**UNREVISED HANSARD**

**NATIONAL ASSEMBLY**

**THURSDAY, 27 AUGUST 2020**

***PROCEEDINGS OF THE NATIONAL ASSEMBLY***

The House met at 14:01.

The House Chairperson Ms M G Boroto took the Chair and requested members to observe a moment of silence for prayer or meditation.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon members, the first item on the Order Paper today is questions addressed to the President. There are four supplementary questions on each question. Parties have given an indication of which question their members wish to pose as a supplementary question.

Adequate notice was given to parties for this purpose. This was done to facilitate participation of members who are connecting to the sitting through the virtual platform. Members who will pose supplementary questions will be recognised by the presiding officer in allocating opportunities for supplementary questions. The principle of fairness, among others, has been applied.

If a member who is supposed to ask a supplementary question through a virtual platform is unable to do so due to technological difficulties, the party Whip on duty will be allowed to ask the question on behalf of their member. When all supplementary questions have been answered by the President, we will proceed to the next question on the Question Paper.

As I handover to the Speaker, I wish to welcome ... [Interjections.]

Ms H O MKHALIPI: Chairperson?

The HOUSE CHAIRPERSON (Ms M G Boroto): ... the Commander in Chief, the President of the Republic of South Africa who is in the Chamber today. [Applause.] We welcome you.

An HON MEMBER: Malibongwe!

Ms H O MKHALIPI: Chairperson?

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Mkhaliphi, yes?

Ms H O MKHALIPI: Both the president and the deputy president of the EFF are not in the House. Can you notify the IT to also allow them in the House, Chair?

The HOUSE CHAIRPERSON (Ms M G Boroto): Our National Assembly Secretary is aware and they are working on it. Thank you. Hon, the Speaker of the National Assembly.

The SPEAKER: House Chairperson and hon members, I welcome you all and proceed quickly to the first question which was put to the President by the hon J N Mofokeng. The hon President?

# QUESTIONS TO THE PRESIDENT

Question 7:

The PRESIDENT OF THE REPUBLIC: Madam Speaker, House Chair, hon members both present in the House, as I am, and those who are in attendance virtually, before I begin I would like to use this opportunity to pay my humble respects and those of the executive of our country to those members of Parliament, our colleagues and our compatriots who have passed away in the last few weeks and months.

This is a particularly difficult time for our nation as families lose loved ones to Covid-19 and other causes. And because of the ongoing pandemic, they are often unable to mourn and honour their loved ones in a manner that we are all accustomed to and a manner that they would have wanted.

We offer their families, friends and colleagues in this House our condolences and sympathies. We also do the same to the thousands of our compatriots who have passed away from Covid-19 as well as other related causes.

Hon members, the struggle to end gender-based violence and femicide ... [Interjections.]

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

The SPEAKER: Hon President, please take your seat. What is your point of order, ma’am?

Ms H O MKHALIPHI: Sorry to interrupt, but there are members of the EFF who are not allowed in the meeting and they also want to listen to the President. I raised a point of order before the President spoke, but the matter is not attended to. Can the members of the EFF, including the president and deputy president

of the EFF, be allowed in the meeting because they also want to participate as members? Thank you.

The SPEAKER: Hon Mkhaliphi, you did make your point earlier on. [Interjections.] Am I muted?

The MINISTER IN THE PRESIDENCY: You are not muted, Speaker. We can hear you.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Speaker, there is a point of order from the House. Hon Speaker? Is she muted? Hon Speaker? Hon Speaker?

The SPEAKER: Hon House Chair, can you hear me now?

The HOUSE CHAIRPERSON (Ms M G Boroto): Yes, we can hear you and there is point of order from the House. If you may take it?

The SPEAKER: There was a first point of order from the House from the hon Mkhaliphi which we must attend to before we take another point of order.

The HOUSE CHAIRPERSON (Ms M G Boroto): Okay.

The SPEAKER: Hon Mkhaliphi raised a point of order that members of the EFF including the president of the EFF must be allowed in. We have undertaken to make sure that all members are allowed on the platform so that they can participate. That matter is being attended to. I will then take a second point of order. I saw the hon the Chief Whip of the Majority Party.

The CHIEF WHIP IN THE MAJORITY PARTY: Hon Speaker, our own members as well go through waiting rooms and we cannot let the House wait and not proceed because it is already after 14:00. Members are always urged to login earlier than 14:00. I suggest that whilst they are being let in we continue with the business of the day.

Thank you.

The SPEAKER: We are proceeding with the business of the day because members are being let in. When ... [Interjections.]

An HON MEMBER: Point of order, Speaker.

The SPEAKER: No, no. I am still addressing the House. Can you take your seat, whoever you are? I am addressing the House. I have ruled that all the members of the National Assembly will be allowed in.

When the hon Mkhaliphi started with the point of order we were less than 199 and we are now standing at 305, which means that members continue to get into the platform and into the House. Can we proceed, please?

Ms H O MKHALIPHI: Speaker?

The SPEAKER: Hon Mkhaliphi, this will be your last chance on this matter.

Ms H O MKHALIPHI: Speaker, I think that it is unfair to say that

... [Interjections.]

The SPEAKER: It is not unfair; all members have been urged ... [Interjections.]

Ms H O MKHALIPHI: Can I speak? [Interjections.]

The SPEAKER: No hon Mkhalipi. No, no. Hon Mkhalipi, no!

Ms H O MKHALIPHI: You have not even heard what ... [Interjections.]

The SPEAKER: Hon Mkhaliphi, we go through this in every sitting. Members are urged to start getting on the platform as early as 30 minutes before we start. Members will continue to be loaded into the system. There is nothing that we are voting about in this. All those members who want to come in must be allowed to come in. and that is all we are saying. We cannot delay the business of the day because members are still being loaded. If we agree on that one can we proceed?

Ms H O MKHALIPHI: Speaker, I do not know why you are stopping me before you even hear what I am going to say. I am saying that it is unfair to conclude that the president and the deputy president of the EFF just logged in now. They have tried to login as early as quarter to one. It is the system that is failing us and it is unfair for us to continue with the business of the day while other members are logged out by the system. So, we are saying to you ... [Interjections.]

The CHIEF WHIP OF THE OPPOSITION: On a point of order.

The SPEAKER: Hon Mkhaliphi, I have given my word that all members must be brought into ... [Interjections]

The CHIEF WHIP OF THE OPPOSITION: On a point of order, Madam Speaker.

The CHIEF WHIP OF THE OPPOSITION: What is your point of order, Madam?

The CHIEF WHIP OF THE OPPOSITION: Hon Speaker, it is hon Mazzone. Hon Speaker, the Leader of the Opposition managed to get to Parliament in time as did many other members. It is now unfair that we are kept waiting because of these superfluous points of order. I ask that you rule that the President continue so that time is not wasted and so that we can hold our President to account. Thank you.

Ms H O MKHALIPI: Speaker ... [Interjections.]

The SPEAKER: No, no. Hon Mkhaliphi, you are not going to do this. No, you are not! Mute that mic! Mute that mic! Hon Pambo, what is your point of order?

Mr V PAMBO: Speaker, I think it is really unfair to make any insinuations both by you and by hon Mazzotti that the president and the deputy president of the EFF came in late. It is utter

nonsense that they came in late. That is utter nonsense! [Interjections.]

The CHIEF WHIP OF THE OPPOSITION: Point of order.

The SPEAKER: Hon Pambo, stop right there! [Interjections.]

Mr V PAMBO: No, hon Speaker, can you listen to us? [Interjections.]

The SPEAKER: You will not address this House right now ... [Interjections.]

Mr V PAMBO: The Parliament - your Parliament right now is trying to stop the president of the eff from holding the President of the country accountable. [Interjections.]

The SPEAKER: We are not stopping the president of the EFF ... [Interjections.]

Mr V PAMBO: It is a deliberate attempt. We can see it. I was kicked out of this platform and I was able to come back whilst the president is still in the waiting room. How is that possible? If

it is really technical, then why am I kicked out of the platform and manage to come back?

The SPEAKER: Hon Vuyani Pambo, you have made your point and I have given my word unless you are saying ... [Interjections.]

Mr V PAMBO: You can’t! You have to allow the president and the deputy president of the EFF to come in. you are trying to shield the President of the country from being held accountable.

The SPEAKER: Please take your seat, hon Pambo. Hon Pambo, please take you seat!

Mr V PAMBO: I am seated, hon Speaker, but I am asking you a question. Why are you protecting the President of the country from being held accountable by the EFF?

The SPEAKER: Hon Pambo, let me speak and rule. I have been ruling on this matter and no single member of the National Assembly will have the ability to stop us from doing what we are doing today.

Therefore, hon members, I am not going to take any point of order on this matter. I have ruled and I have had somebody to call the technical people to allow everyone who wants to come in to the

House. I have ruled on the matter. I am now going to ... [Interjections.]

The LEADER OF THE OPPOSITION: Point of order.

The SPEAKER: Any of you who is going to raise a point of order on this matter will not be allowed. I have made my final ruling allowing this ... [Interjections.]

The LEADER OF THE OPPOSITION: It’s a different point of order. [Interjections.]

The SPEAKER: I have said that every member will be allowed in and I am not going to entertain any other point of order on this particular matter. [Interjections.]

Ms O M C MAOTWE: That is fine. Speaker, can I speak?

The SPEAKER: Are you speaking on the same thing, hon Maotwe? [Interjections.]

Mr J S MALEMA: I am in, hon Speaker.

The SPEAKER: You are in, thank you very much, hon Malema.

Ms O M MAOTWE: Can we allow the deputy president of the EFF to come in? My issue is ... [Interjections.]

An HON MEMBER: Point of order, hon Speaker.

The SPEAKER: Hon Maotwe, I am not taking any point of order on this matter. [Interjections.]

Ms O M MAOTWE: But I am not speaking on this point; I am speaking on something else. [Interjections.]

The SPEAKER: No!

Ms O M MAOTWE: Can you hear my point of order? You don’t even know what I want to say. I am saying that the deputy president of the EFF is supposed to take the first follow-up question. The President of the country is now responding. How is the deputy president going to respond if he is outside? Please allow the deputy president to come in.

The SPEAKER: Hon Maotwe, your deputy president is not taking the first supplementary question but your president is, and your deputy president will be allowed to come in. [Interjections.]

The CHIEF WHIP OF THE OPPOSITION: Madam Speaker? It is hon Mazzone.

Mr N F SHIVAMBU: Hon Speaker, I am in now.

The SPEAKER: Thank you, hon Shivambu, for coming in. Hon members, all hon members who are supposed to come in must be allowed in and that is my final word on this matter. [Interjections.]

The CHIEF WHIP OF THE OPPOSITION: Hon Speaker, it is hon Mazzone.

The SPEAKER: Hon President, can you please take a seat?

The CHIEF WHIP OF THE OPPOSITION: Hon Speaker, it is hon Mazzone rising on a different point of order.

The SPEAKER: Hon Mazzone, what is your point of order?

The CHIEF WHIP OF THE OPPOSITION: Hon Speaker, the hon member from the EFF got slightly confused and mistook me with the EFF landlord, Mazzotti. The EFF has a Mazzotti and the DA has a Mazzone and it would be good to know the difference. [Laughter.]

The SPEAKER: The difference is noted, hon Mazzone.

Mr J S MALEMA: No, you are a racist, man. You are a racist!

The SPEAKER: No, no no, hon members! [Interjections.]

The CHIEF WHIP OF THE OPPOSITION: No, Malema, you and Mazzotti are racist. [Interjections.]

The SPEAKER: Hon Malema, I will not have that. We will have order and decorum on this platform. Hon President, you have the floor. [Interjections.]

Mr M WATERS: Hon Speaker?

The SPEAKER: Hon members, anybody whom I have not recognised their mic will stay off, and that is an order to the host. Hon President? [Interjections.]

Mr M WATERS: Madam Speaker, it is Mike Waters here on a point of order.

The SPEAKER: What is your point of order?

Mr M WATERS: The leader of the EFF called hon Mazzone a racist.

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| The SPEAKER: | I ruled | him out of order. |
| Mr M WATERS: | He must | withdraw it. |
| The SPEAKER: | I ruled | him out of order. |
| Mr M WATERS: | He must | withdraw it. |

The SPEAKER: Hon Waters, I ruled him out of order and I want to continue with the business of the day.

Mr M WATERS: So, we can call each other racists now?

The SPEAKER: No, that is why I ruled him out of order.

Mr J S MALEMA: If you are a racist you are a racist.

Mr M WATERS: You, are a racist!

The SPEAKER: Can all these mics be muted please? Can they all be muted I want to continue with the business of the day. It is not about how well and wonderful we can throw insults at each other, hon members. That is not our business today. Our business is that members have put questions to the President and the President must

be given the space to respond to those questions. Mr President, please proceed.

Question 7 (cont):

THE PRESIDENT OF THE REPUBLIC**:** Thank you Madam Speaker, I was saying that the struggle to end gender-based violence and fermicide, GBVF, can only succeed if society as a whole is mobilised and organised behind a common programme of action. Following the Presidential Summit on Gender-Based Violence and Femicide, GBVF, in November 2018, and after extensive consultations that were held; these consultations resulted in the drafting and adoption of a National Strategic Plan, which is also adopted by Cabinet.

The implementation of the plan commenced on 1st of May 2020. The plan recognises that the struggle against GBVF requires collective as well as a cohesive strategic type of leadership. The plan provides for a governance structure in the form of a multi- sectoral GBVF Council to lead the implementation of the plan.

However, even as the national plan was being drafted, we had to confront the reality that the violence that is perpetrated by men against women in our country had become a national emergency that required urgent and decisive action. It is the type of emergency

which I also characterise as a second pandemic that we are having to deal with.

We began the implementation of the emergency response action plan which – as you might recall – was presented to a joint sitting of this Parliament in September last year. Through the reprioritisation of resources, we were able to allocate around R1,6 billion to implement the emergency response plan in the remaining months of the financial year.

Working with our partners and civil society, we have managed to improve access to justice for victims and survivors and have improved our capacity to investigate, as well as to prosecute GBVF perpetrators. For example, we have upgraded eleven Sexual Offences Courts and implemented a system to track the processing of GBVF related cases.

We have improved the supply of sexual assault evidence kits, which are now available in all police stations in our country. Three amendment Bills intended to strengthen the response of our criminal justice system have been approved by Cabinet and are in the process of being introduced into the parliamentary system.

Among others, these Bills aim to tighten bail conditions for perpetrators of sexual offences. They also aim to strengthen

parole conditions and increase minimum sentences. But they are also aimed at ensuring more severe consequences for contravening of protection orders.

Five new Thuthuzela Centres are to be established and will be operational by the end of March 2021. At the same time, a major focus of our work has been on changing norms and behaviour through high level prevention efforts, such as mass media campaigns and engagements with men’s groups, offenders in prison and also youth at risk.

While the Emergency Preparedness and Response Plan sought to address these and other immediate issues, the National Strategic Plan guides the broader changes that we must achieve in the medium to long term. This will be led by the National Council Against Gender Based Violence and Femicide**.**

After extensive consultations, it has been decided that the national council consists of a board with various technical working units in line with Article 4 of the Presidential Summit Declaration, the GBVF Council will consist of a maximum of a maximum of 13 members; 51% of these members will be civil society representatives and 49% will be government representatives. The council will be inclusive of all South Africans including women

from the urban and rural areas and different cultural and racial and class backgrounds. The members will be appointed through a transparent process of public nomination and selection.

As a country, we remain determined to root out the scourge or violence against our daughters, our mothers, our sisters, our grandmothers and our children. The National Strategic Plan is a vital guide to the many forms of interventions that we require to make our country a safe place for all particularly, women, children and the lesbian, gay, bisexual, transgender, queer, LGBQTIA+, persons.

As we work to deeply embed this plan – not only across government

- but across society, we will look to the GBVF Council to provide the vital strategic leadership in our struggle and to end this crime against women and the children of our country once and for all.

I am very hopeful that the efforts that we have put in place but efforts that have been initiated by civil society, by the women’s organisations of our country, now fully supported by government, will make a great success of dealing with GBVF against the women of our country. This is a pandemic that we must defeat; we must bring an end to GBVF in South Africa. Thank you very much.

Ms J M MOFOKENG: Madam Speaker, hon President, I am happy that you have confirmed that the amount of R1,6 billion has been set aside to fight the scourge of GBVF. Can the President expand on the management of the funds and also assure us that the funds will be managed by the GBVF Council or will the funds be managed by the organisations and how will the spending be monitored to ensure effective use, which is fit for purpose. I thank you, Speaker.

THE PRESIDENT OF THE REPUBLIC**:** Speaker, the various organisations that we interacted with leading up to the finalisation of the National Strategic Plan insisted that we needed resources that would strengthen all our efforts to fight GBVF. They insisted that the funds need to be allocated properly, and they need to have a line of sight of how those funds are going to be spent, how they will be managed.

The establishment of the council as a governance structure is also meant to have oversight over the spending of those funds and ensure that the funds are indeed spent; but for starters, that they are sourced. We started off with the reprioritisation of the R1,6 billion and we ensured that the reprioritisation leads to various government departments making sure that those funds are made available, they are reprioritised, and they are set to the task that we had set out in the plan.

The council will therefore be an oversight mechanism, that will make sure that those funds are indeed spend on the programmes that have been set out in the National Strategic Plan. When the council is finally put in place, I am sure that they will come up with clear plans of how they will follow the money, of how the money is spent. I am sure that they will make sure that all that money is spent to achieve the purposes that are set out in the plan.

As a government, we are committed to make sure that money will be made available for this very important national task and that is something that the council is also working together with us, is going to ensure and oversee. I have no doubt whatsoever in my mind that the resources that have been allocated will be properly spent. Thank you very much, Madam Speaker.

The LEADER OF THE OPPOSITION: Madam Speaker, Mr President, let me associate myself with your opening remarks and this side of the House also associates themselves with them, you have on many occasions both inside and outside this House made a variety of commitments to deal decisively with GBVF, yet the ANC actions and on the ground results show that GBVF is clearly not a priority of this government.

The crime statistics released last week show very clearly that under your first term as President, the number of sexual offences and rape have increased. You have spoken about kits, but there is a catastrophic backlog in the processing of Deoxyribonucleic acid, DNA, tests amounting to almost 100 000 cases to 9000 of victims of GBVF recourse to justice.

On the matter of GBVF, as it all matters with accountability of your government, you go from Mr Talk a lot to Dr Do little. You have made endless commitments to ending this. Today, you have again spoken about talk shops and funds but this are never followed up by action. What concrete action Mr President, are you going to take to reduce the backlog in the DNA testing that is keeping perpetrators of GBVF out of jail and allowing them to continue to prey on women, children and vulnerable people in South Africa? Thank you.

THE PRESIDENT OF THE REPUBLIC: Madam Speaker, I did say that we have made sure, after a huge backlog of not having the test kits in our police stations; we have made sure that our police stations have the test kits. So that they are able – after incidents of abuse against women and young girls that they are able to conduct those tests instantaneously. And in a number of areas in our country those tests are immediately sent to laboratories.

There has indeed been a shortage of the availability of capability to test in certain provinces, the Eastern Cape is the case in point, and we are attending to that. So that the backlog that you speak about – and it does not run into a hundreds of thousands, it‘s reduced quite substantially. We are making progress. We started off at low base but we are making progress and we are doing quite a lot.

Hon Steenhuisen, we are being strengthened here in this effort by the partners that we are working with. The national council is going to be an effective council that is going to ensure that all the matters that you talked about are attended. That council is not going to be a talk shop; it is going to be a council that will have a majority membership of civil society entities across the country and they are going to be having hawks’ eyes on every effort that government need to implement. As we speak now, a lot of progress is being made; more than 200 social workers have now been hired permanently, to also attend to another critical issue which is the psychosocial support services that are needed to be given to the survivors of GBVF.

We have also established what we call, the Cold Case Task Team, which has already started analysing up to 785 000 dockets relating to sexual offences. This is progress, we are focusing – it’s

almost like a laser beam type of focus - on GBVF. And we are making sure that we make resources available.

The Department of Co-operative Governance and Traditional Affairs, Cogta, has enrolled over 200 000 women in the community works programme representing 79% of the recruits to do work on GBVF. We are spreading the message. We are ensuring that we can also work on preventative measures that need to be taken. Yes, it might look like it is slow but we are implementing the strategic plan that was drafted by the women of our country, and set out in the declaration of the summit that was held in 2018. We are making steps and we are moving forward. We are not doing little; we are doing much more and the structures that we are putting in place, especially the national council that we have put in place hon Steenhuisen, should never be seen as a talk shop. It would be a sign of disrespect to those women who are going to work in that council to be told that they are just a talk shop, they are not a talk shop, they are activists. Thank you very much.

Ms N V MENTE: Speaker, hon President you are mentioning the National Strategic Plan and the council; in the same vein you mentioned that their success so far is about 1,5 dockets that they have analysed. Let me remind you, yesterday or a day before yesterday the statistics in terms of GBVF were standing at 28 465,

therefore, in order for all these strategies and plans not to be called a talk shop, we ought to have a structured accountability mechanism through Parliament. This morning, the Minister of Women in the Presidency agreed that we need that structure in terms of accountability.

Do you agree with the proposal that there should be a committee in Parliament that is precisely looking into the implementation of the strategic plan, the work of the council and ensuring that all the cases that have been reported in particular GBVF are dealt with until their finalisation?

Secondly, do you agree that forced and coerced sterilisation on women who are HIV positive by the state, is also a gender-based violence on those women and if so, why have you not acted against the institutions that have done such atrocities? Thank you.

The SPEAKER: Hon members, you are reminded that you putting a supplementary question.

THE PRESIDENT OF THE REPUBLIC: Speaker, with regard to the first question in terms of enhancing accountability, I would be in agreement that on a matter like GBVF, we need to ensure that there is transparency; effectiveness, efficiency, as well as

accountability. If to enhance accountability, members of this House believe that they should set up their own structure, I won’t go as far as saying it would be a talk shop, because I think it is disrespectful to dismiss structures that are meant to deal with serious matters as talk shops. If the House itself believes that this will be the best way to go, so be it. I just want to see that the work gets done. I am sure that the national council that is in the process of being set up will also be welcoming to ensure that their own work is properly looked into and that they become accountable.

Coerced and forced sterilisation is a violation of the basic human rights as set out in our Constitution and anyone who participates in that has to be accountable. That process is truly open to anyone to take up the matter. I find it quite offensive that people could be coerced and forced to sterilise because that is a violation of a human right that is enshrined in our Constitution. Thank you, Madam Speaker.

Ms L L VAN DER MERWE: Speaker, Mr President, it is now almost a year since you tabled your emergency plan to Parliament and promised more support for shelters, GBVF Council, no bail for those accused of GBVF and clearing the backlog of GBVF cases at

forensic labs. None of these undertakings have materialised to date.

You just spoke now of the employment of 200 social workers; but let me remind you of what you said on 22 June 2020.

How many social workers who are unemployed right now to be brought into employment?

While a war has been waged against women and children in their homes and on our streets, 5 372 social workers who have trained by the state are sitting at home, Mr President. Can you give us a commitment with clear timeframes by when these social workers will be employed by the state? And also, can you give us an indication whether you have been responded to the open letter written to you by the National Shelter Movement of South Africa, raising critical issues about the underfunding of shelters. As we sit here, your government has not paid shelters in the Eastern Cape their stipends. And it goes without saying that we will never win the war against GBVF if we don’t get the basics right such as employing social worker and funding shelters. Thank you, Speaker.

THE PRESIDENT OF THE REPUBLIC**:** Hon Speaker, the issue of bail has been raised and it is a matter that has to be legislated for. As I

said in my initial input, the legislative instruments are now coming into the parliamentary system and those will have to be dealt with by members of this House. The executive has processed these matters it had started off with the women of our country raising the issue of bail which we supported and I stood on a number of platforms supporting this issue of bail. That has taken a bit of time I must admit; much too long than I would have wanted to bring the matter before the executive as our justice department was looking at all the various legal laws that we have. It is now into the parliamentary system and it is now up to this House to deal with the matter. I hope that the House will deal with the matter as effectively as possible; to achieve the ends and the objectives that you set out.

With regard to clearing of backlogs, I did speak about this. We will admit that there are backlogs and they are in the process of being dealt with. The good thing is that with the council in place, we will be able to have an institution that will ensure that the backlogs are dealt with. There will be much more focus to ensure that GBVF backlog cases are dealt with.

On the issue of shelters, we are building more shelters. I actually want many more shelters than what is set out even in the programme of government that we have. Because these shelters – and

I have visited a few – are centres of refuge for women, who are violated, abused and they are made to be the homes of those who need that type of refugee. I would like to see more and more of these shelters for as long as we continue having the scourge of GBVF. Therefore, we want to see those being speeded up.

I am sorry to hear about the issue of the stipends; I will look into it in the Eastern Cape, if there are shelters where people have not been paid their stipends; we will need to get all the information and have that resolved.

The issue of the employment of social workers is top of mind to me. There are many social workers in our country who were trained by government and we actually saw the need for more and more social workers to be brought into the system of full employment by government during this covid-19 period. There are many cases that need proper attention by well-qualified professionals like social workers in our communities. And we want those social workers to be employed.

I have directed that we need to employ many social workers right throughout the system at local government level, that process is underway. I am sure that we will be talking about more social

workers having been brought into the system in a few months to come. Thank you very much, hon Speaker.

Question 8:

The PRESIDENT OF THE REPUBLIC: Hon Speaker and hon members, the allegations of corruption in the procurement of goods and services for our country’s response to the coronavirus pandemic has caused a lot of outrage amongst South Africans and amongst us also as the executive. It has also caused outrage amongst you as Members of Parliament.

It is disgraceful that at this time of national crisis, there are companies and individuals who seek to criminally benefit from our efforts to protect people’s health and to save lives.

As government, we have taken several measures not only to detect, investigate and prosecute such crimes, but also to strengthen the measures to prevent corrupt activities.

To achieve this purpose, I have authorised the Special Investigating Unit, SIU, to probe any allegations relating to the misuse of COVID-19 funds across all spheres of the state.

The work of the SIU is taking place alongside the work of the recently established special co-ordination centre, which is called the Fusion Centre, which brings together all the criminal justice entities to strengthen the collective efforts among law enforcement agencies to prevent, detect, investigate and prosecute COVID-related corruption.

The National Treasury has taken effective steps to tighten procurement regulations. These measures will strengthen the ongoing work of the Auditor-General to audit, in real time, all COVID-related expenditure.

Perhaps the greatest defence against corruption in public procurement is to make the entire process more transparent and open to public scrutiny as well.

In an important first step towards that goal, Cabinet established a ministerial team not to investigate, but to compile and collate a comprehensive report of the details of all tenders and contracts awarded by national departments, provincial governments and other public entities as part of the response to the coronavirus pandemic.

The ministerial team was given the responsibility to ensure that the details of these tenders and contracts are made public, as to the names of those who were awarded the tenders, the amount they were paid and all that type of detail.

Earlier this week, the National Treasury started publishing the submissions from these various government departments and entities on their website. If you visit the National website, you will see all the names and the amounts that each one of those entities were awarded and why they were awarded, as I have.

To date, 95% of provincial, national departments and state entities have submitted all information regarding COVID-19 procurement to the ministerial team.

This initiative is unprecedented in our country’s history, enabling members of the public to find detailed information about how public funds are being spent.

We believe that this establishes an important precedent for future scrutiny of expenditure of this nature.

In many ways, this is what I believe is a watershed moment that marks the start of a new era in transparency and accountability in the procurement of goods and services by public entities.

The measures that we are taking will definitely lead to procurement reform that will ensure that we find solutions to many procurement maladies, including corruption, as well as to ensure that government does not overpay for goods and services and gets good value for money that it spends.

We want to put behind us this type of culture that has emerged, where government is made to overpay for various goods and services

– we have read in certain publications that 800% mark-up and profit lining for goods that would have cost far much less.

I have always believed that government should never pay a premium. Government should always acquire goods and services at the right price, and at best, at a discount because it is always a large scale acquirer of goods and services.

So, I believe that we have started a process. The COVID-19, yes, has been a devastating pandemic to our country in many ways, but below this dark cloud, we can also see a silver lining of some sorts, where from now onwards, we need to reform our procurement

system so that those who seek to defraud, corrupt, to profiteer unfairly from what government purchases with regards to goods and services no longer have space so that our people ... because in the end, when government spends money, it is spending the people’s money. It is not an individual’s money; it is the people’s money. The people have an entitlement to make sure that they know what their money is spent on.

So, in a way, COVID-19 should therefore in the end lead to the opening up of tender processes. We need to have processes, which some of them can be technologically driven, driven by artificial intelligence and some by blockchain. All those technologies must now be utilised to ensure that we conserve the people’s money.

So, COVID-19, bad as it is, will have yielded this great benefit to make sure that we draw a line in the sand that corruption will no longer be tolerated in our country when it comes to procurement and other processes. Thank you Madam Speaker. [Applause.]

The LEADER OF THE OPPOSITION: Thank you very much Madam Speaker, Mr President, in a recent interview you said, and I quote: “I would rather be seen as a weak President than split the ANC.” Isn’t this quote precisely why you are incapable of fighting

corruption because when the ANC is threatened, you always put the ANC before South Africa?

Now, the fish rots from the head and if you are serious about fighting corruption, you should start by putting senior government Ministers, Ace Magashule, as well as others implicated in jail, but you can’t do that because you cannot split the ANC. So, you would rather be soft on corruption. This is a systemic problem within the ANC and that’s why your party is pathologically incapable of self-correction.

Now, the letter that you sent out this week was again filled with lots of talk yet doing very little. No money was recovered. Many of those who are supposed to be in jail are still sitting in Parliament, Cabinet and the national executive committee, NEC. Just this week, the former mayor of Ethikwini, Zandile Gumede, who is facing tender fraud charges – exactly what you have spoken about today – was promoted to the KwaZulu-Natal legislature and will be sitting on the Co-operative Governance and Traditional Affairs, Cogta, Portfolio Committee exercising oversight over other municipalities.

You have been talking about corruption for many years. When you were Leader of Government Business or Deputy President, throughout

Mr Zuma’s tenure, you defended him. You even went as far as, and I quote: “About Nkandla, there was no corruption. Nothing to do with Nkandla was unlawful; the fire pool is not even as big as a swimming pool.” These are the lengths you gone through to put your party ahead of South Africa.

Mr President, every one of your speeches, you draw a line in the sand ... [Interjections.]

The SPEAKER: Hon Steenhuisen, your time is running out and you have not put your supplementary question.

The LEADER OF THE OPPOSITION: ... as you have done today ... you must be using invisible ink because your line keeps on being ignored. Mr President, do you support Zandile Gumede’s elevation to the KwaZulu-Natal legislature? If not, what are you going to do about it? [Applause.]

The SPEAKER: Mr President, the hon Leader of the Opposition is supposed to put a supplementary question based on the response. [Interjections.] You are at liberty, Mr President, to answer this supplementary which has nothing to do with the principal question that he put to you.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, thank you very much, I heard hon Steenhuisen very clearly, and he made a mini speech on this matter as he is entitled to do ... [Interjections.] ... and of course as usual. [Applause and Laughter.] I respect that, I respect his deep sentiment about corruption and I also respect the fact that he has spoken out as a South African citizen about the concerns that he and many other South Africans citizens have about a number of missteps that have happened in our country in dealing with the question of corruption.

I would like Mr Steenhuisen ... I almost called you Minister ... [Laughter.] ... well, next selection maybe ... I was saying to hon Steenhuisen that I hope he listened because what I am saying is that this is a moment that we now need to capitalise on with regards to ensuring that we strengthen our resolve as a nation and as country to fight corruption. The corruption that has happened around COVID-19 Personal Protective Equipments, PPEs, has created a huge stench in our country and our people are justifiably unhappy, angry, demoralised and the nation’s spirit has plummeted.

What we now need to do is to use this opportunity to deal with corruption effectively. Now, what we have been doing in government

... I read a wonderful article by Mr JP Landman, who detailed more than what we do in government, to detail precisely the steps that

we have taken since I came into office. He detailed the various steps taken, events and provided dates more than what I could ever do. He said we have turned the trajectory of dealing with corruption in South Africa and that these are magnificent steps coming from where we were, we have started turning this titanic. I would say that this titanic, Mr Steenhuisen, is not sinking if we look at the steps we have taken.

Having noticed what has happened with the COVID-19 related corruption, we are now strengthening our resolve. For the very first time, listen to this, we have almost 11 agencies in government working together, looking at all acts of corruption from a tax point of view to a governance point of view and to every little move; whether it is money that is being moved to whatever centres, that is being looked at. We are going to make great progress. The Special Investigating Unit is going to [Interjections.] ... What I am going to say though, it is not the President’s duty to arrest people. The day it happens, Mr Steenhuisen, you must run for the hills because the day you have a President who will go around arresting people, investigating, prosecuting them and putting them in orange overalls in jail ... [Interjections and Applause.] ... then you have no democracy. The task of the President is to make sure that institutions are strengthened and adhere to principle.

I even say this to members of my own party. I say, my comrades, my task as the President of the Republic is not to go out and investigate but to set up the institutions that will do their work. [Applause.] It is when we do so that we have democracy because one day if we do not rely on the institutions, we will have a crazy President who will be running around, arresting people and putting them in jail. South Africa does not want that but strong institutions. Thank you very much. [Applause.]

The LEADER OF THE OPPOSITION: On a point of order!

The SPEAKER: What is your point of order sir?

The LEADER OF THE OPPOSITION: Madam Speaker, two weeks ago, you asked us to ask tough questions. I asked a tough question. Do you support Mrs Gumede’s elevation to the KwaZulu-Natal legislature or not? It’s a simple yes or no.

The PRESIDENT OF THE REPUBLIC: It is a simple answer. The matter is being discussed within the structures of the ANC. [Interjections and Applause.] Yes, admittedly, everybody agrees that it has caused a lot of disquiet and the matter is being discussed within the structures of the ANC in a very democratic

manner. Leave it to those structures to deal with it. Thank you very much. [Applause.]

Mr M GUNGUBELE: Thank you, hon Speaker and Mr President, I am sure, Mr President, that you’ll agree with me that corruption needs to be suffocated before it suffocates our country. In listening to your response, it appears that a new decisive drive against corruption is in place. Now, Mr President, taking into account that doubting Thomases will always be there and some justifiably so, what mechanisms will be at the disposal of South Africans as a tool of comfort in ensuring that this game-changer is being implemented and the progress is there to see? Thank you, Mr President.

The PRESIDENT OF THE REPUBLIC: Thank you very much, hon Gungubele, you look very different with that beard ... [Applause and Laughter.] ... [Interjections.]

Mr J M MTHEMBU: He looks ugly. [Laughter.]

The PRESIDENT OF THE REPUBLIC: ... during covid, I was tempted to grow beard to look like you but I thought it would be too grey. It makes you look a little older than what you are. Madebvu [Beards.]

Hon Gungubele, we need to take this moment as a turning point in our fight against corruption. May I say that I have been scanning quiet a number of experiences in other countries and I have also taken time to speak to other heads of state and many of them are going through exactly the same challenge that we are going through that PPEs gave people with corrupt and fraudulent intent an opportunity just to make a quick buck and overcharge governments in many other countries and brought to the face a number of hustlers, fake businesses and all that.

This is a moment that we now need to deal with corruption more seriously. I have said that on the procurement side, I would like to see more transparency as a mechanism and openness so that everyone can see how the goods and services that we purchase are going to be used and what amount of money is going to be spent. We are not saying that people must not make profit. Of course, people must make profit. Through this, we also want to ensure that there is radical economic transformation so that our people who have been previously prevented from getting into business are able run businesses legitimately. We want to see that happening.

At the same time, we want public resources to be properly utilised. We are going to put in place mechanisms to ensure that tender processes are properly overseen and have mechanisms that

are going to ensure that happens. If there is any faltering along the line, the criminal justice system must be well strengthened and capacitated that it is able to kick in and make sure that it deals with those who get involved in maleficence.

Our criminal justice entities have been short-changed when it comes to resources; they don’t have enough investigators and resources and we want to resource them. That is another mechanism that we want to rely on to ensure that they are strengthened. If we can do that, we will find that those who want to cheat the state will find it very difficult because they will find that our institutions have been strengthened enough, for instance, we are going to gravitate towards having an institution that will have investigative, capability and prosecutorial powers when it comes to commercial crimes. What used to be called the Scorpions in the past, that is what the moment requires of us to deal with commercial maleficence and corruption. We are busy looking at how we will be able to bring that back to life and make sure that people are investigated and the investigators immediately have the capability to prosecute so that there isn’t a big interregnum in between investigations and thereafter much longer rely on prosecutors.

So, when it comes to cases of corruption, we are going to be more focused; that is another mechanism we want to use. Thank you very much. [Applause.]

Mr J S MALEMA: Thank you very much hon Speaker ...

*Tshivenda:*

Ndi masiari Muphuresidennde.

MUPHURESIDENNDE WA RIPHABULIKI: Ndaa, ndi masiari avhudi.

*English:*

Mr J S MALEMA: I want to dismiss the allegation you are making that you are going to revive the Scorpions because there is an ANC Polokwane resolution that did away with the Scorpions and therefore, any other thing would require something of that nature to change the resolution of the congress, so, we shouldn’t be easily misled. That’s beside the point, do you agree with me, Mr President, that corruption in South Africa is deep rooted to a point where even your spokesperson was implicated in the PPEs scandal? The whole Office of the President has people who are involved in some of these allegations of PPEs. It is confirmation that if the higher office is involved, you can imagine what is happening at the Blouberg municipality.

Mr President, if you unseal the CR17 documents, you’ll be making it easy for us to see if the donors of the CR17 campaign are not the beneficiaries of PPEs. You say you are fighting corruption, yet you have sealed documents which will help us to hold you, your party and your Ministers accountable. So, I think that it is just lip service to say you are fighting corruption whereas at the same time, you are not telling us who donated to CR17 campaign so that we can quickly check if those people are not beneficiaries of the PPEs.

The other question is: Don’t you think it is time we do away with the tendering system and build internal capacity to avoid these types of corruption, particularly on simple things such as masks? The state can produce its own masks.

The last one Mr President is: If you are serious, you want to take action and want people to see that the President is an anticorruption activist, why are you not establishing the special courts, like we did in 2010? Let us establish the special courts to prosecute PPEs thugs. This is mass murder being committed because if they steal the money that can buy more PPEs, it means people are going to die. People are dying in their numbers. Why are you not establishing special courts so that we arrest these people now and avoid this mass murder? Thank you.

The PRESIDENT OF THE REPUBLIC: Thank you very much, hon Malema ...

*Tshivenda:*

Ndi a livhuwa nga maanda. Ndi livhuwa na uri vho thoma na nga u amba nga luambo lwa hashu.

*English:*

You started off ... and I am not going to respond to this because the process of getting government structures to work effectively to fight corruption has to be based on their functionality and their capability. If we find that, yes, there can be great functionality and capability in getting certain structures to work in a particular way, then we should be able to proceed to deal with that.

I will not deal with party political conferences. You also touched on the spokesperson of the President, who you say was involved in all these ... the spokesperson has stepped aside. We are looking into that matter. We will be dealing with that matter as soon as we get to it.

The issue of funding of the CR17 donor list is in court and we must allow the court process to proceed. I think we all know that sometimes to pre-empt what the court will rule is not often the

best of things. I hear the allegation you have made that those who may have well donated were involved in PPEs contracting, I don’t know about that.

You bring up a good suggestion that maybe we should do away with the tendering system but you also say that it should be underpinned by what we could possibly say is insourcing and that we should make our own PPEs. That, hon Malema, is a very good suggestion but we would also say that it should be based on localisation because government right now does not have the capability of making masks and PPEs but we want to make sure that those PPEs are made here in South Africa and that black companies get involved in making those PPEs. I have been wonderfully impressed by the number of women I have seen making face masks, sewing then and the sewing process has just started unleashing a lot of energy around the country with many women and co-operatives being involved in making PPEs. That is what we must encourage. We are also saying that we must be able to buy those at a fair price. Yes, there must be a markup, they must make a profit so that they can make a living but at the same time, the profits must not be excessive.

I would agree with you that we now need to look at tendering system as a whole because a lot of processes and services have

been outsourced to tenderpreneurs. There now needs to come a time when we need to look at this and I know that Cosatu and other trade unions are beginning to ask themselves a lot of questions around this. Should we be outsourcing everything to tenderpreneurs or should we also be saying many things can be done in-house, in government by people who are in the government system? In many ways, that would lead to the strengthening of the state capacity.

You raised a question of the special courts. You will be pleased to know, hon Malema, that we are looking this issue of courts that will focus on COVID-19 and I will be speaking about this in time to come because we do need to deal with the backlog. Many of our courts have huge backlogs when it comes to cases of corruption, commercial corruption, etc. As we have to deal with the scourge of corruption, we now need to deal with them in a specialised manner. So, we will be focusing our attention on this and I will be speaking about this in time to come. Thank you very much, hon Speaker. [Applause.]

Dr P J GROENEWALD: Thank you, hon Speaker, hon President, when you became the President of the Republic of South Africa, you said we are entering a new dawn and you declared war on corruption. Now, a couple of years down the line, we must hear that the ANC is accused number one. It is not surprising because you are also on

record that the interest of the ANC is actually above the interest of South Africa. When you announced the support package of

R500 billion because of COVID-19, you are on record, hon President, saying that we will ensure that there is no misappropriation of these funds. By making that announcement, you created the message and the impression to the people of South Africa that you knew about the possibility of corruption and that you took certain measures.

My follow up question is: What measures did you have in mind and implement when you made the announcement to the people of South Africa because you didn’t have the measures? You misled the people of South Africa. I thank you, hon Speaker.

The PRESIDENT OF THE REPUBLIC: I do not, hon Groenewald, ever remember saying that the interests of the ANC are above the interests of South Africa. They certainly are not. South Africa comes first ... [Applause.] ... because that is the entity that we all pay our allegiance to.

I was sworn in as President to advance the interests of the people of South Africa and that is what I am committed to doing. I was not sworn in to advance the interests of a party but the interests of the people of South Africa.

What will I do to ensure that we have measures that are going to prevent corruption and what measures did I have in mind? In the process of setting aside the R500 billion, which by the way, many people believe that the entire R500 billion has been stolen, which is far from the truth ... what has been spent on PPEs as per the Treasury records is about R11 billion and much of that money has gone into buying PPEs. As the cases gets reported to me with regards to how was the maleficence, we will get know precisely as to what are the actual amounts of these maleficence are. It is not R500 billion. I needed to clarify that.

What measures did we have in mind? Yes, there were those who feared; trade unions, churches and various parties feared that there could acts of maleficence and they did express their fears publicly. It was not so much of what I feared myself but what was expressed by many institutions in our country. What measures did we take? I made sure that I go to that one institution that would be able to have great scrutiny and that was the Auditor-General. Had the discussion with the Auditor-General, and they said they have mechanisms of making sure that we do have a preventative type of approach. The Office of the Auditor-General has sought and tried to ensure that many of those that could have even gone worse, were stopped along the way, unfortunately, they still happened and happened where were people have contacts in various

offices, with certain people and all that and it all seemed to be okay.

When it comes to over pricing, it is something that should have been looked at more closely but it wasn’t. Yes, there was system failure but it is something that we have learned great lessons from. It is for this reason that I say we must take this COVID-19 moment as a moment when we now enter a new era in as far as dealing with corruption is concerned. It has cost us a lot but at the same time, we need to say that we are drawing a line in the sand and are now going to have a system where we have procurement reform and that our reform process is completely different from what we have so that the thieves, the thugs and those who want to corrupt others do not find an easy way of abusing state resources.

There was no misleading of the public on my part. I actually made sure that we allocate the money and that the money needs to be managed as best as we possibly can.

Some of the mechanisms that we have in place may well have failed with regards to checking whether the prices were right or not. The Treasury also played a key role in making sure that the maleficence is not as widespread as it could have been. Many efforts were made but there was still failure of the system, which

is exactly what we are now going to correct. And correct it we shall. We are determined to make sure that we obliterate corruption in our land. Thank you very much. [Applause.]

Question 9:

The PRESIDENT OF THE REPUBLIC: Hon Speaker and hon members, as indicated in my reply to the pervious question, Cabinet, yes, established this Ministerial Committee - that I was talking about

- which is led by the Minister of Justice and Correctional Services, Minister Lamola, to compile details of all covid-related procurement of all government bodies so that these can be made public.

Cabinet’s intention in doing so was aimed at enhancing and promoting transparency and accountability. And this was so because we got a sense that the public was so enraged by what had happened that they wanted more information, they wanted to know what had happened. And it is for that reason that Cabinet established this entity so that it can collate and compile. This process is distinct and unrelated to the work of the Special Investigating Unit, SIU, in investigating any unlawful or improper conduct in the procurement of goods and services in any state institution.

The SIU has not made any request to Cabinet for assistance in gathering details of covid-related tenders and contracts. And in fact they don’t need permission; the SIU will be able to do its work without any hindrance, without any prejudice and without any favour.

According to the proclamation I signed on 23 July, the SIU, to authorise it to probe any allegations, it is enabled to do precisely that.

The SIU is empowered by the Special Investigating Unit and Special Tribunals Act of 1996 to gather all necessary evidence required in the fulfilment of their mandate. If the SIU finds evidence that a criminal offense has been committed it is obliged to refer such evidence to the prosecuting authority, it is also empowered to institute civil proceedings for the recovery of any damages or losses incurred by the state.

Government is determined to ensure that all criminal acts related to our response to Covid-19 pandemic are uncovered and that those responsible are held to account. And I must tell you that this is what our people want, this is what they expect, this is what they deserve and this is what they demand. And we are going to live up to our people’s expectations. We will make sure that all is let

out to hung in public, because it is their money after all. Thank you, hon Speaker. [Applause.]

Rev K R J MESHOE: Thank you, Mr President, for the reply. Before I ask my follow up question I want to disagree with you when you said the titanic is not sinking. I want to assure you, Mr President, the titanic is sinking.

The SIU that we believe is determined to recover all the monies that were acquired illegally has had many successes in the past few years.

The ACDP, therefore, supports their request for more resources to be able to do their work with much more success.

The ACDP, further, has been in the forefront of calling for additional funds for the SIU. Now, given our economic conditions, will you, Mr President, make additional efforts to ensure that you find resources that the SIU has requested?

We believe, further, money that government will spend in the additional resources that are requested by the SIU will be a drop in the bucket compared to the billions of rands that the SIU and other law enforcement agencies will recover.

So, I would urge the President that, move every stone to ensure that additional finances are found because these agencies have done South Africa well in recovering stolen monies. Thank you.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, I will not go into the polemics about the titanic. We will leave that to history and you and I can discuss that one day over prayer. [Laughter.] [Applause.]

Hon Meshoe, I’d like to acknowledge, truly acknowledge the compliment that you’re paying to the SIU. But I also want to acknowledge the support that you are offering to the SIU. It is an important institution of our government to fight corruption. You are absolutely right that they are underresourced, they need more resources. They have communicated that much to myself, to the Minister of Justice and Correctional Services, who has come forward with the needs, not only that the SIU has, the National Prosecuting Authority, NPA, the Hawks and all of them. And said, President these are the financial needs of these institutions. You are absolutely right that the money that we can make available to these institutions will be a droplet, a droplet in the bucket compared to the money we are going to gain back when the SIU tribunal claims back various amounts of money. So, they do need to be resourced. You want to know whether I will support that? Most

definitely. I support that they should be well-resourced because they have proven, even in difficult times but more particularly now in this new era of seeking to fight corruption. Yes, this new dawn of seeking to fight corruption that they are up to the task. They have been doing as well as you have articulated and they need to be supported and we will support them. So, I’m glad to know that I have your vote when it comes to this. So, when we talk to the Minister of Finance we’ll tell him that – yes, I’ll call you, maybe you and I will go together. Thank you very much, hon Meshoe.

Ms W NEWHOUDT-DRUCHEN: Hon Speaker, this follow up question was originally prepared by our former comrade, Hishaam Mohamed, and I would like to extend our condolences to his family and friends.

Mr President, thank you for your response. Are there any timeframes for the Ministerial Committee that is led by our Minister, Lamola? Are there any timeframes to conclude their mandate? Thank you.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, the committee that is led by Minister Lamola has a very short timeframe. It is a focused committee, task focused committee; it is not an investigative committee, it is a committee that is gathering information, collating information. When they last reported to me they had done

almost 90% of the work; they were waiting for more information. And as soon as the work is collated, it is upflighted on the Treasury website together, obviously, with the work that is done by the Treasury.

Their timeframe is limited and the work that they are doing is being made apparent and public as we move on because it is being placed on the Treasury website.

But they will give a final report which will also be made known to everyone.

They are meant to collate the information and to make sure that we know exactly what has been happening with the procurement processes.

And other agencies like the SIU, Treasury, will continue to do their work. It was just this that we needed to clear the decks on from the executive side that we needed to put that committee in place. Thank you very much.

Mr A M SHAIK EMAM: Mr President, my concern is why do you sound so surprised and shocked at the looting of state coffers with this

procurement challenges we have in the trying time of this disaster?

I personally have highlighted over 20, 30 or 40 times in the House that we lose over R200 billion to R240 billion a year as a result of procurement in South Africa.

The former chief procurement officer said 40% on goods and services is what we lose annually, Mr President, in South Africa.

Now, I see a lot of discussion is going around dealing with SIU, putting in this commission that billions of rands are getting spent.

Don’t you think the solution, Mr President, is to close that gap? And one of the ways is, yes, indeed this tender system needs to be open, needs to be [Inaudible.] but after it is awarded it needs to be advertised that so and so company received that tender, supply the examination [Inaudible.] and then you can see that you are not paying R200 for those things there.

We need to find solutions to prevent this corruption rather than allowing it to take place, leaving the loophole there and that’s

spending billions of rands which we are not recovering, Mr President.

So, I would urge you, Mr President, and I welcome the commission of the committee that you have put; but together with that let us work [Inaudible.] to put in measures.

Can you tell us whether you will be willing, Mr President, to investigate procurement for the last 10 years in this country? And I promise you, you will find R3 trillion, Mr President, to make South Africa a debt-free country, I promise you that.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, it’s not so much that I was shocked, it is much more a process of saying we need to redouble our efforts to fight corruption and to make sure that we rid our country of this cancer and this virus I call corruption.

Clearly, this covid moment – as I say – has given us leverage, the opportunity to usher in a new era, to bring about a new and a reformed procurement system that will be underpinned by a number of elements; and those elements should be preventative measures.

And this is where the Auditor-General is very strong and his work is absolutely necessary; and working together with all these other

structures we will be able to come up with a much more effective and realigned procurement system.

So, we need reforms, prevention should underpin that; transparency should also underpin a new and a reformed procurement system. But it should also be underpinned by good governance; the good governance should include oversight of some sort, oversight by various people and entities that would make sure that when tenders are given there is that type of oversight and the transparency and openness must, in the end, be able to close all loopholes that those who win tenders we should know that information about their entities, about themselves, will be made public and it should be competitive bidding, it should not be closed tenders as we have tended to see in the past, it should be open tenders where everyone should know that they can bid.

Another key element – as I’ve said – should be the utilisation of technology; technology in the form of artificial intelligence, block chain and digital technologies. And if we can utilise these, we will be able to curb corruption so that, be it civil servants, be it political leaders, be it whoever, should know that any form of corrupt activity or intervention will be exposed, will be stopped and will be found out.

I think we have entered that type of an era to reform our procurement system and I am putting a lot of confidence and hope in the utilisation of technologies.

Many countries that have brought in technology in their procurement system have used it to good effect. I know of companies that have not only solved their procurement woes but they have also reduced costs.

Now, you talk about we lose 40% of what we procure annually, we will be able to reduce this if we rely on technology and artificial intelligence. We are now going to start a process in government to move in that direction, from national, provincial as well as local level. Because this is as a technological age, we cannot continue utilising procurement systems that belong to the ice age; we must explode into the technological age and utilise the most effective methods of dealing with corruption. And in that way, it is fair, it is empowering, it will be able to achieve the objectives that we seek, empowering the women of our country; as we’ve said, we want 40% of procurement processes to empower the women of our country; we want young people to benefit and we want black entrepreneurs and black companies to benefit. All that will be easily much more achievable when we use technology. Thank you very much. [Applause.]

Mr N SINGH: Hon Speaker, we heard that Adv Mohamed was to ask a follow up question and we know he passed on, sadly, and may his soul rest in peace. But I think we owe it to people like him and to our founding fathers and to a seasoned Member of Parliament and campaigner against corruption, hon Prince Buthelezi, who celebrates his 92nd birthday today, that we arrest this pandemic of corruption. [Applause.]

Mr President, it’s laudable that company names are being made public but behind these names are faces. Now, you hear of XYZ company, ABC PTY Ltd, who are the owners and directors of this company, that’s something that needs to be revealed.

The second thing, hon President, I still make an appeal to you to go back to my old hobby horse, that please do not exclude in your basket of options of dealing with corruption, the establishment of a Chapter 9 integrity commission; independent, free from politics, that will not only investigate but suggest remedial action to all the thieves who are robbing poor taxpayers of their money. Thank you very much.

The PRESIDENT OF THE REPUBLIC: Hon Singh, I join you in wishing *umntwana*, bab’uShenge, his wonderful birthday; and we were pleased to hear that he had recovered from Covid-19 and we continue to

wish him strength as he continues to play the elder statesman in the body politic of our country.

Yes, you are absolutely right, as we fight corruption we should not only be focusing on the names of the entities but we should also be focusing on the faces behind those entities and that is precisely what we are going to be drilling into.

The various institutions that we have set up, in what we call the fusion centre, have the capability to do precisely that. The work that is being done by the Financial Intelligence Centre, FIC, by SA Revenue Services, SARS, by the SIU, the Hawks and all these entities is going to probe so deeply as to be able, yes, to fathom the depth of the origins and the roots of all these companies.

I think – as I say – we’ve entered a new era. This has not happened before in our country and we’ve now broken into a new direction and I would like all of us, much as we are enraged by what has happened, to join the work that is being done by all these institutions, to support them, better still, let us support them and ensure that they are strengthen and as we heard earlier, if they can be given all the resources that are necessary, it will actually be the best thing that could happen to them. Because, as

Reverend Meshoe said, if they can be given those resources they will be able to do precisely what you are suggesting, hon Singh.

As to setting up another institution, what hon Steenhuisen calls another talk shop, it’s a matter that I think we need to look at, at a later stage. Let us consolidate what we are seeking to do now, to ensure that we consolidate the importance of this moment and make sure that these institutions that we seek to strengthen do their work, and once they have started doing their work effectively with greater strength, without any fear or favour or prejudice, we should then see precisely how we can strengthen their work even more. But for now I agree with you, we need to look at the origins, the roots of all these entities much more closely. And thank you very much for the suggestion as well. Thank you, hon Speaker.

Question 10:

The PRESIDENT OF THE REPUBLIC: Hon Speaker, the effect of the coronavirus pandemic on economies of many countries around the world has been quite severe. Like most other countries, we’ve had to confront the effects of a massive global slowdown when it comes to demand and supply, and a dramatic decline in our own local economic activity.

As our economy has suffered from the effects of the pandemic as well as the measures we have taken to contain its spread; we’ve also had to mobilise additional resources to mount an effective public health response and support companies, workers and households that Covid-19 has put under a great deal of distress.

The supplementary budget tabled by the Minister of Finance on the 24th of June, therefore, proposed significant increases in expenditure in the context of falling revenue.

As a consequence of our decisive and absolutely necessary response to this pandemic government debt is expected to reach

R3,9 trillion in 2020/21. This does not include the debt of state- owned enterprises. If not addressed over the medium-term the cost of servicing this debt will consume much of the savings accumulated in the economy each year. This would severely damage private investment as well as economic growth; reducing the revenues on which government spending plans depend on. This could mean that spending programmes that we have in government in a variety of departments are overwhelmed by debt obligations.

During the current Medium-Term Expenditure Framework, MTEF, period, for example, debt service costs are expected to exceed total spending on healthcare alone.

Since the economy and the fiscus were already weak prior to the current crisis, the starting point for ensuring fiscal stability is to close the gap between government spending and tax revenue.

In undertaking this task – somebody got shocked - government has adopted an active approach to managing the country’s debt. It is committed to an active set of fiscal and economic reforms to raise confidence and growth as well. This includes faster implementation of the economic reforms that are needed to support investment as well as employment to raise productivity and competitiveness, and to lower cost of living and the cost of doing business.

These reforms will include the finalisation, which is in process, of electricity determinations, going on with the restructuring process of Eskom and other steps to open up energy markets; the modernisation of our ports, which is speeding ahead our rail infrastructure, which is going to commence in a meaningful way, and the licensing of high-demand spectrum, which is going to happen.

Under the active scenario, which requires a programme of fiscal restraint, we anticipate a small surplus in the primary balance, which is the difference between non-interest spending and revenue in 2023 and 2024. Debt, by then, would stabilise at around 87% of

the Gross Domestic Product, GDP, after which it would gradually start declining. Those are the projections.

The active scenario prevents debt service costs from continuing to rise faster than all other items of spending for the foreseeable future. In this way, it prevents an outcome where South Africa’s debt costs are higher than all other expenditure; sovereign debt crisis causes investors to leave the country and the country has to seek large bailouts from other lenders.

To the degree possible with limited resources, government continues to support the implementation of the priorities outlined in government’s Medium-Term Strategic Framework of 2019 to 2024.

New and urgent government priorities have been funded through the reallocation of budgets within and across functions.

Improving efficiency, meaning that government will have to do more with less, has become a necessity. For example, more will need to be done using communication technology instead of spending money on accommodation and subsistence as well as travel costs. And in many ways, this covid moment has presented us with new ways of doing things where we can actually utilise this moment, however long it will last, to save as much resources as we possibly can

and redirect those resources to where they are most needed. And that is possibly that silver lining below that covid cloud that we must exploit and utilise to good effect.

Government remains committed to improving education and health outcomes and reducing poverty as shown by the size of allocations to the learning and culture, health and social development functions over the medium-term.

The economic recovery and reconstruction plan that is being developed by government alongside its social partners will ensure that resources are directed to infrastructure and employment creation programmes. And I must say that I’m very pleased with the work that is being done with the social partners and I’ve given them a tight timeframe to finalise what will be the recovery and reconstruction plan for our country going forward; because that is what must pivot our hopes on, to get out of this covid moment of bringing our economy down as it has.

Alongside urgent structural reforms such investments, will lay a firm foundation for a return to economic growth and job creation. This, in turn, will increase public revenue, allowing government to reduce the budget deficit and lower its exposure to debt. That is the approach that we want to have and those are the pillars on

which our recovery is also going to be based. Thank you very much, Madam Speaker. [Applause.]

Ms P N ABRAHAM: Hon President, the carefully outlined response is much appreciated. Thank you for taking the nation into confidence, not only here and now, but in briefings that are now fondly known as family meetings nationwide.

Research shows that in many instances it is not the lack of funds that hampers economic growth and development; it’s sometimes the poor quality of spending, the lack of capabilities in the state to drive implementation working together with social partners, wastage and corruption and lack of investment in the sectors that grow the economy such as the infrastructure.

With the national infrastructure plan, hon President, how far is government with its implementation?

And, hon Speaker, I would like also the President to speak on how the loopholes on tax evasion and symphonic loot of state funds and corruption will be stopped.

I wish, at this point, hon Speaker, to wish utataButhelezi a very happy birthday. May God bless the old man. Thank you.

The PRESIDENT OF THE REPUBLIC: Madam Speaker, yes, indeed, we’ve had challenges that we are addressing ... that we have to address such as the lack of spending that we have seen on a number of programmes, the capability of the state to implement a number of programmes, the wastage that has bedevilled our ability to have good service delivery and the corruption, and also the lack of infrastructure. We can add on to that list because it is quite a long list.

But we are determined to turn things around; to address precisely all these issues and to ensure that we infuse greater capability in the state and in many ways we should do so by eradicating corruption because corruption impedes better capability in the state, but it also weakens democracy, it also weakens state institutions; and by dealing with corruption we will also be able to deal with the issue of wastage.

But we also want to inject a new sense of patriotism in our officials so that they put the interests of our country first and the people first, rather than their own personal interests. And with the various mechanisms that we are going to put in place and that we are putting in place we should be able to get precisely to that.

How far are we with the implementation of our infrastructure plans? We are just a few months away from pressing the button on project or shovel-ready projects.

The office in the Presidency that has been looking at infrastructure has done an enormous amount of work supported by the Public Works and Infrastructure Department, and we are hopeful that the work that is being done by Dr Ramokgopa, supported by Minister De Lille, is going to go to a long, long extend in making sure that our infrastructure programme does take off.

We were able, during even the covid period, to have as many as two-thousand would-be investors globally looking at the infrastructure built, potential of our country, ranging from building dams, roads, rail network and a whole lot of other infrastructure projects. And this has been like ... countrywide; with all our provinces involved in the various projects that need to be done, we’ve gone through a really thorough-going process.

There was a delay which I bemoaned in the setting up of the infrastructure fund, which I spoke about on this very platform almost two years ago; that fund has now been set up.

A lot of private sector entities are showing a great deal of interest. And this is where we are now going to be having a situation where the private sector and the public sector will work together.

The recovery programme that we are going to be putting out in time to come is going to be pivoted around infrastructure. We are relying a great deal on infrastructure build because I see that as the real engine and the flywheel of getting our economy to begin the recovery process with a lot of job creation, public employment as well and focusing on a number of sectors of our economy and getting them to start work again. And we will then want South Africa to go back to work in a most effective way.

Issues such as tax evasion, corruption, are going to be part of the package of looking at how we reposition our country in terms of its attractiveness to investors; because it is when we focus on corruption and we rid our country of corruption, that investors will also pay attention to what we are doing here.

So, much of what you are talking about, we are now going to focus on and reduce wastage, infuse greater capability in the state, deal with corruption and begin the infrastructure build. An infrastructure build will also include the maintenance of current

infrastructure because much of our infrastructure is in need of maintenance and we want to bring the army of young people to be properly trained in skills that are going to be able to help with the maintenance of our infrastructure. Thank you very much.

Mr N F SHIVAMBU: President, South Africa’s debt obligations currently stands at more than R200 billion annually, which is servicing the interests of more than R3,7 trillion that is owed by the state to different financial institutions. What this means is that government expands more than two-hundred billion to pay for debt services, and that is more or less the same amount you spend on social grants and healthcare, as you’ve admitted to be.

What is the logic and the wisdom of borrowing a dollar-dominated loan of hundred billion from the International Monetary Fund, IMF, and other financial institutions? Which effectively would be swallowed by the two-hundred billion debt services costs, will be drowned into the Covid-19 procurement corruption, which is not eleven billion as you claim to be, and ballooned due to the currency fluctuations.

What is worse is that the IMF debt will not be repaid on record time and conditionalities will kick in and therefore undermining the country’s fiscal and monetary policies’ sovereignty. And this

will remain with South Africa for a very long time even after you have left your position as President of the Republic in 2023.

And lastly, like, if this fictional investments that you speak about, private investments that you speak about every day were real, we wouldn’t be in a recession we are experiencing now which is not solely blamed on Covid-19 pandemic.

But there’s no wisdom on taking money from the IMF, a dollar- dominated loan when you’ve got debt service cost of two-hundred billion. Thank you very much, Speaker.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, when covid befell us, already our fiscal position was quite challenged, but as it befell us we found that we needed more resources and as we looked around we did know that we would need to get an injection of loan or finance, be it from the local market or indeed from the international market. And as we trolled all these sources of finance, which we needed, we found that there were possibly principally four.

The one was the African Development Bank, which was willing to give us a dollar-denominated loan, something like US$1 billion, if I recall.

The other one was the new development bank, the Brazil, Russia, India, China and South Africa, BRICS bank, which was willing to give us a loan of US$1 billion, which would translate to

R18 billion at an exchange rate at the time, dollar-denominated as well.

The other was the World Bank, now with the World Bank they had an allocation of about US$900 million.

And the IMF, and we’ve been a member of the IMF since 1945, we also have the Governor of our Reserve Bank as one of the Chairs of a key committee in the IMF. The IMF, as covid hit, was able to allocate funding to many countries in the world to make sure that they deal with Covid-19. Somehow the whole world knew including those institutions that Covid-19 was going to result in great difficulties and challenges for various countries in the world; and they were willing an allocation, and we are, as a member of the IMF entitled to it, of US$4,2 billion. And many other countries on the continent and elsewhere also got their allocations.

We looked very closely at the cost structure of all these loans, including loans that we continue to acquire in our own local market, and the IMF one came at 1,1%. With a loan of 1,1%, with

conditionalities that were not the usual conditionalities that ... or conditions, I should say in simple English, the usual conditions that they attach to loans like structural reforms, we felt that we could actually take advantage of the low interest rate of this type of loan and also know that it’s not going to be a long-term type of loan; and it was focused on Covid-19, precisely the resources that we needed.

We discussed it extensively. There was an aversion in our country about getting a loan from the IMF because of the history that the IMF has had in imposing adverse conditions on many developing countries around the world. And we took a view that we would not subject ourselves to conditions that would compromise and sacrifice our own sovereignty as a nation. We were quite clear about that; and in fact, I should give credit to officials in our various government departments, particularly Treasury, because in a number of loans or funding that we could have acquired for a number of projects, mega projects, they were the ones who rejected and continued to reject adverse conditions, and we’ve continued to do precisely that.

The other day the Minister of Finance was telling me that the World Bank loan was attaching conditions that we could not accept,

and we agreed that we would, yes, reject that and they were still negotiating.

When it comes to conditions that would be adverse and sacrifice our sovereignty we draw the line and say, no.

When it comes to loans that would give us the lowest interest charge, we’ve tended to say, we can go for cheap money; cheap money that would help us achieve the objectives that we have, knowing fully well that we are not going to be sucked in or compromise our sovereignty. And it is on that basis that we did, after much discussion in a variety of places including the governing party, that we did say, we will, yes, accept this because of what is our challenges at the moment and what is on offer in terms the interest charge.

I don’t believe that the interest charge is so adverse that we will not be able ... if you look at the matrix/metrics I spoke to we should be able to reduce our debt and be able to start showing positivity once our economy begins to recover. Our economy, yes, has been scaling down over a number of years, and much of it has been with the world economic conditions but much of it has been our own faults, which we are now correcting. We’ve identified them, we now embarking on a vigorous process of reforms, but at

the same time we are saying, we are not going to abandon the path of making sure that we safeguard the interests of our people when it comes to the programmes that are going to support their lives.

Hon Shivambu, yes, you may have this negative disposition towards this entity called the IMF but we have said, this is an allocation [Interjections.] ... well, I was about to say a young child out there is very appreciative of what I’m saying. Thank you very much. [Laughter.] [Applause.]

Mr S N SWART: Hon President, I think just your comment about the youngster on the show now is humorous but at the same time it does indicate we need to be careful of intergenerational debt; and you have correctly alluded to the almost R4 trillion debt and the need to borrow funds internationally, which is regrettable but we appreciate the fact of the seventy billion IMF loan at 1,1% which is very favourable terms.

However, it did require commitments in the form of a letting tent from the country, signed by the Minister of Finance and the Governor of the Reserve Bank. Hon President, one needs to understand to what degree did those commitments, are there conditionalities?

Hon President, the question is, what impact will the recent revelations about the Covid-19 corruption as well as other challenges facing our nation such as power supply constraints have on our standing with international investors and international finance institutions and our compliance with the letter of intent given that, that particular rapid financing instrument was provided to finance Covid-19 expenditure?

So, obviously there’s a great concern from those institutions as to the corruption allegations when seen against the backdrop of additionally, prior to Covid-19, state capture and corruption, as we see with The Zondo Commission.

May I just say, President, commend you on the amendment of those regulations for The Zondo Commission; that is, as the NPA said, the game-changer, and it does indicate a commitment to fight corruption. So, I thank you for that as well, President.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, when it comes to the letter that has had to be signed by the Minister of Finance and the Central Bank Governor. It is a letter that sets out, obviously a number of conditions, it is just like when you go to a bank and you go borrow money, they will have certain conditions and conditions will range from things like you cannot spend much more

money than what you earn, you cannot do this and you cannot do that; and of course, they will say that, they will say that we hope that you will be able to reduce your debt over time. And it’s not an onerous commitment to make because that’s what we want to do.

Many things that are set out in the letter are precisely what we know we have to do; and they would say we would like you to go on with the reforms. It’s not like an instruction from them that you shall do this; we say these are things that we are committed to doing. We have a programme of reforming – if you like – our network industries: our rail, energy, water and all that, those are the network industries that we have to reform. So, when they raise it in the letter it’s not like an instruction from them; it’s what we want to do, to reduce our debt and also to live within our means, it’s precisely what we should do, it’s the prudent things that we should do.

There may, well, be one or two conditions that could raise eyebrows, I’m quite prepared to say that, but it is not so debilitating that you would say ‘NO’ to getting a 1,1% loan. So, it’s not sacrificing our sovereignty, we are not selling the silver of the country and all that. Yes, we’ve had to agree to that.

But what is the impact of what are going through, the corruption, for instance? Yes, of course, I mean in the letter they may well have said we would like to see you fight corruption. It’s what we want to do. So, it’s a nice condition. It may sound bad that it is being raised by somebody else but it’s just as good as if you go to a bank and they say we want you to make sure you do this and that and then you say ‘okay, you’re not going to buy a Rolls Royce’ you’ll agree that I will not buy a Rolls Royce and, all that.

So, in the end, in terms of compliance, we intend to comply, we intend to do what is right for ourselves as a country and the people of our country; and they will, obviously, be looking at the steps we take to curb corruption.

Obviously they don’t want to see the wheels falling off the country, they will want to make sure that, indeed, we will fight corruption and we will work within the parameters that are set out in our governance, in our laws and everything else. They will want to see that, yes, we are going to upgrade our power facility, that Eskom will be properly managed, that we will go on with the reforms or with the restructuring in Eskom and all those things.

They are not things that are so negative that they would cause us

to believe that they are interfering with our sovereignty, these are things that we will do.

So, in the end, we would be able to say to you, yes, there have not been sort of discouraged to go ahead with the loan because of the corruption. They have noted, of course, as they often do because they have their representatives here and they watch our economy on a daily basis and they watch all the indices and the indicators, like they do with any other country, but they have not been discouraged from going ahead with this.

A question would be asked, many people have often said shouldn’t you have looked elsewhere, shouldn’t you have gone to find money in the Public Investment Corporation, PIC, in this other body and this other body? And we say, those entities obviously have their own governance structures and to make an allocation of R74 billion is not an easy matter. And if we get it as a 1,1% loan it becomes something that we can work with.

So, it is for that reason that we have and we will on a compliance basis be able to comply to meet the compliances that they have set out because they are not onerous, they are being imposed on us, these are things that we need to do ourselves and move on and

reform South Africa so that we have an economy that can function better. Thank you very much. [Applause.]

Inkosi E M BUTHELEZI: Hon Speaker, as you are aware that some of the things that have exposed our country into such a debt is our [Inaudible.] of growth and the serious problem of corruption, it does not only steal from the poor but also deepens poverty.

We’ve heard the President making so many undertakings in terms of tackling corruption and an invitation to the nation to lend their hand.

But what we continue to see, hon President, can we conclude and say the President is failing to fight corruption? Or what we see is a clear act of sabotage to your commitment of tackling corruption from your colleagues, in both government and your party? Thank you very much.

The PRESIDENT OF THE REPUBLIC: Hon Speaker, I don’t want to be singing the praises of this writer, J P Landman, but I do want people to look at what he wrote because much more than anything it’s also a very technical type of assessment of what we have done; and as I said much more in depth than what, I, myself, would

ever have done, even if I were to – sort of – praise government or myself; but he outlines exactly what we have done.

If one looks at a number of steps we have taken, and looks at them objectively and looks [Interjection.] ... and looks at the impact of some of those measures, you will find that we have made strides, we have made progress; and it’s obvious progress that has not hit the bright lights of the front page of newspapers and it’s not the progress that has immediately resulted in what people wanted to see happening, of arrests and people going to prison and all that, but it’s been more institutional reform type of progress. Progress where we really positioning a lot of these institutions and many of them had been compromised, many of them had been captured, many of them had been debilitated and disempowered and they are beginning to come back into their own and beginning to function as the proud institutions of our country.

To the extent that I would say one has failed to deal with corruption, I think one needs to look at what has been done in that - sort - of sector of repositioning various institutions. And one would find that, yes, there has been progress so there hasn’t been failure there and I think we need to give those institutions the time and the space to continue doing their work.

You talk about, yes, there’s been possibly either sabotaging or whatever, I wouldn’t say that, that is the issue; of course, a number of those institutions may still ... will have people who still want to put the brakes on, who still want to ensure that things don’t happen in the way that the institutions should work. It is possible. And of course, people who have benefited from corruption, benefitted from state capture, are the ones who are going to fight back much harder, much more vociferously because the well-functioning of any institution is the type that they fear most. And all we want, and all the people of our country want is to have institutions that function well, institutions that will fulfil their mandates and institutions that will not have people who will work in way that favours certain other interests, and certain other people. We want institutions that will work without any fear, favour and without prejudice. Because once we get our country back to that, then there is no sabotaging, then there is no diversion, there is just focus in getting our country back to work. And that, hon Buthelezi, is precisely what I’m committed to doing. Thank you very much.

Question 11:

The PRESIDENT OF THE RSA: Hon Speaker, the unemployment crisis in our country has been dramatically deepened by the economic effects of Covid-19. We are therefore called upon to use every means at

our disposal to rebuild our economy, to protect existing jobs, but also to create new ones. This means that, among other things, we need to look at issues of migration, employment and economic activity. As we do so, we should avoid populist temptations to blame our unemployment crisis on foreign nationals working in our country, either legally or illegally.

By the same measure, we as South Africans need to understand that we must respond to the frustrations by our own people - the South Africans, at the violation of immigration laws and other regulations by those companies that employ foreign nationals illegally. To ensure a coherent sustainable solution to these challenges, Cabinet has established an Interministerial Committee on the Employment of Foreign Nationals, convened by the Minister of Employment and Labour and co-chaired by the Minister of Home Affairs. On a daily basis, the two ministers deal with these issues about migrants who come and leave our country.

This interministerial committee, IMC, will deal with the migration of foreign nationals for employment and related opportunities. The IMC will provide guidance on matters such as existing labour supply agreements, trade relations and transportation agreements. It will also address criminality and related security matters across our borders.

The IMC will also review decisions on special dispensation work permits, amendments to our Immigration Act and the Employment Services Act and labour migration management. The committee will also need to ensure that our approach to the employment of foreign nationals provides and addresses the issue of scarce and critical skills that we need to grow our economy.

This committee’s work is being looked forward to with great anticipation by all of us in government because in the end we need to deal with this challenge that our people always talk about – the challenge of foreign nationals who are here in great numbers in our country and we need to deal with it properly, both politically and historically. That is precisely what we are going to do. When this work is done and completed, Cabinet will be able to reflect on this matter and be able to possibly even get public participation in whatever option we are going to come about with.

And it is this where as South Africans we don’t need to be haphazard. We need to be structured in a way that we deal with it because as a country, post-1994, we became an oasis – an oasis in a desert of economic challenges that many countries face and we face a lot of people streaming into our country. We therefore need to deal with it in the most structured and proper manner. Thank you, hon Speaker.

Mr V ZUNGULA: Mr President, there is nothing populist about addressing this issue. The labour market report of 2017 clearly stated that we have more than 1,5 million foreigners who are working in our country – those are the ones who are here legally with visas. There are many more who do not have visas. It is a reality that key strategic departments are run by foreign nationals, for example there is a Phillip Saunders who was recently appointed to be a new CEO of SA Airways, SAA. Recently, there are more than 40 engineers from Germany who came to our country.

In our many institutions of higher learning it is a reality that many senior lectures come from either America or Europe. Truck drivers recently protested for the very same issue of being overlooked in their own country. I therefore want to put it to you that there should be no quotas or ratios on the employment of foreign nationals. We have existing laws. Foreign nationals should only be employed for jobs that we as South Africans do not have skills for. I want to put it to you that we do not have a skills shortage in our country.

Botswana has recently enacted a law that prioritise its own citizens in the labour market as well as in the economy. There was never any person who said that they are populist, xenophobic or

that they lack ubuntu because it is natural for any country to prioritise their own citizens. Why is there a need for an interministerial committee whereas there are existing immigration and labour laws that should just be complied to? The government should make sure that all companies, including government departments, comply with existing immigration and labour laws.

The PRESIDENT OF THE RSA: We are quite aware of a number of issues that the hon member has cited, including the recent one from Botswana. Botswana has delineated a number of business activities or areas of business that should only be occupied and owned by Batswana. That was quite straight forward, it was not seen as being xenophobic – it is absolutely right. The same has happened with other countries like Ghana, Nigeria and so forth.

We are scanning our own continent and the globe in relation to this. It is precisely this, that the structure that you are so dismissive of is going to be looked at very closely and it is also going to base its work on the experiences of a number of other countries. We will engage a number of sectors of our economy including truck drivers and many others in finding a solution that will be able to take us forward. I thank the hon member for citing an example which we were already aware of and we will take all the

various other proposals and suggestions from various quotas into account in finding solutions in this regard. Thank you very much.

Mr M G E HENDRICKS: I want to know if the President knows that my constituency in the Cape Flats in Cape Town, in spite of being the most discriminated community in South Africa, have no quarrel with the Africans in the diaspora who are trading in the informal sector, where most of them operate. There is no xenophobia in the Coloured community. I hope the President confirms that he knows about this fact. I hope the President deals with the discrimination against our constituencies, there is an Africans preference policy with regard to medical care, jobs, housing, basic services, Covid-19 relief and economic activities. Although Coloured communities are demographically in the Western Cape they had been overlooked in the appointment of members of the National Youth Development Agency, NYDA. Al Jama-Ah complained to you, hon Speaker, about marginalisation.

Hon President, if I get the opportunity to ask you a question, it will be to ask you to consider appointing a commission of inquiry into the discrimination against the Coloured community, which is also black. Does the President agree that there will not be a strange fellow African from all over the continent who can be barred from jobs and trading opportunities in our economy

including the informal sector? Let’s follow the example of Botswana and Ghana, there is need to appoint the founding fathers of the new Africa of the 1960s. As it is Women’s Month, will the President consider a visa-free entry for African women into South Africa and access for them to have a livelihood in the informal sector? Thank you very much, hon Speaker.

The PRESIDENT OF THE RSA: I did not perceive a question. It was more commentary, which I would say I welcome because those are the issues that we need to deal with. I would join the hon Hendricks and say yes, we have not perceived any form of xenophobia in the Western Cape, in the Coloured community. That is so and we hope that it holds that in the end even here in the Western Cape all our people are treated equally with the dignity that all of them should enjoy. You also referred to the NYDA issue, which I am told has been referred back and it has been dealt with. As regards that, which I already spoke about what is happening in Botswana, Ghana, Nigeria, those are areas that we are watching and precedence and examples that we are watching closely. When this committee does its work as led by the two Ministers, we will be able to find solutions. These will be South African tailored solutions - the solutions that are born out of the conditions that exist in our country, the circumstances that we live under. I

think when we come up with solutions, they will be very South African unique solutions. Thank you very much, hon Speaker.

Ms O M C MAOTWE: President, we think it is proper that as the President of the Republic you adopt firm stand on this issue, not this interministerial committee that you want to establish, it will not assist in any way like all other commissions that were established in the past. The historical evolution of the South African economy was always dependent on the exploitation of black people labour from the rest of the southern African region. People from Malawi, Mozambique, Angola, Zambia and Zimbabwe toiled and some perished in the mines of this country building wealth for white people. Our schools and universities have benefited from the skills brought in by our fellow Africans too.

I don’t want to remind you President how sentiments of anti- Africanism like this can easily cause xenophobic attacks on our fellow Africans. In effect, a lot of African brothers and sisters paid dearly with their lives due to this. President, you are the Chairperson of the African Union, which is supposed to champion and advance the cause of unity amongst us as Africans. What are you doing to prevent these toxic sentiments of hatred amongst Africans and what steps are you taking to forge unity amongst Africans? Are you not of the view that the imagined anti-African

sentiment in this country is as a result of your failure to grow the economy and employ people? President, I am sure you will agree that a united Africa which will lead to the attainment of one Africa, one currency, one economy and one president, is the only solution that will bring the end to fighting our fellow Africans over the so-called jobs here in South Africa. I thank you, Speaker.

The PRESIDENT OF THE RSA: I was just reeling from this barrage of political speak of one Africa, one president and all that, which I am still dizzy on. Let me say that one of the things that we’ve always promoted as a country is to have a very Afrocentric and focus approach to the development of our continent. And our policies have sought to advance the interests of Africans. That is why we are not shy and afraid to call ourselves Pan-African in our approach. In terms of many things that we seek to do, we always say that Africa must solve its own problems – African problems for African solutions. In this regard as well, and that is why there is a need for this committee because what the hon member is saying is diametrically opposed to what the previous hon member said because you have divergent views.

Other views are just South Africa focused - that we must just look at ourselves and this in a way tends to also make us forget that

we exist within our continent – the African continent. That needs to be born out of our own history - out of our own positioning as a country, and we also need to take into account the contribution that has been made by many Africans to get us to where we are. In balancing that, we also have to balance the needs of our own people. That is why I said we must take into account the frustrations of our own people with regard to the migration that they see coming in and this notion that they have that they are being pushed out of jobs. So, we need to balance that. We often try to do things in a very balanced manner. And in doing so – in setting up this committee we are going to come up with what I believe is going to be a very balanced position that will position us well within our own country in relation to our own people but also position us well in relation to the continent as a whole.

South Africa must continue giving leadership; it must continue being the reservoir of what is best for the African continent. In doing so, there are certain things and principles that we need to embrace, adhere to and advance, and be able also to show good examples in some of the things that we do. Hon Speaker, I have heard what the hon members are saying and I remain convinced that it was correct to set up this interministerial committee to deal precisely with the divergence of views that I have heard this afternoon. Thank you, hon Speaker.

The LEADER OF THE OPPOSITION: Mr President, I think this question under discussion is looking at things from the wrong end of the stick. Surely, the pressure is because our economy is shedding millions of jobs every single year. Instead of being xenophobic about current jobs that non-South Africans are having and scapegoating foreign nationals; what we should do - and I am sure you agree with me - is create many jobs, and we can do this by attracting foreign direct investment. South Africa needs to be part of the global economy. Mr President, the truth is that we scare foreign direct investment away with red tape, labour legislation and other mechanisms so stringent that nobody wants to create jobs here. To encourage investment and job creation, particularly for the 13 million South Africans who are unemployed, we need the economic reforms that you speak about so often. But we cannot have those reforms whilst we have expropriation without compensation, National Health Insurance, NHI, nationalisation of the Reserve Bank and prescribed assets. We need to reject this nationalism in favour of internationalism. My question is, Why does your government persist with talk about this job destroying and investment destroying policies that you know are going to shoot your own investment drive in the foot, kill jobs and make our economic recovery so much slower than it should be. Thank you.

The PRESIDENT OF THE RSA: It is possible that the hon Steenhuisen is really hard of hearing. Is it possible that I may whisper to him that he needs to go and visit an ear doctor because he hardly ever hears? I am not being unkind to you. But he hardly ever hears what I say. And I have said that to him, repeatedly. Hon Steenhuisen, we are committed to the path of implementing reforms

– reforms that we know will be able to attract foreign investors to come here.

This notion that you put across that we are sort of committed to these policies that will scare investors away is clearly not correct. It is not correct, and that is why I say that you need to listen very carefully to what I say. I am being unkind because when you listen to what I say - I have been saying repeatedly, we want to attract foreign investment and it is for this reason that we have held two foreign investment conferences. We are going o have one later this year. They will be on a hybrid type of basis, like we did in the infrastructure symposium. [Interjections.]

The SPEAKER: Mute, hon Primrose. Mute! Mr President, please proceed.

The PRESIDENT OF THE RSA: And in doing so, we will be continuing to remove the red tape which we speak about. The red tape has been

there, and I have been saying that rather than have red tape, we must roll out the red carpet so that investors should come in. And that is exactly what we are going to continue doing. There are quite a number of things that we need to do, including economic reforms, to make sure that we attract investors. We continue debating the question of land, the NHI and the issue about the Reserve Bank. I am not going to even bore you and get into all that. But you need to hear me clearly and carefully when I say that we are going to proceed with the reforms.

By the way, some of the suggestions to your favour that you have made, are very good suggestions that we will follow through with. But all I plead for is that you should listen very carefully when I articulate all these issues because that is precisely what we are committed to. We want to promote policies and approaches to our economy that are going to attract investors to come to South Africa and invest, not only for foreign direct investment but also for local investors. We want the private sector to invest and to invest in a bigger way that they have done in the past. And of course, they will only be able to do so if we improve by lowering the cost of doing business, for example if we remove the red tape and if we ensure that the regulatory framework is in place. If we make sure that the reforms we have spoken about on energy, water, roads and everything, are actually implemented. We are going to

implement that and we are on the path to doing precisely that. Thank you very much, hon Speaker.

Question 12:

The PRESIDENT OF THE RSA: Hon Speaker, one of the greatest challenges we are confronting as a country is the theft of public resources by those given the responsibility to manage those resources and also to safeguard them; those we have appointed as stewards of those resources.

A priority at this moment is to address the concerns that have been raised by our people about the involvement of political office bearers and public servants in the unlawful awarding of tenders and contracts, to relatives and acquaintances. While most public servants are dedicated, diligent and law abiding; we nevertheless find that such practices are found in all spheres of government and in many public entities.

State capture is the form of corruption on a grand scale where criminal networks are used to control public entities to unlawfully enrich private individuals and companies. This corruption took place alongside a deliberate effort to weaken and disable the country’s law enforcement capabilities. Therefore, a critical part of our efforts to root out all corruption both in

the public and private sectors has been to rebuild our law enforcement agencies, to restore their integrity and credibility and provide them with the means to act against corruption. I spoke about this at length earlier.

Over the last two years, we have made significant progress in this regard; in strengthening institutions like the National Prosecuting Authority, NPA, Hawks, Sars, Special Investigating Unit, SIU, and others, so that they are able to detect, investigate and prosecute all acts of corruption. At the same time, we have worked to strengthen the measures inside government to minimise potential for corrupt activities.

In 2016, the government reviewed the code of conduct for public service employees to; amongst other things prohibit public service workers from conducting business with the state. Be it in a personal capacity or as a director in a company that conducts business with the state.

In 2019, I extended this provision to the whole of the public administration when section 8 of the Public Administration Management Act was brought into effect by means of a proclamation. This criminalises the act of public administration employees conducting business with the state. To ensure action against those

who transgress these laws, systems have to be put in place through the personnel salary system, persal, and the central supplier database, to identify public servants who tender for contracts with the state.

In the last month, the Minister of the Public Service and Administration, Minister of Police, Minister of Justice and Correctional Services have drafted a memorandum of understanding to better co-ordinate efforts that will lead to the investigation and prosecution of those employees who were found to be conducting business with the state.

While all wrong doers must face the full might of the law, our priority is to ensure that corruption does not occur in the first place. We are therefore strengthening financial, human resource and other management systems, to reduce the risk of unlawful conduct by any person in the public service. We are doing this so that those who are employed – as the Question started addressing – who are employed by the state, should know that it is essentially a conflict of interests that while you work for the state to do business with the same state.

This often happens in departments where people seek to do business with the state; knowing very well what the contract arrangements

and movements are all about, and then they start doing business with the state. It is wrong. It is wrong because it deprives those who are genuine business operators from either tendering or participating in a pure vanilla type of business opportunity with the state. So, it is conflictual and this is what we are seeking to stop. We want to prevent it before it happens, so that we do not have to embark on criminal justice mechanisms to get people investigated and finally arrested.

Hon Speaker, we believe that this is the best way of strengthening the capacity of the state. This is the best way of enhancing its capacity to be able to purely serve the people of our country rather than to serve the interests of just a few. Because doing business with the state is precisely that; you are an insider therefore, business is done with you and it is unfair to everyone else. Thank you, hon Speaker.

Mr S S SOMYO: Hon Speaker, hon President, thank you very much for answering that question. It indeed brings life into the effect that you, as part of the broad movement, the ANC, are committed both in words and deeds, to out root corruption, as it finds way into individuals both in the organisation and in government, who have plundered the state’s resources and have brought our hard- fought democracy to a point of humiliating disgrace.

You have spoken largely on the part of revamping the procurement system, something which has shown its own way hardly that those who are comfortable with corruption find their way through that system. In doing so, are you ready to share with us the core elements of that supply chain management revamp, as the guarantee to deepening and instil the ethical conduct of those who work with government as well to the people in enforcing trust in the public sector? Thank you very much.

The PRESIDENT OF THE RSA: Hon Speaker, thank you very much, hon Somyo, indeed the determination and the commitment is there. It is all based on doing the right thing. One works on the basis that we are all committed to doing the right thing. If we are committed to doing that let’s do it properly. Let’s not try to cut corners or to defraud the system. Clearly, we have got to have a number of elements and one of the key elements is adherence to proper values and proper principles that they should be put out there and should be enshrined in the code of conduct. The code of conduct in the main, deals with the values and the principles that we would like our civil servants to adhere to. Once we adhere to that code of conduct, then I believe that we would have done half the work.

Another point is to make sure that we take preventative measures. The preventative measures must then be to set out the rules. The

rules that this is what we would like everyone to comply with. To comply with certain rules, we are now going to move toward inserting in those rules things such as lifestyle audits, so that they act as a preventative measure so that everyone who works at a particular level in government should know that we will want to know precisely where their wealth comes from; whether they are living beyond their means and whether they are susceptible to any form of outside influence or paying heed to certain interests outside. When we have done that, we will then put in place a number of other measures. Some will be preventative and some will in the end be punitive measures. Punitive measures that will deal very severely with those who transgress those rules.

We hope and work from the basis that, most if not all civil servants, are civil servants who are committed to serving our people well and who are committed to the philosophy of Bathopele Principles. And if they are, then they have nothing to worry about. There are however those few who will want to bug the system. Those few who will want to be fraudulent and the other punitive measures that will put in place are meant to deal precisely with those that are going to try and transgress the system.

I am a true believer in the belief that our people who are in the civil service, in the main, want to serve our people and we want to strengthen their hand even as we get them to sign the code of conduct and behave in a particular way; they should be willing and able to do so with a great deal of commitment, because that code of conduct enshrines all the good principles that we want everyone to adhere to. Thank you, hon Speaker.

Mr N L S KWANKWA: Speaker, the second follow up question is supposed to be asked by my leader. He had been following the proceedings connected all along until recently. He has been struggling to connect for the past ten minutes. In fact, he is in the waiting room, waiting to be connected to the meeting. May I please request that he be allowed to be the last one to ask a follow up question, while IT is sorting the connection challenges that he is experiencing at the present moment?

The SPEAKER: I will allow that hon Nkwankwa. However, my instruction was that you are going to take this follow up question. I will then allow hon Steenhuisen to proceed.

The LEADER OF THE OPPOSITION: Speaker, hon President, I can assure you that my hearing is absolutely perfect. And I know that,

because I heard with my own ears what your secretary general said the other day.

The PRESIDENT OF THE RSA: What a joy!

The LEADER OF THE OPPOSITION: “Tell me of one leader of the ANC who has not done business with government.” Hon President, your problem is that your secretary general is absolutely right. There are very few people in your government and in your party that are not doing business with the state. That is why you cannot root out corruption because it means you would have to take a strong stand against those.

I am very glad you have spoken about lifestyle audits, as you know the Premier of the Western Cape has subjected his entire provincial Cabinet to lifestyle audits and they have been made public.

Hon President, on February 2018, you stood at this podium and promised us lifestyle audits. Not for civil servants, but for members of the Cabinet. Therefore, my question to you is, has every member of the Cabinet undergone a lifestyle audit and when will you make those public?

The PRESIDENT OF THE RSA: I heard it. Do you want to hear the answer? Are you ears open? The lifestyle audits that I spoke of are in process and it is going to be done without any fail. I can confirm that and I promise that. It’s in process. Thank you, hon Speaker.

Ms H DENNER: Hon Speaker, I would like to wish the hon Buthelezi a happy 92nd birthday, as well as the leader of the FFPlus, Dr Groenewald, who is also celebrating his birthday today. Hon President, with reference to public servants and officials doing business with the state, as hon Steenhuisen has just mentioned, the secretary-general of the ANC, Mr Ace Magashule, stated earlier this month “Tell me one leader of the ANC who has not done business with government.” insisting that there is no law prohibiting this.

While it may not be prohibited by law, is it morally and ethically acceptable for ANC leaders to do business with the state taking into account the rampant corruption in South Africa and the culture of [Inaudible] from a 2014 SABC interview vision out patronage. And can you confirm or deny the secretary-general’s revelation that indeed there are no ANC leaders including yourself, who have not done business the state? I thank you, hon Speaker.

The PRESIDENT OF THE RSA: Hon Speaker, a week ago I penned a letter to the members of the ANC, and one of the issues I raised is precisely this issue which has been raised by hon Steenhuisen that you are also raising. And it is the issue of leaders doing business with the state. I said in that letter, this is a matter that we must discuss; we must discuss this matter because it is a matter that has reared its head within the body politic of our nation. Because people of our country are incensed. They are most unhappy to see that leaders of the ANC and their families are doing business with the state. It is a matter that I have said should be discussed.

It is going to be discussed in time and the ANC which is this big, more than million members organisation; will discuss it and come to a conclusion on this matter. We are going to have a fairly robust detailed discussion on it because, it is a matter that now requires proper discussion. For that reason, I raised it in that way, I said we must discuss this matter without ... [Interjections.]

An HON MEMBER: You need a lekgotla?

The PRESIDENT OF THE RSA: ... no, we don’t need a lekgotla because it is a matter that requires discussion. We will discuss it and we

will come to finality on this matter. That is what I am able to say to you and to promise you on that. Thank you very much. [Applause.]

The SPEAKER: Hon Kwankwa, I have to come back to you because I am informed that there is nobody in the waiting room. How do you advise? Are you taking the last supplementary, because there is nobody in the waiting room, we have just checked? Thank you very much.

The LEADER OF THE OPPOSITION: I heard very clearly, there was nobody who wants to take it.

The SPEAKER: Nobody.

The LEADER OF THE OPPOSITION: Steenhuisen will take it with pleasure.

The SPEAKER: Hon Steenhuisen, you have taken a supplementary on this particular question; the supplementary I deliberately am saying to a party that did not have the supplementary on this particular question. If there is nobody, that opportunity is gone.

Mr N SINGH: Hon Speaker, I am willing to take it. Sorry hon Kwankwa. Hon President, the whole issue of public servants being involved in doing business in the state, brings up the issue of a number of them being removed from their positions in certain departments and then you find them either getting promoted positions in other government departments in the country or in state-owned enterprises.

Will you ensure that there is a mechanism that these individuals be blacklisted, so that when they apply for vacancies in any other state institutions or government department or municipality then their record will follow them and they will not be appointed to government positions? Thank you.

The PRESIDENT OF THE RSA: Hon Speaker, I am able to confirm to hon Singh that yes, we are looking at that. And it’s a mechanism which will rely on technology and artificial intelligence, where we will be able to track anyone who has either been dismissed or dealt with for various things including malfeasants and reappears elsewhere in the government system and gets employed. The system that we are going to come up with will break that.

Reliance on technology is going to be of great help to government and that is why I have sought to stress it over and over again.

Because there are systems like that and we are going to employ them. Thank you very much for the suggestion, we will take it up.

# EXTENSION OF DEADLINE OF THE AUDITOR-GENERAL

(Draft Resolution)

THE CHIEF WHIP OF THE MAJORITY PARTY: Thank you very much, hon Speaker. The House will remember that we have established the ad hoc committee whose mandate was supposed to end on 31 August 2020, I move:

That this House extends the deadline by which the ad hoc committee on the appointment of the Auditor-General is extended to 30 October 2020, to complete its business.

Motion agreed to.

The House adjourned at 17:13.