**UNREVISED HANSARD**

**MINI PLENARY - NATIONAL ASSEMBLY**

**VOTE NO 30 – COMMUNICATIONS AND DIGITAL TECHNOLOGIES1 10**

**TUESDAY, 18 MAY 2021**

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

Members of the mini-plenary session met on the virtual platform at 16:30

House Chairperson Mr M L D Ntombela 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.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Hon members, there seems to be a problem here. I did not get this feedback but the feedback that I am getting now is that we seem to have started earlier than expected. Some members on the speakers’ list may not be logged in as the meeting is scheduled not to start at 15:15 according to my directive here and the guide that I have, but at 16:30. So, I would request your indulgence

hon members that we restart at 16:30. I see the Minister is around, but the information I received just now, Minister, shall we please wait until 16:30. My apologies, hon members.

Mini-plenary restarted at 16:30

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Hon members, I need to apologise again for what has happened, but I am certain that we ought to look at this so that it doesn’t happen again. We are sorry for that. We had already welcomed members and had had gone through prayer and meditation. I will repeat the order of the mini-plenary. We shall now proceed to the order which is a debate on Vote 30: Communications and Digital Technologies Appropriation Bill.

**APPROPRIATION BILL**

Debate on Vote No 30 – Communications and Digital Technologies:

The MINISTER OF COMMUNICATION AND DIGITAL TECHNOLOGIES: Hon

House Chair, apologies, I see that my video is refusing to

come on board. I hope it is there now. Am I visible? Thank you so much and apologies, House Chairperson.

House Chairperson, hon Deputy Minister, Ms Pinky Kekana, chairperson of the Portfolio Committee on Communications, Mr Boyce Maneli, hon Members of Parliament, esteem guests, ladies and gentlemen, comrades and friends, and of course the 4IR brigades, since the beginning of time humanity has always had the edge to reach out and communicate, from smoke signals, rock art and the sounds of beating drums. South Africa has evolved with speed with each generation of telecommunications infrastructure better and faster than the previous.

From the first use of telecommunication with a single line of telegraph connecting Simon’s Town and Cape Town, to the first telegraph launched in 1859, telephones in May 1882, radio in the 1920s, post office in the 1970s, television in 1976 and the 1990s with the introduction of cell phones with 1991 seeing the first Internet Protocol, IP, in South Africa. Who can forget the iconic “Mholo Mhlobo wam!” in 2000. The department celebrates the evolution of telecommunications and creation of an inclusive information society in our country.

Yesterday I had an opportunity to address the celebration of the World Telecommunication and Information Society Day, WTSD, under the theme “Accelerating Digital Transformation in challenging times”. Hon members, there is a silent revolution, the world is changing before our eyes. Science and technology has created an opportunity for our continent to leapfrog and enter international affairs as an equal.

Fellow South Africans, I take this platform at the time of convergence between two opposing forces namely, the crisis and despair, brought about by the outbreak of the COVID-19 pandemic and the advent of the Fourth Industrial Revolution.

We must agree that every crisis brings shock and new opportunities. While the pandemic has brought about social and economic shock in our country and our people, we must look into the need to navigate these difficult times through identification of opportunities to take our country and our people to a greater pedestal.

Hon House Chairperson, in 2019 during our Budget Vote we made several commitments to this House. It is therefore my pleasure to provide progress on the work we have done thus far. As hon

members would remember, Cabinet approved the report on the Presidential Commission on the Fourth Industrial Revolution. I am now pleased to inform you that the project management office has developed the Consultative Strategic Implementation Plan in order to ensure that the recommendations of the report are implemented by all critical stakeholders to position South Africa globally.

We also made a commitment to overhaul our policies and legislation in order to enable digital transformation. We have since reviewed the following: The Electronic Communications Amendment Bill; South African Broadcasting Corporation Bill; South African Postbank Amendment Bill; Data and cloud policy gazetting; Audio and audio-visual policy that are gazetted.

In 2019 we were also tasked with creating a new department to drive digital transformation. In this regard, a new five-year strategy, a service delivery model and new organisational structure has been developed. We further undertook to reconfigure the state-owned entities under our portfolio to be in line with our new mandate. We have commenced with the establishment of the State Digital Infrastructure Company

through which we have developed its business case and the draft Bill which is in the consultation stages. Similarly, we have progressed with the reconfiguration of State Information Technology Agency, SITA, into forming the State Digital Infrastructure Company. Likewise, the business case and the draft Bill has been developed and are in consultation stages.

House Chair, on Broadband rollout, a critical project in trying to eliminate digital divide, we committed to connect additional 400 government sites to make a total of 970. We are pleased to announce that all sites have been connected and we continue to monitor them. The feasibility study for phase two has been conducted to explore funding models for connecting the remainder of the government sites across the country.

We also committed to this House that we are going to issue the final policy and policy direction on high demand spectrum to Independent Communications Authority of South Africa, ICASA. Indeed, the policy direction was issued, ICASA subsequently issued invitation to apply for licensing of the high demand spectrum and Wireless Open Access Network, WOAN.

House Chairperson, as we begin our second year under COVID-19 way of life we have set ourselves seven ambitious priorities namely: Fast tracking the broadcasting digital migration; release of spectrum; infrastructure investment and mass employment programme; reindustrialisation of economy with focus on SMMEs; digital economy masterplan and its implementation; digital and future skills; and repurposing of the state owned entities.

The analogue switch off process commenced in March as planned following the President’s announcement during the state of the nation address. We started with the Free State, then progressed to the Northern Cape and lastly the North West province. To date, we have switched-off a total of 32 sites in the three priority provinces. This amounts to 40% of the planned sites in the three provinces.

On each of the three provinces our progress is as follows: We have achieved 96% in the Free State province, which is 22 of the 23 planned sites; we have achieved 26% in the Northern Cape province, which is seven of the planned 27 sites; we have achieved 10% in the North- West, which is three of the planed

29 sites. We are targeting to have majority of the sites in

the three provinces switched off by the middle of July this year.

This process is targeting to release the much needed 700MHz and 800MHZ digital dividend spectrum. The spectrum will be released in a phased provincial manner across the country towards our goal of end of March 2022. This process, combined with the digital-to-digital migration, will make available a total of 168MHz spectrum in each of the provinces switched off.

We are working with the TV broadcasting industry to ensure that the target of March 2022 is realised. This will allow spectrum availability for International Mobile Telecommunications, IMT, services on Broadband which ICASA is in the process of licencing. The remaining five provinces will have a voucher system model. We are looking forward to the effective partnership with the industry and support when we begin to rollout the voucher system towards realising successful migration process. We call upon everyone across the country to rally behind us when we pave a way for the better South Africa for ourselves and the future generation.

Ladies and gentlemen, the release of spectrum has major economic and social benefits. As government, our focus is on economic recovery, building on the successes to restart the economy and stimulate employment by leveraging on the ICT network, digital platforms, and data analytics capabilities in order to deliver economic value for society. It must be stated that spectrum, like the land question in South Africa, is a highly contested space. In our policy and policy direction we tried to address some of the challenges like competition, transformation, and opening space for new entrants in the industry.

The current litigations on spectrum auction and licensing of WOAN, hamper our determination to rebuild our economy. We have, and continue to implore parties involved, including the regulator to find amicable solution to the ongoing impasse. I believe that it is within this industry’s ability to find an out of court dispute resolution mechanism and avert the delays and stagnating economic impact.

We believe that partnerships and collaborations are key to taking our sector to greater heights. I am therefore pleased to announce that R27 billion is being pledged collectively by

the operators and vendors to expand the 4G network and to deploy the 5G and fibre technologies in our country of which some has been tested already by the operators.

This network expansion is also extending to rural and underserved areas, which will benefit communities and create jobs. As such, I hope that the licensing of the WOAN and the high-demand spectrum will complement these rollout plans. In line with the government’s vision of connecting 80% of public buildings by 2024, our entities will connect 6 687 sites across the country.

As part of the Presidential Employment Stimulus Initiative, we have in collaboration with the Presidency submitted a bid for funding to support digital access for low income households and stimulate job creation and economic growth through household broadband connectivity and public Wi-Fi access. It is hoped that the funding of R315 million can be made available for the programme to commence in the current financial year, and we will roll out in both township and rural areas.

Universal Service and Access Agency of South Africa, USAASA, will proceed with the connectivity of OR Tambo District Municipality, and as such, an amount of R60 million has been allocated. Through investment in digital infrastructure expansion, 5 920 jobs have already been created by the sector, and it is envisaged that there will be an increase of at least 25% of this target.

The department and its entities always endeavour to support SMMEs through various procurement opportunities. To this end, our department has supported 393 SMMEs. Furthermore, our entities are as equally committed to support our SMMEs. Hence an amount of R2,6 billion is committed. Soon the ICT Sector Council will publish its sector code to provide for 50% target procurement from majority black owned suppliers — an increase from 40% in the current code.

The Independent Communications Authority of South Africa has recently announced new regulations aimed at promoting historically disadvantaged South Africans in the ICT sector. Amongst the changes is the requirement for licences to comply with the mandatory equity ownership of 30% by black people and level 4 BBBEE status.

The Department’s vision is to see all South Africans digitally empowered to create and participate in tech-enabled opportunities that drive inclusiveness, employment and economic transformation across our cities, towns and provinces. To this end, the department has finalised a digital economy masterplan, and is currently engaging various stakeholders in the development of the implementation plan.

Chairperson, it is envisaged that the implementation of the digital economy masterplan will see the achievement of economic contribution upwards to 4,5% of the gross domestic product, GDP, per annum, creating 1 million jobs over the next

10 years which also creates massive opportunities for SMMEs.

In line with the drive for transformation of the ICT sector and reduction of digital divide we will revisit the now obsolete Under-Serviced Area Licence, USAL, policy with the aim to facilitate access to internet even in the far remote areas. In this regard a policy and policy direction will be developed for ICASA to further develop relevant regulations to guide implementation.

The speed of change in science and technology demands an equal speed in acquiring the skills that the industry demands. We have since developed the National Digital and Future Skills Strategy whose objective is to establish an education and skills development ecosystem that provides all South Africans with the required skills to create and participate in the digital economy.

We are partnering with both public and private sector, with the intent to bridge the digital divide. For this reason, our training programmes will be conducted everywhere in South Africa including the remote areas. Our partnership with the Department of Higher Education and Training to train 20 000 young people in 4IR and related skills; six TVET colleges situated in the Eastern Cape, Mpumalanga, Limpopo, North West and KwaZulu-Natal, will be targeted this year. We are deliberate in exposing and stimulating the young minds in these TVET colleges to be innovators and not just end users of technologies. Google, through Google for Education Program, will be training teachers in digital learning.

We are also working with the Department of Employment and Labour to train 73 000 unemployed young people. Our model

pools together a given craft, skill and entrepreneurship such that every leaner finishes their training already having exit strategy. The Digital Council for Africa has also heeded our call and committed to train young people from Eastern Cape, Mpumalanga and Limpopo in fibre splicing. Never again, shall our youth be only trench diggers. Already we have trained a number of young people, and the council is in a process of placing them in various companies. Most of these young people will be benefiting from this partnership. Watch the space!

The department has partnered with Huawei. So far, 50 students from disadvantaged universities have been trained through the Seeds of the Future Programme. These young people are trained in IoT, 5G, Artificial Intelligence and have been exposed to various technologies in Shenzhen and Beijing in China. Today the company has commenced with a training of 1000 internet service providers in partnership with the ICT youth council. The partnership continues, and we are getting more students participating because these trainings are now held virtually.

With National Electronic Media Institute of South Africa, NEMISA, and Coursera we will offer 60 000 free online training

opportunities. Additionally, we also have 82 000 slots available in the co-labs situated around the country.

Through the partnership with Gesellschaft für Internationale Zusammenarbeit, GIZ, an estimated R49 million worth programme, the department will train 3 000 South Africans and support 150 SMMEs for future of work.

Through our partnership, Microsoft has launched the Microsoft Artificial Intelligence University wherein the curriculum will develop the skills employers’ value by teaching them to explore, transform, model, and visualise data, and to create the next generation of intelligent solutions. Ericson is also rolling out digital labs. Ericsson continues to support the digital lab program in Diepsloot. The department has allocated R9 million for this digital skills programme.

Hon members, we know that the state owned entities have not been performing as desired. However, we remain committed to address this. As part of the income generating strategy, South African Post Office, SAPO, has partnership with the US e- commerce giant WISH. Over and above, the Post Office continues to successfully pay social grants to citizens despite the

COVID-19 pandemic challenges. Over 10 million The South African Social Security Agency, SASSA, social grants beneficiaries get paid monthly and this includes the social relief of distress, SRD, grants. The financial sustainability of SAPO remains our top concern. The department is putting a team of experts to assist with a strong business plan for SAPO.

As part of the enabling environment to attract investment, the department is working closely with Competition Commission, ICASA and Mobile Network Operators, MNOs, to monitor and reduce the cost to communicate, especially data. There has been a reduction of data by all mobile operators by 33%, with the average 1 GIG data costing R99 or less. The department will continue to monitor this, to ensure not only further reduction of costs but also ensure good quality of services.

We have since allocated R3 million for the Cost to Communicate programme. [Time expired.] ... Thank you, hon Chairperson.

Mr B M MANELI: Chairperson, hon members, hon Minister of Communications and Digital Technologies, DCDT, Ms Stella Ndabeni-Abrahams, Deputy Minister of DCDT, Ms Pinky Kekana,

Ministers and Deputy Ministers, Acting Director-General at DCDT, Ms Jordan-Dyani and your fellow departmental officials, portfolio committee and support staff, boards councils and executives of entities reporting to the committee on communications, fellow South Africans joining us in different platforms, in approaching this budget vote debate**,** I am reminded almost six days ago of the community of Swaneville in the West Rand through the co-peration of the nongovernmental organisation Khulumani Support Group and the ANC ward councillor LWANDO RESHA commemorated 30-years since the apartheid state sponsored black on black violence led to the Swaneville massacre on the 12th of May 1991.

The number of deaths and injuries were not about the might of the attackers but how lack of infrastructure then in particular communication infrastructure disadvantaged the community’s ability to save their lives and minimise injuries. Today, Swaneville people have basic services under the ANC-led democratic government but will now be happier to hear that this Budget Vote 30 seeks to better the lives of the people like those who were in the then Swaneville across the country by ensuring that Information and Communications Technology, ICT, infrastructure is being deployed for connectivity in

general and participation in the digital economy in particular.

The 2020 and 2021 state of the nation addresses, Sonas, delivered by His Excellency Matamela Cyril Ramaphosa, identified telecommunication as one of the areas of reforms to realise and recovery plan. With the 2021 Sona, emphasising on the analogue switch off and broadband rollout through SA Connect. It is against this background that I present the Budget Vote 30 recommendations from the committee, which is led by ANC members in majority for the approval of the House.

In a budget vote debate like this one, there is a tendency to focus on the inability of department and state-owned companies, SOCs, to deliver on their targets. We also tend to focus on the funds appropriated in the form of bailouts in the previous years, which had not led to solutions. This general narrative deprives you an opportunity to appreciate and evaluate progress made by the department and its entities in consolidating their capacity to ensure that Sona pronouncements and performance agreements are delivered upon by the Ministry, the department and the entities under the rigorous oversight of Parliament.

House Chair, please allow me without presenting every observation and recommendation stated in this Budget Vote 30 committee report to highlight a few point on consolidation of the department and entities to deliver on this budget vote.

The department has been able to meet its target on consolidating Department of Communication, DOC, and Department of Telecommunications and Postal Services, DTPS**,** into one department one department of communication and technologies DCDT, which strengthen the administrative capacity to ensure delivery and entity oversight.

As already stated by the Minister, there is no doubt that the department is up to the task. The committee is of the view that the appointment of the director-general, DG, for this new department will achieve much needed stability in the administration.

Fellow South Africans, digital transformation that ensures a digital economy that contributes to radical socioeconomic transformation is also dependent on SOCs that are focused on their developmental mandate. In this instance, there is a need to quickly look at the department Broadband Infraco**,** BBI**,** State Information Technology Agency, SITA, Universal Service

and Access Fund, USAF. BBI as an entity has been championing the broadband role out and obligation on SA connect. For almost ten years this SOC has used its own generated revenue to fund both its internal operations and capital infrastructure projects, with a good track record both in terms of delivery and improved audit outcomes.

The committee supports the need for a shareholder to invest R100 million as equity for BBI further improve its infrastructure expansion and ability to attract much needed partnership from the market. This will make possible for BBI to continue supporting Small Micro and Medium Enterprises, SMMEs, in general and participation of Human Development Index, HDI’s, entities in the delivery of their programme specifically.

Chairperson, SITA has been known for a lack of delivery to its clients and marred by supply-chain irregularities in the recent past. That narrative is changing for the better after the introduction of the re-proposing of SITA and the deployment of the fit-for-purpose executive caretaker as demonstrated in the quarterly reports presented to the committee. SITA has a 40% of SMMEs share in terms of

procurement participation with intensions of going beyond in this budget vote. More departments, other government spheres and sister entities are increasingly enlisting SITA as the service of choice. Thanks to the rigorous of the department and Parliament.

The automation of supply-chain processes at SITA which should be the way to go by other departments, government spheres and entities is not only about modernising and reshaping supply- chain processes. But a major step in the fight against corruption and state capture, a commitment that the ANC made in its manifesto. This approach allows the public to know who gets the tender, why is the tender awarded, how is the tender awarded and reasons for cancellation of tenders. Indeed, SITA is demonstrating that the imbalances of the past can be addressed without comprising ethics, transparency and public accountability.

The ANC once again appreciates the commitment by SITA to invest R500 billion in consolidating its infrastructure renewal each year ... [Inaudible.] ... with no possibility of sourcing government bail outs anytime soon. The recently appointed board working with management should ensure business

continuity as the administrative component of SITA has been stabilised. USAF have also been known for a lack of delivery, allegations of malfeasants and has received a lot of criticism across the board. This has been amongst the reasons for no significant movement in the implementation of digital migration over the years.

The appointment of the interim board and the introduction of the ... [Inaudible.] ... office by the hon Minster to fast- track digital migration has been welcome by the committee as this will ensure that both subsidised and unsubsidised households will finally migrate to enjoy free to air channels, which includes the Parliament channels that they are currently not accessing from television services. This is made possible by an increase in the number of vouchers that will be distributed to the subsidised whilst the department engages on reducing prices in the industry for affordability by the unsubsidised market.

The committee therefore appreciates the work that has gone into different Bills that the department is introducing as the Minister would have spoken to them. We take these as enablers

for consolidation of the entities and awaits the introduction in the parliamentary process.

House Chairperson, van Ark, 2016, recons that and I quote:

The social value of ICT lies in that there should be social benefits that can come as a result of the use of ICT in education.

The department and its entities understands that it is through massive digital skilling of people that they can reap benefits of the digital economy. Hence the committee support the bursary and citizen skill training budget allocations by different entities, specifically the training partnerships with public schools in rural provinces.

Today, marks the birthday posthumously of a selfless and dedication liberation struggle icon Walter Sisulu. Let me conclude by restating our commitment to use rigorous oversight to ensure our people’s minds can from massacres to massive infrastructure development. From state capture and corruption to a prosperous society championed by the ANC-led democratic

ethical and developmental state. The ANC support Budget Vote

30. I thank you.

*IsiXhosa*:

Mnu Z N MBHELE: Ndiyabulela Sihlalo kwaye mandibulise kuni nonke.

*English*:

For any informed and consistent observer of the performance of our public sector for the last 10 years or so, there is only one assessments and glaring conclusion to be made. It is time for change. Long-standing trends of underperformance and failure to meet delivery targets mean that now and more urgently than ever before it is time to fix the fundamentals and go back to basics. This is abundantly evident in the communications and digital technologies portfolio where a number of entities are long overdue for fundamental reform, rationalization and restructuring to turn them around from sluggish and lossmaking public companies into self-sustaining and value adding operations, because the truth is that with declining economic growth and tax revenue forecasts for the foreseeable future, some kind of painful change will inevitably happen down the line for these entities, whether or

not they wanted it or are ready for it. The journey forward must be about, is facing and dealing with reality as it is, not as we wish it to be.

In short Chairperson, it is time for change. The portfolio committee heard repeatedly during the Budget Vote hearings about the persistent and growing challenge of increasing competition faced by state-owned companies in their respective service markets, as was related to us by Broadband Infraco, the Post Office and the SABC. Although the Minister has to date poured cold water on the idea, we maintain as the DA that some kind of consortium approach in these markets may be more effective and sustainable in the long-term. Meaning, the onboarding of private sector equity partners, as has been the discussion regarding other state-owned enterprises like the SA Airways, SAA and Eskom.

In alignment with the rhetoric frequently used by President Ramaphosa, state entities should be pursuing co-operative compacts with various “social partners” and adopting a perspective shift, that promotes collaboration instead of competition between them, and brings about synergy, instead of the silo approach that has been the status quo. We cannot keep

doing what we have always done, and expect to achieve different results.

A key feature of strategic and effective leadership is to know when it is time to change track and to discern when the conventional ways are no longer appropriate. As my late mother once said to me when I was considering to continue playing rugby, as I moved from the Under 16 Junior Division to the Open Cedar Division ...

*IsiZulu*:

... Yindaba ufuna ukudla lo mdlalo ...

*English:*

... when there will be older stronger players on the field.

*IsiZulu*:

Uzolimala kabi ...

*English*:

... which is an acutely applicable caution for many of our state-owned companies.

Minister Stella Ndabeni earlier outlined the planned intentions and ambitions of the department and its entities in the portfolio. But there was nothing substantively different from what we have heard will come to expect in this Budget Vote debates. Successive ANC governments have always been about plans, intentions and ambitions, but have fallen short on implementation, performance and results.

One can already predict with some degree of confidence that barring some kind of miracle, the broadcast digital migration process will fall victim to delays, bottlenecks and budget shortfalls missing the March 2022 deadline for completion.

Assuming that the analogue signal switch off proceeds, regardless of progress with set-top box, ... [Inaudible.] ... subsidy distribution, we can expect that thousands, if not tens of thousands of households will experience what could be called broadcast signal shedding, just as households across the country are currently experiencing power load shedding.

Minister, it is time for change in this portfolio. Radical and innovative change, because without it, for all your good intentions and well-articulated plans, and to borrow a metaphor from aviation: A good flight plan is no good if the

aeroplane does not have enough fuel in the tank. Its engines are outdated, defective and in need of major repair and overhaul. I thank you, Chair.

Mr V PAMBO: Thank you very much, Chairperson, it is critical to note the continuing financial failures of this department. Your very own presentation has shown us that for the past four years, this department has been operating at a loss of over R1 billion per year.

We, as the EFF are highly skeptical of any projections on how costs will be saved by this department because for the past four years this very department has been making presentations that put us in a good light while it continues to fail at its fundamental duties. Not only is this department operating at a loss, this is a department that continues to fail to deliver services for the people of South Africa. We know that this department has been failing because we experience it every day. Our mothers and fathers live through these failures when they have to queue for the whole day to get their grants. It is our lived experience.

The public has rightfully lost trust in the post office and the entire department as a result of the continued failure to deliver even the most basic of items. While the document recognizes the emergence of players such as Takealot and the increase in demand for the delivery of goods that are ordered online, this department has failed to take responsibility for its failures to be a legitimate competitor in that space.

It is alarming that the department has tried to gloss over the fact that it only achieved six out of 17 of its key performance indicators, which is merely 35% achievement. That cannot be acceptable to the people of South Africa who are paying billions every year.

We are now 160 days away from local government elections. Unfortunately, we are faced with a situation where in the administration is not likely to meet its vaccinations targets. What this means is that we are going into a campaign season which is going to be a superspreader event. We are going into a campaign season that is occurring in the middle of winter.

It is the absence of a functioning post office. The only scientific post-election outcome that we can expect is the loss of life.

India is a painful caution for South Africa and any country that wants to hold elections during a pandemic. In other countries, the challenge of voting has been dealt with through the use of the post office. We saw in the 2020 US presidential elections that mailed in voting was used to curtail the spread of COVID-19 during an election season. Unfortunately, this government is closing post offices instead of capacitating them. Unfortunately, this government is going into an election season having failed once again to capacitate our South African postal services. The chief executive officer, CEO, should leave the private sector alone to do what they are doing. She should focus on government departments, state-owned entities and municipalities. It should be compulsory for government departments, state-owned entities and municipalities to use the services of the post office. This is the only way to revive the post office.

With respect to the SA Broadcasting Corporation, SABC, the approach that seems to be proposed here is one that does not prioritize the core business of South African broadcasting service. To revitalize the South African broadcasting service, we need to do more to make sure that once again the SABC can provide quality content that is attractive to the large number

of South Africans who still rely on it for their entertainment.

The EFF remains opposed to the ... [Inaudible.] ... and not strategic retrenchments of the key personnel within the SABC. What must be done is a reduction in the size of the SABC management and appropriate allocation of funds to the creation of high quality local content. We remain adamant that any attempt to privatize the SABC are likely to undermine ongoing efforts to reduce price of data in South Africa.

As the EFF, we maintain that the most practical way to resolve telecommunication and postal services challenges that face South Africa today begins with the repositioning of Independent Communications Authority of South Africa, Icasa, into a Chapter 9 institution. The regulation of communications, broadcasting, and postal services underpin our democracy. The issuing of licenses to telecommunications and broadcasting services is meant to serve democracy, the very constitutional right of freedom of expression, including the freedom of press and other media, the freedom to receive or impart information or ideas, and the very freedom of artistic creativity.

For this, the Icasa must be independent and subjected itself only to the Constitution and the law. And they must be impartial and must exercise their powers and perform their functions without fear, favor or prejudice. It is only then that data will fall and we will be able to deal with MTN and Vodacom duopoly that has stifled the growth of telecommunication, artificial intelligence and robotics, ecommerce, economy, and many other industries. There will be media diversity, more role-players, and address the monopoly of MultiChoice. Unless Icasa is an independent constitutional institution, none of these will be available but only profiteering will continue to drive unabated and undermine the Constitution. We reject this budget. Thank you very much, Chairperson.

Ms Z MAJOZI: Hon Chairperson, the IFP strongly believes in the potential of technology to drive South Africa’s economic growth. This vision is equally shard by the Minister of Communication and Digital Technology, whose mission is to promote socioeconomic growth and investment. We would like to acknowledge the dynamic growth that has been recorded over years in the ICT sector and we are also aware of the

improvements recorded in access to broad band and the internet.

However, the IFP notes with concern that this growth has rather been unsatisfactory. The cost of data remains too high for most South Africans. These advances made in the availability of internet access in the country have also been disappointing.

The Stats SA General Household Survey of 2018 shows that only 64% of households in South Africa had access to the internet, where at least one member had access. While most of these households with access are concentrated in Gauteng and Western Cape provinces, dominantly rural provinces are left worse off. Less than 50% of households in Limpopo have internet access.

We are also quite saddened that our country, classified as middle-income, has failed to achieve impressive digital inclusion of its broader population. We strongly recommend that this digital divide be addressed.

It is therefore apparent that, despite having a clear mandate, the Ministry, through various pieces of legislation, over the

years has not delivered on most of its promises. This is a betrayal of their own mission and vision statements. The Ministry’s failure to reduce the cost of data has left us sceptical about their future objectives to provide internet access to 80% of the country’s population by 2024.

We also note with concern the promises made on making a complete change from analogue to digital transmitters by the end of 2021.

The IFP further notes the recent proposal to merge the Ministry with SOE entities. It is worrying that some of these SOEs have been underperforming and are involved in corruption- related activities.

The IFP is of the view that these proposed measures are not the solution to the problem, rather they indicate denial to deal with corruption and underperformance. We recommend the privatisation of SOEs related to the Ministry.

We are in support of the budget cuts made by Treasury to the Ministry, as the savings cut from the budget and nonessentials

of the operational capacity of the Ministry. The IFP supports this Budget Vote.

The DEPUTY MINISTER OF COMMUNICATIONS AND DIGITAL

TECHNOLOGIES: Thank you, hon House Chairperson. I hope my video is ... [Interjections.] ... let me recognise Minister Stella Ndabeni-Abrahams of the department, the Chairperson of the portfolio committee, hon Maneli and hon members of the portfolio committee, our acting director-general, chairpersons and chief executive officers, CEOs, of various state-owned entities, SEOs, senior government officials, esteemed industry captains and partners, members of the media, ladies and gentlemen ...

*Tshivenḓa:*

... ndi masiari.

*English:*

Fellow South Africans, 25 years and 10 days ago, the South African Constitution considered by many as one of the most advanced in the world with the Bill of Rights second to none, was adopted with the 421 to 12 votes in this very august House. It was truly a day for South Africa and Africa to shine

when Deputy President Thabo Mbeki made the iconic “I am an African speech” setting us up for leadership of our continent, and it is on this celebratory note that we wish the people of Africa, both on the continent and in the diaspora a wonderful Africa Day on the 25 May. We can only build the Africa we want if we work together. In this theme of working together with the Minister, we have in the last two years been hard at work in repositioning the department with our 2021-22 plan, deliberately focusing on economic recovery so that even in this unprecedented era of uncertainty and disruptions we can continue to create economic opportunities for our people and at the same time protect them from technological vulnerabilities.

Hon Chair, that is what accountable leadership requires of us. We are grateful for the continued support and guidance we received in the last two years from this House and all our stakeholders and we want to still say ...

*Setswana:*

Le ka moso. Lo seke la latlha.

*English:*

... ours is to continue serving public ... [Interjections.]

... In support of the plan already ... [Interjections.] ... the Minister, allow me to emphasise and add a few priority areas linked not only to our theme of economic recovery, but to the priorities of the ruling party, as per the resolution of the 54th National Elective Conference in Nasrec in 2017, and the manifesto of my party. Our priorities, hon Chair and the House, are linked to strengthening of policy and regulatory framework as the Minister spoke about, stabilisation of SOEs and turnaround information security and cyber security, protection of children from online harm, skills development from youth and women empowerment and Minister went elaborate on that.

Hon Chair, on strengthening of policy and regulatory environment following Cabinet approval, we published a draft White Paper on audio and audio visual content for public comments in October 2020, which sets out a new vision for the audio visual sector and the wider cultural creative industries. The public consultations on the policy are in process and we hope to submit the final policy through the Minister to Cabinet in this financial year for immediate implementation. We have also gazetted the data and cloud

policy for public consultations, which complements existing measures in unlocking the socioeconomic value of data in South Africa, also to be finalised through the Minister for Cabinet approval this year.

Following the signing of Films and Publications Amendment Act into law in 2019, and the subsequent guidelines the Film and Publication Board, FPB, is currently developing a content classification index for Africa, seeking to create a set of

... [Inaudible.] ... indexes for African content regulators. The harmonisation of content regulation in Africa event was hosted by South Africa in March 2021, countries represented included South Africa as the Chair of the steering committee, Nigeria, Kenya, Eswatini, Malawi and Zambia. Ten critical success factors were identified going forward, of which I want to highlight a few of the most important, and that is: promoting local content creation and audience development, given the youth a voice by including them in all future harmonisation engagement, linking in country child sexual abuse material reporting hotlines to international hotlines network. On stabilisation of SOEs and turnaround, I will take it from where the Minister has said and say the stability of SOEs is at the centre of our economic recovery. These entities

are not only vehicles for job creation, there are also strategic levers for policy implementation, delivering services to our people.

It has been a year of trials and tribulations for the national broadcaster, and there is no way, hon Chair, in response to what hon Pambo was saying, that we have any intention to privatise the SA Broadcasting Corporation, SABC. It has been a challenge and as such let’s start with what occupied most of the media coverage and conversations about the SABC in the last financial year in a quote by the board chairperson and I quote:

The final number of employees who exited the corporation on 31 March 2021, was 621, with a total of severance package of about R164 million which will be recovered within five months. The total guaranteed remuneration packages of those 621 position is about R457 million per year, and this means that our total salary bill target of R700 million reduction will be fully realised over a three-year period by 2023-24 as the annual salary increase freeze of at most three years is implemented, plus the three alternatives proposed by management.

Hon Chair, this potential savings will however be reduced when the current 468 vacancies are filled. Management will ensure only critical vacancies are filled to mitigate any risk of an increase in the compensation bill. I would like to add that the retrenchments were the most painful and emotionally challenging process, but necessary for the survival of the SABC.

The retrenchment of Public Servants during one of the world’s biggest crisis will unfortunately be marked against the public broadcaster. However, as they have said themselves, there are potential savings that will have to be shown in this coming financial year and which will have to be reported on by them in the next year Budget Vote speech. Speaking of which the total bailout funds have been disbursed to the organisation to fund its turnaround and as at the end of 2021, the entity had cash balance of R1,4 billion on hand, a shift in the right direction, considering where the organisation was last year, this time. The five-year partnership with Telkom on TelkomOne will house the public broadcasters free to air radio and TV channels, a first of its kind digital courage agreement livestreaming the most popular TV and radio programmes.

They also launched a dedicated education channel on multiple platforms, and interrupted schedule, free to air programming to bring #Woza Africa to millions of matric. The SABC was very excited to report to us of their 24-hour sport channel on digital terrestrial television, DTT, an open view DTH. We look forward to more progressive interventions from the public broadcaster like these. Fellow South Africans, we call on you to do your part by choosing to pay your TV licence fees. It costs only R265 a year, and it’s the right thing to do.

Hon members, I’m happy to announce that the new permanent CEO of Zetna has been appointed, bringing the necessary stability at the entity, which is in charge of our critical intangible assets domain name. The new FPB board has been appointed and duly inducted. The board will initiate a process to appoint the executives and ensure that the entity is well capacitated to implement the Film and Publication Board Amendment Act, signed into law by our own President in 2019. On information security and cyber security, hon Chair, cyber security is a national imperative and demands a co-ordinated and holistic approach, especially so for cybersecurity awareness initiatives which need to reach all the residents of a country, especially in a country like ours, where cyber

bullying, cyber gender-based violence, cyber stalking and revenge pornography are a part of our daily lives. It does not discriminate on the basis of location, wealth and status, but women and youth and people with disabilities seem to be the majority of the victims.

In line with their mandate, the cyber security hub implemented a national cyber security awareness portal creating a platform for citizens to report cyber incidents and assist victims of cybercrime, amongst others. Hon Chair, with the increase in violence both in the physical and online ones during the pandemic the cyber security hub has created a community radio station campaign broadcast on approximately 65 community radio stations reaching an estimated five million people, and this is a current campaign as we continue with the work of awareness and discussion on cyber security in South Africa.

On protection of children from online harm, protecting the African child is a pivotal part of the work of most of nation states on the continent, and it’s a proud day for South Africans that the FPB has taken the lead on this for the continent. The FPB has put in place the necessary safeguards and entrusts FPB with enforcement and empowers to protect our

children and ensure the safety of our citizens by regulating and dissemination of content by commercial online distributors making revenge pornography illegal and punishable by law. Our Minister went through on the issues of skills development, hon Chair, but I want to say from where ... [Inaudible.] ... this financial year 2021-22 there is a project that our entity will be aiming to launch, which gives schools and learners safe and secure digital identities and domain name. Therefore, we will also empower small, medium and micro enterprises, SMMEs, together with the Information and Communications Technology, ICT, sector, starting with a pilot in 200 public schools at an estimated cost of R4 million. I’m particularly looking forward to also the project of digitising the informal and township economies, which will identify new economic opportunities to bolster existing channels and with the domain name system value chain.

As I conclude, hon Chair, in the spirit of build back better and in partnership with the Department of Women and Youth and People with Disabilities, we will create specific programmes in the technology industry to improve the gender transformation of the sector as it is one of the poorest transformation sectors in the world today. Hon Chair and

members, in conclusion, the then Chairman of the Constitutional Assembly, one Cyril Ramaphosa, said in his speech on the day when the Constitution was adopted, and I quote:

This Constitution also creates a framework for sound and effective government in South Africa. It is good for investors and it is also good for the Rand, corporation, accountability, responsiveness and openness are entrenched as the principles of government at all levels in South Africa. It is in this simple fundamentals of the Constitution that we need to uphold today as we build back better.

*IsiXhosa:*

Enkosi.

*Sepedi:*

Ke a leboga.

*Afrikaans:*

Baie dankie.

Mr W M THRING: Hon House Chairperson, the ACDP expresses its concern that South Africa is falling behind in the information and communications technology, ICT, sector with not enough emphasis placed on giving access to affordable digital data to all South Africans. The ACDP has noted the switch from voice to data and the effective cost of data, which means that access to digital platforms is not accessible to lower income households. With the prepaid and lower income market being where most growth is expected and indeed needed, we must challenge the high cost of dat.

During lockdown, schools were closed and learners had to engage in online lessons, but the learners that were most negatively impacted in their schooling were those who are unable to access digital learning platforms and sadly it is these learners who mostly need access to it to be active participants in the South African economy.

The ACDP contends that we must connect the unconnected, disconnected and disenfranchised in rural areas and reduce the cost of communication and data nationwide to effectively allow all learners access to equal education. The Independent Communications Authority of South Africa, Icasa, must continue

working on regulatory initiatives aimed at reducing the cost of communication and making it more affordable for all South Africans, especially those already marginalised by geography and income levels.

The lockdown imposed has seen an increase in the internet service provider development, and we have seen South Africa’s fibre network and data centre markets growing. The ACDP however expresses concern that we have 5G roll-out by service providers, even before the department’s 5G policy and the relevant health and safety impact assessments on 5G could be concluded.

The ACDP is aware that R95 million has been allocated to the Post Office for the migration from analogue televisions to digital signals for 2021-22 financial year with digital set- top boxes. The year 2021 was planned for the switch off for analogue television broadcasting, but with our harsh lockdown and the blundering from one target date to the next, it is anyone’s guess how many of the 3,2 million indigent television households to be migrated through subsidised vouchers will actually receive their digital set-top boxes. Clearly, there has been poor service delivery and media coverage by the

department and the public broadcaster to lead migration awareness and to complete the migration process.

In conclusion, just as we have seen the demise of the video rental industry with the move to digital content, the ACDP contends that if we do not adequately invest in digital technology, we will be left behind by our counterparts and we will see the demise of those industries that have refused to invest in digital development in this fast-paced changing world of technology. I thank you.

The ACTING CHAIRPERSON (Ms R M M Lesoma): Thank you House Chair Ntombela and thank you hon member. Now I will recognise a member from the UDM. The UDM? We will proceed hon members and recognise the hon Mackenzie of the DA.

Mr C MACKENZIE: House Chair, good evening to you all, with all protocol observed, having engaged with the SA Post Office, Sapo, on its long-awaited annual report for the year ended March 2020, we now know why it has been so long coming. The SA Post Office is hopelessly bankrupt with no indication on how it would fund its multibillion loss-making operation, going

forward into 2021 and 2022, with even more billions in accumulated debt.

Full credit to Sapo executives, Mr Ruthnam and Mr Govender who last week ... [Inaudible.] ... questions from the portfolio committee while the Minister and the SABC board and its new CEO sat on the sidelines munching popcorn and more of a show it was, as the list of unanswered question as long as my arm – like why have pension contributions been deducted from Sapo staff, salaries have not been paid into the fund administrators. Why have medical aid contributions been deducted but not paid over to the medical aid, leaving staff helpless and vulnerable in the middle of the pandemic? When will outstanding rental arrears on locked post offices be settled? And in the meantime, how do customers access their post office’s registered mail or medicines? And while Sapo grinds are screeching to a bankrupt halts, Icasa heads to court to enforce Sapo’s 1kg mail monopoly - a cynical move as Sapo negotiated with government for a subsidy for its universal service obligation that this very monopoly is meant to fund.

It is also deeply ironic for a government that claims to support competition to be hellbent on ... efficient courier companies. Many SMMEs, to enforce Sapo monopoly that can’t even keep the lights on in its branches, gets an audit disclaimer from the Auditor-General, and can’t continue as a going concern. If you are going to be two-faced, then at least try to make one of them pretty. The SA Post Office annual report says and I quote, “The Sapo is without doubt currently experiencing substantial doubt on going concern.”

Here is a promise from me to every Sapo director that they will be held personally liable in terms of the Companies Act for continuing to trade in solvency and recklessly, and I will lay those charges myself. The communications department previously pioneered the solution that is the only way out to Sapo. Do what you did with Telkom by keeping a minority share but finding a private sector partner who is willing to take Sapo and make it what is should be - but act quickly, the lost brilliance demanded. Immediately on taking office, Minister Stella Ndabeni-Abrahams in a great mood ... [Inaudible.] ... to get the spectrum released after more than a decade of government doing nothing with it.

In his state of the nation address speech, the President hoped any spectrum option wouldn’t get bogged down in litigation. I would agree with him, but then we would have both been wrong, as given the Icasa apparent funds for litigation, it isn’t surprising to hear that Telkom, MTN, Vodacom, Rain, and even eTV have had to record over Icasa invitation to apply for high demands spectrum. This is the same Icasa that to their credit sensibly allocated unused spectrum temporarily to the sector during the national lockdown resulting in improved network service policy and reduced communication costs, even as demand for data and higher band was shot through the roof.

Temporary spectrum licensees pay hundreds of millions a year for its use. ... [Inaudible.] severely constraints fiscus desperately needs, withdrawing these temporary spectrum means that it will simply lay idle, until the various court actions have run their course, which include appeals that could take up to three years. The Independent Communications Authority of South Africa would also be going against its own COVID-19 regulations which correctly anticipated exponential growth in demand for data services during the disaster management period. As millions of South Africans continue to benefit from contemporary spectrum, withdrawing will result in ...

[Inaudible.] ... and may force people back into the physical office at a time when less than 1% of the population is vaccinated. As court processes continue to finality, it is in the national interest to leave the temporary spectrum in the hands of those telecommunications companies to be able to use it. Simply, its return is a lose-lose for all.

Mr W M MADISHA: What is tabled before us is extremely significant given what is cited.

Ms P T VAN DAMME: Hon Acting Chairperson, on a point of order: You seem to have skipped hon Gumbu if you are going according to the list. I do not know if the ANC has also noted that.

The ACTING CHAIRPERSON (Ms R M M Lesoma): Thank you very much. Let us allow him. Hon Madisha could you just step down a little bit. My apologies for that. Thank you very much and hon Gumbu from the ANC, my apologies for that hon member.

Mr T T GUMBU: Hon House Chairperson, hon Minister, Deputy Minister and hon members, in recent years we have witnessed many incidents of people who were abusing online platforms and circulating inaccurate content, adults dastardly taking

advantage of kids. We were all shocked by the recent incidents of Lufuno Mavhunga from Nzhelele in Limpopo, may her soul rest in peace, who was physically assaulted by a 14-year-old peer and publicly humiliated in social media before she took a step to commit suicide.

While we enjoy the benefits of communicating to social platforms, it is with great concern that people see this as an opportunity to harm others, intentionally or unintentionally. Hon Chair, striking a balance between empowering and protecting children online is of paramount importance. As part of the department’s consultation process with stakeholders towards the development of a Children and ICT Strategy it has been found that there is no coherent strategy towards achieving children’s empowerment and protection in the sector.

The key sector of the department is therefore to promote and raise awareness on online protection of children. One of the key partners in the efforts to protecting children online is Film and Publication Board, FPB. Thy are the custodians of Film and Publication Act that governs the classification of films and publications to prevent the children from being exposed to harmful content on television and the internet.

We commend the partnership of FPB and government’s own development of the coherent action plan on child online protection. The ANC is proud that on the 15 April 2021, Minister Stella Ndabeni-Abrahams officially opened a digital college called Vexospark Tzaneen Digital College in Lenyenye Village, in the Greater Tzaneen Local Municipality. This initiative is a result of a public-private partnership. It fulfils the ANC-led government’s aim of taking digital technology to rural communities in order to begin closing the digital divide in our society.

This college will offer unique courses to everyone including children from as young as for including amongst others robotic and coding for learners from preschool to Grade 9, design thinking for learners from Grade 5 to Grade 12, digital library for all school learners, She Means Business Programme and She Will Connect Programme. These programmes will empower girls and women with entrepreneurial skills, online safety, basic computer skills and website design.

We must embrace artificial intelligence and technology and deploy these systems to address the challenges poverty, unemployment and inequality in our country and the continent.

The Fourth Industrial Revolution must harness and place at the disposal a programme of transformation in our country has embarked upon since 1994. Our programme of transformation must be focused on growing the South Africa we want through the realisation of crucial priorities that apply to all sectors of society.

The Fourth Industrial Revolution technologies must enable us to address the priorities set out in our 2019 Election Manifesto which form the mandate of the Sixth Administration. These include: enhancing in communique transformation and job creation, improving our education outcomes and skills, revolution and ensuring healthy nation, consolidating the social wage through reliable and quality basic services, advancing social basic transformation and safe communities, and creating a capable, ethical and developmental state.

The ANC is proud that South Africa was ranked by the Dell Digital Transformation Index among top 10 countries leading the digital transformation change necessary to compete in the 21st Century. Our country is not trapped in advancing the vision we had set out by 2030 in the National Development

Plan, NDP. About one million young people will be trained in data science and related science by 2030.

Covid-19 has increased length on digital and automated services and this makes the digital critical to our overall reconstruction and recovery plan. South Africa has been ranked first as the best nation for global business services in the world in a survey which took the views of 600 executives from eight key sourcing markets. These are Australia, Canada, France, Germany, Italy, Spain, the UK and the USA.

This remarkable achievement would not have been possible without the close co-operation between the industry, organised labour and government. The ANC is committed to a vision of building the South African model of a developmental state. One of the most important attributes of the developmental state is its capacity to regulate markets and society. In this regards, the ANC welcomes the initiatives that the department of Communication and Digital Technologies has embarked on to merge some of its entities in line with a plan to rationalise state entities. These measures are in line with the President Matamela Ramaphosa’s announcement that government would undertake a process of rationalisation of state-owned entities

to ensure that they are self-strategic economic or developmental purpose.

We are looking forward to the domain name authorities of the Film and Public Board regulation and Independent Communications Authority of South Africa, Icasa, merge in to form one regulator. The ANC has a key interest to ensuring the SABC turnaround and it never finds itself in a position it was in before. We want to see the SABC break even and self- sustaining. The SABC has a number of plan interventions in this regard and this includes most containment which we hope would lead to see the financial position of the entity improving over the Medium-Term.

The SABC has been allocated around R30 million to cover the upcoming Local Government Elections. We remain hopeful that despite its challenges it is going to be fair, transparent and equitable coverage of the elections and provide accurate and reliable educational information to South Africans, nearing up to the election day.

As I conclude, commits to continue playing its oversight role by monitoring and ensuring implementation of recommendations

emanating from the committee meeting with the Auditor-General. Amongst others, these relate to: ensuring that the department and its entity develop an action plan to cover the financial statements, compliance with legislation and performance reporting, ensuring that the department implements consequence management where wrongdoing has been identified, ensuring that the department and its entity’s action plan form part of the performance contract of senior officials, ensuring that the task within the department is established and is capacitated to adequately monitor the implementation of each entity’s action plan, ensuring that key vacancies are reprioritised and filled with competent officials, ensuring that the department and its entity review and improve systems and controls to ensure quality of the financial statements compliance with legislation quality performance reporting.

Hon Chair, the ANC supports Budget Vote 30 on Communication and Digital Technologies. Thank you.

Mr W M MADISHA: Acting House Chairperson, what is tabled before us is extremely significant given what is cited to be the main purpose by the department, which as expressed, is intended to create an enabling environment for inclusive

growth in the ICT sector, by developing policies and legislation that promote infrastructure investment and pursues economic development.

Its further relevance and importance is its objective to create the ICT capacity for all South Africans to compete not only within their realm of existence but also beyond our country’s borders. For all this to succeed, we need a capable, effective and incorruptible administration. I table these three basic requirements because the opposite has taken place in this department and led to the failure of many important ideas. For our county to achieve the requirements I put before us, I call on the Minister to - without fail - ensure the implementation of all conditions for appropriations. The fact that some of the large budget amounts have not been spent is clear proof that we need a proper administration that will have the capacity to actualise what we agree upon. Hon Minister, I support your declaration that a number of people will be ... [Inaudible.] ... to help South Africans for the latter to have and enjoy the declared purposes. My problem is, however, the number of people who declare ... [Inaudible.] ...

73 000 is not enough.

If you were to accept the reality that millions of South Africans are and for a long time coming ... [Inaudible.] ... unemployed and even ... [Inaudible.] ... in the villages and some of our townships, you have declared ICT enterprise and public entity oversight. Looking at the departmental agencies and accounts as well as public corporations, South Africans are without a doubt faced with some of the state-owned entities, SOEs, that looked down upon decisions taken by Parliament, which consists of 400 people sent by South Africans to protect what belongs to the poor South Africans. The SA Broadcasting Corporation, SABC, management, for example, merely listen to the decisions we make and continues to ignore and do the opposite.

Our decisions are ignored. The poor workers are not respected. More and more people are kicked out of jobs. My question therefore is; what next, hon Minister? More has got to be done. Thank you.

Ms P T VAN DAMME: Hon Chairperson, it can no longer be business as usual in government because it is times unusual as governments across the world have evolved with the challenges that the global pandemic has presented, ours has remained

stuck and unable to do the very, very basics. On the frontier of the globe on digital transformation, we lag far behind and to compare apples to apples, other African countries have embraced e-governance and accelerated digital transformation to cushion their people against the socioeconomic and health care blows of COVID 19.

Here are a few examples, when the pandemic hits Togo, its government quickly assembled a system using machine learning algorithms to detect signs of poverty in satellite photos and cell phone data to provide its most disadvantage with mobile cash payments. In Rwanda, robots were used to minimise human- to-human contact to protect its frontline and health care workers. In Ghana, drones were used to collect test samples from health care facilities in the rural areas and deliver them to laboratories uh, borrow in the country's two largest cities. In Sierra Leone, a quarantine app was created to log and track dates in and expected dates out of quarantined persons, food delivery, psychosocial support, and other services. Many others on our continent used the pandemic as the fresh impetus to invest in innovation. But what is stopping the South African government? It is a lack of will. It is a lack of innovative vision. And the fact of the matter

is, Chair, innovation lies at the heart of charting a new path for South Africa’s prosperity. Innovation will provide solutions to the old problems facing our country.

Innovation will provide the economic opportunities to recover lost GDP and create jobs; innovation will ultimately provide South Africa with a disruptive moment towards bringing lasting change and improve the lives of our people. I do not merely aim to speak of the problems, but also offer solutions. As a start, a chief innovation officer must be appointed whose primary responsibility will be to manage the process of digital transformation and change management across government. A council must be set up whose focus will be making sure that our legal framework can adapt quickly to new technological advancements.

The governments must actively identify start-ups that have created technological tools to improve service delivery and enter into partnerships with them. However, digital innovation can only go so far if the digital divide in our country continues to exist. The gaps in internet access and coverage across the country will mean that digital transformation will only benefit a privileged few.

The cost to communicate and access the internet remains too high. Every year we are told we are going to, we are going to, we are going to ...

*IsiZulu*:

... kuyoze kube nini ...

*English*:

... we are going to, the people of our country cannot eat. We are going to. The digital divide needs to be closed otherwise rural communities, youth and low-income households will be excluded from reaping the rewards of innovation. At key points, and this is very important, Chairperson, unless the government can’t provide basic service delivery such as electricity, water, sanitation, the digital solutions will be hamstrung. Innovate while at the same time improving service delivery. The government must learn to operate in the new normal. The Fourth Industrial Revolution is not just a buzzword and something to embroider on to jumpsuits. It is a new normal, it is what the world is operating in. There is no pre-COVID normal to return to. It is important that our government places digital transformation, innovation, front and centre of their agenda. Thanks, Chair.

Ms N J KUBHEKA: Hon House Chair, hon Minister, hon Deputy Minister and hon members, we are considering this Budget Vote a day after we celebrated the commemoration of the World Communication and Information Society today. It was in November 2005, when the World Summit on the Information Society called upon the UN General Assembly to declare 17 May as the World Summit on the Information Society Day to focus on the importance of the information and communication technology, ICT, and a wide range of issues related to the information society. The origin of the dates back to the signing of the first International Telegraph Convention on 17 May 1865 which marked the establishment of the international telecommunication.

The broadcasting digital migration, BDM, status as part of celebrating this day, the Minister of Communications And Digital Technologies, hon Stella Ndabeni-Abrahams, was on the ground to witness the analogue switch off the television broadcast services in Bethlehem, in Dihlabeng Local Municipality. This follows a concerted effort by the department and the state-owns companies under the mandate of external stakeholders involved in the digital migration programme. So far, 16 analogue transmitters have been switched

off since 21 March 2021 in the Free State. It is encouraging that additional four low power secondary sites linked to Bethlehem were switched off yesterday. The analogue switch off in the Free State is continuing simultaneously with the switch off in the Northern Cape province in fulfilment of the President’s commitment to the nation of a complete switch off by March 2022.

The ANC commends the department for its vigorous plan which entails the distribution of 1,5 million set-up boxes across the country. Our people appreciate the fact that to date 810 000 subsidised set-up box installation are being co- ordinates and monitored in four provinces which are Free State, Northern Cape, North West and Limpopo. Over the years

this project has suffered a lot of delays. We trust that the efforts of the Minister and her team of ensuring that this project is officially off the ground and well on its way to meet the President’s deadline announced during the state of the nation address in February will bear a fruit.

Regarding thhe SA Connect, in the same state of the nation address the President confirmed that the SA Connect project has been approved. The roll-out of broadband to schools,

hospitals, police stations and other government facilities must continue and prioritise and ensure better service delivery and efficiency. As part of the oversight responsibility, hon Stella Ndabeni also tested the speed and functionality of the broadband connectivity that provide internet access to learners by remotely connecting to the public library in Bethelhem to a school in Phuthaditjhaba, in Qwaqwa.

The connection of 970 government facilities to the National Health Insurance database in eight district municipalities across seven provinces is a remarkable achievement.

With regard to job creation in line with ANC manifesto the department is working together with its entities in contributing to the resolution of the 2018 Presidential Job Summit to create additional 275 000 jobs each year. This target will only be achieved when employment opportunities, internships and training opportunities of the young people are created on mass scale and through supporting the procurement of goods and services from small, micro and medium enterprises, SMMEs. A good example in this regard is the [State](https://www.gov.za/about-government/contact-directory/soe/soe/state-information-technology-agency-sita)

[Information Technology Agency, Sita, which has an acquisition](https://www.gov.za/about-government/contact-directory/soe/soe/state-information-technology-agency-sita) [spend of 40% from black-owned companies.](https://www.gov.za/about-government/contact-directory/soe/soe/state-information-technology-agency-sita)

With regard to the Broadcasting Digital Migration, SA Connect, Sentech and the National Electronic Media Institute of South Africa, Nemisa, the ANC is proud of the 100% achievement of Sentech’s predetermine objectives as approved by their shareholders. As a results the customer satisfaction index has improved from 68,2% to 73% due to customer engagement and by becoming more customer-centred. An over achievement of 98,38% of planned digital skills. Training interventions were implemented against an annual target of 85%. The entity also managed to launch e-learning digital products of their customers. This is indeed encouraging and we hope that we can reach this level of capacity with all our entities.

The Universal Services and Access Agency of South Africa, Ussasa, is continuing with the implementation of the BDM project in line with the revised time lines. In implementing this projects, the agency has employed 37 unemployed graduates in seven provinces, and these are Free State, Northern Cape, North West, Mpumalanga, Eastern Cape, Limpopo and KwaZulu- Natal. These young people will drive proactive registration of

qualifying households and further ensure that decoders are installed at all local municipal levels.

The National Electronic Media Institute of South Africa on the other hand strives to be on the forefront of digital transformation and innovation in addressing South Africa’s unemployment problems. It does this by skilling and reskilling youth, unemployed persons and communities in general. The Nemisa digital skills training programme has a registration of

49 722 learners. Other initiatives include expansion of the Yarona Digital Literacy project into all provinces. A number of 15 000 people are targeted to be trained this year. Three contract facilitators are to be appointed per province and it is expected that 27 000 people will be digitally skilled

through this mechanism. The learning management system, LMS, is targeting to train 10 000 people via online courses.

The National Electronic Media Institute of South Africa’s recently launched over the top platform will allow learners to access content through prerecorded videos. It is anticipated that more than 15 000 will use the over the top, OTT, channel by the end of this year.

In connection with the critical role of the Post Office, the vultures in the private sector and their political vanguard parties, the DA and the FF Plus, are already selling the SA Post Office as if it is a dead animal. The ANC government cannot allow the SA Post Office, Sapo, to die because it is a provider of essential services for social grant payment and other services. Our Post Office is a key shareholder in delivering developmental objects. It is able to bring basic services to remote rural as well as urban and peri-urban areas. Its network is currently the largest point of presence nationally and is able to connect government businesses and citizens anywhere in South Africa. This is owing to its footprints in the length and breadth of the country. The Post Office ensures that the 8,1 million beneficiaries of the SA Social Security Agency, Sassa, are paid monthly. An amount of 2,6 million school books was delivered in almost 4 000 schools in Limpopo and Northern Cape.

Over 6 000 new street addresses are rolled out and almost 1,2 million qualifying beneficiaries are registered for the

digital terrestrial television, DTT, subsidised set-top boxes and 549 426 set-top boxes, STBs, were issued.

Hon Chairperson, this gives an indication of the magnitude role Sapo plays in our society. It is therefore in our interest that it repositions so that it operates optimally with high levels of effectiveness and efficiency. We share the concern of the people regarding Sapo offices closing down and those that are slow to deliver. In the same vein we commend the ministerial intervention to open the offices to ensure that our people receive their parcels. In order to address the service delivery challenges Sapo aims to expand its role in e- commerce by facilitating interaction between small craftsmen and traders in South Africa and buyers. It is also looking to the platform as one of the measures to return to profit.

In conclusion, when the experiment of putting black faces to dress up the lily white DA some leaders of the party pretended diversity. Some of the experiments such as hon Van Damme and the former leader by the name of Mmusi Maimane ... [Interjections.] [Time expired.]

Ms P T VAN DAMME: Point of order!

The ACTING CHAIRPERSON (Ms R M M Lesoma): Thank you, hon member. Thank you, hon member. Your time is up.

Ms P T VAN DAMME: Chairperson, on a point of order. I raised it before she stopped.

Ms N J KUBHEKA: Hon Chairperson, I support the budget of the Department of Communications and Digital Technologies. Thank you.

The ACTING CHAIRPERSON (Ms R M M Lesoma): If both of you are talking and I am calling her to order, what am I supposed to do, hon member? Having thanked her, let’s hear the point of order.

Ms P T VAN DAMME: Chairperson, I would like this hon Kubheka who appears to be some sort of a scientist to give us her scientific expertise ... [Interjections.]

The ACTING CHAIRPERSON (Ms R M M Lesoma): Point of order!

Ms P T VAN DAMME: Chairperson, “mamela”, Chair [listen,

Chair].

The ACTING CHAIRPERSON (Ms R M M Lesoma): Hon Van Damme, just respectfully so, give me the point of order so that I can make a ruling.

Ms P T VAN DAMME: Chairperson, please, give a ruling on whether a human being in Parliament can be referred to as an experiment. Hon Kubheka appears to be a scientist who can decide that human beings are experiments. Can you please let me know whether it is parliamentary to start calling people experiments because we can start calling each other names if that is the conduct that is going to be acceptable here.

THE ACTING CHAIRPERSON (Ms R M M Lesoma): Thank you! Hon Kubheka, were you making a reference to hon Van Damme when you said she is an experiment?

Ms N J KUBHEKA: Hon Chair, when I raise issues I raise the issues based on ... [Interjections.]

The ACTING CHAIRPERSON (Ms R M M Lesoma): Hon member, were you referring to a person when you said is an experiment?

Ms N J KUBHEKA: I am not referring to the person, hon Chair. I thank you.

Ms P T VAN DAMME: Hon Chairperson, she is lying to you. She said and I heard it - experiments like Van Damme. She mustn’t lie.

The ACTING CHAIRPERSON (Ms R M M Lesoma): No, but hon Van Damme ... [Interjections.]

Ms P T VAN DAMME: Please, rule on whether is it parliamentary to refer a Member of Parliament as an experiment. She said, “Like Van Damme - people who are experiments.” She must have the courage of convictions ... [Interjections.]

The ACTING CHAIRPERSON (Ms R M M Lesoma): No, wait, hon Van Damme. Don’t make a presentation. Hon Kubheka, you can only refer to an organisation, and not a person. Can you withdraw that?

Ms N J KUBHEKA: Indeed, I have raised it to say the DA. [Laughter.]

The ACTING CHAIRPERSON (Ms R M M Lesoma): Hon members, I have to listen to Hansard because I didn’t hear the other part. So, I can’t argue. Allow me to, in due course, come with a ruling on the matter because I have to listen to the audio. Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank

you so much, hon House Chairperson. I would like to take this opportunity to thank all the hon members for their valuable inputs towards the work that we are mandated to do as the department. And as I say that we are taking into consideration all the inputs that they have made as we seek to improve the performance of the department that we are responsible for.

Just to mention few things, hon House Chairperson, of course, as the department we have tried, if you observed, in the last four years, as it has been reported wrongly so here, that the department has been having poor performance. Actually we have registered over 80% over the last three years. That’s something that we have accounted and reported to Parliament and it’s on the public records.

Therefore, hon members, we just thought that it is important that we clarify that and, of course, including the

racialisation of the state-owned entities, because the minute we discovered that the unit of analysis has changed, we therefore needed to make sure that we reconfigure the entities in order to be responsive to the analysis that is being used today. Of course, it takes time as parliamentarians will understand that it does not take less than 18 to 24 months to develop law. And this is the process hence we outlined earlier that the business cases have been developed, that now we have gazetted certain things for public consultations in a quest to ensure that, indeed, we reposition our entities to be the best entities that we can have. I don’t expect those that do not envisage a state that can be able to understand, of course, if you come from and environment that ensured that the state owned-entities serve only a few at the expense of the majority, you would panic when we talk of interventions that have to be made, we would just urge all members to be patient allow the state to serve the majority of the people of South Africa.

Of course, recognise the historical legacies that we have inherited whilst we are addressing the future and the current challenges. We are aware, again, hon members, but there are lots of challenges that we face as the state-owned entities

and the departments. And this is why we have for several times appeal to yourselves to say we are trying to ensure that step by step we really address those. The State Information Technology Agency, Sita, that was reported about to have been perceived as one of the companies that is corrupt, including the SA Social Security Agency, Sassa. Indeed, investigations have been carried out and we are awaiting all those processes because we are a government that respects the Constitution of the country. Therefore, we have got to make sure that all processes are adhered to. This is because of the resolve that has been taken by the ANC government, which in no uncertain terms have made it clear that we are going to fight against corruption, and for that we are willing to die for it, we are willing to do anything as long as we clean the state of this corruption and, of course, at that tendency that deprives our people of quality service.

The Broadcasting Digital Migration, BDM, delays, indeed, is been 13 years correctly so from 2008, ever since the project was introduced. However, as I reported, we are proud to say for the very first time yesterday, we switched off and this is a milestone that hon members should be celebrating, but putting in place, of course, the caution that they are putting

to say, if we do not address the shortfalls in terms of a budget, if we do not look into the monitoring, as we do not do in the past, this project, indeed, will face a threat. And this is why we said that there is a need for us to establish a rapid deployment team that must look into ensuring that as when challenges arise there are immediately addressed. Of course, we continue to engage with the Minister of Finance in ensuring that the shortfall that we need will be provided.

However, we know that currently we have R1,6 billion that we need to spend, which is what we are talking about when we talk about the second phase, which looks into the voucher processes. Again, hon members, as we talk about the challenges in the state-owned entity called the SA Post Office, Sapo, just to add to what hon Kubheka, said that we are watching with interest those that have failed to spend on what government has provided for in the Post Office. Those that are now taking the lead in establishing consortiums in order to privatise Post Office. One question that I have my mind by the time they were with the Post Office, whether they’re working in the Post Office, to ensure that is left with nothing, but it can be privatised. When we took office, one thing that we committed is to building a capable state and an

entrepreneurial state. This is why all efforts by government are to ensure that we address the capacity issues, whilst we are looking at the funding of the key areas.

One of the critical things that any government would be reckless in doing is to make sure that all critical agencies fall to the hands of the private sector. We’re a government that recognise partnerships, a government that have embraced that we cannot achieve everything that we want to do on our own. However, we shouldn’t be forced to privatise when we still believe that there’s an opportune to turnaround the private sector that we are calling upon to say they must take over the Post Office as hon members insinuated here. What is it that they see in the Post Office, if it has dead as that, because as we have said that the issues of the Post Office again, are hereditary. We are looking at them, hence we are happy with the progress that has been made ever since also the arrival of the new Post Office, and we are committed in ensuring that we will assist them with everything that we can have.

The Post Office legislation makes it very clear in terms of the designated market as we talk about the 1 kilogram package.

Therefore, indeed, it is disappointing to find Members of Parliament to preside over the same legislation wanting to rebuke the Post Office for trying to ensure that it is adhered to, and this is the responsibility that we should take as Members of Parliament. If we want to call for a review of the legislation, let’s go for that, but as things stand, this is what the law says, and rightfully so, the Post Office has to do that in order to protect a certain market that should be given. That is why the Post Office has not closed, that is why the Post Office continues to engage with those courier companies that are involved in this, to say let us find ways of working together, to make sure that we do not take business from others because when we do so, people will lose jobs, and our responsibilities is to protect jobs.

Of course, we are not going to privatise as the Deputy Minister has said there is no intention to privatise the SA Broadcasting Corporation, SABC. It doesn’t mean that when we have to look into areas of investment, we are not going to, but right now we do not have any intention to do so. It is important again, hon members, to look into the issues that have been raised. Hon Madisha raises a very important question that as much as we are counting these figures there are many

people in South Africa that still needs the digital skills. Hon Madisha, I want to inform you that, according to the plans, we have committed that we are going to train at least 2,5 million by 2024. This is the work that we are doing, complementing the work that is being done by the Department of Higher Education and Training and other training institutions.

However, to say, as the department that is tasked with building a digital society, there is a need for us, through our entities through our industry, to join hands and make sure that we are also make our mark. This is why on the figures that I reported about earlier on, we will be training 239 050 people this year, which is a contribution to the 2,5 million by 2024. And this does not include the other numbers that are being trained by other stakeholders.

I fully agree with hon Van Damme that, indeed, if we would fail on innovation we’ll continue to be the consumer of technologies. We had since taken a conscious decision that South Africa has to be an inventor of technologies. The Minister of Science and Innovation, had issued a White Paper in 2019, on science, technology and innovation, which enhances the efforts that hon Van dam was talking about. Of course, if

you go and read our Fourth Industrial Revolution, 4IR, print document, again we’re making emphasis on the fact that the state needs to invest more on innovation, including changing certain things that we are putting in place. Our digital economy master plan, make reference to that, including the establishment of the council that should look into the innovation that we want to drive.

All these efforts, hon members, are meant to ensure that South Africa, indeed, can be an effective player in the digital space that we are talking about, we all need to join hands, we need to make sure that we work together. However, on top of that we need to make sure also that we’re agile in ensuring that the overhaul of legislations that we’re talking about is adhered to, because if we take too long again in making laws or the process that we take 18 to 24 months, it would mean that South Africa will be left behind. This is why we are appreciative of all your efforts and your contributions, hon members. I want to thank you as we presented our Budget Vote, which is sum of R3,7 billion. Thank you once more, House Chairperson.

The ACTING HOUSE CHAIRPERSON (Ms R M M Lesoma): Thank you, hon Minister. Hon members, that concludes the debate and the business of this virtual mini-plenary. The mini-plenary will now rise.

Debate concluded.

The mini-plenary session rose at 18:19.