambako tiyasigijimisa tisikhonkhotse. Kukhonkhotfwa lehambako lemile tiyayichamela. *(Translation of Siswati paragraph follows.)*

[As for me who is from Mpumalanga, it is proper that I mention to you, hon Minister and the Deputy Minister, that my neighbour has two tractors. One is in working condition and the other is stationary. Dogs from the streets come and urinate over the stationary one, and they chase the working one and bark at it when it is in motion. It

is the moving one that is barked at and the stationary one is urinated on.]

When I say I am doing an honourable advice that will make us last during this term, I want to put it to hon members that when you come to this podium, hon Smith, it is not going to assist us to debate the hon Minister. We are not debating the hon Minister; we are debating Budget Vote 26 and Budget Vote 29 and, as ANC we support, because what has been presented is what agreed upon.

Lastly, I want to always remind members that ... hon Smith, before you sleep tonight, visit what the Chief Justice gave us when we were sworn in as members. There is a preamble in the Constitution that was given to us. It starts with the words "We the people of South Africa recognise the injustice of the past ..." Let it be your homework. Ask others what the implications are of that statement in the preamble. It will assist you when you come here, because when you are here, you must always know that being negative does not mean you are better, and being better is quality. We support the Budget Vote. Thank you.

The MINISTER OF MINERAL RESOURCES AND ENERGY: Thank you very much for your contributions, we are taking them into account. We will take what is positive and ignore what is not positive because others come here and say ... they repeat exactly what we said, word for

word, and thereafter say, we do not support the budget vote, because the decision was taken in a party caucus not to support it.

We gave you diverse sources of energy that we are going to be focusing on. One speaker comes here and repeats them verbatim, then says I do not support, but he does. I will leave it at that. That is the danger of dogma and of howling in meetings. You do not apply your mind, you just howl.

Let me go to the declaration of interest. You know, the parliamentary system in South Africa is very interesting because it has a Declaration of Interest Policy in writing. You support it here. If you go there to check my declaration, you will find that I declare even my cattle and my sheep, let alone shares in mining companies which do not even exist. I declare everything, including sheep and cattle.

You come here to show off because there is the glare of television cameras. If you want me to declare, then it is counter-productive. I do not have a share in any mine. I have a wife who is quite an active business person and I always tell her, you are a failed business person. You can check the declaration; it is here in Parliament.

Let us go to the issue of the Mining Charter being scrapped. The Mining Charter will not be scrapped, because we cannot be apologetic

about it either. Many complain about 26, and then complain loudly when it goes to 30. Actually what they say is that, it is correct for South Africans not to have access to the economic activity. That is a ... [Interjections.]

Leave your stable! We are not a horse, we are not staying in stables!

All that I am trying to say is that, the Mining Charter must be there; it must actually be implemented. What is it if you have 30% in the minerals of your own country, but foreigners own the 70%? The reality of the matter is, once we stabilised the charter last year in terms of policy and regulatory certainty, we jumped 25 points in terms of international ratings, and jumped 5 points in terms of investment attractiveness. If you are not interested in that, you will not notice it. The charter is going to be there.

If we come to the question of balloting for a strike, it is in the law. You are proposing what is already in the law. As a trade unionist, I have gone through many strikes. I balloted for every strike I have been to, long before today. The question of balloting for a strike is not a big deal, except that some of us are very allergic to labour regulations and laws. We think that that we should have no laws about labour in this country.

You talk about the Fourth Industrial Revolution in mining and so forth. I want to invite you to visit the mines because I do that regularly. I have been to Vedanta Resources Limited. I know what this Fourth Industrial Revolution can do in the mining industry. I have been to Exxaro Mining. I have been to Kriel Mine. I have been to a number of mines. I know the change that is happening. I am not researching it and I am not talking about it because I am here. I am inviting you to please take a journey to a number of mines and come back and talk from experience.

The last point ... In terms of health and safety ... Actually the improvement of being at 24 fatalities versus 45 this time last year ... we are recording it and we want to build on that until we have a fatality-free industry. That is our objective. The time is up but I want to tell you that we are going to invest everything we have in ensuring that entities under this department operate optimally. That is the formation that we are having.

Ingxaki yenu nibuza imibuzo, nifune ukuziphendula ngokwenu.

[Kwaqhwytywa]. (*Translation of isiXhosa sentence follows.*).

[Your problem is that you ask questions, and want to answer them yourselves. [Applause.]

Debate concluded.

The Council rose at 18:08.

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