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NATIONAL ASSEMBLY

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PROCEEDINGS OF NATIONAL ASSEMBLY

The House met at 15: 02

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

Questions - Cluster 1: Peace and Security

Question 9:

The MINISTER OF POLICE: Hon Speaker, the drafting process in respect of the review and amendment of the South African Police Service Act of 1995 has not yet commenced. The chair of the Portfolio Committee on Police is alive to the challenge of capacity within the department and it was decided to appoint a Specialist Legislative Drafter to fast track the technical amendment.

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The Specialist Legislative Drafter will be appointed on a one-year contract basis and the incumbent's sole responsibility will be to deal with and finalise the technical amendments of the Act during the period. This process is in the final stages. Interviews were held on 26 February 2018.

The results of the personnel suitability for the appointment which include security screening is expected forthwith. Drafting of the Bill will commence as soon as the successful candidate is appointed which is targeted to take place before the end of March 2018. I thank you.

Mr F BEUKMAN: Madam Speaker and hon Minister, thank you for the response. In reply to the state of the nation debate, the President of the Republic indicated that the National Development Plan is the policy framework for government. Now, on the National Development Plan, there are specific proposals in relation to the police. Two of them, for example, relate to the appointment of the national commissioner and his deputies; and secondly, the appointment of the national policing board.

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It is quite imperative that those changes should be effected as soon as possible. In the light of the emphasis of the President on the National Development Plan, would the Minister implement steps to fast track the drafting process of the South African Police Service Amendment Act?

The MINISTER OF POLICE: I believe that the timeframes given here do show the seriousness of fast tracking the issue. We will try to stick as much as we can on the timeframes given here, taking onboard the recommendation of the NDP. There are other recommendations, like the Farlam Commission, which I think and I hope that the drafter could take on board.

However, significant points in the statutory will be based on the NDP. Indeed, we will try to fast track that as much as we can so that we begin to implement things that are recommended there, as the President of the Republic of South Africa has recommended that we move faster. Thank you.

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Ms N V MENTE: Speaker and Minister, currently the special danger allowance and the standby allowance are combined into one allowance, which is R400. That is a current policy. Secondly, there is a policy on wearing bullet proof when you are at the community service centre, CSC, or testifying in court. If one happens to be in a fatal incident and did not wear a bullet proof, the policy dictates that such person should not receive an allowance which is due to police officials that are killed on the line of duty.

Can you revise those two policies as well when you are dealing with the revision of the South African Police Act mentioned above? This is so that it protects police officials, like the ones that died in Engcobo and the police official in the Western Cape that was killed immediately after leaving the court as a witness, wearing no bullet proof.

So, our quest is that you should please deal with that policy issue and increase the danger allowance which is currently R400.

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The MINISTER OF POLICE: Madam Speaker, this is much of a comment and an instruction, as if I should either affirm it or disagree with it. However, the policy on bullet proof vest needs to be reviewed at. I hope the member will understand it. By the way it is compulsory that one wears the bullet proof vest so long as they are on duty - as you leave your residence until you come back to the residence.

If there are gaps, as you say, we will have to review that because these CSCs are under attack as we speak. So, we will want to protect our personnel wherever it is and whenever they are on duty. The policy will definitely be discussed and reviewed in order to save lives and make sure that members of the SA Police Service are safe.

Mr M HLENGWA: Madam Speaker and hon Minister, one of the things of course which the NDP does speak about is demilitarising the police in so far as ranks are concerns, and speaks about professionalising it and so forth. Does that feature in your plans, particularly in light of your - should I say - colourful rhetoric in so far as fighting crime is concerned? Do you believe that

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what you say is consistent with a professionalised and community-friendly police force which is demilitarised?

It may be a contradiction to say one thing on one hand and speak of those changes on the other hand. Even this came up in the Farlam commission, so what are your immediate plans around demilitarising the police?

The MINISTER OF POLICE: I am not sure about colourful language and colourful rhetoric. I am not very sure about that. What I know is that each and everything that is legal and suggested as legal and suggested as legal process will have to be followed, it doesn't matter who is there.

Other matters of the police that are outside that NDP can be debated; we are not going to sit here revise it. The revision need to be incorporated into law as we are revising the South African Police Act, get implemented and go forward. It would be definitely minus colourful rhetoric but at the same time it will take on board that there are other laws minus the South African Police Act, like the Criminal Procedure Act.

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If you read especially section 49, it will tell you how police must behave when they are under attack and all that. So, you use these Acts - these pieces of legislation - in combination. You don't take one and spare others. You should use them together in the implementation of your job: Whether it is Criminal Procedure Act or South African Police Act and other Acts that must be in place to facilitate the better implementation of safety of South Africans and the police themselves. Thanks.

Mr Z N MBHELE: Minister, you will be aware from your previous stints in the police service that section 45 of the SA Police Regulations deriving from the South African Police Act enables the national police commissioner to promote an employee into a post without advertising the post and without following the selection process. In the past, the previous national commissioners have abused Regulation 45 to flout due process in order to appoint their cronies for self-serving reasons.

So, given the urgent need for the professionalisation of the SA Police Service, which should be the key goal of

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reviewing of the South African Police Service Act, and given the need to ensure fit-for-purpose leadership in the police service: Will you in the meantime repeal section 45 of the SA Police Regulations? If so, by when? If not, why not?

The MINISTER OF POLICE: Definitely, each and every improvement on the South African Police Act must culminate in the safety of South African citizens more than any other thing. Going straight to reply to your question: No, we would not repeal section 45 of the Police Regulations because it will be necessary to use it sometimes. [Applause.]

Indeed, we must watch that nobody abuses and misuses it so that it stays there. Oversight is set; it is taken care of. To repeal it - absolutely no!

The SPEAKER: Hon members we now come to question 18 asked by the hon Hoosen to the Minister of Home Affairs.

The CHIEF WHIP OF THE OPPOSITION: Madam Speaker

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The SPEAKER: Yes hon Steenhuisen, is that a point of order?

The CHIEF WHIP OF THE OPPOSITION: Yes, I would like to address you in terms of Rule 138 of the NA Rules read together with section 92 of the Constitution which says that Ministers of state are accountable to this House and must provide regular reports. We noticed that the Minister of Home Affairs is not here today. The last information that we received from the NA table indicated that the Minister would be present. We were not informed that the Minister wouldn't be here. And we would like to find out from you where he is. We know that he in terrible difficulty at the moment but he must surely provide this House the reason for his absence today.

The question that the hon Hoosen has and the follow ups require Minister Gigaba to be in the House to answer. Now he may be flip-flopping on the radio but we want to hold him accountable in the House today and I would like you to tell us where he is hiding. [Applause.]

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The SPEAKER: Well hon members, I share the concern but I can't produce the Minister right now. [Interjections.] Indeed there is a need for cabinet members to present themselves to respond to questions. But we also have a provision for the Deputy Minister to respond in the absence of the Minister.

The CHIEF WHIP OF THE OPPOSITION: Madam Speaker, it's remarkably rude for the Minister not to at least inform you Madam Speaker ...

The SPEAKER: Yes, I agree

The CHIEF WHIP OF THE OPPOSITION: ... for the reasons which you are supposed to then inform the House. And I think he is in content with the House. [Interjection.]

The SPEAKER: But Hon Steenhuisen, I actually didn't recognise you. I want to recognise hon Ndlozi.

Dr M Q NDLOZI: Speaker, we respectfully would like to check with you if the Minister Malusi Gigaba has actually

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given reasons for his absence today because he goes around lying to South Africa. [Interjections.]

The SPEAKER: No, take your seat. You have asked a question now allow me to answer

Dr M Q NDLOZI: Now he is absconding Parliament. That is the motivation of the question

The SPEAKER: And the answer is no, I don't have the information [Interjections.]

Dr M Q NDLOZI: ... that we are dealing with a liar, a pathological liar.

The SPEAKER: Hon Ndlozi ...

Dr M Q NDLOZI: Has he possibly lied to you again about his absence?

The SPEAKER: Hon Ndlozi, take your seat. Take your seat. I recognise hon Singh

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Mr P D N MALOYI: Madam Speaker, on a point of order

The SPEAKER: What's your point of order?

Mr P D N MALOYI: In terms of Rule 92, to call a Minister or any other member is parliamentary. Can hon Ndlozi withdraw?

The SPEAKER: Hon Ndlozi, can you please withdraw that?

The CHIEF WHIP OF THE OPPOSITION: but Madam Speaker with ... [Interjection.]

The SPEAKER: No hon Steenhuisen please take your seat.
Hon Ndlozi withdraw the liar

Dr M Q NDLOZI: Hon Speaker, with all the respect I could muster ... [Interjection.] Eh! Eh! Wait for the end of the sentence.

The SPEAKER: No please withdraw. Don't tell me a story, just withdraw

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Dr M Q NDLOZI: [Laughter.] ... Speaker, to withdraw I must speak

The SPEAKER: Please withdraw hon Ndlozi

Dr M Q NDLOZI: Speaker, a court of law ...
[Interjection.]

The SPEAKER: Hon Ndlozi, I don't want to hear anything about a court of law

Dr M Q NDLOZI: Malusi Gigaba was declared by a court of law to have lied under oath.

The SPEAKER: Hon Ndlozi, withdraw

Dr M Q NDLOZI: How can a court be free to say things and I can't?

The SPEAKER: Withdraw hon Ndlozi

Dr M Q NDLOZI: No Speaker

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The SPEAKER: Withdraw hon Ndlozi

Dr M Q NDLOZI: Hon speaker, Minister Malusi Gigaba is a liar!

The SPEAKER: I can't be calling on you forever, the whole afternoon

Dr M Q NDLOZI: He is a pathological liar! That is what he is.

The SPEAKER: Hon Ndlozi, if you don't withdraw then I will have to ask you to leave the room

Dr M Q NDLOZI: No! no! Speaker, I can't leave the room on the basis of the court's decision

The SPEAKER: No because I am asking you withdraw that here in this House, not in court

Dr M Q NDLOZI: This is a free House

The SPEAKER: I am talking about you breaking the Rules

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Dr M Q NDLOZI: I am protected by the Constitution to repeat the court's decisions that Gigaba is a liar.

The SPEAKER: Hon Ndlozi please withdraw

Dr M Q NDLOZI: Speaker, I am unable to withdraw the truth

The SPEAKER: Then withdraw from the Chamber

Dr M Q NDLOZI: Speaker, I can't leave because I am speaking the truth

The SPEAKER: No withdraw from the Chamber if you are not going to do what the Chair is telling you to do

Dr M Q NDLOZI: I am coming to you there to hold you. We are going out together

The SPEAKER: No, hon Ndlozi!

Dr M Q NDLOZI: we are going out together, you and I today

The SPEAKER: Go out hon Ndlozi!

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Dr M Q NDLOZI: I am coming there now; if they are pulling me out we are going out together

The SPEAKER: Leave the House hon Ndlozi!

Mr N F SHIVAMBU: Speaker!

The SPEAKER: Leave the Chamber!

Mr N F SHIVAMBU: Speaker!

The SPEAKER: Can I ask the sergeant-at-arms to assist hon Ndlozi ...

Mr N F SHIVAMBU: But the fact of the matter is that ...

[Interjection.]

The SPEAKER: ...To elegantly leave the House

Mr N F SHIVAMBU: ... Malusi Gigaba is a liar.

[Interjections.] How else do we say that?

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The SPEAKER: Can I ask the sergeant-at-arms to assist hon Ndlozi to leave the House

Mr N F SHIVAMBU: How else do we say that Malusi Gigaba is a liar? Because that is a reality, the reality of the matter has been proven; even the court has confirmed that he is a liar. How else do we prove that? Because we must say it here

The SPEAKER: I will have to also ask you hon Shivambu to also leave the Chamber

Mr N F SHIVAMBU: No, that is not going to happen

The SPEAKER: Hon Shivambu!

Mr N F SHIVAMBU: No! I am not going anywhere

Dr M Q NDLOZI: Speaker you called the sergeant-of-arms and not the Deputy so I am not going to recognise this one

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The SPEAKER: I will now switch off your mics.

[Interjections.] Hon Shivambu! ...

Ms H O MKHALIPHI: Madam Speaker, don't worry they are leaving.

The SPEAKER: Hon Shivambu! Please leave the Chamber!

Ms H O MKHALIPHI: He is leaving, wait ...

The SPEAKER: No, he is sitting.

Ms H O MKHALIPHI: Hon Speaker, may I address you?

The SPEAKER: No, I want hon Shivambu to leave the Chamber.

Ms H O MKHALIPHI: But the sergeant-at-arms didn't come here.

The SPEAKER: Can I ask the sergeant-at-arms to assist hon Shivambu? I want to proceed with the question session.

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Ms E N NTLANGWINI: On a point of order Speaker! Why do you forever want to address EFF on a collective? You have Dr Ndlozi must leave, not hon Shivambu. There is a certain procedure that you need to follow and you haven't followed that procedure. Please can you start doing your job properly?

The SPEAKER: Hon Shivambu!

Ms E N NTLANGWINI: You haven't called the sergeant-at-arms yet.

The SPEAKER: Hon Shivambu! there comes the sergeant-at-arms to assist hon Shivambu in order for us to proceed with our questions session

Ms N V MENTE: Speaker, you didn't even ask him to withdraw. [Interjections.] You can't take the third step before taking the first one. You must ask him to withdraw first and find out if he is going to withdraw or not. You didn't ask him to withdraw; you just sent the sergeant-at-arms. What have we done to you? What have we done to

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you? We just said bring Malusi here. That's all we asked you to do.

Mr N F SHIVAMBU: You know Speaker, if you continue to protect liars like that; you are going to be in trouble and serious trouble. Malusi Gigaba is a liar ...

The SPEAKER: Thank you hon Shivambu.

Mr N F SHIVAMBU: Is a pathological liar.

The SPEAKER: Hon Shivambu, please leave the room, leave the Chamber and I recognise hon Singh.

Mr N F SHIVAMBU: It's unacceptable for you to protect liars. You operate under a different arrangement now but you continue with the same ... [interjection.] [Inaudible.] as it was happening in the past.

The SPEAKER: Hon Shivambu please leave!

Mr N F SHIVAMBU: It's unacceptable. That is why we find it difficult to respect you Baleka. [Interjections.]

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The SPEAKER: Please leave the room. Leave the Chamber. I want to recognise hon Singh

Ms H O MKHALIPHI: Speaker, I have raised my hand

The SPEAKER: No I am recognising hon Singh, I cannot recognise you at the same time

Ms H O MKHALIPHI: So are you going to recognise me

The SPEAKER: Take your seat and wait ...

Ms H O MKHALIPHI: Please recognise me Speaker!

The SPEAKER: Until you are recognised.

Ms H O MKHALIPHI: I am also a member like hon Singh in this House madam Speaker.

The SPEAKER: Please take your seat!

Mr N SINGH: hon speaker, I have had my hand up for quite some time without you recognising me.

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The SPEAKER: I know.

Mr N SINGH: Hon speaker, whilst the Rules provides for other Ministers to answer on behalf of another Minister who is absent, the Chief Whip forum serves as a clearing House for the business of the day. And my information is when my whip attended that meeting; she sent me a message at 10:43 to say that all Ministers will be present today.

Now Madam Speaker how is that between 10:43 and now, the Minister of Home Affairs is not here, Minister of International Relations is not here? Is the executive taking us for a ride? Is the executive taking Parliament for a ride? If they give us information that everybody will be present. I want somebody to answer that question. Thank you.

The CHIEF WHIP OF THE OPPOSITION: Madam Speaker!

The SPEAKER: I would like to read a letter here that my attention has just been drawn to. [Interjections.] It is signed by the chief of staff of the Ministry of Home Affairs. [Interjections.] And it goes like this, I hereby

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tender an apology on behalf of the Minister of Home Affairs, Malusi Gigaba, who will be unable to attend plenary today, 7 March 2018. He is not feeling well.

[Interjections.] The Minister couldn't sign the letter because he had to rush to the doctor. [Interjections.]

The CHIEF WHIP OF THE OPPOSITION: Madam Speaker, I would really ask that you investigate the veracity of that letter. And we are going to be monitoring instagram and twitter this afternoon because I believe that letter has been written because the Minister got himself into a dreadful mess over deliberate misleading statements he has made relating to the Guptas.

The SPEAKER: Hon Steenhuisen!

The CHIEF WHIP OF THE OPPOSITION: But Madam Speaker you cant punish members of this House for wanting to do their job. You should be punishing Ministers who are not doing theirs.

The SPEAKER: I have read the letter to you. I have no power over the veracity or no veracity of the letter but

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this is the situation as we have it right now. Therefore, I am suggesting that we waste no further time on this matter. I take the point hon Singh as to the information you got as the whips forum and indeed we can only deal with this based on this information we have. We will pursue any other matter or angle of it later because there is nothing else we have.

Ms H O MKHALIPHI: Madam Speaker, you promised to come back to me.

The SPEAKER: Hon Mkhaliphi!

Ms H O MKHALIPHI: Madam Speaker, I rise in terms of Rule 78. Madam Speakers may I suggest that we must not continue with this question Malusi Gigaba since he is not here and we don't want the deputy Minister to answer because she has nothing to do with the question we want to raise with the Minister. Can we propose that we postpone the question until this Minister comes back to the House?

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The SPEAKER: Actually, it's not an EFF member that submitted the question. If we have a proposal for withdrawal from the original person who submitted the question, then it is something that we can reconsider. I see hon Steenhuisen is on his feet.

The CHIEF WHIP OF THE OPPOSITION: Madam Speaker, as the Chief Whip of hon Hoosen, we would like to request that this question stands over. With respect, the hon Deputy Minister who is not a member of Cabinet is not going to be able to answer the follow up which is being prepared which relates to the Ministers granting of ministerial discretion and just like Mr Apleni wasn't able to answer in committee.

The hon Deputy Minister will not be able to answer that supplementary follow up. And I would ask that given the circumstances and the unique fact that it wasn't shared with chief whips this morning and we prepare on that basis that I fact this question does stand over until the next question day where the Minister can be held accountable.

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Question 41:

The SPEAKER: I will allow the question to stand over. We now come to Question 41 from the hon Mkhalipi of the EFF... [Interjections.]

Ms N V MENTE: Speaker, Speaker, Speaker!

The SPEAKER: Who is also asking the Minister of Home Affairs a question? Yes, hon Mente. Are you on the... [Interjections.]

Ms N V MENTE: Earlier on the deputy secretary general, DSG, indicated that we would like to withdraw our question until Malusi is here. So, take our question over until he is here, to answer for himself.

The SPEAKER: Hon Mente, can you please call the Minister correctly, as you know according to... [Interjections.]

Ms N V MENTE: Mr Gigaba!

The SPEAKER: Thank you. So, Question 41 asked by hon Mkhalipi will stand over. We are now on Question 8 from

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the hon Mpumlwana to the Minister of International Relations and Co-operation and... [Interjections.]

Mr M WATERS: Speaker, I rise on a point of order.

The SPEAKER: What is the point of order, hon Waters?

Mr M WATERS: Speaker, my point of order is: We were told in the Chief Whips' Forum this morning that the Minister of International Relations and Co-operation will also be here to answer questions. Now, just to give you some background, Speaker, this particular cluster of Ministers last answered questions on 7 September 2017.

[Interjections.] And that was the only time they answered questions for the entire year last year in Parliament.

So, the Minister is not here again, the previous Minister was not here last time and we are not holding the

executive to account and I would also like to suggest

that we delay the answering of this question and refer it

to the next sitting of questions please. Thank you.

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The SPEAKER: This question was submitted by the hon Mpumlwana of the ANC. I have not had a request from the hon Mpumlwana and I see the hon Deputy Chief Whip.

The DEPUTY CHIEF WHIP OF THE MAJORITY PARTY: Hon Speaker, with due respect to this House, we would like to withdraw the question, but also to say to the House that we will follow up because the report that we got was that the Minister's will be here. We will make follow up also with the Leader of Government Business. Thank you. [Applause.]

The SPEAKER: Deputy Chief Whip. [Interjections.]

The CHIEF WHIP OF THE OPPOSITION: Madam Speaker, may I just seek clarity in terms of Rule 138. Did you receive requests for being absent from this Minister in this case?

The SPEAKER: I have not received any such request.

[Interjections.] Hon members we proceed to Question 2, asked by Inkosi Cebekhulu to the Minister of State Security. Hon Minister. I see the hand of the Minister of Defence and Military Veterans. Hon Minister.

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The MINISTER OF DEFENCE AND MILITARY VETERANS: Hon Speaker and hon members, my understanding has always been that when questions are raised, which are supposed to be responded to by members of the executive; whether the Minister or the Deputy Minister is here, but some somebody does respond to the... no, wait a minute. Just a minute. [Interjections.]

The SPEAKER: Order! Order!

The MINISTER OF DEFENCE AND MILITARY VETERANS: Speaker, will you protect me!

The SPEAKER: Order, hon members! Let her put her point across!

The MINISTER OF DEFENCE AND MILITARY VETERANS: Speaker, will you protect me!

The SPEAKER: You are protected, hon Minister.

The MINISTER OF DEFENCE AND MILITARY VETERANS: Thank you very much, Speaker. Speaker, it is not the first time

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that a Minister is not in the House; the two Ministers are not in the House. In the past, the Deputies have been allowed to answer questions. The issue that should be raised is: Why is it that the Whips did not report at the meeting of the Chief Whips that the Ministers will not be there? Speaker, I believe that the fact that hon Minister Malusi was going to respond to an issue relating to the citizenship or noncitizenship of the Guptas, is not a Malusi issue, but rather a departmental matter and therefore if the Deputy Minister is here, the Deputy Minister should have been given an opportunity to respond to this question. I honestly think that comrade ... No Chair! [Interjections.]

The SPEAKER: Hon Minister, thank you very much for the point you are raising. [Interjections.]

The MINISTER OF DEFENCE AND MILITARY VETERANS: No, I think you are wrong! You are wrong! You are wrong, Chair! [Interjections.]

The SPEAKER: But I wish hon members to allow me to proceed with this Question and Answer Session without now

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going back to that matter because I ruled and accepted...

[Interjections.]

The MINISTER OF DEFENCE AND MILITARY VETERANS: I have valium, if you need it here. Valium. [Interjections.]

The SPEAKER: No, hon Minister, thank you very much. Please, allow us to proceed to the question to the Minister of State Security. Hon Minister. Hon Minister, sorry, I have the hon Deputy Chief Whip here.

The DEPUTY CHIEF WHIP OF THE MAJORITY PARTY: Hon Speaker, the information that was presented to us in the Chief Whips' Forum, was that the Police Minister will be available to respond to the questions, the Deputy Minister of Home Affairs will be available to respond to the questions and the International Relations and Co-operation Minister will be available, the State Security Minister will be available, the Defence and Military Veterans Minister will be available and the Justice And Correctional Services Minister will be available. This is the list that we have.

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The SPEAKER: Thank you, hon Deputy Chief Whip.

The CHIEF WHIPP OF THE OPPOSITION: Madam Speaker.

Ms H O MKHALIPI: Speaker, on a point of order.

The CHIEF WHIP OF THE OPPOSITION: Madam Speaker.

Ms H O MKHALIPI: Speaker, on a point of order.

The SPEAKER: No hon Mkhalipi. I cannot have two ...

[Interjections.]

Ms H O MKHALIPI: But why are you not telling him!

The SPEAKER: Hon Steenhuisen was actually the first person to draw my attention!

Ms H O MKHALIPI: Ah, you see now! You see! You always treat us as bad as it is. No, Madam Speaker, hayi!

The SPEAKER: Hon Mkhalipi, do not try to be a baby, just take a seat. Hon Steenhuisen! [Laughter.]

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The CHIEF WHIP OF THE OPPOSITION: Madam Speaker, I think it is wrong to blame the Deputy Chief Whip and certainly the Whips. In fact the list that we got, the most recent list which is as at 7 March 2018, 15:00 had one Police and this is from your Leader of Business Government, one police, Minister available, two home affairs, Minister available, three international relations co-operation, Minister available, state security, Minister available, four state security, Minister available, the fact that they are not here shows that this is not a new dawn, it is a sunset. [Laughter and Applause.]

The SPEAKER: Hon Minister of State Security.

Ms H O MKHALIPI: Speaker, do you see what you are doing to me. You see. The next thing you will call me a cry baby. [Interjections.]

The SPEAKER: Hon Mkhali! [Interjections.]

Ms H O MKHALIPI: While I am an hon member like you.

The SPEAKER: Hon Mkhali, my profuse apologies.

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Ms H O MKHALIPI: Thank you. Now, you are a cry baby.

The SPEAKER: Please, I now recognise you, hon Mkhalipi.

Ms H O MKHALIPI: Hon Speaker, I just want to say that the Deputy Chief Whip must be fair. We never discussed anything about Ministers today. The agenda was not about Ministers in the Chief Whips' Forum.

The SPEAKER: Alright.

Ms H O MKHALIPI: So, she must always speak the truth.

The SPEAKER: So, you are conveying that message through the Chair. Thank you, very much. I now want to proceed to the Minister of State Security. [Interjections.]

The DEPUTY CHIEF WHIP OF THE MAJORITY PARTY: Hon Speaker, the list was on the programme. When Comrade Bhengu was presenting the programme, this is what he said.

Ms H O MKHALIPI: Maybe you were fast asleep.

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The SPEAKER: Hon Deputy Chief Whip, I appeal to you to let me proceed with the Question Session. Hon Minister.

IsiZulu:

Nkk H O MKHALIPI: Somlomo, u-Jackson Mthembu akabuye manje.

English:

The Deputy Chief Whip is failing us, as the Chief Whips.

The SPEAKER: No, Mkhalipi!

Question 2:

The MINISTER OF STATE SECURITY: Hon Speaker, the hon member, Inkosi Cebekhulu is a member of this committee and he has all the privilege to ask questions during the sessions of the committee, but however, I'm going to answer his question.

In terms of the National Strategic Intelligence Act of 1994, Act 39 of 1994 - Yes, I'm answering! The State Security Agency, SSA, has inter alia and responsibility to gather intelligence on potential threats and to

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transfer any intelligence in its possession that is required by another member of the National Intelligence Structure for the fulfilment of the statutory functions in accordance with section 3(6) of the National Strategic Intelligence Act.

Now Baba Cebekhulu, the information relating to the operations of the State Security Agency remains a classified and privileged information. However, it should be that the State Security Agency is held accountable on such matters by the Joint Standing Committee on Intelligence.

Lastly, this is provided for by the Intelligence Service Oversight Act 40 of 1994. These legal provisions are in Rule 120 of the Joint Rules of Parliament which states that the Joint Standing Committee on Intelligence, JSCI, must perform the oversight function concerning the intelligence services as required by the section 199(8) of the Constitution. I thank you.

Inkosi R N CEBEKHULU: Hon Speaker, I think I need to point out to the hon Minister that, from the response

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that you are giving, firstly, is the fact that the intelligence of this country is busy popping its nose on how people behave in their bedrooms; that's all what we hear from the media about their behaviour. Now, I should have known about their activities and not have posed such a question which I think deserves another platform to address.

All in all, hon Minister, it appears that the state security could have been complicit in permitting the Gupta brothers and Duduzane Zuma to abscond from South Africa, as it had already been announced that officials be on the alert at our border gates to the possibility of Duduzane and Gupta brothers trying to flee South Africa.

If I may go further, Madam Minister, you regard this as an accurate assessment. But what is your current understanding of the whereabouts of these parties. I thank you.

The MINISTER OF STATE SECURITY: As I have indicated, hon Cebekhulu, that there are different structures which work together in this type of operations. Now, our task in the

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operations of the state security agency is to collect information. As you know, you are a member of that committee; we pass it through to those who are supposed to effect whatever actions they are supposed to take. But within ourselves as SSA, we cannot go around at the borders and check whether Duduzane has left the country or not. That responsibility is with the immigration and the other officials.

Mr M L W FILTANE: Hon speaker, on matters of this nature, one assumes that intelligence driven policing should have been factored into the process. Border posts are most likely to be used by suspects of this status and they should have been guarded the moment the decision was taken that there are suspects. The Department of International Relations and Cooperation and International Criminal Police Organisation, Interpol, should have been put on alert.

The question is: Are you telling us, the South Africans, that you allowed such conspicuous suspects to slip through your best efforts, understanding as we do that your government has allowed our borders to be as porous

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as anything? Are you telling us that; that these people are out of the country? We want answers from you, and we want them now!

The MINISTER OF STATE SECURITY: Hon Filtane, I think that question is so irrelevant to be posed to the State Security Agency. The reason why I'm saying that is because; you rightfully mentioned the Intelligence Policing Forum in your question. Their function does not reside in the SSA.

Mr D J STUBBE: Speaker, my question to the Minister is: Can the intelligence service failure to successfully prevent that the Gupta brothers and Duduzane Zuma from leaving the country be attributed to the fact that they dedicated resources to the persecution and the harassment of Mr Jack Pauw instead?

The MINISTER OF STATE SECURITY: Hon Speaker, I didn't hear the question properly! Can you repeat the question?

Mr D J STUBBE: Minister, can the intelligence service failure to successfully prevent the Gupta brothers and

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Duduzane Zuma from leaving the country be attributed to the fact that they dedicated resources to the persecution and the harassment of Mr Jack Pauw instead?

The MINISTER OF STATE SECURITY: Hon Speaker, my answer to that question is that, that is the opinion of the hon member. The State Security Agency collects information and passes it through to the relevant structures. So, it has nothing to do with the search of Mr Pauw. Therefore, it the member's opinion to say that the resources were spent in that regard. Thank you.

Rev K R J MESHOE: Speaker, while we accept the fact that it is not the duty of your department, Minister, to mend the borders. At the same time, government departments have to work together, while we know that the Gupta brothers are suspects. Did the Minister pass the information to the home affairs to ensure that home affairs officials do not allow them to leave the country? I say this because there has to be cooperation between all government departments. I thank you.

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The MINISTER OF STATE SECURITY: Hon Meshoe, I think it will be highly irresponsible of me standing here and explain the operations of the State Security Agency in this House. I think it was sufficient enough for me to indicate that the detailed information should go to the committee relevant, because if I can do that now in this public platform where everybody is watching TV, would you think that I'm doing justice to the security of this country?

The CHIEF WHIP OF THE OPPOSITION: Madam Speaker!

The SPEAKER: Yes, hon Steenhuisen?

The CHIEF WHIP OF THE OPPOSITION: For the last question it looks like there were only three responses for it.

The SPEAKER: No! They were four!

The CHIEF WHIP OF THE OPPOSITION: Are you sure?

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The SPEAKER: Mhm! It was hon Cebbekhulu, hon Filtane, hon Member of the DA and the last one was Rev. Meshoe. They are four.

Question 46:

The MINISTER OF DEFENCE AND MILITARY VETERANS: Speaker, I would like to thank the hon member for the question.

In 2010, the High Court dismissed an application by KhioSan members who had requested the court to order the Minister of Defence to enter into negotiations to integrate their members into the SA National Defence Force, SANDF.

The court held that there is no legal framework in terms of which the Minister could integrate these members, as the termination of integration intake had set the cut-off date as 31 March 2002.

Members will further recall that the Defence Laws Repeal and Amendment Act of 2015 repealed certain obsolete and redundant Acts as well as time-specific Acts such as the 2002 Act.

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It is today 16 years after the closing date for integration of members into the SANDF. As the court pointed out, there is no longer a legal framework in place to facilitate integration.

The focus of the SANDF now is on the rejuvenation of the Force through the intake of young members.

The second part of the question deals with the Cape Corps Military Veterans. These are former members of the South African Defence Force who are registered into the national military veterans database and formally affiliated to the Council for Military Veterans Organisation, CMVO. The Cape Corps Military Veterans and their dependents do access benefits. They apply for these in terms of section 5 of the Military Veterans Act of 2011. These members are therefore not excluded from accessing benefits as and when they qualify for such in terms of the regulations applicable.

If the Cape Corps Military Veterans want to be recognised as a separate organisation away from the CMVO, they must

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then comply with the guidelines issued in 2015 for the recognition of military veterans' organisations.

On other words, here they are not applying for benefits. They are not saying they are not being recognised as military veterans. The issue is they want us to recognise an organisation when they had gone outside of the organisation they were originally affiliated to. Thank you.

Mr A M SHAIK EMAM: Speaker, I would like to thank the Minister for that response.

However, Minister, you would remember that, even in the case of land in South Africa, we had extended the date because, by certain deadlines, people had not met them. I would accept that there is no legal framework in place.

But that does not mean that we cannot create a legal framework and create an environment in which we could deal with this matter. Because we cannot run away from the fact that the Khoi and the San had played a role.

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They are the first people in this country. They are our indigenous people.

So, can we not, at some stage, create a platform so that we can enter into dialogue and see how we could meet them halfway? That's the first thing, Minister.

The second issue is this: In terms of the issue Cape Corps, yes, my understanding is applications have been done. But, to date, they have not received those benefits. That's what they are waiting for. It is being delayed.

Now, the Khoi and the San - and as the President has alluded to - has recognised them, but the argument that they are putting forward is that government is speaking to a selective few. Can we not enter into a dialogue with as many of the KhoiSan leaders to try and bring this matter to finality because it has been over 24 years and they not getting the satisfaction they deserve? Thank you.

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The MINISTER OF DEFENCE AND MILITARY VETERANS: Thank you, hon member. I think the issue ... your question talks to integration. An assumption is being made here that these who we are referring to are KhoiSan community members who were members of a particular ... whether nonstatutory or statutory force. Right? Defence Force. That's the assumption. Who were left out during the integration process. And I'm saying, if there is such, these may not be integrated.

It does not mean that, in the course of recruitment now of new members to the SANDF, there is discrimination for instance against children of KhoiSan origin. There is no such. Because the question you are asking now is, they should be allowed to be part of the SANDF like everybody else. You are correct.

But if you are talking integration of your former statutory and nonstatutory force members. We can't talk integration 23 years down the line. We can't talk integration when we have repealed the Integration Act. What we are talking about now ... what you should be proposing is, as we recruit, as we bring young people

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into the SANDF, we should always remember that there is a category of people called the KhoiSan people. But there is no deliberate attempt or effort to discriminate against the KhoiSan people. I'm sorry, hon member. Thank you.

Mr S ESAU: Speaker, the Cape Corps was a statutory force with the details of all its members recorded and archived. As a division, it was made defunct in 1992 before the new government came into power.

Currently, it is still not recognised officially and has observer status on the SA National Military Veterans Association, when registration on the military veterans national database is a prerequisite, and it's not automatic, although they were statutory force members.

Why do such members have to wait for months and years before being registered, and then only be able to apply for military veterans benefits? The perception is that there is discrimination against the Cape Corps.

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The MINISTER OF DEFENCE AND MILITARY VETERANS: Thank you very much, hon member. I think it's important ... The first mistake we are making here is to mix two things. The Cape Coloured Corps and the KhoiSan. I think, let's deal with the one issue which we've dealt with. We are now dealing the Cape Coloured Corps who were part of the South African defence Force.

These are people now who are former members of the statutory forces. One, I think there is no ... I don't want to say there is no truth ... I don't know how to put it, but these people ... I'm sorry ... these ... the Cape Coloured Corps names do appear on the database of military veterans as individuals. And even benefits are rolled out to their dependents or to themselves as individual members. [Interjections.]

What they are requesting here is to be recognised as a formation of the Cape Corps ... coloured corps military veterans. These are people ... [Interjections.]

IsiZulu:

Uxolo ngicela ungilinde ngiqede.

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English:

The SPEAKER: Hon Mkhaliphi, please allow the Minister to finish.

The MINISTER OF DEFENCE AND MILITARY VETERANS: Honourable ... can I just finish, please.

The SPEAKER: Please finish, hon Minister.

The MINISTER OF DEFENCE AND MILITARY VETERANS: Now, the recognition of the Cape Corps ... [Interjections.]

Mr N M PAULSEN: Point of order, Speaker! Point of order!

The SPEAKER: No, no, hon Petersen, allow the Minister to finish.

Mr N M PAULSEN: Haai, that's so racist! You're just like this one. You're racist! "Petersen"? It's Paulsen!

The SPEAKER: No, hon Petersen ... [Interjections.]

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Mr N M PAULSEN: This one ... I don't know. What's a coloured?

The SPEAKER: Hon Petersen ...

Mr N M PAULSEN: What coloured corps?

The SPEAKER: Hon Paulsen ... hon Paulsen ...

Mr N M PAULSEN: Are you sure now? [Laughter.]

The SPEAKER: Hon Paulsen, please co-operate with me. I see are amused. I don't know what's so amusing.

Hon Minister, please finish off.

The MINISTER OF DEFENCE AND MILITARY VETERANS: There was a mistake there. You're right. My sincere apologies. Right? Cape Corps military veterans.

The CHIEF WHIP OF THE OPPOSITION: Point of order, Madam Speaker.

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The SPEAKER: What's the point of order, hon Steenhuisen?

The CHIEF WHIP OF THE OPPOSITION: Madam Speaker, you've been in the Chair many times before. It is completely unparliamentary to call a member of this House a racist. You are a member of the House, the last time I checked. That must be withdrawn.

The SPEAKER: Yes, I agree. I agree, hon Steenhuisen. You are correct. In fact, hon Paulsen must withdraw the ...

Mr N M PAULSEN: Speaker, I said, "that is racist". I didn't say you are racist. [Interjections.]

[Inaudible.] ... then you must listen!

The SPEAKER: I'll take your word for it. I'll check the Hansard.

Mr N M PAULSEN: I said that is racist. The hon Steenhuisen must also listen because it is racist not to listen! [Laughter.] [Interjections.]

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The SPEAKER: Take your seat, hon Paulsen. Are you through, hon Minister?

The MINISTER OF DEFENCE AND MILITARY VETERANS: I think so, Madam Speaker.

The SPEAKER: Hon Cebekhulu?

IsiZulu:

Yimuphi lo Cebekhulu.

English:

Mr M HLENGWA: I'm saying hon Cebekhulu pressed by mistake. He was actually on his way out.

IsiZulu:

Ngisho lokho. Ngu wo wani loyo?

English:

The SPEAKER: Oh. Hon Mente? [Laughter.]

Ms N V MENTE: Madam Speaker ...

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IsiZulu:

... awufuni nokusibona namhlanje.

English:

Minister, the apartheid South African Defence Force committed countless atrocities and human rights violations, yet, in 1994, many of these members of the South African Defence Force were integrated and were a key component of the SANDF, while liberation struggle veterans like Kenny Motsamai were left in jail. When will the Defence Force get rid of all servicemen who served in the South African Defence Force, given that it was criminal and therefore a criminal defence force?

The SPEAKER: The hon the Minister?

Mr M DLAMINI: Speaker ... Speaker ... this side! I want to raise a point of order. Gwede Mantashe is sleeping and he has not even completed his probation here! [Laughter.] He has not even finished three months! He is still on probation! He can't do that. [Interjections.] He's still on probation! We want to review that appointment!

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The SPEAKER: No, that's not a point of order. Please take your seat.

Mr P D N MALOYI: Speaker, can that member refer to the hon member as "hon member", not as Gwede Mantashe. We don't have a Gwede Mantashe in this House!

The SPEAKER: In fact, hon member, even if you are critical of a member of this House, you call them an honourable member. Hon Minister, please answer the question.

The MINISTER OF DEFENCE AND MILITARY VETERANS: Speaker, may I request hon Mkhaliphi to prepare a question which is directed at the matter which she is raising now. Because this has nothing to do with the original question which was raised with me. Thank you.

THE SPEAKER: Hon Mkhaliphi is not here. I think you are talking about hon Mente.

The MINISTER OF DEFENCE AND MILITARY VETERANS: Hon Mente! I'm sorry, comrade.

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Ms N V MENTE: No, I think you did not capture the question, Minister. Do you have Kenny Mutsomai on your database of the very same people you are talking about? [Interjections.]

The SPEAKER: No, the point I think that is being made is that that is a totally new question, for which you would need to submit and then the Minister can prepare to answer you properly.

Ms H O MKHALIPHI: But Speaker, why do you say I am not here? [Laughter.]

The SPEAKER: You were not there.

Ms H O MKHALIPHI: Where?

The SPEAKER: When I was talking you were not there.

Ms H O MKHALIPHI: Where?

The SPEAKER: I don't know where you were!

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Ms H O MKHALIPHI: Haai, Speaker, you have a problem with me!

IsiZulu:

USOMLOMO: Awuhlale phansi.

English:

Ms H O MKHALIPHI: I'm sitting here quietly and you are saying I'm not here!

IsiZulu:

Cha, ubungekho.

English:

Ms H O MKHALIPHI: Hayi, Speaker. Speaker, you must fall!

The SPEAKER: Hon November will ask the next supplementary question. Is she here? [Interjections.]

Mr G J SKOSANA: Hon Speaker, it is, in fact, hon Skosana.

Now, the question that I'm directing at the hon Minister is as follows: When was the official closing date for the

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integration of former nonstatutory forces and other forces into the SANDF, and what measures were put in place to ensure that this integration process was fair and comprehensive? Thank you. [Interjections.]

The MINISTER OF DEFENCE AND MILITARY VETERANS: No, it's not a new question. It still has to do with integration, but I should say that ... and I did say when I responded to the question right at the beginning, that the termination of the Integration Act had set the cut-off for integration on 31 March 2002.

And then I went on to remind all of us that, in 2015, we actually repealed all Acts which have to do with integration, etc. Thank you. I hope I've answered the question.

Question 13:

The DEPUTY MINISTER OF HOME AFFAIRS: Madam Speaker, I guess I should thank the hon Chairperson of the portfolio committee for letting me on my keep today. It would be completely unfair of me while I have the floor not to mention that Minister Gigaba spent almost four hours in

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the portfolio committee and that most members had more than ample time to pose questions to him. Nonetheless ... [Interjections.] May I continue, hon Speaker?

The SPEAKER: Please, continue hon Deputy Minister.

The DEPUTY MINISTER OF HOME AFFAIRS: The question revolves around the repositioning of the Department of Home Affairs and the response is as follows: We aim by the repositioning to build a modern and secure department. Our first priority is to ensure that the identity and civic status of all South African citizens are secured on the national population register. The second priority is to manage international migration securely and efficiently. Thirdly, we hope by these efforts in terms of our modernisation digitisation efforts to build a solid platform to enable the state to improve its efficiencies and derive maximum benefits from scarce resources.

The second part of the question is that once the Border Management Authority Bill is passed, the department will

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in addition have the mandate of border security and so necessarily this is a work in progress. Thank you.

Mr B L MASHILE: Speaker, I welcome the response that has been given. Deputy Minister, how will the repositioning of the department assist in improving the security of the state?

The DEPUTY MINISTER OF HOME AFFAIRS: Speaker, fundamentally the security of the state is premised on few things. The first is secure borders and clearly with the hopefully soon to be passed Border Management Authority Bill - this aspect will certainly be given a boost. In addition, let me just say that with the repositioning of the department in the security cluster - this has brought an increased cross-sectional co-operation and alignment, particularly with regard to those sectors in the criminal justice area where there are major dependencies on home affairs functions and services in relation to; for example, crime fighting, managing prisoner populations as well as repatriation. Clearly, these are natural benefits to be heard with this kind of repositioning. Thank you very much.

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Mr M H HOOSEN: Deputy Minister, your cry about the Minister being available yesterday for four hours, I am afraid it's a very weak argument. We have been asking him for six months to appear before the portfolio committee. Your colleagues there, the chairperson himself and the rest of the ANC colleagues have been doing everything humanly possible to prevent him from coming to the committee to answer questions. The fact that he is actually not here today should make you be ashamed of yourself and you shouldn't try to defend him. Nonetheless, let's move to this question.

Deputy Chairperson, one of the issues around security measures in the Department of Home Affairs and your role in it is to make sure that we manage the movement of people in and out of South Africa. That is a massive problem in our country at the moment. One of those reasons is that we do not have fingerprint capturing in the biometric systems that are not properly implemented as has been promised for years now by the Department of Home Affairs. This is one of the reasons why the Guptas disappeared without being detected. If we had had the fingerprint system, we would have been able not to have

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to rely on Airports Company SA, Acsa, to tell the SAPS, that they have actually left the country. We would have been able to tell them better. What is taking so long for your department to implement biometric systems at all the points of entry in South Africa? What is the cause of those delays? Please give us the answers. Thank you very much.

The DEPUTY MINISTER OF HOME AFFAIRS: Speaker, let me remind the hon member that Minister Gigaba was not the Minister of Home Affairs six months ago. Again, the Minister of Home Affairs at the time did appear in Parliament to respond to questions. Nonetheless, we seem not to want to have facts get in the way of a good story. In regard to the issue of biometric capabilities, this is a matter that is currently being rolled out in all ports of entry and within the next few weeks I am sure that we would have 100% coverage. Thank you very much.

Ms N V MENTE: Speaker, it is for hon Mgcini.

The SPEAKER: Proceed, hon member.

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Mr M TSHWAKU: Speaker, the department would never be able to execute its mandate effectively as long as it is led by captured individuals. And it talks of Home Affairs being more efficient and effective. With the current Minister, it is impossible. Once again, when will this guy, the Minister, resign? Thank you.

The SPEAKER: Hon member, really that is not a serious question. [Interjections.]

Ms E N NTLANGWINI: On a point of order, Speaker!

The SPEAKER: Yes, hon member, what is the point of order?

Ms E N NTLANGWINI: Speaker, that is a very serious question and for you to just decide that it is not a serious question is a very offensive way of conducting and presiding over this House. [Interjections.]

The SPEAKER: No, hon member.

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Ms E N NTLANGWINI: So, I would request you to withdraw that and let the Minister decide whether she will answer that for her colleague ... [Interjections.]

The SPEAKER: No, hon member ... [Interjections.]

Ms E N NTLANGWINI: She has been doing a good job to protecting her ... [Interjections.] ... the whole afternoon here.

The SPEAKER: Let us not make a joke of the sittings of this House ... [Interjections.]

Ms E N NTLANGWINI: No, Speaker ...

The SPEAKER: No.

Ms E N NTLANGWINI: You are at it again; you are at it again ... [Interjections.]

The SPEAKER: Hon member, take your seat.

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Ms E N NTLANGWINI: ... and we will use the courts again to rule this House. You are at it again.

The SPEAKER: Hon Singh.

Mr N SINGH: Hon Speaker ... [Interjections.]

Ms N V MENTE: No! I'm standing on a point of order. The Minister has not answered the question; you can't skip us.

The SPEAKER: Hon Mente, that is not a point of order.

Ms N V MENTE: It is. The Minister has not answered the question and you are skipping us ... [Interjections.]

The SPEAKER: Please, please take a seat.

Ms N V MENTE: Why must I take a seat? ...

[Interjections.]

The SPEAKER: I am ruling that supplementary question as not a serious supplementary question.

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Ms N V MENTE: It is; you must withdraw that.

The SPEAKER: No.

Ms N V MENTE: You must withdraw that.

The SPEAKER: No.

Ms N V MENTE: ... it is offensive and wrong.

The SPEAKER: Hon Mente, take your seat.

Ms N V MENTE: Don't bring your gogo [grandmother] tendencies here.

The SPEAKER: Take your seat. I am very proud to be a gogo [grandmother]. [Interjections.]

Ms H O MKHALIPHI: Speaker, but which Rule are you applying now to judge our question? It is because this is our question and procedurally the Minister must respond, not you to judge.

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Mr P D N MALOYI: Madam Speaker! ... [Interjections.]

Madam Speaker!

The SPEAKER: Hon Mkhalipi ...

Mr P D N MALOYI: Point of order!

Ms H O MKHALIPHI: No, please tell us the Rule ...

[Interjections.]

The SPEAKER: Hon Mkhaliphi ... [Interjections.] Please, take your seat.

Ms H O MKHALIPHI: No Speaker, tell us the Rule. Which Rule are you now using?

Mr P D N MALOYI: Point of order Madam Speaker ...

IsiZulu:

Nk H O MKHALIPHI: Hayi wena! Hlala phansi mafikizolo mani. Hlala phansi.

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The SPEAKER: Hon Mkhaliphi, please calm down. Can we just all calm down and allow ...

Ms M S KHAWULA: I think he's supposed to leave the House, otherwise I will call the bouncer to take the House because he doesn't respect us here.

Mr P D N MALOYI: Madam Speaker, can I rise on a point of order. Can I rise on a point of order, Madam Speaker. [Interjections.] Madam Speaker, I am rising on Rule 92 subrule 11.

The SPEAKER: Yes, hon member.

Mr P D N MALOYI: Hon member should be knowing by now that in terms of subrule 11, the ruling of the Speaker cannot be challenged in the House and these members are on a continuous basis violating subrule 11 of Rule 92. I would want you Madam Speaker to use the powers vested in you in terms of these Rules, to address this situation. Thank you very much.

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Mr M TSHWAKU: Can I rise on a point of order, Speaker.
Speaker?

The SPEAKER: Thank you hon member. Hon members ...
[Interjections.]

Ms N V MENTE: We are not going to allow anyone to
suppress us.

IsiZulu:

Futhi wena uthule, i-reshuffle iphelile.

The SPEAKER Hon Mente!

IsiXhosa:

Mnu M TSHWAKU: Bendicela ukubuza ...

English:

... Speaker. I'm rising on a point of order.

IsiXhosa:

Mnu M TSHWAKU: Ndicela ukubuza.

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English:

I just wanted to know if ...

The SPEAKER: To ask a question and to call a point of order is not the same thing.

Mr M TSHWAKU: Okay. How do you know that my question is not serious?

English:

What measure have you used to establish that my question is not serious? [Interjections.]

IsiXhosa:

Hayi, ndicela nje ukubuza.

English:

The SPEAKER: Hon member, may I publicly invite you to come and engage me on that matter in my office.

Mr M TSHWAKU: I cannot come to you "Nicodemously". It's got to be here, publicly. When is the Minister going to resign?

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The SPEAKER: I will now allow hon Singh to ask a supplementary question. Hon Singh?

Mr N SINGH: Hon Speaker ...

Ms H O MKHALIPHI: Speaker before hon Singh, I have requested you to clarify me in terms of the Rule that you are applying to judge our question. Please engage me on the Rules, at least.

The SPEAKER: Hon MkhaliPhi, I am proceeding with hon Singh and I am inviting you also to come and engage with me on that matter.

Ms E N NTLANGWINI: On a point of order, Speaker. On a point of order, Speaker

The SPEAKER: Yes, hon member, what's the point of order?

Ms E N NTLANGWINI: I request that you withdraw that it's not a serious question and replace it with what the Rules prescribe by saying that maybe it's not relevant to the prescribed question. Can you please withdraw the phrase,

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"it's not serious," because you have done many unserious things as well. So, going forward is the word that we are going to use.

The SPEAKER: Hon member, I am not allowing you to challenge the chair on a ruling I have made on an unprocedural supplementary question. Hon Singh, please take the floor.

Mr N SINGH: Are you sure this time, Speaker?

The SPEAKER: Yes, hon Singh.

Mr N SINGH: Thank you hon Speaker. I was also going to rise on a point of order before the question was asked because I don't understand the question. I don't know what type of question it is. But anyway I am going to ask a follow-up question because it talks about the security of the state and deals with Home Affairs. What I would like to know about the security of the information of South African citizens and other citizens that want to come into this country, when we were in the UK recently on a Chief Whip's study tour, we went to the UK offices

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of Home Office, in the UK and not in Umkomaas, but in London. We realised that there are agencies, visa facilitation services, VFS, Global that is still doing work on behalf of the department. It is alleged that VFS Global is linked to the Gupta family. Now, I want to know whether the security of information of South African citizens and foreign citizens who want to come into our country are protected if VFS Global has to continue handling these matters? To what extent are we paying them and how long will this contract be? How much does it cost the state? I know that the Deputy Minister won't have the answers but she can make them available and you can answer to some parts of my questions? Thank you.

The DEPUTY MINISTER OF HOME AFFAIRS: Thank you very much hon Singh and you are quite right, the Visa Facilitation Services Global receives application across many countries for South African visas as it does for many other countries. It is not owned or linked to any family in South Africa at all. It is a Swiss-based company and the allegation unfortunately comes from the member of the DA who was unable to substantiate that allegation when put to the test. Thank you very much.

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Question 7:

The MINISTER OF JUSTICE AND CORRECTIONAL SERVICES: Thank you Speaker and hon Mpumwana. Let me just start by indicating that the Superior Court Act does not currently regulate or prescribe official language or language of record in the High Courts as our superior courts. However, that in fact, the current Magistrate Court Act does and hence is intended amendment to that Act and replacement, actually, thereof with a new Lower Court Bill that is under way because that Act does prescribe English and Afrikaans as both official languages and the languages of record in the lower courts.

Having said that and then that was the response to the question regarding progress in the utilisation of indigenous languages in our courts. I wish to indicate that the information at my disposal is that in 2009, the department embarked on a pilot project on the use of indigenous languages prevalent in the district concerned and recorded the proceedings in the languages used. The pilot was in the following Magistrate Courts: Eastern Cape, it was Zwelitsha; Gauteng, Atteridgeville; Limpopo, Mankweng, Sekhukhune, Malamulele, Giyani, Tzaneen, Mutale

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and Masisi; and Mpumalanga, it was Mdutjana, Lydenburg and Eerstehoek. Therefore, the pilot ran from February to August 2009.

There were certain lessons learned from that experience and challenges that were recorded included practicalities in the use of indigenous languages, especially when it comes to specialised terminology in science, medicine, law, etc, which presented challenges in the utilisation of these languages in court. I think that the challenge is a broader one beyond the justice system and it is a matter which we need to address as a nation in ensuring that in the education system and in our innovation system we infuse indigenous languages so that they become part of the day to day languages that are used in our interactions. Thank you very much.

Mr L K B MPUMLWANA: Thank you very much, hon Minister. I think I appreciate that the importance of including African languages, particularly including people in their own language and in their own country. The question now is that, have you considered introducing these languages also in the High Court? Secondly, have you considered

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also making compulsory for Sign language interpreters to be in each and every court in the country to interpret so that you don't exclude people with disabilities, particularly those using sign language?

The MINISTER OF JUSTICE AND CORRECTIONAL SERVICES: Hon Speaker, as I indicated that the Superior Court Act as it stands does not prescribe the language of record or the official language to be used. That is prescribed in the magistrate court. Practically, every person is at liberty to use any language in court that they are comfortable with. We have an obligation as the state to ensure that interpretation services are provided in instances where litigants or witnesses wish to use languages which may not be languages that are commonly used in court.

Therefore, that process is provided for and that include the provision of Sign language interpreters where required. I may just to add that with increased integration of many nationalities from all over Africa and the world, the pressure has increased on our resources to ensure that any language that is spoken anywhere that happens to be the language that is used by

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a litigant or a witness that requires interpretation that such interpretation as far as possible should be made available. Thank you.

Mr M HLENGWA: Hon Speaker, through you to hon Minister, one of the critical areas, of course, is around interpretation where interpreters in the courts, and many at times you find that what one party A would say and the interpretation is talking cheese and many at times that leads to wrongful convictions. So, what work is the department in the interim doing to ensure that the quality of court interpreters is equal to the task and to ensure that you up-skill them and so on so that you do not have a situation whereby people who are in court are not prejudiced? I want to say incompetence, but for lack of better word at this point in time that should be the word, whilst we are still in the process of ensuring that all languages are easily available for citizens. Thank you.

The MINISTER OF JUSTICE AND CORRECTIONAL SERVICES: Hon Speaker, I want to concur with the hon member that very often where you find that the legal representatives and

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the presiding officers are not familiar with the languages, especially indigenous languages are used by either witnesses or litigants, you have an undesirable situation where if the interpreter misinterpret, there is none of them available to correct that. Therefore, that could result in undesirable consequences such as the prejudice that may be suffered. I think issues of transformation coming to play, the more you have a mix of linguistic background and ratio background if I may add, in the composition of court officials offices of our courts, is most likely that where such occurs any of them would be in a position to stand up on the spot and seek to have that situation corrected.

There has been an instance that I personally witnessed where an interpreter was misunderstood even by the presiding officer and that misunderstanding was part of the basis on which a decision was made which was in my view a miscarriage of justice. Thank you.

The SPEAKER: The hon Mente!

Ms H O MKHALIPI: Hon Speaker, it is Mkhalipi now.

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The SPEAKER: Go ahead, hon Mkhalipi.

Ms H O MKHALIPI: Present, Madam.

The SPEAKER: I also have you down here separately from Mente, so I don't know who is who.

Ms H O MKHALIPI: Okay ... [Inaudible.] Minister, do you agree with me that your pilot is taking too long since 2009 to 2018, because this issue is very crucial? And do you agree with me that the African languages to be used in court are part of transformation? So, from 2009 to 2018, you are still piloting in few districts because this issue needs to be implemented in the whole country. Thank you.

The MINISTER OF JUSTICE AND CORRECTIONAL SERVICES: Hon Speaker, as I have indicated that the pilot was conducted in 2009, it was reported on and the specific challenges were analysed and contained in the report. This related to some of the challenges that I alluded to, which clearly are not challenges that are confined to the justice system, but are a broader reflection of legacy

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that we carry as a nation, and that is of emerging from a dispensation where English and Afrikaans were the official languages for use in many contexts and areas of endeavour in society. That is a legacy that needs to be tackled more broadly within society through our education system including higher education system ensuring that indigenous languages are infused in many areas of education and specialisation so that special terms can be developed to assist us in being able to articulate complex scientific and other concepts in various indigenous languages.

So, yes, we have a responsibility as justice, but that is a challenge which the Pan South African Language Board, PanSALB, I believe is also making a contribution as enjoined by the Constitution to help resolve. Thank you.

Mr W HORN: Hon Speaker, through you to the Minister, you referred to the intended Lower Courts Bill and the fact that this could be added to multilingualism in our courts in terms of the language of record. If that be the case, obviously one of the first steps that should be done is to cost this project, specifically as some appeals and

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automatic reviews will follow which will necessitate formal translation of other languages in terms of court record into English. Have you embarked on such a costing exercise? And if so, what was the result, and if not, why not?

The MINISTER OF JUSTICE AND CORRECTIONAL SERVICES:

Actually, one of the analysis points that were reported on specifically arising out of the 2009 project were the cost implication as well as the time it took to translate a record and many other challenges because you would appreciate that there is a need for precision when it comes to recording proceedings, especially where such a court record would be relevant on appeal or review proceedings should they arise. So, that costing gave an idea of what the implication on a larger scale would be from that point of view if the language of record, for example, in the court was to be expanded beyond one or two languages.

As far as the Bill is concerned I have not indicated that there would be multilingualism when it comes to the language of record in terms of that Bill. I was simply

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saying that the current Magistrate Act provides for two official languages as well as two languages of record for lower courts and that is English and Afrikaans, and that is an untenable arrangement which is part of the legacy that we want to correct with the amendment. However, obviously, in deliberations costing will be taken into account in proposing a new framework under the new Bill going forward. Thank you.

Question 31:

The MINISTER OF POLICE: Thanks very much hon Speaker. In terms of regulation 11 (1) (a) (X11) of the SA Police Service, the SAPS, regulations, a person who applies to be appointed as a member of the SA Police must have no previous criminal convictions and such person shall allow his or her fingerprints to be taken. All prospective persons to be employed by the SAPS are subjected to a fingerprint screening process which is done by the local Criminal Record Centre to establish whether any of the people has any criminal convictions and/or criminal cases pending.

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In addition to the fingerprint screening process, a desktop computer verification of relevant criminal profile systems is conducted by Crime Intelligence to ensure that no persons with criminal convictions or with pending criminal cases are employed in the Service.

Mr Z N MBHELE: Minister, while that may certainly be the theory and that might be the policy, it is certainly not the practice because we know there are cops with criminal records in the Service. So, the implementation falls far, far short. In terms of the Service, one of the most sensitive aspects of police work is that of assisting and dealing with victims of domestic abuse and sexual violence. We need the best possible people working in such environments.

However, a recent reply received to a parliamentary question revealed that 57 SAPS members working at the Family Violence Child Protection and Sexual Offences, FCS, units, have criminal records. The people who are meant to assist and deal with the most traumatised and vulnerable victims of violent crime themselves have criminal records.

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Minister, can you explain to the House how it came about that each of these 57 SAPS members were employed to work with vulnerable victims in this environment despite having criminal records, despite that policy and despite what is supposed to happen? Also, what corrective action will your department take in this regard?

The MINISTER OF POLICE: Thanks very much. Well, there are two ways in which people that have criminal records happen to work within the organisation. First would be those that would have managed to go through the system that is there. How? Maybe one could come back to that later. Then there are those that would have committed those crimes while they are within the organisation, which again one will come back to, in terms of what is to be done about them.

I fully agree and concur with you that there are 57 people that are in the SAPS who have criminal records, but 30 of them are specifically in the environment that you talked about, which is a very sensitive environment. I fully agree with that. They should not be there, especially to deal with children and with abused and very

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scared people, mostly female, who have been assaulted or violated; some by their own partners.

The answer is that we have already put processes in place to deal with those people with immediate speed so that they – not just in the environment that you talked about but in the whole system – are not there. As soon as that comes back ... because the instruction has already gone out that those people are not supposed to be there according to the law. So somebody must move quickly, and that will be the National Commissioner of the SAPS who sees that we implement it, that they vacate the system and that we put in people whom we trust and that work with communities.

Mr S P MHLONGO: Thank you very much Chairperson. Hon Minister, will you be able to take immediate steps to fire those people who hired KGB, as much as he is not part of the vulnerable groups working with women and children, but as a person who has brought the name of the SAPS into such serious disrepute? Are you able to take immediate steps to fire those people who first hired KGB and who protected him within the SAPS?

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The MINISTER OF POLICE: Thanks Chairperson. Mr Tshabalala, or KGB as he is known, was within the system after he was convicted and has seriously damaged the image of the SAPS.

However, Mr Mhlongo, you cannot just wake up the next morning and fire those who did it. We still have to follow processes and procedures, in terms of how it happened. Indeed, if people are found to have done something wrong we will have to act and there will have to be consequences. Those consequences will have to be managed as best we can.

So, indeed this issue is on the table and we are dealing with it. The consequences will be communicated to the public since the matter has been a very high profile matter in public.

Mr M HLENGWA: Thank you House Chairperson. Hon Minister, I want to continue with the KGB-Tshabalala matter. In the course of the investigation have you extended or considered looking into the political interference which may have been at play here in getting Mr Tshabalala

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employed, given that information before us – which was presented to us by the SAPS a few weeks ago in the Standing Committee on Public Accounts, Scopa, – is that at some point in time this particular gentleman was given R50 million to head the intelligence operations of the SAPS and the intelligence service at the ANC conference in 2012.

So it could be that, beyond the normal human resource work of the SAPS, there was political interference. If the ANC is shocked by this you can speak to the SAPS. They gave us information that he was given R50 million to head intelligence operations at your conference in 2012.

The MINISTER OF POLICE: Thanks for your flowery rhetorical question. That should be part of the investigation, hon Hlengwa. The fact is that you come with 50 million while some people have come with R47 million and others have come with seven million. This means there will have to be a proper investigation so that we find out what happened. The figure is there but there are other figures.

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Indeed, if that investigation is properly done and we find out that somebody was wrong about the matter there will have to be consequences. What kind of consequences? If the matter is true it's a very serious matter. It could be even more than just dismissing those people from the system. Criminal charges will have to be laid because that would undermine – besides interference – the whole system that is supposed to be doing crucial work in protecting South Africans but instead they are doing things that people are not meant to be doing. Indeed, there will be consequences for that but the investigation must be conducted so that we find out which figure ... You have one figure but others have come with other figures. Allow us to investigate that.

IsiZulu:

USIHLALO WENDLU (Nk M G Boroto): Sithokoze mhlonishwa. Mhlonishwa MkhaliPI, umbuzo wokugcina ngowakho.

Nk H O MKHALIPI: Ndosi, ngiyajabula ukuthi uyasho ukuthi unalo inani ngoba bengizobuza ukuthi, unalo yini inani yalezi zigebengu? Usushilo ukuthi ...

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English:

... 57 according to your records. Can you name and shame them so that the country will know who those criminals are?

Secondly, Ndosi, it looks like now ...

IsiZulu:

... inani lamaphoyisa angaphakathi-ke manje ...

English:

... who do not have criminal records but who are members of the SAPS ...

IsiZulu:

... liyenyuka ekutheni bayokwenza ubugebengu bephethe isibhamu zomsebenzi. Ngabe unalo yini isu lokuthi ubhekane

English:

... with such a situation?

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The MINISTER OF POLICE: Thank you again Chairperson. As I said, with regard to these 57 people, we will have to follow all procedures and indeed at the conclusion of that those people will have to get out of the system as soon as things are confirmed.

So, the number is there. As I said the total is 57 but according to my information 30 of them are in the sensitive areas we have spoken about. So I guess we need to move even faster with that before we deal with all of them. However, we will have to deal with them simultaneously.

The question of police personnel that commit crimes need to be treated like all South Africans that commit crime. It doesn't matter in what environment you are found. There are serious accusations – some proved – that there are people that sell human parts and export them overseas. They are definitely not police personnel. They are in the other profession that is highly respected and other sectors of life but they still commit crime. It doesn't matter who they are and where we find those who commit crime. There must be consequences for them,

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including for the police persons that you are talking about. We give them the tools of trade to deal with criminal elements but they take those very same tools to go and commit crime so that they can enrich themselves or they themselves benefit out of the system and use those tools to commit crimes.

We will, as we are trying to do, invite communities to give information so that all of us are on the same path to react and act against those people. There are a few of them who have been put in there. Some have actually accompanied cash-heist cars to commit crime, not only with guns but even with state cars. So we are dealing with those people.

Question 12:

The DEPUTY MINISTER OF INTERNATIONAL RELATIONS AND CO-OPERATION (Mr L T Landers): Madam Chairperson, the reply to the hon Maila is as follows: The South Africa government condemns in the strongest terms the reported slave trade taking place in Libya against African migrants trying to move to Europe. This is one of the

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most abhorrent and abominable act in modern history, clearly driven by in grain racism and sexism.

This unacceptable deed invokes a grievous historical insult vested upon the African people which permanently disfigured our continent. We shouldn't just condemn this reprehensible act but we agree with both African Union, AU, and the United Nations, UN, that urgent and strong action must be taken against those who are responsible for this heinous and atrocious act which has been correctly described by the United Nations as a crime against humanity.

Mr M S A MAILA: House Chairperson, and Deputy Minister, as you said whether you call it slave trade or human trafficking, it still remains the crime against humanity. Now, this crime against humanity has a potential of taking the world into a backwards trajectory. I would like because this is also prevalent in the SADC area. What efforts has the SADC put in place to ensure that the scourge of human trafficking is done away with?

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The DEPUTY MINISTER OF INTERNATIONAL RELATIONS AND CO-OPERATION (Mr L T Landers): Madam Chairperson, to the hon Maila, the SADC region is also members of the African Union and there are a number of AU-led initiatives to address this problem in Africa and in SADC. This includes the AU commission initiative against trafficking, the 2006 Ouagadougou plan for action for the prevention of smuggling and trafficking of person, especially woman and children in Africa, and the AU migration policy framework for Africa and the AU-Horn of Africa Initiative on Human Trafficking and Smuggling of Migrants.

The HOUSE CHAIRPERSON (Ms M G Boroto): It is okay.

Mr M N PAULSEN: Chairperson, the South African government were party to the other crime against humanity having commander Gaddafi hunted down by the largest terrorist country in this world, the United State. He was shot and murdered in the most inhuman fashion resulting in Libya being a broken state. Does the South African government regret being accomplices to his death? Do they regret for not doing more to help the people of Libya and Muammar Gaddafi? Thank you very much.

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The DEPUTY MINISTER OF INTERNATIONAL RELATIONS AND CO-OPERATION (Mr L T Landers): Madam Chairperson, well, is somewhat very indirectly related but not direct consequence of the original question and reply. We don't accept that South Africa was party to the murder of Muammar Gaddafi.

Ms H O MKHALIPI: You were!

The DEPUTY MINISTER OF INTERNATIONAL RELATIONS AND CO-OPERATION (Mr L T Landers): Well then, yes, hon former President Zuma stood up in this House and explained to this House when the hon Mkhaliipi was not present. Yes, he explained in detail the role he played why he signed and the reasons for signing. So, we are mindful of that tragic period in outlives and all the perpetrators. If you want to include South Africa, then you have to include the North Atlantic Treaty Organisation, NATO, the US, the Britain and all the other players that resulted in Libya being the fail state that it is today.

Mr M HLENGWA: House Chairperson, hon Deputy Minister you have listed quite a number of treaties and commitments

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that the AU has so in so far as dealing with this matter is concern. The question is course that all of these are happening and these things are there.

The question is that, is the South African government satisfied that the instruments in place are effective and efficient in dealing with this matters and curbing them because they have the potential of escalating into a gross human rights violation across the continent if we don't arrest it in Libya?

Secondly, what assistance is the South African government is offering directly in dealing with this matter and particularly in terms of support for countries which may not have the capacity to assist their own citizens who may find themselves among the brutal bunch of this slave trade.

The DEPUTY MINISTER OF INTERNATIONAL RELATIONS AND CO-OPERATION (Mr L T Landers): Madam Chairperson, to the hon Hlengwa, we are as concerned as he is and I must agree with his analysis of the situation. The difficulty lies in the fact that Libya as I said is a failed state and

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unlike other member states of the AU that creates a complexity that is extremely difficult to get by.

Now, are we satisfied with the instruments? No, clearly there are inadequate and we should take another look at that bearing in mind the complexities of this situation in Libya. The AU has led the process to develop a common African position on this matter and it addresses the smuggling of migrants trafficking in persons and contemporary or modern forms of slavery.

Now, this is another instance but it calls inter alia active efforts to support law enforcement, border control agencies and other relevant actors with regard to capacity building intelligence and information sharing, coordination and operational activities. I am not going to pretend to that, that should satisfy us and that then will solve the problem. It goes far deeper than that and so that is as far I can go with my reply to the hon Hlengwa.

Mr S MOKGALAPA: House Chairperson, I think we all agree and condemn the barbaric acts of modern day slavery and I

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think it is atrocity against women rights and I think we agree that South Africa should take the leadership role in Africa in condemning and doing something about this act but I just want to find out, why has the government failed to sign and ratify the international convention on the protection of rights of all migrant workers and their family members over a period of two decades? I think all these instruments that you have indicated can mean nothing if we are not part of the international solution to the migrant labour and the issue of slavery particularly in Africa. Thank you.

The DEPUTY MINISTER OF INTERNATIONAL RELATIONS AND CO-OPERATION (Mr L T Landers): Hon Chairperson, to the hon Mokgalapa I will have to go into why we haven't signed the convent. I must assume that the convent lies with the department of labour and not with international relations and cooperation but I think the question is a fair one and deserves investigation as to why it hasn't been signed and ratified. That about all I can say on the matter.

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The HOUSE CHAIRPERSON (Ms M G Boroto): Before I go to the next question, allow me to welcome in our gallery to the Parliament of South Africa, the Auditors General and Supreme Audit Institutions from the Republic of South Africa, Mozambique, Tanzania, Namibia, Kenya, and Nigeria who are hosted by the AFROSAI-E on the Senior Leadership development Programme. You are welcome to Parliament of the Republic South Africa. Thank you very much. You are welcome. [Applause.]

Question 5:

The MINISTER OF POLICE: No agreement has been finalised or signed. However, with regard to the promotions for former non-statutory forces members, a process is underway to approach Cabinet for consideration of the recommendations and to obtain additional funding for the implementation of the re-ranking process of former non-statutory forces members. The promotions of former non-statutory forces members can only be finalised once Cabinet has approved the recommendations and once additional funding has been secured. Thank you, Chairperson.

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Mr L RAMATLAKANE: Thank you Minister for that reply. You would note Minister that this matter has been going on for a long time. It's now about 24 years in the making. But we are happy that now you are going to make sure that it actually happened because as we speak today, number of some of those rank officials that was supposed to have been ranked through this process is already on the retirement age. So, please just accelerate in terms of that particular matter so that you can address that question. Thank you.

The MINISTER OF POLICE: I concur with the sentiment.

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you very much.

Ms H O MKHALIPI: Minister, the crimes committed by the apartheid SA Police Service against our people in the struggle for liberation is well documented. Yet, many members of that police force currently still serve in the SA Police Service. Why is this, and does the SAPS not have necessary capacity to replace them? Thank you.

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The MINISTER OF POLICE: The question raised by hon Mkhaliipi - most of it was part of negotiation than the present situation. They come from those negotiations that were there. You were part of it, yourself, as you were a member of the organisation that was negotiating in that time. So ... [Interjections.]

Ms H O MKHALIPI: Can I call an order, Chair?

The HOUSE CHAIRPERSON (Ms M G Boroto): What is your point of order? Can you take your seat, hon Minister? What is your point of ... [Interjections.]

Ms H O MKHALIPI: I think the Minister must just answer my question why the apartheid forces are still in SAPS? I was not part of the negotiations when the ANC sell-out

The HOUSE CHAIRPERSON (Ms M G Boroto): Okay, hon Minister, please continues and answer the question asks.

The MINISTER OF POLICE: No, this was a little bit of a supplementary question that said nadayisa. I am reminding her that she was there. She was a part of the

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organisation called ANC. So, that happened and need to be corrected. I agree on that.

There have been efforts, surely, not adequate; to make sure that those people that were there in that particular time harassed, sometimes even killed the people that were there. The activist and all other people that were involved in the changing of the situation are still there. But the issue now is that we are facing this present situation and we need to protect and work with the people that are there to make sure that South Africans are safe. The SA Police are nothing but the tool of making sure that South African citizens are safe. Individually, if they commit crime, we will deal with them as such because as I have said, that is covered by the negotiation that took place before that we have nothing much about that time at the present situation. Thanks.

Mr Z N MBHELE: Minister, the National Development Plan is clear that the key reform requires making the SAPS a more effective and efficient Police Service is professionalisation. Now, what this essential means at

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least for the DA is merit-based selection and promotion for all personnel as well as installing senior management that is qualified, competence and fits for purpose.

So, the question is, is there not a fundamental contradiction between, on the one hand, this leave for professionalisation, and on the other hand a political driven process to promote former members of armed struggle organisations up to the police ranks. How does the Minister propose to resolve this contradiction and why are the established human resource management processes not adequate to ensure fair promotion practices for all members? Thank you.

The MINISTER OF POLICE: Well, I think the key word here is that at least for the DA. Then, I am answering on behalf of the nation not of the DA. Having said that part of the negotiations, which is a question asked by hon Mkhali, where those things were negotiated, but part of the negotiation was that the accumulated experience and knowledge will be recognised.

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Now, I don't think if the member has been at the space where he can measure that accumulated experience to make those people to be at the level where they are. People that are running that process have a tool and access of measuring that accumulated experience. According to that experience, then you measure where you put those people.

Not all the people of the non-statutory are put on the same level. They are still put on the different levels according to the measurement of the experience they have.

Thank you.

Mr S P MHLONGO: Hon Minister, you are quiet correct that during the negotiation process a phased in process was agreed to, but are we actually winning because we had to depend on natural attrition retirement, but still, we have people like General Phahlane, who took the reigns of command with all that threatening garbage which transpired even in our Finance Committee of Parliament.

Now, with that in mind, hon Minister, will there be a device programme to ensure that since apartheid was declared a crime against humanity, we are then able to sustain transformation of SA Police in order to restore

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confidence of our people to this important organ of the state. Thanks.

The MINISTER OF POLICE: The question raise by hon Njomane about specific name, I would not venture there because there are processes at place as we are going forward. There are court issues. There are investigations. Maybe, let's allow those processes to finalise themselves.

Secondly, in terms of transformation, I would agree with Njomane, but not in this organisation alone. Maybe, we have been lacking in a negate speed when it comes to transformation, including this organisation, the SA Police. But we hope that we will be pushing harder to say we achieve transformation that is expected by the people of South Africa that we achieve in the organisation.

Thank you.

Afrikaans:

Die HUISVOORSITTER (Me M G Boroto): Ons leer die taal deur die taal te gebruik.

English:

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Pardon me from my pronunciation.

Question 24:

The MINISTER OF JUSTICE AND CORRECTIONAL SERVICES: Chair, I wish to indicate that I met with the former President, Jacob Zuma, between the end of 2014 and beginning of 2015. The President advised me that he had discussions with Mr Nxasana who had requested to vacate his position as National Directors of Public Prosecutions. Despite various interventions the tensions amongst senior members of the National Prosecuting Authority, NPA, were not subsiding which is part of the reason why he had decided to do so.

On 26 February 2015, I met with Mr Nxasana at the Sheraton Hotel in Pretoria where he confirmed his decision to vacate his position, but he indicated that he was still in consultation with his family and lawyers prior to the finalisation of his decision. At an NPA workshop in Kempton Park on or about 10 March 2015, I requested an update on his decision and he indicated that he had not yet concluded consultations with his lawyers and family and therefore needed more time to finalise.

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On 14 May 2015, I signed the settlement agreement reached between the President and Mr Nxasana. That was as far as my involvement in this matter was concerned. The answer to part (a) of the question is that, no, I was not involved in the actual negotiations of the settlement agreement, but did sign it on behalf of government. Thank you very much.

Mr W HORN: House Chair and Minister, in your capacity as the Minister of Justice and Constitutional Development you entered into this agreement with Mr Nxasana and only too late in the High Court you conceded that this agreement was in fact unlawful and should be reviewed and set aside - an agreement in terms of which more than R17 million of taxpayers' money was paid to Mr Nxasana to essentially protect your former boss, Jacob Zuma, from prosecution. How do you reconcile all of the above with your oath of office in which you swore to protect and uphold the Constitution and the law? How do you reconcile all of these with being part of the so-called new dawn Cabinet?

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The CHAIRPERSON (Ms M G Boroto): Hon Ngwezi, the question was posed to the Minister, and you have been there disturbing the Minister. Minister, are you able to respond to hon Horn?

The MINISTER OF JUSTICE AND CORRECTIONAL SERVICES: Yes, I am, Chairperson.

The CHAIRPERSON (Ms M G Boroto): Oh, it is now the Minister of Justice. I am sorry I thought I was still dealing with the hon Minister of Police. My apologies! Continue hon Minister.

The MINISTER OF JUSTICE AND CORRECTIONAL SERVICES: I just want to indicate to the hon member that he should be aware that I'm not party to any of the proceedings amongst the President or the current Director of Prosecutions, Mr Nxasana and any other party relating to this matter. I have signed a supporting affidavit in the proceedings and everything I have stated can also be found in my supporting affidavit.

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As far as the allegations that are being made by the hon member, I'm not aware of. At no stage in any of my conversations either with Mr Nxasana or with the former President did the issue that he is raising relating to the possible prosecution of the former President ever arise. Thank you very much.

MS D KOHLER-BARNARD: Minister, this settlement agreement was of course the conclusion of - what you and your former boss Jacob Zuma argued - a request by Mr Nxasana to vacate his office. Now the court has found that the findings most favourably you and Zuma could make was that there was inaction in respect of Mrwebi, Mzinyathi and Jiba despite our courts having found more than one occasion that they lied under oath and that this coupled with what the court called harassment of an unnecessary and unfounded public enquiry into the fitness of Mr Nxasana to hold office caused his willingness to leave.

Given that you are inexplicably part of President Ramaphosa's new dawn Cabinet, what will you do to rectify this mess that you helped caused?

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The MINISTER OF JUSTICE AND CORRECTIONAL SERVICES: I would appreciate if the hon member could assist me in directing to the mess as she puts it that I could have possibly caused. None of the assertions that she is making are with any substance of worth any noting. Thank you very much.

Ms E N NTLANGWENI: Mxolisi Nxasana was given a golden handshake of R17,3 million. Does the Minister believe that this payment could have been a bribe? Do you think that this money should be paid back? Why did you sign? Can you please give us an answer on why did you sign an agreement that you were not part of or an agreement that you did not agree to. Thank you.

The MINISTER OF JUSTICE AND CORRECTIONAL SERVICES: As the Minister of Justice, it is my responsibility to support any President in the execution of their responsibility of executive functions relating to the administration of justice. That is the responsibility that I discharged. Thank you very much.

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Mr M HLENGWA: Hon House Chairperson and hon Minister, at the heart of this problem now is the instability which exists in the NPA, particularly Mr Shawn Abrahams. Have you met with him? What has been the nature of your discussion? Now he wants to appeal this thing and we know for a fact that he is not fit and proper. He is not fit for purpose and his continued presence in the NPA is going to further cause problems therein. I think at the very least you must acknowledge that you have been party to the instability which has characterised the NPA over the past three years particularly when you have been in office.

The question is what advice are you giving to the current National Director of Public Prosecutions, NDPP, to ensure that he leaves as a matter of urgency so that we can transfer the so-called new dawn from Cabinet to the institutions of government particularly around the justice system because "inkinga ikhona futhi ibangwe yini" [There is a problem and it was caused by you]

The MINISTER OF JUSTICE AND CORRECTIONAL SERVICES: As the member is aware, it is my responsibility to exercise

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final responsibility of the National Prosecuting Authority. I discharge that constitutional responsibility amongst other things by interacting on a regular basis with the National Director of Public Prosecutions. I must state that the competence, skills and experience that he exudes and displays in his work to the extent that my interaction with him has revealed gives me confidence that he is the man for the job. Of course I would not comment on matters that are currently before the court. Safe to say that it is my understanding that the decision that was made, which is the subject of appeal, does not relate to the question of whether or not he is fit to hold office, but relates to the legality of his appointment which as far as I understand are clear distinct issues. Thank you very much.

Question 15:

The DEPUTY MINISTER OF HOME AFFAIRS: Chairperson, the question asked by the hon member Raphuti is, How does the new international migration policy attract critical skilled migrants into the country?

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I wish to remind members that the White Paper was published for the first time on 28 July 2017 and has therefore not yet been implemented. It will have to be translated into legislation for implementation.

However, very specifically, it is envisaged that persons who have critical skills relevant to our own economy and our own needs will be able to easily obtain short-term visas. This will allow them entry into the country to seek employment. Once they do obtain employment in that niche skill, they would then be able to extend that visa into a long-term visa.

The long-term visas proposed in the White Paper reflect the kinds of visas that would be issued for not less than five years and renewed on the basis of a points system to a longer period, such as five, 10 or 15 years at a time. This will afford these people with critical skills more certainty, while reducing red tape around the application for visas. That is, essentially, how the White Paper deals with this matter.

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The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you, hon Deputy Minister. In the absence of the hon Raphuti, the follow-up question will be asked by the hon Mashile.

Mr B L MASHILE: House Chair, Deputy Minister, we are a developing country. We owe our own citizens opportunities for employment in order for them to make a better life for themselves. We should not bring foreign nationals or migrants into the country without good reason.

My question is: What are the positive contributions that we expect skilled migrants to bring to our economy? Thank you very much.

The DEPUTY MINISTER OF HOME AFFAIRS: Chair, I quite agree. I do think that the trick with migration policy all over the world is to try and endeavour to balance one's national interests, one's sovereign interests with migration and development.

As we gear up for the Fourth Industrial Revolution, which is premised on new, cutting-edge technology, new skills and innovation, etc, there are, necessarily, some skills

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that we will be competing for with the rest of the world. These skills are quite rare and do not pertain to the usual skills that we would find in abundance in our country.

One of the things that the White Paper does is to propose a whole-of-government approach. A critical skills list would be a list of skills that this country needs quite critically to ensure that we can leverage on our developmental potential and our economic priorities. This list will then be devised across government, including the Departments of Science and Technology, Higher Education and Training, Trade and Industry, and Public Enterprises, and will form the basis of what it is that our country will be wanting to facilitate into the country. This is not meant to undermine the employment of South African citizens. Thank you very much.

Mr N SINGH: Hon Chairperson, hon Deputy Minister, you have partly answered my question, although I hadn't asked it yet. My question was going to be: What informs the categorisation of these critical skills? When I looked at the last publication, we last published a list of

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critical skills on 3 June 2014, and I see, cited here, as critical skills, occupations such as sheep shearer. Now, surely we can train people in our country to be sheep shearers? Architects, construction project managers, land surveyors, quantity surveyors, urban planners, medical practitioners - the list goes on.

So, I just want to know, hon Deputy Minister: Are we really serious when we say these are critical skills? What kind of continued interaction, like you said there would be with Science and Technology, Higher Education and Training, will there be to make sure that we train people in our own country to fill these positions so that they can grow our own economy and be useful citizens to South Africa? Thank you.

The DEPUTY MINISTER OF HOME AFFAIRS: Chair, I would like to thank the hon member for the question, which I quite appreciate. I think that one of the things we need to understand with regard to the existing list is that there has never been a list of critical skills because there has never been quite the amount of agreement that has resulted in the existing list.

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I must say, it took us a very, very long time and with a great deal of urging from different quarters, particularly the different sectors in the business community and the agricultural sector, to put together this critical list. We do appreciate that it can become outdated, simply because we, obviously, train our own people and the dearth of availability happens over time.

What I said in my earlier response was that the White Paper envisages a whole-of-government approach and a whole-of-society approach. So, when one thinks about it, one could have thought that there is not much skill required in the shearing of sheep. However, the experts actually know that this is not true. I am told that the skills that are required for shearing sheep in the proper and most efficient way possible are very scarce and rare in South Africa. [Interjections.]

Having said that, what we are doing and what the department is doing more and more is requiring businesses, particularly those in the manufacturing sector, to ensure that, while we agree that they can import their set skills they require for their

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businesses, that they equally commit to a programme of imparting those skills, and training and partnering with the necessary colleges and technikons, etc. That will ensure that we actually get the kind of skills dearth that we need. Thank you very much. [Time expired.]

Dr S S THEMBEKWAYO: Chair, Deputy Minister, unemployment continues to be a key challenge to the country, despite various changes to immigration policy, over the years. Does the Deputy Minister believe that immigration policy can have an impact on the employment rates of locals within the economy? If yes, can the Deputy Minister please elaborate? Thank you.

The DEPUTY MINISTER OF HOME AFFAIRS: Chair, I thank the hon member for the question. I do believe that the immigration policy plays some role in ensuring that we prioritise South African job seekers and place them in employment. However, it can't solve all of our problems. There has to be a multipronged approach to ensuring we create more jobs and more spaces for South Africans.

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The White Paper is merely a response and facilitating document pertaining to foreign migrant workers coming into the country. I do think that, more and more, we need to start looking at how we can start facilitating our own people into those particular jobs.

A case in point would be where we facilitate, en masse, migrant labour into agricultural commercial farms in the north of our country, where we facilitate, on a government-to-government basis, the entry, administration, and working conditions of such people when it comes to foreign labour. I am not quite sure that we put in sufficient effort when it comes to South Africans and facilitating them into jobs in the way that we do with migrant labour.

So, I do think that it is one aspect. It can play a role but it can't be the only prong. Thank you.

Mr M L W FILTANE: Chair, hon Speaker ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Not yet!

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Mr M L W FILTANE: ... imported skilled labour is a direct admission that South Africa fails to offer an appropriate educational system. This is a shame, on its own. To rub salt into the wound of an already weak economy, you import personnel who bring with them their foreign norms, standards and culture, when you could have sent our citizens out there to acquire those skills.

The question is: What impact, in percentage terms, is anticipated will be brought to our economy by importing critical skills? I would guess that when you draft that White Paper, you would say that had we had this factor in the form of this skilled person with that critical skill, we would be performing at this rate. However, because, in the equation, we are minus this factor, of this person, we are not performing well. My question, then, is: Why don't you adjust the education system, rather than import people? Thank you. [Time expired.]

The DEPUTY MINISTER OF HOME AFFAIRS: Chairperson, let me just say that, at face value, the question seems quite intelligent, but it isn't. [Interjections.] The truth of the matter is that critical skills are scarce.

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Mr M L W FILTANE: Objection! Objection! On a point of order, Chair! [Interjections.] She can't classify my question. Who is she?

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon member ...

Mr M L W FILTANE: Who is she? [Interjections.]

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Filtane ...

Mr M L W FILTANE: You can't pass judgment ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Filtane ...

Mr M L W FILTANE: I can challenge you to a debate right now! [Interjections.]

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Filtane, can you allow ...

Mr M L W FILTANE: I'm brainier than thou!

[Interjections.]

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The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Deputy Minister, please respond to the question.

[Interjections.]

Ms N V MENTE: Chair, on a point of order, that's an insult. You cannot call a Member of Parliament unintelligent. [Interjections.] It's an insult! She must withdraw that. [Interjections.] No!

The HOUSE CHAIRPERSON (Ms M G Boroto): Alright, hon members. Hon Deputy Minister, is that the phrase you used?

HON MEMBERS: No! No!

The HOUSE CHAIRPERSON (Ms M G Boroto): Alright, hon members. The hon Deputy Minister is shaking her head. I will go to the Hansard and I will come and report back to the House.

Mr M L W FILTANE: Because it's empty - that's why she's shaking it!

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The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Filtane, I am dealing with the problem. Hon Deputy Minister, I will go to the Hansard and then I will come back and report to the House. Continue and respond.

The DEPUTY MINISTER OF HOME AFFAIRS: Chair, you don't ... By their very nature, critical skills are scarce in your country and that is why you have a category called critical skills, for which you look elsewhere, not in your country. These are rare skills, and very often, we compete with the rest of the world for such people. Thank you very much. [Interjections.] [Applause.]

Question 10:

The MINISTER OF POLICE: Chairperson, currently, due to the capacity constraints lifestyle audits are done on request. However, the SA Police Service, SAPS, is in a process of developing the counter intelligence strategy which includes the need to incorporate life style audits as a tool during the vetting process. The strategy will also address capacity and resourcing the requirements. I asked that Minister Gwede Mantashe answers the following questions.

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Mr F BEUKMAN: Chairperson, thank you Minister for your response. One of the biggest threats to the image of the South African police services is corrupt policemen and women.

Minister, wouldn't it be wise maybe to expand lifestyle audits to sensitive areas like procurement and also crime intelligence. Wouldn't that be a way to ensure that there is more measures to ensure that police men and women are acting within the law and the prescripts? Thank you.

The HOUSE CHAIRPERSON (Ms M G Boroto) I am not going to allow hon Mantashe to answer.

The MINISTER OF POLICE: Hon Chairperson, you would remember that the lifestyle audit of the SAPS is part of the state of the nation address, as delivered by the President. So, it cannot be optional anymore. Once it comes from that level it becomes compulsory. What we need to do as the SAPS is to increase that capacity and make sure that we fund that capacity so that we put in place in a much quicker way than we thought. It is exactly what

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we are trying to work on to say police will have to follow the instruction from Sona.

Ms N V MENTE: Chairperson, Ndosi, the Independent Police Investigative Directorate, IPID, have exposed damning evidence on high ranking officials of the SAPS in particular those that are in procurement to such an extent that the chief financial officer, CFO, in the police couldn't take on his responsibilities without getting instructions from someone else, that is, what to procure, who to procure it with and how much should it be.

With that evidence in place, departmentally - leave the court side of the sub judice. Departmentally, the evidence is there. Are you going to get our money back from those officials and fire them, thereafter?

The MINISTER OF POLICE: Chair, you would remember that IPID is part of the tools that have been put by the South African government to deal with the South African police issues. Indeed, we need to listen to them and we need to implement their recommendations. Implementing their

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recommendation will have to still follow legal processes. Of which it is quite a sizeable number of those cases that have been recommended by IPID to be run by police, including the one of the CFO that you are talking about who takes instructions from what is supposed to be a CFO deputy. It cannot be allowed.

Indeed, the commissioner of the South African Police at the present moment has his hands full dealing with these matters from very top - fully agree with you. So, the mechanism is being put to deal with such high ranking police. Sometimes that mechanism and capacity cannot come from the police alone as you understand that some of them are at the very top. So, it will be very difficult to bring the junior officers to deal with them; so, we are working on mechanism of dealing with those matters led by the National Commissioner. Thank you.

Mr Z N MBHELE: Chairperson, Minister, just over a year ago in February 2017 the former Acting National Police Commissioner Phahlane claimed at the Portfolio Committee of Police that he had already undergone a lifestyle audit when I at the time asked and challenged him to subject

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himself to one in face of the allegations that have now become a major investigation and allegation against him.

My question is, if this was true how that lifestyle audit process not pick up on his corrupt dealing with Durand Snyman with both individuals currently being subjects of that IPID investigation. And in light of that, how can we trust that future lifestyle audits would be thorough, comprehensive and reliable? Thank you.

The MINISTER OF POLICE: Chairperson, I think the key word is that, if that is true. That is what we need to establish. But, I think the best report of his lifestyle audit would have come from those who did the life style audit rather than coming from himself.

So I guess, if he had said so, the committee should have requested that those who did it must submit the report. Maybe, it will be better understood if it happened at that level so that you would have to tell who did it and we request the report. And I guess, that report could not agree with him with the situation that we are in at the present moment. Thank you.

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Mr M S MABIKA: Hon Minister, understanding the question of resources; how then do you intend addressing the issue of those lower level police who are already in service, especially those who are working along the borders where the level of crime is increasing but at the same time when you look at the lifestyle of those police who are failing to stop the crime along those areas, they look to be living far beyond their means. So, how do you intend dealing with such kind of situations considering that you are saying ... because of the shortage of resources the shortage is only done on request. Thank you.

The MINISTER OF POLICE: Hon Chairperson, I have already said that this is no more optional. It was mentioned by the President in the state of the nation address which means it is now an instruction that these things happen. So, you have to work on the reprioritisation of the matters to find this as quickly as we can since we have been instructed to do it, starting from the higher level rather starting on the lower level. I am sure, once you rather starting on the lower level. I am sure once you begin...

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IsiZulu:

... wagawula imithi emikhulu emincane iyoziwela.

(begin - cutting the tall trees the short ones will fall on their own.)

Question 35:

The MINISTER OF DEFENCE AND MILITARY VETERANS:

Chairperson and hon members, the SA Air Force is responsible for the safe transportation of very, very important persons, VVIPs. The Boeing Business Jet, BBJ, had been involved in a number of mechanical incidents in 2015 and 2016 in Moscow, Burundi, and Qatar, which led to a decision based on aviation safety considerations to stop using the aircraft for official purposes as a precautionary measure to mitigate risk.

Parallel internal processes were instituted during this period. Furthermore, in-depth engagements with local industry were undertaken. The Air Force is configured to perform operations and intermediate-level maintenance. The deeper-level maintenance is outsourced to the private sector.

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Members will recall that the Air Force had outsourced and entered into an open-ended contract for the provision of technical maintenance staff prior to 1994 with an entity called Aero Manpower Group, popularly known as AMG. This contract was subsequently terminated after a finding by the Auditor-General highlighting noncompliance with the Public Finance Management Act. This gave rise to the Air Force and Armscor developing a new contracting model for the service and maintenance of the SA Air Force aircraft fleet in the most cost effective way. This was done in light of the ongoing fiscal austerity measures by localising and rebuilding in-house capability to make it self-reliant.

This is done to ensure the Air Force can cushion itself against fluctuating foreign exchange costs. The labour costs, for example, are projected to be reduced to a third when compared with overseas rates. Armscor has since received a user requirement from the SA Air Force in December 2017 for the C-check inspection of the VVIP fleet's BBJ. Furthermore, Armscor has completed the tender process and is about to place an order with SAA

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Technical Ltd. Negotiations will ensue shortly to finalise the terms of the contract. [Interjections.]

Regarding the second part of the question, the total cost is R30,946 million.

Mr D J MAYNIER: Is that rand?

The MINISTER OF DEFENCE AND MILITARY VETERANS: The President's flights amount to R22 million. The President's deputy's flights amount to R7 million, of course plus a few hundred. [Interjections.] The Minister's flights amount to R1,5 million. Thank you very much. [Interjections.]

Mr S J F MARAIS: Chairperson, through you to the Minister: Perhaps you should listen properly. Not you, the President or Deputy President has used *Inkwazi* since August 2016, and it has not been flown since August 2017. In addition to that, the Falcon 900 has also not been flown since September 2017. It has since been reported that between December 2017 and February 2018 alone, between R20 million and R30 million was appropriated and

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used to charter private aircraft, which is very different from yours.

Minister, why were the VIP contracts with both ExecuJet and Denel - you have not mentioned them - terminated and the budget for *Inkwazi's* major Swiss service used for charters rather? Do you really believe this is a more strategic use of an ever-decreasing Air Force budget than using it for maritime patrol and cargo airlift capabilities for which we have only the use of one very old C-130? I thank you. [Interjections.] [Laughter.]

The MINISTER OF DEFENCE AND MILITARY VETERANS:

Chairperson, the hon Marais is correct. The Falcon 900 has not been used - and neither has the two Falcon 50 craft. This has happened precisely because of what I raised earlier on.

Hon members, this is not the first time I have answered this question in this Assembly that indeed we had a long open-ended contract with AMG that started prior to 1994. This contract was terminated in 2016. We terminated the contract because no service-level agreement had been

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signed with the company. Not only that - no skills development or skills transfer took place between the company and the younger members of the Air Force. At that time, we realised we weren't benefiting anything from keeping this open-ended contract. In fact, in the Defence Force, they call it "ever green". Subsequently, we decided to terminate the contract.

Hon Marais, you will recall that, having terminated the contract, we then kept a few technicians through Denel to assist our young people. [Interjections.] Right? When the time ended, as Denel had a contract too, those contracts came to an end. We are now, as I said, developing internal capacity. Hopefully, we will succeed, but I really believe it is way cheaper than what we were paying prior to the cancellation of the contract. Thank you very much. I hope I understood you. [Interjections.]

Inkosi R N CEBEKHULU: House Chair, through you to the hon Minister: News has been circulating that the President recently used a jet owned by a certain controversial businessperson.

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Can you confirm who owns this particular aircraft? Could it be that the President is captured by this person and his family? Thank you.

The MINISTER OF DEFENCE AND MILITARY VETERANS: Chair, the air travel and movement of the political principals – the President and Deputy President of the Republic – is a mandated responsibility of the SA Air Force and is not handled by the Presidency or the principals. A dedicated squadron of the SA National Defence Force is responsible for managing the task of the movement of the principals, informed by the requirements indicated by the office of the principal concerned. These requirements may include the number of passengers, nature of destination, and length of travel. The VVIP squadron of the SA Air Force maintains and operates its own fleet of aircraft.

[Interjections.]

Now, this securing or chartering of aircraft can only be done in one of two ways, namely via a state charter contract by National Treasury called RT61 or via an open tender process. [Interjections.] The RT61 National Treasury contract was specifically structured to ease and

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speed up the process and is, therefore, the first option to use when given short notice. The RT61 contract is awarded and managed by National Treasury. The SA Air Force's only input in this process is to supply a user requirement specification.

Mr S P MHLONGO: Chair, through you to the Minister: It is worrying that the private jet hired to fly the President to Botswana belongs to Zunaid Moti who is currently wanted by Interpol. Did the department procure the services of this jet and, if yes, why was this particular jet selected? It is worrying, Madam Minister, because you have *Inkwazi* that has been grounded. It has not been decommissioned, but you continue allowing this kind of procurement of jets even belonging to high-risk criminals. Would you please answer, Madam Minister?

The MINISTER OF DEFENCE AND MILITARY VETERANS:

Chairperson, I would like to thank the hon member because it gives me the opportunity to complete my answer. Once the contracts have been awarded by National Treasury ...

An HON MEMBER: Why are you reading?

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The MINISTER OF DEFENCE AND MILITARY VETERANS: ... the SA Air Force receives a list of contracted companies and aircraft types listed by registration number and the approved tariff per aircraft type. Each company on this list is awarded a number of points, and when an aircraft is chartered from the list, the company with the highest number of points must be approached first. Only if this company is unable to provide an aircraft may the next company be approached.

Details of aircraft ownership are never disclosed on the RT61 contract to the SA Air Force. [Interjections.] However ... no, can you listen? [Interjections.] However, in view of this latest incident, internal processes and procedures have already been revised and updated to scrutinise all aircraft owners, operators, air crews and licences so that when we are given a list by National Treasury, we then ... in the past, we never asked for the owners of the aircraft.

An HON MEMBER: Why not?

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The MINISTER OF DEFENCE AND MILITARY VETERANS: Well, it was not part of the rules. Thank you very much.

[Interjections.]

Prof N M KHUBISA: Chairperson, in light of curbing expenses and ensuring that we save, as a country, what will the Minister do in future to ensure we don't incur such expenses for the country?

The MINISTER OF DEFENCE AND MILITARY VETERANS: Chair, there was a time that I am sure the hon Khubisa will recall when we were trying to secure an aircraft, when we were trying to buy one. I think this happened for two or three years in succession where there was debate about whether to buy or not.

We were criticised by everybody precisely because of the view that there was no money allocated to procure or purchase at the time. Therefore, you cannot spend money you do not have. This we accepted. However, our argument at the time with National Treasury was that some years ago, an Airbus contract was cancelled. We argued that, as a result, the Air Force, through the Defence Force, did

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have money - money that had gone to the national fiscus. That was the basis on which we thought we could procure an aircraft. When they put their foot down and said we couldn't buy the craft, we stopped. In the main, it had to do with the fact that there was a lot of hullabaloo about buying an aircraft.

We were criticised heavily by some of you and, of course, this has resulted in us spending more than what we would have spent had we bought an aircraft. Thank you very much. [Interjections.]

Question 37:

The MINISTER OF POLICE: Hon Chair, Independent Police Investigative Directorate, IPID, informed the former Minister about the impending raids at the offices and the lawyers' offices; but the raid never happened at the IPID offices.

I have been informed that the investigation is still on and we are waiting for the determination from the National Prosecuting Authority, NPA, on what to do with the information. Thank you.

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Mr S P MHLONGO: Hon Minister, police officers who raided IPID offices confirmed it when we met them here in Parliament, it's not hearsay. And those police officers are said to be from the North West Province.

The national management of the SA Police Service, SAPS, simply allow henchmen of a certain man to go and do dirty work of defeating the ends of justice by fighting - fortunately you know Comrade Robert McBride, how much he paid for the liberation of this country. Robert McBride is being haunted by people whom we don't know and who are messing this democracy that many of us fought and died for.

Will you continue to allow these henchmen to go and defeat the ends of justice as they are doing by preparing fake charges against IPID, which is doing its utmost best to protect the integrity of this democracy? Thank you.

The MINISTER OF POLICE: Hon Chair, on the question of where the police came from, for South Africa it's not an issue because we are one entity as SA police. You can be given the job, no matter where you come from.

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Regarding the behaviour of those officers, they will remain officers until they are proven to be henchmen; but for now they are officers.

I would then say, if the matter - as it is said - has been taken to the NPA, let's trust the NPA that they will take the process forward and we will determine whether we are dealing with officers or henchmen. Thank you.

Ms N V MENTE: Hon Minister, there's a rising tension between the SAPS and IPID. And certain corrupt individuals in the SAPS are trying to be a stumbling block to the IPID's investigations.

Firstly, will you please assist us with the case that was mentioned earlier, Morris 'Captain KGB' Tshabalala? When the IPID needs information such as personal files of who employed who, no one knows where the files are; but there is a provincial office and a provincial commissioner as well as the provincial support head in that particular office.

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Secondly, will you then assist this House into ensuring that tensions between the SAPS and IPID are not a cause of advancing the corrupt activities by the SAPS corrupt individuals?

The MINISTER OF POLICE: Hon Chair, I just hope that all agencies that deal with the security matters reduce the tensions, including these two that you have mentioned so that we can begin to face the real issue, which is fighting crime.

Fortunately, those structures you mentioned have access to each other; even IPID has an access to the Minister of Police. There would an issue of "who reports to who?" Some will understand that when it comes to crime intelligence matters, there are covert and overt issues. Parliament is also structured that way. There are things from the covert that cannot be given to all committees but they have a special committee to deals with it and it is the Standing Committee on Intelligence. If the covert are fixed by the other structures, one will have to determine and deal with them by saying "Why don't we go through that structure that is relevant for that

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particular information?" because it might be, for instance, that the covert structure is very difficult to deal with even at that level that is why there is the Inspector-General on the matter as well as the Standing Committee on Intelligence. So, let's find out where those things can be discussed and follow those procedures. Thank you.

Ms M A MOLEBATSI: Hon Minister, is the SAPS considering any additional measures to ensure effective liaison between the SAPS and IPID. Thank you.

The MINISTER OF POLICE: Hon Chair, they don't have to establish any cosy friendship, they just need to follow the law. There is a law that determines their relationship. Ours is to make sure that nobody breaks the law, nobody undermines the law, nobody oversteps the law and they work as such. We really do not expect them to be cosy and lovey-dovey; but they must just follow the law. If they follow the law it's fine; if they don't follow the law they'll have to be pushed and be forced to follow the law.

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Mr Z N MBHELE: Hon Minister, the IPID is the spearhead of accountability for police misconduct and criminality; and its role is especially crucial given the chronically weak enforcement of accountability in the SAPS. There's no doubt that the raids on the IPID offices as well as those of the attorneys were intended to be intimidation tactics. To be effective, IPID need not just financial independence, but also financial sustainability. In addition to be effective, IPID need not just operational independence, but also protection by your office from interference and intimidation.

My question is, how will you ensure that IPID enjoys that financial sustainability and freedom from interference and intimidation during your tenure as the Minister of Police? Thank you.

The MINISTER OF POLICE: Hon Chair, we will do that by following the law. Thank you.

**CONSIDERATION OF 2018 FISCAL FRAMEWORK AND REVENUE
PROPOSALS AND OF
REPORT OF STANDING COMMITTEE ON FINANCE THEREON**

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Ms T V TOBIAS: Hon Chairperson, hon members, the debate today on the fiscal framework will not only talk to structural changes in our economy but will have to answer difficult questions on revenue proposals. It is therefore our national duty to not only critique the National Treasury's fiscal framework without addressing the national grievance.

Please allow me to first outline what our national grievance is when it relates to the South African economy. We have an obvious challenge of economic growth versus revenue growth and expenditure reductions versus revenue measures. Having said this, we therefore need tax policies that will address the above-mentioned challenges.

Given the fact that this is not the only economic problem that we need to address, we also need to discuss models of economic growth which I will later talk to. Last week, I had the benefit to read the financial mail and I picked up a report that the American President, Donald Trump has been trying to block foreign investment from China by lowering corporate income tax, CIT, through legislation

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passed in December. This morning, I heard over the radio that someone resigned on the basis of that action by the president.

Before we even try address the issue of revenue growth, a set of questions were asked during our budget hearings which remain pertinent in our discussions. One, among other questions asked was: How will the US Tax policies and quantitative easing affects global economic outlook? This is a very pertinent question that we indeed need to respond to.

However, domestically, we are asked: What type of structural measures should we implement to address our budget deficit? In the same vein, there is an argument that we need to significantly increase personal income tax and corporate income tax respectively. Hon members will argue from different advantage points ...

[Interjections.]

The HOUSE CHAIRPERSON (Mr C T FROLICK): Hon Tobias, can you please take your seat. Hon members, there are too many members who are walking up and down and standing

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around in the passages. Take a seat or leave the House, please! Continue, hon Tobias.

Ms T V TOBIAS: Others will argue that the time has arrived to increase VAT, but there will be one convergence point: A point where we all agree that we need economic growth and redistribution in both short and the long term to sustain our fiscus. I challenge you to respond to this question though: What time of radical programmes do we need in the economy – both by the private and public sectors – to realise the latter.

Today, we see a narrow approach. As members, we will be focusing only on the 1% VAT increase announced by the former Minister of Finance, hon Gigaba, during his Budget speech. Let me confess upfront, the ANC accede that all types of taxes are regressive. Therefore, the Standing Committee on Finance held public hearing on 2 March 2018, to entertain submissions from the finance community to engage on the matter. Different perspectives were entertained and finally we agreed that people are opposed to value-added tax. We therefore outlined the process repeatedly to all presenters that Parliament's decisions

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on the VAT increase are dealt with through the fiscal framework on the Rates and Monetary Amounts and Amendment of Revenue Laws Bill which will be addressing the matter at the later stage as they will be tabled within the next 12 months. Therefore ...

Sesotho:

Lekgetho lena la boleng le beilweng tafoleng batho ba heso, ha Palamente e ka hanana le lona, mmuso o tla kgona ho le busetsa morao selemong se latelang sa tsa ditjhelete.

English:

As we discussed this fiscal framework, we need to address these hard facts. Should we as Parliament decide to reject the increase, we will have to propose alternative measures to raise an estimated R22,9 billion for 2019-20 financial years respectively. [Applause.]

[Interjections.]

I listened with interest to the submissions made by the Financial and Fiscal Commission which is an independent constitutional advisory institution that makes

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recommendations to Parliament. They highlighted economic constraints in investments. One that attracted my attention was the lack of labour intensive sectors in the economy. One of the things they suggested is that the 1% VAT increase is needed.

The Parliamentary Budget Office, PBO, led by Prof Jahed, argued that we need a trade off between debt service cost and economic growth and to broaden the tax base to impact positively on the poor. The PBO argued that we need to look at what we use taxes collected for. They also acknowledged that the tax base is narrowing and we were concerned about the fiscal consolidation too. Therefore, we need to address this consent.

I also note that the DA holds a dogma that the state must not intervene in the economy. I also know that they prefer foreign direct investment above local domestic investment, and that they don't support expropriation of land but today they will pretend that they speak on behalf of the poor South African majority people when they criticise VAT. [Applause.] [Interjections.]

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Strange enough, when company taxes were imposed few years back, they criticised government and they are changing their views for elections purposes. They have also suggested that implementation of the youth wage subsidy should be taken forward but when the President stood at this podium to say we need a job summit, they rejected that.

They suggested that we need to produce one million entrepreneurs but when we reported about 100 industrialists that we were able to fund, they rejected that. They also suggested that we should not even call any summit. We need to ask ourselves: What is the agenda of the DA? They don't like current regulatory Regime of the Financial Sector Transformation. They want the status quo to remain. South Africa, be worried about the intentions of the DA.

Yes, hon Hlengiwe, the ANC agrees with the suggestion that we need to establish a sovereign wealth fund. The President has already agreed through his reply of the state of the nation address. And, yes, strategic investment using black asset managers will be the order

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of day. As we await the commission's report on SOEs, these matters will be addressed.

The Voluntary Disclosure Programme, VDP, is working. We have already collected 15% from profit shifting and base erosion. We are also going to discuss structural changes needed to be imposed to address budget deficit. We should also focus on suggestions made organisations like the Civil Society Coalition on increasing of bracket creeps in capital gains as it has not increased marginally.

An argument was also raised that fiscal consolidation was abandoned without providing alternatives. Cosatu believes that we need to deal with wasteful expenditure and we, the ANC, agree with them. We also agree with the suggestion that we need to exempt sanitary pads from taxation to benefit students and poor women from rural areas. As the ANC, Deputy Minister, we hope we hope we will have that programme.

The real issue we should be debating today is: How can we grow the economy taking into consideration the fact that revenue gaps are addressed through taxes - that's a fact

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- and when the economy is not growing. It is also a fact that government will compensate for taxes through allocations in social services in the forms of grants.

It is another fact that luxury goods are taxed higher through the excise duty and this will continue to be a revenue collecting model. However, it is furthermore a fact that the government wage bill is higher in South African as compared to any other country. It is actually a fact that private sector investment has been contracting and this was due to investor sentiment which we have addressed as the ANC.

It is a fact that the growth to GDP ratio was low. Therefore, we need structural changes where we will deal with debt service cost and to address risks growth of state-owned enterprises. They will be speaking about this, Minister, but we have addressed that.

As revenue is falling sharply, we need a boost from taxes but above this, the time has come to discuss the report of the Margo commission on multiple tax rates. For example, luxury VAT rates and their distributional impact

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should be discussed. Some have argued that we should focus on the *ad valorem* excise duty but the fact is that it has increased by 30% with an estimated R1 billion to be collected in this current financial year.

There is also a suggestion that we need to look at investment schemes that tend to benefit foreign companies as opposed to local manufacturing sector, especially in the textile industry. Others have argued that we need to be transparent with the tax scenarios ... [Time expired.] The ANC humbly request your indulgence to adopt the fiscal framework. I thank you. [Applause.]

Mr D J MAYNIER: Chairperson, we would like to begin by welcoming the new Minister of Finance, Nhlanhla Nene, back from gardening leave. He returns to the front benches with a very rare commodity in the governing party and that is: "integrity". Sir, welcome. [Applause.]

Twenty six years ago, the Minister of Finance, Derek Keyes, confronted the Cabinet with what he called filthy pictures illustrating the fact that the economy was, in his own words, "buggered".

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Well, the new Minister has inherited a few filthy pictures of his own from his predecessor.

What they reveal is that we are in deep trouble: if your household budget looked anything like the main budget, you would be invited to a meeting with your bank manager, without a tea and biscuits. The fact is the budget fails the sustainability test over the medium-term between 2018-19 and 2020-21.

The primary balance, which is the difference between total revenue and total noninterest expenditure, is in deficit over the medium-term, which means that all the interest and some of the noninterest expenditure, over the next three financial years, will be financed by borrowing, which will of course increase national debt. What this means is that we are using one credit card to pay off another credit card in South Africa.

That is why national debt, measured as gross loan debt, will balloon to a staggering R3,25 trillion or 56% of the gross domestic product, GDP, in 2020-21, and will only stabilise at 56,2% of the GDP in 2022-23.

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To put this in perspective, the national debt, measured as gross loan debt, was just R804,9 billion, or 31,5% of the GDP, in 2009-10. The stock of national debt will increase by a staggering R264,4 billion in 2018-19, R212,6 billion in 2019-20 and R266,7 billion in 2020-21.

The fact is that debt service costs are skyrocketing and will cost R180,1 billion in 2018-19, R197,7 billion in 2019-20 and R213,9 billion in 2020-21. To put this in perspective, consider that in three years' time, we will be spending R213,9 billion on debt service costs, which is R120 billion more than we will spend on higher education; R115 billion more than we will spend on police service; R20 billion more than we will spend on social grants; and R8 billion more than we will spend on health in 2018-19. These figures are truly staggering.

The fact is that at this rate public finances are simply not sustainable in South Africa.

The main budget fails the sustainability test, but of course it also fails the growth test and the credibility test. The main budget fails the growth test because,

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spending on infrastructure, which contributes to economic growth and job creation, has been cut by a staggering R46,6 billion in 2017-18, R48,3 billion in 2018-19 and R43,8 billion in 2019-20.

The main budget also fails the credibility test because, there are simply too many known unknowns including the final cost of free higher education, the final cost of the public sector wage agreement and the final cost of the nuclear build programme, which is apparently still on the table.

We cannot go on like this and that is why we believe that the Minister should give serious consideration to our proposal to implement a comprehensive spending review. We have to get spending under control which is set to increase from R1,67 trillion in 2018-19, to R1,94 trillion in 2020-21.

A comprehensive spending review could be geared towards cutting spending by, for example: reducing the size of the executive, to about 15 Ministries, which would save

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an estimated R4,7 billion per year, or R13,8 billion between 2018-19 and 2020-21. [Applause.]

A comprehensive spending review could be geared towards improving the efficiency of spending.

A comprehensive spending review could also be geared towards selling off state assets.

The savings at the end of the day could be allocated to provide relief to taxpayers who are being pushed to the limit especially by an increase in Value-Added Tax; to fund investment in infrastructure to support economic growth; and to cut the fiscal deficit in order to reduce national debt over the medium-term between 2018-19 and 2020-21.

In the end, the fact is that the comprehensive spending review model has been successful in Australia, Canada and in the United Kingdom. And we think it is now time that the Minister gives our proposal for a comprehensive spending review serious considerations. I thank you.

[Time expired.] [Applause.]

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Dr S S THEMBEKWAYO: Hon Chairperson, allow me to heartily welcome the Minister of Finance from, Brazil, Russia, India, China and South Africa, Brics. The EFF did not listen to the Budget Speech because the person who was presenting it did not have the legitimacy, credibility or morals to be a public servant, let alone a member of Cabinet.

However, we do have issues which we do not agree with and we are of the view that Parliament must reject these proposals.

We must reject the VAT rate increase proposal with the contempt it deserve. We cannot continue to punish the poor for misguided fiscal and tax revenue framework, corruption and inability of the ANC to manage and lead government.

The R4,3 billion that is allocated to buy back stolen land must be allocated to support farmers to produce food. We cannot commit to land expropriation without compensation, yet we continue to allocate money to buy back stolen land.

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As the EFF, we have consistently raised the issue of the Division of Revenue Bill, and our view is that in its current form, it fails the poor, the workers, the rural and the unemployed people. It perpetuates spatial patterns of apartheid, and it divides people by race and class.

We need to give more money to local government to employ artisans, planners, engineers and deliver good service to our people.

Hon Chairperson, decrease in corporate tax contribution to overall tax revenue is worrying and it looks suspect.

Every time there is a shortfall we target workers and now the poor through VAT, yet we do not dare touch corporate. Why? However, the biggest elephant in the room is the matter of illicit financial flows, base erosion and profit shifting.

Our estimate shows that if we deal decisively with the phenomenon of illicit financial flows, we can raise R100 billion annually to cover the shortfall and leave

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VAT rate alone. This is why as the EFF, we are going to introduce - listen carefully - we are going to introduce Antitax Avoidance Private Member's Bill. Free education. And we have begun with the process to draft it and we will be bringing it to you the Parliament, very soon. I thank you, Chairperson. [Applause.]

Mr M HLENGWA: Hon House Chairperson, at the outset the IFP welcomes back the Minister and congratulates him on his appointment and the Deputy Minister. We hope that they will continue to do good work and as we expect of them, we hope that they recognise the challenges before us which now wear heavily on their shoulders and where they do the right thing, the IFP will offer them our fullest support.

The IFP is of the view that the zero rated items these which currently consists of 19 items should be expanded. It cannot be that we will forge ahead with the Value Added Tax, VAT, increase, but limit the scope available to the poorest of the poor to make their sustainable ends meet if that list is not expanded.

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Wasteful expenditure must be dealt with as a matter of urgency, for it continues to cripple the financial health of the country, and it is in fact the playground of corruption, when we had seen that the people are getting very rich there and the country very poor. Our SOCs must be restored to good financial health, and most importantly, we must be able to recognise that this budget, if anything, is not a silver bullet.

Whilst some may have hailed it as a good budget, it is clear that the downgrading of Eskom last week is an indication that we are not out of the worst. We need to cut the fat; foreign mission needs to be reduced. It cannot be that South Africa has got the second highest number of missions around the world and we are not able to see what to benefit from that.

The size of the executive must be reduced to a manageable one, but most importantly, to one that makes financial sense. Our municipalities must be consolidated to ensure that we put them on a sustainable growth trajectory to ensure that they are able to generate their own revenue and are not dependant on the national fiscus. We must be

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realistic to the fact that the poor will be hardly defeat by the VAT increase, coupled with the 52% levy on fuel.

But the greatest reality is that, it is clear now that free education is not free, and so long as we masquerade under slogans and under rhetoric, we are going to deceive our people, because the bottom line is that money had to come from somewhere and now it is coming from the poor. It is the poor who are paying for themselves, and yet they are being deluded into thinking that there is something called free education.

Hon Hose Chairperson, the escalation of social grant recipients must sound a warning bang to all of us that we are increasingly becoming a wealthiest state and that the agenda thereof of growing the economy has never been more urgent because, we need to get our people out of dependency into a trajectory of independency. So, moving forward it is clear that more still needs to be done and we are not out of the woods.

Mr A M SHAIK-EMAM: Hon House Chair, let me start off by saying that when the EFF was speaking I thought they were

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going to say that under the EFF there would be no taxes at all. Yes, I think that the emphasis will be on the 1% tax increase in the VAT. Yes indeed, we must admit that it will have an effect on the poor household; there is no doubt about that.

We must also admit that the zero rated goods are not enough; we must admit to that as well. But I think that there is a perception that we need to clear, and I don't seem to understand why we believe that the poor eats a different kind of food than the rich. That seems to be the message that we are sending.

My only understanding is the difference between the two is that the rich like my friends on the left; they will go and eat in the most expensive restaurants because of the brand name. But our poor people will eat the same food down the street or at home, and yet they are buying exactly the same goods. So, zero rating on few items is not really assisting our people.

If you want them to live with dignity, give them a quality life and equally share in this country, then you

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must be able to allow them to eat, dress and live like everybody else in South Africa. That is one very important point that I think we shouldn't be missing. We talk about the issue of cutting down on our expenses.

Hon Minister, a lot of money is wasted in South Africa to a fruitless expenditure, and I think that we should put a moratorium for the next year or two, on any international travel by Members of Parliament, because all the legislature and Members of Parliament fly in and out the country all the time, and yet South Africa have got some of the best policies and mechanisms in the world.

So, maybe we need to cut down on that; maybe we need to cut down on all the air travel, the local travel and maybe we should pay attention to fraud and corruption at lower government level. I'm glad that the new Minister of Cooperative Governance and Traditional Affairs is here. This is a matter that needs urgent attention.

A lot of money, especially in the under R200 000 contracts, if you add that up, it equals to hell of a lot more than the last contract we are talking

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about, but we seem to ignore them. The other issue is the issue of the manufacturing industry. We are losing jobs yet we are told that the manufacturing industry is much better.

Let us not forget that specific sectors in the manufacturing industry like the leather and the textile industries that are losing thousands of jobs as a result of these cheap imports. There has to be a balance if we want to create more jobs in our country. The other thing is, hon Chairperson ... [Time expired.] The NFP will support this report that is tabled here today, but calls on the Minister to put in these interventions at the benefit of the poorest of the poor. Thank you.

Mr N L S KWANKWA: Hon minister, welcome back!

IsiXhosa:

Uya kusinda nje kuba inguwe.

English:

The issue here really has been about - I mean hon Thandi Tobias highlighted the important issue that America does,

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which has to do with quantitative easing. But look, the problem in South Africa, Minister Nene and you former Minister of Finance, Pravin Gordhan, is that there is no better alignment in our view to management and fiscal policy. I think we have made this point several times before.

The issue is that, even though in many instances your fiscal policy will be kind like acyclical, you'll find that you monetary policies pro-cyclical. That is the reason people are talking now about the nationalisation of the Reserve Bank, because it is actually now singing out of tune. It is not trying to balance to implement a counter cyclical monetary policy that would target a certain inflation rate obviously, but while supporting growth at the same time. That cannot be! It's out of order!

The issue here that we cannot talk about, Mr Minister, is the VAT story. I want to say for an example, if you look at what is happening is that the couple of years ago, I think it was in 2015, you said: "We cannot balance the budget at the backs of the poor." That's what you said.

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But now, if you look at the fact that you have chosen selected VAT and your fuel levy which are both regressive taxes, we should actually essentially balance the budget at the backs of the poor.

IsiXhosa:

Uyaqonda?

English:

The other issue which is very important I think we must talk about here is that, rubbing salt in the wood is the fact that, if you subtract the current inflation rate of 4.4% from the above inflation increases in social grants of 6.25%, the real increase in the disposable income of social grant recipients stands at approximately 1.85%.

However, if you take into account the cumulative effect and the inflationary effect of VAT and fuel levy increases, it clear that the real spending power of the poor is eroded by these increases. It is in this context that we have a problem with policies of amelioration, such as relying on zero-rated items to protect the poor

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against the full impact of these regressive taxes, as they do not go far enough.

I know that some may be tempted to respond at this stage with the self-congratulatory tone by pointing out that due attention is being given to the possibility of expanding the list of zero-rated items, which is a step in the right direction. However, let me hasten to add that on behalf of the UDM I made this call a couple of years ago, in the Standing Committee of Finance, but it fell on deaf ears.

But not only that, we said, there should be public awareness about which items have been zero rated because our people still do not know which items are the zero rated. Obviously, we support any attempt to extend a number of zero rated items. But before I sit down, there is what is important that is underscore, many have incorrectly argued over the past few days that, since the Budget was delivered that our corporate income tax rate is very high and should therefore not be increased as a strategy to ensure our competitive.

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We do not dispute that at face value ... [Time expired.]

IsiXhosa:

Kwekhu! Eli xesha lisuke libe lifutshane liphele kanye xa ndiza kuni. Kuza kufuneka nisinike imizuzu e-10 sixoxe olu hlahlo-lwabiwo-mali. Le siyiniwayo yindlalo yodwa.

[Kwaqhwatywa.]

Mr W W WESSELS: Chairperson, South Africa is partitioned between a modern economy on the one hand and dire socioeconomic challenges on the other, with a very small number of income tax payers responsible for the largest portion of the government's revenue.

The number of South Africans that are dependent on social grants are far greater than the number of South Africans that are employed, which renders South Africa, effectively, a welfare state. This is unsustainable.

It is the responsibility of government to create an environment conducive to sustainable economic growth.

This can only be achieved by a responsible and efficient

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government that ensures policy certainty and invests in economic infrastructure.

We desperately need to grow the economy and in so doing, combat unemployment and eradicate poverty, but the fiscal framework proposed here today will not do this, because it is merely a balancing act for survival. For too long the ANC government allowed looting, corruption and wrong priorities to continue. It is of grave concern that the expenditure cuts include cuts in capital expenditure at provincial and municipal level, especially regarding economic infrastructure and water infrastructure that we need.

Afrikaans:

Dit is broodnodig om die belastingbasis te vergroot. Die 1% verhoging in bruto toegevoegde waarde, BTW, verseker dat die las eweredig versprei word, in plaas daarvan om persoonlike en maatskappy belastings te verhoog, wat die reeds vuisvoos belastingbetaler verder sal uitbyt. Dit is egter nodig om die lys van 0%-BTW items te vergroot, en noodsaaklike produkte soos santitêre produkte in te sluit, en ook munisipale tariewe BTW-vry te maak.

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English:

The 1% increase in VAT will have a lesser detrimental effect on the poor than the proposed increase in fuel levy, because the price of a loaf of bread will not be influenced by VAT but will be influenced by the fuel price. This is also unacceptable, as the fuel levy revenue is not ring-fenced.

Afrikaans:

Ons het ekonomiese groei nodig en daarom het ons 'n vryemarkstelsel nodig. Dis die enigste manier om ekonomiese groei te verseker. Ons benodig 'n stelsel sonder remlukke soos staatsinmenging, en 'n stelsel met privaat eiendomsreg sonder die onteiening van grond. Dankie.

Mr M W MADISHA: Chairperson, the fiscal framework and revenue proposals tabled provide no new dawn and represent a bitter pill for ordinary South Africans to swallow, as a consequence of a decade of ANC misrule.

In the last decade, we have been subjected to a number of problems: policy uncertainty and stagnant economic

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growth; endemic unemployment and a rise in inequality; rampant corruption and the capture of the state; the destruction of the efficacy of our SOEs; and poor fiscal discipline - a growing deficit and the creation of debt-trap conditions.

Our economy only grew by an average of 1,6% per annum. Unemployment has gone to about 40%, albeit the ANC says that we are at about 26 or 27% and improving. That is actually not true.

We face our greatest economic and fiscal crisis since the fall of apartheid. In response to the tabling of the Budget, Cope says that we need fundamental and brave change in our policy direction to kick-start growth; with government expenditure accounting for more than 30% of our GDP, government is in an unsustainable fiscal position; and the VAT increase will place an even heavier and unnecessary burden on our households, which will depress spending and undermine economic recovery efforts.

As a consequence, Cope rejects the fiscal framework and revenue proposals. We reject that society must pay for

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the ideological damage done to our economic prospects. We reject the ANC's proposal that society must pay for government's excesses and wastage and the consequences of state capture and corruption. We reject the VAT and the fuel levy increase. We believe that there are sufficient savings and efficiencies that can be effected in government spending to balance the budget without increasing VAT.

What the ANC is doing of simply having a rally of Ministers should be looked into. You look at very big countries such as China where you have only 18 Ministers for R1,2 billion people, and here you have ... [Time expired.]

Ms D G MAHLANGU: House Chairperson, hon Minister Nhlanhla Nene and Ministers present here, Deputy Minister Mondli Gungubele and all the Deputy Ministers in the House. Good afternoon hon members.

His Excellency President Cyril Ramaphosa invited all South Africans to remember the life of one of the most remarkable leader that this country, our Continent and

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the world has known, our very own tata Nelson Mandela. As we remember our greatest statesman, the ANC-led government presented a Budget with a vision of realising tata Madiba's vision of democratic, just and equitable society.

Guided by tata's example, we call on all role players within government, agencies, state-owned entities, SOEs and private sector to commit to ethical behaviour and leadership.

Let me remind you fellow South Africans and hon members that we are also celebrating the centenary of another giant of our struggle, umama Albertina Nontsikelelo Sisulu, who through her outstanding contribution defined what it means to be a freedom fighter, a leader and a diligent and disciplined servant of the people.

Statistics SA released positive numbers yesterday regarding our economy. Treasury heads anticipated that our economy will grow at 1%, yet the signs of a new dawn proved to be shining as the economy surpass this and grew by 1,3%.

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The ANC-led government is a roll and the ways of change are in motion. A new dawn has begun and will further improve the wellbeing of all South Africans. Since the end of apartheid South Africa has made significant progress in alleviating the plight of the poor through social spending, creation of employment, access to education, housing, clean water, electricity and health care.

The 1996 Constitution mandates the state to see to the welfare of its citizens. Chapter Two of the Constitution of South Africa requires social provision to correspond with the spirit of a democratic society. It establishes in section 27 subsection (1) that every citizen has the right to health care, food, water and social security.

In terms of boosting economic participation, government's social grants have improved the income of those at the bottom of income distribution by more than ten-folds. The impact of these transfers in raising the income of the poor in South Africa is far larger than in other middle income countries. Child support grant, old age pension and disability do an effective job of enhancing the

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income of the poor. Without social grants, the level of poverty would have been worst. Social grants are essential for lowering economic risk for most vulnerable in the society.

Hon members and the House Chair, the ANC-led government is not focusing on social grant as an ultimate solution to address the challenge of high unemployment and inequality in our country. The President, hon Ramaphosa, highlighted that this ANC-led government will accelerate measures to create employment for the youth. In line with the President's commitment to free the youth and all South Africans from poverty, education received the highest increase in the 2018-2019 financial year.

The ANC-led government believes that education is an instrument to break down the stubborn walls of poverty in our country. Government is working hard to ensure that South Africans have access to education from early childhood. The success of South Africa's education as an instrument to reduce poverty and unemployment is boosted by the ANC's resolution to phase in free higher education

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and training to first year students coming from middle income households and the poor of the poorest.

Hon members, let me make a clarion call to all the South African youth that the ball is your court, the doors of education are opened and this has been made by the ANC-led government.

The ANC-led has always prioritised healthy and has worked hard to improve access to health facilities and improved conditions of public health facilities. Allow me to take my hat off and salute the President on his programme of *#Matamela march, Matamela walk* and hopefully I am representing most of you. In this process as he is promoting healthy lifestyle, there are so many benefits that one can expect from that exercise of walking. I want to say to the President that you are doing so well and we are happy that you are contributing also to our own lives in terms of life expectancy. Members have joined you hon President, we have to breath fresh air and walk.

The ANC-led government is respected globally when it comes to fighting HIV and Aids. As our President

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announced during state of the nation address, we are taking this battle a step further to eliminate HIV and Aids.

Let me take this opportunity and compliment the Minister of Health, comrade Aaron Motsoaledi for moving fast in dealing with the listeriosis issue.

Sepedi:

... sephatlo se wele.

English:

"Kota" has fallen. So, it's a healthy lifestyle. This has assisted us in a way.

The improvement in South Africa's debt to Gross Domestic Product, GDP, ratio, relative to October 2017 Medium-Term Budget Policy Statement, MTBPS, numbers is largely based on higher economic growth and narrowing in the fiscal deficit a firmer currency and lower borrowing rates in the past few months. However, the country still need to ensure that revenue recollection responds to additional spending pressures.

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Hon members and Chair, I have heard that members are complaining about the increment of Value Added Tax, VAT.

Sepedi:

Ke kgopela gore batho bagešo le nkwe le nkwešiše; ke tla e bolela ka segagešo ye gobane e bolela le lena thwii. Na ke ka lebaka la eng re swanetše go oketša motšhelo, kudu motšhelo wa tlaleletšo wo e lego kgale o sa oketšwe? Ke ka lebaka la gore mmušo wa rena o ikhumana o le mo seemong sa gore o fane ka tirelo. Re a tseba gore re kwane ka gore re tlo fa bana ba rena thuto ya mahala. Menyako ya dithuto tša ka godimo e bulegile, e buletše bana ba rena. Tšhelete e tla tšwa kae ge re sa ntšhe setseka? Re a leboga gore bao ba laeditšego thekgo ba ikemišeditše go ba karolo ya tharollo e sego karolo ya bothata gomme ba dula ba šupana ka menwana.

English:

There are zero-rating basic food items that are being suggested. We know that we were doing consultations in the public hearings last week and there were suggestions coming from stakeholders and we also have agreed to a certain extent with those stakeholders. We, as the ANC

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say that in addition to those identified items, sanitary towel must be zero-rated because it is not by choice that a person is using sanitary towel. [Applause.]

Sepedi:

Ke a tshepa gore re tla kwa gape ra kwešišana ge re etla gona moo.

English:

South Africa's citizens entrusted us with a mandate to lead and turn their lives for the better and we must do this by running and not walking as others are doing, so said by Julius Nyerere.

Sepedi:

... o boleletše Mopresidente a re "roma nna", "thuma mina", ...

English:

... as he was quoting the song by our legend Hugh Masekela.

Sepedi:

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Le gonabjale re sa re "roma nna".

English:

I would like to conclude by walking on the footsteps of the former Minister of Finance, hon Gigaba, we are going to be right, we all going to be right and you are going to be part of it.

Mr L M NTSHAYISA: Hon Chairperson, why can't you keep on clapping hands until I finish? The assessment of the National Treasury's Fiscal Framework and Revenue Proposal occasions us at the time when the South African economy is tentatively stable. Indeed, this House must debate this framework with such clarity and precision so that we do not define our economic challenges and advancements without proper examination. Let me start with a touch of patriotic vanity. We are anticipating growth of 1,5%; the consolidated deficit is projected to narrow from 4,3% of gross domestic product, GDP, in 2017-18 to 3,5% in 2020-21. Our government has projected additions to the contingency reserve amounting to R10 billion.

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Hon Chairperson and members, this country is also rocked by: Jobless growth; poor liquidity of state-owned enterprises; corruption; increasing public sector wage bill; poor tax administration; rising sovereign debt; and budget deficit. The position of the AIC is that this fiscal framework estimates will have no bearing in transforming the lives of our people who are trapped in the cycles of grinding poverty; if we still have high levels of low tax morality when government expenditure is lost to corruption; irregularity and maladministration; and if we continue bail out worthless institutions.

The projected 1,5% economic growth by 2018 is achievable, only if we inject funding to emerging small, medium and micro-sized enterprises, SMMEs; you create employment for our young people by working with the private sector; and tame economic shocks such as unworkable legislative proposals and only if we start treating local government with respect by allocating equitable revenue. Economic transformation is real. However, you cannot merely transfer assets to the new players and claim that we have transformed our economy. We have to inclusively assist all South Africans by making them shareholders in mining,

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for instance, and investment schemes. If we dare fail, may our oath of offices and affirmations judge us harshly as Chief Justice Mogoeng Mogoeng will have it? I thank you, hon Chairperson.

Mr L R MBINDA: Izwe Lethu [Our Land]. This debate is a very sensitive one to us as the PAC as the poor majority seems to be turned into a milking cow of the ruling elite. Fellow South Africans, value-added tax was introduced in South Africa on 29 September 1991 to replace general sales tax, GST, as an indirect system of taxation. It is levied in terms of the Value-Added Tax Act 89 of 1991. Value-added tax, VAT, was imposed in 1991 at a statutory rate of 10% and then the rate was then increased to 14% in 1993.

As the PAC we have been saying it for years and years that the debts that were created by the apartheid regime to their international counterparts who today are disguising as if they are for democracy and peace when they know very well that we were held at gun point by the self-deliberately created debts. When negotiations were ongoing, fellow South Africans, the apartheid government

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officials were busy channelling our state resources outside the country and further indebted our government to their original countries of birth and those in business with them so as to weaken any attempt to bring about economic redress. Now, our fiscal policy is over focused in budget deficit, slowing the pace of debt accumulation and to promote confidence in the economy. With these levels of corruption that we see on a daily basis, it is clear to us all that under this regime even if VAT is increased to 30%, that will have no meaning impact to the majority of our poor people of this country, but rather it will fill the pockets of the politically connected and the political leadership itself like the situation as we speak.

As part of fiscal measures to narrow the budget deficit and stabilise debt growth, government proposed to raise an additional R18,1 million in revenue in 2016-17. Proposals to raise another R15 billion in both 2017-18 and 2018-19 will be put forward in future budgets according to government. We are faced with a very difficult situation with a government that is rotten beyond its redemption and we are expected to come here

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and discuss increments in taxes to increase revenue. As PAC we believe that the taxation system in this country needs to be overhauled so as to give raise to a well-functioning tax system ... Thank you. [Time expired.]

Mr R A LEES: Hon Chair, I join hon Maynier and others in expressing a warm welcome back to hon Nene.

IsiZulu:

Sinenhlanhla ukuthi usubuyile baba.

English:

The 2018 budget fiscal framework puts the burden of paying for the last nine years of the ANC maladministration onto the poor and unemployed South Africans. What we need is to cut the fat and drop the VAT. [Applause.] Whilst massive unbudgeted fiscal risks are facing all South Africans, but particularly poor South Africans, they do not appear to be generally understood. These risks are well illustrated by the state-owned entities, SOE, financial time bomb that could explode at anytime. Eskom is in a liquidity crisis and is budgeted to run at losses of R18,4 billion over the next

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two years. The Fitch Rating Agency is of the view that Eskom may default on its short-term loan obligations. The SA Airways, SAA, is in a liquidity crisis and is asking for another R13 billion. The Road Accident Fund is in a liquidity crisis and has liabilities that exceed assets by R215 billion. The South African Post Office needs R3,7 billion. Despite the mess that the South African economy finds itself in, there is no need to increase VAT or other taxes.

IsiZulu:

Sidinga ukuthi sisike amafutha khona sizokwehlisa i-VAT.

English:

The ANC has budgeted for a R 36 billion increase in taxes of which by far the highest increase of R2,7 billion is attributable to an increase in VAT. This increase in VAT is going to be paid by poor South Africans to fund the stuff up of the South African economy made by the ANC under Jacob Zuma. [Applause.] The poor will not escape the additional fuel levy. Poor people also travel and pay indirectly for fuel.

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How do we justify giving tertiary students R7 000 a month and then give a pittance of R400 a month for children to survive on, let alone have a healthy diet? [Applause.] Zero-rating more goods and services is badly targeted and reduces the VAT payable by those who can afford to pay. It is not the answer. It is obscene to make poor South Africans pay for the sins of the ANC by increasing VAT ... [Applause.] ... when the same budget bottom line can be so easily achieved by cutting expenditure, reduce the size of the Cabinet and freeze salaries of politicians and public servants. Don't forget to collect the odd R70 billion in Nkandla fringe benefits tax from Jacob Zuma. As hon Maynier has already pointed out in the medium-term, there should be a comprehensive spending review.

Afrikaans:

Ons moet die vet afsny, om minder BTW te betaal.

English:

South Africa is on the verge of bankruptcy and instead of courageous action, President Ramaphosa is planning summits while the poor and jobless starve and children

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die of malnutrition related causes. Parliament must protect the poor and unemployed South Africans by rejecting this fiscal framework and the tax contained in it. In the end, what South Africans need is to cut the fat and drop the VAT. [Applause.]

Mr Y I CARRIM: Comrade Chair, comrade and friends, we are not jumping on the rooftops. We are not dancing in the streets. We are not elated about this VAT increase. We are not celebrating it. In fact, since the dawn of our democracy, we have never increased VAT. [Interjections.]

It is our understanding in the committee that the government has grudgingly, reluctantly, because of the exceptional circumstances that we confront, decided to increase VAT. What party, anywhere in the world, will increase VAT on the eve of an election?

AN HON MEMBER: You, because you are in a hole.

Mr Y I CARRIM: We are Parliament, moreover.

An HON MEMBER: You don't care about the poor. That's why.

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Mr Y I CARRIM: We are Parliament, moreover. We cannot be supine and succumb to the executive. That would be to abandon our constitutionally enshrined role. We have to respond to the concerns of the people, particularly the poor and low-income earners. We hear their anger and frustrations at the VAT increase, all too well. After all, they are, primarily - as Comrade Thandi Tobias-Pokolo pointed out - our constituents, not the DAs. [Interjections.] We understand. We empathise. We have certainly not enthusiastically supported the VAT increase.

We refer you to our report in the Announcements, Tablings and Committee Reports, ATCs, today. Before I quote it, let me welcome the Minister and Deputy Minister in their new roles. In the report, we state: "If there are sufficient measures to offset the negative consequences of the VAT increase, the committees believe that it might be reasonable to accept the VAT increase provided it is reviewed within two years."

We have, in fact, brought forward public hearings to the end of April on the Rates and Monetary Amounts and

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Amendment of Revenue Laws Bill that deals directly with the VAT increase. For those members who want to look at the legislative process - the very Money Bills Amendment Procedure and Related Matters Act that the current Minister is responsible for - it is clear that when the Minister announces, if you like, sin taxes, they come into effect that very second. Similarly, when he announces increases in taxes, they come into effect at the beginning of the financial year and, in some cases, at the beginning of the tax year, meaning 1 March and 1 April.

So, it's the law. We cannot, through the Money Bills Amendment Procedure and Related Matters Act process, through a report - which is what we have currently - override what the value-added tax provides for, which is increased on 1 April.

However, we can - through the Value-added Tax Act, if you want to call it that - through the Rates and Monetary Amounts and Amendment of Revenue Laws Act, look carefully at what exactly is being done in this regard and what exactly we, as Parliament, can do, notwithstanding our

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many differences. We have already instructed, and that is the word, Minister, your deputy director-general, that, in fact, you must engage fully in a variety of workshops and through other ways with stakeholders, especially those who oppose the VAT increase, before the public hearings in late April. We are acutely aware of how the public feels and we mean to attend to their concerns.

A major review of the tax system is under way, in fact. The investigation and research substantiation has been substantially done by the Davis Tax Committee. Our own committee has heard Judge Dennis Davis at least twice, if not more, certainly, as has the Trade and Industry Committee, led by the outstanding Joanmariae Fubbs.

I was on the phone to Judge Dennis Davis twice last week to alert him to these late hearings. Unfortunately, he won't be here on 18 April, so we're looking to have him for that and other reasons perhaps a few days later.

However, we are starting with that process, for sure, and we are going to engage in a concerted fashion.

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As the hon Ms Tobias-Pokolo said, we find it rich, if that is the correct word, that the DA ... and this is not the DA of Colin Eglin or Renee Taljaard or Dene Smuts. This is the DA of David Maynier. This is the DA of Steenhuisen, the postmodern National Party. [Applause.] That's what it is - and here it is!

Mr Maynier utterly and vigorously and irrevocably opposed transformation in the interests of big business when it came to the Financial Sector Regulation Bill. Having lost out on almost every issue, what does he do? He then goes and looks for some obscure clause that you have to vote only on a printed version of a Bill.

I was not in the committee meeting on that day. We took it as the truth and then discovered that our ever-honest, ever-efficient Allen Wicomb said no, the printed version of the Bill was tabled and no Rule is currently in place that requires us to vote on the printed version of the Bill. However, as we said then, we welcome it, but make that a Rule. I am not in the Rules Committee, but make it a Rule. [Interjections.]

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Secondly, let us be very clear. When it came to the Insurance Bill, which called for transformation, they looked for some obscure Rule at the last minute and said we couldn't vote on it because the Bill must come to the House by way of a resolution. We have appealed to the hon Mr Mdakane there to please make it clear under what conditions.

I don't buy Pravda shoes. [Interjections.] I certainly don't buy - what's that? - Louis Vuitton bags. Mr Maynier does! It's Mr Maynier's constituency. This is why Ms Thandi Tobias-Pokolo is absolutely right to ask why they don't want a luxury VAT. They never mentioned that! It's the trade unions that said it - not them.

Yesterday, I was told one of your DA members is very proudly called Margaret Thatcher. You know what? You are not even a postmodern National Party. You are a right-wing version of that the National Party was, even then.

[Interjections.] [Applause.] So, when you talk about transformation, who takes you seriously? You yourselves don't believe it. You have never shown it in action. Mr Maynier is possibly not even acceptable for the DA's

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shall I say, liberal framework. Is he even a liberal?
It's doubtful. [Interjections.]

Right. Now then, we must be very clear. We agree with the position of the DA in some respects, and we've addressed their concerns. It's clear they haven't read the report. We agree there are difficulties, Minister, we agree. It's precisely because of that that you were under the conditions you were to introduce a VAT increase.

Look at our report, however. Our report states that on VAT, only under the circumstances, the committee has said, look into increased items on the list of zero rating. Look there, too. Who eats turnips? Mr Maynier. Not the people out there in the townships. Who has kiwifruit? Mr Maynier. Not the people in the townships. Who eats Brussels sprouts? Mr Maynier. Not the people in the townships. [Interjections.] So, the zero rating has to be carefully managed, Minister, so it's not Mr Maynier and his class forces who will benefit, but the poor. We know it is difficult to administer this multilayered system but let's focus on them.

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Let's make it clear. Comrade Charl de Beer says he is going to take this VAT increase ... precisely because I am a Communist, Mr Steenhuisen, that I take the positions I do. The ANC is a movement of national democrats, including Communists, and I was first and foremost at the age of 15, a Communist. That means the ANC accommodates people like me, as it should, but you don't have to have right-wing liberals ...

The CHIEF WHIP OF THE OPPOSITION: House Chairperson ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Carrim, would you take a seat, please?

Mr Y I CARRIM: Do I have to? [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Yes, please.

Order! Why are you rising, hon member?

The CHIEF WHIP OF THE OPPOSITION: Would the hon Carrim please take a question? [Interjections.]

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Mr Y I CARRIM: Yes, in any debate you want to have with me - outside this meeting. [Interjections.]

The CHIEF WHIP OF THE OPPOSITION: You are running away, just like Mr Gigaba.

Mr Y I CARRIM: The ANC has agreed to many of the things that they are proposing. The President himself said he would reduce the number of Cabinet Ministers. Here again, Minister, it doesn't matter that we are not saving lots of money. However, as a symbol, it is important to do it, to signal to the public out there, that if we are increasing your VAT, we, as politicians, are prepared to tighten our belts. We agree on that. [Applause.]

Let's be very clear. Mr de Beer has said he will take this VAT increase through the provincial and public hearings. Thank you very much. [Time expired.]
[Applause.]

The MINISTER OF FINANCE: Chairperson, since this is my maiden speech I would want to appeal for calm. Having just returned from sabbatical it is indeed an honour to

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thank the hon members that have welcomed me back.

[Applause.]

Let me begin by saying that to the fiscal proposals that are outlined in the Budget involves very hard adjustments that are required in order to protect the integrity of our public finances.

And by taking these steps to strengthen the fiscal position, government will be able to widen the path for new investment and inclusive job creating growth in the years ahead whilst also creating space to meet new spending commitments.

With the fiscal framework, we are actually just mapping the parameters within which this Budget was presented. So, these decisions that we presented in the budget to reflect this difficult trade-offs but unnecessary to put the public finances back on a sustainable path and the number of members we are mentioning how unsustainable this might be leading.

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Stable finances, are fundamental building blocks of democracy, development and growth. There is therefore nothing pro poor or developmental about unsustainable fiscal policy.

With the bold and tough crisis outlined in the Budget, we now have an opportunity to put the country on a different and more sustainable trajectory and begin to reverse the damaging trends of the past few years.

The risks and pressures remained indeed significant but this Budget is a big step in the right direction. The better than expected last quarter GDP data that was released yesterday by Statistic SA are encouraging indeed and can only get better once the bold measures in the Budget take effect.

Our present fiscal position is the cumulative result of trend that works since a structural Budget deficit emerged following the 2009 global research. For several years after that, our Budget Review has continued to note that in the absence of a significant upturn in our GDP growth, government would face increasingly difficult

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Budget decisions. Since 2012, successive Budget have reduced rate of expenditure growth and raised taxes.

While this major part of fiscal consolidation achieved some level of success, debt has continued to rise as a share of GDP as economic growth declined and new spending pressures also emerged.

In combination with concerns of policy uncertainty, this led to credit rating downgrades last year. At the time of the Medium Term Budget Policy Statement, MTPBS, last year, gross government debt was approaching R3 trillion already over the medium term. If left unchecked, I would want to submit debt would continue to rise above 60% of GDP over the coming decade and members have actually alluded to this and we don't have the luxury of just shouting and grandstanding and politicking over this 60%.

Since then, the economy has shown signs of recovery but our estimates for real GDP growth have been revised upwards for 2018-19 coming two years. The stronger growth of 3,1% in the last quarter of 2017 meant that our economy grew by 1,3% in 2017.

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Let me quickly turn to the proposals that are made in order to deal with the situation. We propose measures to reduce the Budget deficit while providing space for new spending commitments. Together with an improved growth outlook, the proposals will reduce the consolidated Budget deficit which is the difference between total revenue and expenditure from 4,3% of GDP 2017-18 to 3,5% in 2020-21 which is a narrower deficit and stronger rand and lower borrowing cost which will result in gross government debt stabilising at 56,2% in the outer year of the coming medium-term expenditure framework.

The central adjustment to the fiscal framework which we all heard that is the 36 billion in taxes revenue, it is also reducing expenditure by 26 billion, allocating 12,2 billion for the fee free higher education training for the next fiscal year, also setting aside an additional R5 billion for contingency reserve, and provisionally allocating R6 billion for drought management and public infrastructure.

Having spent a bit of time outlining the importance of a credible and sustainable fiscal framework and that the

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tax increase, perhaps let me turn to the value added tax, VAT, increase of 1% point which is in the main revenue proposal which is expected to bring in about R23 billion which is the toughest proposal in the Budget. Parliament, civil societies and other participants should be commended on the robust engagements that have already taken place in such a short time after announcement.

We welcome further debates and discussions on alternative options and how to reduce the impact of a VAT increase on the poorest of households. We will indeed consider such proposals very seriously.

One must keep in mind however, that many of this alternatives and recommendations can't be implemented quickly and easily and wouldn't raise sufficient revenue to immediately rectify the fiscal gap that was announced in October last year.

Therefore as a the chair of the committee and the committee has indicated, we will indeed be taking these recommendations into account and see which ones can be

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accommodated at the appropriate time as we engage. So, we don't want to pre-empt the outcome of that.

But given that VAT increase will raise revenue, it will have an impact on the cost of living of all households including poor households. Although the zero rated basket is relatively well targeted to poor households and will reduce the impact of the increase clearly these households consume far more goods other than the nineteen basic food items. So, the expansion is indeed on the cards.

The government has also listened to the concerns raised on the impact of this on the poor and as I said the Davis Tax Committee and its recommendations will be also taken on board.

I don't want to go into each of the member's comments with regard to the Budget but what came out very loud and clear was that we all need to work together in order to close this gap to make sure that we deal with issues of corruption so that our spending will clearly demonstrate

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to the poor that when we collect revenue from them, it is revenue that serves them also.

Having looked at it, some people are saying you know on the side we say is not pro-poor on the other side we are saying that it is feeding into the malice that has actual caught us and if I were to say to hon David Maynier, the comprehensive expenditure review is already an integral part of the Department of Performance, Monitoring, and Evaluation. It means that you actual read our fiscal framework for 2014. You probably read it very well because that is where it comes from but thanks to all the members for the comments that they have made and we have made note of this. We will respond at an appropriate time but for now let us focus on us passing these parameters within which or in the context of which this year's Budget has been developed. Thank you very much to the committee and thanks for listening. [Applause.]

Debate concluded.

The Deputy Chief Whip of the Majority Party moved: That the 2018 Fiscal Framework and Revenue Proposals and the

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Report of the Standing Committee on Finance thereon be adopted.

Question put: That the motion moved by the Deputy Chief Whip of the Majority Party be agreed to.

Division demanded.

The House divided.

[TAKE IN FROM MINUTES]

Motion agreed to.

2018 Fiscal Framework and Revenue Proposals, and the Report of Standing Committee on Finance accordingly adopted.

The House adjourned at 19:29.