**UNREVISED HANSARD**

**NATIONAL ASSEMBLY**

***WEDNESDAY, 10 MARCH 2021***

***PROCEEDINGS OF THE NATIONAL ASSEMBLY***

The House met at 15:00.

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

The DEPUTY SPEAKER: Hon members, we will not tire to remind us to keep safe, stay at our designated seat, preferably, and as I always qualify it, unless there’s an emergency for you to want to run out or something; and keep your mask on.

The first item on today’s Order Paper is questions addressed to Ministers in Cluster 2: Social Services. There are four supplementary questions on each question. Parties have given an indication of which questions their members wish to pose 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 to the virtual platform. The 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 the 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 executive we will proceed to the next question on the Order Paper.

The first question has been asked by hon M S Sokatsha to the Minister of Health.

I have been informed that the Minister will be responding to us on a virtual platform. Hon minister!

# QUESTIONS TO MINISTERS SOCIAL SERVICES - CLUSTER 2

Question 63:

The MINISTER OF HEALTH: Deputy Speaker, the wave of infection arises when a significant number of people infected with COVID-19 interact with each other, with other persons and neither party applies any of the non-pharmaceutical interventions such as using masks covering their nose and mouth, failure to maintain a physical distance of at least 1,5 metres and failure to maintain good hand hygiene.

This may arise in the context of a single event such as a large gathering which we often refer to as a super spreader event. A large portion of the people at the event is infected and they leave the event where they continue to impact other people outside the event. In this manner the spread of the infection multiplies, developing eventually into a wave of infection.

The third wave can arise at any time as it only requires a little number of infected people to drop their guard. So, the timing of when the third wave arises is in the hands of South Africans. Our behaviour determines when a wave of infections will arise. There are no models that can accurately predict when a surge of infections will develop or how severe it will be.

We remain concerned about the Easter period where traditionally we have seen people travelling across provinces, visiting family and large gatherings, all of which could eventually develop into mass transmission and development of a next wave.

Vaccines serve to stimulate the immune system so that the body is prepared to fight off the virus when it enters the body.

This would reduce the possibility of a person having to be hospitalised or facing the risk of death.

Vaccines do not have the sterilising effect; that is they don’t prevent a vaccinated person from transmitting the virus to another person. That’s why even after a person has been vaccinated he or she must maintain all the non-pharmaceutical interventions to prevent transmission.

The number of countries that started their vaccination in December 2020 and January 2021 with rapid roll-out have had the waves of infection since vaccination only protects the person vaccinated and not those that have not been vaccinated. Thank you. [Applause.]

Mr M S SOKATSHA: Hon Minister, noting the fact that we are in the coronavirus alert level 1 with regulations which permit more social and economic activities, what is the department doing to ensure containment and mitigation measures are in place in context of a potential third wave? Thank you very much.

The MINISTER OF HEALTH: Hon Deputy Speaker, the fact that the numbers of people who are infected and the positive cases and the number of hospitalisation and numbers of deaths started decreasing, necessitated that we should always consider easing on some of the restrictions to be able to support economic activities and make sure that people can resume normality in their lives. And therefore, we will continue to preach the message of people using masks, distancing and ensuring that their hands are sanitized and they are hand washing.

This is important for us to continue with that message because using those methods alone will help us to delay any further increase in the resurgence. We noticed last year when we moved to level 1 people kind of dropped their guards and they ended up behaving as though there’s no more risk of COVID-19; and when we do so and we go all out and start mixing and congregating in areas which are overcrowded and with poor

ventilation then the risk arises for the infection numbers again to start rising.

So, we need to really send the message to all South Africans. As we continue to do that, everyone must continue to take the precautions because we still living with the COVID-19, we are not over. We need to continue to spread this message in all sort of different media so that people are always alerted to the fact that the infection can still arise even though the numbers would have shown to have gone down and the level of restrictions have reduced to level 1 of the lockdown. Thank you.

Ms S GWARUBE: Minister Mkhize, considering the fact that your department has only managed to vaccinate 10% of healthcare workers thus far against the target of 1,2 million is of great concern. We are now in the middle of March and reports have indicated that the revised target is only at 700 000 vaccinations for healthcare workers in next several weeks.

It’s unclear what the delay is and whether it has to do with

throttle supply of the vaccine.

How does this fare with your own target of vaccinating

40 million South Africans by year end, especially considering

the fact that phase 2 and phase3 of the roll out plan will be far more challenging? [Applause.]

The MINISTER OF HEALTH: Hon Deputy Speaker, the rate of the vaccination of our healthcare workers is limited by the rate at which the flow of the vaccines. At this point it is still limited because we are still looking at a smaller number of vaccines.

We anticipate that the numbers of vaccines will rapidly increase from April, May, June, and therefore we will then be in a position to escalade the numbers of people who get vaccinated.

We will do everything in our power to continue to target and reaching as many people as possible, with a target of over

40 million people by the end of the year.

But certainly the fact that there may be delays in the supply of vaccination may impact on the exact numbers of people we would have successfully vaccinated by the end of the year.

We continue to review the situation as the supplies come through. So, when all the numbers are announced and therefore

we start accelerating. In April we will be able to relook and revise what the ultimate numbers would have been by the time we get to the end of the year, would have been vaccinated.

Thank you very much.

Ms N N CHIRWA: Minister, your vaccination plans are haphazard at best and downright disgraceful at worst. To this day it is not clear, and as you’re proving even in response, when will mass vaccinations begin for the remaining of the population; and that’s because we don’t have vaccines to date, despite your insistence rhetoric about vaccinating 65% of the population by the end of the year.

In your projections, then, Minister, can we have the exact date on when you would have ensured that the sufficient number of South Africans is vaccinated to gain herd immunity? How many more ways must we expect as a country to encounter before we reach immunisation targets, as per your assertion? Thank you.

The MINISTER OF HEALTH: Hon Deputy Speaker, our plans are not haphazard. I think it needs to be understood that whatever plan every country is embarking on will depend quite a great extent on the speed of delivery of the vaccines by the

manufacturing companies. We are not the only country that’s feeling the constraints; many other countries have the same challenge. However, our target at the moment is to look at as many people of the 40 million masses being vaccinated by the time we get to the end of the year.

As I have said earlier, when the numbers of the vaccines are concretised and we are able to predict the whole year how many vaccines we’ve been receiving every month, we’ll be able to indicate the exact numbers of people that should be vaccinated on every month.

But our target will remain that we vaccinate as many people as possible by the end of the year. Of course, we will revise it as the time goes, depending on where we see the constraints are in the supply of the vaccines.

The waves of the infection can never be predicted, it is possible that there may be another wave – as I’ve indicated earlier – or may be more. But whatever that situation is, other countries are going through the same experience because you cannot predict or even prevent the wave accurately; and so we hope to do as much as possible to save South Africans from being affected by the infection.

But for most of this year the risk of second or any other third or fourth wave it can never be excluded and in all the countries no one can say, until the majority of the people are vaccinated, that we actually are safe from any resurgence of the viral infection. Thank you.

Mr A M SHAIK EMAM: Minister, in your own admission, you will only be able to roll-out most vaccines by the end of the year.

The third wave is anticipated in about May, many experts are saying this including your command council. Added to that is the problem that your national Department of Health and SA Health Products Regulatory Authority, SAHPRA, totally ignore the issue Iva Magton which is going quite a distance in assisting and helping preventing COVID-19 in the country; whether we agree with it or not.

What rationale is there for you and your department and what did you advise the command council considering the fact there’s a third wave, you have the Easter weekend coming, we moved to level 1, there is no compliance whatsoever on the ground at the moment, is that not a great risk? What is the advice that you gave the command council? Thank you.

The MINISTER OF HEALTH: Deputy Speaker, we have indicated that the vaccination process will take us up towards the end of the year and this is going to be the situation in all the countries that they are not likely to be able to feel secure before that time. That is because of the nature of the spread of the infection and the fact that at this point the infection will continue even when the vaccination has started.

So, our advice to the command council is that we need to insist on people utilizing their masks covering their nose and mouth and to use distancing of more than 1,5 metres apart and also hand washing and hand sanitizing, and avoiding overcrowded places which are not ventilated. Nothing will help us beyond that on fighting this pandemic.

The issue of Iva Magton has been discussed; SAHPRA has actually issued guidelines as to how it can be used with the doctors taking responsibility for the administration of the product together with the consequences associated therewith. And therefore, the research that continues to be done has not completed demonstrated that Iva Magton can be openly be utilized and so we will keep to the advice of SAHPRA as what we have indicated at this point.

But nothing will help us as South Africans beyond the use of sanitizers, hand washing, maintaining a distance and keeping ourselves into places which are well-ventilated and use of masks. We need to insist that whatever else we do, those non- pharmaceutical interventions remain standard way to avoid us getting the infection to resurge for the third or the fourth or whatever wave; that is what we need to focus on. Thank you.

Question 64:

The MINISTER OF HEALTH: Thank you very much, hon Deputy Speaker, the hon Jacobs’ question, Question 64 reads as follows: In view of the government going to vaccinate 65% of the adult population of the Republic, amounting to about

40 million persons in order to reach population immunity to be able to manage COVID-19, what progress has been made in the latest rounds of negotiations with the vaccine manufacturers and secondly; what are the projected dates of receipts of the vaccine?

The reply is as follows: We have secured 43 million doses in total. Agreements are currently with Johnson & Johnson as well as with Pfizer. The agreement with Johnson & Johnson is for about 11 million dose and 20 million from Pfizer. In addition, there is a commitment to procure 12 million doses from Covax.

The delivery schedule of the vaccines from Johnson & Johnson are committed in quarters and not in monthly volumes. In other words, at the moment, all we can tell is that by this quarter, this is likely to be how much we will get. Once we have the matter refined, we will be in a position to know month by month or even weekly supplies of what they’ll give us. That helps us with the planning of the vaccination programme.

For the first quarter until 31 March, we anticipated 500 000 doses of Johnson & Johnson vaccines as part of the Three B study as we have indicated.

Additionally, we anticipate receiving 600 000 doses from Pfizer. These doses will be allocated to health care workers. Of that 600 000, about 110 000 of those would have come from Covax.

In the second quarter until June, we anticipate 8 million doses, 5 million from Pfizer and 3 million from Johnson & Johnson. These will be used to complete vaccination for health care workers at phase two.

Again, at the moment, we can only talk about it in terms of each quarter.

In the third quarter from July to September, we anticipate receiving 11,6 million doses and 7,6 million of those from Pfizer while 4 million would be from Johnson & Johnson. These doses will be used to complete vaccination for phase two and a balance of phase three.

In the fourth quarter from October to December, we anticipate

11 million doses, 7 million doses from Pfizer and 4 million from Johnson & Johnson. These doses will be used to complete phase three group.

We have not received the final delivery cheque from Covax. Additionally, we are in the final stages of closing agreements for the balance of the doses required, which should allow us to rollout vaccines according to our plan.

When we have concluded all the agreements, and are in a position to do a month to month breakdown, we will be able to announce that and also that we will be procuring a bit more vaccines so that we cover more people as we have indicated.

All of those will be indicated when those additional vaccines have been secured. Thank you very much.

Dr K L JACOBS: Thank you very much, Deputy Speaker, Minister, thank you very much for your reply. With respect to the envisaged vaccines rollout plan, by when do you expect to have vaccinated 65% of people who are required to reach population immunity? Thank you very much.

The MINISTER OF HEALTH: We are still targeting many of the vaccines to be administered by the end of the year. As we have indicated, we are mindful of the fact that some of the supplies can be interrupted or can be delayed by the manufacturing companies. We, therefore, will be reviewing as we go to see whether the target needs to be altered or not.

With regard to our original plan, we would like to be able to vaccinate as many of those 40 million people as possible by the end of the year. Thank you very much.

Ms N N CHIRWA: Thank you, Deputy Speaker, Minister, over

100 000 vaccines have been administered by the national Department of Health. Can the Minister just appraise us on what the procedure is in relation to the limit of how many vaccination participants can be a part of clinical trial or study and if we have surpassed this mark, noting that the Johnson &Johnson vaccine that’s being trialled in South Africa

is still a study and not the actualisation of the vaccination programme? Thank you.

The MINISTER OF HEALTH: Let me try and explain this in a simpler way. The Johnson & Johnson vaccine has been studied, and therefore, the issues of safety and efficacy have been finalised. What we are doing is what we call an implementation study, which means that whoever is going to get the Johnson & Johnson injection now, will not need to get another vaccine at any time in the future, we are done with them.

If we are looking at the previous trials that have been done, those studies were studies that put people on either placebo or on the vaccine, which therefore, meant that neither of the people would have necessarily know whether they have the vaccine or the placebo. That’s a very different study. This study that we are embarking upon, we will do the same when we start with Pfizer even though we have done all the efficacy and safety studies. It is just to look at what happens after the people have been vaccinated. We would need to take about

500 000 of those so that we can have a large number of people that can be observed.

All it means is that we would want to know if there are any new breakthrough infections or breakthrough infections that are arising and whether is there anything else that we need to take into account as we vaccinate large numbers of people.

It is not the same kind of study. This is a study called an implementation study. In other words, we are implementing vaccination and observing if there are any new lessons to learn from that. We’ll do that for the first two vaccines that we will administer but the rest of the people are going to receive the Johnson & Johnson vaccines ... there won’t be a need to continue beyond half a million on each of those studies. That is the nature of the study.

Having said that, we need to be able to say that Johnson & Johnson vaccine is going to be fully produced and in large numbers. When we start the next batch of vaccinations in the next phase, we won’t need to continue with the study, we would just continue with the vaccinations but use lessons that would have been learned on those who are exposed to high level of infections as health workers in the hospitals and in the health setting. That is what is going to happen. So, we are quite comfortable that these vaccination is progressing well and that the study will benefit us ... [Time expired.]

Ms N N CHIRWA: Deputy Speaker, on a point of order, I don’t think the Minister got the question that I asked. I asked what is the limit over how many vaccinations can be administered according to South African Health Products Regulatory Authority, SAHPRA, regulations if it is a study that is being administered and if we have surpassed that mark as a country.

The DEPUTY SPEAKER: Okay, hon Minister, you’ll add that to any answers that are going to follow if you didn’t answer it as she says.

The MINISTER OF HEALTH: I have answered it actually.

The DEPUTY SPEAKER: Okay, thank you.

Ms M E SUKERS: Thank you Deputy Speaker, I will just switch my video off because my internet is unstable, hon Minister ... [Inaudible.] ... COVID-19 vaccines have Per.C6 of thin cell lines in either the design, development, production or confirmatory lab test phase. These thin cell lines have been derived from aborted foetuses. We know that these abortions took place over 50 years ago. Many South Africans have ethical and moral objections to receiving a vaccine that has been developed using these thin cell lines. There are a number of

vaccine candidates that have been developed using means that are ethically acceptable. Is the Minister considering acquiring any of these to be rolled out in South Africa and will our citizens be given a choice over the vaccine they receive?

The MINISTER OF HEALTH: Thank you very much, hon Deputy Speaker, I must say that I have missed most of what the member has said but I will answer what I have heard. The hon member refers to vaccines derived from aborted foetuses and stem cell lines which are causing ethical issues amongst those who will be receiving them.

As far as I am aware, there are two main types of vaccines that we are receiving. One set of vaccines are created from what we call Messenger ribonucleic acid, mRNA, technology, which is basically a form of creating a memory in the human cells to be able to create antibodies against a virus even if they have not met the virus. That’s the Messenger ribonucleic acid that I am aware of. I am not aware of any aborted foetuses being involved.

The second one is a group of vaccines that are based on what we call adenovirus vectors that generally use two types of

viruses. These are the viruses that generally cause flu or that are found in the common existence of humans. So, one of them is adenovirus type-5, Ad5, which is used to carry some of the soy protein isolate, SPI, components to be able to get recognition in the human body. This virus does not have the capacity to replicate and therefore cause a disease in a person. As soon as it gets into the body, the body reacts to this particular format of a virus and recognises the aspects of it which are part of the coronavirus structure, and therefore create antibodies to destroy it.

The other virus is called the adenovirus type-26, Ad26. It is derived from adenoviruses that are more common amongst chimpanzees and they use it to humans as it is harmless to humans. That process also creates a similar response from the body. I have no knowledge of the aborted foetuses being involved in this case.

At the moment, we will be having one Pfizer vaccine while the other one will be the J&J vaccine. Whilst we would want to use as much of what is available for every community ... I suppose if there is anyone who has an issue, they might be able to discuss as to which of those they prefer. This is where we would leave it but we would really like to encourage South

Africans to use what is available because they are all safe and as far as we are concerned, we are not aware of the ethical issues associated with the vaccines. Thank you very much. [Time expired.]

Ms M E SUKERS: Deputy Speaker, we could make available the research to the Minister.

The DEPUTY SPEAKER: Any voluntary action such as the one you are suggesting is welcome permanently. You don’t have to ask. Thank you very much for doing so. It is welcome.

The MINISTER OF HEALTH: Similarly, we will accept. We don’t

have to be asked.

Mr N L S KWANKWA: Thank you very much, hon Deputy Speaker, Minister, it has been wildly reported in the media that criminal syndicates are targeting COVID-19 vaccines and related products to entrench their international networks. What measures or steps has the department taken to ensure that vaccine procurement is above board and measures to try and curb illicit vaccine roll-out in the black market or that might be potentially rolled out in developing economies, especially the African continent? Thank you.

The MINISTER OF HEALTH: Thank you, hon member for the question, we have of late noted the existence of reports of fake vaccines found in South Africa. This was brought to our attention by the SA Police Service working with Interpol. In this case, we would like to indicate that it is a very worrying issue. In our Interministerial committee led by the Deputy President, we have a team that is looking into the issue of dealing with these problems, which means that the police are on high alert on this matter. Our procurement process ensures that there is very short line between the purchaser and the producers. So, we buy directly from the manufacturers even though there many people who have offered in between that they’ll want to sell these vaccines, but because we have a direct relationship, we will continue to do so. That limits the number of vaccines that can come through outside the lines that the government would have designated.

Then of course with the private sector, we have agreed that generally they’ll access their vaccines via government procurement process so that they’ll be able to get what is assured as good quality vaccines.

We would want to encourage our people to be aware that the vaccines are free at the point of administration so that we

don’t have the space for people to be charged at a black

market price that would develop as a result of that.

On the rest of the continent, this matter is also being taken up quite seriously and the governments in those particular countries are working with the manufacturers to try and limit the sourcing of this particular black market. So, we hope that we will be able to be a step ahead of the black market and fake vaccine syndicates. Thank you very much.

Question 65:

The MINISTER OF SOCIAL DEVELOPMENT: Deputy Speaker, with your permission, may I remove ... Thank you very much. Considering the fact that the questions have been distributed to all members, I am not going to read the questions, but I will go straight to the replies. In terms of the provision of Social Assistance Act 13 of 2004, a temporary disability grant is awarded for a specific period of between six to 12 months, after which the grant lapses.

As part of our national response measures to limit the impact of the restrictions that were implemented, to limit the further spread of COVID-19 virus, the temporary disability grants which were due to lapse between February 2020 to

December 2020 were extended to enable clients to receive their payments. The total number of temporary disability grants which will lapse at the end of December after reinstatement of the vulnerable categories identified is a 197 452. Of this number, a total of 128 809 have been booked for assessment as

2 March, while 85 136 have already undergone assessments. When consideration is given, that approximately 80% of the clients who previously received a temporary disability grant will reapply the target is 157 961.

The medical assessment is a prerequisite in the application process in order to ensure compliance with the Social Assistance Act of 2004. Of the 85 136 clients assessed, a total of 75 938 have already completed the application process. In order to meet the deadline date of 31 March 2021, a number of measures have been implemented - I am not going into details to explain each one of them, I am just going to indicate them – staff work extended paid overtime; additional service points have been activated; additional seven doctors have been contracted in the Western Cape in particular to assist with the assessments; additional 64 doctors in the health sector in the Cape Town Metro have received orientation, and there is daily monitoring of progress to facilitate timeous interventions.

Despite these measures, there are still concerns, particularly in the Western Cape and Gauteng about the ability to meet the March deadline. Focus is being placed particularly on these provinces and I have directed the CEO of the SA Social Security Agency, Sassa, to provide me with weekly reports.

In addition, besides the monthly reports, I have also asked them to inform me how I will be ensured that this meet the deadline and I was given an answer today that they will ensure that they get additional support from head office. With regard to a daily basis report they have requested them to identify blockages so that they can clear those blockages. Lastly, they will have to fast-track supply chain because in many instances the challenges are with the supply chain. I thank you, sir.

Mr D M STOCK: Thank you very much hon Minister for such a comprehensive response, it is really appreciated. In an effort to ensure that our people receive their grants by 31 March 2021, what have the national and provincial progress assessment reports revealed? In case there are some challenges that are experiences, how have these progress assessment reports assisted in providing adequate and requisite responses to such challenges? Thank you.

The MINISTER OF SOCIAL DEVELOPMENT: Thank you very much, Deputy Speaker. Firstly I would like to indicate - and thank the hon Stock for the question – that from the time we started in the new administration and because of the call for the strengthening of the capacity of the state in order for the state to deliver - we are working in a co-ordinated manner as a portfolio committee, the Department of Social Development, Sassa and the National Development Agency, NDA. I have taken the responsibility of ensuring that the department take responsibility of oversight that is provided by Sassa and monitor the implementation of policies while Sassa on the other hand is responsible for the execution of the mandate given.

Lessons that were learned which will assist Sassa in delivering better services in the future include the following. Firstly, there is a need for the use of virtual assessments where doctors in the health facilities will be able to conduct assessments from the files and supplement this with telephonic interviews where necessary. This will reduce the need for clients to present themselves for a face-to-face assessment. However, this will only work where the Department of Health has a file of a particular client. Secondly, there will be implementation of online booking system which will

enable clients with access to the internet to be able to book the assessments from the comfort of their homes. Because when all is said and done, as a Department of Social Development, we want to bring the services closer to the people. Thirdly, there should be electronic notification and follow up of clients. A challenge which has been experienced has been clients who have not honoured their assessments appointments but could be better managed with timeous reminders through SMS notifications. Fourthly, there is a need for an effective call centre. The automated process introduced during this period will not replace the face-to-face channel which will be required for our clients for some time to come. However ...

The DEPUTY SPEAKER: Thank you very much, hon Minister. You can continue with your answers indirectly in the process of responding to others coming. The next supplementary question is by the hon Arries.

Ms L H ARRIES: Thank you very much, Deputy Speaker. Minister, the social economic situation in the country now is far worse than it was when the relief measures were introduced.

Unemployment has risen and many households have been left without breadwinners ... [Inaudible.] ... due to COVID-19. Without government intervention many people in this country

will starve. Does this situation not making a good enough case for the introduction of the basic income grant for all unemployed people in this country? If it does, what engagement have you had with your Cabinet colleagues about introducing such a grant?

The MINISTER OF SOCIAL DEVELOPMENT: Thank you very much Deputy Speaker, while I do accept that this is almost a new question, I am prepared to respond to it. Maybe one has to indicate that generally the struggle of the poor people of South Africa, the continent and the world continues. The advantage that we have in South Africa is the fact that we have a government that cares; we have a government that is thinking ahead even in terms of the question that you are asking with regard to the basic income grant. What I think is also very important, hon Arries, is the fact that tomorrow we are having a debate on the issue of the basic income grant, and I think it would be quite important for you ... and I know your approach towards it as we talked to each other in the committee meeting. I would like to not just necessarily further explain the proposals on the basic income grant, but to clearly indicate that when we realise the fact that we have a challenge with regard to unemployment, inequality and poverty, particularly during the period of COVID-19 - we looked at what else can we

do despite the R350 that has been introduced by President Cyril Ramaphosa. Therefore, the discussion and debates about the basic income grant was very much welcomed in the structures of the ANC. Tomorrow when we go to the debate I am sure you will talk more about it. Thank you, Deputy Speaker.

Ms A L A ABRAHAMS: Thank you, Deputy Speaker. Minister, 31 March is certainly not an accurate date to go by when many temporary disability grant, TDG, clients will only see an assessment doctor in May or possibly June - almost half a year with no grant and no income. The crisis was a making by Sassa due to years of systemic backlog and capacity challenges knowing these but one making the decision not to extend the grant.

The SA Social Security Agency’s clients – your clients Minister, have borrowed money in order to survive. They have rent in arrears and they have accumulated debt because of this. Minister, you have previously said that Sassa has not run out of money. Please tell us what motivated the decision to not reimburse grant money that are outstanding and owed to these temporary disability grant clients since January, and only provide some with the R500 less than half of their grant. Thank you.

The MINISTER OF SOCIAL DEVELOPMENT: Thank you very much, Deputy Speaker. In answering the question, may I indicate that the same concerns that the hon member is raising are the same concerns I feel and the felt needs of the people that she is talking about we feel exactly the same. I feel that we did not have the kind of budgetary constraints that we have, and budgetary constraints that are faced by the entire country. I also want to indicate that I have answered this question before, and when we talk about Sassa not running out of money

– yes, Sassa did not run out of money. The fact of the matter is that we needed to extend and the new environment which is COVID-19 put a completely different strain upon us as a department as well as Sassa itself.

But also, I want to indicate that it is important also for the beneficiaries or the clients - as the member calls them, to be appraised by Sassa. They will be informed by Sassa that they also need to follow due processes because temporary grants as it is indicated, is temporary grants. It is not like the other grants where people are assured that their money will come at any moment whether it’s the child support grant or the grant for the elderly – those grants are always consistent. But with regard to a temporary grant, as indicated in the Act, people have to come back and reapply.

I think what is also important is to indicate that when we realised the challenges of COVID-19, we then extended because we understood that the client would not be able to come to Sassa offices. Now that we are at level 1, there is a bit of opening the economy. I am also very conscious of the fact that even if we can be at level 1, what the member is raising with regard to people not having the money – I am very conscious of that - but I also have to follow the law because I have to be accountable. Thank you, Deputy Speaker.

Mr W M THRING: Thank you, Deputy Speaker. Minister at the end of December 2020, over 200 000 temporary disability grants were suspended by Sassa at the height of level 3 lockdown with its extended curfews. Many thousands of affected citizens had to queue outside medical facilities and present themselves at Sassa offices to renew their grants. Minister, noting that the long queues jeopardise the health and safety not of the clients only, but also of the staff at Sassa offices, it was important that the suspension of temporary disability grants was due to a lack of funding and I think that you have somewhat answered this particular question. But it was said this was due to a lack of funding, staffing and other resources at Sassa offices. Can the Minister confirm or deny these reports, but you’ve fortunately answered that question.

What are the financial and other interventions that are in place to prevent a repeat of this occurrence? Thank you, hon Deputy Speaker.

The DEPUTY SPEAKER: Hon Minister, I know you attend meetings where you address the Chairperson frequently, and I know those meetings ... [Applause.]

The MINISTER OF SOCIAL DEVELOPMENT: My sincere apologies. Please don’t take me to that other issue Chair. Thank you very much Deputy Speaker, my sincere apologies to you. Yes, I think I have answered the question, but maybe what I could also indicate is that we have instructed or we have directed the CEO and the executive of Sassa to look for other alternative ways of bringing dignity to the people who we are serving.

Therefore, the issue of queues – or let me start from this point that at least we are at level 1 but that doesn’t remove the fact that COVID-19 is still with us and therefore we still have to make sure that when the clients come to the offices they keep the distance, wash their hands and wear their masks.

The SA Social Security Agency is doing its best now to also look for alternative service points which are closer to where people live and I think that it is in another question I am

going to be answering. We are looking for alternatives and also using technology to assist us so that people do not have to be travelling those long distances. By the way, part of what is important for us as a department is to make sure that I speak to my counterparts with regard to issues of transport, human settlements, education and health, because when those are also dealt with, they also make it easy for our clients.

The Department of Health is also included in bringing the clinics closer to the people because then the assessments can be made so that people don’t have to travel long distances.

Thank you, Deputy Speaker.

Question 86:

The MINISTER OF SOCIAL DEVELOPMENT: Thank you very much, Deputy Speaker. As I indicated earlier on I will not read the question, I’ll go straight to the answer. As I indicated in my earlier reply that the temporary disability grants are given for a specific period, between six and 12 months. Usually, temporary disability grants are lapsed on a monthly basis.

However, last year we took a decision to extend the temporary disability grants that were due to lapse between February to December 2020, as part of our national response measures to limit the impacts of the restrictions that were implemented

and to limit the spread of the coronavirus disease 2019, Covid-19.

Grants are budgeted for annually as I indicated earlier on. The amount allocated for disability grants for 2021 financial year was R24,3 billion. The continued payment of the temporary disability grants cost approximately R1,8 billion. As of March

20 the total number of disability grants was 1 041 759.

Currently, the number is 934 153. The SA Social Security Agency, Sassa, is implementing a project-based approach to deal with the clients affected by the lapsing of temporary disability grants in December. The project plan is based on a 10-point plan which covers the following, and I will not read through explaining the following: One, improved queue management for citizens reporting to the local offices to reapply, booking process for clients, securing additional venues for attending disability applications, additional serving doctors have been contracted in the Western Cape and additional 64 doctors in the health sector in the Western Cape Metro, extended service hours for clients, strengthening partnership with provincial Departments of Health, payment of social relief of distress, securing additional contracted doctors, the use of electronic tool for tracking assessment booked and completed, maintaining sacred days for the other

grant type recipients to ensure that all citizens are able to access services, and all Sassa offices have dedicated days for applicants for the grants for older persons as well as the child grants. In addition, applications for the grants for older persons, foster child grants and child support grants can be lodged online at [www.services.sassa.gov.za](http://www.services.sassa.gov.za/)

I want to also emphasise that clients do not need to report to the offices for these services. Strengthening the call centre and the regional help desk to ensure that clients inquiries are responded too tirelessly and I know that many of the members in the portfolio committee have actually made the calls themselves and found that the turnaround time is very long and in many instances people have to wait for a long time. We are working on that on making sure that the turnaround time is speeded-up of the baseline of 197 452 cases which were lapsed. A total of 128 clients have already been booked for assessment as of the 2nd of March 2021, while 85

136 have undergone assessments. Of these 75 938 have already completed the application process, regular reports are provided to the portfolio committee on progress with the implementation of the project plan for these lapsed grants. I have also directed the chief executive officer, CEO, of Sassa to provide me with weekly reports so that I don’t have to be

catching things when things have gone bad. I thank you, Deputy Speaker.

*IsiZulu:*

Nk B S MASANGO: Ngiyabonga Sekela Somlomo, Ngqongqoshe ohloniphekile ...

*English:*

... the temporary disability grants lapsed two days after the President announced ... [Interjections.]

The DEPUTY SPEAKER: Mam, can you speak to the microphone, please. You are speaking away from it. That is better.

Ms B S MASANGO: Hon Minister, the temporary disability grants lapsed two days after the President announced the return to the adjusted level 3 lockdown. Sassa’s reapplication process for the grants has settled been ... [Inaudible.] ... delayed due to shortage of doctors, shortage of service points and the fact that Sassa employees are working on a 50% rotational capacity basis. There are applicants who are booked only to see a Sassa doctor in May with a second coronavirus disease, Covid, wave being harsher than the first one, this meant that people with disabilities ought not to have been exposed to the

virus by being subjected to long queues as we saw around the country.

Temporary disability grant applicants have been the hardest hit by the Covid-19 lockdown due to the haphazard application process. Many have been unable to pay for medicines and basic necessities because they have not received grants. Many applicants are unable to work because of their disability.

Given these challenges then, Minister, why did the Minister not extend the temporary disability grants until April 2021, given that the country is still under the same Disaster Management Act that prompted the initial extension.?

*IsiZulu:*

UNGQONGQOSHE WEZOKUTHUTHUKISWA KOMPHAKATHI: Ngiyabonga kakhulu

nami Sekela Somlomo, ngibonge nombuzo ovela kulungu elihloniphekile uNgqongqoshe uMasango.[Ihlombe.] Phela ningakhohlwa ukuthi babizwa lokho. Ngakho ke uma bebizwa lokho nami kufuneka ngihloniphe ukuthi mabizwa ‘Shadow Minister’ isithunzi sikaNgqongqoshe [Uhleko.] Futhi anginankinga ukusebenzisana naye ngoba uyisithunzi esilungile kakhulu. [uhleko.]

Sekela Somlomo, amazwi kaNgqongqoshe lo we-DA, ahamba lapho nami ngihamba khona ngoba phela uma bekuya ngami ngabe ngavele ngathi Mongameli ngicela ukuthi ulule nje, kube lula ngoba nathi siyathanda ukuthi izinto zibelula kubantu bakithi.

Ngeshwa nathi siholwa yisabelomali. Nathi kuyafuneka ngaso sonke isikhathi noma ngabe siyayifuna le mali kufuneka sicabange nabanye. Kufuneka sicabange ngo-NSFAS. Uphi uNgqongqoshe? Nangu uNgqongqoshe ukhona. Sicabange ngo-NSFAS nabanye, sibone ukuthi le mali le ekhona esezandleni zethu siyisabalalisa kanjani ukuze bonke abantu baseNingizimu Afrika bazuze.

Ngeshwa ke kufuneka sikhulume ngobunhlakanhlaka be-Sassa ngoba ngokubona kwami u-Sassa uyazama impela ukuthi afeze izidingo zabantu. Ngiyafuna ukusho ukuthi kubakhona isikhathi lapho ngingajabuli khona ngoba ngesinye isikhathi ngiyaye ngiye emahhovisi e-Sassa nasezikhungwini zomsebenzi. [service point.] Ngithole ukuthi Umphathi Omkhulu [CEO] uyafuna ukubona izinto zihamba ngale ndlela kodwa izinto zingahambi ngaleyo ndlela. Ngakho ke ngiyafuna ukusho ukuthi sizokwenza konke okusemandleni ukuthi silalele ikomidi lePhalamende. Naye u-Shadow Minister simlalele ngoba esikhathi esiningi ukhuluma into ezwakalayo. Ngiyabonga. [Ihlombe.]

*Xitsonga:*

Manana N K BILANKULU: Xandla xa Xipikara, ndza khensa. Muchaviseki Holobye, ndzi lava ku landzelerisa. Xana hi wahi makungu lama mi nga na wona - lama mi nga ma kunguhata - ku oloxa xiphiqo lexi mi nga na xona xa ku vona leswaku “social workers” lava mi nga va yisa exiklweni tanihi ndzawulo na lava va nga tiyisa hi voxe va hetelela va thoriwa? Ehandle ka ku languta mabindzu ya vanhu ntsena, xana hi tihi tindzawulo leti mi nga burisanaka na tona ku vona leswaku ekuheteleleni swidyondzeki leswi swi kumeka swi ri karhi swi tirha mitirho ya mikarhi hinkwayo leswaku va kota ku hlayisa mindyangu ya vona tanihi Ndzawulo ya Nhluvukiso wa Vanhu? Inkomu!

*English:*

The MINISTER OF SOCIAL DEVELOPMENT: Hon Deputy Speaker, I had to try and understand so that I can also respond in the same way. Unfortunately, hey ...

*IsiZulu:*

... kunzima. [Uhleko.] Ngakho ke nami ngizozama ukuthi ngiphendule ngesiZulu. Liphi lona ilungu elihloniphekile?

USEKELA SOMLOMO: Lisemuva kwakho.

UNGQONGQOSHE WEZOKUTHUTHUKISWA KOMPHAKATHI: Yebo, ngiyabonga

kakhulu lungu elihloniphekile le-ANC ...

*English:*

... the department has tried working together with a private sector to some degree and we are hoping that may be a private sector ...

*IsiZulu:*

... izozama ukuthi isincedise ngoba thina siwuMnyango siyabaqeqesha osonhlalakahle, kuthi uma sesiqedile ukuba qeqesha uthole ukuthi asisenayo imali yokubaqasha bonke bephelele kodwa ke eminye iMinyango iyazama ukuthi ibaqashe osonhlalakahle.

Okwesibili, siyazi ukuthi izifundazwe eziningi, ikakhulukazi i-Free State iye yazama ngempela ukuthi ibathathe osonhlalakahle laba abaqeqeshiwe. Yaze yenza yona ukuthi ibaqashe ngokuphelele. Into esixakile kuyimanje ukuthi siwuMnyango Wokuthuthukiswa Komphakathi ukuthi labo esibafundisile sizame ukubaqasha ngokwethu. Siphinde sicele neminye iMinyango ukuthi yenze njalo. Into engifuna ukuyisho Sekela Somlomo lapha eNingizimu Afrika sibona ukuthi osonhlalakahle bayashoda ezindaweni eziningi futhi ababaningi,

kodwa kunjalo nje izinkinga zomphakathi zona ziningi zifuna osonhlalakahle abaningi.

Kunjalo nje futhi sibona amaphoyisa maningi ayasebenza, kodwa esikhathini esiningi afika ngemuva kwemiphumela [after the effects]. Into esifuna ukuyenza ukuthi sikhulumisane neminye iMinyango zizame ukuthi sikhulise iNingizimu Afrika ibe nosonhlalakahle abaningi, njengoba sinamaphoyisa amaningi, sinabahlengikazi abaningi. Nosonhlalakahle kufuneka kanjalo sithole imali ukuthi baqashwe ukuze sizoba nabo ...

*English:*

... from street to street, community to community. Thank you. [Time expired.]

Ms T BREEDT: Thank you, Deputy Speaker. Minister, we have seen Sassa and the department scandal to get prices as empty place to assist the most vulnerable of the most vulnerable because of this lapsing. Minister, when did you first become aware of the fact that Treasury would not be able to provide extra money to cover an extension and the government thus failing the people once more whilst there are not enough doctors to conduct the necessary assessments? Is this a lacking of timeous planning by your department? I thank you.

The MINISTER OF SOCIAL DEVELOPMENT: Thank you very much, Deputy Speaker. I would like to go back to the fact that had it also not been for the challenge of Covid-19, we would have not been in the situation we are in today. And fortunately, the hon member sits in the committee, or sometimes sits in the committee, but I guess she follows what goes on in the committee. However, I understand that you can’t expect the member to be in all committees. They are just the few, so I appreciate that.

However, what I think is very important is to indicate, Deputy Speaker, that this government of the African National Congress through its executive, we do have annual plans. The annual plans are presented to the portfolio committee. We do have annual plans which also are presented by ourselves to Cabinet. Therefore, that’s we do not have a plan or we did not plan ahead, none of us were able to plan ahead for Covid-19. It completely caught us unaware, but I must say that despite the fact that it caught us unaware, we were able to immediately put ourselves together and plan through the national structures which was the Presidential National Coronavirus Command Council, NCCC. However, we also had our own structures at a departmental level that brought the two agencies plus Sassa to plan ahead and also being informed by what was coming

out of the Cabinet, what was coming out of the NCCC, and what was coming out of the net joints because those were structures that were feeding us with the necessary information in order for us to adjust our plans. We adjusted our plans accordingly and we adjusted our budget accordingly. Thank you, Deputy Speaker.

*Afrikaans:*

Me L L VAN DER MERWE: Agb Adjunkspeaker, ...

*English*:

... can you hear me?

*Afrikaans*:

Die ADJUNKSPEAKER: Ja, duidelik.

Ms L L VAN DER MERWE: Hon Minister, I just wanted to inform you that I did try to phone your provincial call centres again this morning, and I wish to report to you that those provincial call centres are not working and found only the Western Cape’s call centre is working. So, when we speak on the one hand over and acknowledgement that Sassa clients cannot travel long distances on the other hand these call

centres are not available to them and I think that is totally unacceptable.

That being said one of the reasons why you could not extend the disability grants for the period of the review is because you simply did not have the cash and you’ve admitted to that. However, most disturbingly, Minister, Sassa continues to bleed millions per year through fraud, corruption and illegal deductions from grant recipients. In fact, over the past five years more than R282 million had been looted from Sassa coffers and each day we are confronted by stories of officials syndicates police officers and other fraudsters that are stealing from Sassa. This money could have been spent towards this temporary disability grants.

Therefore, my question to you, hon Minister, can you tell us what you’ve done since taking office in 2019, to ensure that you clampdown on the wide-scale thief of money from Sassa meant for the poor and the vulnerable and can you list your successes in this regard? Thank you, hon Minister.

The MINISTER OF SOCIAL DEVELOPMENT: Thank you very much, House Chairperson. Well, hon member, I have indicated already as I was speaking that I personally I’m not happy with the call

centres and the fact that not all the call centres are working the same way. Therefore, I do want to say that I’ve made the calls myself too, and I’ve indicated to the CEO that I’ve made the calls and I’ve been confronted with calls that are delayed, calls that are taking too long, and I’m not happy about that. I cannot deny that and I will do everything I can to make sure that the call centres because South Africa is well experienced in terms of the technology of call centres.

That’s the reason why I’m saying to Sassa that if the call centres in the provinces where they are not working, we must then just change and make sure that we get the service providers whose call centres are going to be able to serve the people of South Africa. So, that is work in progress and I accept. I’m not happy with it personally and I think that Sassa is doing whatever it takes for them to change that.

With regard to my successes, I just want to say to the hon member, yes, I have an oversight over the entire department. I have an oversight over Sassa and the National Development Agency, NDA. However, successes that come out of there, they are not just successes of me as a Minister because there is an administration that I have to keep on pushing and that I have to keep on driving. There is an administration that sometimes gives me sleepless nights because I have to hold them

accountable. I have to go to the places to make sure that things are working. However, what I think it’s a success for Social Development in general is the fact that we have continued to service our people broadly, despite the challenges when it comes to issues of the R350 and the issues of the temporary disability grants.

I want to say to the member and hon members that sometimes it is very important for us to look at the broader picture of what the department is about and what the department does rather than narrow to the ones. And I do appreciate you narrow it to those because you want to see excellence even where people are not being served properly. Therefore, I can say in as far as the department is concerned with the broader expectations by our people, we have served our people and the success that I can talk about is not about me, it is about the success that you see of the number of R350 we’ve paid. The success that you see when it comes to the child support grants that is given. The success that you see when it comes to all the grants being delivered to our people and delivered on time. I thank you.

Question 106:

The MINISTER OF SOCIAL DEVELOPMENT: Chair, again I will not read the question because I take it that all the members have the question. Of course to some degree I have answered it, but I think it is my responsibility to go back to it again as being held accountable by the hon Aries.

According to our records the overall number of unemployed social work graduates is approximately 8 873. Chair, I am doing this because I need to clarify this issue of the social workers because the numbers keep on flip-flopping. I need to put numbers as they are from the department. Of this number,

4 829 were funded by the department, while the remaining 4 044 were self-funded or were funded through other means.

Indeed, we are the first to acknowledge that we have a very high number of unemployed social work graduates. This is a serious concern in light of the prevailing socioeconomic challenges and social ills that are confronting our country.

Chairperson, I have always held a view that we are sometimes very reactive in terms of our interventions as a country. The reasons we have more police officers and continue to employ more police officers than social workers are an anomaly and an indicative of us being reactive and I do not want to be

misunderstood to be saying that we do not have to hire those police men and women in blue. I am not saying that, but I am just saying that it is important for us to keep a balance.

It is important to highlight that we have actually recorded some progress to address this situation, but more still needs to be done. There is a Chinese saying that “In every crisis, there is an opportunity.”

With the advent of COVID-19 pandemic, we absorbed a significant number of social work graduates to render psychosocial support. Last year, we employed approximately

1 300 social workers on contract for a period of three months commencing in June 2020 to 1 July 2020, to provide psychosocial support to our people.

The National Treasury granted R33 million to the department to contract employment of social workers following the expiry of the three-month contract, the Presidential Intervention Expenditure was evaluated and an amount of R75,978 million was made available to sustain the employment of these graduates until 31 March 2021.

We must commend provinces, as I indicated earlier on like the Free State who have decided to permanently absorb these workers permanently and we call on other provinces to do exactly the same.

We are in consultation with sector departments such as the

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| Department | of | Basic Education, SA Police Service, SAPS, the |
| Department | of | Justice and Correctional Services, the |
| Department | of | Defence and Military Veterans, and the |
| Department | of | Home Affairs to establish as to how many |

graduates they can absorb as of to date and the potential to absorb more social workers going forward.

The ability of the provincial departments to absorb graduates due to vacancies arising from natural attrition is monitored and reported in a regular basis within the Department of Social Development structures.

In addition, part of the plan is to engage the Department of Social Development entities to determine how they can utilise social workers within their portfolio and realise their mandate. This is part of the plan to expand the base for absorption of graduates.

We will soon engage with the Health and Welfare Sector, Education and Training Authority, Seta, as well as SA Council for Social Service Professionals to establish how they can assist through the appointment of interns, both within their organisations and for the sectors as well.

I can confirm that Health and Welfare Seta has placed approximately 1 000 interns in all provinces for work experiences for a period of two years. These placements have been fully funded by welfare Sector Education and Training Authority. As part of expediting the implementation of the Presidential Five Point Plan and the National Strategic Plan on gender-based violence and femicide, we have employed an addition of 200 permanent social workers across all provinces to focus specifically on the scourge of gender-based violence and femicide. This is in addition of to what we already have in the area. Thank you, Chair.

Ms L H ARIES: Hon Minister, the inability of your department to absorb trained social workers who are desperately needed in society is a perennial problem. We worry that your next move would be stop the funding of social worker students all together which would have a harmful effect on the lives of many.

What intervention have you made to link the training of social

worker’s experience with future job opportunities?

And are you in any way considering defunding bursaries for social work students? If so, why?

The MINISTER OF SOCIAL DEVELOPMENT: Hon Chairperson and hon Aries, the inability to absorb social workers really most of the time has something to do with availing budget and being able to have the money to do so. I think that in our time in the Sixth Administration, we have really tried our best as I am indicating in my answer that we are looking for other options and we are trying to make sure that other departments and other structures including the private sector can be able to absorb these social workers.

Now with regard to the funding, I think that the overall funding not only of social workers, but most of the professions in South Africa are going through very difficult moments especially at this time when now we are being faced with COVID-19 and therefore the monies that are supposed to be collected, for instance by Treasury they are unable to collect as much. Treasury itself has given us cuts across the board.

So it means we have to find creative ways of doing it, because

we cannot print nor write the money. So, as I have earlier indicated in my answer those are the other organisations that we are trying to engage to make sure that they can be able to assist us. We do not like what is happening to be frank and honest with you, however we will do everything we can to make sure that we try and improve it. Thank you, Chair.

*IsiXhosa*:

Mhl M GUNGUBELE: Litshonile ilanga.

*English*:

Hon Minister, thank you very much for the exercise you have been executing with honour today. My little follow-up or supplementary question which quite a number of aspects you seem to have to an extent addressed it is regarding the Ten Point Plan to the extent that it is intervening in addressing the issues of amongst other challenges the queues, the concentration that practice with COVID-19, the frustration to the elderly in dignity, women, crime and so on from the point of the Ten Point Plan: How to this extent is this assisting? Thank you.

The MINISTER OF SOCIAL DEVELOPMENT: Hon member Gungubele, we had to look for new ways of doing things. We had to use the

experience that we are seeing or experiencing and not seeing on the ground for us to come up with the Ten Point Plan.

However, the basis in the main for the Ten Point Plan is for us to change the way we have been doing things. It is for us to respond to the needs of our people using available technology and means that are different from what we use to do before. Therefore, the Ten Point Plan which by the way we presented to the portfolio committee and it was accepted only on the basis that they will see the action on each and every one of those 10 points. Actually the Ten Point Plan, if I may say is covering all the areas of the questions which were raised by the hon members today. What I can promise and what I can say not only to answering the questions, but to the people of South Africa is that my responsibility is to make sure that the Ten Point Plan is meant to assist in reducing queues in fact bringing dignity to our people is something that I have to make sure that it happens. On top of that hon member, is that other areas of the Ten Point Plan are supposed to be done by other spheres of government number one, but also other departments.

In fact, the payment of the social grants at the Post Office becomes one of the areas that needs our focus because many of our people go to the Post Office and stand in long queues when

they arrive at the counter they are told that the money is finished. However, we are in a strong conversation with Minister Stella Ndabeni-Abrahams to make sure that we turn that around. Thank you, Chair.

Mrs G OPPERMAN: Hon Chair and hon Minister, 3 465 of the unemployed 9 000 social workers have been hired by the department. Last year the Deputy Minister said that Cabinet had affirmed that social workers should be appointed by all departments. Did that happen? If not, why not? If yes, which departments employed some of the 5 500 remaining social workers without jobs, while the country desperately currently need the psychosocial support? Thank you.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon members I want to remind you that in terms of the Rules of the National Assembly, the follow-up question will only consist of one question and not multiple questions. Hon Minister.

The MINISTER OF SOCIAL DEVELOPMENT: Hon Chairperson and the hon Opperman, thank you for your question. I think to a very large extent I have answered part of the other question that you are referring to. However, also I am not able to give you the number of social workers that have been absorbed by other

departments. That is not where it supposed to be, but we do understand that other departments are also under stress and strain. If I may Chairperson, I would request that I specifically get information specifically of which departments have absorbed social workers and how many of the social workers have been absorbed. Thank you.

Ms M E SUKERS: Hon Chair and hon Minister, COVID-19 has worsened school dropout in poor communities across the country and especially in the Western Cape. We urgently need skilled social workers to ensure that learners who are the recipients of social grants and have dropped out of school return to school. Given that the department faced budget constrains: Will the Minister consider redeploying managerial and supervisory staff to apply and facing positions to ensure that learners receive the support they need and to think off using community organisation structures and workers such as pastors to develop and implement plans to assist the department with this? Thank you.

The MINISTER OF SOCIAL DEVELOPMENT: Thank you very much, hon Sukers. I think that you are actually making proposals that should be considered by the department. However, at the same time I do want to say that we also are under stress and strain

both as the department and SA Social Security Agency, Sassa, because we are not operating at full capacity because of COVID-19. Therefore, the use of community workers and other organisations, Non Profit Organisations, NPOs, and NGOs would be very welcomed, but I must say that we are already doing that. However, almost everyone is under the same constraints of COVID-19. Of course we do not want to see any of the children in particular who are coming out of vulnerable communities dropping out of school because you know what that means. Dropping out of school means those that have will always remain in the school and those from poor communities will be in worse situation. In another 10 years that is when we are going to feel the impact of those children who have not being able to go to school. So as the department we will do everything we can and I hear you are also making even a proposal for us as the department to actually go down on the ground and be able to talk to the community.

Chairperson, I do though want to say with the NPOs that we support, this government and this department this year is going to be spending R8 billion on supporting NPOs and therefore they are like an extension of government. We want to see the impact of the amount of money that we are spending and those NPOs that are related to issues of education will have

to zoom into them and make sure that the money that they are given is money that we can see its impact and effect of it on the ground. Thank you Chair

Question 66:

The MINISTER OF SPORT, ARTS AND CULTURE: House Chairperson, I am experiencing poor network signal here, so my camera is not on. In dealing with challenges and circumstances arising from the outbreak of covid-19, we developed a response that was implemented in three phases. The first phase saw 4 166 beneficiaries, totalling the amount of R8 million plus. Now, this number will go up with R4,3 million, as payments for those awarded for the digitalisation programme are paid in the second phase. The second phase of beneficiaries saw 687 benefitting, with 452 already paid and the balance awaiting documentation and confirmation, so that there are no double benefits, and the total amount paid here is R3 million. The third phase is still in progress. However, R70 million has been set aside and 6 000 applicants have been received so far and are being processed.

We have also mobilised partnerships. We worked with the Department of Small Business Development, where 197

individuals benefitted and 257 organisations benefitted, with the amount of R11 million.

We have also entered into partnership with the Solidarity Fund, where beneficiaries to date, stand at 6 928, with the amount of R4,8 million.

With the Presidential Economic Stimulus Package, PESP, apart from these main ones, the department is also implementing a number of PESP projects in the creative and sporting sector, which has so far generated 121 jobs in the area of banking arts through the Art Bank, the public art national audit of statutes, digitalisation of library and archive records and covid-19 return-to-play compliance monitoring. The budget here is R165 million out of the total allocation of R665 million.

The National Arts Council total allocation is R300 million. The National Film and Video Foundation is R140 million and the Sport Trust is R60 million.

In assessing the applications received from the sport and recreation bodies, the following emerged as critical areas of need: job retention, organisational functionality, priority- special projects and programmes. The department resolved to embark on the implementation of the sector stabilisation

intervention, due to continuing impact of the covid-19 pandemic. We also established the Ministerial Advisory team in this period of covid-19.

At a macro level, the department availed R112 million in the form of grants to over 60 national sports federations, based on the priorities they identified in their applications, taking in consideration the prevailing circumstances, due to restrictions instituted to curb the spread of covid-19. Thank you.

Mr A M SEABI: Hon Chairperson, hon Minister, you will agree with me that we must popularise Gqeberha.

Hon Minister, in addressing the persistent sustainability challenges exposed by the pandemic, how is your department planning to address the critical areas identified by sport and recreation bodies, and the sustainability challenges that have affected the arts, culture and heritage sectors?

The MINISTER OF SPORT, ARTS AND CULTURE: Hon Chair, hon Seabi,

we will actually popularise Gqeberha and many other areas, as you suggest that are being transformed. Coming to the question that has been asked by hon Seabi, within the finer budgets of

the department, we have seen that it is important, going forward, to strengthen the sustainable support for the portfolio, both from the financial and the nonfinancial points.

The nonfinancial point focuses on human capital development through construction and support of centres for excellence like academies for athletes and artists, in order to professionalise the entire portfolio. I know that this would cumulatively do away with the total dependence on grants by the sector from government.

On the issue of financial support, the Mzansi Golden Economy and grant scheme support need to be looked into within our budget. Secondly, the issue of infrastructure development for the proliferation of spaces for creative as well as sporting activities is very important.

We know that, in this instance, we, in many cases, are let down by our own local sphere of government, because we transfer grants there. These are the people who are supposed to be constructing these facilities, but in some instances, that is not happening.

The other lesson we have learned is that the Fourth Industrial Revolution, 4IR, has impose itself within the sectors that are under our care. Going forward, we will look into ways of assisting our constituency on this, to further ensure that maximum human capital development is achieved.

The last thing I want to point out as a lesson here is that the issue of comprehensive and strategic wellness intervention, to deal with the challenges of depression, lifestyle, abuse of substances, financial challenges and so on, becomes critical. We have seen that this period has exposed both the athletes and artists to these vices and therefore we want to concentrate and ensure that we deal with the plight of the athletes and artists in this particular area.

Ms V VAN DYK: Hon Chair, I will also not use my video, due to poor signal. Minister, there is an outcry by artists in the public domain and they have been participating in a staged sit-in at the National Arts Council, NAC, because they do not receive their funding, as proposed per their contracts.

Instead, the NAC has gone back on its commitment and contracts have been changed to give artists only half of the original commitment. In your view, besides whether this is fair, what

are the legal implications of this turnaround? If it is not legal, who will foot the bill of possible legal steps taken by artists and how will the DAC support artists in this regard, because they too may face legal action against them for not honouring their contracts with artists in the industry who they have appointed for projects, as attended by the Presidential Economic Stimulus Programme? Thank you.

The MINISTER OF SPORT, ARTS AND CULTURE: Hon Van Dyk, the

challenge of the National Arts Council has been widely communicated. This relates to the Presidential Economic Stimulus Package that when, as have indicated that the NAC was provided R300 million facility to assist artists. Right from the beginning, they then committed R600 million meaning 100% more. The board is dealing with that situation. Part of the reason cited why they had to come and act against the NAC, where staff – the CEO and the CFO - were suspended with immediate effect, so that they continue with the process of trying to ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Minister, it seems to me the undersecretary wants to assist you with the reply to the question. Can you mute that undersecretary, please, and

allow the hon Minister to continue with his reply to the question?

The MINISTER OF SPORT, ARTS AND CULTURE: I think that the

artists, especially those who are still waiting to be compensated, are not going to get fully what they have expected. There are implications, as the hon member is saying. Besides the fact that it is unfair to the artists, it does have legal implications. As I said, this was beyond the control of the council. All what they are doing is to intervene and they have committed, since they have started, to inform the public on a continuous basis, so that everybody is on board on what is happening in the NAC. Thank you.

Mr B S MADLINGOZI: Chair, Mr Minister, all the numbers that you have mentioned don’t make sense. They don’t reflect what is happening right now on the ground. Your department has been the most lethetic in terms of providing support to artists during this very difficult time. You have made no intervention to ensure some processes of royalties to artists, and many artists do not know what happened to the relief measures you announced last year. With this thing payola thing happening, and it is rife at the SABC. Artists are picketing right now.

Of the entire arts sector, what percentage do you think those that you supported constitute? Thank you.

The MINISTER OF SPORT, ARTS AND CULTURE: Chair, hon

Madlingozi, firstly, we have said what the department ... The hon member just has to know, and I think he does, the strength of the department in terms of its budget. I think that, right from the beginning, we sprang to action, as the department, and looked at the plight of both the artists and athletes as we continue now, as we are talking about the third phase.

What percentage? In the instance, the area of creatives in this country is not regulated. No one can stand up and say there are so many artists in South Africa. What you see are the organisations representing artists, but there are others who are outside of that. So, the interventions are not nothing and do not mean nothing, as the hon member is saying.

Actually, that is the narrative which is always going to be disputed by the facts as we have put them here.

The issue ... I think the hon member is conflating the issues. The issue about what is happening in terms of covid-19 and short-term interventions, which is what the relief funds are about, is one thing. The broader issues of transformation of

the industry, including royalties is another. That part that is pointing to us, actually reside with yourselves, as Parliament, because it is you who must fast-track both the Copyright Amendment Bill and the Performers Protection Amendment Bill.

We hope that you, as hon members in Parliament, will fast- track this process, so that all these kind of things we are talking about, be they Payola or whatever, ... By the way, it is correct for artists to demand and fight for such measures, which are robbing them, their hard-won labour, as it were.

So, they are correct to do that, but we, as Parliament, has to do our tasks and ensure that we meet our sector halfway. Thank you.

Mr N SINGH: Hon Chairperson, there seems to be connectivity problems. Minster, I will ask this question on behalf of hon Ntuli. Most athletes faced challenges during the early part of the pandemic, which effected their progress, as they were unable to compete. They lost income, and due to athletics meetings that could not happen and due to the fact that they could not train during the closure of stadiums, they had no sponsors, no money for supplements, and they never actually

received the covid-19 relief at all. Given the challenges that most athletes faced during the early part of the pandemic, what will the Minister do? Has he been engaged in any talks regarding altering the Olympic qualifying standards for our athletes, because many of them would not have been able to participate in athletic events, to qualify for the Olympics?

Thank you.

The MINISTER OF SPORT, ARTS AND CULTURE: hon Chair, hon Ntuli, hon Singh, it is a very difficult situation, which we are faced with, as a country. The continent and the world are also grappling with that. We are looking at what could be done, even if it means that people are working and training without their fans, which has been opened over a period of time, hoping that if and when they have to go to the Olympics, they have done their part in training.

However, quite clearly, it is going to be one of the challenges that we are faced with because things have not been opened, particularly for athletes, to ready themselves, prepare themselves thoroughly. However, they continue to do that within the confines of the covid-19 pandemic. Thank you.

Question 80:

The MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION:

Thank you very much, hon House Chair, I just wish to state upfront that the National Student Financial Aid Scheme, NSFAS, has not taken any decision not to fund first year nursing and teaching students in institutions of higher learning.

The circular that was sent by NSFAS on 12 February 2021, was to remind universities - it wasn’t even meant to be a public communicare – it was just to remind universities not to register new students on the phased out legacy qualifications in 2021 as those phased out qualifications are no longer going to be funded by the NSFAS. Also, students who are already enrolled in those qualifications will continue to be funded if they are already in the system until they complete.

As from the 2020 academic year, universities were required to register first time entering students on the new qualifications which are aligned to the Higher Education Qualifications Framework, for instance, what used to be called Bachelor of Nursing Science, B Cur, has been phased out and it is now called Bachelor of Nursing, which we will still continue to fund as the NSFAS.

The old Bachelor of Education was at National Qualification Framework, NQF, level 8 has been phased out. There is a new Bachelor of Education which is at NQF level 7, which we will continue to fund and it serves the same purpose.

The NSFAS funds approve programmes including engineering programmes at universities which must all be undergraduate whole qualifications, i.e. either degree, diploma or higher certificate offered by a public university and accredited by the Council on Higher Education, CHE, are being supported.

These will be programmes approved by the Department of Higher Education and Training and may be offered by the university provided that the programme is registered on the NQF by the SA Qualifications Authority, SAQA. Thank you Chair. [Applause.]

Mr M N NXUMALO: I don’t know whether am I visible or audible?

The HOUSE CHAIRPERSON (Mr C T Frolick): You are visible and audible.

Mr M N NXUMALO: Chair, one respects the comment by the hon Minister, and we want to start by sending condolences to the family and friends of the person who has just been shot by our

police at Wits University as a result of the protest where the student are demanding what is rightfully theirs.

Let me immediately go to the follow up question. Following up on the SA Human Rights Commission, SAHRC, Chair and Minister, they have allegedly received multiple complaints from the students whose NSFAS funding applications have been rejected, citing lack of user-friendly and shortcomings of the NSFAS. Are you aware of the complaints? If yes, what are your department’s plans to assist these students with remedial issues that they have raised? If not, what would be the guidelines of communication in the department and the Chapter

9 institutions with regard to addressing this because the reality, Minister, is that the students are suffering in the hands of your leadership and the hands of those who are running institutions of higher learning? They are not getting any form of assistance and there is no hope that they’ll get any form of assistance under your leadership. Hence, we see that every year, during registration time, students suffer and there are strikes.

The department has done absolutely nothing to address this. It is not only Wits but all institutions. We must anticipate more protests this week, next week and the other following weeks in

all institutions. The people who are beneficiaries of the NSFAS are not getting any form of assistance from your department. You have been a Minister for quite some time now but it seems that you are unable to respond effectively to the issues that are being raised by our students and the issues that are raised by the NSFAS beneficiaries.

One might be tempted to say that you are incompetent to run the department because every academic year, during semester sessions and during annual sessions, none of the students are getting benefits from your office.

You must make interventions. You have not met with the Wits institution leadership ... [Time expired.] ... you have not met with the council. What is going to happen to all these issues that the students are raising and they have been raising them since the Fees Must Fall campaign time ... [Time expired.] ... The former President has said that there will be free education but it still seems there will be no free education that the former President has committed ... [Time expired.] ... We ask you hon Minister to commit yourself as to how much are you earning and with how much are you going to assist to assist the students?

The HOUSE CHAIRPERSON (Mr C T Frolick): You only have two minutes. I have given you another 10 seconds but you just went on and on.

Mr M N NXUMALO: Thank you, Chair.

The MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION: Hon

Chair, it looks like hon Nxumalo has a problem with me than the truth out there. [Interjections.] There is a difference. He is preoccupied with having a problem with me and therefore doesn’t know the truth and what is happening.

I have also expressed my condolence on the member of the public who died morning. Also, don’t jump. The matter is being investigated whether that person was shot or not and what were the reasons for the death. The media in the morning were reporting that it was a student and it is not a student.

It is very difficult to answer a question from someone who is all over, like you are doing. Every problem that I receive in my department, whether it is an appeal from a parent or from a student, I have machinery to deal with it and so does the NSFAS. They have all the machinery that I have insisted that

they need to put in place including appeal processes and mechanisms.

I want to challenge hon Nxumalo. Don’t speak in generalities as a member of Parliament. Give me a list of students who are having problems, those who have not been responded to either by my department or by the NSFAS, I can promise you, I’ll follow that up ... [Applause.] ... and I will give you a response in no time. The reason why you aren’t doing that is because you are grandstanding. Saying students are suffering. What do you mean? Let me tell you about Wits University now. Ninety-five percent of all the students who are going to be taken by Wits University are already registered as I speak now. [Applause.] You say I am not in touch with Wits University. I am telling you that I am in touch with all the universities, not just Wits University, especially this time of the year.

It doesn’t mean that there may not be students with problems but don’t take those problems to mean that everything is hay way and is falling apart. We have all the processes to deal with all the problems.

*IsiZulu*:

Letha izinkinga Mkhatshwa. Musa ukuzokhononda uma useyinsizwa encane nokuba ncane njengawe nje. Letha ngizozilungisa ngoba ngiyazi ukuthi izinkinga ezinjengalezi zilungiswa kanjani.

Ngilala ngivuke ngiphume nje ukuxazulula izinkinga zabafundi. Zilethe ngizozilungisa. [Ihlombe.]

Mr M N NXUMALO: The Minister has not responded to the issues that I have raised. He just responded to my comments.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Nxumalo, you asked a question and the Minister replied to your question. I followed the question that was put initially and the reply of the Minister. It is my assessment from where I am seating that the Minister has replied to your question. You may not like the reply of the Minister but that is the reply to your question as you have put it.

You’ll have another opportunity in days and weeks to come to put other questions to the Minister that may cover the areas that have not been covered now. Let us proceed, hon members.

Ms N T MKHATSHWA: Mkhatshwa Chair, like the former ... our colleague there from the IFP, hon Nxumalo, we are actually

brother and sister because of our clans. When the Minister was

speaking to Mkhatshwa, he wasn’t speaking to me but uNxumalo.

House Chair, allow me to also indicate before asking my question that we note with great sadness the death of a civilian amidst the students’ protest in Braamfontein, and send our heartfelt condolences to his family. One really hopes that increased ability through access to higher education will be brought to the sector during this registration period.

Hon Minister, I think we can agree that efforts to clarify the miscommunication around this matter must be executed to ensure that society, students and institutional staff and management and most importantly, our well-informed so that they don’t continue to be barriers to education for our young people and that the negligence of these institutions is unacceptable because innocent students bear the brunt of their maladministration. We can agree that we must ensure that what happened to some students in 2020, where they registered under qualification courses that are outdated must not happen in the 2021 academic year because those students will ... [Inaudible.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, you must now ask your question because your time has expired.

Ms N T MKHATSHWA: House Chairperson, the question then is: Noting these students who were affected by the negligence of the institutions in the year 2020, are there any interventions by the NSFAS and the Ministry to try and assist these poor students? Thank you so much, House Chairperson.

The MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION:

Thank you very much, hon Mkhatshwa, I think I agree with the comments you made. In saying that we are dealing with problems does not mean that there are no problems. That is why we set up these mechanisms to deal with problems. It is an important issue that you are raising because one of the challenges that sometimes face us is lack of proper sharing of information on time between the National Student Financial Aid Scheme and institutions, for example, a student goes to register or has already been told by the NSFAS that a student qualifies for the NSFAS and is a continuing student, but the institution sometimes takes long to communicate with the NSFAS to say we have accepted this student and thereby causing problems. So, we have a number of problems. That’s why I have said to the NSFAS that they need to acquire the information capacity that

will also enable quicker communication between the NSFAS and institutions so that we are able to respond to the needs of our students on time.

In relation to the question – I have already begun to answer it – we are looking at the capacity of NSFAS with regard to information but at the same time engaging institutions to make sure that their financial aid offices are able to have enough capacity to be able to deal with the problems that are facing students whether they are the NSFAS students or not, because if we are able to have institutions responding and acting on time, it always assists us to deal with problems. I am emphasising the NSFAS efficiency as we also emphasise interaction with institutions.

The last point is that every year, we sit down with the registrars of universities so that we are able to work together to ensure that we minimize the kinds of problems that normally arise.

*IsiZulu:*

Ngiyabonga Sihlalo.

Dr W J BOSHOFF: Hon House Chairperson and hon Minister, thank you for the access so far, the NSFAS has a purpose to equip our people for the economy by financing post-school education and training. It is clear why certain legacy qualifications which have been replaced are not financed anymore. The NSFAS also has under the fiscal pressure resolved to finance only first degrees, diplomas or certificates; no postgraduate studies. The predicament of jobless graduates is old news.

Wouldn’t it not make more sense to identify occupations rather

than qualifications to finance, meaning that [Inaudible.]. Thank you, hon House Chair.

The HOUSE CHAIRPERSON (Mr C T Frolick): Did you get the question, hon Minister?

The MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION: I

think I did, I hope I did, House Chair.

The HOUSE CHAIRPERSON (Mr C T Frolick): I also hope so.

The MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION: To

me as a Dambuza boy, unfortunately, hon Boshoff sounds like a radio ...

*IsiZulu:*

... ephelelwe yi-pm10 [Uhleko.]

*English:*

This is not an attack on you, hon Boshoff. If I understood you well, the point you made later is an absolutely valid point, that we must not just be looking at undergraduates but we must also be looking at occupations. My difference with you is that we must not look at undergraduates and just focus on which occupations to support, we must do both actually.

The government policy says: “We support students who came from families who are earning not more than R350 000 to complete their first undergraduate qualifications,” because we don’t have enough money; we want to spread it. We don’t fund postgraduate. Postgraduate is funded by the National Research Foundation, NRF, and not by the NSFAS.

Besides that, what we have done in the past is that students who wanted to do a second qualification in areas of scarce skills, we created a fund, which we took from the National Skills Fund, NSF, to support them, like we used to support what was called Bachelor of Technology, BTech, programmes if they were in scarce skills areas, like particular fields of

engineering and so on. We have done that in the past. As a result of the pressure we are under now as the NSFAS, we are saying we are not going to fund those first qualification as the NSFAS.

I do agree with you that also looking at occupations is something that is very important to do but we cannot be able to just expand anyhow at the same into qualifications beyond the first ones because we will end up disadvantaging those students who do not have even the very first qualification post-school. That has been the logic of the NSFAS. Thank you very much for your follow up question.

Mr A M SHAIK EMAM: Thank you very much, House Chairperson, Minister, many students are still complaining on the ground, university registration is closing in two weeks’ time. They are not certain what is going to happen. What can you tell them ... how will you be able to ... particularly the first year students? Thank you.

The MINISTER OF HIGHER EDUCATION, SCIENCE AND INNOVATION:

Thanks very much, hon member, a very important and relevant question at this time. We have eliminated a lot of uncertainty in relation to the NSFAS students right now.

On my day, I announced that despite the physical challenges that we are having, all the NSFAS students who are continuing students who have met the criteria for progression will be supported. All of them. In other words, those who are already in the system in our universities and Technical and Vocational Education and Training, TVET, colleges must be registered and the NSFAS is going to pay for them. The challenge was with the numbers of new students we can be able to take as a result of the fact that we are having more demands than the resources that are in the hands of government for a number of reasons,

i.e. the budget cuts, which started before COVID-19. The COVID-19 also contributed to that because we have had to extend the academic year without additional amount of money to beyond 2020, with the 2020 academic year. Then, the matter has been put before Cabinet and Cabinet has taken a decision today as to what will happen.

Unfortunately, I am not at liberty to communicate Cabinet decisions. I am told Cabinet will communicate its decision sometime tomorrow morning. I will, after Cabinet has communicated, also have a briefing with the public in order to give more details and information.

As the Minister of Finance said what is guiding us is that no deserving students who qualifies must be left out. And that’s the policy of government especially the children of the poor and the working class. Thank you very much. [Applause.]

Question 60:

The MINISTER OF HEALTH: Hon House Chairperson, firstly, regarding ensuring that the persons allegedly responsible for fraud and corruption in the Government Employees Medical Scheme, Gems, are prosecuted; it must be noted that Gems in an entity that reports to the Minister of the Department of Public Service and Administration, DPSA, and regulated by the Council of Medical Schemes, CMS, under the provision of the Medical Schemes Act.

As part of meeting their regulatory obligations, Gems submitted the forensic investigation report to the CMS for the alleged fraud and corruption. In the submission of the report Gems provided the CMS with the detailed information on action plans that were to be taken against the implicated officials including disciplinary action for those who were still in the employ of the scheme and other legal action through engagements with law enforcement agencies of the state.

Secondly, the administration of the National Health Insurance, NHI, is not going to be outsourced. And as the claim that Gems are preferred administrators is farfetched and premature. The policy position is described in the White Paper on the NHI and the NHI Bill, which is currently before Parliament. Gems, like any other stakeholder, will be afforded an opportunity through the parliamentary hearings to present their proposals. There is no consideration of any tender process to appoint an administrator for the NHI fund. Thank you very much.

Mr P A VAN STADEN: Hon Minister, there are many allegations of corruption not only at Gems but also within the Department of Health on all levels.

Entities such as the NHI are in our view a breeding ground fro corruption.

Minister, whilst your cousin was appointed in the department in 2020 and now a few weeks ago a tender of the department was awarded to your former spokesperson and private secretary who owns the company, Digital Vibes.

What assurances can you give South Africa that the funds such as the NHI will not be looted under your watch? Thank you, hon House Chair.

The MINISTER OF HEALTH: Hon House Chairperson, the allegations against the Department of Health and various officials will be investigated; they all need to be investigated even if the allegations are targeting the Minister or head of department or any official. At the moment the Minister and the department officials are co-operating with the investigation processes.

It is true that at any one time the processes of the allegations that come up have to be reported and we will continue to ensure that those are investigated.

It is not true though that there was a cousin appointed in the department as the member alleges.

But also, it is important to say that for the National Health Insurance we have put up structures that will ensure that there’s transparency in the management of the National Health Insurance.

There’s also at this point a public health sector anticorruption platform from which we have indicated that all the reports that relate to allegations of corruption in the health sector, public or private, have to be tabled at that platform and this is a platform that will ensure that all the irregularities and corruption are investigated in time so that we can stop corruption.

In the NHI we will make sure that there is no space for corruption. In the NHI we will also make sure that the regulations around it allow enough transparency and openness in the management so that any allegation can be raised even by private citizens or civil society so that they can be investigated and corruption uprooted. Thank you.

Ms M D HLENGWA: Minister, at the recent joint parliamentary meeting in February we were told by Gems that criminal and civil processes are underway, relating to the recovery of the missing R300 million. Very little detail was provided on what exactly is being done, who is being prosecuted and what civil litigation, which apparently will be that amount of money.

In relation to the civil litigation, which is apparently underway, what specific legal action has been instituted to

recover some of this money? Could the Minister please provide us with the detail of the action that has been instituted in this regard, and if not, why has there been a delay. Khabazela [clang name].

The MINISTER OF HEALTH: Hon House Chairperson, I do believe that more details are needed about this investigation at the Government Employees Medical Scheme. However, the Government Employees Medical Scheme reports, as an entity, to the Minister of Public Service and Administration, and therefore, more details could be obtained if you approach that Minister. We have just been aware that the investigation has been going on; we are not privy to all the details of how far that investigation has gone. We are also aware that some of the issues have been reported to the Council for Medical Schemes and such investigations have been proceeding, also some of which were under the Council for Medical Schemes, involving some members and therefore, some members of the medical scheme and so we would only request that such a question be directed to the Minister to whom all these details are reported to.

Thank you very much.

Mr B A RADEBE: House Chair, on a point of order. When you look at the allocation of the parties here, the last question was

supposed to have been asked by the member of the ANC, Dr S M Dhlomo, but it was asked by the lady there. Can you sort that out please?

The HOUSE CHAIRPERSON (Mr C T Frolick): Yes. Let’s allow ... Hon House Chairperson Ntombela, may we allow the hon Dhlomo, who was supposed to ask the follow up question before the hon Hlengwa, to put that follow up question now and then thereafter we will proceed to the hon Thembekwayo, and that will take care of the question.

So, it should be the hon Dhlomo from the ANC. I hope you find that in order hon Ntombela.

Dr S M DHLOMO: Hon Chair, I am actually informed that I’m asking a follow up question on the next question on hon Gwarube, it’s one of my other colleague who is asking the question as the follow up. I’m doing on Gwarube.

The HOUSE CHAIRPERSON (Mr C T Frolick): Okay. That means that the ANC is forfeiting that opportunity for a follow up question. [Interjections.] [Applause.]

Dr S S THEMBEKWAYO: Minister, who are the appointed administrators of Gems and how much are they paid annually and monthly?

Is it true that Gems is controlled by Johann Rupert-owned Remgro, which have been in control for more than 16 years? Thank you, Chair.

The MINISTER OF HEALTH: Hon House Chairperson, as I have indicated, the entity Gems, as much as it is a medical scheme, the entity reports to the Minister of Public Service and Administration and I would therefore request that we redirect the questions to that Minister who has the authority to speak on behalf of the administrative issues that relate to Gems, both in terms of the question of administrator as well as the control of the medical scheme. Thank you very much.

Mr N F SHIVAMBU: House Chair, I’m concerned because the Minister is aware of this question, he’s not encountering the questions about Gems in the House today, he has been aware for some time because these questions are sent prior. The only reasonable and fair thing to do is that when you are going to answer questions at least familiarise yourself of the details that have to do with Gems because the question was clear from

the beginning that it’s about the administration of Gems, what are the issue there. To pass the baton at this time is irresponsible and I don’t think it is an appropriate way of us as Parliament holding the executive to account, it’s unacceptable.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, the question that was put by your member is a follow up question and it’s not the primary question that was asked by the hon Van Staden; it’s one of those follow up questions that arise out of that and the Minister has responded to the question. So, if there are any specific details around the subcontracting or whoever is involved in the administration of this process it would only be fair to put that question as a new question, and not expect the Minister, since it involves another Ministry, also to respond to that.

Mr N F SHIVAMBU: House Chair, the concern I’m raising is because even in the question that came just before hon Thembekwayo asked the question, the Minister took the same posture and I’m illustrating a simple fact that it is irresponsible fro a Minister who is going to respond to questions about a specific entity and has not familiarized himself with that. The basic accountability principle could

have been to say to the Minister of Public Service and Administration that there is a specific question that is arising out of Gems, what are the details, what is happening with the entity itself? So that we are able to hold the executive to account instead of passing the baton. I think that, still, it is irresponsible for the Minister to handle question in the manner that he’s doing it now.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon member, unless the Minister has something else that he wants to add, I want to now go to the rules and the rules allow you or the member of your party to put an urgent question to the relevant Minister so that the relevant Minister can respond in detail to that, and that urgent question can be prioritised in the next question session.

I’m now informed that the hon Dhlomo is indeed ready to take

the follow up question. [Interjections.] [Laughter.]

Dr S M DHLOMO: Hon House Chair, I do now have the question that was prepared by hon Gela because of the challenges that she faces.

*IsiZulu*:

Emasontweni amabili edlule, kufike iBhodi lakwa-GEMS emhlanganweni wethu bezobika umbiko njengoba befanele balekelelwa yi-Council for Medical Schemes ebika kuwena Khabazela. Bathi besaxoxa sekuvela engathi kunento yenkohlakalo ekhona, endala ekade yaphenywa. Iyona le eseyivumbuka manje. Vele uGEMS ngokohlelo lwakhe ubika ngaphansi kwaNgqongqoshe uMacingwane woMnyango Wemisebenzi kaHulumeni noKuphathwa, kodwa i-Council for Medical Schemes inakho ukuthi ilethe imibiko kuwe ngaleya nto eyayikade ibikiwe yokuthi ayivele le nkohlakalo ukuthi yenzeke kanjani. Kwaphenywa kudala, ukuthi ivumbukelani manje okunye lokho ke. Lowo mbiko uyakwanelisa yini owalethwa yi-Council for Medical Schemes kuwe ngophenyo abalenza ngale-Medical Scheme okuthiwa ngu-GEMS na?

UNGQONGQOSHE WEZEMPILO: Siyabonga Sihlalo weNdlu, ngokohlelo lokubambisa koNgqongqoshe kubalulekile ukuthi singafaki izimpendulo ezingenza ukuthi ngephutha sibike into engesiyo uma uMnyango ungaqondene nalowo Ngqongqoshe okhulumayo. Kodwa ngokohlelo lomkhandlu ophethe ama-Medical Schemes, bakuchaza ukuthi kukhona uphenyo abalwenzayo obolubhekene nokuthi kukhona umkhonyovo osolekayo ngaphansi koMnyango.

*English*:

On the 11th of June CMS issued a statement announcing the establishment of independent investigation panel to conduct inquiry into allegations; it was named under section 59 inquiry and therefore it estimated that there was fraud, the industry estimated fraud of about R22 billion.

Gems fully committed to the investigation and the Gems fraud and ways on abuse policy and procedures and practices uses the board of healthcare funders industry practicing number system fine to create healthcare provider record and it does not contain the issues of data and race, and that was the issue that was the main problem that was raised in relation to the complaints that were associated with Gems.

The investigation was done and the report that was tabled was brought to our attention and we were satisfied that enough work had been done in relation to that matter although it did require that a lot engagement has to happen with a number of stakeholders, that is the private practitioners, who had raised the particular concern.

In 2017 there was a High Court application against two medical scheme administrators and a number of medical schemes including Gems, seeking declaratory relief of the

interpretation of section 59 of the medical schemes. In the application they contested that the medical schemes’ interpretation of the section wasn’t correct and such interpretation may not be applied when fraud was detected.

So, we are working to follow these reports up but as far as we would be concerned the matter has to be handled by the Council for Medical Schemes.

In that interim report there was still a bit of controversy about whether Gems was informed of that interim report and they said they didn’t have the report. So, all of these issues

have been tabled to us and we are continuing to look at those particular issues.

But we can come back to the committee or Parliament with the whole report in relation to the aspect of the Council for Medical Scheme having reported to us on the matter. But that is slightly different to the issues of the management or administration of Gems because that on its own is in the different department, but the report on the Council for

Medical Schemes, we can give more details about that if given an opportunity. Thank you very much.

Question 67:

The MINISTER OF BASIC EDUCATION: House Chair, let me also acknowledge hon members in Parliament. The questions about realignment and rationalisation of schools and our response is that, schools are not realigned or rationalised to deal with bad or poor results. Schools are rationalised for different reasons which have to do with the efficiency of the system, where for instance, in some instances you find that schools are just two small and unviable. So, you can’t deploy resource adequately because those schools are unviable. If you look at the schools for instance in Limpopo who underperformed, those were very small schools, where you had five matriculants and some instance, you have schools which have less than 135 learners. So, those school are the ones that we target for rationalisation because the unviable schools, we are not able to deploy resources properly.

In some instance you find that there’s no need to have two school in the same area, it will make sense to consolidate them – if another school has 250 and the other one has got 200 and other one has got 100. So, it makes sense to bring all

three of them into one school, so that again you can deploy your resources adequately. So the rationalisation has nothing to do with the efficiency of the schools, but it there are different reasons why we do it, it’s not about performance.

Schools that are underperforming – we have a different mechanism of dealing with those, be it big schools or small schools. So, and I agree with the member that it is a very important process that can be complicated, it’s a process that should be carefully planned and systemically executed towards ensuring continued universal access by learners to quality education, in a rational manner, doing so cost effectively, with respond to resource provisioning and resource planning.

That’s my response House Chair. Thank you very much.

Mr E K SIWELA: House Chair, thank you, hon Minister for the response. How many schools have been impacted by the rationalisation policy? What were the critical factors that necessitated closure of schools affected? Thank you.

The MINISTER OF BASIC EDUCATION: Members, we have 1000s of schools, I can’t give you the exact figures that we have 5000 schools. For instance, in the Eastern Cape where they have 6000 schools and our target was 4000 schools, already we have

rationalised almost a 1000 schools. In Gauteng for instance where schools were divided in terms of language groups, where you have in one section you have a Sotho school, you have Tswana school, you have a Sepedi school, those we have closed, so we can give you the numbers province by province but different provinces will have different reasons. So, we can consolidate the numbers as for it to be specific numbers.

Like in Limpopo, we had to close another farms schools which were unviable, in KwaZulu-Natal, KZN, we are continuing to close schools which are unviable. Mostly, schools that are targeted are in the Eastern, in Limpopo and KZN where they have more schools than they need, as a results it affects the resource allocation. We send the reply with specific numbers because the question indicates that the member requires specific number of schools that we have rationalised but we have rationalised almost 1000 nationally.

The HOUSE CHAIRPERSON (M L D NTOMBELA): Thank you very much hon Minister. The second supplementary question will be asked by the hon B Nodada. Hon Nodada.

Ms D VAN DER WALT: House Chair, it’s hon Van der Walt, I will

take this question and not hon Nodada.

The HOUSE CHAIRPERSON (M L D NTOMBELA): Ok, go ahead hon

member.

Ms D VAN DER WALT: Thank you Minister for your response. I have to differ a bit, because during national oversight currently, we see that communities are growing and I think we have to accept and [Inaudible] that every school in our country must be a school of quality teaching is taking place every day, that will mean that learners will not pass their nearest school and leave behind unviable empty schools, because they perceived those schools first of all to be of poor teaching quality or under resourced where this rationalisation is to be taken place Minister. We know a lot more challenges of us. Can you please ensure us that the learner transport and hostels are needed in many of these cases it is being provided to learners and teachers that are affected at the schools they have to leave, if not how will you do it?

The MINISTER OF BASIC EDUCATION: House Chair, I insist the rationalisation policy as it stands is for unviable schools not schools that are underperforming. Of communities growing, that also would have been assessed by the Province to say, is it demographically, is it a growing area.

I am giving an example that for instance, you will find in the townships schools that are based on language groups and there’s no need to keep five schools in one community when you can have three of them. It makes sense in terms of resources but it also makes sense in terms of rationalisation.

In the province where member comes, you have especially in the farming community, I am not sure will growing in those farming communities. You find a school with 75 learners from grade Reception, R to 12, it doesn’t what you try to put into place, that school is unviable and those are the schools that are giving us zeros. They are not giving us zeros because, there’s poor teaching, they are giving us zeros because they are unviable.

So, I insist it’s not very true – we may differ with the member, but the reasons and the policy on rationalisation is not based on the performance of schools but it’s on the viability of the school and in most instances - informed by learner numbers but also informed by the need to consolidate for resource allocation. Thank you.

Ms D VAN DER WALT: What about hostels and transport?

The HOUSE CHAIRPERSON (M L D NTOMBELA): Hon member, please just hold your horses. The third supplementary question will be asked by hon Ngcobo.

Mr S L NGCOBO: House Chair, I want to start by saying that rationalisation of schools results in the rationalisation of teachers, hence this question which says; given a large number of qualified teachers without the placement positions and those who are unemployed all together over and above. What has been the plan for the department to address this long standing problem and especially with the implication of rationalisation which end up causing a lot of pain and inconvenience to teachers and learners and these problems up in disruptions in schools and teaching and learning suffers at the end? May we hear the plans that the Minister has. Thank you very much.

The MINISTER OF BASIC EDUCATION: House Chair, as I said earlier, the purpose of the Department of Basic Education is to provide quality education for learners. Teachers are employed as a consequence not as a main objective. Teachers are employed to enable us to provide quality education. So, what informs and drives any policy is what the learner’s needs are. All teachers, like all workers they follow their jobs. I stay in Cape Town not because I like but because I follow my

work. So, teachers themselves and I am aware it’s very painful to be made to follow your jobs but we can’t keep schools which are unviable with 75 kids from Grade R to 12 and they are only three teachers for that school allocated and pretend that we are providing quality education.

As I said earlier, if you look at all the schools that gave us zeros, is school with five matriculants doing different subjects. We can’t pretend that you would have 75 children in a farm school from Grade R to 12 and pretend that you can give them quality education but because you want to employ teachers, you kill those kids and get zeros because you have to employ teachers.

I have also said that, it’s a process that you have to do carefully, you organise but you don’t lose the objective and the objective is quality education and that is what is going to inform the rationalisation, whilst being sensitive indeed to employees and sensitive to perhaps the learners, but at end of the day what is in their interest is quality education, not being at a school that is being unviable. Thank you.

Mr A M SHAIK EMAM: House Chairperson, Minister, do you not think we are in state of denial, in terms of the quality of

education in the country right now, particularly in the rural schools and is that not one of the reasons why parents are not putting their children in these schools which according to this report, there are substantial amount people living in that particular area? One the things that comes to mind is the fact that in the first year of tertiary institution, 60% drop out added to that is the great percentage of those that start school but do not finish school. Is it not because we making it an ideal school providing sporting activities, extra curriculum activities, arts so that we could develop these learners in different aspects of field. My problem is that the emphasis appears to be on numbers in the school rather than quality. Could you perhaps comment of that Minister? Thank you.

The MINISTER OF BASIC EDUCATION: We are completely denial and highly dishonest, pretend that we can provide quality education in an unviable school. Member would know that there’s rapid urbanisation in the country. People for different reasons are leaving rural areas and coming to urban areas. So, it’s not because they are chasing qualities, it’s because kids have to follow their parents. I have given an example of schools that are gave us zero in Limpopo, some of

them presented five learners, some of the presented [Inaudible.] and they gave us zero.

Schools that have 2000 in those very rural areas are the schools that gave us 100%. So, while you can consolidate your resources, you can have adequate number of teachers that [Inaudible.] where we have success... what gives us and that’s informs not any denial. All we want for our kids is the best.

We know we have the best we can get if consolidate our resources and the you can give quality where resources are consolidated, so to deny the fact that an enviable school can’t give quality education, why would you get to that pretence. I have no reasons to pretend that an unviable school

– I can throw resources, why would I throw resources when there are 75 kids from Grade R to 12, what resources can you throw there, is just that some of these schools in farm areas are unviable and for the sake of our children we have to close them and send them to better centres, give them transport, member is saying also build boarding schools but not keep them in areas where we know, nothing will come out of it. These unviable schools, nothing can come out of then. Thank you, Chair.

Question 99:

The MINISTER OF HEALTH: Thank you very much hon House Chairperson, Question 99 from hon Gwarube, the reply is as follows and may be noted as well that this question is similar to the question I answered in Question 64. We made good progress in securing vaccine doses. We secured 43 million doses in total so far. Our agreements are currently with Johnson & Johnson as well as Pfizer. Although with Pfizer, we still have to sign the detailed agreement. The agreement with Johnson & Johnson is for 11 million doses and from Pfizer, it will be 20 million doses.

In addition, there is a commitment to procure 12 million doses from Covax. The delivery schedule of the vaccines from Pfizer and Johnson, are committed in quarters not on monthly volumes. Doses expected in quarter 1, 2 or 3 and 4. Quarter 1 is for

1,1 million, quarter 2 is 8 million, quarter 3 is 11,6 million and quarter 4 is 11 million doses, respectively.

We have not received a final delivery schedule of vaccines from Covax. In addition, we are in the final stages of closing agreements for the balance of the doses required, which should allow us to roll out vaccines according to our plan. We still have on our negotiation more doses, more vaccines that will

only be allowed once they are confirmed beyond what we have just indicated at this point. Thank you very much.

Ms S GWARUBE: Thank you, Chairperson, Minister Mkhize this House and I think the public can appreciate that the response to COVID-19 is a fluid situation that has required the government to readjust its timelines based on foreseeable and unforeseeable circumstances. However, the integrity of the response heavily relies on the political leader at the forefront of this pandemic to be beyond reproach. This is an important thing for a number of reasons. Chief among them being the assurance that this process of the vaccine acquisition and rollout is corruption free.

A number of the political leaders in the governing party have already been implicated in various corruption scandals related to PPEs contracts. Recently, you have been implicated in a dubious contract with R82 million, which is currently under investigation. [Applause.] There are damning allegations against you and involvement in awarding this contract to people who are close associates of yours, which could result in a conflict of interests. Now considering the serious nature of these allegations and the contracts awarded to your friends by your department, would you be prepared to step aside as per

your own party’s policies state for the duration of the Special Investigating Unit, the SIU, investigation to ensure that there is no undue political influence in the process? [Applause.]

The MINISTER OF HEALTH: Thank you very much, we must then say that the issue of vaccination roll-out plan will remain fluid on the fact that there are many based changing and moving pieces in this regard. We take these allegations of corruption very seriously. As I have indicated before, there are a number of issues that were brought to my attention by the director- general that required that we should get the investigation going. We then indicated that it was more preferable to get an outside investigation or an independent investigation, which is going on.

In addition, the SIU has indicated that they would be interested in the investigation. We have written to the SIU together with director-general and we have co-operated with the process. We have to fight corruption. We will be co- operating with the investigation and in this regard, we believe that the process is secured enough in the hands of those investigators. No further steps unnecessary and that, of course, we would only deal with the outcomes of the

investigations when it is released. We will also make sure that this is made public so that the whole public is brought to speed in terms of what the latest issues are in the particular investigation. Thank you.

*IsiZulu*:

UDokotela S M DHLOMO: Ngiyabonga Sihlalo, uNgqongqoshe Khabazela uMnyango wakho manjena wamukela imigomo eminingi ephuma kwamanye amazwe amaningi, ikakhulukazi i-J&J ne-Pfizer. Nizokwenza kanjani ukuthi ingaphuki le migomo endleleni, hhayi nje ukusuka kwayo eNdiya iza la, noma nje isuka eGoli iya eKimberly, eMqanduli naseMzimkhulu? Yonke lena migomo futhi inemininingwane ethi idinga amazinga aphansi kakhulu okobanda. Ngenxa yokuthi uma kunganakekelwanga lokhu, kungakhinyabeza ikakhulukazi lo mkhankaso wakho omuhle kanjena. Izinsuku ke okade ubekelwe zona zokuthi uzisebenze kuphele unyaka usuqedile bese ziyakhinyabezeka. Kuzokwenzeka kanjani ukuthi nikugade konke loku ukuze uyaphela unyaka ngempela abantu abayizigidi zamashumi amane nibagomile eNingizimu Afrika?

Ngiyabonga.

UNGQONGQOSHE WEZEMPILO: Ngiyabonga Sihlalo weNdlu ehloniphekile, ngibonge nelungu elihloniphekile ngombuzo. Kunjalo iqiniso lithi le migomo ukufika kwayo inemibandela

eminingi yokusetshenziswa kwayo, ikakhulukazi ukubekwa ngaphansi kwendawo enokubanda okwanele ukuthi ingonakali njengemigomo efanele isebenze emzimbeni womuntu.

Ngakho ke sinezindawo eziningi lapha eNingizimu Afrika esesizitholile. Lapho kwenziwa ucwaningo oluhlukene, enamalabholethri akwazi ukuthi agcina imigomo nemithi nezicubu ezithile ngaphansi kwamazinga aphezulu angafika ezingeni elingu -70 degrees Celsius.

Ngakho ke sinazo lezi zindawo. Ngiye ngathi abangilinganisele izindawo lapho etholakala khona kalula. E-Bloemfontein ikhona, e-Cape Town kunezindawo ezine eMavundleni, e-Groote Schuur, eKhayelitsha nase-Task Centre. EThekwini kunendawo yaseBothaville, Chatsworth, Isipingo, Tongaat kanye neVerulum. Bese kuba khona ezinye ezise-Johannesburg. Izibhedlela zakhona kube khona esise-Plaasdorp, Ladysmith, Mamelodi. Ngakho ke zonke lezi zindawo ngokuqiniseka koSosayensi noChwepheshe ababhekene nohlelo lokucwaninga, lezi zindawo vele bezinokubambisana nezinhlelo eziningi zocwaningo nendlela eyenza ukuthi kungabe kuphephile ukubeka imigomo kulezo zindawo.

*English*:

We have a list of a laboratories and research centres that have the capacity to store such products at a minus 70 or even another level of a temperature such as some to minus 20 degrees and minus 30 degrees. All of these, I have been assured that there are adequate facilities for this, taking the fact that distribution won’t happen in a lump sum. Numbers will be such that this can be accommodated right across the country to make it sure that the cold chain preservation is secured. Thank you very much.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon House Chairperson, I have also been informed that this supplementary question will be taken by hon Shivambu.

Mr N F SHIVAMBU: Thank you very much, House Chairperson, on 24 February, the Minister of Finance said that we are allocating R10 billion for the purchase and delivery of vaccines over the next two years. When we asked him a question in the committee that deals with finances here, as to just how many people can you vaccinate with a R10 billion over two years. He did not respond to that question.

We are now giving you that question. How many people can you vaccinate with R10 billion? He kept on saying here, but

hesitantly that you are going to vaccinate the population that is needed for herd immunity before the end of this year. The budget says that it must be over the period of two years in terms of the allocation of the budget. How many people? I am sure there is a model now that you may be able to quantify.

How many people are you going to vaccinate with R10 billion, because already you have started with the purchases and you have already committed with the numbers that speaks to the vaccine roll out programme? Let’s deal with that question, succinctly.

The MINISTER OF HEALTH: Thank you very much House Chairperson and hon Shivambo for the question. At the moment, we have signed an agreement ordered about 11 doses from Johnson & Johnson and 20 million doses from Pfizer. Those two together at this point comes to R7,6 billion. If you look at those two together they will vaccinate about 21 million people. Then, another R2 billion is being committed to Covax to give us an additional 12 million vaccines that will give us another six million. So, together that will give another 27 million people to be vaccinated. If we note that 11 million will be a single dose and the other 20 plus 12 which is 32, will be responsible for 16 million people if you do two doses. The total therefore will come to about 27 million people of what we have ordered.

If you take again into account the amount of those that would have been vaccinated by the end of this current phase on the health workers, it could come to about 500 000, which means is 27,5 million people. Then, of course, the rest and others, we are going to be on the Pfizer dose vaccines will actually be part of the additional amount that I have just mentioned. All in all, with the amount that is committed at this point, we will be able to get about 27,5 million people vaccinated, which means 11 million single dose and the others will be double dose. Thank you. [Applause.]

Mr N F SHIVAMBU: Chair, on a point of order: Can we please then note, I know we are going to deal with the budget later on. What the Minister has just illustrated now is that, what National Treasury has allocated for vaccination is not going to achieve the herd immunity because 27 million vaccinations is not herd immunity. Your herd immunity is 43 million in terms of your own estimation if not 40 million. It means there is already misalignment in terms of you achieving herd immunity. You are misleading us. You are misleading us in terms of this process.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Hon Shivambu, it will not be proper to allow a debate on this matter. The

Minister has given you the best in terms of the answer. There are procedures to follow if one is not happy.

Mr S N SWART: Thank you, hon House Chair, arising from the response and in particular the issue of the R10 billion that is to be allocated for the purpose of rolling out vaccinations over two years. I am sure you will agree that this is rich pickings for unscrupulous people. You did indicate steps that you will be taking to address the present scandals in the Health Department and that the SIU has been involved in that regard. However, it does seem that the Health Sector Anti- Corruption Forum is ineffective. Will you, hon Minister, take steps to ensure that corruption does not take place with that R10 billion and at the very least ensure that real time auditing takes place with the expenditure of the distribution contract? Thank you.

The MINISTER OF HEALTH: Thank you very much, hon House Chairperson, let me say that we have given a concrete answer in relation to what is committed to the acquisition of vaccines. The Minister of Finance has also indicated that there are contingency reserves. Funds that will be looking at other’s needs that the country would face. The matter between the Minister of Finance and myself is such that we will not

have any problem dealing with the orders that are necessary for the purposes of procuring the vaccine.

We have the anti-corruption forum for the health sector, which is actually housing very competent leaders of the National Prosecuting Authority, the NPA, the police, the Hawks, the SIU and various departments so that there is a short circuiting of any delays in the process of investigation. We have no reason to believe that such a body is not effective. We have already had the SA Police Service, the SAPS, indicating that they have been able to get hold of fake vaccines where they were reported.

In so far as the procurement process, we are ensuring that there’s a very tight management between Treasury and health in the acquisition of the vaccines so that there is no malfeasance at that level. We have the interministerial committee that has got a work stream that focussing on a prevention of corruption that is led by the Deputy President, and this will also make sure that the accountability, the management of the entire process is free of corruption. If there is any corruption, there is already a mechanism to report so that we can act on it.

I can really assure the hon Members of Parliament that everything has been put in place to avoid any situation of a malfeasance, irregularities in any form of corruption. With that, we believe that we have learned from the previous lessons of last year in the PPEs situation. We would make sure that this is handled with the utmost integrity as I’ve indicated in all the structures that are part of this process. Thank very much.

Question 59:

The MINISTER OF HUMAN SETTLEMENTS, WATER AND SANITATION: Hon

House Chair, I would like to thank the hon Meshoe for asking this question, because it is the very topical matter that we are trying to deal with and has been the crisis for this country for about 10 years or so. Finally, we have been given a report by the Human Rights Commission which allows us to take on the responsibility with more powers given to us.

The Human Rights Commission started investigating the issue of the Vaal some four years ago, maybe even more and has been in touch with us on a regular basis to tell us about the crisis in the Vaal. We have been aware of the crisis in the Vaal and we have been visiting the Vaal and trying to solve the problem.

However, the report of the Human Rights Commission comes as a relief to us, because it gives and empowers us to do what we need to do. It also gives us the responsibility to enforce section 63 over the Vaal and therefore take over the responsibilities of all the things that will happen in the Vaal. So that we are able to do what needs to be done which is to solve the problem of the Vaal.

House Chair, the report of the Human Rights Commission has been met with mix feelings. The local municipality is not too happy with us taking the powers given to us by section 63, but we are elated because it gives us the responsibility fully to do what needs to be done.

We received the report two weeks ago. I have since written a letter and send the report to the Minister of Co-operative Governance and Traditional Affairs so that I can get her concurrence in taking over the responsibilities that were otherwise under a municipality and I have since written to the premier to indicate to him that this is what we are going to do. We put together a team from my office and we have conducted extensive studies of what it is that has caused what we have in the Vaal.

What we discovered is absolutely amazing. However, it also allows us the possibility to resolve the problem that needs to be resolved. With the support that we hope to get from Parliament and the support we hope to get from Treasury. Hon members will remember that the first intervention in the Vaal was proclaimed by the Minister of Finance. He requested the Defence Force to go in there and clean up the Vaal. The problem in the Vaal is not the Vaal itself, but everything else that flows from Mpumalanga, Free State, North West and all the other areas flowing into the Vaal. The other problem in the Vaal is that it was not intended to cater for what it is catering for and the other problem in the Vaal is that there has been the whole build up around that area of human settlements and informal settlements with all the sanitation flowing into a dam that was not ready for that. Everything that could go wrong has gone wrong. We are glad to take over with the support of the Human Rights Commission. We hope we have the support of Parliament. We will be tabling this before Parliament because we will be requesting additional resources to be able to clean up the Vaal. Thank you.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Hon members, if the hon Boroto is barely applying over to air. I will now call the first supplementary question by the hon Meshoe.

Rev K R J MESHOE: Hon Chairperson and Minister, for your reply. It is encouraging to hear that you are looking with excitement to deal with the problem that has been plaguing that area for many years. For those who are not aware, raw sewerage has been flowing into the Vaal River from pump stations in the Emfuleni Municipality for many years posing environmental and health risks for many years. That include Vereeniging, Sebokeng and Sharpeville.

What I want to know is that hon Minister, as the Defence Force managed to fix about three primary treatment plants out of the 39, when would the rest of the pumps be repaired so that the affected communities will not be condemned to live under the appalling and under unhealthy conditions for the rest of their lives?

I thought the environmental study you spoke about was done by the SA Defence Force, SANDF, if it was not satisfactory, can you enlighten us why you are going to that again when the SANDF has already done it already? Thank you, Chairperson.

The MINISTER OF HUMAN SETTLEMENTS, WATER AND SANITATION: Rev

Meshoe, no, the Defence Force did not do the kind of the environmental study that would help us resolve the problem.

The Defence Force was called in almost on an emergency basis to clean up the Vaal. That is what they have done. We have since put together a team of people who are going to put together all the studies that we have been done in that area.

The problems did not start either with my term or my predecessors term or the previous predecessor. It has always been a problem. The dam was built in 1903 to service the ... [Inaudible.] industries around mining towns, to service the

... [Inaudible.] ... predominantly Afrikaner farming around the Vaal. Since then it has become of several areas put together. However, the dam itself with all of that which is required for ratification has not been upgraded.

We have concluded a study now and we intend to take it to Cabinet and we will share it with Parliament. We will be asking Rand Water to be our responsible entity over the Vaal. We will be creating employment for the people of the Vaal. We will be dealing this matter with the business people of the Vaal because they have been complaining and their businesses have suffered for quite a lot.

We have begun to create an environment where it is possible for us to bring in everybody who is able to assist us to

assist us. The environmental study would be available and would be made available to the portfolio committee and it consist of the study of the Human Rights Commission and various other studies that have been conducted. It also consists of the history of the Vaal which was never intended to do what it is doing now. [Time expired.]

Ms N N SIHLWAYI: Hon Chairperson and to the hon Minister: What is the department doing to ensure it addresses challenges of sewerage spill and pollution to the rivers understanding the health and the ecological impact of such waste? Thank you very much, hon Chair.

The MINISTER OF HUMAN SETTLEMENTS, WATER AND SANITATION: Hon

Chair, we share the responsibility that the hon Minister is asking about with the Minister of Forestry, Fisheries and Environmental Affairs and very soon we should have concluded a pact to work together.

[Interjections.]

Could I be protected, Chair.

In the past there use to be a co-opt of young people called the battalion working for water. We are hoping we can have something of that nature. There are people around the river who would be employed to clean up and keep the river clean.

Over and above that we intend to ensure that all municipalities who are responsible for water works and providing portable water to the municipalities taking it from the river are responsible for keeping the rivers clean.

What we will be doing now as we solve the problems of the Vaal will be the prototype of what we will expect of every major river in the country. Thank you.

Mrs M R MOHLALA: Hon Minister, one of the most chilling findings of the Human Rights Commission is that both the Department of Human Settlements, Water and Sanitation, and the Emfuleni Local Municipality have allowed people to live under deteriorating conditions for years. Of course, the situation is the same for many communities across the country.

In your view Minister: Is your department wilfully out of charge of challenges faced by people such as the community of

the Emfuleni Local Municipality? If not, why ... [Inaudible.]

... to this level. Thank you.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Minister, before you respond, may I ask the hon Siwela to please mute. We do not want to hear your conversations. Hon Elvis Siwela, please mute your mic. The hon the Minister.

The MINISTER OF HUMAN SETTLEMENTS, WATER AND SANITATION: The

deterioration of our rivers has been going on for a very long time. It is the consequence of unplanned migration into towns, setting up of informal settlements and lack of proper skills to maintain our rivers, etc. It has been happening over a whole period of time.

The Human Rights Commission indicates in its report that it started looking into this matter at the end of 2016 and by 2018 they have decided that they are going to take action and they have finally taken action. So it is a systemic rather than a personal or a departmental matter.

However, out of this we have now the necessary instrument to take over the responsibility of these dams and rivers which we did not have naturally in the Department of Human Settlement,

Water and Sanitation. We want to use them to effect and collaborate with all other departments that might give a hand to help. The environmental affairs, co-operative governance and any other department that has the technology to assist us to clean our rivers and find the way in which we can teach our people. Maybe now that we have Minister Angie Motshega here, teach our people how to keep our rivers clean. For basically water is a very scarce resource in South Africa. The only water we have and the only water we will ever have and we need to keep it clean, but our people need to be educated. I also hope we are going to have partnerships with radio stations to indicate what we should do to keep our rivers clean. When you look what we have found in the Vaal Dam it is carcasses of horses and all sorts of things that have been slaughtered there. We found baby pampers and old furniture thrown in the river. For our people is just a waste basket. We need to educate and the sensitivity for that which is essential to us. Thank you very much.

Mr I M GROENEWALD: Hon House Chair and Minister, this is true that the polluted water of the Vaal River is costing the taxpayers more money because it cost more to clean it up. Yet when we had a Blue and a Green Drop report, this could have actually been can I say avoided through earlier detection.

Last year your department said that they will imply the Blue and the Green Drop again from you and I want to hear from you as to when will that become a reality. Thank you very much, hon House Chair.

The MINISTER OF HUMAN SETTLEMENTS, WATER AND SANITATION: Hon

member, the matter of the Vaal River goes back several years. The matter of the Vaal started with your ancestors who were farming there and did not take care of the Vaal and it got worse. So it has nothing to do with the Green Drop nor the Blue Drop which we committed to ourselves to last year.

However, I take the point that you are making that it would improve the situation greatly, but it is not in essence anything that would solve the problem of the Vaal. The problem of the Vaal will be solved when all of us work together and understand the value of our dams and our rivers and the fact that we do not have the amount of water that will keep us afloat. We have a very dry country. If we save water and look after it, all of us without the Blue and the Green Drop, it just must be part of our consciousness. Let us look after water because we are a dry country and because our future generations will need it.

Casting doubt over capacity here and there will not help. We need you too to teach our community what needs to be done and we need everybody to be concerned. The Vaal Dam is 118 years old. It is now no longer able to cope with what is being thrown into it. Out of 44 pumps that should be working, only two are working. Gradually just grinding into a halt. It has been in the hands of a municipality that has been under administration. That did not help. So, it is in our hands now. You are in the portfolio committee. We are talking to Members of Parliament and we will need every body to put their hand on the issue and make sure that that we succeed. We have to succeed because we need that clean water. We need to keep our dams working and I am glad that I had this opportunity to appeal to all of you. Our dams need protection. Our people need to know that they cannot throw everything in the river.

They need to know that we are a very dry country. Thank you very much, Chairperson.

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you, hon Minister. Hon members that says the time allocated for questions has expired. Outstanding replies received will be printed in Hansard.

I am going to ask the Secretary to read the order of the day.

# CONSIDERATION OF 2021 FISCAL FRAMEWORK AND REVENUE PROPOSALS AND OF REPORT OF STANDING COMMITTEE ON FINANCE THEREON

*Xitsonga*:

Nkul M J MASWANGANYI: Mutshamaxitulu, swirho swa Huvo yo Endla Milawu ya Riphabiliki ra Afrika-Dzonga na Vaholobye, ndzi khensa nkarhi lowu ndzi nga nyikiwa wona ku andlala xiviko xa komiti ya Timali mayelana na Mpimanyeto wa lembe ximali ra 2021.

*English:*

The Minister of Finance Mr Tito Mboweni tabled the 2021 Budget before Parliament on 24 February 2021 in line with section 27 of the Public Finance Management Act, PFMA, and section 7(1) of the Money Bills Amendment Procedure and Related Matters Act, which is called the Money Bills Act. The Minister together with the Deputy Minister, the director-general, DG, and officials from the National Treasury briefed the Standing Committee on Finance, Select Committee on Finance, Standing Committee and Select Committee on Appropriations on 25 February 2021. The committees received post-Budget tabling inputs from the Parliamentary Budget Office, PBO, and the Financial and Fiscal Commission, FFC. The Minister drew

attention of members to the Budget highlights emphasising that the Budget supports, among other things, economic developments, social services which constitute about 56% of the total budget and the political party funding.

In response to the advice asked about solutions to the persisting poor economic performance given the role and responsibility of the National Treasury as the custodian of economic policy, the Minister gave explanation on factors that are influencing economic growth. On economic outlook, the 2021 Budget Review highlighted that economic decline in 2020 was as a result of effects of COVID-19 pandemic and structural constraints to growth. The National Treasury expects real gross domestic product, GDP, growth of 3,3% in 2021 from contraction of 7,2% in 2020, moderating to 2,2% in 2022 and 1,9% in 2923. The GDP growth will be driven by a rebound of household consumption to 2,9% in 2021, despite an expected decline in investment from an estimated 18,4% in 2020 to 2,4% in 2021.

There is a concern about unemployment which is rising. The 2020 fourth quarter labour force survey from Statistics SA shows that the number of employed persons increased by 333 000 while the number of unemployed persons also increased by

701 000. The rate of unemployment measured 32,5% - the highest record since the start of the labour force survey in 2008.

Compared to a year ago, total employment decreased by 1,4% million. The National Treasury added that the labour

market effects emanating from COVID-19 are particularly severe for low skilled workers in high risk occupations and are deepening existing inequalities across the age, education, gender and race.

There is also a concern about the debt to GDP ratio. Growth loan debt is now expected to increase from R3,95 trillion or 80,3% of GDP in 2020-21 to R5,23 trillion or 87,3% of GDP by 2020 to 2024. The National Treasury expects the proposed fiscal framework to stabilise debt at 88,9% of GDP in 2025-26. Debt service cost will rise from R282,9 billion in 2020-21 to R338,6 billion in 2023-24, now consuming 19,2% of the tax revenue. This is a serious concern, hon Chairperson.

We received submissions from the stakeholders in terms of parliamentary procedures that there should be public participation. Subsequent to that we invited the National Treasury to come and respond to the submissions from the public. As a committee we are making the following observations and recommendations. The committee remains

concerned about that despite the government’s efforts to support job creation, the rate of unemployment reached a record level in last quarter of 2020, making it extremely difficult for the economy to absorb new entrants into the labour market particularly the youth. We note the National Treasury’s decision to remove the venture capital company, VCC, inceptive which was aimed at, amongst other things, job creation. We recommend that the National Treasury should regularly review other incentives intended to support economic growth, create jobs and support small and medium-sized enterprises, SMEs, such as the employment tax incentive to determine the extent to which these programmes are achieving the intended policy objectives and report progress to the committee. The committee also notes some progress made in implementing reforms aimed at addressing structural constrains to growth. We still urge for a speedy implementation of economic reforms and for government to create a conducive environment for the economy to thrive, create jobs and encourage investment overtime to reduce heavy reliance on social services.

As indicated in the previous reports we believe that reindustrialisation and localisation should become key pillars of our national reconstruction and inclusive economy recovery

strategy and that there needs to be a buy local campaign for the state, private sector and consumers in general.

On fiscal policy issues the committee notes with concern that the Budget deficit has now reached a double digit record level and has doubled since February 2020 Budget in response to the spending and economic pressures of COVID-19 pandemic. The committee therefore recommends that the National Treasury should provide the committee with regular reports of progress made in reducing Budget deficit. The committee also observed, as I have said before, that bad GDP ratio remains very high.

We recommend that the Minister of Finance reports quarterly on the effectiveness of the Treasury’s debt management debt strategies that would ensure that the level of debts stabilises over the medium-term and avoid a sovereign debt crisis.

The committee also reiterates its recommendation in regard to the issue raised by the Minister on the zero-based budgeting. It is a matter that the Minister has mooted last year in July. The committee requires the Minister and the National Treasury to do this briefing at the next quarterly meeting as to whether government has adopted this strategy of zero-rate

budgeting or is something that is being looked as an option.

We will wait the Minister’s briefing in this regard.

The committee also raised issues in regard to the collection of revenue. Therefore, the committee recommends that the SA Revenue Service, Sars, should intensify revenue enhancement [Inaudible.] to collect maximum revenue due to government in order to enable it to deliver all its constitutional obligations. Amongst other things Sars and the law enforcement agencies should attack those who are involved in elicit economic activities.

Moving towards conclusion, the committee recommends that the Public Procurement Bill be brought to Parliament as soon as possible. We don’t agree with the Treasury when they say that they are going to table the Bill in December 2021. It is long that this Bill has been sent to the public for comments. As soon as this Bill comes the better because it will serve the previously disadvantaged, women, youth and people living with disabilities. We don’t agree with their explanation that the Bill will be tabled in December. While recognising the economic, financial and other challenges, the committee recommends that in view of the COVID-19-related job losses, increasing poverty and inequality, the Motional Treasury and

government should seriously consider the basic income grant after the necessary consultation with the relevant stakeholders. However, we would like to refer this matter to our sister committee, the Appropriations committee, which can give further attention to this matter.

In conclusion, having considered the 2021 fiscal framework and revenue proposals, the Standing Committee on Finance request the House to approve the 2021 fiscal framework as presented with the above recommendations. I therefore, move for the adoption of this report.

*Xitsonga:*

Ndza khensa, Mutshamaxitulu. Inkomu!

Mr G G HILL-LEWIS: House Chairperson Borotho and colleagues, today we are debating the Fiscal Framework which is distinct from the Budget. The Fiscal Framework sets out the pillars of borrowing, taxing and spending which underpin the Budget. The Budget sets out the detail of how those assumptions of spending, taxing and borrowing will be spent by each department and government function.

So, later on when we debate the Budget, we in the DA will take serious issue with the spending priorities and choices that this government has made inside the Budget some of which we believe are simply unjust and unfairly prejudice the poor in favour of more bailouts for state-owned companies. But that is not the topic of today’s debate. Today we are debating the big picture - the Fiscal Framework. We must say that on the big picture - the Fiscal Framework – the Minister of Finance should be congratulated for getting a few big things absolutely right.

Firstly, he has committed to get debt under control in 2025 at 88,9% of the GDP. He has committed to bring down the public wage bill by a whopping R300 billion over the medium term. And he has sent an important signal, a symbolic gesture that South Africa’s success will be built on business success by pledging to lower tax on companies next year. These are the big things and without them our public finances simply would not be sustainable for much longer.

As always, we’ve heard much sound and fury in the debate last week about the idea of austerity. I am afraid that those shouting austerity about the Budget simply haven’t read the document. Even with the efforts that the Minister has

announced in this Budget to control debt and the wage bill, we will still be borrowing R540 billion this year, nearly

R2 billion per day.

Last year, we borrowed more than R770 billion on top of what we raised in tax. Those people shouting about austerity do not fully grasp the devastating impact of ever increasing debt- service costs on services to the poor. So, when you hear someone calling for more borrowing this year - as I’m sure the hon Shivambu is about to do - then please understand this, what they are also calling for is lower services and fewer services for the poor next year. That is the cost of more borrowing now – less money to spend later.

Every rand of borrowed spending now is paid for with more than one rand of foregone spending later. That is a basic law and it does no good to deny it with voodoo economics which argues that you can just keep spending and borrowing without any care or worry for the consequences. A government cannot borrow these enormous amounts year after year, adding for an item.

Profligacy eventually catches up with you and that is exactly what has happened in South Africa.

So, we welcome the Minister’s fresh commitments to hold the line on fiscal discipline. Of course, we have heard these commitments before from the Minister. We all remember the speech last year with all of its biblical language about the so-called active scenario which committed the government to the narrow path to salvation. It is vital now for South Africa’s economic salvation.

Minister continues to walk up that path no matter how rocky or steep it becomes. That is why this is the perfect opportunity for us to adopt a legislative, fiscal anchor in South Africa. What is a fiscal anchor? It provides legal limits on how much government can borrow each year. That means for whichever party is in government, for all of the time politicians who are in charge of the Budget will not be tempted to borrow a little bit more than we can afford each year until such time as it becomes totally unsustainable. That is why I have tabled a Fiscal Responsibility Bill [B5-2020] which I really hope the Minister and his colleagues here will support when we present it in the committee next Tuesday.

We were very pleased to hear the Minister explicitly refer to fiscal rules. And the Treasury in its presentation to our committee last week explicitly endorsed the idea of new fiscal

rules in South Africa. This is great news. Going back as far as his first Budget as the Minister, he explicitly endorsed the idea of fiscal rules. Our Bill provides for a fiscal rule prescribing that debt expressed as a percentage of GDP must not be more than it was in the previous year; that government guarantees must not go up year after year; and that in crises like we had last year, the National Treasury can apply for exemptions from this rule.

We have the opportunity now, Minister, to set South Africa on a path of fiscal responsibility. We must not turn away from this chance. The benefits for our society will be felt by our children and felt in particular by those who rely on the state to deliver basic services every day. Our responsibility to the most vulnerable in society requires a fiscal rule in legislation in South Africa. Now is the moment. Thank you. [Applause.]

Mr N F SHIVAMBU: House Chair, we take this opportunity as the EFF to condemn the police brutality that is displayed by the ANC-led government against Wits University students, and condemn the fact that the ANC-led government once again killed a black person in Johannesburg as part of suppressing the legitimate protest against financial exclusion. If the

austerity Budget that we are debating here did not reduce the allocations to the National Student Financial Aid Scheme, NSFAS, the black person who was killed today would never have been killed. He would still be alive as we speak here.

We stand here to propose that we, as Parliament, should reject the austerity Budget and Fiscal Framework as presented by the Minister of Finance on 24 February 2021. We do so just even now for the simple reason. There is not enough allocation for the procurement of and delivery of vaccines. We are in a crisis now.

In his response to the questions that were being asked now, the Minister of Health has admitted to the fact that

R10 billion over a period of two years is inadequate to achieve herd immunity and we cannot say that we are going to depend on contingency budget because contingency budgets have their own rules and guidelines. Contingency budgets are meant for unexpected eventualities.

We have been expecting this year that we should vaccinate at least 67% of South Africa’s population. So, the budget has to be allocated to achieve that. That’s a basic logic that we have to follow. We must use our power as Parliament and we are

allowed as Parliament to amend Money Bills. We can’t introduce them but we can amend them. Let us amend the allocation to give adequate resources for the vaccination of our people so that we insulate them from the disease that is devastating not for South Africans but the entire world. That is a basic thing that we need to deal with in terms of what happens.

The DA will not know maybe because of the semi-literacy levels on economics that, unlike in a household context, when you are faced with a fiscal crisis as a country, you do not reduce expenditure because national expenditure is national income as well. Government expenditure amounts to GDP growth later on which will contribute to the reduction of poverty, creation of jobs and increased heightened economic activity. It contributes to broadening the revenue base.

The only sensible scientific way to deal with the debt to GDP ratio is to increase the economic activity. There is no short cut to that. There is no other way you can reduce the debt obligations because, if you do not expend as government, the economy is going to shrink and even the government component that deals with the economic growth is going to shrink.

Therefore, automatically increasing the debt to GDP ratio – it’s called the ratio because it is comparative in that particular context – but the Budget in the Medium-Term Expenditure Framework, MTEF as proposed is going to reduce the national expenditure by more than R60 billion in the 2021-22 Budget; by more than R90 billion in the 2022-23 Budget; and by more than R150 billion 2023-24 Budget. What that automatically means is that the economy is going to be shrunk by government deliberately because of the misconception of how budgeting and fiscal policy can be utilised to reignite economic activity.

I know that there was a discussion in the Portfolio Committee on Finance that we should have further deliberations in that particular regard. But there are issues that we have to deal with at least in this year in terms of what should happen. We should finalise the establishment of the state bank. There’s an agreement in terms of us establishing a state bank. There are lots of benefits that come with that. We should finalise the discontinuation of private ownership in the SA Reserve Bank. We should be committed all of us here to establish a sovereign wealth fund in terms of what should happen.

However, we should guarantee energy security and let us dismiss the nonsensical illusion that you can achieve energy

particularly electricity security without the base load of clean coal. There’s no renewable energy source that is going to be a reliable source of energy in a manner that is here. So, a mixed energy policy in South Africa that must be pursued should include clean coal; must include the liquefied natural gases; must include nuclear; and must of course include renewable energies which must be anchored by state ownership and guidance.

However, in a manner this is being dealt with now, we are not going to achieve anything. Worse, the Budget has reduced allocation to the Department of Trade and Industry which is supposed to deal with the micro components of the economy in terms of driving and subsidising industries. How is the economy going to grow if you are not paying particular attention to industrialisation? We have illustrated several times and we’ll continue to do so to illustrate that you’ll never be rich as a country and you’ll never create jobs unless you deliberately and purposefully pursue industrial expansion.

The current Budget as it has been presented has reduced the allocation to industrial policy, meaning that the economy is going to shrink and it is going to shrink the revenue base. This means that poverty is going to deepen; unemployment is

going to widen; and inequalities will widen. And we are not going to achieve anything. Let’s reject this Budget as it is not helping us. Thank you very much. [Time expired.] [Applause.]

Inkosi E M BUTHELEZI: House Chairperson, the Minister’s address to this House on the budget and Fiscal Framework for our country was, to some extent, measured considering the state of our economy and devastating effects COVID-19 had on our country. The IFP welcomes the R11 billion injection into Presidential Youth Employment Fund and the further R4 billion into local and royal enterprise. This speaks directly to unemployment, particularly young people, and it will ignite some economic activities in rural areas.

The government’s focus on infrastructure development is well received by the IFP. However, we are very concerned by the aging infrastructure which has been neglected and has not been serviced over many years. We cannot shy away from Minister’s opening statement who spoke about hope. That signals that things are not really looking good.

The absence of Aloe Ferox in the House this time around sent a clear message that it has eventually died. The IFP warned the

Minister that it is not the amount of water that sustain the plant and that which makes it resilient but the properties of the Aloe Ferox which enables it to survive.

With that being said, and much like the Aloe Ferox, we should stop pouring money into state-owned entities, SOEs, but rather bring people with right qualities and qualifications to do the job and turn things around in our ailing entities. We must deal, once and for all, decisively without fear or favour with the growing and deepening rot that is in the system. By rot I mean corruption, inefficiencies and redundancy that is there.

We all want the economy of our country to thrive and not only to survive. So, how long are we going to waste money on SOEs where there is no single indicator that they will ever recover or pull themselves out of the debt?

We heard the increase in grants which was exciting to hear but the truth of the matter is R10 here and R10 there will not make a difference to the poor people. Hon Chairperson, the ever ballooning public sector wage bill is a serious problem for our country while this crisis is because government has essentially become the biggest employment agency while faced

with the collapse of efficacy, efficiency in our departments because of cadre deployment that has gone far too long.

In all spheres of government, the creation of posts which are non-existent is used to reward friends and comrades of those in the ruling party. These corrupt and unethical activities from those who hold high offices has costed our country billions so much so that we are unable to reduce the debt and our budget has become a debt servicing plan.

Therefore, hon House Chairperson and hon members, for the sake of putting our country first, I ask you to heed the advice of the IFP and sell all SOEs or bring a private partner to all of them across the board. Heed the advice of the IFP caucus leader, Prince Buthelezi, by helping people to help themselves. Give people hand ups for life and not handouts that are temporary and not sustainable.

*IsiZulu:*

Uma Sihlalo ohloniphekile labo abadla izimali abangamanketshane kuhulumeni bengakaphenywa batholwe benamacala injobo ilingane umnsinsila asiyukuphinda silibone izwe lethu liphakama kule ndawo elikuyo. Ngiyabonga kakhulu, IFP iyaweseke lo Mbiko.

ILINGU ELIHLONIPHEKILE: Sithokoze, ndabezitha.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Nxumalo and others, let me say this and I will not say it again: If you press that microphone you must be able to raise a point of order. If you do not raise a point of order and you press the microphone, it is unparliamentary because no one has given you the permission to speak. So, if you do that you will be warned and the next time you do it you will be removed from the platform. Thank you. Hon Wessels?

Mr W W WESSELS: House Chair, the scepticism of rating agencies about if the Minister will meet the targets he announced is understandable. The Fiscal Framework is based on sustained improved revenue collection. If that does not occur the Fiscal Framework will not be realised and the budget that it is based on will also fail.

Revenue collection can only occur if there is economic growth. The Fiscal Framework is also based on the successful containment of the public wage bill where no cost of living increases will be enacted. Will this be possible?

Last year during the supplementary budget the Minister announced with much funfair as usual that zero-based budgeting will be utilised and we will move towards zero-based budgeting. Yet now the ruling party is unsure if this is government policy.

Chairperson, nothing will realise if the ANC’s ideology that the union’s powers are still going to be allowed because then the wage bill will not be contained. Then economic growth will not take place because of failed ANC’s policies which is making economic growth impossible.

We heard today that there is insufficient funding to actually fund the vaccine programme. So, it is yet another unrealistic plan and a pipeline dream.

Eskom debt is one of our biggest threats. An amount of R488 billion is owed to creditors whilst municipalities owe

Eskom more than R40 billion, whilst municipalities owe Water Boards more than R10 billion, whilst government departments owe municipalities more than R15 billion. Government is a pyramid scheme and there is no doubt about it because there are certain benefactors but those benefactors are people like Jacob Zuma, Ace Magashule, ANC cadres and all your friends but

the biggest losers are the people investing in this scheme and those are the tax payers. Investing their hard-earned income in a failed pyramid scheme which is collapsing.

This welfare state is unsustainable. The commitment to control debt will fail if the economy is not stimulated. I agree with you, hon Shivambu, that economic growth is needed but what you must understand is that economic growth will not take place whilst private sector is vilified. We need to create a conducive environment for private sector to create employment, to spend money, to invest and create employment.

We welcome the commitment of tax cuts especially corporate income tax. Government should earn tax not only collect it.

*Afrikaans*:

Die goue gans is moeg van goue ganse lê. Meer en meer gemeenskappe neem dienste oor, want die regering faal om dienste te lewer. Daardie mense lewer nou self dienste, so hulle gaan nie daarvoor betaal nie. Dis nie ’n dreigement nie, dit is die realiteit.

Ons het dienslewering nodig, ons het infrastruktuur nodig, en

ons het ’n verantwoordelike regering nodig, wat nie besig is

met ’n piramideskema wat homself geld skuld, totaal en al korrup is, en geld wanbestee nie. En daarom sal hierdie fiskale raamwerk val. Ek dank u.

Mr S N SWART: House Chair, the ACDP welcomes the recent economic bounce back in the last quarter of 2020 which resulted in October’s dismal tax collection shortfall figures being revised downwards by an estimated R100 billion. The budget deficit for 2020 is still however estimated to be a massive R689 billion or 14% of gross domestic product, GDP.

When one then has regard to the Fiscal Framework going forward, it becomes clear that any tax windfall must be largely used to reduce the spiralling public debt and debt service costs which are crowding out much needed expenditure on health care and crime prevention.

As other speakers indicated, gross loan debt is to increase from R3,95 trillion to a staggering R5,2 trillion in the outer years and clearly a strict fiscal consolidation path is necessary. The proposed Fiscal Framework aims to stabilise debt at 88,9% of GDP by 2025-26. Now, debt service costs will rise from R232,9 billion in 2021 to R338,6 billion in 2023-24. That is 19,2% of tax revenue. That is R1 in every R5 collected

will be spent on debt service cost which is indeed a very serious situation.

Whilst the past month’s announcements on the Fiscal Framework is somewhat better than previously though there are still significant risks to National Treasury’s economic growth projections. If these projections, together with planned cuts in government’s expenditure, do not materialise then the fiscal consolidation path required to stabilise public debt levels will not materialise.

Let us look at some of the risks which include new waves of COVID-19 infections, ongoing loadshedding, rise in public debt, and additional credit rating downgrades. When one considers these risks, the 2021 GDP growth projection of 3,3% appears rather optimistic given the short contraction of 7% in GDP.

However, as far as revenue proposals are concerned, the ACDP welcomes the withdrawal of R40 billion increases in tax over the medium-term and the adjustment of tax brackets for inflation. Enhancing South African Revenue Services, Sars’s, capacity is also to be welcome as this bids well for the collection of taxes going forward.

Lastly, the Minister must toe the line on expenditure. We need good stewardship of our resources to avoid spiralling debt and sovereign debt crisis. I thank you, House Chair.

Mr S N AUGUST: Hon Chairperson, when the Covid disaster hit, the intelligent people around the world said we mustn’t waste the crisis. From the depths of our misery, new opportunities would arise. The challenge was recognising the opportunities and working out how to draw advantages from them. In South Africa, the Covid crisis was layered on deeper systemic crisis. Our economy was already on its knees.

The gap in living standards between rich and poor, was already a gaping chasm. Our basic education system and our municipalities were already failing to equip our children and families with the basic tools and environments to escape the cycles of poverty, gender exclusion, violence and underdevelopment. We knew that we had to borrow more. The question was, how much, and how will we afford to pay it all back? Then the pendemic struck.

Chairperson, the pendemic has forced us to recalibrate our sights and objectives. We can’t prioritise creating new business, jobs and infrastructure, if we don’t prioritise

paying to vaccinate the nation first. With the vaccination programme now underway, we can start to look towards the economic u-turn, we can start to refocus on bringing stability to our fiscal framework. We don’t want to return to the economy of the past, which excluded the majority of our people from meaningful opportunities. We want to use this opportunity to create something new.

In this context, GOOD welcomes the announcement of

R792 billion to expand infrastructure as a key driver to job creation, stimulating the economy and addressing the infrastructure backlog. GOOD also welcomes the extension of the Temporary Employer or Employee Relief Scheme, TERS, grant until end of April, but it is not enough. We must use this period to intensify our support for the most marginalised of our people. We cannot avoid the Basic Income Grant any longer.

No person can live without an income. We therefore expect the Minister of Finance to be leading the urgent debate about timeframes and quantums for the introduction of permanent Basic Income Grant, BIG. Eskom’s troubles must be urgently addressed, failing state-owned entities, SOEs, like Eskom and SA Airways, SAA, stop investment and economic certainty dead in their tracks. But even as we perform miracles, we cannot

afford to defocus from our priority to reduce debt. Zero-based budgeting is a good place to start.

GOOD calls on all government departments and all provincial and local governments to commence with the zero-based budgeting process in the next financial year, to identify waste and fund priorities. I thank you.

Mr A M SHAIK EMAM: House Chair, let me start off by saying that we all accept and understand that we have reduced revenue. We are sitting in crisis in terms of debt in the country which is to increase considerably for R338 billion just in debt service costs or R5,2 trillion in debt. Now, I am not sure whether the Minister of Finance is in conflict with the Cabinet because he said one thing, and the government is doing something else.

He talks about reducing the Wage Bill. I’m not sure how is he going to do it. He also talks about reducing debt, which is something we like, but I can’t see how he is going to do it. Remember, even the monies that you borrowed, are not used for economic growth or development in the country, but a very great percentage of these monies are being used for the Public Service Wage Bill, R650 billion.

If you look at the R650 billion that we spend in this country, in the Public Sector Wage Bill, the question that you need to ask is, are we getting value for our money? Clearly, we are not. So, that’s the other problem. I like the idea of the Minister talking about cutting taxes for business, but there is more to businesses being successful in South Africa. The cost of doing business that demands from labour unions. These are some of the matters that we need to address.

Very importantly, you know, a lot of emphasis have to be on infrastructure development, but what we forgetting about is, do we have the capacity to implement those infrastructure programmes? Clearly, we don’t, because over a period of time we see that there is underspending, and the reason for that is the lack of capacity in many of these departments. Now, it is very well and good to say that we are going to introduce a Basic Income Grant, the TERS Grant, the R350 Grant. We also said free education.

But where is the money going to come from? Do you want to make South Africa to be a socially depended state, or do we want to create a conducive environment for businesses to thrive, so that people can earn an income? I can tell you now, it is just a matter of time, if we are taking this route, we will not

have the monies to pay grants, pensions and we will have no money to pay staff, which is what is happening in the Amathole District Municipality in the Eastern Cape already. So, let us also not make people to be dependent, but let’s create a conducive environment.

All rural towns in municipalities should learn to start making themselves self-sufficient, and take investment and development into their areas, not relying on the national fiscus or revenue. They should not be doing that. So, if we continue to borrow, I can tell you, we are going to reach a fiscal cliff in South Africa. I think that we need to change the way we are conducting ourselves, if we want to create a better environment and introduce ... [Interjections.] The NFP will support the proposal. Thank you. [Time expired.]

Mr M D MABILETSA: Hon House Chairperson, hon ministers and Deputy Ministers and hon members, I want to start by welcoming the committee report introduced by the Chairperson, as we consider the fiscal framework and revenue proposal, we must not lose sight of our immense responsibility. Our responsibility is to nurture a project started by generations of women, such as Mama Charlotte Maxeke, whose similar mission

was to bring to bed a new democratic, nonracial, nonsexist and prosperous South African nation, united in our diversity.

As the elected representatives of the people, we cannot lead our country down when our people are looking up to us with the hope that this nation will rise again. In the words of the founding President of our democratic South Africa, in his inauguration speech in 1994, “The sun shall never set on so glorious a human achievement.” Indeed, the economic and fiscal outlook of our country is bleak, however, as the ANC, we support the effort of the National Treasury and SA Revenue Service, SARS, to ensure that our country does not discern into a debt prison. If we do, we will lose our sovereignty.

Contrary to what some had predicted, the government did not increase tax. Yes, the government did not increase tax, at this stage, as this could impact on the already slow economic growth. Despite there not being successive tax hikes, SARS has ensured the committee that there will be room to improve the efficiency of collection. The lowering of co-operate income tax to 27%, has been welcomed by business.

With the substantial subsidies and exemption afforded to various debtors in the economy, we believe that there should

be enough incentives for long term investments and growth, particularly in the manufacturing sector. As the ANC, we are confident that with the R3 billion additional allocation for the acquisition of critical skill at SARS, deepening the capability for artificial intelligent machine learning at funding the increase of the use of data, and also building the entities technology platform, we will enhance the collection revenue.

South Africa’s public health is already reaping the benefit of the turnaround effort at SARS over the past couple of years, with improved implants contributing over 100 billion in the current fiscal year. We have noted the submissions from organisations like the civil society, including Cosatu, representing the organised working class, Budget Justice Coalition, SA Institute of Chartered Accountants, SAICA, Organisation Undoing Tax Abuse, OUTA and many other patriotic South Africans.

Hon Chairperson, these South Africans have expressed their views on possible tax increases for wealthy and high income individuals, companies as well as exercise duties. An increase in health promotion levy capacitate SARS to deal with tax and custom evasion, illicit trade in tobacco products and many

other contracting ideas. We want to ensure civil society organisations that this is your Parliament, and that the ANC has heard you.

As we ask this House to accept the fiscal framework and revenue proposals, we call on SARS to focus on collecting tax on noncomplying individuals and companies. We welcome the fact that over the past six years, the government has introduced numerous measures to increase the tax paid by those with large incomes and the wealthy. However, we believe that fundamentally, we need to expand the tax base and improve the collection and administrative capabilities at SARS.

This will ensure that government has small space to keep true to its commitments to the South African people. But, hon members, we must work together to defeat the demon of corruption and we must do so in the Sixth Administration. We have learnt with dismay, the level of corruption and tax evasion in the personal protective equipment, PPE, procurement saga. The SARS has already collected close to R175 millions of taxes from companies who sought to defraud the system. The oversight work of all our committees must increasingly focus on the inefficiencies in government spending, and closing the

loopholes of corrupt procurement practices that still persists.

We must be unapologetic and speak out to the Executive and accounting officers in the various government departments, that the quality of spending public funds directly impacts on the tax morality of the South Africans. The poor construction and maintenance of roads, quality of water and service, and frontline public servants, makes many citizens sceptical to comply with our tax lords. This has a direct impact on the ability of staff to perform.

If we can guarantee the delivery of quality roads, hospitals, education and other public services, we can justify with confidence the need to raise taxes, as the ANC has resolved. Our challenge to build a capable, ethical and developmental state, we have to achieve this objective in honour of those who led down their lives for a democratic South Africa. Thank you. [Applause.]

The HOUSE CHAIRPERSON (Ms M G Boroto): I just want to confirm if these parties are not participating, AIC, no; COPE, no; PAC?

Mr M G E HENDRICKS: Hon Chair, I know the President talks about “smart cities” but Aljamah would like to talk and position South Africa as a smart country.

Fiscal framework for a smart country must embrace the Fourth Industrial Revolution and interest-free state bank, a digital currency backed up with a Mandela gold coin, all [Inaudible] what is called the new abnormal.

Interest-free banking is freeing up latent entity [Inaudible] to ride this lion of change towards upliftment and fiscal freedom and in so changing and disadvantaged into an advantage. It’s no longer unemployed youth or unemployed graduates, it’s about the large force of educated labour who are tax savvy, ready to do business anywhere in Africa and beyond held by an interest-free state bank.

An interest-free state banking system as the new abnormal will make the aspiring entrepreneurs and those going into the business rediscover banking against the underpinning principles of fair play, equitable sharing of wealth earned from legitimate growth of the capital and consisting of the new value of professionalism as espoused by the hon President Cyril Ramaphosa.

The governing party of South has been abuzz for many years about a state bank. Aljamah is still willing to assist with establishing an interest-free state bank, even if we have to submit the Private Members Bill, which will be a lifeline for young South Africans struggling with the legacy of debt. The interest component each year which will soon be equal to its income revenue.

We hope this revolutionary thinking, embracing the new abnormal will capture the imagination of all South Africans towards an interest-free South Africa, Africa and African solution and dramatically push the African renaissance.

Aljamah already see signs of its foundational principles for a fiscal framework in the equity provisions of the special fund to help black women paid over the [Inaudible] industry in South Africa. Aljamah supports this report, hon Chair.

Dr D T GEORGE: Chairperson, the Minister has said that we owe a lot of people a lot of money. Our gross’s loan debt will increase to R5,3 trillion in 2023-24. The fiscal framework is a projection reliance on assumptions made about GDP growth, income and expenditure.

GDP projections of the past ten years have been overstated because government’s incoherent economic policy consistently failed to generate economic growth. Government remains trapped in its failed ideological belief that it can create economic growth and generate growth and generate jobs.

The numbers don’t lie. Our economy was already stagnating and shedding jobs well before the pandemic arrived on our shores. COVID-19 revealed how vulnerable we always were to a fiscal shock particularly one of this magnitude. The pandemic did not cause the fiscal crises that we face now; it has accelerated it and made decisive action on reform more urgent.

It is not too late to implement the reforms our economy desperately needs. All we need is sufficient political will for this to happen. We either try a radical socialist experiment that will fail and drive our society even further into poverty or we can implement the reform needed to break the circle of unemployment and poverty. This can happen if government enables small business and entrepreneurs to thrive in a conducive environment.

The only way to increase Gross Development Product, GDP, is to stimulate more economic activity. The developmental state is

clearly unable to do this because it is incompetent and riddled with corruption. It is designed to enrich a few at the expense of everyone else. Without reform our economy will not grow.

Income is unpredictable because there is no certainty on growth. We agreed that there is no space for tax increases and increasing pressure on the already small tax space drives taxpayers away. The increase in the fuel levy is a stealth tax that would dampen economic activity by increasing the cost of doing business. The only way to increase income significantly is to make it easier for business to operate. Without reform income will not increase.

As the cost of interest on debt keeps rising more and more spending on service delivery gets crowded out. The most vulnerable members of our society bear the brunt of this burden. Social spending is declining while the need is increasing. This should be the other way around.

Governments across the world have stepped up to the plate to provide additional support as the pandemic ravages lives and economies. Our government strangles economic activities and offers close to nothing in return. Instead, it focuses on

pouring billions more into our hopelessly bankrupt airline and cannot bring itself to reduce expenditure on millionaire managers in the public sector who add no value while the people starve.

It is necessary for government to spend additionally on protective equipment and vaccines that were not anticipated a year ago. This has become an opportunity for corrupt politically connected cronies to steal whatever they are able to get their sticky fingers on.

Without reform expenditure will not be brought under control. Without reform that lifts GDP growth and subsequent tax revenue the numbers on the fiscal framework remain assumptions that won’t be achieved. Bold and decisive reform action is required. If debt continues to pile up and interest payment pile up more and service, the downward spiral will gather a momentum exponentially.

In finance, hope is not a strategy. Yes Minister, we owe a lot of people a lot of money and unless you drive the reform we need you will owe a lot of apologies to a lot of people when they don’t get paid. Thank you, Chairperson.

Ms P N ABRAHAM: Chairperson, I greet the Chief Whip of the Majority Party, and all the members in House. Not surprisingly, once more, we note as the ANC that the self- proclaimed party of the left, the EFF and right-wing FF Plus have both agreed to reject the budget. The question is, should millions of South Africans starve due to ideological differences?

In considering the Fiscal Framework and Revenue Proposals, as tabled in the 2021 Budget it will be important to remind ourselves that the budget is an instrument of expression of government policy. Therefore, any debate should assess whether the policy prescriptions that the executive has to perform against are reflected in the Fiscal Framework and Revenue Proposals and reflect policy that will address the needs of the masses of our people. And not the interest of the sectorial lobby groups; A problem that all governments face and threaten the policy integrity of a governing party.

The 2021 Budget is premised on four main areas: Fighting corruption, fighting the COVID-19 pandemic, economic recovery reforms and the constitutional obligations that the republic has. So choices have to be made informed by what the Constitution mandates the executive to progressively realise

and by the ANC’s election manifesto mandate. In addition to this, we have the injunction of the Constitution, oversights in budget in which Parliament must satisfy itself whether what is in the Fiscal Framework and Revenue Proposals addresses the policy mandate and the needs of our people in particular, the poor.

In considering the Fiscal Framework and Revenue Proposals, the ANC makes the following points: The revised growth outlook over the Medium-Term Expenditure Framework, MTEF, is not surprisingly on the upward trend through 2021 and 2023. The important point to make is that we will only be back to the 2019 levels by the first quarter of 2023. Meaning that, we should not expect – because of the projected 3,3% growth of 2021 that the economy is suddenly back in shape.

Economies respond far more slowly, something opposition are politically and conveniently blind to. What is important in this regard is that the National Development Plan, NDP, requires for any meaningful change to be abject levels of unemployment, poverty and inequality to change a growth of 6%. To progressively achieve this, we have macroeconomic policy and the economic reconstruction and recovery plan, which

Parliament through oversight must assess whether the budget matches up to this objective.

In addition, all major private sector undertakings require our closest scrutiny. Government commits to levels of capital expenditure so as to facilitate among others private sector investment. We should be able to assess whether such commitments are commensurate with the desired outcome. The fiscal outlook is better than was predicted during the October Medium-Term Budget Policy Statement, MTBPS. As we argued, the fiscal clean scenario is not borne out by facts. A close examination - both of the budget review and submission on the budget - show the economy clawing back and reducing the deficit over the MTEF.

Whilst large and persistent increases in budget deficits result in higher debts costs and compromise the sustainability of public finances, the mechanisms to deal with this are not to be found in the prescriptions of most opposition parties.

Their slash-and-burn approach will deepen poverty, raise inequality and increase unemployment. Rather, the solution lies in government stimulating the demand side of the economy. The private sector responding to this and consumption side of

the economic growth, increasing revenue creating jobs and producing a more virtuous cycle.

It can only be those who have wealth in this House who don’t suffer the daily humiliation of being economically poor that can choose to come to this podium and present prescriptions that are modelled to increase the revenue of vested interests.

The ANC has clearly stated that fiscal and monetary policies need to be far more mutually reinforcing if we are to reach the NDP level of 6%, at which level a marked reverse of unemployment, poverty and inequality will be seen.

As outlined in the budget review, fiscal policy continues to focus on short term economic support, fiscal consolidation and debt stabilisation. This, during the public hearings fiscal consolidation came under a lot of criticism. Not surprisingly, we need to look far more closely at the evidence and what this tells us.

What this says is that amendment to the Money Bills Procedures and Related Matters Act did not go far enough. We are expected to receive a budget on 24 February, do a thorough analysis and then present a report within 14days and claim to have done

justice to the Fiscal Framework and Revenue Proposals. This approach produces two extreme polls. On the one hand the fiscal [Inaudible] makes more cuts and deals with a labour [Inaudible] versus the fiscal austerity pole, neither of which is helpful.

For the opposition, those who reject the budget, are taking us nowhere and those who call for more cuts when we need austerity are taking us nowhere either.

The truth lies more in having time to examine options based on validated economic research more time to question proposals for Parliament for Parliament to engage each year in answer to questions that are raised to the National Treasury. We always commit to the phrase “we need to talk” and it does not happen.

The two finance committees need to give the Parliamentary Budget Office and Financial and Fiscal Commission, FFC, a set of terms of reference of research that we require to be done in advance of major events in the budgetary cycle and this should include National Treasury. This will inform and improve our engagement and make Parliament less depended upon what others say but more informed by evidence and impact assessment

of the Fiscal Framework and Revenue Proposals in relation to government policy.

In conclusion, hon House Chair, on the balance of available evidence and the limited time at our disposal to assess this evidence and appreciating that we need to do things differently going forward, the ANC supports the report. Thank you.

The MINISTER OF FINANCE: House Chair, I am sorry I am in Johannesburg and the network is not that good, I hope you can hear me very well.

The HOUSE CHAIRPERSON (Ms M G Boroto): If you anticipate that, you must just switch off your video. It will help.

The MINISTER OF FINANCE: Ok, but you can see me now?

The HOUSE CHAIRPERSON (Ms M G Boroto): Yes, we can, but it’s

dark where you are.

Ms E N NTLANGWINI: He can switch off his video, he has no respect for black lives. He can switch it off.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Ntlangwini! Hon Ntlangwini! Hon Ntlangwini! You do that again you will be removed. Please don’t do that. Hon Minister please proceed.

The MINISTER OF FINANCE: House Chair, I need to start off by thanking the hon members who are in the House, who throughout this COVID-19 crisis have come to the House and given our House the dignity it deserves. House Chair, you personally have been with us throughout during this difficulty. I really, really want to express my appreciation to you and those members of the House from the different aisles of the House, really keeping our democracy alive and for being in the House in Cape Town. I apologise that I am not in the House to provide this response to the debate, but I really thank you for the opportunity.

Secondly, let me thank the chairperson of the committee and the whole committee for the work they have done. People don’t appreciate the work that we do. A huge amount of documentation is provided. They plough through it, analyse it, understand it and request from the National Treasury any additional information. This is a huge amount of work, which I must say, I appreciate the chairperson and the committee for the work that they have done.

Having said all of that, let me respond to few issues. I don’t want to take your time on this, because you have been sitting for a long time. If I was to pose the question before all of us as leaders of South Africa. Between 1910 and 1933, the industrialisation programme in South Africa had begun. What was key in that process? What was key amongst others was the formation of what was called Iscor that was based on the iron ore and so on, that was there in South Africa. The first plant of Iscor was in Pretoria West. That was kind of like the industrialisation phase of South Africa, 1910 to 1933.

I think banking and finance also developed along the way. The key issue for me as the servants of the people is, in 2021 is what is it that we can do that will surpass the initial industrialisation phase of South Africa in 1910. It is a key question. I think as Members of Parliament – I think hon members we should deal with that. Madam Chair, I submit that, faced with the Fourth Industrial Revolution questions which the hon Hendricks has raised, we then have to answer the question: What is it that we can do now, to answer the question about the Fourth Industrial Revolution? I think budgets that have been submitted before you seek amongst other things, to answer that question.

It is a very deep theoretical, political and programmatic issue that we must face, and I as Minister of Finance would like to participate in creating something for South Africans that answers the question. If in 1910, the industrialisation process began in South Africa, in 2021, what are we going to do, that will advance the interests of South Africans and take this country forward. I think the committee under the leadership of hon Maswanganyi has tried to give us pointers about what we should be focusing on, the fundamental issues.

Forget about political differences and so on. What should we do? I for example accept a number of points being offered by the DA because they are in the national interest, and we must take that on board.

Finally, let me deal with the following issues: The state bank that the hon Hendricks raises is a really fundamental, economic and financial issue for this country. I know I returned to the Cabinet form the private sector, during my time, about 10 years or so in the private sector, I raised a number of projects, and I approached most if not all financial institutions in the country to support me. They did not, and the explanations were clearly not postapartheid.

The issue of the state bank is not an ideological ... [Inaudible.] It is a matter that we must deal with. The state bank has to be created, and in my view the African Bank offers us a platform to create the state bank at the moment because, basically the Public Investment Corporation, PIC, the Reserve Bank and so on, own about 50% of the African Bank. That offers a platform to create the state bank, and that is necessary.

That bank must operate on business principles but also understanding where our people come from. We really have to support our people to get the economic system to grow. I will leave the state bank there for now.

There was the issue of the Wage Bill, that was raised by hon

... so, I think we must be very careful when we discuss the issue about the Wage Bill. There are many public servants in South Africa who play an important role, and we must appreciate their role that our public servants are playing and handle the matter about the Wage Bill very carefully, so that we come to the understanding amongst ourselves, about how to deal with that. Let’s not politicize it. Let’s handle it very carefully, and discuss it in a calm manner in order to advance our country.

As far as the fiscal rules are concerned which is what the DA has raised. They are raising a very important point, but again let us discuss it, let’s not be ideological about it. Let’s see, what is it that we can do in managing our fiscal position in our country. Let’s not politicise it. Let this not be a DA on an ANC matter, but what is the national responsibility that we should pursue.

On zero-based budgeting, we are all together, we all agree and we must pursue that point. Cabinet has agreed and the National Treasury is pursuing the matter. The Department of Public Enterprises and the National Treasury are already being used as guinea pigs of the zero-based budgeting. I can promise you that, come next year’s budget, this matter will be dealt with very seriously.

Madam Chair and hon members, on the basic income grant, we need a full discussion on this and a full research of whether we are in a position to afford it or mot. Let’s be realistic, many of our people are poor. As a caring government, we need to respond to this question in a manner that assists our people to find worth and do something productive and also, what is financially sustainable. My advice to all of you is, don’t take decisions that you might not in the future sustain.

Our people are poor and we must respond to them, and the poverty they find themselves in.

There is the issue about the budget deficits. Once again, let me thank the committee for the work they have done, and the understanding which have of the difficulties that we confront. But you know, when there is a difficulty, South Africans always rise to the occasion from all parties including the FF Plus, even the EFF. When difficulties arise, all of us come together. I really thank you for agreeing that we must stabilise the deficit, stabilise the debt and not pile up difficulties for the future generations.

As far as the Procurement Bill is concerned, I have ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Minister, if you can wrap up.

The MINISTER OF FINANCE: I’m finishing off now. As far as the Procurement Bill is concerned that the committee has raised, I can assure hon members that I have asked the Director-General Dondo of the National Treasury to speed up the Procurement Bill, so that it comes to Parliament this year and be finalised. Madam Chair, thank you very much for affording me

the opportunity to respond, and I thank all hon members from all political parties for your support. Thank you very much.

Ms O M C MAOTWE: You have not said anything Minister, nothing.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Maotwe, hon Maotwe, please we don’t do that. You don’t have to respond hon Semenya because you know it is unparliamentary to do that. Please don’t to that guys. Chief Whip, what do we do with the report?

The CHIEF WHIP OF THE MAJORITY PARTY: House Chair, I move that this report be adopted by this House. Thank you.

Question put: That the report be adopted.

Division demanded.

The House divided.

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you hon members. I want to believe that all the Whips in the House are ready with their numbers. Hon members, the Speaker has determined that in accordance with the Rules, a manual voting procedure will be used for this division. Firstly, in order to establish

the quorum, I would request the Table to confirm that we have the requisite number of members, physically present in the Chamber and on the virtual platform to take the decision. The party Whips will then be given an opportunity to confirm the number of their members present, and indicate if they vote for or against the question.

Any member who wishes to abstain or vote against the party vote, may do so by informing the Chair. Are we all ready? As we will be requesting those numbers, we would also like to ask ICT to work with us and make sure that the numbers that are given to us by parties correspond with what they have. We have confirmed that we have the requisite quorum, so we will proceed.

The question before us is that, the Consideration of 2021 Fiscal Framework and Revenue Proposals and the Report of Standing Committee on Finance be agreed to. The voting will now commence in the way I have explained and we will start with the ANC.

Voting

AYES – 257: (ANC – 170; DA - 70; IFP – 11; ACDP - 4; NFP – 1;

Al’ Jama-ah - 1).

NOES – 40: (EFF - 31; FF Plus - 9).

Question agreed to.

Report accordingly adopted.

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon members, before we close I just want to thank ICT on delivering on their promise that we won’t have any glitches today and going forward. I want to urge the Chief Whips and Whips of this House, tomorrow we have caucuses. Can we just remind our members that, even if you are at home, just keep your mics off because even if you don’t talk, they can detect any commotion or noise that is happening where you are, and it disturbs us. Please do this in your caucuses. Having said that, that concludes the business of the day and the House is adjourned. Thank you.

The House adjourned at 19:49