

TUESDAY, 25 NOVEMBER 2014

PROCEEDINGS OF THE NATIONAL COUNCIL OF PROVINCES

The Council met at 14:04.

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

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS - see col 000.

NOTICE OF MOTION

Mr M KHAWULA: Deputy Chairperson, I hereby give notice that on the next sitting day of the Council I shall move on behalf of the IFP:

That the Council debates the full-scale water crisis that has hit KwaZulu-Natal and what steps government can take to ensure that our people do not end up paying for the consequences of the lack of water due to government inefficiency.

INVOLVEMENT OF MINISTER JOEMAT-PETTERSSON IN KGADIMA

APPOINTMENT

(Draft Resolution)

Mr W F FABER: Deputy Chairperson, I move without notice:

That the Council –

- (1) notes that Energy Minister Tina Joemat-Pettersson misled Parliament and should be suspended;
- (2) further notes that reports indicated that the Minister was involved in recommending and appointing Mr Tshepo Kgadima as chairperson of the board of PetroSA;
- (3) also notes that when questioned about this in the National Assembly last week she, however, flatly denied any involvement in Kgadima's appointment;
- (4) acknowledges that she told Members of Parliament at the time that the appointment of a chairperson was the responsibility of the board of PetroSA's holding company;

- (5) also acknowledges that according to reports Kgadima had allegedly been involved in fraud that had led to the loss of millions of rands by investors while he was CEO and president of LontohCoal Ltd;
- (6) further acknowledges that reports also state that Kgadima was recommended by Joemat-Pettersson for the post of PetroSA chairperson, along with three other candidates, in a letter sent to the Central Energy Fund chair Sankie Mthembi-Mahanyele on 10 October;
- (7) declares that she has clearly misled Parliament and must be suspended in terms of the procedure to be followed during the investigation of allegations of misconduct and contempt of Parliament;
- (8) concurs that Kgadima stood accused of swindling more than 250 investors who allegedly put money into his company, LontohCoal Ltd, between 2010 and 2012 for projects that did not exist;
- (9) further concurs that his appointment was therefore irrational, and should be set aside, as it is, in fact, highly questionable that the Minister applied her mind at all in recommending Mr Kgadima in the first place; and

(10) realises that this further casts doubt over her judgment and ability to serve as a Minister, as has previously been established by the myriad findings against her by the Public Protector.

[Interjections.]

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): In the light of the objections, the motion may not be proceeded with, and therefore the motion without notice will now become a notice of motion.

CONGRATULATIONS TO TUNISIAN PEOPLE ON THEIR 2014 ELECTIONS

(Draft Resolution)

The CHIEF WHIP OF THE NCOP: Thank you, Deputy Chairperson. I move without notice:

That the Council –

(1) notes that the people of Tunisia cast their ballots on Sunday, 23 November 2014, to elect a president to lead their country after the Arab Spring uprisings that started in Tunisia;

- (2) further notes that the Chief Electoral Officer of the Independent Electoral Commission as well as the European monitoring teams indicated that the voting ran smoothly without serious violations, except for a few isolated incidents; and
- (3) congratulates the people of Tunisia for finalising their democratisation process after a successful legislative and presidential poll that was preceded by the adoption of a new constitution earlier this year.

Motion agreed to in accordance with section 65 of the Constitution.

HOUSING ISSUES FACING DUNCAN VILLAGE

(Draft Resolution)

Ms N D MATIKINCA (Eastern Cape): Deputy Chairperson, I hereby move without notice:

That the Council –

- (1) notes the ongoing housing issues facing Duncan Village residents in Buffalo City, which have driven a number of protests in the area;

- (2) further notes that the protests in Duncan Village are as a result of allegations of illegal occupation of RDP houses;
- (3) also notes that, despite these protests, the Mayor of Buffalo City is unwilling to address the root causes of the situation; and
- (4) therefore calls on the MEC for human settlements in the Eastern Cape to intervene in Duncan Village to assist the residents and ensure that the lawful owners occupy their houses.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Is there any objection to the motion? [Interjections.] There is. In the light of the objection, the motion may not be proceeded with, and the motion without notice will now become a notice of motion.

ESKOM LOADSHEDDING PROBLEMS

(Draft Resolution)

Mr E R MAKUE: Deputy Chairperson, I move without notice:

That the Council –

- (1) notes with concern the fact that the rolling blackouts at the weekend were due to the power system's experiencing an increase in demand as a result of weather conditions, and increased load losses as a result of multiple tripping of generating units at the Majuba and Matimba Power Stations;
- (2) further notes that Eskom's diesel generators were under pressure because of a lack of fuel, which was caused by diesel supplies being received in volumes that were not meeting the requirements; and
- (3) therefore calls on Eskom to do everything possible to build more reserves in order to limit the risk of load shedding; and
- (4) calls on the general public and private sector to use electricity responsibly in order to assist in the saving of electricity and stopping blackouts.

Motion agreed to in accordance with section 65 of the Constitution.

**GAUTENG PREMIER AND TEAM WORKING TO SOLVE CHILD MURDERS IN
REIGER PARK**

(Draft Resolution)

Mr E M MLAMBO: Deputy Chairperson, I move without notice:

That the Council –

- (1) notes that the Premier of Gauteng, hon David Makhura, visited the families of the children that were killed in Reiger Park in order to brief the families on the status of the investigations into their children's deaths, and for them to provide the team with information that might be useful in the investigations;
- (2) also notes that the premier established a multidisciplinary team that will work with the Reiger Park community to deal with various issues plaguing this area on the East Rand;
- (3) further notes that the team consists of Ekurhuleni Mayor, Mr Mondli Gungubele; Gauteng MEC for community safety, Sizakele Nkosi-Malobane; Gauteng MEC for roads and transport, Mr Ismail Vadi; and Gauteng Police Commissioner Lesetja Mothiba; and

- (4) commends the Gauteng premier for acting with speed and care in trying to resolve the matter and end the murder of children in that area.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Is there any objection to the motion? [Interjections.] In the light of the objection the motion may not be proceeded with, and the motion without notice will now become a notice of motion.

CONGRATULATIONS TO VINCENT BONES ON WINNING *IDOLS* SEASON 10

(Draft Resolution)

Ms T MOTARA: Deputy Chairperson, I move without notice:

That the Council –

- (1) notes that after a gruelling competition, Vincent Bones from Pietermaritzburg was crowned the winner of *Idols* Season 10 on Sunday, 23 November 2014;
- (2) also notes that he was a former homeless street kid roaming around and looking for discarded leftovers in the streets of Sunnyside, Pretoria, before he was put into Boys Town where he finished his schooling; and

- (3) congratulates Vincent Bones on winning the competition and hopes that this will change his life for the better.

Motion agreed to in accordance with section 65 of the Constitution.

SHOOTING AT MZOLI'S PLACE

(Draft Resolution)

Mr D L XIMBI: Deputy Chairperson, I move without notice:

That the Council –

- (1) notes with concern the armed robbery that took place at Mzoli's Place in Gugulethu on Sunday evening, 23 November 2014, where a woman was robbed of her cellphone and then shot dead;
- (2) also notes that this is one in a string of armed robbery cases, the number of which are escalating, especially during the festive season;
- (3) further notes Mzoli's Place is one of the tourist destinations in our townships and is even a place which locals frequent;

- (4) acknowledges that these criminal acts deny our people free movement and subject them to anxiety and fear that is tantamount to the gross violation of human rights;
- (5) therefore condemns and shuns such acts, and calls upon people to be careful in their movements; and
- (6) calls for the reactivation of community police forums, and for neighbourhood watches to be entrenched in our communities.

Motion agreed to in accordance with section 65 of the Constitution.

RAISED MINIMUM PASS RATE SHOULD BE ACCOMPANIED BY SUPPORT

(Draft Resolution)

Ms C LABUSCHAGNE: Deputy Chairperson, I move without notice:

That the House –

- (1) notes that the minimum pass requirements for learners in Grades 7, 8 and 9 have been raised by the Minister of Basic Education;

- (2) agrees that whilst raising the minimum pass requirements is a step in the right direction, it cannot be done in isolation and should be accompanied by intensified efforts to support learners and educators;
- (3) considers methods to raise the standards of education across South Africa through the provision of basic support, training and infrastructure; and
- (4) furthermore, considers the role that each provincial government can and must play in raising the standard of education across South Africa.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Is there any objection to the motion? [Interjections.] In the light of the objection the motion may not be proceeded with, and the motion without notice will now become a notice of motion.

POST OFFICE STRIKE COMES TO AN END

(Draft Resolution)

Ms E PRINS: Deputy Chairperson, I move without notice:

That the House –

- (1) notes that operations at the SA Post Office are improving as the numbers of employees returning to work increase, after their heeding the call to return to work;
- (2) also notes that 52% of employees have returned to work since the wage agreement with unions was signed last week, and the services are improving;
- (3) further notes that part of the agreement involves converting part-time and casual employees to full-time employees from 1 December, with full benefits becoming effective on 1 April 2015; and
- (4) therefore, commends the intervention by hon Minister Siyabonga Cwele in facilitating a solution with the affected parties to better the situation.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Is there any objection to the motion? [Interjections.] In the light of the objection the motion may not be proceeded with, and the motion without notice will now become a notice of motion.

BUSINESSMAN SENTENCED FOR HUMAN TRAFFICKING

(Draft Resolution)

Ms L C DLAMINI: Deputy Chair, I move without notice:

That the Council –

- (1) notes that a wealthy White River businessman, who held five underage Mozambican girls captive as sex slaves for three years, was sentenced to eight life terms for human trafficking and rape on Friday, 21 November 2014;
- (2) further notes that Mr Lloyd Mabuza, 62, a timber trade entrepreneur, and his co-accused, Violet Chauke, 24, were convicted on multiple counts of human trafficking;
- (3) also notes that Mabuza, who had been free while on R70 000 bail, was also found guilty of multiple counts of rape of the five girls who were aged between 10 years and 16 years;
- (4) congratulates the Graskop Magistrate's Court for sending out a strong message that trafficking, the new name for slavery, will not be tolerated by the courts in South Africa;
- (5) calls on the courts to apply the provisions of the Prevention and Combating of Trafficking in Persons Act, with the maximum penalty of life imprisonment; and

- (6) further calls on the judicial system to show no sympathy to those who perpetrate violence against women and children, as we launch the campaign of 16 Days of Activism for No Violence Against Women and Children.

Motion agreed to in accordance with section 65 of the Constitution.

GRANDMOTHER ARRESTED FOR KILLING HER GRANDDAUGHTER

(Draft Resolution)

Mr A SINGH: Deputy Chair, I move without notice:

That the Council –

- (1) notes that, at the start of the 16 Days of Activism for No Violence against Women and Children, a grandmother in Chatsworth, Durban, was charged with brutally murdering her 2-year-old granddaughter by burning her with cigarettes and breaking her arms;
- (2) further notes that the child was found to have been raped and beaten to death; and

- (3) condemns this kind of barbaric behaviour and calls for justice to prevail for this child, with such individuals to be kept behind bars and away from society.

Motion agreed to in accordance with section 65 of the Constitution.

**COMMEMORATION OF 154 YEARS OF THE INDIAN COMMUNITY IN SOUTH
AFRICA**

(Draft Resolution)

Mr M KHAWULA: Deputy Chairperson, I move without notice:

That the House –

- (1) notes that this November we commemorate 154 years since the arrival of the Indian community in South Africa, who first arrived here in November 1860;
- (2) acknowledges the hardships and the many challenges they had to overcome, as well as the spirit and courage of the Indian forefathers and foremothers who travelled to this new land, South Africa;

(3) recognises the great contribution that the Indian community have made to our socioeconomic development and cultural diversity; and

(4) applauds their tireless efforts towards integrated social cohesion and nation-building under the flag of a united South Africa, the rainbow nation.

Motion agreed to in accordance with section 65 of the Constitution.

NEW DEFY REFRIGERATOR PRODUCTION FACILITY LAUNCHED

(Draft Resolution)

Mr S G MTHIMUNYE: Deputy Chair, I move without notice:

That the Council –

(1) notes that the Minister of Trade and Industry, Dr Rob Davies, launched the new Defy side-by-side refrigerator production facility, worth R120 million, in East London on Monday, 24 November 2014;

(2) further notes that this work is building on last year's Industrial Policy Action Plan, known as Ipap, which

recognises the white goods industry as a strategic one with growth potential;

(3) congratulates the Department of Trade and Industry for creating a climate conducive for investment in our economy; and

(4) commends the Arçelic Group for having confidence in investment in the South African economy.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Is there any objection to the motion? [Interjections.] Is there an objection? [Interjections.] In the light of the objection, the motion may not be proceeded with, and therefore the motion without notice will now become a notice of motion.

Order! Before I ask the Secretary to read the first Order of the Day, may I just caution members to log in. If you look at the Bills that we have to adopt under section 75, you have to vote using the systems. So please log in.

**CONSIDERATION OF REPORT OF SELECT COMMITTEE ON FINANCE -
TERMINATION OF SECTION 100(1)(b) ISSUED TO THE LIMPOPO
PROVINCE AND ISSUING OF DIRECTIVES IN TERMS OF SECTION
100(1)(a) OF THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA,**

Mr C J DE BEER: Hon Chairperson, hon MECs and the hon Minister, whom I notice as well, on 5 December 2011 the SA Cabinet announced its intervention in the Limpopo provincial administration in accordance with section 100(1)(b) of the Constitution of the Republic of South Africa, 1996.

This effectively placed five Limpopo provincial departments, namely, provincial treasury; education; transport; health and social development; and public works, roads and infrastructure under national executive administration.

The following were identified as the province's major challenges, namely, underspending, overspending and supply chain management issues.

Deputy Chairperson, the objective of this intervention was this, and this was the objective of government and the objective of the SA Constitution. This objective was good governance and sound financial management.

On 9 July 2014 Cabinet approved the transition of the intervention from being under section 100(1)(b) to being under section 100(1)(a) of the Constitution of the Republic of South Africa. This meant that the MECs of the affected provincial departments would assume full executive powers to run the

departments, and the accounting officer role would revert to the HODs.

Cabinet has also given clear conditions that the provincial executive will have to meet in terms of a directive in regard to a transition period as well.

Cabinet mandated the Inter-Ministerial Committee, which we call the IMC, to enter into a memorandum of understanding with the premier and his executive. That is to give effect to section 100(1)(a) to make provision for outstanding issues, to exercise oversight, and to provide support in regard to the implementation of the sustainability of projects.

It is very important that we look at the process from where it started on 5 December 2011. There was first a diagnostic analysis of the situation in the five affected departments. Then there was an action plan and the implementation of that action plan. Then there was a recovery phase. Now we are into the transition phase, going to a section 100(1)(a) phase and, eventually, they are going to get Limpopo out of the total intervention in terms of section 100.

It is very important to notice the progress that has been made and we must acknowledge that.

Firstly, the financial position of the province has improved, and the province has had a cash surplus of over R4 billion in the bank, compared to an overdraft of R1,7 billion in 2011.

The accumulated unauthorised expenditure has been reduced from R2,7 billion in 2011 to R600 million in the 2014-15 financial year. The rest will be paid over by the 2016-17 financial year. The departments have no longer been overspending on their budgets.

Other achievements were the following. Compensation of employees has been stabilised. The process of headcount verifications has been completed and the number of temporary educators has been reduced from 2 544 to 6. The province has improved its compliance with the 30-day payment requirement over the past two years. The process of verification of learners and educators in the provincial departments of health and education has been completed. In the provincial department of education, there have been improvements in the per capita transfers in terms of the norms and standards, the amounts of which have increased from 62% to 90%.

Medicine stock levels in the provincial department of health have been raised from 48% to the current average of 78%, while the value of expired medicine has been reduced from R11 million to R2,5 million.

However, there are still challenges. What are they? They are resolving weaknesses in the supply chain management systems; the concluding of disciplinary and criminal cases; the appointment of competent senior managers in key positions; and addressing the skills gaps in financial management and infrastructure.

There was a report by the Anti-Corruption Task Team, which we call the ACTT and which is operating not only in Limpopo, but in all the provinces. As at 15 August 2014, the provincial department of transport had a total of 14 cases. There were 14 cases in the department of health, 7 cases in education and 4 cases in public works, roads and infrastructure. There were 22 forensic investigation reports on disciplinary cases when the intervention started. One of the key challenges in regard to the slow finalisation of disciplinary cases is the continuous postponement of cases.

The Special Investigating Unit has devised strategies to address the challenges identified. During the investigations, the SIU discovered in relation to tenders awarded by the provincial departments that there were actual losses to the value of approximately R1,4 billion.

We must state here this afternoon that the NCOP also gave direction through their recommendations to direct the process of the intervention.

Our observations are as follows. The intervention team has made progress in Limpopo, particularly with the improvement of the financial position of the province.

However, there are still challenges and concerns related to the sustainability of the intervention, which include vacancies, outstanding fraud and disciplinary cases, the lack of integrated systems and the lack of capacity.

The committee has also noted that the decision of Cabinet to approve the transition of the intervention from section 100(1)(b) to section 100(1)(a) of the Constitution.

There is a need for the provincial departments to improve on their audit outcomes and comply with the Public Finance Management Act. The National Treasury has appointed consultants funded by the European Union to conduct a capacity and skills audit assessment of offices of chief financial officers, and that process started in July 2014.

The legacy projects in the department of education have a negative impact on the Auditor-General's audit outcomes.

Statistics SA has been reluctant to release detailed database information for use in further analysis by the province.

The Department of Public Service and Administration does not have a mechanism linking Persal systems between the Public Service and the municipalities.

Our recommendations are as follows.

The Limpopo provincial legislature should continuously monitor and exercise oversight over departments and municipalities throughout the transition phase.

The five provincial departments that were put under administration should sustain the mechanisms and systems that are in place during the transition period and over the long-term period.

The transition process from the administrator's team - this is crucial - to the provincial officials should be clear and systematic for the purposes of accountability and continuity.

The province should consider making use of experts who no longer work at the Development Bank of Southern Africa following its restructuring to fill critical vacant positions, because there is a pool of expertise there.

The HOD of the department of education, in particular, should put plans in place to address the legacy projects that are having a negative impact when it comes to audit outcomes from the Auditor-General.

The national Department of Basic Education should address the issue of reinstating the rural allowance, thus providing the Limpopo department of education with funding.

Statistics SA should provide the province with the required information, as an amount of R18,5 million was provided to fund the project in the provincial health and education departments.

The Department of Co-operative Governance and Traditional Affairs should, within 90 days after the adoption of this report by the House, table a progress report on the draft legislation that will provide regulations on interventions in terms of section 100(3) of the Constitution.

Hon Chairperson, the NCOP should support and approve the transition of the intervention from section 100(1)(b) to section 100(1)(a) of the Constitution of the Republic of South Africa.

I move that the House adopt the report. Thank you, Chair.

[Applause.]

Debate concluded.

Question put: That the Report be adopted.

Declaration of vote:

Ms C LABUSCHAGNE: Chair, the DA cautiously agrees to the termination of the section 100(1)(b) intervention in Limpopo ...

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Hon Labuschagne, just quickly, are you speaking on behalf of the DA or the Western Cape, because it should be the province.

Ms C LABUSCHAGNE: The Western Cape, sorry.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Okay. Thank you very much.

Ms C LABUSCHAGNE: Thank you for the correction, Chair.

The Western Cape cautiously agrees to the termination of the section 100(1)(b) intervention in Limpopo and the issuing of directives in terms of section 100(1)(a) of the Constitution.

The Western Cape believes that the intervention in one sphere of government by another is an extreme constitutional mechanism, only to be utilised in the most desperate of situations. Indeed, it is the ultimate indictment of a provincial government that completely fails to render services to its people.

Such was the case with the disastrous Limpopo provincial government and, unfortunately, the Audit-General's report indicates that the situation has not improved in all areas, in spite of the section 100(1)(b) intervention.

The Auditor-General's report indicates that noncompliance with laws and regulations remains high, with the departments of education, health, and public works, roads and infrastructure incurring the highest number of noncompliance findings.

The education department has had a disclaimer for the past four financial years, and actually received even more findings against it whilst under administration.

The quality of performance reporting is still a challenge at the departments of education, health, and public works, roads and infrastructure.

Education was the highest contributor to fruitless and wasteful expenditure, at R168 million, and irregular expenditure, at R2,209 billion.

These findings by the Auditor-General raise serious concerns about the effectiveness of the national intervention in Limpopo, and the ability of the Limpopo provincial government now to complete this work under directive.

Notwithstanding the above, a provincial government cannot be under administration indefinitely, and the newly elected provincial government must be afforded the opportunity to pick up the baton and transform Limpopo into a province that meets its constitutional and legislative obligations.

[Interjections.]

However, we will monitor the situation. Maybe I must speak Xhosa. We will monitor the situation in Limpopo carefully to ensure that this occurs to the benefit of the people of Limpopo and not the politicians.

For these reasons, the Western Cape will vote in favour of adopting the report. Thank you.

IN FAVOUR: Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, North West, Northern Cape, Western Cape.

Report accordingly adopted in accordance with section 65 of the Constitution.

DEVELOPMENT BANK OF SOUTHERN AFRICA AMENDMENT BILL

(Consideration of Bill and of Report thereon)

Mr C J DE BEER: Hon Chairperson, South Africa is resolute in stimulating growth, increasing employment and alleviating poverty and inequality. With that determination, it has created, amongst others, institutions like the Development Bank of Southern Africa, which we call the DBSA, to champion economic development through numerous initiatives. These include the funding of projects stimulating the economy, and infrastructure development.

Furthermore, South Africa through its policies, specifically the National Development Plan, strives to promote regional and continental economic growth. It can be witnessed that the DBSA is now being moulded in order to be able to function on a

larger scale for the benefit of the country and the African continent through the Development Bank of Southern Africa Amendment Bill of 2014.

Amendments to the preamble of the Act mean that the preamble has been modified, extending the scope of the bank to the rest of the African continent and the African oceanic islands, after originally being confined to the Southern African region. Therefore, statements in the preamble that refer to "Southern Africa" are substituted by "Africa" and its "oceanic islands".

The amendment in section 1 of Act 13 of 1997 deals with definitions. The amending Bill has inserted three new definitions.

Regarding the amendment to section 2 of Act 13 of 1997, the crux of the amendment of this section is that the extension of the region and countries in which the bank operates is defined in the newly inserted section 2A. Section 2A ensures that the Minister of Finance is aware of the annual plans for activities to be implemented by the DBSA within and outside South Africa.

The amendment of section 8 of the Act emphasises the point of who is allowed to be a board member of the DBSA.

The amendments that have been made to section 13 are related to the share capital. Subsection 1 speaks directly to the authorised share capital of the bank. This section amends capital change and has increased the authorised share capital for the bank. We refer to the following. The authorised share capital is changed from R5 billion to R20,2 billion. The shares division has changed from R500 000 to R2,2 million. Lastly, the par value of shares, which was set at R10 000, has been left unmentioned, and to be amended in no (5).

The amendment of section 17 of the Act deals with regulations. The amendment authorises the Minister of Finance to make regulations needed by the Act.

The amendment of section 21 of the Act allows the bank to be safeguarded by the legislative framework. The principal Act only mentioned the Companies Act of 1973 and the Banks Act of 1990. Currently, any other legislation that is appropriate is included, such as the Public Finance Management Act.

The conclusion is that the Development Bank of Southern Africa Act amendments indicate that South Africa seeks to enhance economic growth and to be actively involved in the development of Africa as a whole. Therefore, these amendments will benefit not only the South African economy and its people, but also fellow Africans on the rest of the continent.

I move that the Bill be adopted. Thank you, Chair.

Debate concluded.

Question put: That the Bill be agreed to.

Declarations of vote:

Ms C LABUSCHAGNE: Hon Chairperson, the proposed amendments increase the operational reach of the bank to include the entire African continent and the oceanic islands.

They also provide for an increase in share capital from R5 billion to R20,2 billion. This is callable capital that will be underwritten by the National Treasury.

The amendments also provide for the Minister to make far-reaching regulations, including the determination of the national territory that constitutes the region.

Salga proposed the following: to include a director approved by them to serve on the board. The committee did not support that proposal.

Given the bank's relatively poor performance, of a R706 million loss as at March 2013 and a R108 million loss the

previous year, the amendments can be considered as the recapitalisation of a loss-making entity.

Also, there is insufficient clarity on the role of the new Brics bank, and whether the African Development Bank should perform the role proposed by the development bank.

The Minister also has too much discretion in making regulations.

Considering the African Bank rescue and the recent rating downgrade of four major South African banks, caution is required in the state's extending any further lending facilities to finance potentially unviable ventures.

The DA does not support the amendment.

Mr C J DE BEER: Hon Chairperson, I find it very strange that the hon member has come to this House and made this declaration, whilst her political party approved the Bill in the Select Committee on Finance. Again, like in the voting on the Schedule of the Appropriation Bill, and also in the voting on the Division of Revenue Bill, there are two faces to this political party, ... [Interjections.] ... and I want to put it on record today. You can go back to the legacy of this House ... [Interjections.]

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Just hold on, hon member. Is there a point of order?

Ms E C VAN LINGEN: Hon Chairperson, on a point of order: The member is misleading the House. I can present the minutes of that specific meeting where our member withheld or reserved his vote and did not vote in the committee. [Interjections.] So, this member is misleading the House. He must withdraw it, please.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Hon member, this is a political party declaration. I did allow the DA to make their declaration of vote, and now I am allowing the ANC to make their declaration of vote. Can we allow this political party to make their declaration of vote?

Mr C J DE BEER: In terms of the government's objective to enhance growth, not only in South Africa, but on the whole of the continent, in co-operation with the African Development Bank - in co-operation - the ANC supports the amendments to this Bill. It is not meant only to take South Africa forward, but to take Africa forward - and the people of Africa! Thank you, Chair. [Applause.]

The CHAIRPERSON OF THE NCOP (Mr R J Tau): Thank you very much. Is any other political party wanting to make a declaration?

[Interjections.] In the absence of any, we shall now proceed with the voting on the question.

Hon members, it has been brought to my attention that hon Suka and hon Mququ have not logged in. Have you logged in now? Hon Suka has logged in.

Mr L SUKA: I have logged in but it is just stuck here; it does not move forward. [Laughter.] I tried to log in but it is just stuck. There is a technical glitch here. [Interjections.]

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Okay, that is fine. You will be provided with a form to vote manually. Those are the only two that have been brought to my attention so far. Therefore, I open the voting. If you do experience any problems, just raise your hand and then you will be assisted with the necessary form for voting.

Bill accordingly agreed to in accordance with section 75 of the Constitution.

ATTORNEYS AMENDMENT BILL

(Consideration of Bill and of Report thereon)

Mr D L XIMBI: Deputy Chairperson, the Legal Practice Bill, once fully implemented, will provide for a single unified statutory body, the SA Legal Practice Council, to regulate all legal professionals. Due to the lengthy process of the implementation of the legislation, it has become necessary to address temporary problems via the Attorneys Amendment Bill until the Legal Practice Bill is fully implemented.

The Attorneys Amendment Bill seeks to rationalise disparate laws and structures regulating attorneys practising in the former TBVC states. The so-called TBVC states, that is Transkei, Bophuthatswana, Venda and Ciskei, all had their own law societies to regulate the operations of attorneys. Changes to the Attorneys Act brought them all into mainstream law societies, but they are refusing to co-operate in matters of unprofessional conduct.

In particular, concurrent jurisdiction exercised by the Law Society of the Northern Provinces over attorneys in the former Bophuthatswana and Venda marked the beginning of the challenges, particularly in the former Bophuthatswana.

Challenges include a lack of disciplinary and regulatory control. Cases of unprofessional conduct are also not properly investigated, and the Bophuthatswana Law Society does not co-

operate with the Law Society of the Northern Provinces in the investigation of disciplinary matters.

Deputy Chairperson, to address these problems, clause 21 of the Bill amends section 56 of the Attorneys Act. The amendments provide for the continued existence of the four mainstream law societies – the Cape Law Society, the Law Society of the Free State, the Law Society of the Northern Provinces, and the KwaZulu-Natal Law Society – while dissolving any other law societies operating in the country.

The Select Committee on Security and Justice, having considered the subject of the Attorneys Amendment Bill [B 9B-2014], section 75, referred to it, recommends that the Council passes the Bill without proposed amendments. Thank you, Deputy Chair. [Applause.]

Debate concluded.

Question put: That the Bill be agreed to.

Bill accordingly agreed to in accordance with section 75 of the Constitution.

**STATE OF MUNICIPALITIES IN SOUTH AFRICA: TOGETHER MAKING OUR
MUNICIPALITIES WORK EFFECTIVELY AND EFFICIENTLY**

(Subject for Discussion)

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: Hon Deputy Chairperson, MEC Fikile Xasa of the Eastern Cape provincial legislature, and the chair of the select committee Mr Jihad Mohapi and his colleagues, we certainly welcome this opportunity to debate this matter. There is also, of course, MEC Jacob Mamabolo of the Gauteng provincial legislature. I was looking for him and I could not see him earlier. We certainly welcome this debate on how we can make municipalities more effective and more efficient.

The basic services that local government provides - clean drinking water, sanitation, electricity, shelter, waste removal and roads, amongst others - are basic human rights, and are therefore essential components of the right to dignity enshrined in our Constitution and in our Bill of Rights.

Functioning, effective and efficient municipalities are central to creating a dignified environment for all of our people. An occasional review of the functionality of municipalities and actions to improve their efficiency and effectiveness is absolutely essential in a young democracy like ours. This will ensure that the capability of both political leaders and the administration to manage their responsibilities is constantly upgraded.

Our vision of a developmental local government was that it would be the building block on which the reconstruction and development of our country and society would be built, a place in which citizens of our country could engage in a meaningful and direct way with institutions of state. Local government is where most citizens interface with government and its foundational ethos must be about serving people.

We have a proud record to guide us. We can certainly celebrate the fact that in 20 years of democracy we have probably done more in-service delivery than any other country in the world. We must acknowledge the work done by many role-players in the process of changing some 1 200 so-called municipalities or structures, which were racially based before 1994, into 278 municipalities today.

If you look at the overall operating expenditure of municipalities in the 2013-14 financial year, it amounted to R282 billion against a revenue of R292 billion. Capital expenditure was R47,9 billion but, regrettably, that is only 77% of all the money that was available.

Municipalities spent R69 billion on employees' salaries, and the amount of money paid by some municipalities to their staff was sometimes as high as 44% of their overall spending.

These numbers give you some sense of the importance of municipalities in our overall governance system.

It is also, hon members, humbling to remind ourselves that municipalities are complex institutions and operate in an ever-changing and challenging environment, in which the choices made by individuals and businesses must be both managed and responded to by municipalities.

We should in this regard also consider certain macro trends that are taking place across the world, and indeed around us on the African continent and in South Africa. So, let me give you some numbers.

The United Nations estimates that by 2050 only one third of the world population will reside in rural areas, with the remaining two thirds living in urban areas. This is a reverse of the world settlement patterns in 1950 when two thirds of the world population lived in rural areas and only 1,5 billion people lived in urban areas.

The urban population increased from 1,5 billion to 3,9 billion between 1950 and 2014. It is projected that this figure will increase by 60% and that by 2050 the urban population will increase to 6,5 billion. Just three countries - India, China

and Nigeria - are together expected to account for more than one third of global urban population growth.

An interesting dimension is the rate at which urbanisation is happening. Whilst it took at least 64 years for 2,4 billion people to move to cities, between 1950 and 2014, it is expected that it will take only 24 years to add an additional 2,6 billion people to cities in the coming years.

While Africa is the least urbanised, at 40% urban population, it has more than 414 million urbanites, which is higher than the city dwellers in Europe, North America or South America in actual numbers. Only Asia has more people living in cities.

It is also predicted that Africa's urban population will double over the next 20 years and triple over the next 40 years, reaching 64% by 2050. Cairo, Kinshasa and Lagos are currently the megacities in Africa. By 2030 Dar es Salaam, Johannesburg and Luanda are projected to pass the 10 million population mark.

South Africa is, of course, no exception to these global trends. Our 2011 census results indicated that 63% of South Africans live in urban areas. The National Development Plan projects that this will increase to 70% by 2030. The United

Nations further estimates that by 2050, 80% of South Africans will live in urban areas.

The population is concentrated in cities, hon members. Our cities cover only 2,3% of the national area, yet they account for almost 50% of the population. Four major city regions - Gauteng, eThekweni, Cape Town and Nelson Mandela Bay - account for 42% of our population.

Unlike other urbanising countries, our urbanisation pattern is complex. Circular labour migration under apartheid led to the creation of multiple households, with most households maintaining a footprint in both urban and rural areas. This means that the manner in which we do spatial planning, render services and provide infrastructure needs to take this phenomenon into account. Although this pattern might change in the long term, it also requires us to better understand and respond to the intricate relationship and connection between rural and urban areas.

We should be cautious and not shroud the view of the municipalities in a narrative of negativity, which I am sure we will see at some stage in this debate, Deputy Chair. A balanced, frank and incisive analysis of municipalities, their functionality and their responsibilities is what South Africa needs today and in the years to come.

Let me give you some positive news. Municipalities such as Newcastle Local Municipality, uMlathuze Local Municipality, Zululand District Municipality, Fetakgomo Local Municipality, Waterberg District Municipality, Steve Tshwete Local Municipality and Thulamela Local Municipality performed very well in regard to their municipal infrastructure grant allocations, although each of them might not do as well in some of the others.

The secret to these municipalities is that they engage in forward planning for their infrastructure in such a way that at the beginning of the financial year they have already appointed contractors. They are therefore able to complete the implementation of their capital projects within the financial year, a practice that other municipalities need to learn.

Richtersveld Local Municipality is doing well in regard to their planning compliance, and submitted integrated development plans and water services development plans timeously for 2012 and 2013, according to the latest Statistics SA nonfinancial survey of municipalities.

Drakenstein Local Municipality is doing well with regard to providing adequate access to water, sanitation, electricity and refuse removal, while experiencing a 29% growth in households between 2001 and 2011.

UMhlathuze Local Municipality is doing well with financial management, particularly with regard to managing its debtors, its cash coverage and its reliance on grants.

Midvaal Local Municipality has improved its governance and compliance over the past three years, particularly by submitting budgets and IDPs on time.

Dihlabeng Local Municipality has improved over the past three years with regard to compliance with legislative requirements. The municipality has received an unqualified audit for the past two years.

Steve Tshwete Local Municipality has received an unqualified audit opinion with no findings for the past three years. The municipality is also doing well in managing its debtors.

Ndlambe Local Municipality is doing well in regard to planning compliance, and submitted IDPs and water services development plans timeously for 2012 and 2013, again according to Statistics SA.

There are many more examples of good work being done in municipalities, notwithstanding certain failures that they might have. So, why did we introduce the "Back to Basics" approach, which we call B2B, to improving local government

performance? Despite these achievements, there are areas in which local government is failing our people and where the collapse or diminishing of core municipal infrastructure services has resulted in services either not being provided at all, or being provided at unacceptable levels.

The B2B programme, as you know, is based on the following approach. We undertake a review of all of the municipalities, which we have informed you about. We categorise the municipalities into those doing well, those doing just about well and those not doing well, and we have also told you about that. Then we develop a programme that ensures that all municipalities perform their basic functions well and timeously. We furthermore provide clear performance indicators to municipalities, and this is where we are looking at implementation. We monitor those indicators and, finally, we develop both incentives for good performance and enforcement tools for bad performance.

The main pillars of the B2B approach are, as you know, firstly, to put people and their concerns first, and to ensure constant contact with municipalities. The second is to deliver municipal services of the right quality and standard. Thirdly, there is good governance and sound administration - to cut wastage, spend public funds prudently, hire competent staff, and ensure transparency and accountability. Fourthly, there is

sound financial management and accounting. Lastly, there is building institutional capabilities over the long term, and administrative capabilities in particular.

At the same time, the B2B approach recognises that there are wide differences between municipalities, and emphasises the need to understand their uniqueness and different contexts, and the challenges faced by various municipalities.

If we look at each of the pillars of the B2B approach, we see, firstly, that there are weaknesses in public engagement. Therefore, the performance measures will say very clearly what we expect municipalities to do in relation to public engagement and, in particular, resurrecting ward committees.

Similarly, we are aware of weaknesses in the area of governance, where political leaders often lack oversight and technical skills, or they do not have the structures within their councils to ensure accountability. These again have performance indicators that will ensure that council meetings are held on time, that there is functionality of oversight structures, and that generally there is much better governance. We see this in some of our municipalities.

Financial management has been discussed very frequently. Keeping proper records, submitting accurate annual financial

statements to the Auditor-General, collecting revenue that is due, and managing debtors are all areas that both we and the National Treasury will be working on to ensure much better performance than we have seen to date.

Basic service delivery is, of course, at the heart of the functioning of a municipality. With regard to the levels of service delivery, systemic failures ranging from gaps in critical technical and management skills to neglect of operations and maintenance are major challenges in this area. Creating decent living conditions and enabling business through creating the right conditions are our aims. All municipalities will be required to develop service standards for each service and must establish systems for monitoring adherence to these standards.

Building capable institutions is, of course, key. None of the things that we do in the next five years, or that the next generation does over the following five years, will matter unless we make sure that we understand that building institutions is a long-term task. Each generation must make sure that it makes its own positive contribution to building capability and long-term sustainability, and making sure that the obvious things that we do that undermine this, like appointing people who do not have skills, which still happens

probably in about a third of the municipalities, do not continue.

Part of government's effort to clean up the pervasive corruption in municipalities and speed up service delivery is going to depend on whether we hire the right people. There are too many instances of corruption and collusion amongst public representatives, staff and business, reflecting a broader breakdown in upholding the values and principles of good governance.

Our national integrity is under attack by those who selfishly steal from the public purse, and we need an effort by all forces for good, inside and outside government, to work together to fight this scourge. We acknowledge that it is going to take hard work to implement the Back to Basics approach, but I am sure that all of us are up to it.

Let me again take you through some of the specifics of the implementation of Back to Basics. Firstly, we have already circulated to all municipalities a set of performance indicators for the five or six areas that I have outlined, and for each of the service delivery areas. There should be monthly reporting in respect of these indicators and, currently, an information system is being developed to enable

us to actually monitor where the municipalities are performing as they should.

Municipalities in the dysfunctional category will be subjected to intensive monitoring with very high degrees of oversight and, where appropriate, we will even intervene directly to ensure that they recruit the right people, that they are supplying the right services, and that they are implementing the infrastructure projects. If they are not, we will do it for them.

Secondly, the Back to Basics approach is aimed not only at municipalities, but at the entire system of governance. The recently held Presidential Local Government Summit, which many of you might have attended, endorsed the kind of approach that we have taken, as did the Presidential Co-ordinating Council, on which the premiers of our country sit with the President. They have endorsed this approach as well.

Thirdly, task teams are being implemented on the basis of both a national and a provincial presence on the task teams, and also so that they - and in many provinces this has started already - undertake an analysis of the situation in municipalities in that province. Amongst their overall objectives are to take charge of driving the Back to Basics approach across municipalities in that province, to co-

ordinate the interventions and activities of relevant national and provincial departments, to improve service delivery, and to address identified capacity issues.

Fourthly, in the next three months, Deputy Chair, I think we will have some interesting results to show in this regard. We have created, and we will be further developing, a database of municipal officials who have been found guilty of misconduct, in order to make sure that those who are found guilty of mismanaging money, fixing tenders or misbehaving in any way in terms of the law, cannot work elsewhere in government for the next 10 years. This centralised database will, in fact, be a blacklisting system, and will aim to warn other municipalities not to hire these individuals.

Fifthly, the role of the National Disaster Management Centre is crucial in enabling municipalities to develop their capabilities in regard to handling national and other disasters, as we have just seen over the last 48 hours.

The next important area is the collaboration amongst the different spheres of government. The implementation of the Back to Basics approach is not just about local government - all three spheres of government have an important role to play in ensuring well-functioning municipalities.

In addition to the Minmecs' being used for this purpose, the Inter-Ministerial Service Delivery Task Team has met and, as it develops more momentum, we will have the presence and participation of all national departments that are necessary to enhance service delivery on the ground.

The next area is, of course, planning, because anything we do requires careful planning. In this regard there is the example of spatial planning being linked to sectoral plans, meaning housing plans, transport plans and roads plans. These cannot just operate on their own; they need to be connected to an integrated spatial plan.

That means that there needs to be the right level of collaboration between sector departments and any agency undertaking this planning. So, as part of going Back to Basics, we must ensure evidence-based and informed integrated spatial planning that informs infrastructure investments for achieving integrated urban development.

We have noted that in most cases integrated spatial planning does not form the basis for budgeting and programmatic interventions as it actually should. In this regard, in addition to the Back to Basics approach, and let us call this a short to medium-term approach, we also have a very clear

plan for the development of our cities and towns over the decades to come.

The draft Integrated Urban Development Framework, approved by Cabinet in August 2014, identifies four strategic goals for planning and change in South Africa.

The first is access, to ensure that people have access to social and economic services, opportunities and choices. The second is growth, in which we should harness urban dynamism for inclusive, sustainable economic growth and development. Thirdly, there is good governance, which involves enhancing the capacity of the state and its citizens to work together to achieve social and economic development and integration. Finally, there is spatial transformation to overcome the apartheid era's spatial situation that we have and create new spatial forms in the settlement, transport, social, and economic areas.

There are a number of so-called policy levers that will enable us to execute this plan. Firstly, there is integrated spatial planning which, over the next year or so, will be crucial to ensuring that all of us develop harmonious plans. Secondly, there are integrated transport and mobility plans. The third is integrated urban sustainable human settlements. The fourth is integrated urban infrastructure. Fifthly, there is

efficient land governance and management. Sixthly, there is inclusive economic development. The seventh is empowered and active communities, and the eighth is effective urban governance. All of this, in the course of the next year, will become a reality in South Africa as we go forward.

I am certain that the temptation for certain parties is going to be to present us with a list of malfunctions in municipalities. What I have tried to convey is that if we want, as a national objective, effective and efficient municipalities, then there is room for all of us to work together in order to create the level of effectiveness and efficiency that we would all desire, notwithstanding the political competition that we need to have.

In conclusion, all the initiatives that I have described are part of a long-term process of ensuring that the aim of Chapter 13 of the National Development Plan, that of "Building a capable and developmental (local government)", is indeed achieved and results in putting people and their concerns first by delivering quality uninterrupted services to all South Africans. Thank you. [Applause.]

Mr M J MOHAPI: Hon Deputy Chairperson, hon Chief Whip, hon Minister and hon MEC Xasa present here today, hon members of the NCOP and distinguished guests, today's local government

debate reflects a journey traversed from apartheid colonialism to our destination of ensuring that we build a South Africa that is nonracial, nonsexist, united, democratic and prosperous.

Deputy Chairperson, we are full of optimism. There is no doubt that South Africa, under the political leadership of the ANC, has made significant progress in the ongoing socioeconomic transformation of local government in particular, and society in general, since the dawn of democracy in 1994.

Hence, today we are able to attest to the fact that our people have access to clean water, basic sanitation and electricity at Kgatliso Moeketse in Kroonstad, and at Moqhaka they have roads and housing. This is a good story to tell. [Applause.]

The ANC government is making strides towards achieving the objective of constructing a developmental state within the context of the national democratic revolution which seeks to ensure that every South African, especially the poor, experiences an improved quality of life.

The ANC has always stood for basic democratic principles that include the following. The first is to strive for the achievement of the right of all South Africans to political and economic self-determination and a united South Africa. The

second is to overcome the legacy of inequality and injustice created by colonialism and apartheid in a swift, progressive and principled way. The third is to develop a sustainable economy and state infrastructure that will progressively improve the quality of life of all South Africans. The last is to encourage the flourishing of the feeling that "South Africa belongs to all who live in it", to promote a common loyalty to and pride in the country, and to create a universal sense of freedom and security within its borders. Clearly, we have achieved much, although there is still a lot to be done.

In 1990, when the process of democratisation began with the unbanning of the liberation movements, local governments were subordinate creations governed by statutes and comprising a multiplicity of fragmented institutions that were racially segregated. These, as a result, provided massively unequal services to different communities.

The transformation of local government was directed at removing the racial basis of that government and making it a vehicle for the integration of society and the redistribution of municipal services from the well off to the poor. This process occurred in three phases. They were the pre-interim phase, the interim phase and the final phase.

One of the major innovations of the Constitution of South Africa was the elevation of local government to a sphere of government, firmly establishing local government's autonomy. A municipality now had the right to govern on its own initiative the local government affairs of its constituency.

This means that while national and provincial governments may supervise the functioning of local government, this must be done without encroaching on the institutional integrity of local government. The Constitution further allocates the functional areas of local government competency in terms of Schedule 4 Part B and Schedule 5 Part B of our Constitution.

The White Paper on Local Government was developed, thus charting the way forward from its being a nondevelopmental, subservient and illegitimate level of government to being a developmental, autonomous and democratic sphere of government.

Critical pieces of legislation were also designated to implement the new local government dispensation as envisaged in Chapter 7 of our Constitution. Not only that, but we will recall that the White Paper on Local Government gave birth to other pieces of legislation. You can talk about the Local Government: Municipal Demarcation Act, the Local Government: Municipal Structures Act, the Local Government: Municipal

Systems Act and the Local Government: Municipal Finance Management Act.

In regard to the Local Government: Municipal Demarcation Act, one of the main problems South Africa inherited from the apartheid era was a structure of race-based municipal boundaries. These boundaries were based on a policy of spatial segregation at local level through separation, influx control and a policy of own management of own areas. Apartheid aimed to limit the extent to which affluent white municipalities would bear the financial burden of servicing disadvantaged black areas.

Municipal boundaries needed to be demarcated afresh in order to enable redistribution and to achieve democratic, accountable local government consisting of financially viable municipalities.

In the current democratic dispensation disputes around cross-boundary municipalities and the changing of municipal boundaries have in the past and most recently been the focus of violent protests by communities affected by these decisions.

Furthermore, the string of court decisions on this issue is an indicator of the extent to which these processes and

challenges affect our communities at grass-roots level. This is attributed in part to what the Constitutional Court has described as "the degrading realities inherited from an apartheid history", which have impacted very practically on the ability of certain municipalities to meet even the most basic obligations of service delivery.

Since 2000 the local government sphere, through a range of other role-players, has been supported and monitored, resulting in the following: a sound and comprehensive legislative and fiscal framework in place for municipal governance; at least R1 billion currently being spent per annum on local government support and monitoring initiatives; the formulation of guiding capacity-building strategies, such as the National Capacity Building Framework for Local Government; the creation of intergovernmental political and technical co-ordination platforms; the introduction of a large number of flagship programmes, such as the Local Government Turnaround Strategy, the Municipal Infrastructure Support programme, the Municipal Financial Management Improvement programme, Operation Clean Audit and the City Support Programme; increasing examples of innovative, provincial level responses to the provision of effective support and monitoring in the local sphere; and a significant increase in the number of households with access to basic services as shown in Census 2011. This is a reality to attest to.

The five key performance areas of the Five-Year Local Government Strategic Agenda are as follows. In section 47(3) and section 48 of the Local Government: Municipal Systems Act, Act 32 of 2000, the Act provides that both the MECs and the Minister responsible for local government must annually compile and submit to the NCOP and the MECs for local government a consolidated report for local government performance in terms of general key performance indicators. We as the Select Committee on Co-operative Governance and Traditional Affairs have made proposals in the House to further strengthen the monitoring, evaluation and oversight of the performance of municipalities. This will ensure the submission of section 47 and section 48 reports by both the MECs and the Minister, as stipulated by the Local Government: Municipal Systems Act.

In terms of oversight observation, during the first financial year, the select committee recommended the dissolution of three municipalities, namely Inkwanca in the Eastern Cape, Mpofana in KwaZulu-Natal and Ngaka Modiri Molema in the North West.

We as a committee are of the opinion that for service delivery to be effective and efficient in a municipality, there has to be committed political and administrative leadership, with sound administrative and management processes in place. Our

assessment of municipalities in terms of this section of the Constitution reflected that 23 interventions have been invoked by the responsible MECs for local government over the past three years. There have been numerous instances of noncompliance, owing to factors such as political interference, fear or favour, and weak management and administration.

Hence, we are appealing to the hon Minister that we should expedite the process of introducing the intervention Bill so that we are able to regulate the processes that will be dealing with issues of intervention.

Our observations on intervention were based on five key performance areas of the Five-Year Local Government Strategic Agenda, as adopted by the national government. They are municipal transformation and institutional development; basic service delivery infrastructure development; local economic development, LED; financial viability and financial management; and good governance and public participation.

With regard to good governance and public participation, we have observed poor relationships with communities when it comes to communication and accountability. In this respect, the nonfunctionality of ward committees has also contributed to the challenges in the relevant municipalities.

Based on these indicators, what is needed in order for the municipalities to work effectively and efficiently are the following: strong political and administrative leadership, characterised by political stability; councils meeting as legislated and functional councils and oversight structures, like municipal public accounts committees.

Then there are regular report-backs to our communities. I think these should not be treated as a privilege, but they should be a right that is entrenched in terms of the provisions of the legislation, particularly section 16 of the Local Government: Municipal Systems Act.

There should also be continuity in the administration; responsiveness to service delivery needs; evidence of good administration and financial management; performance driven by integrated development plans; budget compliance and innovation; clean administration; prioritising all that is responsible for fraud prevention; risk management; and zero tolerance for poor performance.

A case in point is the recent extension of the section 139 intervention in Mtubatuba Local Municipality. To date, the intervention in the municipality has yielded more improvements, including moving from a disclaimer audit opinion to a qualification during the 2012-13 financial year. There

has been an improvement in project implementation with the municipal infrastructure grant expenditure; the operating deficit has been reduced from R27 million to R8 million; the municipality managed to clear a bank overdraft of R6 million in June 2013, and collection has increased from R900 000 a month to an average of R1,3 million. This is a clear indication that the intervention is really yielding results.

The National Development Plan focuses on the need to produce and develop technical and specialist-related skills in government to overcome the skills shortage, particularly at the local government level. The long-term strategy is to create a pool of skilled professionals who can play a critical role in infrastructure delivery in local government.

The problem of uneven capacity and varied performance is particularly acute at the local government level. The current local government system has only been in place for just over a decade and there are inevitably significant challenges that remain to be addressed. Many municipalities are making progress despite major obstacles relating to finance, human resources and limited autonomy.

With regard to the Back to Basics approach, in his state of the nation address delivered on 17 June 2014 His Excellency President Jacob Zuma articulated government's concern

regarding improvements at the local government level. The President stated that:

We would like our people's experience of local government to be a pleasant one. We have listened to the complaints and proposals of South Africans over the past five years, relating to the performance of municipalities.

In conclusion, allow me to reaffirm our commitment as the ANC to ensuring that we better the lives of our people out there, and we would also like to do that without compromising the integrity of human rights in regard to basic services. I thank you. [Time expired.] [Applause.]

Mr F D XASA (Eastern Cape): Hon Deputy Chairperson, Minister of Co-operative Governance and Traditional Affairs, hon Pravin Gordhan; MEC from Gauteng, hon Mamabolo; chairperson of the select committee, hon M J Mohapi; and hon members of the House, thank you for affording me this opportunity to address the House on behalf of the people of the Eastern Cape.

The Constitution of the Republic refers to local government, and the White Paper on Local Government states the following:

Developmental local government is local government committed to working with citizens and groups within the

community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives.

In this regard, our mission as a province is to promote a developmental local state and traditional institutions that are accountable, that are focused on citizens' priorities, and that are capable of delivering high-quality services consistently and sustainably through co-operative governance and participatory democracy.

We are strengthening governance in municipalities in the province in order for us to effectively deliver basic services as prescribed by legislation and the Back to Basics campaign that was launched by the President on 18 September 2014.

Our task as Cogta, led by the Minister, is to co-ordinate the efforts of the following sector departments: the Department of Water and Sanitation, the Department of Energy, the Department of Human Settlements, the Department of Rural Development and Land Reform, the department responsible for roads, and the Department of Public Works. These are services that are required generally by most of our communities in the province. These departments are required to provide us with a master plan that will help us to plan properly at the level of municipalities and the province.

We also experience the challenge of small municipalities that are not viable, such as the Nxuba Local Municipality in our area, the Great Kei Local Municipality, the Tsolwana Local Municipality, and the Gariep Local Municipality. We need support and ideas from all in order for us to help such small municipalities so that they are able to work.

Acts of political and administrative instability in some municipalities continue to diminish the status of good governance in the province. Some municipalities have become famous for the wrong reasons, and we are actually focusing on some of the issues to make sure that we are able to deal with them.

I think at the moment the province might be famous for corruption, and we are strengthening our unit in that regard. We do have a unit in the province that is dealing with that issue and we are strengthening it. As I have said, we are focusing on most of these municipalities.

On the implementation of the Back to Basics campaign in our province, we have profiled municipalities in line with the national department.

We have 14 municipalities that are not doing well. They are the Makana Local Municipality, Sundays River Valley Local

Municipality, Gariep Local Municipality, Great Kei Local Municipality, Inkwanca Local Municipality, Bavians Local Municipality, Mbhashe Local Municipality, and Mhlontlo Local Municipality, among others.

We also have 13 municipalities that have the potential to do well, such as Sakhisizwe Local Municipality, Kouga Local Municipality and Maletswai Local Municipality.

The last group are the 18 municipalities that are doing well. I can mention Camdeboo Local Municipality, Senqu Local Municipality and Elundini Local Municipality, among others.

In regard to the status of the hot spot municipalities, 8 out of 18 experience challenges in governance, financial management, recruitment under section 56 of the Local Government: Municipal Systems Act, and litigation. The affected local municipalities are Makana Local Municipality, Inkwanca Local Municipality, King Sabata Dalindyebo Local Municipality, Mbhashe Local Municipality, Gariep Local Municipality, Ngqushwa Local Municipality, Ikwezi Local Municipality and Great Kei Local Municipality.

Let me use an example to illustrate what we are doing as part of our remedial action in the case of Makana and Inkwanca Local Municipalities.

We have invoked section 139(1)(b) of the Constitution in Makana Local Municipality and we have appointed an administrator. I have seen that people have an interest in this, so I need to explain what is happening. It is not true that the administrator has no contract. We appointed the administrator. We engaged her on the basis of a contract. It is equally not true that we are just paying. We are paying her on the basis of the Department of Public Service and Administration rates and we are paying her at the level of Grade 16 because of her engagement. She was a director-general and we are paying her at that level. In other words, we are paying her in terms of the law and the regulations. It is not something new. It is true that she might be the highest paid, but it depends on the rates that we are talking about. In other words, that has been done in terms of the law.

However, as I have said, what is important is that we are trying to assist the Makana Local Municipality. Some of us may not know that within the Makana jurisdiction is an important university in this country, Rhodes University in Grahamstown. There are many critical things that we need to deal with there. So we wanted to have somebody whom we thought could turn the situation around. In other words, we think we will be getting value for money in what we are doing there.

Moreover, she is not there alone. We are sending a team there, and the team will come from the national Department of Co-operative Governance and Traditional Affairs, the province and the Treasury, to make sure that we are able to turn the situation in Makana around.

The second municipality is Inkwanca Local Municipality, which was mentioned by the chairperson. We implemented section 139(1)(c) there. We also have an administrator there, who is turning the administration around and is preparing to re-elect a council. Tomorrow there will be elections in Inkwanca. So we are already seeing progress there.

The status of audit outcomes in the province in the past financial year is as follows. The number of municipalities that have obtained unqualified audit outcomes has increased from 9 in 2011-12 to 12 in 2012-13. The number of municipalities that have obtained qualified audit opinions has remained the same, at 19 for both financial years. The number of municipalities that have obtained a disclaimer audit opinion has decreased from 15 in 2011-12, to 9 in 2012-13. The number of municipalities that have obtained an adverse audit opinion has increased from 2 in 2011-12, to 5 in 2012-13.

The following interventions have been done. Support teams will be brought closer to where the municipalities are. We will

have support teams, even jointly with the national Department of Co-operative Governance and Traditional Affairs, the province and the Treasury, in the province where they will be co-ordinated closer to where these municipalities are.

Programmes will focus on meeting municipalities which have had adverse and disclaimer audit opinions, on a quarterly basis, for them to brief us on the progress they are making in implementing their turnaround or improvement plans. We will support municipalities that are in distress. There are municipalities that are unable to pay the Auditor-General's fees, that are unable to pay Eskom, and that are unable to pay all their debtors generally. So we are dealing with that.

In conclusion, despite the challenges that I have mentioned above, there are municipalities in the province that are doing well. We can cite Sara Baartman District Municipality, and I am hoping that they are going to improve even more. We can also mention Amathole and Chris Hani District Municipalities. We also have local municipalities that are consistently doing well. Senqu and Matatiele are two such municipalities.

I hope a number of them, as we progressively implement the Back to Basics campaign, are going to improve. Our work is to get back to basics, as already indicated, in order to provide quality services and create better communities.

The municipal leadership must implement strategies to recover revenue, because we come from an area where municipalities are very poor. Municipal leadership must implement those strategies and also maintain ageing infrastructure, and municipalities must become functional.

Working together we can do more to realise radical socioeconomic transformation in order to alleviate poverty, reduce unemployment and eliminate inequality. I thank you.
[Time expired.] [Applause.]

Mr M CHETTY: To some, we are the prophets of doom but to others we are the hope that a nation in desperation is waiting for. Woza 2016! [Come 2016!]

Hon Deputy Chairperson, Minister, MECs, guests and fellow members, greetings and salutations.

Municipalities under ANC rule have become a family business with jobs for pals, incompetent and unqualified managers, and little or no co-operation between various spheres of government.

Increasingly our people have been forced to take to the streets, burning tyres and barricading our roads. This, in many instances, has turned violent and some incidents have

resulted in the loss of innocent lives. The ringing of these alarm bells is a sound that Parliament cannot ignore. With 176 reported incidents this year alone, and 43 people killed in the last 10 years, I sadly ask you, hon Minister: Is this a good story to tell or is it a nightmare?

Furthermore, hon Minister, are you serving the Department of Co-operative Governance and Traditional Affairs, or are you serving the ANC's municipalities of corrupt governance and traditional affairs? [Interjections.]

In 2009, as confirmed by the 4th Parliament in its Legacy Report, the Public Protector, Thuli Madonsela, told us that protests arise due to dissatisfaction with poor service delivery, financial mismanagement and allegations of fraud and corruption, coupled with complaints of poor communication with communities.

When the DA took power in 2009, we listened and immediately started working with the municipalities in the Western Cape to root out these very issues that the ANC left us with, and to become increasingly service-driven. Hon Minister, five years later we have seen positive changes in the DA-run Western Cape, but we have also seen degeneration around the rest of the country.

Hon Minister, many municipalities are in a precarious financial situation, suffering from a lack of skilled financial management. In the 2013-14 financial year, 14 more municipalities were placed under administration. Almost all of these municipalities are under ANC control. The DA's request for an investigation into the qualifications of the chief financial officers employed by municipalities was acceded to, and it was revealed that of the 278 CFOs, a total of 170 did not possess adequate qualifications. This was indeed a shock to you and Luthuli House, but not to the DA, or to the residents who suffer daily at the hands of incompetent and unqualified senior officials. [Interjections.]

In a report delivered by the Department of Co-operative Governance and Traditional Affairs to the portfolio committee this year, it was revealed that in the quarter ending March 2014 municipalities were owed R93,4 billion for municipal services, as compared to R84,2 billion for the same period last year.

The largest component of this debt relates to households that haven't paid their bills, which accounts for R57,5 billion. Business owes R19,3 billion, other debtors owe R12,5 billion, and government - yes, hon Minister - government owes R4,1 billion. [Interjections.]

In the ANC-run Gauteng, municipalities are owed the highest amount, R40,9 billion. It is clear that municipalities are being crippled with their failure to manage and collect their debt, and your interventions have been lacklustre. Seriously, hon Minister, is this "together making our municipalities work effectively and efficiently"? I think not.

The recent urgency, supported by your department, in invoking section 139(1)(c) to dissolve failing municipalities, in the instances of the Mooi Mpozana Local Municipality, the Ngaka Modiri Molema District Municipality and the Inkwanca Local Municipality, was embraced and applauded as a step in the right direction. Yet, in failing to immediately dissolve the Madibeng and Mogalakwena Local Municipalities, the ANC is using its majority to exercise Luthuli House's will over Parliament's prerogative, and using the organs of state to settle political factionalism within the ANC. [Interjections.]

A case in point is the ANC-run Msunduzi Local Municipality. In 2009 this council was in the red for R750 million and was placed under section 139 - rightfully so. However, hon Minister, currently Msunduzi's book debt is nearing the R2 billion mark. It is besieged with service delivery protests in Woodlands and Copesville. The council has wasted R18 million on a red brick road outside the city hall and a further R36

million on sponsoring a privately owned soccer team.

[Interjections.]

The ANC's policy to promote cadres who have crippled municipalities to other spheres of government is evidenced in this House today. This policy must be terminated immediately. However, yet again, the Department of Co-operative Governance and Traditional Affairs' silence on corrupt governance is deafening.

Hon Minister, let us face the facts. As stipulated by your department, one out of three municipalities is failing; one out of three is average, and one out of three is effective. Yet, the Presidential Infrastructure Co-ordinating Commission differs with that, having identified 135 municipalities that are in distress, and noting that none are within the DA-run Western Cape.

Yes, hon Minister, the DA also faces its own challenges in the municipalities it governs. However, the big difference is that co-operative governance is not just in word but in deed.

Exercising strong political will to strengthen the capacity of local municipalities, implement sound management systems and improve executive oversight over administration implementation is how we lead where the DA governs.

On this note, let me congratulate the 29 out of 30 Western Cape municipalities for achieving clean audit results in 2013 - a true reflection of co-operative governance at work.

Hon Minister, you are recognised most for your strong proposed austerity measures plan in your immediate past deployment ...

[Interjections.]

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Please hold on, hon Chetty. Hon members, you are allowed to converse. However, I don't have to hear what you are saying. In this instance, I could hear what you were saying. Please, let's not do that. Continue, hon Chetty.

Mr M CHETTY: Hon Minister, you are recognised most for your strong proposed austerity measures plan in your immediate past deployment as the Minister of Finance. In your opening address, you alluded to and acknowledged that there are problems. Now it is actions and not words that will define your tenure as the Minister of the Department of Co-operative Governance and Traditional Affairs.

Hon Minister, it is time that you put aside the ANC agenda and asserted your authority by taking control of your department.

[Interjections.] Leading without fear of or favour from Luthuli House, and dealing directly with incompetent

management, poor service delivery and poor support between government structures will restore your legacy of putting the livelihoods of South Africans beyond the ANC's inevitable disintegration.

Hon Minister, that is what is needed to achieve our theme of working together in "making our municipalities work effectively and efficiently". That is the good story that all of South Africa is waiting to hear. I thank you. [Time expired.] [Applause.]

Ms M J APHIRI (Limpopo): Hon Deputy Chairperson, thank you very much for this opportunity. Hon Chief Whip, hon Minister of Co-operative Governance and Traditional Affairs, hon members of this august House, hon MECs present here this afternoon, distinguished guests, and ladies and gentlemen, thobela. [I greet you.] [Interjections.]

We have come together to meaningfully debate the subject of our municipalities, because we all agree that the basic services and needs of our people must be met. Progress has already been achieved in the provision of services to many communities.

The release of the 2011 Census confirmed the great strides made in providing basic services. This upward trend has been

reinforced by the recent report on the Non-financial Census of Municipalities which was released on 2 September 2014. This report confirmed that the services rendered by municipalities have reduced poverty. The report focuses on basic services, namely, water, electricity, sewerage, sanitation and solid waste management, offered by the 278 municipalities across the country.

Local government is required to play a meaningful leadership role in order for citizens and stakeholder groups to be empowered and take part in the development process, so as to create social resources and engender a sense of common purpose in finding local solutions for sustainability. Local municipalities, therefore, have a critical role to play as influential policy-makers, decision-makers and institutions of local democracy close to local communities. It is in this regard that local municipalities are now being pressured to become strategic, visionary and vastly influential in the way they operate.

The South African government has decentralised power to local government in order to create better opportunities for direct participation in service delivery, policy, and decision-making processes by civil society. These actions have been conducted in an effort to speed up reformation of the development of local government.

Prior to 1994 people who were not white, such as blacks, Indians and coloureds, were effectively denied democratic representation and any legitimate means of participating in development activities.

In addition, the approach to local government administration and development during the apartheid era is in sharp contrast to that in the contemporary period. Before 1994 local government was responsible for a narrow range of traditional local government functions, providing basic municipal services such as water, electricity, internal roads, street lighting, storm water drainage, etc, and played a very minimal developmental, redistributive role.

The mandate of local government in South Africa is also articulated in the Preamble to the Local Government: Municipal Structures Act, Act 117 of 1998. This Act provides that:

... there is fundamental agreement in our country on a vision of democratic and developmental local government, in which municipalities fulfil their constitutional obligations to ensure sustainable, effective and efficient municipal services, promote social and economic development, encourage a safe and healthy environment by working with communities in creating environments and

human settlements in which all our people can lead
uplifted and dignified lives;

A set of fundamental public administration values and principles underpin the activities of local government administration and management.

The strategy attributed municipal service delivery problems to external and internal factors. The internal factors related to issues over which the municipality would exercise a direct influence, such as the quality of decision-making by councillors; the quality of appointments within the municipal administration; procurement; and financial governance.

The external issues were those over which municipalities exercised little control and they included its revenue base, the legislative environment, the demographic and prevailing macroeconomic conditions, and intergovernmental relations. At the time of writing, the municipalities were implementing the turnaround strategy.

In 2009 the Department of Co-operative Governance and Traditional Affairs, under the leadership of the late hon Minister Sicelo Shiceka, embarked on an assessment of the state of local government in our country. The assessment revealed that causal reasons for distress in municipal

governance were: the poor ability of many councillors to deal with the demands of local government; insufficient separation of powers between political parties and municipal councils; lack of clear separation between the legislative and executive powers and functions; inadequate accountability measures, support systems and resources for local democracy; and poor compliance with the legislative and regulatory frameworks for municipalities.

In speaking of his annoyance at the above-mentioned findings, President Jacob Zuma said during the Presidential Local Government Summit on 18 September 2014:

Some of the priority areas to improve (service) delivery include achieving a clearer separation between the roles of the political principals and the administrative heads of municipalities. In addition, accountability and oversight in local governance must be improved or reinforced.

He further said:

There should be better audit reports for each local authority each year from the Auditor-General. Government has responded to improve professionalism and the management of local government by introducing amendments to local government legislation, for example, the Local Government:

Municipal Systems Amendment Act. There should be no compromise in ensuring that officials possess the necessary minimum skills.

The ANC-led government launched the Operation Clean Audit campaign on 16 July 2009. However, as a province, we are very concerned that not even a single municipality achieved a clean audit in the 2012-13 financial year. In achieving our vision, we are going to continuously assist the department and the municipalities to achieve sustainable improvement in financial management and governance.

With all the key challenges highlighted by the Auditor-General, we as the ANC-led government still remain convinced that they can be addressed and that Operation Clean Audit is achievable as well. We will continue to give our municipalities support and guidance through quarterly municipal door-to-door visits, with a view to monitoring and evaluating the status of improvements, the sustainability of key internal controls, and the leadership tone, which will be a catalyst for the realisation of clean administration in municipalities across the country.

We do acknowledge that the delivery of services is not an event but a process. That is why the ANC-led government urges

municipalities to channel more efforts into those rural areas with no access to RDP houses, water and electricity.

It is common knowledge that our municipalities are battling to spend the municipal infrastructure grant. We have noted with great concern the underspending on the municipal infrastructure grant, MIG, on the part of some municipalities, and this trend has continued from the previous financial years. Poor planning has been identified as the main reason for poor expenditure on the MIG. We will continue to exercise our mandate to make sure that the MIG achieves its purpose.

The traditional leadership system is at the core of our democratic Constitution, but it is also imperative for the government to be meaningfully democratic, inclusive and implanted in the will of the people. For local government to work efficiently, conducive relations between the traditional leadership and local government should be fostered for the betterment of the lives of people of South Africa. There should be a smooth working relationship with municipalities in order to identify the needs of traditional communities and facilitate their involvement in municipal affairs, including through shaping integrated development plans and participating in service delivery. They have roles to play in respect of disaster management and the promotion of the indigenous knowledge system. With regard to the role of traditional

leadership in local development, our next-door neighbour, Botswana, is a classic example.

In conclusion, this country should not be exempt from drawing some constructive lessons from our counterparts, like Botswana. We as the ANC-led government are very proud to make our intention very clear ... [Time expired.] [Applause.]

Mr M A MATEBUS: Deputy Chairperson, I would like to take this opportunity to greet this august House.

In terms of section 156(1)(a) of the Constitution the provision of basic services is a local government function. [Interjections.] Local government has executive authority in respect of basic municipal services, which include electricity, water and sanitation, domestic wastewater, and refuse removal, refuse dumps and solid waste disposal.

What is the current state of the municipalities in our country? The reality is that we know that Treasury allocates billions to national government. This translates into millions for provinces, which gets to local government as thousands, if not hundreds. The rest of the money goes into tenders, where it ends up in individuals' pockets, with no services delivered to our poor people. [Interjections.]

An HON MEMBER: Like Malema's ... [Inaudible.]

Mr M A MATEBUS: According to the Community Survey report, pit latrines are most common in Limpopo, at 64,5%, and least common in the Western Cape, at 0,8%. Sir, 12,7% of Free State inhabitants use bucket toilets, compared to 4,4% of Northern Cape inhabitants and 4,2% of North West inhabitants.

Access to piped water - this is within 200m of a household, which is ridiculous - stands at 74,4%. Limpopo, Eastern Cape and KwaZulu-Natal recorded the lowest percentages of access to piped water, below the national average of 74,4%.

Furthermore, municipalities have inadequate financial management capacity. The result is that the budgeting, accounting, credit control and financial reporting systems are weak. Hence, 60% of the 283 municipalities cannot provide evidence to account for the money they have received.

According to the Department of Human Settlements, government has provided nearly 4 million housing opportunities. However, the Socio-Economic Rights Institute of South Africa, SERI, in a 2013 report, pointed out the conflicting figures that emerged from various government sources for the number of households and serviced sites. Of course, the ANC wants to exaggerate the good story to tell. [Interjections.]

The government's policy has varied over the years ...

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Order! Order!
Order, hon members!

Mr M A MATEBUS: ... but currently only those earning less than R3 500 per month – with some exceptions such as the elderly and disabled – are given houses completely free of charge.

Kate Tissington, a senior research and advocacy officer at the SERI, estimates that 2,3 million households are in need of housing. However, the Minister of Human Settlements claims that the government will not provide free housing for all those under the age of 40 because they lost nothing under apartheid. [Interjections.]

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Hon members, order! I can't even follow the speaker. [Interjections.] I also wish to understand him.

Mr M A MATEBUS: This is ...

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Hold it! Hold it! It is also important that I follow what the speaker is saying. Members are interjecting ... [Inaudible.] I won't even know. By the time you raise a point of order, I won't be able

to make a ruling on it. So allow me an opportunity also ...

[Inaudible.] Continue, hon member.

Mr M A MATEBUS: This is the attitude of an uncaring government. A caring government would always open its doors to the poor.

Of course, the ANC will not admit it, but part of the problem is the distribution of resources between the national government and the municipalities, and within municipalities.

While there are currently transfers from the National Treasury to municipalities – mainly the local government equitable share and the municipal infrastructure grant – such transfers are inadequate to ensure basic standards in the poorest municipalities, or are spent inappropriately in other areas. For example, in 14 of the poorest South African municipalities – all in rural, former homeland areas, and each with an average of approximately 100 000 residents – over 50% of the population have no sanitation provision.

According to Statistics SA, it is estimated that, in 2011, 3 million registered indigent households were identified by municipalities. Of this total, 2,1 million households – which is 71,6% – received free basic water; 1,8 million households – which is 59,5% – received free basic electricity; 1,7 million

households received free basic sanitation, and 1,6 million households received free basic refuse removal.

Indeed, since 2009 the Free Basic Services programme in the Department of Co-operative Governance and Traditional Affairs, formerly the Department of Provincial and Local Government ...

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Hon member, hold on. There's a point of order. What is the point on?

Ms T WANA: Chairperson, can he take a question?

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Hon member, ...

Mr M A MATEBUS: No, I don't have time. [Laughter.]

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Okay, let me leave it at that. The member is not prepared to take a question. Continue, hon member.

Mr M A MATEBUS: Of course, because of the collapse of local government, South Africa has experienced at least one service delivery-related protest every second day. It is not because people are mad; it is because local government is simply failing ...

The DEPUTY CHAIRPERSON OF THE NCOP (Mr R J Tau): Can you summarise, hon member?

Mr M A MATEBUS: As I summarise ... [Laughter.]

An HON MEMBER: In conclusion!

Mr M A MATEBUS: The idea that one method will fit all municipalities cannot be the case. Local government can only work if there is a strong, accountable and transparent central government. I thank you. [Interjections.] We will educate one another! [Time expired.]

Mr J J MAMABOLO (Gauteng): Deputy Chair, let me extend a word of greeting to our hon Minister, MEC Xasa, hon members and, of course, hon Cllr Magabe from Salga.

Let me also take the opportunity to welcome and express my appreciation for my participating in this very important debate. However, let me say, hon members, that when I was invited to take part in this debate, I never had in mind that it would be abused by the launching of a local government election campaign for 2016. I think that we must take the opportunity to protect this debate by not allowing it to degenerate to the level of cheap politicking and attempting to

launch a campaign for the next local government elections.

[Interjections.]

If we were to raise issues, hon Chetty, let me say that right here on the home ground of pota pota there is a lot that needs to be done. I think that you could have started there. You could have told us how you are helping the people of this province to deal with gangsterism and many other problems in this province. [Applause.]

But, as I said, let us not allow the debate to degenerate in the typical manner that the DA would want us to allow. As for empty promises, it never disappoints. It is always empty - always.

Hon members, let me also start by acknowledging a very important remark made by the hon Minister. I want to reaffirm the point that our country has indeed done exceptionally well compared to many other countries in the delivery of basic services to its people. It is true, and President Jacob Zuma did note this point, that in many parts of the world, once liberation movements have attained freedom, the ordinary people are normally left to themselves to survive. In our country, I am quite happy that we do provide basic services, and the ANC government has done exceptionally well to provide

basic services to our people. I think, hon Minister, that we should continue with that excellent work.

Let me just briefly remind you of the essential features of our province, Gauteng. The province consists of three metropolitan municipalities, as well as two district municipalities which are subdivided into seven local municipalities. Our province covers a very small space, of about 18 km² and, since the release of the current census results, it is clear that our province is the biggest province in the country in regard to population size - 23,42% of the South African population, which is about 12 million people. Sir, 4,3 million of these people live in the city of Johannesburg, with about 3 million in Ekurhuleni and 2,9 million in Tshwane, which means that about 85,73% of all the people in Gauteng live in the three metros.

I thought that I should mention these statistics to demonstrate to hon members in the House that our municipalities in Gauteng continue to face pressure to deliver basic services and, as you will surely understand, we have limited resources to do that.

Let me also mention two very distinct and important achievements to the House today. One of them is that, as I stand here, and I can say this without fear of contradiction,

since the hon Premier David Makhura appointed his executive council to lead the fifth administration in the Gauteng province, except for a few notable exceptions, the province is currently very stable, peaceful and moving forward.

We do not at this stage have so-called "hot spots". We attend to all protests in less than two days. In actual fact, we proactively prevent many of these community protests on a daily basis. That is why I am proud that I hear the use of the word "hot spots" less often when referring to our Gauteng province. This relates mainly to what the premier said about repositioning our government in the province as an activist one, and I can say to members that this is working very well.

Just as an example, hon members may be aware that we are working very well with the community of Bekkersdal, which was regarded as a hot spot in Gauteng province. [Applause.] I am pleased to report to hon members that we have launched a project of about R320 million to improve the sewer network in the area of Bekkersdal. We have also entered into a partnership with the City of Johannesburg to launch a massive, high-impact cleaning campaign, guided by the Minister's Back to Basics approach, in the area of Bekkersdal. Furthermore, on Sunday this weekend, together with the premier, we will be handing over about 1 200 houses that were the basis of a legal dispute between residents of that community and government.

These are very important achievements that demonstrate that our province is doing very well, and working exceptionally well with the communities, guided by the Minister's profound document regarding the Back to Basics approach.

The other important point that I would like to mention and report on to hon members is that in Gauteng province - as matters stand currently and this is an assessment that was done nationally - we do not have municipalities that could be regarded as dysfunctional or in ICU. We do not have such municipalities in Gauteng province. [Applause.] Currently we do not have municipalities that perform at the lowest level. With respect to finances and governance, our municipalities are viable. It is for this reason that in the province we do not have section 139 interventions. I am very proud of this important situation in our province.

However, let me indicate that we are deeply worried about the situation in Westonaria, Randfontein and, to an extent, Merafong. I can say that I am deeply worried that Westonaria Local Municipality has a great potential to underperform with respect to expected audit outcomes. We will monitor this space and do our best to make sure that the performance of this municipality does not degenerate.

It is also important that I call upon the House and our Minister regarding the fact that in Gauteng province we are worried about the high level of debt, and the exposure of municipalities to debt, including those in the bond markets and in the international creditors' market. We think that this is an important issue that hon members must continue to look at, and we will continue to exercise oversight over it.

Given that Gauteng is a leading economy, we are worried about the rate of investment in productive assets and infrastructure to make sure that we continue to grow our economy. Minister and hon members, I think that in this matter we will need your assistance to make sure that we exercise great oversight over choices with respect to investments made by our municipalities in productive assets in order to keep Gauteng a growing economy in our country and, of course, on the continent.

Let me also say that Gauteng municipalities are viable with respect to access to water. Most of them are at 90% with respect to access to piped water. On sanitation, most of the municipalities are at around 95% in the provision of access to sanitation. With respect to access to electricity, the only area that is worrying us is Westonaria, at about 58%, which is very low with regard to this important basic service. In regard to access to refuse removal, in general, we are at

about 80% in most of our municipalities, although I think that there is great room for improvement.

Let me also indicate the following on institutional transformation and organisational development. You may be aware that, currently, we have about 144 approved senior management posts in Gauteng. Sir, 128 of these posts are filled and 16 posts remain vacant. There are two vacant municipal manager posts, which are in Randfontein and Merafong. However, we have acting incumbents in these positions. I think that in the whole province there are only two unfunded posts, and these are in the Randfontein Local Municipality.

I must also hasten to mention to hon members that although the Randfontein Local Municipality and the Westonaria Local Municipality are areas of concern, we will be moving with speed to match the two municipalities. We hope that out of that we will get optimum performance from the two municipalities.

In conclusion, we know that ... [Interjections.]

Mr J W W JULIUS: Chair, I just wanted to know whether the hon MEC will take a question from me. Thank you.

The HOUSE CHAIRPERSON (Mr A J Nyambi): He is concluding already.

Mr J J MAMABOLO (Gauteng): Can I conclude?

The HOUSE CHAIRPERSON (Mr A J Nyambi): Conclude, hon MEC.

Mr J J MAMABOLO (Gauteng): Let us not launch election campaigns, hon member. It is not yet time.

In conclusion, ...

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Julius, take your seat.

Mr J W W JULIUS: Chairperson, you did not entertain my question. You answered for him and did not ask the hon MEC whether he would take a question.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Yes, I made a ruling on that. Already he was left with four seconds. When I said he should conclude, he actually had only four seconds left. So, there was no way that in those four seconds we could entertain a question. That is why I said he should conclude. Take your seat. Conclude, hon MEC.

Mr J J MAMABOLO (Gauteng): Hon members, let me make a commitment. We are working very hard in our province to reposition the department of co-operative governance and traditional affairs in order for it to become a prime leader in co-operative governance and intergovernmental relations, guided by the Back to Basics documents and the premier's 10-pillar programme.

Mme G M MANOPOLE: Modulasetilo, a ke simolole ka go dumedisa Tona, Balekgotla khuduthamaga ba leng teng mo gare ga rona, maloko a NCOP, Salga le batho botlhe ba leng teng mo Ntlong. Pele ga ke simolola go ngangisana ke rata gore ke kope gore le nna ke balelwe mo palong ya batho ba kgatlhanong le go sotlakakwa ga bana le bomme. Gompieno go simologa matsatsi a some le borataro mme matsatsi ano re tshwanetse go dula re a gopotse ka nako tsotlhe.

Setswana sa re, mabogo dinku a thebana. Ke bua jaana ka gonne kgang e re ngangisanang ka yona e, e tswana le e re kileng ra bua ka yona maloba. (*Translation of Setswana paragraphs follows.*)

[Ms G M MANOPOLE: Chairperson, let me start by greeting the Minister, MECs, members of the NCOP, Salga and everyone present in the House. Before I begin debating, I would like to be counted amongst the people who are against the abuse of

children and women. Today it is the beginning of the sixteen days and we need to remember these days all the time.

Two hands are better than one. I say this because the matter we are debating is similar to the one we spoke about some time back.]

This debate was preceded by a debate entitled, "Together making service delivery work for our people", in order for us to realise that it is prudent to ensure the effectiveness and efficiency of our municipalities as a collective effort. That is the synergy between the two topics.

We have entered the second decade of freedom, with a strengthening of democracy and the acceleration of the programme to improve the quality of life of our people. The ANC-led government has managed to transform an undemocratic, unrepresentative, oppressive and corrupt state, serving a minority, into a unitary, nonracial, nonsexist, democratic state.

That is why the ANC-led government recognises that the front line of service delivery is the municipality, and that it has to develop and adopt measures to reduce inefficiency, and reorganise and improve its performance in regard to all the pillars of transformation.

While we now talk about going back to basics, the ANC as a people-centred party, leading a people's government, has always stood for efficiency. When preparing to govern, it recognised the fundamental element of local government in its policy guideline document *Ready to Govern*. This document acknowledges a need for effective and efficient local government, where apartheid had left a legacy of fragmented local authorities. It furthermore recognises that local government must have access to sufficient resources to carry out its state function; that it should operate so as to ensure that resources are used efficiently; and that it must be developmental in character.

We welcome the Back to Basics programme of the Department of Co-operative Governance and Traditional Affairs. This was launched by the President during the Presidential Local Government Summit. I challenge all of us to work together to ensure that this programme becomes a success and a good story to tell, and that it translates into efficient and effective municipalities. These will bring about a radical transformation of our people's lives so that they have decent living conditions in areas where services have not yet reached our people. We should speed this up by being agents of change in regard to service delivery. We will find that this framework for collective action needs commitment amongst our communities as well.

Moreover, it is critical that it be championed by the NCOP, with its strategic machinery to support and monitor implementation by way of regular oversight. This should be done more frequently than the usual monitoring framework provides for in our programme. Our leaders here in the NCOP – the hon Chairperson of the NCOP, the hon Deputy Chairperson, and the hon Chief Whip – were united in saying, and they did not mince their words, that in the NCOP in the Fifth Parliament it had to be “business unusual”.

To appreciate the striving for effectiveness and efficiency, municipalities should be prepared to acknowledge their weaknesses and decisively address them in order to deal with the people’s struggles around the delivery of services and accelerate that delivery.

The government’s breakthrough Back to Basics programme, which echoes the objectives of the National Development Plan, is the Department of Co-operative Governance and Traditional Affairs’ programme for change. It has four priorities that seek to resuscitate the role that municipalities play in a holistic manner.

Through its Select Committee on Co-operative Governance and Traditional Affairs, the NCOP, in its role as part of an activist Parliament, should jealously guard, defend, and play

a central role in leading oversight programmes aimed at achieving the delivery of basic services. The provision of such services will make it possible for our people to live decent lives.

During the strategic planning session of the NCOP, we noted that the NCOP, working hand in glove with the SA Local Government Association, should prioritise the assessment of legislation passed for the regulation of local government to determine whether it has yielded its intended purpose.

Let me mention four of them, hon Minister, and I would like you to note them. The first pieces of legislation that Salga brought to the attention of the select committee during the strategic planning session are the Infrastructure Development Act of 2014, the Spatial Planning and Land Use Management Act of 2013, the Local Government: Municipal Property Rates Amendment Act of 2014, and the Disaster Management Amendment Bill.

The claim is that these pieces of legislation affect the operations and the efficiency and effectiveness of municipalities. So I hope that the department will take that into consideration as well. We as select committee members will also be able to take this and make our assessments.

We appreciate the Auditor-General's report that was presented to the NCOP during the last three weeks, which highlighted the challenges and the immediate tasks to be done.

This report notes key issues that were also highlighted during the 2013 Local Government Week Report of the NCOP. The first issue was the professionalisation of local government. The second was municipal boundary demarcation and its implications for transformation. The third issue was the shortfall of the vertical division of capital expenditure. The last issue was the assessment of the Nersa electricity tariffs.

Notwithstanding the issues raised, we should not seek to justify mistakes or setbacks, but rather come up with methods and actions that respond to changing immediate circumstances, in order to achieve our ultimate goal, which is effective and efficient service delivery.

The three spheres of government need to improve by fostering the relationships between themselves.

Mabogo dinku a a thebana. Go botlhokwa gore dikarolo tse tharo tsa puso e mo magareng le e kwa godimo tsa kwa gae, di dirisane mmogo ka nako tsotlhe, gore bommasepala ba rona ba dire ka thata go tsweletsa tiro kwa pele. Ke ka jalo go leng botlhokwa gore tirisanommogo e nne teng ka nako tsotlhe gonne

fa e seyo sena se ka se diragale. (*Translation of Setswana paragraph follows.*)

[Two hands are better than one. It is important for the three spheres of government to work together all the time so that our municipalities can work hard to continue the government's work. That is the reason why it is important to work together all the time because without unity nothing can be achieved.]

I believe that we as the ANC have bold, capable people, who need to step up and provide leadership in political and administrative matters, and act decisively in order to drive this ship of the municipalities.

The key areas highlighted by the Department of Co-operative Governance and Traditional Affairs in the Back to Basics document include financial management, good governance and public participation, which are pivotal in the implementation of NDP objectives for building a developmental state.

One of the objectives of the NDP stated in Chapter 13 of the document is:

Relations between national, provincial and local government are improved through a more proactive approach to managing the intergovernmental system.

I am confident that the Public Administration Management Bill will ameliorate the deficiency of human resource capacity, especially in the area of critical skills, for the development and transfer of skills.

To address public participation, ward committees should be resuscitated. They do exist, but in some areas of the municipalities, they are not effective. Community development workers should also be at the forefront, running to pick up issues in a more proactive manner. When the parties come together, we will be able to ensure that we achieve this.

As the ANC our ultimate objective is effective and efficient municipalities capable of delivering basic services to make decent living conditions for our people possible. Together we should work hard to achieve that goal.

Mabogo dinku a a thebana. Go botlhokwa thata gore re dire mmogo. [Two hands are better than one. It is very important to work together.]

With effective and efficient municipalities, we will together move South Africa forward. Thank you.

Mr N E HINANA (Western Cape): Chairperson, let me in the name of democracy greet this august House - the Minister, the MEC present, and all the members of the House.

In the Auditor-General's report on local government of 2012-13, only 22 of the 278 municipalities received unqualified audits without findings. More than half of those municipalities were in the Western Cape. [Interjections.]

Although major strides have been made in the delivery of water, electricity, sewerage, sanitation and waste management services to the majority of South Africans, there are certainly a great number of people who still need to have these services.

I always say that the principle is that people who have a problem with anything the Auditor-General's report comes up with have the democratic right to challenge the Auditor-General, instead of just howling or thumbsucking and trying to dispute what the Auditor-General has said without challenging it. [Interjections.]

Local government has a vast array of functions to perform, but the delivery of basic services remains the most pertinent issue, because it touches the day-to-day lives of everyone in our communities, both rural and urban. Therefore, the

improvement of administrative abilities is crucial to meeting the present and future needs of the people of South Africa.

The DA supports the proposed regulations by the national Minister. The DA in the Western Cape implemented our alternative regulations in August 2011. These regulations have paid dividends: 31 of the 32 municipalities in the Western Cape have received good audit reports.

A high level of sophistication is required to ensure that the municipal reporting reforms are practical. The standardisation of reporting will also assist people to understand key issues such as poverty alleviation, performance, debt and credit management, and the spending of grant allocations. This information will also lead to improved understanding of local government performance and challenges.

There are indeed no one-size-fits-all or instant solutions when it comes to remedying the maladministration of local and district municipalities suffering from gross financial and systemic neglect under ANC-led local governments and its poor cadre deployment across the country.

This year 30 of the 32 municipalities in the Western Cape submitted their audits for 2013 to the Auditor-General in time, within the prescribed timelines. [Interjections.] Only

one - listen to this! - of those municipalities received an adverse opinion with findings from the Auditor-General on compliance and performance information. That was Kannaland, which is governed in coalition by Icosa and - guess with whom! - the ANC.

Did the ANC say anything against the Auditor's report?

[Interjections.] They can't! The residents of Oudtshoorn - currently under siege by the ANC - have asked that the municipality be placed under administration. Their inability to manage their finances and administration has had a negative impact on the town and its people, especially with the tourist destination of the Cango Caves.

Since the DA took over from the ANC in the Western Cape a dramatic turnaround improvement has been made in the audit outcomes of municipalities. [Interjections.] You need to talk facts. You need to understand what we are saying, based on facts and not on your political emotions. The Auditor-General found that these improvements were the result of the considerable attention and effort dedicated to the previous year's qualifications.

Seven municipalities in the Western Cape managed to improve their financially unqualified with findings audit of the previous year to a clean audit outcome. The positive outcomes

in the Western Cape municipality audits are the direct result of the commitment displayed by the political and administrative leadership in effectively implementing these actions.

The institutionalisation of good governance practices was emphasised through focusing on the establishment and implementation of basic administration and standard disciplines and processes. To support positive outcomes, basic administrative processes were continuously and rigorously monitored.

You can't have a municipality that is failing repeatedly, year in and year out, while you have a mechanism that is effective in regard to monitoring. You can't! You should learn from the Western Cape how it manages its municipalities.

[Interjections.] [Applause.] If one is ashamed of learning from the Western Cape administration, one should at least approach the Auditor-General and ask for tips on how to manage one's municipalities. [Interjections.]

Demands for better audit outcomes from municipal entities which were made by the Auditor-General strongly reiterate the DA's vision of an effective and fully functional local government that has defined objectives and criteria.

Excellent service delivery to all the citizens of our country should be the paramount objective of municipal administration. Clean audit reports and efficient and effective service delivery go hand in hand.

In the DA's investigation into the municipal entities that performed well, it was found that excellent and competent leadership was part of management principles and procedures. That is what the Minister of Co-operative Governance and Traditional Affairs has just said - if you can't do it yourself, then we will do it. I can assure the Minister that this is exactly what we are saying. This is exactly what the DA is doing in the Western Cape. Hence the positive results.

As I said, in the DA's investigation into municipal entities that performed well, it was found that excellent and competent leadership was part of management principles and procedures.

Successful municipalities, like the Swartland Local Municipality and the West Coast District Municipality, approach their finances with an iron hand, which is what is needed. You are given the money and, if you can't spend that money, you need to be given direction on how to spend it, and you can't do that if you have a soft hand. You need to have a strong hand, an iron hand.

Strict discipline and controls were put in place, and strong leadership ensured stability and functional management. Knowledge and skills were effectively transferred to the officials. [Interjections.] Stability and the political and administrative will to implement actions in the right direction improved the performance of the administration in the municipalities. Political game-playing sabotages effective municipal management, and should be avoided at all costs.

As we head towards the 2016 elections, we are going to experience sabotage and revolt in the ANC-run municipalities, because people will want to contest the elections as mayors and as councillors, so that we don't have these unending strikes ...

The HOUSE CHAIRPERSON (Mr A J Nyambi): Sorry, Mr Hinana. Hon Zwane?

Ms L L ZWANE: Chairperson, I just want to know if the speaker will take a question. [Interjections.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): Order, members. Are you prepared to take a question, hon Hinana?

Mr N E HINANA: (Western Cape): Chairperson, she's welcome to talk to me after I have finished here. I have no problem with that.

The HOUSE CHAIRPERSON (Mr A J Nyambi): No, he is not.
Continue, hon Hinana.

Mr N E HINANA: (Western Cape): Interference by political parties in the running of municipalities has a crippling effect on the functioning of municipalities when parties attempt to micromanage municipalities. We can easily forget - look at what happened in the North West.

The overspending of municipalities on salaries of municipal managers should be brought under control. It has been found that the municipalities that are the least functional have to fork out salaries and bonuses for managers who are clearly incompetent.

According to a recent question asked in Parliament, municipalities across South Africa owe Eskom R10,8 billion. The problem is mounting, because municipalities fail to effectively collect revenue from the end users. Do you still remember the billing problem in Johannesburg?

The DA applauds Western Cape municipalities who pay their bills timeously, thereby making sure that the province's lights are kept burning. The DA in the Western Cape acknowledge that the majority of municipalities adhere to timeous payment for service delivery.

The Western Cape also saw a reduction of 31,7% in the use of the bucket toilet system. According to the report, 77,3 of Western Cape consumers benefited from free basic water services. [Time expired.]

Mr M KHAWULA: Hon Chairperson, the municipalities in our country are in a state of chaos, which does not give one any confidence in regard to matters of development and service delivery.

To be concise, we do have some municipalities in the country that are doing well. They are doing well politically and administratively and, in such cases, we need to commend those municipalities and their leadership.

The crisis is that we have quite a number of municipalities that are failing South Africa. In response to a question asked about the number of service delivery protests in the country in 2012-13, the Minister of Co-operative Governance and Traditional Affairs replied that there had been a total of 176

service delivery protests in 2012-13. Of these, Gauteng alone had a total of 26 service delivery protests in that same year. Based on these totals, each one of our provinces had an average of 20 protests, also averaging about two protests per month per province. Responding to questions here in the NCOP on 28 October 2014, His Excellency Deputy President Cyril Ramaphosa attributed about 80% of these protests to problems in municipalities.

A summary of the 2014 audit findings by the Auditor-General is cause for concern. Some of the reasons cited by the Auditor-General as root causes of this poor state of affairs are a slow response by the political leadership to address the root causes of poor audit outcomes; lack of consequences for poor performance and transgressions; and key positions vacant or key officials lacking appropriate competencies.

In respect of officials lacking appropriate competencies, Salga, through their deputy chairperson, have defended themselves. They say that sometimes they are compelled to employ people with no skills because of political interference from above. Salga further claimed that sometimes they award tenders to poorly performing companies because of political pressure and interference from above. In such circumstances, what can you expect?

After the 2011 local government elections, 19 municipalities in KwaZulu-Natal were hung municipalities. In most of these municipalities, the IFP was the leading party without 50% plus 1%. The ANC ganged up with the NFP and they cogoverned these municipalities. In most of them today governance is in tatters. It is Chinua Achebe's story of *Things Fall Apart*.

In the Zululand District Municipality, the IFP and the community of Zululand have been complaining that municipal funds and resources were being used as a lifeline for a political party - the NFP. In fact, the ANC Youth League with the NEC member of the ANC, Mr Bheki Cele, also marched to the municipality at the beginning of this year, submitting a memorandum with the very same allegations. The IFP has submitted this matter to the Public Protector.

It was, therefore, a big surprise and a great shock to everybody on 17 June this year when, in his state of the nation address, the President counted these municipalities among the 11 municipalities that stand out as best for consistent good performance in audit expenditure and in regard to municipal infrastructure grants and service delivery.

The irony of the whole assessment is that, in the 2014 audit reports, the Auditor-General found about R19 million that could not be accounted for - in that very same municipality.

The municipality's administrative leadership and political leadership have resisted appearing before the provincial Scopa to account on these matters. The MEC has now instituted an investigation.

Our municipalities must be assisted. The IFP wholly supports the principle of back to basics in municipal governance. This, *inter alia*, means: spending efficiently, properly and effectively; employing personnel based on skills, capacity and need; stopping corrupt practices; awarding jobs and tenders on the basis of ability and capacity to perform; increased efficiency in the collection of rates; and improving the turnaround response time in municipal services. I thank you.

Mr J J LONDT: Hon Chairperson, I want to start by thanking the Minister for his speech. Politics is in part the art of playing with words, and your speech today made it sound as if the municipalities in South Africa are not that badly off.

However, being sports fans, we often say, "Look at the scoreboard." I'm going to tell you what the scores are for each province, based on the audit reports.

Regarding unqualified municipal audit reports, hon Aphiri, you have only one that is positive. So, I think you should come here and hang your head in shame because of the results in

Limpopo. They are 3%. The North West stands at 22%. The Northern Cape is 22%. Mpumalanga is 24%. [Interjections.] How long have you been in control, hon De Beer, and you still haven't fixed it? By the time you have passed away, you will still not have fixed it. [Interjections.] The Free State stands at only 30%. The Eastern Cape has finally passed the benchmark that the ANC set, of 35%. KwaZulu-Natal is at 79%. Sorry, getting back to the Free State, hon Mohapi, you said apartheid had left a terrible legacy. However, even though this is true, bad mayors such as the ones we had in Moqhaka Local Municipality did not help in addressing the legacy of apartheid. KwaZulu-Natal is at 79% - that's better. The Western Cape and Gauteng are at 94% and 95%.

This is a disgraceful 35% pass rate for the provinces. Six out of the nine provinces are failing. How is it possible that members in the ANC and in this House accept and defend provinces where audit findings are so bad?

Moreover, this is only the tip of the iceberg. Current crises within our municipalities include Makana. Now, the MEC is willing to defend the appointment. I'm going to challenge the MEC. Put your money where your mouth is. If the appointment fails, resign. If the intervention does not succeed, resign. [Interjections.] If the ANC appoints competent individuals, ... [Interjections.] ...

The HOUSE CHAIRPERSON (Mr A J Nyambi): Order, hon members.

Order, hon members! Heckling is parliamentary, but you cannot drown out the speaker.

Mr J J LONDT: They're trying their best, Chair!

If the ANC appointed competent individuals, and not cadres, we would not be in a situation where we need to have interventions. I'm glad the Minister said we would get back to basics and appoint competent staff. We need here to practice what we preach. I refer to appointing the disgraced former Oudtshoorn municipal manager in Camdeboo.

With regard to the Mogalakwena crisis, Minister, while you are sitting here, let me say that the biggest crisis is unfolding in that municipality. It is alleged that the MEC for co-operative governance, human settlements and traditional affairs acted in contempt of the court by ordering police to ensure that an illegal council meeting was held to elect a speaker and a mayor for the municipality. This is a glimpse of the level to which the ANC is prepared to descend to protect its interests.

Just yesterday again the police acted in contravention of a court order to impose an illegitimate regime on the municipality. In addition to bullying their way into the

municipal offices and damaging municipal property in the process, the police allegedly used rubber bullets against municipal officials and councillors who were trying to do their jobs. Why are the police acting with impunity, protecting an ANC faction and adding to the chaos, instead of doing their job and allowing democracy to follow its course? [Interjections.]

Hon Minister, on whose authority are the police acting? Who gave the order? The mess in Mogalakwena lies at your door. Your department is failing if you do not liaise with your national colleagues, specifically the Minister of Police, and get the police to respect the interdicts against them. I've got copies of the interdicts, hon Minister. I don't know if they have reached your office, but I will give them to the messenger for you so that you can read through them.

Hon members, you're making a lot of noise. Some of you are sitting here quietly, while the rest are making a lot of noise. Each and every one of you should hang your heads in shame for not raising the issues and for allowing the abuse of state resources to take place across South Africa.

A lot of good is being done, but we can do so much more if every member in this House takes up the issues that come out of their own provinces. It is time that every one of us stood

up for our principles and did not turn a blind eye to the wrongs going on. Colleagues, if you stand up, you stand up for the Constitution. That is your job - please do it. [Applause.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): I am impressed with those hon members who are now able to look to their right and check their time, because they are making it simple for me. That is good.

Mr L B GAHLER: Hon Chairperson, hon Minister, MECs and members, the 80/20 report released by the SA Institute of Race Relations in May 2014 presents a crystal clear picture of the situation in which our local sphere of government has found itself since the start of democracy.

Some of these findings are confirmed by the National Development Plan adopted by our Parliament. Also, the consolidated general report on the audit outcomes of local government for the financial year 2012-13, by the Auditor-General of South Africa, further confirms some of the weaknesses. The celebrated improvements highlighted in the same Auditor-General's report are a clear indication that, with more focus and a commitment to acting, and acting decisively, the current situation can be turned around.

Accordingly, a paradigm shift away from problem analysis and solution design to strict implementation or action must be the way to go if municipalities are to work effectively and efficiently for the people and with the people.

All the evidence tells us that better municipal management is a vital part of making municipalities work effectively, along with accountability and the centrality of the people.

A professional civil service at the municipal level is another important component, necessitating the abandonment of cadre deployment. Such interventions and reforms are essential to stamping out corruption and directing resources away from private pockets to concrete service delivery.

Restructuring of the geography of local government and the redesigning of its finances are equally important. The revenue base and ...

... ndiya kuza kuni ukuba niyandifuna. [Kwahlekwa.] [... I will come to you if you want me to. [Laughter.]]

The revenue base and the rapid high rate of economic growth create an environment for the absorption of millions of our people into wage-earning employment and reducing the demands upon municipalities.

Political parties and communities should also play their part in ensuring that our municipalities are working. This they can do by, amongst others, selecting the best-qualified leaders to be councillors.

A bold line separating the party from the state must be the order of the day. Municipalities should stop being used as branches and/or extensions of political parties governing in a municipality. This is why in some instances you find that municipalities are used for settling political scores of different factions within political parties. This must be stopped.

Chairperson, ...

... mandize kuwe. Ndize kuni ngoku apha. Okokuqala ... [...
let me come to you. Now let me come to you here. Firstly, ...]

... hon Minister, after reading the *Daily Dispatch* on Monday when I was coming back here from the Eastern Cape, I do agree that intervention is needed. One has been done in Port St Johns, where you sent one of your officials.

However, one is surprised by the intervention in the Makana Local Municipality. If you calculate the rate, according to the *Daily Dispatch*, that that person will earn, it is about

R27 000 per day, which is a lot of money. [Interjections.] I don't think you will be able to explain that.

Secondly, when King Sabata Dalindyebo Local Municipality was a UDM-led municipality, ...

... nayithatha. [... you took it from us.]

It is a mess. You get potholes the size of baths. In every street, there is water leakage at every corner. There is mismanagement and cadre deployment, not only at the KSD Local Municipality, but at most of the municipalities. Look at Mbhashe Local Municipality. Rats are running in the streets in Mbashe. It is a mess.

Therefore, we need proper officials to do the job, not cadre deployment. Also, we need to respect political parties who are in power. That is what the ANC cannot do - respect those in power. Thank you. [Time expired.]

Cllr D MAGABE (Salga): Hon Deputy Chairperson, hon Minister of Co-operative Governance and Traditional Affairs, all MECs present from various provinces in the country, the Chief Whip of the NCOP, hon members, special delegates to the NCOP, and ladies and gentlemen, good afternoon. On behalf of the SA Local Government Association in the country, I want to express

our sincere appreciation and gratitude for this opportunity to reflect on how far we have come in terms of democratising local government in the country.

To that end, allow me to reflect on critical areas as we build up to the 2016 local government elections and beyond, to reflect on the good work which local government has done in the country. [Applause.]

We have celebrated 20 years of democratic freedom in the country. Next year, local government will celebrate just 15 years of democratic local government in the country.

Therefore, as you critique the work that local government has done, we also need to bear in mind that we are still only 14 years old. I'm sure as we meet in the next local government focus week, we will be able to elaborate further on the issues that we have raised.

Indeed, we in Salga want to agree with the Minister that since 2000, as he said, local government has laid a solid foundation. Therefore, it is important that as hon members we take cognisance of that as we move forward towards the next set of elections. Let us not forget that the massive transition we have achieved has transformed a fragmented, racially based system of local government into an integrated

democratic system, with uniform, wall-to-wall municipalities, as outlined in a White Paper on Local Government.

Local government has pioneered ground-breaking initiatives that have had a far-reaching, transformative impact on many in our society. There are many initiatives that metros have pioneered and championed, and some of the other municipalities in the country have advanced the development of our people in the country as a whole.

This is in addition to the significant contribution that local government has made in the expansion of social infrastructure and services to poor households in the form of a basket of social services like free basic water, electricity, solid waste collection, sanitation and sewer connectivity. We have referred to these and they are sometimes unappreciated as a demonstration of local government at work.

The state of our cities, towns and villages, compared to 14 years ago, demonstrates unequivocally the profound contribution of local government to the country's development and key service delivery gains, contrary to the often disproportionate negative narrative sustained against our municipalities in the country.

The hon Minister spoke on what we refer to as going back to basics, which includes an emphasis on intergovernmental support for local government. At the Presidential Local Government Summit held on 18 September 2014, we collectively endorsed the Back to Basics programme of action for local government, in which municipalities have been broadly grouped in three types in terms of their performance. The Minister has alluded to those that are doing well or exceptionally well; those that are functional but have the potential to do well; and those that have been classified as comparatively not doing well. These are sometimes referred to as being in the intensive care unit.

We agreed with this characterisation, as well as the articulation by the hon Minister of the fact that responses are required in a differentiated manner in order to assist each of these types of municipalities to progress, with an obvious immediate bias toward those municipalities that are not performing well.

Accordingly, at our most recent Salga National Executive Committee Lekgotla in October, in which the NCOP was a key participant, we interrogated key challenges that continue to bedevil many of our municipalities. We in the SA Local Government Association resolved to support the implementation

of the Back to Basics programme of action in the following ways.

As successful cities are vital cogs in the economic objectives of our developmental and capable state, we must equip them with the necessary institutional reforms to ensure that routine investments in the built environment reverse the spatial legacies of apartheid.

Next, we must strengthen oversight capacity in order for it to be robust and resilient, so as to withstand the forces of corruption and maladministration and increase the participation of communities in governance processes, including the commitment to implementing the accountability and consequences framework.

We must also ensure better audit outcomes and financial management through implementing our Municipal Audit Support Programme in those municipalities in financial distress, who persistently obtain disclaimers and adverse audit opinions. An undesirable audit report is unacceptable and must be eradicated. No disclaimers and adverse opinions should be seen in local government in the near future.

Furthermore, we need to rationalise laws and regulations to ensure a sound policy and regulatory framework in order for us

to be able to do what we need to do as local government, as well as implement the good intent of the current laws and regulations assisting us to be responsive, accountable and efficient.

We must address the declining revenue base of municipalities and increasing challenges of urbanisation and poverty by implementing the Integrated Urbanisation Development Framework and complementing rural development strategies.

We must intensify public participation and practising inclusiveness of communities in our institutional governance process, including working much more effectively with our traditional leaders, Ngwato, in order to respond to our communities' needs with urgency and care.

We must support leadership development in the sector and establish Salga as a centre of innovation and intelligence to strengthen documentation and sharing of good practices in the sector.

We are firmly of the view that if we do these things, we will strengthen the integrity and image of local government, as well as the confidence that our communities and other stakeholders have in our ability to provide better outcomes and meet the development aspirations of our people.

Lastly, let me reflect on our key partnerships to tackle the challenges outlined. The success of our initiatives largely depends on greater intergovernmental support and collaboration in regard to key projects in municipal areas, and other intergovernmental initiatives aimed at improving the living conditions of our people.

We, therefore, called upon the hon Minister of Co-operative Governance and Traditional Affairs, as the champion of local government and co-operative governance, to engage with his national and provincial counterparts to ensure support for our commitments by the following.

The first is applying the principle of "finance follows function" to those functions already transferred or assigned, and those to be transferred or assigned, to local government. This includes quantifying the financial implications of new laws or regulations for municipalities.

The second is implementing an integrated planning and execution approach across sectors and spheres, in line with the National Development Plan, to achieve spatial transformation through integrated development plans as the central planning tool of government.

Finally, there is respecting and supporting the constitutional mandate of local government, and collaborating with the sector to improve development outcomes, including through rationalising legislation and regulations which impede the effective delivery of services and transformative socioeconomic development of our people.

Last but not least, to our parliamentary principals present here this afternoon, I would like to say that we look forward to working closely with you, collectively, in addressing all these challenges that confront our municipalities and monitoring the implementation of these commitments through active oversight and engagement.

In conclusion, as we approach the end of 15 years of democratic local government in the country, the remainder of this term must be characterised by high expectations and a demand for stable, dedicated leadership that responds to the urgent challenges facing the local government sector in the country.

While substantial progress has been made, much work remains to be done. We should, however, remain mindful that we all live, work, pray and play in our municipalities, and the services we enjoy are for the most part provided by local government. All

is indeed not doom and gloom, and we should build confidence in local government.

We must consolidate the gains made to date by addressing some of the fundamental constraints befalling our municipalities, mainly by getting the basics right and improving governance fundamentals. It is only then that we will be able to demonstrate that local government is responsive and accountable to our communities, and that we undertake all of our basic duties and tasks with the utmost care and diligence for the benefit of our people.

Therefore, we are committed to working with our partners in government and civil society to ensure an integrated approach to service delivery and that the developmental vision of local government is realised.

Let us all rally around municipalities as the key players and implementers of our government's programme of action and, as we march towards 2016, let us continue this developmental journey with renewed vigour and commitment. Ke a leboga.

[Thank you.] [Applause.]

Mr S G THOBEJANE: Hon House Chairperson, hon Minister, hon MECs present, hon members of this august House, and ladies and gentlemen, good afternoon.

Modulasetulo, go a hlokega gore dingangišano tše di swanago le tše tša go rera ka bommasepala di fele di swarwa - e le ge go swarwa ga tšona e tla ba e le go tiišeletša le go matlafatša bommasepala ba rena ka gore ke bona ba dutšego le batho kua metseng. Ga go na mmušo wo o ka bago kaone ge o sa hlokomele bommasepala ba ona, ka gobane batho ba tseba mmušo ka bommasepala.

Ka baka leo, go bohlokwa gore dingangišano tše di bjalo re di tiišetše, kudu ge re lemogile gore mmušo wa rena wa go etwa pele ke ANC o gatelela letšatši ka letšatši gore a re boeleng morago, re yeng re lebelele gore naa re timeditše eng tšeo di dirago gore re se ke ra hlwa re eba ba bakaone sefahlegong sa batho ba rena.

Mo mengwageng ye lesomenne ye e fetilego ya go ba gona ga bommasepala ba rena, re lemogile gore mmasepala ge o ka fiwa šedi, wa agwa ka tsela yeo mmušo o dumelago gore o ka thwala batho ba maleba bao ba tlogo go swara diposo tšeo di tlogo sepetša mmušo wa rena ka ona, gona mmasepala o ka fihlelela diphišego tša ona.

Lebaka la gore Afrika-Borwa e tsenye mešomo ya bommasepala ka gare ga Molaotheo wa naga ke tšhupo ya gore bommasepala ba bohlokwa setšhabeng sa Afrika-Borwa. Ga re bone mmasepala e se

bohlokwa, re bona mmasepala e le ye nngwe ya dikokwane tša pušo ya Afrika-Borwa.

Ka baka leo, go a swabiša gore ge re swanetše re be MaAfrika-Borwa re bolele ka ditaba tše bjale, re sa bona batho ba itšeago gore bona o ka re ga ba tšwe Afrika-Borwa, ba na le naga ya bona yeo ba dulago ba le tee. Bona ga ba bone batho ba hlaka ka gare ga Afrika-Borwa. E be e ka se be rena re ka emago mo ra ikgantšha, re iphetha sefega, ra re rena re dira go lekane re tseba gore batho ba a hlaka kua ntle.

Ge re bolelela ga bjale batho ga ba na meetse, batho ga ba na ga go dula, ga ba hwetše ditirelo tše di bohlokwa, gona mo re rego batho ba dira bokaone. Rena bjale ka ANC re ka se tsoge re khuditše go lwela ditokelo tša batho go fihlela ge batho ka moka ba ka bonala ba lekana, gomme ba hwetša ditirelo ka moka ga bona. [Legoswi.]

Re ka se thabišwe ke sehlophana ka setee ge se bonala se lokologile sebakeng sa tshenyagalelo ya batho ba Afrika-Borwa. Re e bone taba ye, e bile re a tseba gore dilo tše di diragalago ga se tše diswa. Rena re mo morerong wa go aga naga ya Afrika-Borwa. Naga ye re nyakago go e aga re ka se e kgone ge re sa ka ra re ka moka ga rena ra rwala maikarabelo a gore re nyaka go aga naga yeo batho ba yona ba tlogo go ba le seriti, ba tlogo go kwa gore ba a hlomphega.

Re ka se tšwele pele re ikgantšha, mongwe a re nna MEC Mamabolo ke le tee ke šomile go lekana, mmušo wa ANC o ... re ka se tsoge re rile re lekantšhe go fihlela ge modudi yo mongwe le yo mongwe a fihlelelwa ke kabo ya ditirelo tša Afrika-Borwa. Taba ye ya gore batho ga ba swabe mola ba kgethilwe ke ditšhiwana le batho ba go hlaka, gomme ba tla ba ema mo ba re rena re fihleletše diphišego, re na le tšohle, se se go botša gore ga ba tšee batho ba Afrika-Borwa ka mokgwa wo ba swanetše ba ba tšee ka gona. Ba ba nyaka fela gore ba hwetše dibouto, ka morago ga go di hwetša, ba ikgantšhe ka tšona gomme ba se be le taba le bohlaki bja bona.

Go bohlokwa gore rena bjale ka MaAfrika-Borwa, gagolo ka mo Ntlong, re bolele ka molomo o tee wa gore a re yeng go lokiša mathata a batho ba rena. Mmušo a o thuše bommasepala ba rena, o ba matlafatše, o ba kgontšhe go aba ditirelo tše batho ba di hlokago, gona ke mo re tla rego Afrika-Borwa e fihleletše kabo ya ditirelo. E sego bjale. Ga se ra hlwa re eya felo, re sa le mathomong. Mengwaga ye lesomenne ga se ya lekana gore re ka ba re fihleletše ditirelo ka moka tše re di nyakago.

Re a tseba gore ba bangwe ba rena ba dutše ka mo ka gore e le bao ba nyantšego ka nako ya apartheid. Apartheid e ba file maatla a go ba le se le sela, bjale ga ba na taba le batho ba bangwe. Ke ka moo ba tla tšwelago pele ba re: Aowa, rena re fihleletše diphišego tša rena, Kapa Bodikela ... Kapa Bodikela

ke profense ya Afrika-Borwa, moo batho ba rena ba dulago gona, ba hlakago, ba phelago ga boima.

Ge re bolela ga bjale, go tšwile pego ye e ka se thabišego rena batho ba ANC, ye e rego profense ya Kapa Bodikela ke ye nngwe ka gare ga dinaga tše lesome tša godimo mo lefaseng, tšeo bosenyi bo iphilego maatla go yona. Rena, bjale ka gore naga ye ke ya rena ka moka, re ka se thabišwe ke taba ya mohuta woo. Re swanetše re eme ka maoto re šomišane le Kapa Bodikela gore re lokiše bošaedi bjo.

Re ka se thabe ge re lebeletše batho ba hlaka, ba re profense ye ... *(Translation of Sepedi paragraphs follows.)*

[Chairperson, it is important to hold the debates about the municipalities regularly - such debates will empower our municipalities and they are closer to the people. Government will never improve its services if it does not take care of the municipalities, because people know the government through the municipality offices.

It is therefore important to intensify such debates, more especially that the ANC-led government emphasizes every day that we do introspection to find out where we went wrong. We should find out what it is that makes people lose confidence in us.

In the past ten years, we have learned that municipalities can easily achieve their goals if they are taken care of, have good buildings and competent employees.

The main reason for the South African government to include the municipality functions in the Constitution is that the municipalities are important to the people of South Africa. To us the municipalities are important; they are part of the three spheres of government.

It is disappointing to learn that when we discuss such issues as South Africans, there are people who pretend like they are not South Africans; they are living in their own land. They can't see the suffering that people are going through in this country. We cannot be proud and praise ourselves that we are doing enough while people out there are suffering.

As we are talking now, people have no access to water and housing. They don't have access to important services and they are living in the areas that are led by people who say they are doing enough. As the ANC we will never stop to fight for human rights until all the people receive equal treatment and have access to the services. [Applause.]

We will never be happy to see the minority group living freely while it is not so with the rest of the people of South

Africa. We know about these things; they are not new to us. We are focusing on building our country. We will never build the kind of country we desire to build if we don't all commit ourselves to building a country of dignified people who also feel that they are being respected.

We can't continue to praise ourselves as individuals. You will hear someone saying I, MEC Mamabolo, have done enough. The ANC government says ... we will never say we have done enough until all the residents of the country have access to delivery of services. People are not even shy to come and say they have achieved their goals. They are forgetting that they have been elected by orphans and poor people. This tells that they don't take the people of South Africa seriously. They only need their votes; after the elections they take pride in the votes and forget about the voters.

It is important for us South Africans, especially as members to work together and solve the problems faced by the people. The government must empower the municipalities and help them to deliver the services that are needed, then we will say we have delivered as a government, but not now. We have done nothing; we are still at the beginning. We cannot achieve all the goals in 14 years.

We know that some of you here benefited from the apartheid government and now they care less about other people. That is the reason why they keep on saying: Yes, we have achieved our goals; Western Cape ... the Western Cape is one of the South African provinces, where our people live. They are suffering and their conditions of living are not good.

As we are speaking now, there is a report which the ANC will never be happy about. The report says the Western Cape province is one of the ten places in the world with the highest level of crime. We will never be happy to hear that because this country belongs to all of us. We need to work together with the Western Cape province and address this problem.

We will never be happy to see these people suffering; they say this province ...]

Mr W F FABER: Hon Chair, I know the hon member will most probably not take a question, but will he take an SMS? Can he give me his number? [Interjections.] I can at least SMS him so that he can get clarity on what he is talking about.

The HOUSE CHAIRPERSON (Mr A J Nyambi): No, why can't you ask him if he is ready to take a question?

Mr W F FABER: I would love to ask him a question.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Thobejane, are you ready to take a question?

Mna S G THOBEJANE: Ke gopola gore ke tlo fetša mo. Ke tla re ge ke etšwa ka feta ke tšea potšišo yeo ya gagwe. Ke tla e araba re sepela. (*Translation of Sepedi paragraph follows.*)

[Mr S G THOBEJANE: I think I will conclude here. I will take his question on my way out and respond to it as we walk.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): He is going to take your question when time allows. He is going to take your question.

Mr W F FABER: Please watch the time, Chair. Thanks.

The HOUSE CHAIRPERSON (Mr A J Nyambi): Go on, hon Thobejane.

Mna S G THOBEJANE: Ke be ke re kgane o nyaka go phegiša pego ye ke e bolelago, ka gore pego ye ga se ya ngwalwa ke rena MaAfrika-Borwa, e ngwadilwe ke batho ba le kua Mexico. Ba be ba lebelela dinaga tša lefase ka moka ba bona gore bosenyi bjo bogologolo ge re bala dinaga mo, ye nngwe ya tšona ke profense ya Kapa Bodikela, mo Afrika-Borwa. [Tšhwahlelo.]

Fela rena, ka ge ke bolela, re ka se thabele naga ya rena e na le potlana ye nngwe yeo batho ba sa ipshinego ge ba phela go yona. Fela, gare ga tše ka moka, re na le batho ka mo gare ga naga, bao ba thabišwago ke dilo tše di bjale. Ge ba bona ye nngwe e sa šome gabotse, bakeng sa gore ba kopantšhe diatla ba re: A re thušeng batho ba rena, re fihlelele ditirelo tše ba di hlokago - bona ba betha matsogo, ba ema mo ba re: Aowa, rena re lebeleleleng, re apere hempe tše tšhweu. Aowa, batho ba Afrika-Borwa ba a hlaka.

Bommasepala ba rena ge ba ka begwa gabotse, ba tla kgona go hlola mešomo. Ba tla kgona go godiša ekonomi ya naga, gomme ekonomi ya kgona go fediša mathata a re nago le wona, ya fihlelela gore re be le sephetho se se kaone. (*Translation of Sepedi paragraphs follows.*)

[Mr S G THOBEJANE: I thought maybe he wants to defend the report that I am talking about. This report was not written by South Africans but by people in Mexico. They were researching places with the highest level of crime in the whole world and one of those is the Western Cape province, in South Africa.

[Interjections.]

We don't want our people to live unhappily in any part of our country even though there are people who still enjoy seeing that happening. If one is not performing well, instead of

giving a hand and saying ``Let us help our people to get the services they need'' - they will clap their hands and say: Let us just stare; we are wearing white shirts. The people of South Africa are suffering.

If the municipalities are taken care of, they will increase job creation and impact the economy of the country in a positive way. An improved economy can bring the best solution to our problems.]

We cannot stand here and sound as if we are enjoying and celebrating when we see just a small corner of our country doing well while the majority of our country is not.

The report that we have been given by the Minister has said that one third of our municipalities, which is almost 93 municipalities, are performing very well, but the rest of the municipalities, the other two thirds, are not. However, we are in a position where, if we work together, we can push them towards becoming municipalities that perform well.

The one area that we have to worry about is the one third of the municipalities that look as if they are dysfunctional as we talk. This dysfunctionality that we are talking about should not be about people in the ANC; it should be about the people of South Africa. When we say we are building a better

country, a country that all of us will be happy in, is the time when we have been taking care of all of you, including you. Today you are able to talk here.

If it had been you during your time, nobody would have been talking the way we are talking. All of us would have been about to be arrested. [Interjections.] But because the ANC has worked for all of you, irrespective of where you come from and irrespective of how you undermine matters, it will make sure that for all of you, your dignity and reputation are respected.

We hope that we can work together, and consider empowering our municipalities and making sure that we assist our municipalities to achieve the goals that we are intending to achieve. Then we will build this country and it will become a better country that all of us will want to live in. The reason why we are saying we have a good story to tell is because we have a plan for this country, South Africa. Thank you.

[Applause.] [Interjections.]

Mr W F FABER: Chair, ...

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Faber, will you take your seat?

Mr W F FABER: Hon Chair, I would just like to know how much time the hon member has left.

The HOUSE CHAIRPERSON OF THE NCOP (Mr A J Nyambi): Hon Faber, hon Thobejane has already left the podium. So, take your seat.

Mr W F FABER: I was extremely excited to hear him tell us how well the Western Cape Province is doing.

The MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: House Chairperson, firstly, let us once again remember, when we talk about a dignified life, that today is an important occasion to remember that our women and children deserve a dignified life. The President launched the 16 Days of Activism for No Violence against Women and Children campaign, and I hope that all of us will commit ourselves practically to that campaign.

Secondly, on the question of municipalities and what we do about them, we can shout at each other, we can score cheap political points, and we can insult each other, as some of you have done, but the real purpose is that, as hon Thobejane was saying, we've got to build a new country with a new foundation, with new human rights, and with new municipal and other structures that serve all South Africans.

Perhaps you, as hon members, need to reflect upon whether during the course of just this year the NCOP has performed its role. Have you called upon municipalities to account to you? Have you taken up the issues that you are worried about in x, y or z municipality and called in the mayor, called in the municipal manager, or called in the speaker if need be? Have you asked: What are you doing in your municipality? Come and account to us! That will then give you direct answers. You don't have to wait for a Minister to come along and answer those questions for you.

I want to challenge you: when we come back in the new year, let the NCOP play its part and join us in this campaign to get better municipal performance.

I now wish to refer to the Intergovernmental Monitoring, Support and Intervention Bill. [Applause.] I'm glad you agree with me. The Intervention Bill it is ready for submission to Cabinet. Either it will happen before the end of the year, or early in the new year.

Let me also make a point about the tough task that administrators have when we implement section 139(1)(b) or (c). They probably have to leave their home areas; they have to live in "foreign environments"; they have political antagonisms that they have to deal with, and they still have

to perform the executive functions that they have been put into those municipalities to perform. So let's have a bit of empathy for the administrators as well.

Perhaps, as the NCOP, you should call in some of these administrators and ask them to explain to you what their experience is in trying to manage a municipality in an antagonistic environment. Perhaps that will teach us a lot more about what is going on.

I would now like to refer to the DA and the EFF. Some of us are old enough to remember a very old movie called *The Odd Couple*, starring Jack Lemmon and Walter Matthau. If you don't know this movie, I am sure some video shop will still have it. This is the real odd couple in South Africa. One is claiming to be the left and ultra-left, and the other one claiming to be sort of right. They carry on being right and left, and they meet behind the back, which is what is going on currently.

[Interjections.]

More importantly, Mogalakwena keeps coming up, either in the National Assembly or in the NCOP, and the DA continues to mislead the House.

I've just received two SMSes about what has happened in the last 24 hours. The one tells me that the court has dismissed

the urgent interdict that the municipal manager sought in order to stop the IEC from holding by-elections on 26 and to stop the newly constituted council from meeting. The municipal manager was trying to stop the newly elected councillors, as well as those that remained behind, from meeting. Now, is the DA collaborating with the municipal manager in this regard? This is what the DA must own up to in this House and to the public.

The second one tells me that what happened yesterday in Mogalakwena was that the newly sworn-in council ...

[Interjections.] No, no! Hear me out. I heard you out. Hear me out. What happened yesterday in Mogalakwena was that the newly sworn-in council wanted to access the council premises and they were prevented from doing so by a security company; hence the mayor summoned the police to gain access.

Today they successfully held an executive council meeting and their council meeting, which is their legal, constitutional right to do. [Applause.] So the question is: Who is really messing around in Mogalakwena and who is trying to disrupt legal processes at play in this municipality?

Of course, I don't really have time to respond to the other matters that the hon members Londt and Chetty have raised, but you might want to appreciate the title of this debate. It is

about creating more effective and efficient municipalities. What is shocking is that after taking up so much of the time of this House, you can't come up with even one constructive suggestion. You simply criticised the ANC regarding how we can do better in the national interest. That is a serious political shortcoming that you have. Thank you, Chairperson.

[Applause.]

The HOUSE CHAIRPERSON (Mr A J Nyambi): Hon Minister, in the words of our Chief Whip, this fifth term is going to be "business unusual". In that spirit, let me take this opportunity to thank the Minister, MEC Mamabolo, MEC Xasa, the special delegate from Limpopo hon Aphiri, hon Hinana from the Western Cape and the Salga representative, Cllr Magabe. This is a clear confirmation that this is the House that will even get Salga representatives here, as well as special delegates, because we are representing the interests of the provinces.

Hon Minister, we are taking the challenges that you are throwing at us very seriously. We have to live, as per the mandate of the Constitution, to make sure that the effectiveness and efficiency that we want to see in the municipalities is realised. If all of us don't put our shoulder to the wheel, all of that will always remain a dream.

Hon members, with those words I would like to thank you all. That is why the topic has been very interesting, and it has been in the interests of building our country.

Debate concluded.

The Council adjourned at 17:26.

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