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***PROCEEDINGS OF THE NATIONAL ASSEMBLY***

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The House met at 14:00.

The Speaker took the Chair and requested members to observe a moment

of silence for prayers or meditation.

The SPEAKER: Hon members, I wish to remind you that in the

interest of safety for all present in the Chamber, please keep

your masks on and sit in your designated area. Thank you. The

items on today’s Order Paper is questions addressed to the

Deputy President. There are four supplementary questions on

each question. Parties have given an indication of which

questions their members wish to pose a supplementary question

on. Adequate notice was given to parties for this purpose.

This was done to facilitate participation of members who are

connecting to the sitting through the virtual platform. The

members who will pose supplementary questions will be

recognised by the Presiding Officer. In allocating

opportunities for supplementary questions, the principle of



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fairness amongst others has been applied. If a member who is

supposed to ask a supplementary question through the virtual

platform is unable to do so due to technological difficulties,

the party Whip on duty will be allowed to ask the question on

behalf of their member. When all the supplementary questions

have been answered by the Deputy President, we will proceed to

the next question on the Question Paper. Members asking

supplementary questions or raising a point of order may remain

seated when doing so. The first question has been asked by the

hon LE Molala to the Deputy President. I have been informed

that the Deputy President will be answering questions from the

Chamber as you can see.

**QUESTIONS TO THE DEPUTY PRESIDENT**

Question 1:

The DEPUTY PRESIDENT: Thank you hon Speaker. As government we

have created regulatory environment that is very conducive to

opening up the market for alternative power generation

producers. Within the framework of the Integrated Resource

Plan, IRP, alternative energy generation measures are being

explored and implemented to augment electricity supply and

improve the stability of the grid.



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In addition, the President announced the amendment of Schedule

2 of the Electricity Regulation Act 2000, increasing the

embedded generation threshold from one to 100 megawatts. In

this regard, the Department of Mineral Resources and Energy,

DMRE, has amended the electricity regulations of new

generation capacity and has put together processes that should

be followed to ensure the request by municipalities for own

generation are speedily attended to.

Hon Speaker, currently, 292 small scale generators have

registered with National Energy Regulator of South Africa,

NERSA, and have the total generation capacity of 187

megawatts. The IPP office is processing offers by IPP for

approval by Eskom and National Treasury. Furthermore, the

Minister of Mineral of Mineral Resources and Energy has issued

determinations on the required new generation capacity in

concurrence with NERSA. The determination made resulted in the

procurement of 7309 megawatts from renewable energy. Most of

these power plants are already operational with less than 400

megawatts still under construction.

Hon Speaker, we can report that the following achievement has

been made. Preferred bidders for 2600 megawatts, for renewable

energy known as Bid Window 5, were announced in 2021 with the



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financial close plan for April 2022. The request for our

proposals for 2600 megawatts of renewable energy under Bid

Window 6 is scheduled for release this end of March. Requests

for proposals for 513 megawatts of battery storage is

scheduled to be released by the end of April this year.

Requests for proposals for 1600 megawatts of renewable energy

under Bid Window 7 will be issued in August 2022.

However, we must make the point that Eskom’s load shedding is

not as a result of limited market role for alternative power

generation, but mainly as a result of breakdowns encountered

from the old and aging power generation infrastructure.

The Eskom Political Task Team continues to provide support to

ensure that Eskom meet its obligation of providing

electricity. This support includes ensuring that Eskom in the

short term is able to implement credible and transparent

national maintenance programme, to ensure that power

generation plants operate at optimal level to reduce negative

impacts of electricity supply disruptions. Collectively, these

measures are aimed at addressing the current load shedding and

future power generation needs. I thank you, Speaker.



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The DEPUTY PRESIDENT: Hon member, I have been informed that

hon M J Wolmarans will take charge of the follow up question

in terms of Rule(137(10)A) of the National Assembly.

Mr M J WOLMARANS: Thank you, hon Speaker. Hon Deputy

President, since the objective of the Risk Mitigation

Independent Power Producer Procurement Programme, RMIPPPP, is

to procure energy from projects that are near completion. And

given that the energy availability factor is responsible for

load shedding, what role should the RMIPPPP play in

strengthening of the grid amid the declining supply of energy?

The DEPUTY PRESIDENT: Thank you very much, hon Speaker. The

emergency procurement process was solely meant to augment the

current short-term supply gap, alleviate the current

electricity supply constraints and reduce the extensive

utilisation of diesel based picking electricity generators.

This goes and bodes well for our mixed generation capacity

into the future to allow more and more IPPs to come into the

grid and this goes according to our IRP2019. Thank you very

much.



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Mr N L S KWANKWA: Deputy President, you would recall that the

Integrated Resource Plan 2019, identifies the necessary

generation mix of technologies to respond to the country’s

demand for electricity in the medium-term. And that, in terms

of the RMIPPPP, projects are supposed to be connected to the

grid as from August 2022. However, you are aware that the

deadline for Independent Bidders was extended three times. The

initial deadline was July 2021, the second one was 30

September and, the last one was January 2022.

Since the January 2022 one, we are not aware of any public

communication from the department whether or not the eleven

Bidders have achieved financial pros. What are you going to do

to make sure that as is indicated in the RMIPPPP, that indeed,

these projects are connected to the grid to boost up the

energy for the country?

The DEPUTY PRESIDENT: Thank you very much. To date, I think

above 6000 megawatts have been connected to the grid flowing

from IPPs. I am aware that 400 megawatts are still under

construction. Of course, there are unforeseen delays which are

delaying the connection to the grid. But we are already

hopeful that the process will go according to plan. Because



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already more than 600 megawatts have been connected. So, we

are heading there. Thank you.

Mr G K Y CACHALIA: Hon Speaker, clearly, the market need to

open up to help resolve our electricity crisis and noting that

in this regard, the RMIPPPP has been postponed for the third

time this year. Part of this solution involves just to fill

the gap currently plugged by expensive ... [Inaudible.] ...

in diesel suppliers.

Given that we missed the boat in securing a gas block in

Mozambique and that the ANC is sitting on the upstream Bill

which will remove some aspects of ministerial discretion, -

thank God. Can the Deputy President share much needed light on

the prospective deals between Russia’s Gazprom bank and

Azerbaijan Republic, SOCAR, and Central Energy Fund, CEF, to

build a R7 billion natural gas to electricity plant at Coega,

which incidentally has no pipeline and would cost R15 million.

Is this perhaps a replacement for a nuclear deal that the Cape

High Court deemed unlawful and is now part of a sweet of

Russian investments in other provinces? Which may explain our

dismal stance on Russian aggression in the Ukraine.



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The DEPUTY PRESIDENT: Hon Speaker, I’m not aware of these

projects especially those that are Russian connected, I’m not

aware of those projects. The only thing I can confirm hon

members is that discussions between our Minister of Mineral

Resources and Mozambique are quite advance in terms of gas

that we should transport from Mozambique to the country. I can

safely say, we have reached an agreement. Thank you very much.

Ms O M C MAOTWE: Thank you very much beautiful Speaker. Deputy

President ... [Interjections.] ...

AN HON MEMBER: You are out of order.

Ms O M C MAOTWE: ... She is beautiful. Madam Speaker, you are

very much beautiful. Deputy President, the Minister of Public

Enterprises indicated that Eskom is in the process of

establishing a clean energy unit within Eskom, which will work

towards ensuring that Eskom itself produces renewable energy

for the country.

If Eskom has the capacity to produce renewable energy by

itself and help the just transition process, why government

investment so much money on independent power producers who

are going to be a competition to Eskom? And realistically, can



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IPP supply the energy demands for the country’s industrial

demands?

The DEPUTY PRESIDENT: Thank you very much. It was important

for us to open the market and follow the IRP2019. Because the

demand is just too huge and currently, Eskom cannot meet the

demands. As we speak, Eskom has already started to repurpose

Komati Power Station into renewable with the capacity of 244

megawatts and battery storage. Which is a good sign from the

Eskom’s side. But of course, renewable energy takes long and

the projects connect low amounts of megawatts into the grid. I

said, 292 small generators collectively have connected 187

megawatts, which is very low in terms of the need of the

county. As much as we open the market Eskom should proceed.

We are going to repurpose probably six or seven power

stations. Your Camden, Grootvlei that have reached their

lifespan. So this process is proceeding. Thank you very much.

Question 2:

The DEPUTY PRESIDENT: Honourable Speaker, indeed, on 10 March

this year we consulted the traditional and Khoi-San leaders on

progress made in the fight against the ongoing Covid-19

pandemic. We communicated to them the intention of government



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to lift the National State of Disaster as advised by the

National Coronavirus Command Council, including calling on

each sector to develop its own sector plan to continue

fighting the spread of Covid-19.

The traditional and Khoi-San leaders expressed support for the

work done by government in the implementation of the Covid-19

Risk Adjusted Strategy. The leaders encouraged government to

fast track the finalisation of amendments to health

regulations towards ending the National State of Disaster. The

leaders further committed to continue in partnering with

government on the path of advancing efforts on communities

vaccinating against the Covid-19 pandemic, in the spirit of

saving lives and livelihoods.

In accelerating our vaccination programme, we have

consistently ensured that we also consult with interfaith

leaders to solicit their inputs, and access places of worship

to promote vaccination. In our view, these consultations,

which are not only with the traditional and with Khoi-San

leaders, have reaffirmed South Africa’s strength of working in

partnership with various social partners for the common good

of our country. The success we have achieved in bringing down

Covid-19 infections, hospitalisation and deaths is due to



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strong partnerships with various social formations and

communities.

We must thank the private sector, organised labour, civil

society, sport federations, athletes, artists and cultural

workers, as well as all vaccination ambassadors who gave time

and resources to partner with government in the fight against

the Covid-19 pandemic. I thank you.

The CHIEF WHIP OF THE OPPOSITION: Good afternoon, Deputy

President. Deputy President, let me start out by saying that I

could not wait for my vaccine; I was the first person in line,

I was the first person to have my second vaccine and I have

had booster. I am a very big believer in science and I know

that we can’t force anyone to believe it, but I believe in it,

and if I could, I would shout it from the roof tops that we

need our vaccines. [Applause.] It is something that I actually

have to applaud government on. When I turn on an SABC channel,

there are adverts about the vaccine and telling us that the

vaccine is safe. We know that the vaccine is safe, but I can’t

believe I am going to say these words, because for me, I am so

sick of hearing about commissions and command councils and

things like that. I honestly think that it is time that we

have a commission of our traditional leaders and our elders



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who go around to areas where younger people ...

[Interjections.]

The SPEAKER: What is your question, hon member?

The CHIEF WHIP OF THE OPPOSITION: My question, Madam Speaker,

is: Would the Deputy President consider having a commission

made out of the elders of the Khoi-San and traditional leaders

to go to the areas and explain how safe the vaccine is and why

it is so important that people have the vaccine?

The DEPUTY PRESIDENT: I think we have started that process

with traditional leaders. We started last year as we were

trying to push very hard to reach our target in December. We

were together with traditional leaders, interfaith leaders as

well as traditional healers. They all agreed to partner with

government to encourage our people to vaccinate. I think we

should continue that way because putting up a commission which

will be another structure again would probably be too

expensive. It is very easy to work with traditional leaders to

go to their communities where people live. These traditional

communities are willing to take up these vaccines. So, the

strategy now is to take the vaccine to our people where they

live. Thank you very much.



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Mr T B MUNYAI: Hon Speaker, thank you for the opportunity.

Thank you, His Excellency, hon Deputy President Mabuza, for

answering the question. His Excellency, President Ramaphosa,

has described vaccination rollout as the largest emergency

project to be managed by the democratic government, due to the

vast distribution system required to inoculate millions of

South Africans.

We welcome the fact that this programme has led to

17,8 million South Africans who are fully vaccinated whilst

33,4 million doses have been administered in the country. As

the chairperson of the Inter-Ministerial Committee on Covid-19

Vaccine, what capabilities has this programme build in our

health care system? What lessons have been learned in

harnessing the entire health care system, inclusive of the

private sector, as envisaged by the ANC National Insurance

Policy? Thank you, hon Speaker.

The DEPUTY PRESIDENT: Hon Speaker, I think, through this mega

project, government has learned to work together with civil

society, private sector and a whole range of stakeholders to

implement this project. It was not an easy journey and we are

still in that journey. Of course, there are notable

achievements that we have made because we have managed to



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vaccinate that number of our people, and of course, we have

not reached our target. We are still calling upon our people

to go out in their numbers to go and vaccinate.

I heard yesterday someone was urged here to go and vaccinate.

It is a good thing, Reverend, it is a good thing to go and

vaccinate. This is the only protection that is scientifically

proven that can help us from this Covid-19.

We have learned through this project to manage a pandemic, and

I think in the process we have managed to build a very

resilient and a strong health system. We were not going to

succeed and be where we are if we had a weak health system. We

must, upfront, thank our health workers, some of them died in

the line of duty and were brave enough not to surrender but to

go forward and ensure that people are vaccinated. [Applause.]

So, we must thank them. We must also thank the Minister of

Health and the entire department for all the courage and the

hard work to try and get everyone vaccinated everywhere in the

country. This has taught us that we need to partner with our

people. The department has done that very well and we must

thank them. Thank you very much. [Applause.]



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Ms M D HLENGWA: Madam Speaker, to the Deputy President,

together with the Inter-Ministerial Committee, what discussion

have you had with the Amakhosi in the KwaZulu-Natal province

regarding funding, logistics, planning and public education

for accelerated rollout of the Covid-19 vaccination? I thank

you.

The DEPUTY PRESIDENT: Our meeting with the traditional leaders

and Khoi-San leaders in KwaZulu-Natal was a very successful

meeting. We must thank the KwaZulu-Natal provincial government

because there we found that they are working with the

traditional leaders and carrying out programmes together. Some

of the programmes were led by the late ingonyama himself and

the entirety of the family of traditional leaders followed.

They are doing very well partnering with government, and they

are prepared to go an extra mile.

In the midst of the Covid-19 waves that we have gone through,

KwaZulu-Natal was amongst those provinces that were hard-hit

by Covid-19. Through that partnership with traditional leaders

and interfaith leaders they managed to pull through, of

course, with a number of people that were lost. We must thank

the traditional leaders for their partnership with the

government of KwaZulu-Natal, the same in Limpopo and



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Mpumalanga, where I went, and finally I went to the Northern

Cape and it is the same. So, traditional leaders are onboard

and prepared to work with government. Thank you very much.

Rev K R J MESHOE: Hon Speaker, to the Deputy President, people

lose trust in government for a number of reasons including

lack of transparency, telling half truths and unfulfilled

promises. Early last week you met with religious leaders to

discuss matters around Covid-19 and vaccination, but did not

inform them that churches with more than 1000 members meeting

indoors would be required, according to the latest Draft

National Health Regulations, to ensure that those attending

have a vaccination certificate. Such an omission has left

these leaders feeling betrayed by government. My question is

whether or not you discussed this requirement when you met

with the National House of Traditional and Khoi-San Leaders.

And if so, what was the reason for not raising this important

issue with religious leaders when you last met? Thank you.

The DEPUTY PRESIDENT: I am sure that hon Rev was not part of

that meeting with the religious leaders, therefore, you will

not know exactly what we discussed. It could be a hearsay. To

be honest with you, I have consulted with them. I was not

alone, in fact, I was with the Minister of Cooperative



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Governance and Traditional Affairs, Cogta, the Deputy Minister

of Health. These are the two that have presented our proposals

and they have left no stone unturned. They have said

everything.

Now, just to respond to you about the interfaith leaders.

Firstly, they requested that we must release a relaxed

regulation on the wearing of masks, especially for children in

their Sunday classes. They also said that they are not happy

about the requirement that everyone who goes to church, if it

is above the 1000 inside and they want to go above 50% of the

venue they must then produce a vaccine certificate. They said

they are not happy with that. They do not have a problem if a

venue outside, like a stadium, you can produce a vaccine

certificate, but they have a problem if that is done in the

church. That is what they told us. Traditional leaders said

thumbs up; everything is good. That’s it. Thank you.

Question 3:

The DEPUTY PRESIDENT: Thank you, hon Speaker, our energy

generation is guided by the integrated resource plan, IRP,

2019, which provides for the use of all energy resources

available in the country. This includes, amongst others, coal,

gas and renewable energy resources. Currently, hon Speaker,



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there are no plans for the discontinuation of the use of coal,

as 99% of South Africa’s electricity supply is derived from

coal and 30% of our liquid fuels are derived from the same

commodity – coal. Coal remains one of our largest natural

endowments that will continue to form part of our energy mix

in terms of the IRP 2019.

Notwithstanding this fact, our country is committed to forging

ahead a low-carbon growth path that prioritises environmental

sustainability, in line with our constitutional and

international obligations. We need to ensure that we deploy

new infrastructure, technologies and solutions that enable us

to adhere to ambient air quality standards, and protect the

lives of communities from negative impact of carbon emissions.

Going forward, the IRP 2019 proposes the use of high

efficiency, low emissions coal technologies. Government is

currently working on other measures such as the Gas

Utilisation Master Plan and the Renewable Energy Master Plan.

We are exploring the development of the Nuclear Procurement

Framework as proposed in the IRP 2019. All these are part of

the medium to long-term plans in ensuring security of energy

supply.



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Having said that, it is important to point out that, out of

the entire fleet, there are planned optimised plant shutdowns

that is aligned with the integrated resource plan, to balance

capacity, environmental, social and economic considerations.

This is inevitable because, in the main, these plants are

approaching the end of their lifespan, and have become

uneconomical, unpredictable and very costly to run.

Nine coal-fired power stations will be shut down by 2035,

thereby impacting significantly on the reduction of generation

capacity. From a power generation perspective, this is an

immediate priority to address the issue of generation capacity

losses resulting from the planned decommissioning of these

power stations. Of course, the decommissioning of the existing

coal-fired plants will drive the demand for new capacity. As

coal-fired units and stations are shut down, it is essential

that new capacity is added to the grid, to ensure energy

security.

In addition, the Department of Mineral Resources and Energy

has tabled a plan for an additional 8 000 MW clean energy

projects to be added to the grid over the next two to five

years. This is a combination of greenfield renewables and gas



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projects, as well as repowering its existing coal sites, as

the coal plant shuts down.

The costs for renewable energy technologies continue to

decline as compared to when we started with Bid Window 1, and

this will add generation capacity sooner and thus reducing the

risk of load shedding. For example, solar photovoltaic

projects now take between 18 to 24 months to complete,

depending their scale. Wind projects have a lead-time of

between 24 and 36 months, and gas requires 24 to 60 months to

complete. Of course, that depends on the amount of megawatts

that are being constructed.

Our current focus on the implementation of the Just Energy

Transition, is Komati Power Station, as the first coal-fired

power station to be repurposed. It will be repurposed in the

next 12 to 18 months, using solar supported by 244 MW battery

storage. Komati is ideally positioned to be a flagship Just

Energy Transition project to act as a proof of concept for

subsequent projects at Grootvlei, Hendrina and Camden power

stations. These are power stations that will follow because

they are scheduled to retire just before 2035.



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Clearly, the socioeconomic impact will be dire if nothing is

done to implement Just Energy Transition plans that will

repower and repurpose these plants to sustain local economic

development activities and job creation in areas that will be

affected by the shutdowns. We need to state upfront that any

just transition that government will undertake will be done

sensibly and in the best interest of the South Africa’s

economy.

As part of the energy transition process, studies were

conducted on the impact of plant shutdowns on the communities

where these Eskom power plants are located. Studies based on

the integrated resource plan programme, demonstrate that

300 000 net direct, indirect, and induced jobs could be

created over the next decade by investing in the cleaner

energy programme as described in the IRP 2019.

The studies have also looked into mining projects with

specific attention to the repurposing of old mines,

infrastructure and mine water, as well as the rehabilitation

of mining land or property for farming opportunities. A

significant element of Eskom’s Just Energy Transition strategy

is to ensure that efforts, initiatives and projects are aimed



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towards safeguarding impacted and affected communities as far

as it is possible when a coal plant is shut down.

The repurposing and repowering of the stations to be shutdown

will also involve reskilling and upskilling of staff and

communities to match and align their skills with new

opportunities offered by emerging sectors, especially in

renewable energy sectors. Our approach to the renewable energy

sector must not only focus on energy generation, but must also

have at its centre the goal to stimulate local manufacturing

and reindustrialisation in partnership with other industries

and government, especially in the communities where these

shutdowns are planned.

It must be a programme that contributes to the

reindustrialisation and stimulation of South African

manufacturing sector through localisation of the supply chains

of components, technology and equipment whilst impacting on

the development of black and women industrialists. Without

grid development, new generation capacity development will be

moot. The development of the transmission grid in the Northern

Cape and Eastern Cape provinces is paramount to the addition

of new generation capacity. In aligning these plans to the

expansion of the country’s generation capacity, Eskom has



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tabled a transmission development plan for this purpose, which

indicates that 8 000 km of line must be built in the next 10

years.

This project will require significant financing, which Eskom

has tabled as part of the Just Energy Transition financing and

regulatory support to acquire land and servitudes. In the

final policy-adjusted scenario, the costs that come with the

transition should not be ignored, especially in the context of

a fiscally constrained environment. The speed at which we will

be able to move will be determined by the scope, scale and

availability of resources. Due diligence will be taken to

manage the Just Energy Transition financing modalities in a

responsible manner that does not collapse the economy, and

burden the fiscus with unsustainable debt obligations.

It is our conviction that our undivided focus on the

implementation of our just energy transition and the

completion of restructuring of Eskom, will in future deliver

energy supply security and a much needed reprieve from the

negative impact of load shedding. I thank you.

The SPEAKER: I have been informed that the hon M V Mente will

take charge of the question in terms of Rule 137(10)(a).



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*IsiXhosa*:

Nksz N V MENTE: Siyabulela Somlomo nobuhlke bakho.

USOMLOMO: Into ikulo mbala ubomvu ...[Kwahlekwa] ...

*English*:

... now, I realise.

Ms N V MENTE: It is solidarity there. [Laughter.]

*IsiXhosa*:

... mandibulele.

*English:*

Deputy President, with your answer, I find it very difficult

to believe it because right at the end, exactly what was going

through my mind was that the balance sheet of Eskom is not

saying what you are saying. And the internal affairs of Eskom

are not saying what you are saying. Now, there are two things.

You are also indicating that the socioeconomic impact of this

is dire to our people – it already is. In fact, Eskom has

given a literal meaning to black people being hewers of wood

because we have gone back to making fire outside. People

cannot afford electricity.



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Now, with this plan, which requires a lot of money, there is

on the other hand a Just Energy Transition, and we have to

repurpose some of the energy plans, and we have Eskom that

does not have capacity internally with a negative balance

sheet. How is this all going to be done? Who is going to

monitor it? Where is this money going to come from? I heard

you saying that you don’t want to burden Treasury, but where

will the money be acquired from? Who is going to get this

electricity by 2035 because right now, if you buy electricity

for R50, you get 10 units? Who is going to buy it in 2035 when

we have repurposed all these energy plants? Thank you very

much.

The DEPUTY PRESIDENT: Thank you very much, hon Speaker. Thank

you for the question. The hon member will remember that

government took a decision to support Eskom by giving Eskom

more or less above R219 billion over a spend of three years.

And we are still on that route. Eskom will still continue to

receive its share or support from government for the next one

year. But the Minister of Finance indicated that this is going

to be discontinued. Eskom must find a way of stabilising

itself. In the current situation, if you look at the balance

sheet of Eskom, Eskom is starting to show a positive outlook

with the cushion that is coming from government.



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We have assisted Eskom and all energy users like government

department, municipalities, and we have put pressure on them

to pay, and they are paying. With regard to national

government, I must report that all departments have paid - co-

ordinated by the Minister of Public Works. They have paid what

they owe from Eskom. We are still encouraging municipalities

and we are doing arrangements, Social and Labour Plan, SLPs,

joint programme between Eskom and municipalities to allow

Eskom to collect money from users and pay what is due to

municipalities. This is an attempt to try and get Eskom back

to its original form in terms of finances.

Currently, Eskom is doing this project in Komati, repurposing

that old power plant into renewable. Eskom is doing it with

its own money, and that process is happening. We might not

move at the pace that we are envisaging, but we are getting

there. We must also say – I have even said it in the response,

that the renewables, when we look at Bid Window 1, were very

costly to Eskom. But if you look at Bid Window 5, the

renewables are affordable to Eskom. That means down the line

we are expecting the price of electricity to go down, because

of the impact of renewables that we are opening up to the

grid. This situation is not going to stay the same. As much as

we are being affected by load shedding because of our old



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plants, we are discontinuing these plants and repurposing them

step by step until we stabilise our energy security. Thank you

very much.

The SPEAKER: The second supplementary question will be asked

by the hon S Luzipo from the Chamber.

Mr S LUZIPO: Thank you, hon Speaker, good afternoon hon Deputy

President. Recent statistics shows that unemployment has risen

to about 35,3% in the first quarter of 2021 and it is

estimated that 66% of that is jobless youth. That suggest that

we are faced with a serious problem and therefore any just

transition or movement from high to low emissions must also be

about addressing the triple challenges of unemployment,

poverty and inequality rather than increasing the levels of

these challenges. Therefore, what is government’s position in

this regard as we can ill afford to lose existing sources of

employment. Thank you very much, hon Speaker. I am in the

House, no black cats. [Laughter.]

The DEPUTY PRESIDENT: Thank you very much, hon Speaker. We

have stated in our reply that one plan is to try to reskill

and upskill those that are currently employed in those power

stations that are planned to be closed. In an attempt to



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retain those that are working currently at those power

stations but still we are mindful of the impact of the closure

of the plants for the surrounding communities. We are saying

that we should reindustrialise and show that we can create

industrialists in those communities, open up the markets for

them to produce services rather than relying on Eskom.

Currently, what is happening is that jobs are only secured in

the mines where they mine the coal and other jobs are secured

in the power station where the coal is being utilised, and in

between the transportation of coal from a mine to a power

station. Currently, those are the jobs that are there. In

terms of repurposing and upskilling of our people in the power

stations, we are going to retain them there. They are moving

from coal to renewables. In this case in Komati, we are going

solar, and we are going to have people that would be employed

in that power station. Of course, there are new power stations

that demands a lot of coal and I have cautioned that we are

moving away from high carbon emissions.

We are looking at technologies that will lower the carbon

emissions. But Medupi and Kusile are new power stations that

will still use coal. In the near future we must find

technologies that will reduce the emissions. That is a



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commitment that we are not going to run away from. The best

permanent solution is to reindustrialise those communities

around these power stations that are going to be closed by

making sure they employ themselves and produce services that

they can sell to the market. Thank you very much.

The SPEAKER: The third supplementary question will be asked by

the hon A M Shaik Emam through ...

Mr A M SHAIK EMAM: Thank you, hon Speaker. Deputy President,

we are a very suspicious nation. Your visit to Russia and our

neutral stance on the Russian-Ukraine conflict is making

people very suspicious about this gas deal. However, my

question to you is regarding many of these mining areas

particularly coal mining in this particular instance. Now we

know that as a result of pressure internationally, it will

also affect our exports of coal, which means it will be

reduced revenue. What is very important, which is my concern

is that ... I am going to give you an example of land ...

[Inaudible.] ... in the West Coast of the Western Cape. How it

became a ghost town after the industrialisation was reduced.

What can we expect out of these areas surrounding these mines?

Is there no risk or danger that they will also become ghost



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towns with high levels of unemployment and poor socioeconomic

conditions that our people will live with. Thank you.

The DEPUTY PRESIDENT: Thank you very much. Firstly, we must

remove this suspicion about me going to Russia. It’s purely a

matter of medical procedure. It is purely a medical procedure,

and there is nothing sinister and there is nothing hidden.

[Interjections.] From here I go to hospital and from the

hospital, I come back.

The SPEAKER: Order! Order! [Interjections.]

The DEPUTY PRESIDENT: I am sure the hon members will respect

the choice of an individual to choose a hospital ...

[Interjections.] Thank you very much. Now, the question ...

The SPEAKER: Order, hon members!

The DEPUTY PRESIDENT: Ooh, I have excited you now.

[Interjections.] The question is about the closure of these

power station in the surrounding communities. We are taking

Komati Power Station as a pilot and all what we are doing now

is that we have employed more people in Komati, that is, more

than the number that was employed before. But some of the jobs



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will end when the power station is commissioned, but there are

certain jobs that will remain.

The plan about the communities, as I have said – the only

permanent solution - is to reindustrialise and reskill those

people, allow them to be producers of services they can sell

in the market, supported by government. Who knows, probably,

these communities can produce solar panels that will be

utilised in those power stations. There are a number of

commodities that are going to be utilised in those power

stations that we can open up the market for these communities

to produce. But let’s take Komati Power Station as a pilot,

and we are going to improve from that one. Thank you very

much.

The SPEAKER: The last supplementary question will be asked by

the hon W J Boshoff through the virtual platform.

Dr W J BOSHOFF: Thank you, hon Speaker, and thank you hon

Deputy President for the opportunity. I also think of

preindustrial times in which energy is not abundant but widely

distributed so that everybody would pick up his own wood and

they use it on a daily basis. That has all changed with ...

[Inaudible.] ... in the solar age, if you actually changing



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back just to have a roof, enables one to generate the energy

that one might use for their own family even some to sell.

What I want to ask is regarding the policy of embedded

generators. Does the Deputy President envisage a future when

an equivalent number of producers and consumers are linked to

the power grid? In other words, where virtually the consumer

is also a producer of electricity, having a smart grid to the

capacity to utilise the country’s graphic spread and variety

of ... [Inaudible.] ... conditions. Thank you, hon Speaker.

The DEPUTY PRESIDENT: Well, hon Speaker, but it was difficult

to hear, but the hon member is talking about the embedded

energy generation. The President announced the movement from 1

megawatt to 100 megawatts. That has led to the amendment of

the Act and it is happening. The sole purpose of that is to

allow companies that have the capacity to produce that energy

to do so, but all that they must do is to register those

operations with the National Energy Regulator of South Africa,

Nersa. That in a way should try and allow companies to sustain

their operations. They must not wait for Eskom; they must not

be disrupted by load shedding; they must be able to generate

themselves if their capacity permit.



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So, we are trying to open up the market. We have opened it

enough so that even small producers can come so that we can

try to cushion and save our economy. Yes, we agree that load

shedding has a lot of disruptions in our economy, but with

these new interventions that we are bringing through the

Department of Mineral Resources and Energy, I think we are

putting a cushion and assisting the economy to sustain itself

going forward. Thank you very much.

Question 4:

The DEPUTY PRESIDENT: Thank you, hon Speaker. The President

has established the Presidential Task Team on Military

Veterans in order to ensure that, amongst others, there is

urgent and continuous engagement with the community of

military veterans in order to resolve their grievances. The

Presidential Task Team has since November 2020 held extensive

consultations with different military veterans’ associations.

Flowing these consultations, it became evident that a

multifaceted approach that brings different spheres of

government to collaborate in accelerating the delivery of

benefits to military veterans was necessary. This would ensure

that we sufficiently address the grievances of our military

veterans.



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In advancing this holistic and integrated approach, the work

streams drawn from a cross-section of government departments

and provinces are seized with the tasks of resolving issues

that have been raised by the military veterans. Among other

key issues the work covers the improvement of socioeconomic

conditions such as education, housing, employment,

institutional support, heritage, legislative review as well as

pension and benefits of military veterans.

As reported by the President to Parliament on the 25 November

2021, significant progress has been made by respective

technical work streams designated to focus on specific

challenges that were raised. More specifically, the pension

and benefits work stream, is currently finalising the pension

policy that considers inadequacies that have been identified

in the Military Pensions Act, Act 84 of 1976.

In addition, discussions between the Department of Military

Veterans and the National Treasury about the provisioning of

military pension as provided for by the current legislation

are at an advanced stage. A draft actuarial report which is

required to support the proposed changes to the pension policy

will soon be presented to the executive authorities for

consideration.



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In relation to the proposed Military Veterans Amendment Bill,

the Minister of Defence and Military Veterans has taken an

approach that emphasises the importance of an extensive

definition of a military veteran, the qualifying criteria for

beneficiaries and the role and existence of the SA National

Military Veterans Association as a body that manages the

affairs of military veterans. The Department of Military

Veterans is currently in a process of ensuring that all inputs

of stakeholders are incorporated into the Bill. Furthermore,

as of March this year, the department has also started working

with the government technical advisory centre in preparation

for the costing of the implementation of the Bill.

Once all required processes like the socioeconomic impact

assessment system report and certification by the Office of

the Chief State Law Adviser are complete, the Bill will then

be presented to the Cabinet system for approval so that we can

solicit public comments by the third quarter of this year.

Thank you very much.

Ms M R M MOTHAPO: Thank you, hon Speaker. Hon Deputy

President, it is very much encouraging to hear the initiatives

which are being undertaken by our government in a multifaceted

manner to seriously address the challenges faced by the



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military veterans. The concern, however is that of time. Quite

a number of military veterans are at an advanced age and have

to enjoy these benefits in their lifetime. My question is,

how will the hon Deputy President ensure that these important

interventions you have just mentioned are implemented speedily

by all spheres of government to resolve the challenges facing

military veterans? I thank you.

The DEPUTY PRESIDENT: Thank you very much. Well, currently

there are support services that are being implemented which

are prescribed by the current Act that we seek to amend. By

that I am trying to say that there is no vacuum. The military

veterans’ dependents are receiving education, their dependants

are receiving support in terms of our health care system and

the military veterans are receiving housing as we speak. We

are working together with provinces and some provinces have

gone ahead in supporting military veterans in terms of

building bigger houses. What we seek to do should not be at

the behest of individual provinces. It should be something

that is prescribed in the Act to say military veterans are

going to get this, this, this and that. That is why the

Minister of Defence is in the process of amending the Act

which will be a lifelong situation in terms of the benefits

that must be received by military verbenas.



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We are trying very hard to consult and to amend the Act. I am

sure with the pension. It is also going to be prescribed by

the Pension Act so that military veterans can enjoy their

pensions, whether statutory or nonstatutory veterans. Thank

you very much.

Mr S J F MARAIS: Thank toy very much, Speaker. Deputy

President, let’s be honest. Amendments to the Act alone will

not change the failures of the department, it will not fill

the vacant critical positions, not replace the unqualified,

incompetent and uncommitted staff of the department which are

the main causes of the plight of the military veterans. A

skills audit company was appointed, but they were paid before

the job was done. The state of our economy and the ever

decreasing budget is not merely enough for what the Act

allows. For all the expectations created by the Presidential

Task Team, what is being done by the task team to address

these challenges amongst many, and to ensure fair treatment of

all statutory and nonstatutory military veterans with the

respect they deserve as part of all these changes and

amendments? Thank you very much.

The DEPUTY PRESIDENT: Thank you very much. Well, right from

the onset when we were appointed by the President, the first



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problem that we encountered was the shortcomings in the

Department of the Military Veterans. When we looked at that

department there were a lot of vacancies. The capacity of the

department was not up to scratch. There was no head of

department. We have currently appointed the head of the

department. We are trying to fill certain positions, but

overall we are looking at the organisational design of the

Department of Military Veterans and whether this current

design is fit for the purpose that is designed for. There is a

work stream that is doing that job for us. They are going to

come with their own recommendation on how best to reshape the

organisational design so that it can serve military veterans.

That is one!

I don’t think we have increased the expectations of the

military veterans. I think they deserve to be supported by

their own government because of the role that they have played

in the development of the country. Yes, there are basic things

that must be given to the military veterans. They must have a

pension, whether they are those who are recognised as

statutory forces, your former Defence Force ... but we must

also know that there were those, like the uMkhonto weSizwe,

MK, who were not registered. They call them nonstatutory

forces. These disparities must be corrected so that all of



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them can receive a pension. All their kids should be

supported. All of them must have a subsidised transport

because they are aging. They must also be supported in terms

of their health. That is going to happen. If we fail to look

after our military veterans, we will be failing as a country.

We are currently costing the Military Veterans Bill. There are

discussions between the Minister Defence and the National

Treasury to look at the affordability of all the proposals

that we want to incorporate in the Bill. This is a positive

step. Of course we have a selection. There is a work stream

that looks at who is a military veteran, especially those from

the nonstatutory forces. You can hear that there is noise here

and there, but the work is proceeding and finally all of them

will be recognised for the contribution that they have played.

So, this is opening a new chapter in trying to formalise

services that are given to military veterans. I think it was a

good idea to create the Department of Military Veterans. It

must be supported. Thank you very much.

Ms N R MASHABELA: Thank you, Speaker. Deputy President, when

the integration process of the former soldiers of the

liberation movement was completed in 2001, it was reported

that for the 4 143 names appeared on the collective



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nonstatutory force were certified personnel registered. Of

this number 15 805 were integrated into the Defence Force,

9 771 were demobilised and 13 107 were neither integrated nor

demobilised. The question is, does the government know what

has since happened to those who were neither integrated nor

demobilised? What are the risks that these abandoned soldiers

pose to the country’s security and rising rates of violent

crimes? Thank you very much.

The DEPUTY PRESIDENT: Thank you very much. I think those who

were not demobilised, those who were not integrated, the

respective political formations know these cadres - they know

them. In the case of the MK they know them, but we don’t want

to assume. That is why we have opened up this verification

process for them to come so that they can be verified and be

registered formerly so that they can access these benefits.

That’s the process that we are taking. As much as we know

them, but we don’t want to be conclusive. That is why we have

set up this task team, this work stream to verify them so that

going forward we are quite certain that we are supporting the

right people. Thank very much.

Mr M G E HENDRICKS: Thank you very much, hon Speaker. Speaker,

the MK, Azanian People's Liberation Army, Apla, Azanian



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National Liberation Army, Azanla, and other combatants joined

the SA National Defence Force, SANDF, but reach retirement age

too quick to save for a house. The Defence Force has large

tracks of land all over the country that can be allocated to

them even if it is just 300 square meters. We hear you are

talking about many things we need to do to address their

plight. Housing must not be excluded. The Navy in Simon's Town

has done so. It has identified the tracks of land that it is

going to need in the next 20 to 30 years and they are busy

arranging that the land be given to former combatants like I

mentioned. After Al Jama-ah had raised the matter with the

Minister of Defence in Parliament, will you, Deputy President,

identify other land that is available to fast-track the

availability of land for the military veterans?

The DEPUTY PRESIDENT: Thank you very much. Well, we have the

work stream that looks at the socioeconomic status of our

veterans - that means the support that they must get in order

to sustain a very good livelihood. In that work stream there

is a commitment from the side of government, especially the

Department of Agriculture, to avail land for military veterans

to teal and produce and sell their produce for their own

livelihood. That commitment had been made and that work stream

is there. We said to the military veterans that let them come



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forward. They will be assisted to put business plans for them

to try to enter the farming business. But most of them are too

old to really engage on active farming. Some of them require

their pension, some of them need the support of their siblings

and their dependents and some of them just need a house. It

will depend from those military veterans that will step

forward and say I can still do this and I can still do that.

We will be talking to them and we are talking to them directly

= all of them; all associations. Thank you very much.

Question 5:

The DEPUTY PRESIDENT: Hon Speaker, we must reiterate that the

Moral Regeneration Movement remains a critical platform to

galvanise our society to advance the promotion of positive

values and ethical conduct. These positive values empower us

to confront deep-seated challenges of moral decay within our

communities, including in our public service.

This outlook is further underscored by the Auditor-General

when announcing the Municipal Audit Outcomes of the 2019-20

financial year. In that announcement, the Auditor-General

pointed out that provincial leadership needs to work together

with municipalities and focus on ensuring that political



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leadership sets the tone of ethical and courageous leadership,

service-orientation, good governance and accountability.

We, therefore, support the Auditor-General’s call by

encouraging Members of Parliament, Members of Provincial

Legislatures, Municipal Councillors to drive the desired

change, especially in the local spheres of our government.

This extends to political and administrative leaders in the

executive branch of government to effectively play its part in

ensuring accountability in government spending and to

inculcate a culture of ethical and accountable leadership in

the service of our people.

To this end, the National School of Government has since

introduced a training programme that will equip public

officials including Municipal Councillors with the required

skills and competencies to make ethical decisions. The

programme is also aimed at equipping these officials to

develop organisational integrity, prevent fraud and combat

corruption in the public sector.

This is in line with the ongoing work of the Moral

Regeneration Movement to implement its Ethical Leadership



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Programme for public office-bearers, which includes the

induction of newly-elected Municipal Councillors.

To further augment the work of the Moral Regeneration

Movement, the Department of Co-operative Governance and

Traditional Affairs, CoGTA, in partnership with South African

Local Government Association, SALGA, is implementing a project

on ethical leadership in municipalities which is called Local

Government Ethical Leadership Initiative.

The aim of the project is to develop a Code for Ethical

Governance for municipalities which will have a similar

standing as the King Code on Corporate Governance in the

private sector. This is in line with one of the focus areas of

the Local Government Anti-Corruption Strategy calling for

national dialogue on ethical leadership in local government.

This project is ongoing project and is aimed at producing a

Code of Ethical Governance for our Municipalities.

The Moral Regeneration Movement will continue to engage local

and district municipalities to incorporate their

anticorruption strategies into the Integrated Development

Plans for implementation and sustainability support. Thank you

very much, hon Deputy Speaker.



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Ms Z MAJOZI: Hon Deputy President, thank you for listing the

success of such collaboration and we welcome any progress

government has made in this regard. However, to ensure a

better public service to the people of this country we must

understand the weaknesses so that there may be wider

collaboration between all stakeholders.

Take us into your confidence, Deputy President, so that we may

all work together in achieving one goal of promoting moral

values within our public sector.

What are some of the difficulties that government is

experiencing with the Department of CoGTA when reshaping the

public sphere and what specifically are some of the root

causes of these problems within local government? Thank you,

hon Deputy Speaker.

The DEPUTY PRESIDENT: Hon Deputy Speaker, there are foreign

tendencies that have crept in over time in our government

system and those tendencies are now seeking to threaten the

moral standing of our nation. Corruption has become a problem

and you can only look at corruption in our public institutions

and forget to look at this corruption that is within the

nation.



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If you have a good nation, a good society, you will have a

limited prevalence of these social ills in our public

institutions. Therefore, it is important for all of us, as

much as we try to assist our spheres of government, whether

local, provincial, national, but remember that those people

that are employed there come from communities; communities

that are affected by all these social ills.

So, the point that I’m driving at is that as much as we want

to seek to correct these problems, we must attend to the

family as a basic unit; a unit that a society is built upon.

It is only at home where a child is taught to behave in an

ethical way, it is only at home that a child is taught to live

amongst society members, to respect. Now, all that it’s an

indication that our family unit is no longer strong as we

expected it. These children, these young people that are

working in our institutions are from families, if they were

well-brought up they would frown at corruption, they were

going to frown at maladministration.

Therefore, this is a societal challenge, it needs all of us to

stand up and deal with it. This is the same as gender-based

violence, racism, sexism. These are social ills that must be



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dealt with, not by specific people but by all of us. Thank you

very much. [Applause.]

Mr B M HADEBE: Hon Deputy President, indeed there is a saying

that ‘charity begins at home’. As such I couldn’t agree more

with you with what you have just said.

The institution of traditional leadership has a critical role

to play on moral regeneration through entrenchment of cultural

value system of ubuntu.

I would like to get an understanding: How will this

institution of traditional leadership strengthen its

participation and contribution on moral regeneration through

movement of cultural values? I thank you.

The DEPUTY PRESIDENT: Hon Deputy Speaker, we are talking to

traditional leaders, we have a standing formal arrangement

that has been supported by the President, identified a few

Ministers to really engage with traditional leaders.

They have their own challenges, that in the case that from the

communities where they come from, there are bigger problems.

Firstly, the availability of land, where they stay. All their



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communities, especially the traditional communities, are not

productively engaged in farming, whilst they have land that is

in the custody of these traditional leaders.

Land is being invaded, there are those people that are

advocating land invasion, which is incorrect, undermining the

leadership of our traditional leaders ... [Interjections.]

okay ... thank you very much for that correction, it’s land

occupation [Interjections.] yes. There are those who are

advocating for land occupation [Laughter.] ...

The DEPUTY SPEAKER: Order, hon members, order!

The DEPUTY PRESIDENT: ... which is unlawful [Interjections.]

Secondly, the House of Traditional Leaders, part of the

grievances that they have put across is that government is not

supporting the house, they are not being recognised, there are

a number of problems that are affecting the institution

itself.

So, we have committed ourselves to work with them, but we want

to put traditional and KhoiSan leaders at the centre of our

moral regeneration movement. We want to utilise traditional



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leaders to inculcate the traditional cultures, which kept

communities for so long together.

We are all coming from traditional communities and we were

taught certain cultures, to live together, to respect one

another. This is what we want to achieve with traditional

leaders, working with them, but also to fight all the social

ills today, that all of us are now looking upon police to come

and deal with these problems that can be dealt with by the

community itself, by the society itself.

So, yes, this partnership that we are forging with traditional

leaders, in the process we are going to resolve their problems

but we want to take them back to their communities so that

they are respected and they continue to inculcate the good

cultures that must prevail in any community, in any society.

Thank you very much. [Applause.]

Mr C BRINK: Deputy President, to be honest I don’t think we

can blame bad parenting for the tide of corruption in local

government and neither will training seminars help to fix this

problem. There is a breakdown of the rule of law.



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Now, last week the Head of the National Prosecuting Authority,

NPA, appeared before the CoGTA Portfolio Committee and she

admitted that very little progress is been made on prosecuting

cases of serious municipal corruption despite billions in

irregular expenditure in the past two decades; only a fraction

of the people involved have been convicted of criminal

financial misconduct.

Even if the NPA was well-resourced, which we know it isn’t,

what we need is assistance of an independent body.

So, will the Deputy president support the DA’s proposal of an

investigative and prosecutorial body, protected by the

Constitution, to do the job that the Scorpions used to do?

Thank you very much.

The DEPUTY PRESIDENT: Deputy Speaker, well, the question is

appreciated but I don’t think when we are faced with a

problem, all the time we create new structures; that’s not a

good way of ... I mean, we are committing ourselves further

and further, and all those structures will need money.

So, instead, we should support the existing structures,

empower them [Interjections.] they do work [Interjections.]



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From where we are standing as government, when we went through

the COVID-19 we created the fusion centre and we realised all

the institutions that are meant to deal corruption were

collaborating and we went through. Some of the people that

were identified in those Personal Protective Equipment, PPE,

corruption scandal are brought to book. [Interjections.] I

mean, all those people that have been identified and they are

being followed. [Interjections.]

No, I’m trying to say when we have a problem let’s avoid

creating more and more structures.

I’m confident that the capability of our institutions can deal

with these problems, with our assistance.

It is not only the public sector that is corrupt, the public

sector is being corrupted by the private sector, and the

private sector and some people [Interjections.] everywhere

where there is a corrupt public servant there is a corruptee

in the private sector.

So, as much as we are looking at corruption within the public

sector, we must also look at corruption in the private sector.

[Applause.] Thank you very much.



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Ms E N NTLANGWINI: Deputy Speaker, in August last year CoGTA

reported to the portfolio committee that 16 municipalities

were considered stable in the country while 163 were under

financial duress and 108 had unfunded gadgets.

Under these conditions, Deputy President, it is not possible

for these municipalities to deliver any form of services to

the citizens, who, in most circumstances are the poor.

What structural changes does government intend to make to

salvage the situation at the local sphere of government in the

country? And do these include changing the funding mechanism

to make rural municipalities more financially stable? Thank

you.

The DEPUTY PRESIDENT: Deputy Speaker, municipalities can be

supported financially through their equitable share but that

is not sustainable. [Interjections.]

What is the role of a municipality? The role of a municipality

is to deliver services at the cost. If they deliver water, the

consumers pay for the water. [Interjections.] If they deliver

electricity, the consumers pay. Now, our municipalities do not

collect the necessary revenue, and even if they collect the



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necessary revenue, there’s a disjuncture. Revenue that must go

to the maintenance of the infrastructure, that revenue goes to

the payment of salaries; and we have an ageing infrastructure,

there’s water leakage, ageing electricity infrastructure.

There is mismatch in local government.

That is why we are requesting provincial government to assist

and support municipalities, in terms of making land available,

put services on that land so that municipalities can sell the

stands, can be able to put metres and bill. [Interjections.]

I’m trying to say a municipality is designed to sell services

and sustain itself. It must sustain itself. Now, it should be

preoccupied by increasing its revenue base by ensuring that

they allow more and more residents to come, there must be

incentives that are created in the municipalities for people

to pay, which our municipalities are not doing ...

[Interjections.] They cannot, therefore, survive completely

from the equitable share.

With the equitable share, there are grants that are given to

municipalities meant specifically for infrastructure, water

infrastructure, electricity infrastructure, and even those



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grants are being diverted to salaries; it’s unfortunate. Thank

you very much. [Applause.]

Question 6:

*IsiZulu:*

USEKELA SOMLOMO: Ngicela niyeke le nto eniyenzayo.

Ngiyanicela!

*English*:

Can you be orderly? Go ahead, Deputy President.

The DEPUTY PRESIDENT OF THE REPUBLIC: I was expecting a follow

up question. Oh, the next question.

The DEPUTY SPEAKER: Yes, Question 6.

The DEPUTY PRESIDENT OF THE REPUBLIC: The last question. Thank

you. I was expecting a follow up question. Thank you very

much, Deputy Speaker, as of 28 March 2022, we have

administered 33,5 million COVID-19 vaccines to 20,9 million

individuals including 19,35 million adults, as well as

1,55 million children aged 12 to 17 years. This translates to

48,6% of adults having received at least one dose of the

COVID-19 vaccines.



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The coverage is not equal across all ages, with more than 68%

of people 60 years of age and above having been vaccinated,

compared with only 35% in those between the age of 18 and 34

years.

Whilst reaching unvaccinated older people and providing

ongoing protection to this group through provision of booster

doses remain a priority, increasing coverage in younger

cohorts especially in 18 to 34 years old, is also key to

increase coverage at the population level.

This strategy, which is protecting those most vulnerable and

increasing overall population coverage, is important if the

effects of any future waves are to be mitigated especially

given the easing of restrictions as announced by the President

on 22 March 2022.

It is critical that more people are vaccinated in order to

reduce the number of infections, especially the number of

hospitalisations and deaths associated with COVID-19

infections. This will also help a great deal to reduce the

impact of any future waves.



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The poor demand for and uptake of vaccination remains the

largest barrier to increasing vaccination coverage. However,

we are encouraged by efforts of a number of sectors of our

society that have implemented policies and programmes that are

aimed at increasing the demand for and access to vaccination.

Moreover, surveys as indicated by Council for Scientific and

Industrial Research, CSIR, have shown that many unvaccinated

South Africans are not opposed to vaccination, and are willing

to be vaccinated.

In this regard, we are addressing identified structural

barriers like bringing vaccines closer to the people in order

to address costs of getting to and from vaccination sites for

those wanting to vaccinate. We do hope that more people will

step forward and vaccinate so that we move towards full

normalcy, and open the economy to reverse the losses caused by

the impact of the coronavirus.

On the issues of workplace vaccine mandates, workplaces

especially those with large numbers of employees have actively

played a role in providing vaccination to employees as well as

in encouraging workers to vaccinate. We will continue to



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encourage employers to develop and implement policies that

promote the uptake of vaccines within workplaces.

The regulations recently published by the Minister of Co-

operative Governance and Traditional Affairs provides an

overarching framework that guides various sectors to promote

vaccination as part of incentives to participate in specific

gatherings and sporting activities. All these protocols are

intended to persuade people to vaccinate in order to contain

the spread of COVID-19 infections. Thank you very much, Deputy

Speaker. [Applause.]

Ms B N DLULANE: Thank you, Deputy Speaker and thanks to the

Deputy President, we welcome the lowering of restrictions by

government as this will enable social and economic activities

to further strengthen economic recovery.

As you have already answered what I wanted to ask on the

structural barriers, which you have just indicated that 48%

instead of 70% ... as government is putting structures that we

must achieve.

Over the past two years, coronavirus has been mutating into

different variants which were more deadly than the current



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dominant Omicron variant. Also, due to government’s intentions

to lift the National State of Disaster as soon as the process

of public comments on the National Health Act regulation is

finalised.

May I ask this question: What are the possible interventions

if we are to face another deadly variant after the lifting of

the National State of Disaster Act? I thank you, Deputy

President.

The DEPUTY PRESIDENT OF THE REPUBLIC: Thank you very much,

Deputy Speaker, yes, I think we have made an assessment as

government and the Department of Health, likewise, and based

on that assessment, we have identified some key areas that

will need strengthening going forward so that we are prepared

for any other wave. We are mindful that we might face another

wave and are doing everything possible to get ourselves ready.

We can only be assisted by our people by continuing to take

the vaccine because it is proven that vaccines can always

assist us from getting seriously ill, being hospitalised or

even die. As much as we can something to prepare ourselves,

the best preparation is by an individual who must present

themselves to be vaccinated. That must happen.



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We are confident that the amount of people that have presented

themselves for vaccination have created a necessary base of

immunity going forward. We would look different from when we

were struck by the first wave. We are now facing the fifth

wave and a number of people have been vaccinated, so the

effect won’t be the same.

We are still encouraging people to vaccinate and we are

correct that some people are not opposed to vaccination but

they can’t afford to travel to where vaccination sites are

located. That has been proven in our outreach programme, last

week, in the Northern Cape. More than 200 people vaccinated in

a space of two hours because we came with the facilities and

stations to them. A number of people screened for TB and HIV

and Aids. It is possible that when we take these services

closer to the people, people respond positively. People are

not vehemently opposed to vaccinations. Thank you very much.

Ms M O CLARKE: Thank you, Deputy Speake, and good afternoon,

Deputy President. Deputy President, in terms of the draft

health regulations states:

15A. (1) A person who –



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(a)

(b)

has been confirmed as having contracted a

notifiable medical condition or

is suspected of having contracted a notifiable

medical condition may not refuse ...

... prophylaxis or treatment. Currently, the only prophylaxis

available to COVID-19 is the vaccine. Does this mean that once

approved, South Africans could be forced to get the vaccines

in such cases?

In your capacity, as the chairperson of the ministerial

committee, do these regulations contradict the President’s

previous announcements that no person would be forced to get a

vaccine?

I am one person that 100% supports vaccines and I and my

family members have been vaccinated. It should be one’s

personal choice.

Deputy President, just a word of caution, should these

draconian health regulations be approved, they have the

ability to keep South Africans under lockdown indefinitely.

This is in itself a very dangerous situation in terms of the

freedom of South Africans and civil liberties. I thank you.



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The DEPUTY PRESIDENT OF THE REPUBLIC: Thank you, Deputy

Speaker ...

The DEPUTY SPEAKER: It’s the Deputy President who must answer,

please, hon members.

The DEPUTY PRESIDENT OF THE REPUBLIC: ... as government, we

are consistent. There will be no deviation from the

announcement made by the President. Even from these health

regulations, we are still not forcing anyone to vaccinate but

we are persuading people to vaccinate because it is a good

thing to do.

Some people are coming forward, some can’t because they can’t

reach our vaccination sites. We are doing everything in our

power to reach our people. In that process, we are not forcing

anyone. We are sitting with a number of people here and some

are not vaccinated, but we aren’t forcing them. As we speak

every day about vaccination, we are persuading.

Nothing has changed. We are not contradicting ourselves. We

are still relying on the individuals to see the correctness of

going out and vaccinate. Thank you very much. [Applause.]



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Ms M D HLENGWA: Thank you, Deputy Speaker, and good afternoon,

Deputy President. Deputy President, a portion of citizens have

elected to not accept vaccines. This places those who are

vaccinated at a risk but those who have not. I would like to

know what measures are in place at all government institutions

and public spaces such as schools, universities and stadiums

to protect those who have been fully vaccinated against

variants from those who have not? I thank you.

The DEPUTY PRESIDENT OF THE REPUBLIC: Thank you very much, as

government, we think that the health regulations that we are

putting forward will continue to help us going forward to

manage the spread of the virus. We still insist on wearing

masks when we are inside buildings, on a minimum distance of a

metre, and on washing hands.

Some of the minimum regulations that are presented by Health

are going to remain post the disaster regulations. We think

people are going to adhere to these regulations so that all of

us can behave very responsibly and save one another. One thing

that we are not going to do is to force people to go and

vaccinate. We think we will be crossing the red line. All we

can do is to encourage our people to go and vaccinate.



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It is like when one person is ill, the choice for that person

to present themselves to a health facility is theirs. You may

decide not present yourself to a health facility – I have in

the past decided to present myself to a health facility

although very far because I was ill. I don’t need anyone to

push me. The choice lies with an individual. An individual

must be persuaded and must be shown the benefits of

vaccination. Thank you very much.

Mr I M GROENEWALD: Thank you, Deputy Speaker, in light of

university students that have been declined in some

institutions and some universities that to implemented or

wants mandatory vaccination policies. The University of Free

State issued a statement saying that they are waiting for

directions from government and none has been given so far.

The FFPlus is against any violation of human rights and as

such, it is against mandatory vaccination policies. Government

is on record stating that vaccines won’t be mandatory. In view

of your request to respect an individual’s right to choose any

hospital of their choice which was your answer in the previous

follow up questions ... In light of government’s intention to

end the State of Disaster, what will government do to ensure



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institutions do not enforce mandatory vaccinations? Thank you,

Deputy Speaker.

The DEPUTY PRESIDENT OF THE REPUBLIC: Thank you very much, I

think government’ stance is very clear. It won’t change even

if you can repeat the question many times, the stance is

clear. We are not going to force anyone to vaccinate but we

are going to persuade people because we still think that

vaccination is an individual choice. An individual must be

persuaded to see the benefits of taking vaccines. I have

persuaded some individuals and they eventually ended up taking

the vaccine. I have seen it. Persuasion assist because some

people are avoiding vaccination because of lack of information

and knowledge. As much as you give them knowledge and explain,

they eventually take the vaccine. I don’t think people should

be forced to vaccinate outside their will. Thank you very

much.

The DEPUTY SPEAKER: Hon members, that concludes the reply to

questions. Thank you, Deputy President, much appreciated.

The DEPUTY SPEAKER: Hon members, that concludes the replies to

questions. Thank you Deputy President, much appreciated. Hon

members, the second item on the order paper is the statement



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by the Minister of Finance on emergency interventions that

will be taken by the National Treasury to mitigate the sharp

increases of fuel prices. I now recognise the hon Minister.

The CHIEF WHIP OF THE MAJORITY PARTY: Deputy Speaker, may I

kindly check if the Minister is on the virtual platform, he

was supposed to be here physically? Can I quickly check?

The DEPUTY SPEAKER: Yes, okay. In the mean time we will

call...

*Sesotho*:

... ntate Godongwane, o hokae Morena? Tloho o tlo bua le rona

ntate.

*English*:

He was given 5 o’clock? Sorry, let’s try and get him out of

wherever he is please. Tell him you were so efficient today he

can’t believe it.

Order hon members. Hon members pardon me; I just want to

correct something. I made a mistake yesterday and I want to

correct it today. Please join me in wishing hon Judy



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Tshabalala a happy belated birthday, and all of those whose

birthday it is today and this week, happy birthday.

THE DEPUTY MINISTER OF AGRICULTURE, LAND REFORM & RURAL

DEVELOPMENT (Mr M Skwatsha): Point of order Chair?

The DEPUTY SPEAKER: What is the point of order?

THE DEPUTY MINISTER OF AGRICULTURE, LAND REFORM & RURAL

DEVELOPMENT (Mr M Skwatsha): We are unprotected, there’s a

member who’s not wearing a mask in the House.

The DEPUTY SPEAKER: Hon member, please wear your mask. No hon

members, let the presiding officer do that. You’ve raised it,

please keep quiet and do what you’re supposed to do. Thank you

very much.

Hon member, we propose that we proceed. Hopefully hon

Magwanishe is around. Yes, okay.

*Sesotho:*

Ha ke o bone ntate.

*English:*



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No wait a minute. Follow the procedure, just wait for me. I

just wanted to make sure that you are around.

**CONSIDERATION OF REQUEST FOR PERMISSION IN TERMS OF RULE**

**286(4)(B) TO INQUIRE INTO EXTENDING THE SUBJECT OF CANNABIS**

**FOR PRIVATE PURPOSES BILL**

Mr G MAGWANISHE: Thank you very much Deputy Speaker, hon

Deputy President, hon members...

The DEPUTY SPEAKER: Hon Maotwe please put on your mask.

Mr G MAGWANISHE: Interim report on cannabis for Private

Purposes Bill in the judgement, the Constitutional Court

declared the following legislative provisions unconstitutional

as they amount to an impermissible limitation of the rights to

privacy.

They are section 4 (b)and section 5 (b)of the Drugs and Drugs

Trafficking Act 140 of 1992 read with part three of Schedule 2

of that Act and section 22A (9) (a-i) of the Medicine and

Related Substance Act read with Schedule 7 of the Government

Notice R509 of 2003.



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The court suspended the order of invalidity for 24 months for

Parliament to correct the unconstitutional defect. Although

the 24 months have been exceeded, there is no deb in law as

the court provided a read in provision that ensures that an

adult person will not be guilty of a criminal offence if they

use, possess or cultivate cannabis for personal consumption in

private.

On the 1st of September 2020, the Cannabis for Private

Purposes Bill was introduced and referred to the committee for

consideration and report. The committee was briefed on the

contents of the Bill on the 4th of September 2020 and the Bill

was then published for public comments.

The committee was also briefed by the Department of

Agriculture, Land Reform and Rural Development and the

Department of Trade and Industry and Competition on the drug

cannabis master plan which contains a strategy to

industrialise and commercialise cannabis.

The committee received 55 written submissions and held public

hearings on the 31st of August 2021 and on the 1st and 2nd

September 2021. Flowing from the public submission and its



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pursuant deliberations, the committee has identified certain

subjects that the introduced Bill does not address.

Therefore, in terms of Rule 286(4) of the NA rules, the

committee seeks the Assembly’s permission to extend the

subject of the Bill to in addition to provide for commercial

activities in respect of recreational cannabis; provide for

cultivation, possession and supply of cannabis plant and

cannabis by organisations for religious and cultural purposes

on behalf of their members and respect the right to privacy of

an adult person to use cannabis for palliation or medication.

I request that this report be considered by the House’s

favouring. Thank you.

QUESTION PUT

Agreed to.

The DEPUTY SPEAKER: Is the hon Minister present? We return to

the second item on the order paper which is the statement by

the Minister Finance on emergency interventions.

*IsiZulu*:



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Manje usithatha kuphi isibindi sokukhuluma nje ungakhonjwanga?

[Ubuwelewele.] Huh? Wangixubha ngidla.

*English*

That will be taken by the National Treasury to mitigate the

sharp increases in fuel prices.

**EMERGENCY INTERVENTIONS THAT WILL BE TAKEN BY NATIONAL**

**TREASURY TO MITIGATE THE SHARP INCREASES IN FUEL PRICES**

(Statement by the Minister of Finance)

The MINISTER OF FINANCE: Deputy Speaker, on 23 February this

year, I tabled the 2022-23 Budget before this House. In it, I

announced that there would be no increases to the general fuel

levy on petrol and diesel. I also indicated that there would

be no increase to the Road Accident Fund, RAF, levy for the

2022-23 fiscal year.

These measures were taken despite our constrained fiscal

position. Our aim, in particular, was to protect poor

households – who spend the majority of their income on food

and transport – against record-high increases in fuel prices.



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Our commitment in the 2022 Budget was to strike a delicate

balance between keeping money in the pockets of our people,

amid the economic shock of the COVID-19 pandemic, while at the

same time striving to restore the health of our public

finances. By refraining from including an inflationary

increase to the fuel levy and the Road Accident Fund levy, we

managed to provide much-needed relief to South Africans, to

the value of R3.5 billion. In addition, I indicated at the

time of the Budget that Minister Mantashe and I had agreed to

review all aspects of the fuel price regulation.

Let me emphasise again that this was in recognition of the

increasing cost of living for all South Africans, as well as

the need to do what we can within our limited resources to

support the economic recovery.

However, the day after I tabled the Budget, we woke up to the

news of the escalation in the conflict between Russia and

Ukraine. The conflict will almost certainly intensify some of

the risks we had already highlighted in the Budget Review

2022, specifically the risk of continued supply disruptions

and higher inflation.



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A few weeks ago, during my address to this House, I spelled

out some of these risks and the likely impact that the

conflict may have on our economy and revenue proposals. A big

concern for the South African economy is imported inflation,

especially the direct impact on fuel and food prices. We are

equally concerned about the secondary effects on the rest of

the economy, and the overall impact on the local and global

economic recovery that was beginning to take root.

While the most recent data released by Statistics SA showed a

slight upside in the growth of gross domestic product when

compared with National Treasury’s estimates for 2021, the

growth outlook going forward is much less promising and

subject to new, emerging risks. Most notable of these risks is

the Russia-Ukraine conflict.

In addition, the re-emergence of the COVID-19 virus in China,

and the consequent lockdowns which are increasing constraints

on global supply chains, are also of concern.

Since the start of the conflict, there has already been sharp

increases in the prices of crude oil. This has had a direct

impact on fuel prices in our country. In March of this year,

the petrol price rose to R21,60 per litre for 95 unleaded



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petrol in the inland region, while diesel prices rose to

R19,55 per litre.

Of concern is that the Minister of Mineral Resources and

Energy has advised that fuel prices in April are likely to

increase even further.

Hon members, to mitigate the impact of these escalating fuel

prices, I hereby table the following proposal, which will be

included in the 2022 Rates and Monetary Amount and Amendment

of Revenue Laws Bill, for consideration by this House:

• A temporary reduction of the general fuel levy by R1,50

per litre, for the period 6 April 2022 to 31 May 2022.

This will reduce the levy for petrol from R3,85 per litre

to R2,35 per litre. The levy on diesel will be reduced

from R3,70 per litre to R2,20 per litre. These amounts

exclude other levies such as the Road Accident Fund levy

and the carbon fuel levy.

The intention of the temporary reduction of the general fuel

levy is to support a phasing in the fuel price increases that



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we are expecting in the short term. This will go some way

towards assisting South Africans to adjust to the new reality.

The proposed reduction of the general fuel levy, for a period

of two months, will not require adjustments to the annual

national Budget, as the proposal is not expected to have an

impact on the fiscal framework.

The proposed reduction of the general fuel levy will be funded

by a liquidation of a portion of the strategic crude oil

reserves. In this instance, the revenue foregone by the

reduction in the levies will be recouped through a sale of

strategic crude oil reserves, which are held by the Strategic

Fuel Fund, which is a subsidiary of the Central Energy Fund.

The sale would be required to raise around R6 billion. The

sale will be authorised by the Minister of Mineral Resources

and Energy, and the funds will be deposited into the

Equalisation Fund at the Central Energy Fund. The Minister of

Finance and the Minister of Mineral Resources and Energy have

the authority to approve the release of funds from the

Equalisation Fund into the National Revenue Fund in terms of

the Central Energy Fund Act, Act No 38 of 1977.



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The fuel levy reduction will be temporary. A broader package

of relief measures will be explored, and they will come into

effect after the expiry of the two-month fuel levy reduction.

In this regard, the Minister of Mineral Resources and Energy

proposes the following package of measures to be introduced

after the expiry of the temporary measures, from Wednesday,

1 June 2022:

• A reduction in the Basic Fuel Price of 3c per litre, in

line with the recommendations of the review done by the

Department of Mineral Resources and Energy.

• The termination of the Demand Side Management Levy of 10c

per litre particularly in the Gauteng province.

• The introduction of a price cap on 93 octane petrol,

following from the previous Department of Mineral

Resources and Energy proposal and consultation. This

means that retailers can sell below the regulated prices.

• The termination of the practice of publishing guidance by

the Department of Mineral Resources and Energy on diesel

prices to promote greater competition.

• The Regulatory Accounting System, including the retail

margin, wholesale margin and secondary storage and

distribution margins will be reviewed to assess whether



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adjustments can be made to lower the margins over the

medium term. Interventions will be considered by the

Department of Mineral Resources and Energy to reduce the

price pressure for illuminating paraffin over the medium

term.

We are doing all of these things in line with our overall

commitment to keeping money in the pockets of South Africans

during these trying times, while at the same time restoring

the health of our public finances.

Minister Mantashe and I have released a joint statement which

provides further details on this matter. Thank you.

[Applause.]

Dr D T GEORGE: Deputy Speaker, for a number of years the

question hanging over our heads has been: What happens when

government runs out of money?

Government doesn’t have any money of its own, it all belongs

to the people, and year after year, Scopa hears how billions

of rand have been irregularly spent, wastefully spent, or

simply stolen. And there is never any consequence. Nobody is

held to account and nobody goes to jail.



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Yesterday, the DA proposed a motion of no confidence in the

President’s Cabinet ... [Interjections.] ... precisely because

our economy has been mismanaged to the point of collapse,

where we are unable to attract investment capital because

there is no confidence, unemployment levels hit a record 35%

in the last quarter ... [Interjections.]

Ms C V KING: Point of order, Deputy Speaker.

The DEPUTY SPEAKER: Yes.

Ms C V KING: Please, can the heckling be limited to a hearable

sound because we can’t hear. It’s drowning the speaker at the

podium.

The DEPUTY SPEAKER: Yes. Sustained. Hon members, keep your

voices low.

Dr D T GEORGE: ... and youth unemployment is at 65%.

Poverty continues to ruin the lives and future potential of

more and more South Africans, every day. We face a cost of

living crisis with skyrocketing food prices driven largely,

but not only by the upward spiral in the fuel price.



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The fuel price has been too high for too long because of

government’s economic mismanagement. And this has crowded out

opportunities for economic growth that we will never get back

again.

The fuel price consists of four elements: the basic fuel

price; taxes and levies; retail and wholesale margins and

storage and distribution costs. The price of crude oil and the

exchange rate impacts heavily on the price.

We don’t have much control over the price of crude oil

although we certainly made an enormous mistake when the ANC-

led government chose the side of Russia in its illegal war

against Ukraine. The war has impacted negatively on the price

of crude oil and when countries such as South Africa do not

add value in bringing the war to an end, we actually do pay

the price of more expensive fuel.

The ANC-led government’s disgraceful behaviour at the United

Nations just served to make life more difficult for everyone

in South Africa and just served to drive more people into

poverty.



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If government was actually concerned about the oil price and

how it impacted on all South Africans, it would join the rest

of the world in doing everything possible to stop the War.

Although the dollar-rand exchange rate is subject to market

vagaries, it is possible to make our currency more attractive

on the markets by ensuring that South Africa is an attractive

investment destination. In that way, foreign investors in

particular would want to purchase rands for investment and

increase its value.

The DA has previously called on government to reduce the fuel

levy and that could result in a reduction in the petrol price

in the region of 20%. This would take pressure off rising food

and transport prices and bring immediate relief to the poor.

The petrol price in South Africa is higher than it is in

Swaziland, Mozambique, Botswana, Tanzania, Namibia and Kenya

because the fuel levy in South Africa is too high. It is too

high because government relies heavily on it to fund its

mismanagement of the public finances, at 6% of revenue. Bad

government is making all South Africans poorer.

Social grants are set to increase by 4,5% in April. But

electricity and fuel prices are set to go up by more than



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double that in April. Electricity prices by 9,6% and fuel

prices by 11%. Food prices have increased by 5,7% in the past

year according to Stats SA and that will gather momentum this

year.

Cutting the fuel levy will create fiscal pressure that can be

alleviated in many ways. The root cause of our dire fiscal

situation is bad policy, incompetence and corruption.

[Interjections.] There are much better ways to deal with these

than taxing the poor.

South Africa can no longer delay tackling our problems at

their root. We need to grow tax revenue and jobs by rapidly

reforming our economy to be open and competitive. We need to

make better use of tax revenue by appointing public officials

on merit and jailing corrupt officials. The benefits would

accrue rapidly.

The Minister’s proposal to liquidate a portion of the

strategic crude oil reserves for very short term relief is

high risk and reckless. The purpose of holding a reserve is to

ensure that South Africa does not run out of fuel during an

emergency situation that is not easy to foresee. It was not

long ago that an attempt was made to sell our strategic oil



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reserves under the guise of a ‘stock rotation’ that was

nothing more than a corrupt attempt to enrich a connected few.

We need far more detail on what this transaction would entail

and how the reserves will be replenished, and at what price.

If we are to take a short-term view, and not make the

structural reforms that would eliminate or reduce the high

fuel tax, then we should look at funding this short-term

intervention with additional revenue that will be received as

a result of the uptick in commodity prices that will

temporarily increase tax revenue. We do have that temporary

fiscal space.

We welcomed President Ramaphosa’s acknowledgement in his state

of the nation address that business must be the job creator in

South Africa. The incapable state is certainly unable to do

that. We welcomed the Minister’s statements at his budget

speech of what he intends to do about the state-owned

enterprises and managing the public sector wage bill.

Structural reform is the only way to grow our economy and

avoid the significant risks that the Minister is now

incurring. We are all agreed that the fuel price is too high

and that immediate relief is needed. We just differ on how.



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We support the suspension of the general fuel levy. Selling

the strategic reserves is a desperate move for a government

that has run out of ideas.

It is possible to reduce the fuel tax immediately without

selling our reserves, it just requires political will to do

what will need to be done anyway.

We all know what happens when government runs out of money –

it is forced to change its behaviour. If not, the people will

remove you. Thank you. [Applause.]

The DEPUTY SPEAKER: Hon members, no.

*Sesotho:*

Hela, butleng pele ke a le kopa hle! Tjhe, tjhe, wena o tlo se

rwala semonkolo. [Ditsheho.] Tswela pele, mme.

*English:*

Ms O M C MAOTWE: Deputy Speaker, besides the sale of strategic

crude oil reserves, as the EFF, we are even more shocked that

we are called here to listen to what was supposed to be an

intervention and yet, all we’ve heard was nothing but



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ambiguities and insinuations besides the obvious. The sale of

strategic crude oil reserves is indeed for emergencies.

The miscalculation by the Minister of Finance also shows that

there is a general misunderstanding of the economic challenges

facing workers and the poor. This is because of Mr Cyril

Ramaphosa and the collective incompetent Cabinet who continue

to mismanage the economy of this country.

The reality is that the sale of strategic crude oil reserves

must not excite because we are led by people who always see

crisis and pain of our people as a way to loot. The first

thing they ask themselves is: How are we going to eat instead

of how are we going to help our people?

The price of petrol has drastically gone up since Mr Ramaphosa

became President and the truth is that it has started well

before Russia’s military operations in Ukraine. But it is not

only the price of petrol that has gone up. Everything

essential and necessary for survival is now more expensive

than it was before Mr Ramaphosa as the President.

His new dawn is a new dawn of high petrol prices. A new dawn

of higher electricity prices. A new dawn of higher food



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prices. A new dawn of higher transportation prices. When Mr

Ramaphosa was elected President in February 2018, a litre of

petrol was only R14. Today, as we stand here, Deputy Speaker,

a litre of petrol is now nearing a record of R22 per litre.

In 2018, a household needed just over R2 000 to afford a food

basket. Today, the amount of money a household needs to afford

decent food has nearly doubled to more than R4 000. Because of

the corruption and incompetence of the ruling party which

allowed the thievery of railway tracks and brought the railway

system to its knees, workers spend more on public transport

than they should. The consequences of the failed new dawn.

When you increase the price of petrol, the price of everything

that has to do with transportation also increases. The whole

crisis is made worse by the theft of 10 million barrels of the

country’s strategic oil reserves that were stolen in 2015 for

way less than the going market rate through schemes of

corruption. More than six years later, Deputy Speaker, no one

has been held accountable. The then Minister Tina Joemat-

Pettersson has instead been rewarded.

Now, what is to be done? Firstly, any effort to revive South

Africa’s petrol structure and interventions to lower the price



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of petrol cannot be done by the Treasury, Minister of Finance.

It requires an independent and objective body that is not

obsessed with austerity and zigzagging neoliberal policies

even when evidence shows failures.

An institution such as Stats SA will be best placed to carry

out this task and it must be linked with reviewing the whole

Cataloguing in Publication, CIP data. This is why we cannot

continue to defund credible and independent institutions that

should conduct empirical data collection and analysis to

inform policy decision-making and rely on the Reserve Bank

that is also obsessed with neoliberal zigzagging.

Secondly, Deputy Speaker, we need to finalise the prosecution

of criminals who stole the oil from the strategic fuel fund

and reserve the transaction to get our oil back. It looks like

the people responsible for prosecution on this matter are also

receiving cash to stall the matter.

Thirdly, we must develop a South Africa’s fuel sovereignty

plan that will interconnect research and exploration into

sources of fuel owned by the state beneficiation and

industrial policy. It was done with Sasol and it can be done

again.



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Lastly, Deputy Speaker, we must do away with all the

legislation that is chipping away at the Mineral and Petroleum

Resources Development Act that has laid a strong foundation

for the transfer of ownership to black people, if it

implemented properly and beneficiation is done properly.

Mr A H M PAPO: Point of order.

Ms O M C MAOTWE: We know that the only reason why the Gas

Amendment Bill and ... [Interjections.] ... I was waiting for

the Deputy Speaker. Can you chill?

Mr A H M PAPO: Deputy Speaker, you have made a ruling in the

past that members of this House must not cast aspersions on

public servants who are not part of this House and are unable

to respond for themselves. [Interjections.] The member just

said those who are supposed to prosecute on this matter of the

sale are actually given money to stall. [Interjections.] And

we know that the NPA is responsible for prosecuting people.

[Interjections.] The member has just cast aspersions on the

NPA that they are actually given money to stall the

prosecution. The member is not actually bringing a substantive

motion ... [Interjections.] ... and the public servants ...

[Interjections.] ... will not be.



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The DEPUTY SPEAKER: Hon member, we will rule on this. Proceed.

Yes, we’ll rule on this. We want to do a considered ruling on

the matter.

Ms O M C MAOTWE: Chief, I’m dealing with matters of national

importance.

The DEPUTY SPEAKER: Hon Maotwe.

Ms O M C MAOTWE: I’m giving direction to this country which is

directionless. Deputy Speaker, we know that the only reason

for the Gas Amendment Bill and the Upstream Petroleum

Resources Development Bill are to make it easy for Total in

Mossel Bay and Shell in the Karoo to loot our resources

unabated. If we don’t see a drop in the price of petrol

immediately, Deputy Speaker, this country will face a revolt

like it has never seen before. Thank you very much. Papo, you

must behave. [Applause.]

Mr N SINGH: Deputy Speaker, hon members, and Minister, ...

[Interjections.]

The DEPUTY SPEAKER: Hon members, no, you can’t do that! No,

no, no!



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Mr N SINGH: Whilst any measure to reduce the impact of

increasing fuel price is welcome. Many in this House -

political parties - and outside of this House, have been

making some calls. I think there needs to be clarity, hon

Minister, on what you just said from the podium. When I read

the draft statement, I understand that it was a draft

statement that was circulated as Chief Whip’s – it doesn’t

make mention of the R1,50.

What I am trying to understand for South Africans is, on 6

April, when there is a price adjustment to fuel – we know it

happens on the first Wednesday of every month: What would the

next impact be on the persons who are filling up fuel?

Because, yes, R1,50 would be deducted from the fuel levy.

Yet, there are going to be things beyond your control and our

control, which is a price of crude oil at that time – which in

turn is also going to be in the rand-dollar exchange. So, the

net in fact may be on 6 April that instead of somebody paying

R21,50, which would have been the price, you will pay R20,00.

However, it could have increased from what it was.

So, Minister, can you please explain so that South Africans

know: What is going to happen to them on 6 April 2022? Also,



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hon Minster, we know that it is largely what happened in

Ukraine, between Ukraine and Russia, that has cause this

increase in price. We know it is Covid-19 which caused this.

Whatever you want to call it, you can call it! I am speaking

now! But, what we have done is that we have indeed found the

seed of a hidden opportunity in this adversity, and there is

always hope that we can find the seed.

However, having said that, hon Chairperson, hon Minister, you

mentioned the Road Accident Fund, and the fact that you did

not announce increases to the RAF levy. Well, that may be well

and good, but I think it is well known if one reads the media

– I attended the meeting of the Standing Committee on Auditor-

General, last week: That the Road Accident Fund has taken the

Auditor-General to court because they don’t like the opinion

that the Auditor-General has expressed on the financial

accounting.

The reason for that is that the Road Accident Fund wants to

introduce its own accounting principles which are against what

is the normal generally accepted accounting principles, GAAP.

Now, that is not acceptable! They want to hide almost

R300 billion in a contingent liability, by saying there is

only R27 billion on liability.



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Hon Minister, you have got to look at this and have got to

look at the fact that an Accountant-General has got to be

appointed urgently, and that you should intervene, together

with the Auditor-General, in this matter, because we cannot

allow the RAF to do things that they want to do on their own

against our principles.

The other issue, hon Minister, in looking at the 1 June 2022

proposal, I hope that the public will be allowed to make some

input, because at some stage, many years ago, all public

transport operators – buses and taxi operators – were given an

opportunity for a rebate on fuel. I remember it very clearly

because I come from that industry.

We need to introduce that rebate on fuel for those who provide

public transport so that taxi owners and bus owners would

reduce their fares, and that would help the public out there.

Lastly, hon Deputy Speaker and Minister, the Fuel Retailers’

Association has been making submissions – a number of

submission - on margins. I hope that these will be taken very

seriously by yourself and the Minister of Minerals and Energy

as you move forward towards your 1 June proposals. For now, we



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welcome any relief, but it should not be robbing Peter to pay

Paul. [Time expired.] Thank you very much, hon Deputy Speaker.

Dr W J BOSHOFF: Hon Deputy Chair, everybody knows that South

African fuel is highly taxed. That is why petrol manufactured

in South Africa or even imported through our ports is more

expensive than the same fuel in neighbouring countries. It is

easy to tax fuel, as people and businesses rather save on

other expenses than substantially cutting on fuel.

Untaxed petrol is harder to find than, let's say, untaxed

cigarettes. The tax is also easy to administer, as there are a

small number of figurative turnpikes where all fuel has to

flow through and where tax can be collected.

However, this taxation of fuel is contentious. It is not

progressive, meaning the burden rests equally on rich and

poor, if not heavier on the poor. It also inhibits economic

growth, as it is detrimental to the competitiveness of South

African businesses.

The FF-Plus, among others, has urged the government to revisit

the price structure of liquid fuels in South Africa. Not only

the taxes, but also the fact that prices are calculated as if



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all fuel is imported in its final form - which is clearly not

the case, and exaggerates the influence of foreign exchange

volatility.

We should keep in mind that the most important reason for

rising fuel prices over the past two decades is not changes in

the price of crude oil, but depreciation of the rand. The rand

depreciates, because more people want to sell rands, than buy

rands. When the economy is not regarded as a bread of fixed

size which should be redistributed, but as one which can feed

everyone if it is allowed to grow, the rand will be able to

buy more barrels of oil.

Unfortunately, currently, the economy is managed to be

uncompetitive. Today, the Ministers of Energy and Finance

announced a partial tax vacation for two months, during which

time the whole structure will be rethought. This is to be

welcomed and hopefully the new structure will be an

improvement.

There are indeed several potential problems in the whole fuel

industry. The country's refineries, except that of Sasol, are

senior citizens. Those which have not burnt down or been shut

down, are about to be shut down. There might be a temptation



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to charge a new levy to finance the building of a new

refinery.

During the current transport transition to electric and even

hydrogen powered transport, this might not be a good long-term

investment of public money. To sell a part of the strategic

reserve, is indeed a risky venture. It is literally like

having a dam to be used during droughts, but one never knows

whether one is at the end of a short drought, or at the

beginning of a protracted one.

In other words, we may expect that the war in Eastern Europe

will not amount to permanent fuel deficits. But, the

structural changes in transport, favouring renewable energy

sources over fossil fuels is less immediate, but can be

expected to be permanent. Nevertheless, the expression urges

us never to let a good crisis go wasted, and we should

acknowledge that government heeded this advice. I thank you!

Mr S N SWART: Deputy Speaker, the ACDP welcomes today’s joint

statement about the temporary reduction in the general fuel

levies, pending a package of additional measures from 1 June

20222. We welcome the fact of the reduction of R1,50, hon

Minister. It is not an insignificant amount. When one



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considers that escalating fuel prices have put considerable

pressure on the cost of transport, food and other goods and

services.

The consumers are suffering due to these increases, as well as

possible electricity and interest increases. This announcement

should be welcomed. The ACDP raised this issue with both

President Ramaphosa and you as well, Minister of Finance,

during the question time.

It is important to note that since 2012, taxes in relation to

levies on the fuel have on average more than doubled, as the

share of the fuel price. They account for 34% of the fuel

price. A search on the fuel price regulations have indicated

that a combination of regulatory amendments can reduce the

fuel price significantly, and that we trust is what would

occur when one looks at the additional package of measures.

When one also considers the amendments to the international

component of the basic fuel price, which were proposed in 2018

by the Department of Mineral Resources, but sadly never

implemented. It is also to be commended. Minister, if I

understood your statement correctly: That is now to be

implemented; and that is also to be supported.



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Whilst one supports these aspects, I think the issue of

concern relates to: The funding of the R6 billion that is

required; of course, how much are the strategic oil reserve is

to be sold; at what price; and what risk does that bring? Is

this possibly a case of selling part of the family silver to

deal with an interim issue?

I appreciate, hon Minister, you mentioned the fiscal framework

and that one can’t touch that. However, as we suggested in the

past, is it not possible to consider the expected commodity

price tax windfall that is already pencilled in that

R71 billion, and which is expected to be far more? Would that

not be a wise aspect as well to look at?

While we appreciate the reduction, from the ACDP’s

perspective, I do believe that Parliament will look very

carefully at the sale of the portion of the oil reserves and

whether this introduces any risk, given the fact that we do

not have refined oil reserves. So, let us exercise our

oversight from our perspective, but thank you, hon Minister,

for this welcomed announcement.

Mr N L S KWANKWA: Deputy Speaker ...



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*IsiXhosa:*

... andisayi kuva ngani ukuba mandithethe isiNgesi kuba

andivotelwa nini.

*English*:

Indeed, the war between Russia and Ukraine has placed pressure

on the domestic fuel prices. Naturally this conflict has

caused surprised shock to the global economy and we are not

immune to that.

Minister, you have become in the short space of time the

father Christmas probably because ...

*IsiXhosa*:

... unxityiswa kudadewethu uMamTshawe.

*English*:

I think you must take credit for that. The decision to

temporarily reduce the general fuel levy by R1,50 cents is

indeed welcome as it is going to provide the South African

motorists and the economy in general with the much needed

relief at this very important period. We also agree with you

when you saying that; time need to be set aside to actually

have a discussion about the comprehensive vast measures that



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can be introduced to try and make sure that we provide further

cushions to the South African economy and ordinary people.

You will recall that one of the issues that we actually

advocated for here, very passionately, is the issue of value

added tax. We do not agree with you when you say that if you

were to reduce 1% the fiscus will lose about R30 billion but

you are not able to tell us as to how much revenue we are

going to lose by reducing corporate income tax from 28% to 27%

and what the effect of previous increases were on the South

African economy. That empirical study is required, Mr

Minister.

But I think the other issue in broad terms is that we continue

to provide cushions to South African economy but businesses

don’t fall in line. For example, we also run the risk where

price increases you made at the beginning of the year, people

might not actually reduce their prices even though we are

trying to mitigate that effect on the South African economy. I

am talking about the cost of transport, for example, you know

people had already increased prices.

One of the things that the Competition Commission, for

example, did during Covid they were vigilant around people who



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were inflating prices unnecessarily. I think we need to be

vigilant even during these periods so that we don’t provide a

cushion for the public but it doesn’t reach the public, the

intended beneficiaries, it actually ends up with people making

more money.

The other issue is that we continue to do these things, we

gave people loan guarantees schemes. For example, extended

loans to the public sector but the unemployment rate did not

improve even after people got bailouts from us. It’s a problem

in general.

Even with the R32,8 billion that we gave to companies which

was a bailout during the social unrest in KwaZulu-Natal and

Gauteng, did they make sure that our people didn’t lose jobs

after we spent taxpayer’s money during those days? So, we need

to access the effectiveness of the measures that we put in

place. We are obviously concern about the sale of strategic

socioeconomic ...

*IsiXhosa*:

USEKELA SOMLOMO: Liphelile ixesha.



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Mnu N L S KWANKWA: Kutheni, kodwa ibonakalisa imizuzu emine

nje? Kwekhu, hayi madoda.

USEKELA SOMLOMO: Ye madoda, awusakwazi ukufunda ngoku?

Mnu N L S KWANKWA: Andisakwazi ukufunda? [Kwahlekwa.]

Mr B N HERRON: Thank you, Deputy Speaker. Deputy Speaker, the

skyrocketing fuel prices in South Africa are driving

inflation, high cost-of-living and strangling the economic

growth. The direct fuel consumers and those who do not

purchase retail fuel are under enormous pressure as the

rapidly increase in the cost of fuel is increasing the cost of

commuting, increasing the cost of food and driving inflation.

And of course, inflation has managed by raising interest

rates, adding additional burdens to those who have loans,

bonds and other debt. Regulation of the fuel price has a long

history in South Africa and these regulatory powers should be

used to be rapidly responsive to local and international

market dynamics.

So, it is appropriate that the Minister has intervened to

release this pressure valve and the temporary relief is a



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welcome intervention. We welcome every cent that can be saved

at the fuel pump. But what we need is a sustainable solution

which doesn’t require us to fill up our tanks every week. It

will be much better if we could safe households hundreds of

rand a week by building a functioning public transport

network.

Deputy Speaker, the composition of the fuel price at the pump

requires a fundamental overhaul so that the cost of fuel is

not another factor holding back economic growth and generating

jobs for all South Africans. And our government must use its

powers to restructure the regulated components being the

margins and the taxes and the levies. So, in this regard, we

welcome the announcement that the Minister of Mineral

Resources and Energy will be bringing substantial changes to

the composition and structure of the fuel price.

The propose reduction of the basic fuel levy by three cents a

litre and the termination of the 10 cents per litre Demand

Side Management Levy (DSML) are also welcome steps towards

this restructuring.



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The propose removal of the price cap and the move to a

competitive retail fuel pricing regime will be a significant

shift.

Deputy Speaker, South Africa’s 15-million-barrels of strategic

oil reserves are meant to safeguard us from an energy crisis

and to protect our economy. So, leveraging these oil reserves

to provide temporary relief does create some serious risk of

devastating consequences if the disposal of these reserves are

not reversed by a highly discipline replenishment programme

that is actually implemented.

So finally, Deputy Speaker, we welcome the relief been offered

to South African consumers and economy and we call on our

government to rapidly pursue the restructuring of the

regulatory component of the fuel price. And the role of the

increase in South Africa refinement of crude oil should also

be part of the restructuring process since local refinery has

the opportunity to create downstream job opportunities. Thank

you, Deputy Speaker.

The DEPUTY SPEAKER: Thank you very much, hon Herron. Hon

members, I just wish to read you a Rule – at every beginning

of the sitting, the serving officer who start the proceedings



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make reference to safety in the House and makes that request

for us to also keep our masks on and sit in our allocated

places for purposes of that safety. Here is the Rule 71, if

the presiding officer is of the opinion that a member is

deliberately contravening a provision of these Rules or that a

member is disregarding the authority of the Chair or that a

member’s conduct is grossly disorderly, she or he may order

the member to leave the Chamber immediately for the remainder

of the day’s sitting. I am reading this Rule so that we don’t

have to go back to reading it. Thank you very much.

Mr A M SHAIK EMAM: Thank you, Deputy Speaker. Deputy Speaker

and through you Minister, let me tell you about the reality on

the ground. The latest report - electricity cost is going up

by 9,5%, water by 6,5%, sanitation by 6,5%, refuse by 5% and

property rates by 5,2%. There is collusion between the big

five supermarkets in the country and you will find that the

price of foodstuff has been rocketed. The cost on air fares

have increased.

Now whilst we welcome the relief that you are talking about, I

think what is important to note is that the Road Accident Fund

is not an asset, it is actually a liability. Maybe it’s time

to dispose of this function. Let it be handled by the private



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sector and it includes some kind of insurance through the

licensing and that will go a long way.

Deputy Speaker, we are losing this country approximately

R300 billion. Let me say it again, R300 billion and very

little or nothing has been done to put measures in place to

try and prevent this. And I still cannot understand why we are

allowing it to go on.

Now, one of my concerns is that Minister as you rightfully

alluded to the fact that there will be a disruption in the

continued supply of crude oil. Now if you dispose of some of

this crude oil and the disruption continues, then what is the

risks to us here if we do not get adequate supply of crude oil

in the country. Added to that Minister, there is another

problem. Many of these fuel companies are leaving South Africa

for the neighbouring countries, which means lots of jobs are

going to be lost. But more importantly, it means that we are

going to be importing more fuel and that is going to push up

the cost once again.

But what is not clear here, Deputy Speaker, through you, is

the relief that we are going to get from 6 April, is that

relief after the increase that might be coming on 6 April or



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is that relief of R1,50 cents from the current price that is

going to come into effect on 6 April, because we know that the

first Wednesday of each month is when we adjust the pricing.

So, that’s what we need to know.

I just want to repeat this particular one, Deputy Speaker, 14

children died of malnutrition in Nelson Mandela Bay, 216

suffered from severe acute malnutrition, 16 000 were left

without aid. So, the problem is a lot bigger than what we are

talking about, Minister. We need to look at putting in

measures. We have a more productive society, create more jobs

... [Time expired.]

Mr S LUZIPO: Thank you, hon Deputy Speaker, hon Ministers and

Deputy Ministers, hon members and everyone who is with us

today. Firstly, thank you Madiba. You understood the challenge

that we are faced with as a nation.

Over the past two years or so, our country has witnessed an

exponential increase in fuel prices. It’s not new. It didn’t

start yesterday. Notwithstanding all these factors, the high

price of crude oil has been one of the reasons behind the high

fuel prices. Since the beginning of this year, this has been

one of the tasks that we in the committee have been seized



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with. What complicated matters was the conflict between Russia

and the Ukraine, which imposes external factors on the

challenges that we have inherently been confronted with.

Therefore, countries all over the world have started to

introduce mitigating measures against the fuel prices. It is

not only unique to the South African context. Among some of

these countries is South Korea which introduced a 20% cut in

the fuel tax as early as November 2021 which was extended to

March 2022. Poland introduced a fuel tax cut to 8% from 23%.

Vietnam ... 50% cut on the environmental levy. Therefore, it

is not something that is unique. We are doing exactly what

other countries resort to when confronted by challenges, which

is to protect the interest of the nation.

As the Portfolio Committee on Mineral Resources, we have been

very concerned about the knock-on effects on South African

citizens, both rich and poor. We will deal with the issue of

... because some people must go for dialectical lessons to

understand that at times the relationship between the poor and

the rich does exist. It is antagonistic but at the same time

it can be co-operative. But obviously, if you commit class

collaboration you will never understand some of these issues.



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In its engagement, the committee has looked at what the

mitigating measures that could be taken into consideration

are. We have had engagements with stakeholders. Firstly, with

the Department of Mineral Resources and Energy, as well as the

Automobile Association. Recently, we had an engagement with

all the role-players and organisations in the petroleum

industry, including National Treasury, as well as the *Council*

*for Scientific and Industrial Research,* CSIR, which has been

doing research on these matters.

There are two energy sources, which I think the hon Minister

talked to, and I don’t think there is contestation. I think we

must welcome the issue of a levy reprieve as far as liquid

fuel, gas as well as ... which ... We think it is important to

take consideration of VAT as far as illuminating paraffin is

concerned.

Very quickly, I think we must even welcome the reduction in

the general levy. Whether it is calculated differently, it

will make a difference. Hon Minister, the issue that we think

we must have a discussion on is the issue of the Road Accident

Fund, RAF. As a committee, we are of the view that it does not

necessarily have to be removed as part of the tax regime but

with new developments in technology it might be dislocated in



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the area where it currently is. For example, if you agree

today that you have electronic vehicles but they are not

affected as far as the RAF is concerned ... but for an

individual who just owns a generator ... will be affected by a

deduction on the basis of the RAF but ... can’t claim if there

is an incident based on issues of liquid paraffin or the

generator. Those are the things that we think we need to zoom

in on, without saying ... It’s a different story for someone

who goes to a bowser and puts a car ... and puts fuel ... and

sees the difference of less than R2,18 on a 50 litre diesel

... That individual will see a difference, in as much as it

might be cushioned somewhere else. So, those are the things

that we think a constructive engagement must be able to look

at ... better solutions that must be found. As I said, we most

definitely welcome the reduction as far as the general fuel

levy is concerned.

However, let me quickly address a certain matter here. Not

every revolutionary phrase is revolutionary. The first thing I

think we must address ... you can’t take ... and there is no

doubt in South Africa ... We should not hide that one. Part of

our problem is that we have to deal with the issue of

consequence management in the Public Service. There is no

doubt about it. However, you cannot even ... How do you take



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someone when you have not done what you are supposed to do?

You first win the case. What is not reported here is that the

sale of the strategic stock went to court. Government won the

case. The strategic stock is back where it belongs. That is

where the stock is. Then you can start to ask the question,

when was that case won? It was only around April/May last

year. There was an issue about the hedging fees which was a

dispute between government and those who bought it. You can

only then start prosecution, based on that because there is

evidence on your side. Even if it is not done by the

executive, we are Members of Parliament. We must make it a

point that those who are responsible for the illegal sale of

the strategic stock face the full might of the law. We can’t

abdicate our responsibility and give it to the executive. It’s

our duty as Members of Parliament to hold that executive to

account.

Now, one issue I want to say ... that issue that I want to say

... Sometimes I listen to members. I listen to members. There

is something ... some ... they call themselves Fanonists. This

is what Frantz Fanon says: “There are too many idiots in this

world. And having said it, I have the burden of proving it.”



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Now, if you understand that inherently the mere fact that you

are a motive force for change actually means that you’re a

motive force against another resisting force. We are not in a

... [Inaudible.] Now those who have the luxury of time ... We

have a duty not just to interpret the world but to change it

and that’s precisely ... that you don’t change the world under

conditions of your own choice. You change the conditions of

our people on the basis of the inherent suffering that they

have been put under for so many years.

With those words, thank you very much, hon Minister. You are

on the correct path and we think this is what South Africa

wants. All patriots will appreciate ... there is a difference

between an intervention and an absolute work that is

performed. Thank you very much. [Applause.]

The MINISTER OF FINANCE: Thank you, Deputy Speaker and thanks

to the hon members for their contributions by. Let me just

start with hon Singh.

I think on the 6 April the price of petrol will increase to

R3,85. It will increase to R3,85. [Interjections.] No, wait.

Wait. The hon member wants to know what he is going to be

paying on that day. That’s what the price will be. However,



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with this R1,50 intervention you will pay R2,35 on 6 April.

[Interjections.] Huh? {Interjections.] No, no, no, I’m saying

that of the R3,85 you will get a reprieve of R1,50. Less R1,50

of that increase, okay? That’s the first thing I want to say.

The second thing I want to say is the following. In so far as

the RAF is concerned, let me state clearly that to my

knowledge, as far as National Treasury ... they are on the

same side in terms of the interpretation with the Auditor-

General. I just want to make that clear. In terms of the audit

outcomes. They disagree with the system used by the RAF. That

is as far as I know.

The second thing we need to talk about ... which we need to

come back ... I’m in a discussion with my colleagues, the

Minister of Social Development and others, to restate the

debate about a comprehensive social security system. What are

the key elements of such a system? First is social insurance.

We have a whole range of social insurance packages all over

the place, whether it is the unemployment fund, whether it is

the RAF, whether it’s anything else. We are putting in another

social insurance in the form of the National Health Insurance,

NHI, and all of those things. We need to look at that.



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The second component is social assistance, which the Minister

is seized with. The third component of ... [Inaudible.] ... is

active labour market policies. So the RAF’s future must be

located within that debate, and that debate may mean that it

may not ... necessary ... its funding be ... [Inaudible.] ...

the fuel fund ... with the fuel price. Alright? It may mean

that, as part of that debate.

The third issue I want to raise ... when we discuss matters of

national interest and national importance, I think we need to

raise the level of debate. We need to raise the level of

debate. Let me just say ... my own personal view ... all of

these ... [Inaudible.] ... on this side, I don’t regard you as

enemies. I regard you as fellow South Africans, but political

opponents with different viewpoints to mine. But, fellow South

Africans and patriots like me, okay? However, when we discuss

a matter of national interest, it is important that we rise to

a different level of debate. Alright?

Let me just give an example. Let me just give an example. ...

an hon member to say ... South Africans are watching on TV. We

display our own ignorance. South Africans are watching on TV.

You say, since Ramaphosa took over ... Then, as if the price

of fuel ... You display your own ignorance, because you do not



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understand what the economic drivers behind the increase of

petrol are. [Inaudible.] ... we expect a certain modicum of

respect for Members of Parliament and a certain level of

debate because we should know what the economic drivers behind

this are. It’s not an individual ... [Interjections.]

The DEPUTY SPEAKER: 0rder, hon members! Hon members! Hon

members, listen! Hon members, listen to the reply. You were

given an opportunity to speak.

The MINISTER OF FINANCE: So, my appeal ... Coming to the hon

members of the UDM and the ACDP. These members are making a

number of contributions. They say they have research. We would

welcome ideas on these matters. No-one has the monopoly of

knowledge. Hon member from the UDM says that we need some

empirical evidence. We would like to engage with that. The

ACDP said they have some research. By all means. We don’t

claim to have the monopoly of knowledge but let’s raise the

level of debate. Let’s raise the level of debate so that all

of us engage constructively about reaching national consensus

on issues of national importance.

Hon Deputy Speaker, I am raising these issues because we are

facing enormous challenges, and those challenges require that



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we rise to the occasion and come up with important answers.

That is the challenge to the hon members on this side of the

... on my side. We would welcome ideas. [Interjections.] So

with those few ideas I just want to thank you for your

contribution, but for God’s sake ...

The DEPUTY SPEAKER: Hon members? Hon members? Sorry, hon

Minister.

The MINISTER OF FINANCE: But for God’s sake let’s raise ... We

would like constructive ideas ... like constructive ...

The DEPUTY SPEAKER: Hon Minister? Hon Minister, just one

second. Hon members ... [Interjections.] ... what you are

doing is not appropriate. The Minister is replying to a

debate. All of us in the House want to hear it. You are

preventing us from hearing the debate. And we have protected

you from the same thing by members in the House. You are

repeating that. We request you not to do that.

[Interjections.] It’s clearly disruptive. You can’t all be

screaming ... almost all of you. [Interjections.] You can’t do

what you are doing. It’s out of order. [Interjections.] Go

ahead, hon Minister. What are you rising on, hon member?



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The MINISTER OF FINANCE: Budgeting is about making strategic

choices.

Ms O M C MAOTWE: I’m rising on a point of order, Deputy

Speaker. Minister, I have asked to speak.

The MINISTER OF FINANCE: It’s about making strategic ...

The DEPUTY SPEAKER: Sorry. Hon Minister? Hon Minister ...

[Inaudible.]

Ms O M C MAOTWE: The Deputy Speaker has recognised me to

speak. You can say ... [Inaudible.] ... however you want! The

Deputy Speaker has agreed that I speak.

The DEPUTY SPEAKER: Hon member, speak to me!

Ms O M C MAOTWE: Okay.

The DEPUTY SPEAKER: Tell your members to shut up!

[Interjections.] Hon members? Hon members?



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Ms P P MAKHUBELE-MARILELE: EFF, you are out of order! EFF, you

are out of order! [Interjections.] No, you are out of order,

people of the EFF! You can’t be insulting our leaders.

The DEPUTY SPEAKER: Hon members, you can’t be screaming.

Ms P P MAKHUBELE-MARILELE: You can’t be insulting our leaders!

You can’t! [Interjections.]

The DEPUTY SPEAKER: I gave one member a chance to speak. You

speak ... [Interjections.]

Mr X N MSIMANGO: Those ... must shut up! [Interjections.]

The DEPUTY SPEAKER: Hon members, you can’t be screaming.

Ms P P MAKHUBELE-MARILELE: And you also can’t be insulting our

leaders, you people of the EFF. [Interjections.]

The DEPUTY SPEAKER: Hon members ... Hon Minister, let’s

proceed.

Ms N V MENTE: Yes, you can’t tell us to shut up. You must

withdraw it.



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The DEPUTY SPEAKER: Let’s proceed, hon member.

Ms N V MENTE: We are not your children here. [Interjections.]

You are not going to come here and be emotional.

The DEPUTY SPEAKER: Let’s proceed.

The MINISTER OF FINANCE: Hon Deputy Speaker, what we must try

to do ...

Ms O M C MAOTWE: I have not spoken, Deputy Speaker. You

recognised me. I have not spoken. Deputy Speaker, you

recognised me. I have not spoken.

The DEPUTY SPEAKER: What are you rising on, hon member?

Ms O M C MAOTWE: Firstly, you must withdraw saying shut up.

The DEPUTY SPEAKER: Hon member, what are you rising on?

Ms O M C MAOTWE: We are going to write a letter to your

superior to complain but I’m rising to say to the Minister,

it’s a fact that when Ramaphosa took office ... [Inaudible.]

... the petrol price was R14,00. {Inaudible.]



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The DEPUTY SPEAKER: Hon member, that’s not a point of order.

That’s not a point of order. [Interjections.]

Mr X N MSIMANGO: No, she must sit down ... that member. That

is not a point of order. She must sit down.

The DEPUTY SPEAKER: Hon member, that’s not a point of order.

[Inaudible.] ... you forget it. That’s not a point of order.

Go ahead, hon Minister.

The MINISTER OF FINANCE: Hon Deputy Speaker ...

Ms E N NTLANGWINI: It is a point of order.

The DEPUTY SPEAKER: What Rule ... {Inaudible.]

Ms E N NTLANGWINI: On a point of order, Deputy Speaker. No,

don’t worry, you will make your flight. Just hold on. On a

point of order, Deputy Speaker.

The DEPUTY SPEAKER: Yes, hon member? What’s your point of

order?



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Ms E N NTLANGWINI: Deputy Speaker, you will recall that you

told us to shut up ... to everyone here in this House. That is

unparliamentary. We are going to take you to the Rules

Committee because that can’t happen.

The DEPUTY SPEAKER: Okay.

Ms E N NTLANGWINI: That can’t happen. You can’t tell Members

of Parliament to shut up. You yourself, as a Deputy Speaker,

must adhere to the Rules and keep yourself ... Be patient with

members. Stop this hotness. We know that you are rushing for

your flights. You will get it, man. Don’t worry.

The DEPUTY SPEAKER: Hon member? Hon member, speak for

yourselves. Hon members, let’s proceed.

Mr B S YABO: Oh, but it can’t be masters of insults here.

The DEPUTY SPEAKER: Hon Minister, please proceed. We have

listened to you. We now wish to proceed.

The MINISTER OF FINANCE: Hon Deputy Speaker, as I conclude,

the point I was raising is ... [Inaudible.] ... important in

matters of national importance that we try to win each other’s



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arguments through cogent arguments. I then said that some

members have made suggestions through empirical evidence and

some research. I am saying we would welcome that because we

don’t claim to have the monopoly on wisdom. We don’t claim to

have the monopoly on wisdom. However, as I conclude, part of

what we must ... and I said some of the things have risks.

When you take a decision it’s got risks and rewards. We are

taking that. A budget is also about trade-offs. While I would

also like to take the fuel levy out as much as I can, that is

going to require a phasing out. It can’t be on and on. As it

stands, the fuel levy provides us with R90 billion of the

total Budget. To simply take R9 billion off the system ... the

first target will be those programmes that are servicing the

poor, when the poor are actually in need of support in these

trying times. Thank you, hon Deputy Speaker.

Debate concluded.

The House adjourned at 17:24.

