**UNREVISED HANSARD**

**MINI PLENARY - NATIONAL ASSEMBLY FRIDAY, 14 MAY 2021**

**VOTE NO 14 – STATISTICS SOUTH AFRICA**

***PROCEEDINGS OF MINIPLENARY SESSION – NATIONAL ASSEMBLY CHAMBER***

Members of the mini-plenary session met on the virtual platform at 10:01.

Mr Q R Dyantyi, as Chairperson, took the Chair and requested members to observe a moment of silence for prayer or meditation.

The Chairperson announced that the virtual mini-plenary sitting constituted a meeting of the National Assembly.

**APPROPRIATION BILL**

Debate on Vote No 14 – Statistics South Africa:

The DEPUTY MINISTER IN THE PRESIDENCY: Hon Chairperson of the House, members of the House, distinguished guests and fellow South Africans, it is indeed an honour for me to present the

budget of Statistics South Africa which is commonly known as Statistics SA on behalf of the Ministry in the Presidency. We present this Budget Vote amidst the pandemic as we all know which has severely affected our lives and livelihoods.

Virtually, all sectors of society have been affected and we have registered some lessons in the process. We too, if you may remember, have lost our Minister, Mr Jackson Mthembu. May his soul rest in peace! Mr Jackson Mthembu was known to all of us by his kind-hearted approach and love towards the country and its people. He played an important role in our pursued of a capable developmental state and in the process he also fought against the pandemic and finding solutions for it.

We carry the button together with the Acting Minister, Ms Ntshavheni, who could not join us today because of other commitments. Together, we carry this button with the chair of the Statistics Council, Prof Everatt. We also carry it together with the entire council of the Statistics SA. Also, who is joining us today is the Statistician-General, Risenga Maluleke and the entire team.

What we are seeking to ensure is that the institution need to continue to deliver incredible and valued data for our

developmental state. We believe that credible and dependable data will assist the country to emerge out of this terrible era of bad losses we are incurring now. The data will also be able to assist us bring change. Since the first case was reported in the country and the national lockdown was announced we have learnt valuable lessons and we are ensuring them that those lessons assist us to bring innovative ways to deliver on our mandate as Statistics SA. No one has ever imagined that we would be observing the strict rules and regulations imposed by this pandemic. However, we have to continue to deliver on our mandate in a manner that is credible and swift.

Hon Chairperson, this House needs no reminder that Statistics SA is a mainstay of our society in the realisation of the goals of the Reconstruction and Development Programme, RDP, and it is also a present-day National Development Plan. It is assisting us in making sure that it becomes a reality.

Statistics are the bedrock of any democracy which need to be pursued and lived up to and therefore the process in the implementation of policy decisions that will make in our quest to reverse the frontiers of poverty, unemployment and

inequality. Therefore, the Statistics SA plays that pivotal role to ensure that that becomes a reality.

As a matter of fact, all sectors of our society depend largely on these indicators to perform their duties. For instance, civil society, captains of industry and commerce and everybody else uses the data to plan. Therefore, the data from the Statistics SA is very important. For businesses, it helps to know the investment climate and consumer behaviour, while unions would use statistics data for wage bargaining, to name a few. When they speak about whatever they want they would indicate that.

The importance and availability of timely and reliable statistics on the socioeconomic life of a sovereign nation cannot be overstated as they play a vital role in tracking national development goals and priorities. In our case we talk about the National Development Plan, NDP. As it stands the Statistics SA is already giving us some indications of the impact of COVID-19 on our economy. Our economy has taken a strain and shrunk by 7% in 2020, following an increase of 0,2% in 2019. However, the economy showed signs of recovery in the fourth quarter of 2020 with a growth of 6,3%.

Unemployment as the biggest driver of poverty, has risen to 32,5% in the fourth quarter of 2020 amidst the COVID-19 pandemic. The data shows us where the problems are and it provides the baseline information which is critical for tracking the impact of our initiatives. This would be the initiatives which the Statistician-General would from time to time speak to us about in relation to what they think we need to improve so that we can be able to solve the triple challenges of poverty, unemployment and inequality.

I stand here today to reassure this House that Statistics SA continues to perform and fulfil its function in our democracy as a pathfinder even under these conditions of Covid-19. I must, however, add that statistics are a function of evidence and therefore some statistics, especially the time series, have suffered setbacks as result of the pandemic. Under lockdown conditions Statistics SA we had to reduce the staff complement at all levels to verify degrees to date. The constraints imposed by the pandemic have impacted data collection. Be that as it may, I am proud of the effort that has been invested in the futuristic solutions made possible by digitalisation and emerging technologies. What the institution has been able to do is that amidst the pandemic and us not

being able collecting data physically, we have to use new technologies to ensure that we continue to serve the people of South Africa and give them the correct data using other methodologies like we mentioned in relation to digital technologies.

The thrust of our work programme places emphasis on making Statistics SA an agile organisation that embraces the new technological in its work. This effort has made it possible for Statistics SA to use computer-assisted telephone interviewing and computer assisted personal interviewing for the majority of its data collections. At this stage, however as it may, there is still no substitute to personal visits to businesses or homes. We try and do that and we try to comply to the regulations of the pandemic while we are trying to do that.

The profession of statistics needs to be protected so that it can be conducted free from interference. The Statistics Act, Act 6 of 1999, enjoins all of us in government and society to ensure that statistics are planned, collected and disseminated without fear or favour. We try to do that. Even in the Ministry we try to ensure that they remain independent as per

the Statistics Act of 1999. Our reputation as a country and as a people is fully intertwined with the successful and democratic uptake of statistics.

We are happy to announce that Statistics SA has, for a number of years, has been exemplary on governance, producing clean audits and receiving an unqualified audit last year.

Our national statistics office, like all of us in government, is trying to do more with less, owing to the financial predicament of our fiscus. For a few years now, Statistics SA has been under financial constraints and therefore unable to increase its human resource capabilities to meet stakeholder needs. We have to rely on modernisation and emerging technology innovations to offset the impact of the financial strain.

In 2021, it should have been the census year for South Africa. However, Statistics SA, like countless other national statistics offices wherever they are in the world, have been forced to postpone census activities in light of the ongoing pandemic, which is COVID-19. The next census, the fourth since the dawn of our democracy, will be the first-ever digital

census conducted in South Africa. So we are saying to South Africans because of the pandemic – I want to repeat this – it will be the first which we will do digital because of the pandemic we find ourselves in and we need to save lives and livelihoods. Therefore, other things will not necessarily be done the way in which they were expected to done.

The census pilot, which serves as a dress rehearsal for the main census and tests all of the processes and systems including new digital data collection methodologies, will in the field take place in July 2021. May I repeat that. The census which is a pilot for the main census will take place in July 2021 this year. That will be done with the new methodology in light of the pandemic which we find ourselves in. I ask that my colleagues keep themselves informed of this project, and that we all give all possible support to this important process, which will give us updated information of the situation on the ground which constitute what we need to have in relation to the data.

The pilot census will help us determine when we can go into field with the main census earmarked for next year, 2022. We will keep this august House abreast of the developments in

this key initiative in ensuring that the data produced by Statistics SA can help us to improve lives. You will remember that the data collected assist government to be able to plan and know who are the South Africans, where they are, what do they need, and therefore we would know who needs social grant, who need more free education and so on. Therefore, it is very fundamental.

Globally, official statistics are underpinned by the United Nations Fundamental Principles of Official Statistics and on our continent, and what we do as Statistics SA is that there is what we call the African Charter on Statistics. Our own Act, Statistics Act, Act 6 of 1999, advocates and advances the production and use of official and other statistics in line with these international statistical principles and practices. Our nation prides itself on the statistics Act that guarantees confidentiality at all times and professional independence that are in the interest of the integrity of statistics produced. Hence we continue to reiterate that our statistics are independent.

Changes to the statistical legislation will enable and position Statistics SA to reconfigure and co-ordinate the

statistical system within the evolving data ecosystem. The draft amendment Bill is scheduled to be tabled in Parliament this financial year, 2021-22. We will ensure that we continue to engage with the committee so that we are able to table it.

This government is committed to evidence-based performance planning, monitoring and evaluation as evidenced by the district development model, DDM. This is also based on Statistics SA as being the central of ensuring that this become a reality. However, Statistics SA cannot do this on its own and it is important that the organisation takes the lead in the data ecosystem that will ensure that government has all the statistics it needs to inform the policy and programmes that will improve the lives of all our people. It is very important. We want to call on fellow South Africans to partake in the process of ensuring that it becomes a reality, and they participate in ensuring that the new Bill that we are talking about becomes a reality.

The Statistics Council of South Africa promotes and safeguard the integrity of our statistics system and the health of Statistics SA. The council, under the leadership of Prof David Everatt, has advised us as the Ministry responsible for

Statistics of South Africa, to approve the work programme of Statistics SA. He has advised to do in line with section 13 of the Statistics SA Act. We have taken note of the concerns raised by the council relating to the considerable risk and pressure the organisation endures because of budget cuts over the past three years. We continue to ensure that we work with them and the Treasury to address the concerns that they have raised.

Section 27 of the Public Finance Management Act compels the Ministry to annually table this budget and it is my honour to deliver Vote 14, which over The Medium-Term Expenditure Framework, MTEF, is R4,5 billion in 2021-22; R2,51 billion and R2,53 billion in the 2022-23 and 2023-24 financial years respectively. The R2,1 billion decrease in the budget allocation is attributed to the earmarked funding for undertaking the population census in 2021-22. The compensation of employees is being reduced with R782 million over the MTEF period.

We recognise the importance of fully funding the statistical function in the country and we continue with our engagements with the National Treasury to ensure that these challenges are

addressed. As a Ministry we remain committed in ensuring that we are able to negotiate and advocate for them to get the necessary resources so that they can be able to do their work.

I hereby request Parliament to support the budget vote of Statistics South Africa. I want to sincerely express my gratitude to the portfolio committee chair, Mr Tyotyo James, and its dedicated members for engaging us on matters of statistics. Let me appreciate the work of the chair of the Statistics Council of South Africa, Prof Everatt, supported by the entire council for their continued role in the statistical development of our nation. I would further like to express my appreciation to the Statistician-General, Mr Risenga Maluleke, and the entire Statistics SA staff, for steering this ship and ensuring that it remains on course at all times. Thank you, Chair.

Mr T H JAMES: Hon Chairperson, firstly, I would like to greet the members of our committee, the Deputy Minister, and also pay tribute to the departed dedicated Minister, Minister Mthembu. It is important to state from the word go, that Statistics SA is a transversal sector, cutting across the entire public service, government and economy. Issues in this

sector range from crucial economy, agricultural, social and labour surveys, to name a few.

Such surveys are meant for decision and policy makers, including the executive in that space, to make informed decisions and policy choices, to address challenges within society. Political and strategic environment cannot function properly without fully grasping where the statistical trajectory is going, and what challenges or indicators are alleging. As we appear in this discussion, it is our duty in this sector to have oversight and policy influence on issues affecting society planning and economy, which is dependent on these crucial statistics.

The Medium-Term Strategic Framework 2019 and 2024, under priority 2, economic transformation and job creation states that, sustainable long-term growth is needed to sharply reduce unemployment. This requires both broad structural reforms as well as targeted interventions. These structural reforms cannot be thumb sucked by merely observing their effects on society. We need informed, well-researched underlying cause effect relationship on what is happening on the ground and where are people and how they affected.

Proper and directed planning, will then feed into strategy and policy to be designed, adopted and implemented. That is when and where targeted interventions become effective. The crucial role-player in this space is Statistics SA and its leadership. Statistics SA works with evolving data sources. The department has to cope with ever-changing data sources, research and survey methodologies. The department cannot be found wanting in this environment, and it is doing its utmost best under circumstances posed by global, national as well as local economies.

The COVID-19 pandemic has its greater share on the economies, imposing new ways of doing things, which it needs a well-oiled information technology infrastructure. There is precisely a huge demand on the department to a higher functional infrastructure and the training of the field workers, who are always the nucleus of programmes and projects of the institution. New equipment infrastructure, and the new law need a lot of training, with trial and error challenges embedded in that, must be corrected in the system.

These challenges also need a lot of budget injected into addressing them. Among the departments that should experience

budget cuts, Statistics SA is truly and utterly not one of them, an institution on which depends planning for the economy and infrastructure projects, including figures feeding into the planning and infrastructure projects, cannot be treated as a generic service provider to governments, planning and strategy. This is because it is truly a specialist service provider. Statistics SA is a significant value-add entity on government and it should be treated as such by government, more so by the National Treasurer.

The department plays a huge role in generating reports on economic performance, measuring how economic bubbles up and shrinks, as determined by global trends and local circumstances. Without knowing how the economy is coping or not coping. it is not easy to manoeuvre where and when you want to do real adjustments in the policy and funding. The department is the primary trusted and official source of such policy decisions, as much as there will be other roleplayers. How much the economy can absorb labour in agriculture, commerce and other industries, is impossible without organisation putting their shoulders the way.

There is a dire, need to fully understand price stability by governments, economic and trade cluster, as well as organised business. Government and organised labour need this information during wage negotiations, more so during horse trading activity, during appeals and mediation processes.

Assertion poor or denial of wage adjustments in the private and public sector is dependent on official statistics from this department.

The economy, society and government together determines the country’s standing in in the eyes of the world. Through tourism, it attracts and the economy injected into the transport system to conduct daily mobility or wide tourism. These activities asylum, but major drivers of the economy on a daily basis. The department informs us of all the activities in this area of the economy. Due to budget constraints imposed by the pendemic on the fiscus, some crucial statistical releases, has been cut down, and some completely halted.

These are not fun releases, they optimally speak into the national planning, and without them, planning will not be multi-angle, but it will prioritise and favour certain areas and sectors of the economic planning. Surveys for an example,

income and expenditure surveys and others, could not be conducted due to budget constraints and the effects of the pandemic. The COVID-19 pandemic, economically and strategically speaking, into very reason that makes it imperative to collect data on livelihoods, unemployment and poverty.

Otherwise, it would be impossible for government social relief system to justify whether or not such capital relief funds are justified.

*IsiXhosa*:

Uxolo Bawukazi iwile lento yokuthetha.

*English:*

Funding to support the work of Statistics SA is a protected environment, as the department could not solicit funding from local and international donors, since this will compromise the integrity of statistics policy and the sovereignty of the state. Therefore, dependency on National Treasury cannot be overemphasised. The National Treasury must fully grasp with policy dilemma. However, the portfolio committee welcomes the ring-fencing of funds set aside for conducting free sensors

activities, as well as Sensors 2021 itself. Compensation of the employee’s budget, remains an area that poses human resources risk or institutionalised memory and expertise, as well as job security risk for professionals in Statistics SA.

We are of the view that the department deserves a lot of attention from the National Treasury. We acknowledge the

additional funding to the tune of R49 million in the immediate past financial years. The national diagnostic report of 2015

listed nine challenges facing South Africa as follows: There

are too few people working, the quality of school education for black people is poor, infrastructure is poorly located,

inadequate and under-maintained and insufficient to foster, spatial divides hobble inclusive development, the economy is

unsustainably resource intensive, the public health system cannot meet demand or sustain quality.

Public services are uneven and often of poor quality, corruption levels are high and South Africa remains a divided society. From this diagnostic report, it is evident that continuous assessment and measuring of these scenarios, needs to be conducted. It is clear and crucial that Statistics SA should continue to give official statistics in these areas.

The National Development plan, NDP, 2030 deadline is closing in and the rigorous assessment on how the country is performing towards the realisation of plans, is of utmost importance. Therefore, we are of the view that government is doing the best it can, to provide support to this department

as much more still needs to be done.

The portfolio committee made the following observations among others, as it interrogated the Budget Vote. The committee

noted that Statistics SA planned Sensors 2021, has been

postponed to February 2022. The committee welcomed such postponement as this is important population project which

clashes with months of local government elections. Statistics SA has over the past years prepared itself prior to the advent

of COVID-19 pandemic, to move away from face-to-face data collection.

The committee noted that Statistics SA is in the process of preparing for the first ever digital sensors, where data will be collated via electronic devices rather than paper questionnaires. Statistics SA will move to online, telephonic and distance form of data collection in generating statistics for the country. The committee will support all efforts during

sensors project to ensure that all South Africans participate in this crucial project. The committee learnt that the COVID-

19 pandemic ... [Interjections.] [Time expired.]

*IsiXhosa*:

Enkosi Bawukazi.

Mr M S MALATSI: Chairperson, as it is standard parliamentary practice, we are today debating the budget allocation for Stats SA for the 2020-21 Financial Year. The budget allocation for Stats SA like those of other government entities and departments provide us with all the evidence we need to identify how government funds its priorities and how serious it takes those priorities.

One would then think that a critical institution that produces reliable statistical information which guides government policy interventions will be provided with all the resources it needs so that it can do its work well. On the contrary, this budget like the 2021 Financial Year and the preceding years one is irrefutable proof that the ANC-led government does not fully appreciate the work of Stats SA. By continuing to underfunded Stats SA as it has done for at least two

decades now, the ANC-led government is crippling the institution year in and year out towards dysfunctionality.

The cumulative effect of these is that Stats SA will be compelled to abandon some of its statistical reports as it has already begun.

In the 2019-20 Financial Year, the institution was forced to cancel or delay the income and expenditure report and 25 other economical statistical reports. Just last Financial Year, the Income and Expenditure Survey projects were suspended. And all of these is mainly due to a shortage of funding. As a result, key statistical reports which provide all of us with the real sense of the state of the nation were unavailable when they should have been.

In their absence, government propaganda and untested opinions opportunistically influence public perceptions of key socioeconomic trends in the absence of evidence-based research that Stats SA is empowered to do and to provide some context of the volume of Stats SA’s work. It releases over 225 surveys annually that provide evidence-based research on unemployment,

labour, income, expenditure trends and many other critical socioeconomic trends in different sectors of our economy.

These reports are also widely used by the private sector, academics and nongovernmental organisations to influence their policymaking processes. Yet, the R4,4 billion allocations for the for the 2021-22 Financial Year, which represents an increase of over R1,3 billion compared to the previous Financial Year is too little to empower Stats SA to do its work as well as it should do. Notwithstanding all of these, we welcome the fact that a large sum of the budget will be spent on modernising its operating model, strengthening statistical reforms and obviously conducting due census.

Hon members, the most prominent illustration of Stats SA ‘s ever growing capacity constraints is the census population count. The democratic government initially aimed to conduct the census every five years. As we all know by now the first census post-1994 was conducted in 1996 followed by 2001 edition. In 2006, the period for conducting census count was extended from five to ten years because at the time Stats SA did not have the capacity to deliver a successful census. As

many of you are now aware Stats SA was scheduled to conduct the periodic population census this year.

The DA is disappointed that the census has now been postponed to 2022 more so given the fact that the Statistician-General was previously on record adamant that Stats SA will be able to rollout the census of this year through the help of adopting technological innovation that will enable it to do its work.

While the COVID-19 pandemic is a convenient justification for the postponement the reality is that Stats SA historical under funding which has contributed to the high rate of staff departures from the institution negatively affect its normal operations. Be that as it may Chairperson, it is encouraging that R2,1 billion has been ring-fenced for the purpose of conducting the census. To this end, we will conduct the necessary robust oversight to ensure that what is due to be spent on the senses is actually spent on it.

One of the long-term consequences of government’s failure to properly fund Stats SA is that the institution is now struggling to retain the talent it needs to meet its obligations. The current vacancy rate is at 17% and it is projected to continue increasing over the Medium Term

Expenditure Framework, MTEF, period in light of no provision to increase the spending on compensation of employees. To aggravates the dire state of human resources, Stats SA needs to fill 135 critical posts to operate optimally. That the institution is still capable of delivering some of its key truncated series of statistical reports in the midst of all these massive staff shortages is a testament of the fortitude of the remaining staff.

Hon members, one thing is very clear, the future of Stats SA looks very dark based on its current funding model. It is unsustainable for it to solely rely on government funding as National Treasury’s budget allocations are nowhere near what it needs to do. And if truth be told, it is unlikely to change for the foreseeable future. So, it is high time that the institution embraces the reality that it must find alternative sources of funding to protect the credibility of the statistics it produces. If it hopes to improve the quality of those statistics and turnaround times for releasing them it needs to secure sufficient funding and that needs to happen outside government because government is clearly unable to find the funds or have the political will to allocate those resources. If it fails to do these, its leadership must leave

with the reality that more and more reports will be abandoned annually and more of its staff will continue to leave for more properly funded statistics agencies. Ultimately, it will be left with too little to do instead of doing a lot more enduring it very well. Contrary to the Deputy Ministers’ assertion that Stats SA is doing more with little, the reality is that it is increasingly doing little with little.

Hon members the DA is under no illusion about the difficult financial situation that Stats SA has been put in by the ANC- led government. We applaud the professional men and women who continue to do their work with distinction by producing reliable statistical reports. I appreciate that as the portfolio committee we are doing all we can to pressurise and persuade both the Presidency and Treasury to make more money available for Stats SA. I for one don’t want to spend the rest of my term repeating the same old chorus that Stats SA needs more funding while it is not happening.

Deputy Minister, if the government really wants to put its money where its mouth is, it needs to take care of institutions like Stats SA that do such critical volume of work that informs how government allocates its resources and

how government should intervene in society based on evidence- based research. Deputy Minster, is one thing that will boost your legacy if you can achieve it ... [Inaudible.] ... you will get the work ... [Inaudible.] ... We need a guarantee that its systems will be solid and inclusive so that there are no short-comings so that could influence the credibility of the census population. thank you, very much, Chairperson.

Ms R N KOMANE: Chairperson, the EFF rejects the Statistics South Africa Budget Vote. Our rejection should not be misinterpreted to mean that we do not want Statistics SA to receive a budget. Our objection is the opposite. We are objecting to their continued and systematic defunding of Statistics SA and the hollowing out of Statistics SA’s capacity. We are rejecting the budget cut to an already constrained budget. We cannot continue to come here and sing the same story and listen to the same crime statistics by the Statistician-General and do nothing as Members of Parliament.

Over the past 10 years, the ruling party has deliberately reduced the Statistics SA budget by a cumulative of more than R1,3 billion. These budget cuts were part of broader budget cuts imposed by the Treasury, driven by the flawed austerity

policies that have been unworkable everywhere in the world. In 2010, Statistics SA adopted a new strategic direction to increase the supply of official statistics for decision- making, planning, monitoring and measuring, a strategic direction that was undermined by the incompetence of the ruling party. The issue that should occupy all of us is the hallowing of skills and the defunding of Statistics SA. There are no researchers, no scientists, no planners, no economists, no mathematicians, no geographers and many other necessary skills yet the Deputy Minister comes here and says that Statistics SA strives to fulfil their mandate and the expected goals. How is it going to be possible, especially when they continue to cut the budget of Statistics SA?

In his 2019, review the Statistician-General said that Statistics SA has not been able to fill key management and other critical posts since October 2016. The continued budget cuts and failure to fill key positions put the quality of the statistical service at risk. The Statistics SA vacancy rate has increased to over 17,2% compared to an acceptable vacancy rate of 10%.

It is in critical programmes such as administration, population and social statistics, as well as statistical support and informatics where the vacancy rate is more than 20%. The vacancy rate is 23,4% for statisticians and other professionals such as methodologists and demographers and 22,7% for ICT specialists and geography-related posts. To maintain the quality of basic statistics, and the trust of all users, Statistics SA should not be forced to reprioritise and rationalise already limited resources. Statistics SA is a critical institution that must be able to do anything it is mandated to do in terms of the Statistics Act 6 of 1999.

Everything envisaged by the legislation is central to all spheres of our lives and therefore cannot be compromised. In 2019, Statistics SA withdrew a report on gender-based violence from the list of their planned studies. This means that any effort or attempt to deal with the scourge of killing of the women by men is not informed by credible data. This is not the only important study that Statistics SA has either put on hold or has completely done away with.

Recently, the former Statistician-General reminded us all that Statistics SA has not run an income and expenditure survey in

10 years. The Income and Expenditure Survey, IES, scheduled

for 2015 did not happen because the government did not allocate resources. Last year, the Living Conditions Survey was postponed for similar reasons. This boggles the mind how as a society we are expected to understand the prices of goods and services, conditions of living and all other economic data that are important for decision-making if Statistics SA does not conduct the surveys it is supposed to conduct. How do we work with any other form of data with confidence when there are more important missing blocks? Last year, the SA Statistics Council made a passionate plea to the government to fund Statistics SA adequately. The council went as far as threatening to withdraw its support for official statistics and resign if the government did not act swiftly but the plea fell on deaf ears because the Finance Minister, Tito Mboweni, slashed the Statistics SA budget by R200 million in his supplementary Budget presented in July 2020, four months after the council’s plea. This committee’s observation and recommendations are out of touch with the reality on the ground, if anyone didn't know better, one will be forgiven for thinking that this report was copied from the previous reports as the Whip of the ruling party indicated in the committee.

Minister Tito Mboweni is continuing to cut Statistics SA. To task Statistics SA, to evaluate ways in which it should be funded other than appropriation from the National Revenue Fund is tantamount to the commercialisation of Statistics SA’s functions, a myopic view, driven by neoliberal nonsense. How do we say other departments must evaluate their funding model? The deliberate defunding of Statistics SA is to hide the government’s overwhelming incompetence. And for a failing state, a less capacitated Statistics SA is necessary. The EFF rejects this austerity budget that is cutting the Statistics SA budget. Thank you very much, Chairperson.

Inkosi R N CEBEKHULU: House Chairperson, The IFP acknowledges the crucial role played by Statistics SA. The agency has made an immense contribution over the years in the generation of statistics that have informed decisions in the running of the country's economy and has executed its mandate commendably in postapartheid South Africa. As the custodian of the country's statistics, Statistics SA has supported the country’s department agenda by providing the much-needed statistics required to measure progress in the different Ministries and departments.

The IFP notes with concern the budget cuts that have been experienced at Statistics SA since the financial year 2015- 2016, which has created a human resource challenge as key positions remain unfilled. These budget cuts have also affected the conduct of such a key service at the agency, with concerns that this might have threatened the operational ability of the agency to support budget cuts, given that they do not affect the operational ability of Statistics SA. We are of the view that funding should be made available to fill the key vacancies to ensure that the quality of statistics produced is not compromised. We are in support of a fourth population census for the country. The IFP had high regard for up-to-date statistics, and we understand that a few population censuses will provide the much-needed data for policy-making and planning. The existing service in the country used in the analysis of key indicators such as poverty and inequality currently are using sampling frames that were drawn from the 2011 population census master frames.

We need a new census to update this to enable the measurement of key indicators more accurately. The population census marks a new era in the history of the organisation using computer-

based data collection methods for the first time, indicating that we are embracing technology in the way we collect data.

Despite this, the IFP wishes to express the concern over the budget needed for this census, given the country's weak performance and in other departments, and the effect of COVID-

19 on the economy. Secondly, we are concerned about the scheduled dates for the 2021 population census, which is expected to commence in October 2021.

In anticipation of the third wave of COVID-19, the door-to- door data collection exercises of the census may place some individuals at risk of contracting the coronavirus virus.

There is therefore a need for the procurement of adequate personal protective equipment to ensure that the census does not jeopardise our efforts in the fight against COVID-19.

However, we have witnessed how procurement policies in the country have provided opportunities for corruption. We, therefore, require an improvement to the country’s procurement legislation and a clear justification of all budget in this regard. I need to point out when ...

*IsiZulu:*

... uNgqongqoshe ekhomba ukuthi uhlelo olusha luzobe lusebenzisa ikakhulukazi ucwaningo lwesayensi cabanga-ke mhlonishwa ezindaweni zasemakhaya lapho khona abantu bengenawo omakhalekhukhwini bengenawo namakhompyutha umangabe ukuthi sekwenziwa ngokupheleleyo uhlelo lokubalwa kwabantu ngonyaka ozayo, ngabe abantu basemakhaya bazokwazi ukufikelela kubo?

Uma kungenjalo kuyosho ukuthi kuyofuneka umnyango ukubhekisise ukuthi kuyofuneka kufikwe ngezinyawo ebantwini.

Kodwa futhi kubhekisiswa ukuthi abavikeleke labo abazobe bephuma bengena umuzi nomuzi ukuze kungaqhubeki ukucheleka kwalesi sifo esihlasele ezweni lakithi. Sengisho konke lokhu, Sihlalo, ngifisa ukuthi i-IFP iyasisekela lesi sabelomali.

*English*:

Thank you

Mr S N SWART: Thank you, House Chairperson, House Chairperson, the Deputy Minister, as the other speakers have indicated, Statistics SA provides much needed information and reports on a regular basis. The ACDP believes that the information provided over the last year has helped us understand the devastating effect that COVID-19 hard lockdown had on the

economy and on unemployment levels. It is critical not only for government, business and labour sectors, but also for us exercising our oversight function. We wish to thank all the staff at Statistics SA for working under very difficult conditions.

We are concerned, like other speakers, about the reduction in the budget, particularly when it comes to compensation of employees; R872 million and goods and service to R15 million over the Medium-Term Expenditure Framework, MTEF, and as the Statistics SA has indicated, this is going to have a very severe impact on the reports related to gross domestic product, GDP, consumer price index, CPI, property information and could also be noncompliant with international standards. We share the sentiments that have been expressed by other speakers in this regard, and we urge the committee to monitor this aspect going forward.

Budget cuts has also affected population and social statistics. This has had a very severe impact, for example, the two-year backlog in the mortality and causes of death reports. House Chairperson, this is deeply disturbing. How can we manage without these population figures when there is a

health pandemic? These reports analyse death certificates. According to the Home Affairs, as at 31 December last year,

443 551 people died of natural causes in South Africa. At that time, 28 469 people have very sadly died of COVID-19 related sicknesses. That means that more than 415 000 people died of nonCOVID-19 related sicknesses. That is more than a 1 000 people every single day, this past year, other than COVID-19 related sicknesses. What sicknesses did these patients die of? That is what this report would have pointed out. This astonishing and deeply disturbing issue was discussed by the Deputy President, last week, where concerns were expressed about losing the gains in the fight against HIV/Aids and Tuberculosis, TB. This is what the Statistics SA mortality and cause of death rate report determines. This report is now delayed. We cannot afford this, House Chairperson.

We, from the ACDP side, would urge again that the funding model be reviewed, that spending review recommendations of the National Treasury be looked into. If billions of rands can be found to fund bankruptcy, like the SA Airways, SAA, which owes, additional funds must be found to fund Statistics SA. I thank you.

Ms J B MALULEKE: Thank you, House Chairperson, hon Deputy Minister, hon members, chairperson of Statistics SA, Prof Everatt, secretary-general Mr Risenga Maluleke, distinguished guests and ladies and gentlemen, as the world grapples with the unprecedented implication of COVID-19 pandemic, we are facing a human crisis unlike any we have experienced. Our social fabric and social cohesion are under stress, many families lost their loved ones, many people lost jobs, students lost valuable learning time at school and higher education institutions. The socioeconomic hardship already faced by the majority of our people have been exacerbated by the international and national lockdown.

Given the nature of this crisis, all hands should be on deck, all available tools should be used to save lives. This infection is not going to disappear now, especially without science leading us to get a cure. However, our hopes and aspirations depend solely on the procurement of effective functioning of the vaccine.

House Chair, allow me to take this opportunity to thank our government under the astute leadership of President Ramaphosa, to contain and manage the spread of this pandemic. This must

be applauded. House Chairperson, statistics are a vital source of evidence as it provides objective and numerical data on important aspects relating to the decision-making of the country, including economic growth, job creation, characteristics of population, social living conditions, health, education, crime, etc. Statistics, SA continues to play a significant role in producing credible and quality statistics to inform evidence-based planning, monitoring and evaluation. Statistics SA is responsible for numerous publications that shapes the context of our economy and society. In order to fulfil its mandate, the entity requires an enabling budget to do so.

We welcome the increase of the overall budget allocation for the 2021-22 financial year, but note with concern the contraction of the budget over the Medium-Term Strategic Framework. The budget allocation of stats South Africa has increased by 37,12% between 2020-21 financial year and 2021-22 financial year. We welcome this as Statistics SA has been experiencing budget shortfalls, which were also further exacerbated by the COVID-19 pandemic.

Although COVID-19 pandemic has impacted on budget allocation of departments across government, and resulted in restriction on some of government programmes, the ANC welcomes the fact that Statistics SA has set aside R2,1 billion in the current financial year for Household Survey in census programme. House Chairperson, inadequate funding was experience by the departments even prior to the advent of COVID-19 pandemic, which has worsened after the decision for the reduction of budget allocations in government departments as I said earlier.

Budget shortfall weakens the strengths and capabilities of the department in delivering quality and reliable statistics, especially when most needed the most by the country. When the budget shortfalls are experienced, meaning the department is unable to fill all funded critical positions, there will be no upward mobility no promotion of competent staff which then results into job hopping.

Currently, Statistics SA discontinued to collect data for Poverty and Living Conditions Survey as a result of the budget shortfalls. An institution like Statistics SA, hon Minister and House Chairperson, needs to be taken seriously by

government. Statistics SA is like a tower, we cannot afford to destroy it because of budget shortfalls. With all budget shortfalls, challenges experienced, Statistician-General always assured Parliament and South Africans at large that the quality of statistics will never be compromised. We applaud the Statistician-General and all officials in the department for holding the fort, whilst government is trying all its level best to ensure that Statistics SA is adequately funded.

As we are approaching Census 2021, unfortunately, due to the planned local government election, Statistics SA will not be able to collect data for census, this year. As mentioned, Statistics SA will conduct Census Survey in February 2022.

This is a large survey requiring massive investment with regard to financial and human resource. We are glad that census funding has been ring-fenced despite the country confronted with budget shortfalls to fund COVID-19 pandemic activities, including procuring vaccines for all South Africans.

COVID-19 pandemic has affected business operation model for Statistics SA. Statistics SA has been forced to be innovative and to optimize its scarce resources to align its business

process towards digitization for 2021-22. For 2021-22 Census, it is going to be unique as we are all forced to adapt to the Fourth Industrial Revolution, 4IR, by using and embracing technology rather than traditional way of face-to-face data collection. We welcome the decision by Statistics SA in its process of preparing for the first ever digital services, where data will be collected via electronic devices rather than paper questionnaires. Statistics SA will move into online telephonic and other forms of data collection in generating statistics for the country.

We will support that Statistics SA with all efforts during census project, and ensure that all South Africans to participate in this crucial project. However, we hope this digitization of business operational model should not compromise the reliability and quality statistics produced over the past years. The space of change requires our government to be able to react quickly adapt to changing demands from customers and market conditions. We all know the benefits of moving to digital method seems to be affordable, quicker and faster in producing results. The quality and reliability of statistics depends on the investment of the quality of the officials. As the committee, we encourage

Statistics SA to train their officials, to skill them and reskill their fieldworkers on the new digital method of collecting data.

House Chairperson, I therefore, urge South Africa not to compromise training because of the effect of COVID-19 pandemic. Trainings are offered online these days. We hope nothing will deter Statistics SA in delivering census results to the country. With those few words, House Chairperson, allow me to wish the Statistician-General and his team the best ... [Time expired.] ... ANC supports the Budget, House Chairperson.

Mr C H M SIBISI: Hon House Chair, Statistics SA, Stats SA, remains one of the most critical and important institutions in this country. Its budget cut has affected: Compensation of employees; goods and services; statistical operations; provincial coordination; and other programmes.

In its response to this matter in Parliament, National Treasury suggested that Stats SA outsourced its field operations to mitigate severe cuts. These cuts are so severe that they will stifle this formidable organisation and further

kill it at such a time when Covid-19 has elevated the need for a scientific approach in the management of state affairs.

But, there are risks associated with outsourcing and the budget cuts led to data unreliability and poor data quality, and the loss of experts to global institutions as Stats SA was rated globally. Institutions like Stats SA, CSIR, HSRC and NRF are very critical to the country, especially during this

Covid-19 pandemic era. These institutions are key on providing cutting edge research and data that assists government in policy decisions.

We cannot stress enough about the severe impact of budget cuts to these types of institutions. Budget cuts had affected and negatively impacted the economic, population, and social statistics statistical infrastructure. Stats SA informed reported that budget cuts had impacted negatively on its work both on the CoE and discontinuing of certain critical surveys.

The National Freedom Party would like to encourage Stats SA to not outsource its core business functions because of budget cuts. Lastly, we appeal to the Department and Treasury to look

into reprioritising funds to circumvent the devastating effect that Stats SA would suffer. Thank you.

Ms R M M LESOMA: Hon House Chair, in acknowledging yourself, I rise in support of the Budget Vote 14 on Stats SA. Fellow colleagues from the Portfolio Committee on Public Service and Administration, Planning Monitoring and Evaluation, Ministers and Deputy Ministers, allow me at the outset, to state unequivocally that Stats SA is amongst the leading State Entities that provide evidence-based research that informs our planning, allocation of resources and provides an assessment of the objective conditions we face.

No modern social order can exist without the capability and ability to measure its progress from time to time. In this regard, like all modern democracies, Stats SA remains a pathfinder of our nation, informing our decisions, informing our responses and providing government with the necessary information that shapes planning and a long view.

Hon House Chair, our ability to meet the goals set out in the Freedom Charter and the National Development Plan are highly dependent on the effective measurement of the actions of

State, ranging from access to health and education, maternal and child mortality, tackling poverty and inequality and responding to the fall out of underdevelopment. In this regard, Stats SA will remain an umbilical cord that connects what we do in our oversight work to the work of the ANC government and our people.

As a portfolio committee, our strength is only as strong as the quality of the statistics that we get from our national statistics office. It is common cause that we need to continue to strengthen the capacity pf Stats SA to continue doing its work independently as it has been the practice since the democratic order. In sustaining this capacity, we need to reiterate the position that the Minister has underscored with regard to the consequences of financial sustainability of Stats South Africa.

This budget recognises the impact of Covid-19 on the work of Stats SA, especially those statistics such as household surveys, inequality studies and those that require home visits or face to face contact.

Stats SA has embraced the information age as well as the 4th industrial revolution, a critical instrument of state planning, at the cutting edge of the IT revolution, facilitating its surveys and statistical collection using advanced systems of methodology and design backed up by advanced IT systems.

The use of technology will become more accentuated as we draw closer to the next Census. Our support for the budget is based on the evidence that Stats SA continues to provide as it meets its targets set out in its five-year Stats SA Strategic Plan and Annual Performance Plan.

As a state entity, it has led by example during both the 5th and 6th terms of Parliament, in the manner in which it has conducted itself in both the use of State resources and financial management. It is a matter of fact that in the period under review and in proceeding years Stats SA has succeeded in producing clean audits.

Globally, disruption and change is intensifying and it has never been as visible as with the Covid-19 pandemic. The world is changing and the impact is touching national economies,

sectors, companies, societies and the environment. At the same, time the digital and data revolution is transforming all industries, creating fundamental changes in the way in which organisations and ecosystems operate.

Official statistics, indicators and quality data, must be repositioned to play a key role in the modern society.

National Statistical Offices, NSOs, like Stats SA, aim to provide information on all important aspects of society in an impartial way and according to the highest scientiﬁc standards.

Information that fulfils these demands is used in public discourse, forms the basis of policy decisions, is required for business use, feeds scientiﬁc research and is used to monitor and evaluate development and progress. Official statistics can only meet this demand if they meet the highest quality standards and can be trusted and only then will it strengthen the monitoring and evaluation function.

The following are key elements of how Stats SA has continued to reposition itself to meet the ever-changing demands. Stats SA embarked on a process of digitisation of its business

processes, as my earlier colleague, hon Maluleka, had outlined, that without compromising the reliability and quality of official statistics. This was made possible through advances in technology and the explosion of data that activated a user community that demands credible information for fast evidence-based decision making.

By driving a digitally-based operating model, the use of paper and incurring printing costs are being replaced by data technology and issues around logistics made more effective.

Collected data will be instantaneously available and quality assured for timely release.

The sustainability of Stats SA hinges on embracing these opportunities as presented by the developments within the data community of data producers and users. These changes in the operations of the organisation will ensure continued supply of quality statistics for the country’s diverse information needs.

Legislative reform will improve Stats SA by allowing the Statistician General to adopt and set frameworks to be used by all statistical producers. Standardisation of these frameworks

will imply that all statistical producers comply with the Act. In preparation for the future, Stats SA will play a leading role in influencing the way all data producers collect, process and disseminate the information by providing legislative frameworks that outlines standards, principles and methodologies to follow throughout the statistical value chain.

This will facilitate collaborative methods of production that will be the key way of producing statistics within the new envisaged data ecosystem. Rapid changes in the way society functions and the use of technology means that more data, in richer and more complex forms, is available than ever before. In the private sector data scientist’s ability to mobilise the power of data is a key ingredient for the success of many companies.

This growing data capability and use in other organisations presents us with new opportunities to co-create and collaborate. Stats SA will be a key and strategic player by retaining and developing the skills that are core to its functioning, while fostering partnerships across the private and public sectors. This effort will afford us the opportunity

to learn and explore, use alternative data sources that are there in the data ecosystem, in order to produce evidence based quality and accurate official statistics for the country. The ANC supports the Budget Vote on Statistics SA.

The DEPUTY MINISTER IN THE PRESIDENCY: Thank you, hon members, for engaging on our Budget Vote. Hon House Chairperson, let me start by assuring this august House and fellow South Africans that as the Ministry we remain committed in making sure that we support Statistics South Africa to achieve its goals of producing statistics timeously. We also want to ensure that those statistics are great and they’re official in order to advance the economic growth and development and democracy of our country. Hon Malatsi, census 2021, has not been postponed due to underfunding, let’s clarify that, and fellow South Africans need to listen to what we are saying. It is postponed due to the challenges of the coronavirus disease 2019, Covid-

19. The pilot census could not go ahead in January due to increasing levels of infections in the country, and therefore we had to prioritise and ensure that we save the lives of South Africans. Census funds are ... [Inaudible.] ... and they are made available and, as such the pilot will go ahead and

the main census will go ahead in February next year, and that next year is 2022.

Hon Komane, while we acknowledge Stats SA’s funding and its challenges, the following efforts have been made in place: R75 million once off of 2019 to 2022, which is going to be used for the sustain of our fieldwork operations and data collection, and which is very important for Stats SA, that

allocation has been made available, R45 million of the 2020-21 for compensation of employees who are working in Stats SA has been made available, allocated on the baseline, meaning that it is a continuation in the Medium -Term Expenditure Framework, MTEF. Now, what is important for South Africans and members of the committee and colleagues who are here, all of them, is that if the products are at risk, the Statistician- General, SG, which is very competent by the way, we will be the first one to inform South Africans. And as of now, Stats SA is doing everything and we are ensuring that they do everything independently as they are possible to protect official statistics and key indicators.

You will remember South Africans and members of the committee through you, House Chair, that even the President would not

necessarily know what statistics the SG is going to be telling South Africans because they are so independent. When they speak to all of us, is the first time that we hear that unemployment is at this rate, household, livelihoods are at this rate and so on, and that we ensure that it remains independent as it is. We cannot comment on what the former SG would have said because we trust what the current SG in office has raised with us, and we are listening to him because he is the one who is in office and he is capable. Therefore, the former SG, for example, he’s speaking as an opinion-maker. He is no longer in office, the SG is dealing with what is happening on a daily basis. Therefore, as the Ministry allowing them to be independent, we’ll continue to listen to their advice and also the independence of the Stats Council as they are.

The rest of opinion-makers which are being made in society, we really cannot comment on them and they remain subjective. It is a contested base of opinion and we are requesting that the committee let’s allow, we have not come to you and said the SG and Stats SA, and all of them are incompetent. Therefore, it is not in our space to want to comment on opinion-makers and whatever they’re saying which is actually very wrong. Like

everyone in the world, House Chairperson, Stats SA continues to plan accordingly as regarding the census. If anything happens regarding Covid-19, Stats SA will adjust its plans, and we are very sure of that because we are talking about a third wave which is happening in the country currently. And therefore, if anything is going to be drastic or anything is going to happen Stats SA will able to come to us and tell us that we think that as the Presidency, because we are reporting to you, this is what we need to do. Let’s have confidence in the institution as regards.

Reaching everyone during the census Stats SA is testing a multimodal approaches some of which will be deployed during the main census. So, what will happen is that they will have a mini one as a preparation for the bigger one. When they have got the major one, we will be testing models which will ensure that we get the correct data about anything that is happening South Africans, and therefore we’ll come back, we’ll even go to the portfolio committee to be able to take them on board and be able to report.

Hon Swart, on the census of that report Stats SA cannot make the results public until all records for a particular year are

received from Home Affairs. Therefore, at this stage Stats SA will not be able to give you those reports. Let’s allow Home Affairs to be able to collect the data, and then we will ensure that we come to the august House, and we’ll also come to the portfolio committee, and then we will be able to report to. Thank you.

The ACTING CHAIRPERSON: (Mr Q R Dyantyi): Is that how you have landed. Thank you, Deputy Minister.

The DEPUTY MINISTER IN THE PRESIDENCY: How should I land? I’ve landed like that ... [Inaudible.] ... Thank you for having an opportunity ... [Inaudible.] ... to adopt the budget.

The ACTING CHAIRPERSON: (Mr Q R Dyantyi): That conclude the debate and the business of this mini-plenary. The mini-plenary will now rise.

Debate concluded.

The mini-plenary session rose at 11:34.