**UNREVISED HANSARD**

**NATIONAL ASSEMBLY**

# WEDNESDAY, 28 OCTOBER 2020

***PROCEEDINGS OF THE NATIONAL ASSEMBLY***

The House met at 14:02.

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

The DEPUTY SPEAKER: Order! Hon members, let me take this opportunity to acknowledge the presence of the President of the Republic who has joined our hybrid plenary through the virtual platform. Welcome, Mr President. In the interests of safety, for all present in the Chamber, please keep your masks on and sit in your designated areas. We request members to sign their attendance slips. Thank you very much. The Secretary will read the First to the Fourth Orders together.

# MEDIUM-TERM BUDGET POLICY STATEMENT

**SECOND ADJUSTMENTS APPROPRIATION BILL**

(Introduction)

# RATES AND MONETARY AMOUNTS AND AMENDMENT OF REVENUE LAWS BILL

(Introduction)

# TAXATION LAWS AMENDMENT BILL

(Introduction)

The MINISTER OF FINANCE: Deputy Speaker of the National Assembly, President of the Republic of South Africa, Deputy President, Cabinet colleagues, Governor of the SA Reserve Bank – the tenth one ... because I was the eighth one – members of the executive committees responsible for finance: Team Finance, hon members, today we table the Division of Revenue Second Amendment Bill, the Second Adjustments Appropriation Bill, the 2020 Rates and Monetary Amounts and Amendment of Revenue Laws Bill, the 2020 Taxation Laws Amendment Bill, the 2020 Tax Administration Laws Amendment Bill, the 2020 Second Adjusted Estimates of National Expenditure, and, finally, the 2020 Medium-Term Budget Policy Statement.

# INTRODUCTION

Hon members, 26 years ago President Nelson Mandela stood at this very spot to weave the tapestry of our newly democratic country.

So it is quite correct when some of us say we have stood where giants have stood before. [Applause.] Freedom was only two weeks old. Madiba challenged us to: “Meet despair with hope and death with a reaffirmation of the beauty of life.” His plan for the country’s first democratic administration committed us to fiscal rehabilitation after the devastation visited upon our public finances by the apartheid regime.

Most of us sitting here today in this House did not know it then, but Madiba was ushering in a period of unmatched social progress in our history. Over the next 15 years, the economy began to re- emerge from the apartheid crisis. Real GDP growth rose by 61% and 5,3 million jobs were created.

We are today, fiscally, at a moment not too dissimilar to 1994. We must rebuild our economy, rehabilitate our public finances and recover from the devastation visited upon us by COVID-19. As we rose to that fiscal challenge then, so we will rise to this one.

Two weeks ago, President Ramaphosa – in fact, here it says “President Matamela Cyril Ramaphosa”; I was a bit scared to

mention his names – laid out the government’s consensus-driven and action-oriented Economic Reconstruction and Recovery Plan. I say “consensus-driven” because, in large part, the plan was discussed and consulted upon at the National Economic Development and Labour Council, Nedlac, and eventually agreed to. This particular plan is urgent and all of us should do everything in our power to implement it.

# SUMMARY OF THE MEDIUM-TERM FISCAL STRATEGY

The June 2020 Special Adjustments Budget was prepared in an environment of extreme uncertainty. Given the economic situation then, government proposed a three-year fiscal consolidation programme. Since June, more data has become available. The economy now is expected to contract by 7,8% this year, and the 2021 outlook is more uncertain. Job losses have been particularly severe, but we cannot allow ourselves to fall into a season of despair despite the challenges of the pandemic. We cannot allow ourselves to move towards a sovereign debt crisis. We have it within our power to reverse this pathway.

Therefore, today government sets out an active set of measures to avoid a sovereign debt crisis. We table a five-year fiscal consolidation pathway that promotes economic growth while bringing debt under control. The fiscal measures realign the composition of

our spending from consumption towards investment and support efforts to lower the cost of capital.

Our revised fiscal framework puts us on a course to stabilise the debt-to-GDP ratio at around 95% within the next five years. But I must emphasise that this means, going forward, the risk is on the upside. The stock of gross debt will rise from roughly R4 trillion this year to R5,5 trillion in 2023-24. May I repeat this: Our revised fiscal framework puts us on a course to stabilise the

debt-to-GDP ratio at around 95% within the next five years – very close to 100% of GDP. So, the risks are higher. Therefore, there cannot be any slippage in the fiscus. There is no room for slippage. [Interjections.] Yes, I thank you are right. Thank you for that. I think you went to a better school than I did.

The stock of gross debt will rise from roughly R4 trillion this year to R5,5 trillion in 2023-24. The medium-term fiscal strategy narrows the main budget primary deficit from an expected

R266 billion in 2021-22 to R84 billion in 2023-24 and we achieve a surplus by 2025-26. [Interjections.]

We propose consolidated spending of R6,2 trillion over the 2020-21 Medium-Term Expenditure Framework period, or MTEF period, of which R1,2 trillion goes to learning and culture – by “culture” we don’t

mean just arts and culture; we mean education, basic education, higher education, and so on ... including arts and culture.

R978 billion goes to social development and R724 billion goes to health. We forecast the South African economy to grow by 3,3% in 2021, 1,7% in 2022 and 1,5% in 2023. Why 3,3% in 2021 is because of the base effects – from a sharp contraction to a recovery.

Deputy Speaker, let me say that the President, by putting forward the Economic Reconstruction and Recovery Plan, has ensured that we accelerate the growth potential of the economy. This will secure fiscal sustainability and build this economy better than before.

The point we are making here is that we need to get the economy to grow so that we can collect more tax and can, therefore, have a better fiscal sustainability situation.

# THE ECONOMIC CONTEXT

Turning now to the economic context. A sharp – and, hopefully, short – global recession is under way. The International Monetary Fund, the IMF, now expects global output to contract by 4,4% in 2020, before rebounding to 5,2% in 2021. This is in their report for the October World Economic Outlook.

Growth in advanced economies is strengthening. Next year, emerging-market countries are set to grow by 6%. Sub-Saharan

Africa is expected to rebound to growth of 3,1% in 2021. As always, Africa has been at the forefront of innovative solutions to the crisis, including delivering social assistance through digital technology. *Ex Africa semper aliquid novi.* [Out of Africa there is always something new.]

Deputy Speaker, you are now well aware that the country’s aloe ferox is drought-resistant; it can survive the harshest of circumstances and can certainly withstand a pandemic. Our little aloe ferox has survived! It is recovering very well! I was concerned at a stage that it might not be alive.

In South Africa, the high-frequency data that we collect suggests that green shoots are beginning to emerge. At this stage, it looks like there will be a strong rebound in the next quarter. This will be supported by the government’s Economic Reconstruction and Recovery Plan. Already there is progress in implementing the plan.

Hon members, improving the supply of electricity is urgent. In line with this plan, there is progress in allowing municipalities to buy electricity from different sources. In addition, the way has been opened for the procurement of almost 12 000 MW of new electricity capacity to be provided by independent power producers. The ongoing implementation of the Eskom Roadmap and

unbundling continues. Divisional managing directors and boards of directors have already been appointed. Infrastructure and structural reforms are at the centre of the recovery plan.

Mr President, our government, under your wise leadership, has championed the Infrastructure Fund to implementation. And we are starting to see results! Subsidies of R2,2 billion will support the Social Housing Programme aimed at poor, working South Africans. A further R6,7 billion has been contractually committed to this programme. We expect that the total investment amount from this programme to be around R20 billion over the next

10 years.

As a consequence of the Infrastructure Fund, the Student Housing Programme, worth an estimated R96 billion, is under way. It will service nearly 300 000 students a year when complete. [Applause.] The Budget Facility for Infrastructure will support new projects, including through blended finance in partnership with the private sector. These include hospital projects in KwaZulu-Natal, such as the extension of the Chief Albert Luthuli Hospital, and in the Western Cape there are the Tygerberg and Klipfontein Hospitals. By the way, this Tygerberg Hospital thing still has a black and white section. [Interjections.] There is a section where blacks used to go; there is a section where whites used to go. So, structurally,

that is still there. So this thing has to be removed and a completely new hospital constructed there. This is unbelievable. [Interjections.] I thought that was the DA government there. [Laughter.]

There are exciting new proposals for the development of more than

12 harbours in the Eastern Cape, KwaZulu-Natal, the Northern Cape and the Western Cape.

Finally, we will review our existing public finance regulatory framework to unlock infrastructure investments by the broader government. Over and above this, the Independent Communications Authority of SA has issued an invitation for people to apply for the auction of additional spectrum. Government has initiated a process to review Regulation 28 to make it easier for retirement funds to increase their investments in infrastructure. [Applause.]

Notwithstanding this encouraging progress, there are priority structural reforms that require acceleration. As we have mentioned before, we have started Operation Vulindlela as a critical co- ordination tool to unlock and fast-track the implementation of the structural economic reform agenda. Deputy Minister Masondo is leading this initiative, and a technical team, headed by Dr Sean Phillips, will draw on expertise and capacity from the private and

the public sectors. This will ensure that implementation is well co-ordinated, sequenced and in a timely fashion.

In light of launching the Economic Reconstruction and Recovery Plan, the presidency will be very involved with us in this process so that it can help us drive the programme because it is at the centre of government.

Parliament plays an important role in this reform agenda. We thank this House for fast-tracking the consideration of the Economic Regulation of Transport Bill. Under the leadership of the Minister of Health, government is exploring greater participation in the COVAX facility, a global initiative to ensure equitable access to future vaccines.

In the area of social protection, we are happy to announce a historic agreement with all Nedlac constituencies for the annuitisation of provident funds beginning in March 2021, which will enable all workers to continue to enjoy tax deductions on their contributions. We thank the labour constituency for identifying appropriate annuity products for low-income workers. [Applause.]

The Nedlac constituencies also agree to accelerate the introduction of auto-enrolment for all employed workers and to the establishment of a fund to cater for workers currently excluded from pension fund coverage, as an urgent intervention towards a comprehensive social security system. Government will present legislation next year to allow for limited pre-retirement withdrawals under certain circumstances linked to mandatory preservation requirements.

Today, we announce further steps to make cross-border business easier, including inward listings, loop structures and corporate foreign borrowings, in other words: exchange controls. Work is well advanced to modernise the cross-border flows management regime to support South Africa’s growth as an investment and financial hub of the African continent.

# UPDATE ON THE FISCAL RELIEF PACKAGE

In April this year, government announced a major fiscal relief package of around R500 billion or 10% of GDP, including ... There is a reason why I am doing this: to answer the question of where the R500 billion has gone. [Interjections.] This includes:

1. More than R30 billion for health and other frontline services
2. Support for vulnerable households which is now in excess of R50 billion
3. More than R40 billion for wage protection through the Unemployment Insurance Fund
4. Around R100 billion for job-creation initiatives, which will now be spread over the MTEF
5. R200 billion for a credit guarantee scheme, a scheme involving the National Treasury, the SA Reserve Bank and the banking sector
6. R20 billion towards municipalities to assist them with COVID- 19-related activities
7. R70 billion towards emergency tax measures

That, arithmetically, makes up R500 billion. [Applause.]

As the pandemic unfolded, some shifts in resources could be implemented. The resources for the relief package came from a variety of places, including drawing down on the Unemployment Insurance Fund reserves, the issuing of new guarantees and projected revenue losses. During the lockdown, cash grants were paid to over 22 million people, nearly half of the population.

To reach the poorest South African households, we expanded social protection. Seven million people accessed the Temporary Employee/Employer Relief Scheme through the Unemployment Insurance Fund. The special COVID-19 social relief of distress grant reached

6 million people. The government has decided to extend the social relief of distress grant to the end of January 2021. [Applause.]

Because this grant is very effective in reaching the unemployed, we propose to redirect R6,8 billion from the public employment programme towards this relief of distress allocation. The temporary increases, unfortunately, for the top-up of other grants will have to come to an end. This adjustments appropriation also adds R1 billion for food relief to fight hunger.

Hon members, we are happy to announce today that we are allocating R12,6 billion in this financial year to the game-changing employment initiatives championed by the President. [Applause.]

The provincial equitable share is augmented by R7 billion to support jobs at fee-paying public schools and government- subsidised independent schools. R600 million goes towards employing early childhood development and social workers. [Applause.] Incidentally, these social workers have been very important through this period in counselling people and helping people through the process. And, very rarely, do we say anything positive about these social workers, but they play an important role in social cohesion in our communities. R2 billion is allocated towards Working for Fire – Working for Fire installs the

fire breaks – and Working for Water which removes all the invasive plants and so on. So, work is being done and money is being allocated towards these functions. The rest of the allocation from the employment initiative is divided between the transport, arts, sports and culture, health and agricultural sectors.

The District Development Model will fast-track infrastructure and general socioeconomic development. We should see returns from the local economic development initiative, the LED initiative. This initiative is very critical to local economic development.

The revised Division of Revenue for 2020-21 proposes allocations of R806,7 billion to national departments, R628,3 billion to provinces and R139,9 billion to local government. We are often criticised as to why the allocation to local government is seemingly lower than that to provincial and national government. More often than not, people forget that local government can also raise own revenue through the collection of rates and taxes and so on, so that is why that is like that. If the situation was different, the picture would be upside down: it would local, then provincial and then national.

After extensive consultations between the Banking Association, the National Treasury and the SA Reserve Bank, work is under way to

review the Loan Guarantee Scheme to improve its take-up. I will also be working with my colleagues in the Cabinet to boost business restart efforts. This means, basically, small business development and DTI.

# NET IN-YEAR SPENDING ADJUSTMENT

In summary: non-interest spending in 2020-21 is unchanged relative to the Special Adjustments Budget at R1,6 trillion. All additional pressures have been accommodated through adjustments elsewhere.

# NET IN-YEAR REVENUE REVISION

Gross tax revenue is revised down but this is offset by other receipts into the National Revenue Fund. For example, there have been some exchange-rate benefits and so on and that has improved the situation. Main budget revenue is now projected to be

R1,6 trillion less compared to the Special Adjustment Budget.

# DEBT-SERVICE COSTS

Debt-service costs are revised down by R3,4 billion, in part because of lower borrowing costs.

# REVISED MAIN BUDGET DEFICIT

Altogether, the in-year revised main budget deficit is now expected to be R707 billion, a little better than the Special

Adjustments Budget. As a ratio of GDP, it stays almost the same. The consolidated deficit is also marginally better in rand terms, but unchanged as a proportion of GDP at 15,7%.

Government has broadened its financing strategy to include drawing down on sterilisation and foreign currency deposits. We are also borrowing at favourable rates from international finance institutions – yes, from the International Monetary Fund; yes, from the African Development Bank; yes, from the Brazil, Russia, India, China and South Africa group bank, or Brics bank. So there is no underground borrowing here. [Laughter.] It is all in the open. Oh, incidentally, I can say here that the Brics bank is in conversation with us about extending another US$1 billion to us.

# THE MEDIUM-TERM FISCAL STRATEGY

As we chart our way forward, we are reminded of the grizzly sea captain in Samuel Coleridge’s poem *The Rime of the Ancient Mariner*, who is hit by a great tempest that throws his ship off course, and I quote:

And now the storm-blast came, and he Was tyrannous and strong;

He struck with his o’ertaking wings, And chased us south along.

Our job is not to tremble in fear at the storm-blast, neither at plagues nor at the wide-open mouth of the hippopotamus. Armed with a strong sense of direction, steadfastness, resolution and determination, we face these perils head-on. Our compass points towards fiscal sustainability and we must all face the same way.

In June, we published the medium-term spending plans and long-term debt projections to spark robust debate on our fiscal path – here in this House, within the government, with community activists, with civil society, with the trade union movement, with our provincial and municipal colleagues and with small and big business, in opinions expressed through media platforms. We are grateful for the constructive criticism. We normally listen to all conversations. We hear the productive ones. We don’t hear the unproductive ones. We listen to all; we hear the productive ones; we don’t hear the unproductive ones.

South Africans love a debate, as we all know – I’m sure you would like this: even about garlic! This is a glorious, loud and very active democracy that we fought for so hard. Mr President, you summarised the consensus two weeks ago, and I quote: “South Africa cannot sustain current levels of public debt, as increasing borrowing costs are diverting resources that should be going to economic and social development.” We must now rally behind fiscal

rehabilitation and growth. Right now, government is borrowing at a rate of R2,1 billion per day. This cannot continue.

We must be careful to avoid the fate of countries like Argentina and Ecuador that have defaulted on their debt this year. Countries that find themselves in default usually see sharp GDP contractions and major currency depreciations. On current trends, more of our taxes are being transferred to bondholders who hold our debt, rather than to critical services for our people. An uncontrolled increase in borrowing costs would harm small businesses, ordinary South Africans and the poor the most. The Cabinet remains resolute and will walk through the narrow gate towards fiscal sustainability.

Before today, the economy languished in a trap of paralysis – as *The Rime of the Ancient Mariner* says “As idle as a painted ship, Upon a painted ocean." Today we break free from some of the risks we have been facing. We face these questions all the time: Why don’t we spend our way out of the present crisis? What’s wrong with you people in the National Treasury? Why don’t you spend your way out of this crisis?

Well, certainly, in 2009, when we had debt of 31,5% of GDP and the real yield on government debt was about 3%, every rand of

government spent got us R1.60 in GDP. Now, however, at such elevated real interest rates, every additional rand gets us less than a rand in GDP. So, the situation has changed. As John Maynard Keynes said: “When the facts change, I change my mind – what do you do, sir?” You have to change your mind; otherwise you suffer from what we call an “oogklappie” approach. Irrespective of the situation, you just keep moving. Even when there is a flood in front of you, you just keep going into the water. So, this means that we are actually far poorer than we thought we were. And it is easy to see why: As we borrow more, we pay even more in debt- servicing costs. We also have not been spending sufficiently on infrastructure, which is important to long-term economic growth.

Deputy Speaker, we stand here before you to instil confidence in discouraged workseekers, businesses which have been bruised by the lockdown and face uncertainty, farmers and farm workers who produce the food for the country and our international partners who know that South Africa is a great place to invest.

Amongst other things, we will:

1. Make it easier to do business. We must remove the needlessly complex red tape that increases the cost of doing business
2. Create a stable and predictable set of policies. As we rebuild, there must be universal understanding of the policy trajectory of

our government. It is not only investors that need confidence, but every person needs confidence. As a farmer I plant because I know in seven years’ time I’m going to reap what I plant. I want to see those avocadoes in seven years. I need to have the confidence to plant there, because I won’t reap tomorrow. I’ll harvest in seven years’ time, but I need the policy certainty in this regard.

1. We must use our ingenuity and adapt after the ravages of the pandemic. We must be creative. Not everything is going to come from the government. There has to be a combination of government, private enterprise, private individuals, small- and medium-sized enterprises coming together, with the banking sector coming in to provide the lubricant for the economy to function.
2. Embrace a sustainable future and work towards a green and just transition; and avoid fighting amongst each other and pointing fingers, whether it is at Senegal or elsewhere, creating a sense of a country that is about to collapse. We must avoid that and all work together in building the future of this country.

The future of work is going to be different in the post-lockdown period. We’re seeing it already. We’re seeing it here in Parliament – that we are not all here as we usually would be. It is a different working situation. We see it in government departments and in the private sector in that technology is now key and, going forward, technology is going to be key for the

rebuilding of the economy. I’ve been surprised since I arrived here in Cape Town in that driving from the office here to my residence has become much easier. There is less congestion – the power of technology.

# COMPENSATION ADJUSTMENTS

Now, as we go forward together, as I indicated above, as part of our post-pandemic rehabilitation – I actually prefer to call it “post-lockdown rehabilitation” – we need to come together to forge a new consensus on public-sector employee compensation. We need a strategic conversation, one which takes into account the needs of the country as a whole. Our compatriots in the private sector have already made sacrifices and even negotiated salary reductions to keep their businesses afloat.

Over the past five years, public sector employee compensation has grown by 7,2% a year on average – well above inflation. Over the next five years, it will need to grow much, much slower. The Minister of Public Service and Administration and the leadership of the Public Service unions are meeting to discuss how best to adapt to this new reality in that we must do more with less, and that we are all in this together.

We also wish to thank the Minister and the trade unions in the public sector that he is talking to for the seriousness with which they are approaching this matter. I must stress, however, that our public servants do very important work for our country. They are patriots. They too wish to unburden our country of debt. They want to bequeath assets, not liabilities, to the next generation. Still we cannot expect our civil service to carry the burden of nation- building alone. Consideration, therefore, should be given to the proposal for across-the-board compensation pay reductions to management-level positions, across national, provincial and municipal governments, state-owned entities and all other senior public representatives. Consideration should be given to the proposal for across-the-board compensation pay reductions to management-level positions, across national, provincial and municipal governments and state-owned enterprises, as well as all other senior public representatives. [Interjections.]

PROGRESS ON ZERO-BASED BUDGETING AND SPENDING REVIEWS

Zero-based budgeting will be piloted at the Department of Public Enterprises and National Treasury next year. It will be fully integrated into the budget system for the 2023 budget. In practice, it will mean programme-by-programme, budget-by-budget and project-by-project analysis. We must discard those things that we no longer need to do and scale up those that are essential for

progress. [Applause.] We can’t continue doing the same thing all over again. It is too expensive. It doesn’t produce any results. It’s like a crab that thinks it is going forward but it is going sideways. Not helpful.

# STATE-OWNED ENTERPRISES

Deputy Speaker, hon members, Mr President, R3 billion was allocated to the Land Bank in June. The bank will require an additional R7 billion over the medium term to support its restructuring and refocusing. [Applause.] R10,5 billion is allocated to SAA to implement its business rescue plan. [Interjections.] Let me repeat this: R10,5 billion is allocated to SAA ... [Interjections.] No, no. Listen. ... to implement its business rescue plan. This allocation is funded through reductions to the baselines of national departments, public entities and conditional grants. This allocation is in addition to the

R16,4 billion allocated over the 2020 Medium-Term Expenditure Framework period in the February Budget for settling – for settling! – guaranteed debt and interest. You can’t run away from your obligations. [Interjections.] You can’t run away from your obligations. [Interjections.] You can’t run away from your obligations. [Interjections.]

Our approach is in line with the principle that funding to state- owned enterprises must come from within the current framework and reprioritised from elsewhere. [Interjections.] We need, however, to make it clear that the continual funding of inefficient, nonfunctional state-owned enterprises has to be reconsidered. In this instance, we will work together with the Department of Public Enterprises to deal with these matters. For our part, we are determined that whatever the demands we cannot break the fiscal framework.

# DEALING WITH CORRUPTION

The final part of our duties as captains through the storm is to strengthen the ship. The COVID-19 pandemic has given rise to shameful and exploitative acts of corruption. This has overshadowed our collective achievements in saving lives

and supporting livelihoods. [Interjections.] We must continue to defeat the corrupt and plug the loopholes.

Efforts to support a rapid response to COVID-19 underline the need for comprehensive procurement reforms. The National Treasury has withdrawn the emergency procurement instruction note and requires all state bodies to revert to normal procurement processes. [Applause.] Procurement is now slowed down due to a few scoundrels

who put themselves ahead of the country. We must all suffer as a result of their actions.

The details of all COVID-19-related procurement, including the names of companies awarded contracts, have been published. The majority of health spending takes place at provincial level.

Provinces are taking actions against those found to have been involved in corrupt practices.

The SA Revenue Service is working with other law enforcement agencies to evaluate R3,5 billion worth of tenders which were awarded to entities not registered for VAT. In addition, the State Capture Commission of Inquiry is allocated an additional amount of R63 million from the Department of Justice and Constitutional Development to finalise investigations and hearings and produce a close-out report.

# CONCLUSION

Hon Deputy Speaker, President and members of the House, today we set out a course back to prosperity. Growth is slowly returning. As I have said, the green shoots are beginning to show. Things are looking much better.

The 2020 Medium-Term Budget Policy Statement sets out our course forward: One, we intend to run a primary surplus on the main Budget by 2025-26 by constraining non-interest-spending growth. Two, we shift spending from consumption to investment. Over the MTEF period, the fastest growing item, other than debt-service costs, is spending on capital goods, that is investment, which is projected to grow at 7,8% a year. Three, we allocate resources for the Economic Reconstruction and Recovery Plan.

Now, of course, my ACDP colleagues would be very unhappy if I didn’t turn to the holy book. The Gospel according to John, Chapter 12, Verse 35, says: “You are going to have the light just a little while longer. Walk while you have the light, before darkness overtakes you. Whoever walks in the dark does not know where they are going.” So, walk whilst there is still a little light. [Interjections.] In economic terms this means: Do something whilst you still have the opportunity. [Interjections.] [Applause.]

Today we embrace our higher purpose as citizens and leaders to take forward the vision of nation-building. Together we can shape a new destiny for our great, vibrant, beautiful country. Our thanks go to the President and the Deputy President for their support, to Cabinet colleagues, to members of the Ministers’

committee on the Budget, called MinComBud, to the MECs of Finance, and to Team Finance. Thanks are also due to the chairpersons of the Standing Committee on Finance and of the Standing Committee on Appropriations, Mr Joe Maswanganyi and Mr Sfiso Buthelezi respectively, and to members of the respective parliamentary committees.

The Medium-Term Budget Policy Statement coincides today with another important process: the tabling of the tax Bills, as I mentioned. I am grateful to the standing and select committees on appropriations and finance for the work they have done already.

They have the responsibility of steering the consideration of the tax Bills, giving effect to the revenue proposals as announced in the 2020 annual Budget. In February - and related administration matters – they will also consider the 2020 Division of Revenue Second Amendment Bill and the 2020 Second Adjustments Appropriation Bill. We would also like to thank the Governor of the SA Reserve Bank, Mr Lesetja Kganyago, and his staff for their continual collaboration with us whilst maintaining the independence of the respective institutions.

A special word of thanks goes to the Deputy Minister of Finance, Dr David Masondo, and the Director-General of the National

Treasury, Mr Dondo Mogajane, and the team for their courage, hard work and commitment. [Applause.]

Finally, we express our thanks to members of this House as a whole. We express, also, appreciation for the people of South Africa who continue to walk with us as we chart the way to a promising destination. Ndza Nkhensa. Thank you. [Applause.]

The DEPUTY SPEAKER: Thank you, hon Minister. The papers tabled by the Minister will be referred to the relevant committees. That concludes the business for the day and the House is adjourned.

The House adjourned at 14:57.