**UNREVISED HANSARD**

**NATIONAL ASSEMBLY**

**TUESDAY, 15 NOVEMBER 2022**

***PROCEEDINGS OF THE NATIONAL ASSEMBLY***

The House Chairperson, Ms M G Boroto, took the Chair and requested members to observe a moment of silence for prayer or meditation.

The HOUSE CHAIRPERSON (Ms M G Boroto): Welcome back, Chief Whip, you were highly missed. Thank you for representing us in Africa.

# CONSIDERATION OF BUDGETARY REVIEW AND RECOMMENDATION REPORT OF PORTFOLIO COMMITTEE ON TOURISM

The CHIEF WHIP OF THE MAJORITY PARTY: Bon jour. [Good day.]

I move that this House adopt the report.

*Declarations of Vote:*

Mr M S F DE FREITAS: Madam House Chair, excuse me for wearing a mask; I am just recovering from an operation. As I stated last year, this government preaches that tourism is a key

economic driver and job creator but does nothing to invigorate the sector. In fact, it does the very opposite by making it difficult to allow it to start getting back on its feet since the pandemic.

Tourism has been able to grow despite government — not because of it. This government decimated tourism during a pandemic resulting in at least 470 000 job losses within the sector.

Government just sat on its hands doing nothing about it. My visits countrywide revealed that there is plethora of tourism sites that are either difficult to access, are unsafe, dilapidated, derelict or abandoned. Here too, government sits on his hands.

Just like in previous years, South African tourism spent R34 million irregularly, mainly because it doesn’t follow Treasury’s own regulations and the department spent over

R194 million on irregular and fruitless expenditure. It still sits on his hands when it comes to internal control and compliance when this matter was highlighted again last year. The question still remains; what is the Minister doing to ensure that government does its part in assisting in growing and evolving the tourism sector in such a manner that jobs start being created within the sector? The answer is clearly

nothing. It is not surprising as we see a Minister who appears to be completely disinterested in their job, so much so she doesn’t attend our portfolio committee meetings even when she is summoned. Thank you, House Chair.

Mr A MATUMBA: Thank you, as EFF we reject this report.

*Tshivenḓa*:

Heyi ripoto i to u sumbedza u ri hoyu muhasho a wo ngo ḓiimisela u sika mishumo i ne ya khou ṱoḓea nga tshihaḓu. Ndi ripoto i ne ya to u sumbedza u ri muhasho a u na vhurangaphanḓa. Masheleni a si na vhukono kha hoyu muhasho a kho u shumisiwa nga nḓila i ne ya sa takule vhuendelamashango.

Vhaendelamashango vha a zwi funa u dalela fhethu hu no nga Mpumalanga, Ermelo, u ya Piet Retief na u fhirela KwaZulu- Natal ngauri ho naka ha dovha ha vha fhethu ha vhuḓi kha u kunga vhaendelamashango fhedzi vha shavha u vhulayiwa nga maṱiraka a ne a vha u ri o ḓadza bada a ne a vha thaidzo. A hu na zwine hoyu muhasho wa khou amba zwone u tandulula heyi thaidzo.

A hu na muthu a ne a sa fune u dalela Venḓa la ha tshikamuroho li sa ladzi nwana na nḓala fhedzi muthu a tshi to u khona kha

bada ya N1 u ṱangana na madindi a tshi ya Ha Maila. Musi muthu o no fhira Vleifontein madindi a hone a to u guma na khunduni na hone a hu na zwine hoyu muhasho wa kho u amba zwone u tsireledza vhaendelamashango vhane vha fhedzisela vha tshi kho u vhulayiwa nga khombo dza dzigoloyi.

Musi ri tshi ya eThekwini ri wana u ri hu na soregi yo tevhutshelaho maḓini. Dzinwe dza dzibitshi dzo valiwa. Heyi ripoto a i sumbedzi u ri ndi tshini tshine tsha ḓo itiwa u khwinifhadza dzibitshi hedzila u ri dzi vuliwe dzinzhi.

Zwine hoyu muhasho wa tea u ita zwone ndi u bveledzisa fhethu hu ne ha kunga vhaendelamashango u fana na fhethu hu no nga Isinuka Eastern Cape, fhethu ho fhambanaho KwaZulu-Natal ndi sa hangwi na Tshatshingo Pothole na u bveledzisa vhadzulapo vho fhambanaho vha re na mabindu a u kunga vhaendelamashango.

Mudzulatshidulo, Minisiṱa Vho Sisulu vha kho u hana u ḓivhonadza kha Komiti ya Phalamennde ya Vhuendelamashango. Na ṇamusi vho ri ...

Mr N L S KWANKWA: African languages are beautiful, hey.

The HOUSE CHAIRPERSON (Ms M G Boroto): What is it, hon Kwankwa?

Mr N L S KWANKWA: I am saying that African languages are beautiful, House Chair.

The HOUSE CHAIRPERSON (Ms M G Boroto): Thank you very much. Somebody was saying that we don’t understand Shangaan. That is not Shangaan; it’s Venda. No, you can’t say you don’t even know, you are in South Africa. No, don’t do that. [Interjections.]

Ms E N NTLANGWINI: It just shows how ignorant the DA is, hon House Chair. They are ignorant.

*IsiNdebele:*

USIHLALO WENDLU (Ksz M G Boroto): Bab’uSithole, ragela phambili.

Mr K P SITHOLE: Hon House Chairperson, the Department of Tourism and its entity have not been able to avoid the problems that are a struggle in most government departments. South African tourism is currently investigating an amount of R45 million in irregular expenditure. Consequence management

is lacking and vacant key positions have left management wanting.

Lack of leadership is an issue that simply cannot be condoned and the Minister’s complete disregard for the functioning and activities of the department and committees. If the Auditor- General must make an official recommendation that the Minister honours and attend all the meetings of the committee as it is her ... [Interjections.]

*IsiNdebele:*

USIHLALO WENDLU (Ksz M G Boroto): Bab’uSithole, akhe ujame kancani.

*English:*

No, colleagues, no. Asseblief [Please]. Proceed.

Mr K P SITHOLE: Thank you, House Cahir. recommendation

that the Minister honours and attends all the meetings of the committee as it has .. [Inaudible.] ...requirement it is clearly an issue that must be addressed and monitored.

The committee has noted that the murder of an international tourist in South Africa has attracted widespread negative

reports in international headlines. The department must work closely with various departments, the private sector and communities to develop a strategy to ensure the safety of tourists. South African tourism must budget for an increase in safety measures in order to prepare for incoming tourists who provide a vital income to South Africa’s economy.

The potential of tourism in our country is not limited to the economy; rural and township tourism offer opportunities for transformation, education and vitalisation. At present, these opportunities are being missed. In order for such to be utilised, support for strategic planning as well as funding is required by the national department. Tourism is a jewel in the crown of our country and it must be treated as such. Thank you very much, hon House Chair.

Mr I M GROENEWALD: Hon House Chairperson, the government does not see tourism as one of the main drivers of employment creation and economic growth. By implementing failed policies and putting strategies forward that plan to fail, South Africa could not advocate for a coherent approach to promote South Africa as a preferred destination of choice. Problems like criminals running around like cowboys, local government decay to such a point that there is no service delivery like that of

Durban’s broken infrastructure and sewerage running into the beaches.

The government fails to recognise tourism as a national priority sector although it is being said as propaganda, no actual action came from the words. Tourism is surely not one of the seven national priority sectors and tourism is very far from a long term sustainable market in South Africa.

Hon House Chairperson, government therefore does not comply with the basics of the White Paper for Tourism. You have failed South Africa. The report further makes mention and begging the Minister to attend committee meetings, reminding her that it’s her responsibility to account to Parliament. The Ministry failed the citizens of South Africa.

It will serve government well to rather save tax payers money and incorporate the Department of Tourism into another Ministry and get rid of the Tourism Ministry. With all the responsibilities being delegated to Tourism SA and Brand SA there is no need for a Ministry and could help South Africa’s tax payers save the fat salary bill that goes with having a Ministry that is running in silos and reliant on other departments to make tourism a success. This money could have

been spent of actual outcomes for the department that is benefitting South Africa and its citizens. Again proof that South African citizens deserve a better government, a government without the ANC. Thank you, House Chair.

Mr W M THRING: Honourable House Chairperson, after reviewing this report, the ACDP notes that the Department of Tourism has had a steady increase in the allocated budget over the past five financial years, almost always spending 100% of the allocated budget whilst failing to simultaneously achieve the set targets.

The department spent R2,5 billion or 99,7% of the total appropriated budget of some R2,5 billion for the 2021-22 financial year, while achieving 80%, which is 44 of the 55 targets set out in its Annual Performance Plan. That is a total of 11 targets or 20% not achieved.

The department incurred irregular expenditure of some R194 million in the current reporting period and a sum of R21 million of fruitless and wasteful expenditure. In

addition, underspending of some R7 million in the different programmes was incurred. Hon House Chairperson, the ACDP contends that with the tourism sector in South Africa

operating at between 30% to 40% capacity compared to 2019 and with the sector losing around 470 000 jobs because of the hard lockdown, every rand lost to irregular, fruitless and wasteful expenditure and the millions of rands of underspending, is a slap in the face of those who lost their jobs.

The ACDP notes the confusion that surrounds the interim board, and the merger of SA Tourism with Brand South Africa, and the negative impact this has on the sector. Hence, the African Christian Democratic Party calls on the Minister to show up at portfolio committee meetings and set her house in order. Thank you.

Mr A M SHAIK EMAM: House Chairperson, in supporting this Budgetary Review and Recommendations Report, I hear some of my colleagues saying that the department is relying on other departments. I think it ought to be that. How is the Department of Tourism going to achieve its targets if you don’t create a safe and secure environment? If you don’t improve on the quality of roles, and you don’t ensure there’s enough supply of energy? How is that going to happen? Given what has happened in Mpumalanga with the murder that took place, that is going to have a devastating effect on tourism in South Africa.

We have local or domestic tourism and international tourism. A percentage of your gross domestic product, GDP, is as a result of tourism. I think there are many other departments that must come together to create that conducive environment for the Department of Tourism to be successful in ensuring that we have both international and local or domestic tourism and be able to take advantage of that. That is currently not happening in the country but I see that we are just attacking the department.

Let us look at the history. After COVID-19 the number of tourists coming into the country has fallen and has not recovered. We have not helped the situation in the country to assist the department or to market South Africa as a tourist destination given the fact that we have such high levels of crime and uncertainty in the country. People are not coming in numbers like they used to and we cannot run away from that fact. So, let us work together to create a conducive environment so we can attract more and more tourists to this country. We are not doing that; we talk about yes indeed they spent 99,7% ... [Time expired.]

Ms P T MPUSHE: Hon House Chairperson, hon members, fellow South Africans, I greet you. You are welcomed, Chief Whip.

*IsiZulu*:

... besengithi usungumastandi kulawa mazwe awusabuyi.

*English*:

I rise on behalf of the ANC to support the Budgetary Review and Recommendation Report of the Portfolio Committee on Tourism. In line with our policy position to tackle inequalities head-on, as well as to create a safe South Africa for all, the ANC welcomes the reprioritisation of R240 million over the medium term towards the Destination Development programme, to which an estimated 12 370 work opportunities stand to be created in the Expanded Public Works Programme.

Owners of small and medium enterprises and young people operating in the tourism sector will benefit from the R87,1 million that has been set aside to promote SMMEs.

While we welcome the allocation of R360 million over the medium term, to fund 31 qualifying tourism enterprises for the Tourism Equity Fund, we remain concerned that there are those amongst us in this very House who would rather delay transformation through court interdicts, at the expense of the many people of this country who could be empowered, and in the

process, empower many others through the transformation Tourism Equity Fund.

The transformation of our economy and our sector is imperative and can no longer be delayed, while the majority of Africans, in general, blacks, in particular, live in such a bad condition of poverty. Poverty has led to the rise of crime in our country. We therefore welcome the allocation of R300 million for enhancing tourism safety and we call on ... [Time expired.]

*IsiZulu*:

Bangayijahi impi laba sisaya kwi ...

*English*:

... situation that we find ourselves in ... [Time expired.]

Declarations of vote made on behalf of the Democratic Alliance, Economic Freedom Fighters, Inkatha Freedom Party, Freedom Front Plus, African Christian Democratic Party, National Freedom Party and African National Congress.

Motion agreed to (Freedom Front Plus and Economic Freedom Fighters dissenting).

# CONSIDERATION OF BUDGETARY REVIEW AND RECOMMENDATION REPORT OF PORTFOLIO COMMITTEE ON HOME

There was no debate.

The Chief Whip of the Majority moved: That the Report be adopted.

*Declarations of Vote*:

Ms T A KHANYILE: Hon House Chairperson, it is sad that, as a nation, in the year 2022, we are still appearing before this august House, raising the same issue of the Home Affairs network system that is always offline. This perennial problem continues to inconvenience South Africans, leaving thousands of applicants miserable, as they try to get to various Home Affairs offices, as early as 4:00 in the morning, to be first in the queue.

*English*:

I have received complains about this inconvenience from members of the public who use the office in Potchefstroom. All this is happening in an environment of faded promises. In 2015, the former Home Affairs DG, Mr Apleni, identified network challenges as one of the issues that needed to be

attended to, to improve provision of services and address the issue of long queues.

In 2018, when the former Minister Malusi Gigaba launched the War on Queues campaign, which was also aimed at addressing the issue of long queues, he cited that the issue of network challenges needed attention, as the system downtime affects office for an average of 20 days in one month.

Seven years after the statement was released by the former DG and three years after Minister Motsoaledi was appointed to head the Home Affairs Office, this one problem has not been dealt with. All we hear is promises on how the department plans to resolve this challenge. We need action.

The Department of Home Affairs should roll out the branch appointment booking system to all offices, to expand this and include the collection of documents. The applications of passports and IDs through the bank should also be rolled out further, to alleviate the long queues at Home Affairs offices.

Government Printing works has also been unable to submit their 2021-22 annual reports and financial statements to the

Auditor-General, due to the loss of data. There is also a huge

backlog when it comes to the processing of ... [Time Expired.] We do not support this report.

Ms L F TITO: Hon House Chair, the Department of Home Affairs is custodian, protector and verifier of the identity and status of citizens and other persons or residents in South Africa. The department of Home Affairs oversees the budget and performance of the Government Printing Works, GPW, and the Independent Electoral Commission, IEC. Its mandate is to consider and pass legislation and to scrutinize.

The report submitted recently in September 2022 by the Public Finance Management Act stipulated clearly that the department has received unqualified audit reports with findings for six consecutive times. The department is still holding back by mentioning Covid-19, which was long overdue and keep on saying that they are still at 69% and that they cannot reach the 100%. They will never reach it, due to the department’s attitude.

The Minister declared war on long queues, but there are still never-ending long queues at every Home Affairs office around the country. Does the Minister know that in Umtata in the Eastern Cape, the offices open at 9:00, while community

members start to queue at 4:00 in the morning, just to collect their IDs? It cannot be that our people around the country are subjected to this. Just the thought of going to Home Affairs makes people miserable, because they know they will not get any assistance without queuing and being told to come back again later, especially in the rural areas.

We told you before, let there be mobile trucks moving around, especially in hotspots areas with long queues and in the rural areas. Put more manpower in the IT system, because surely Sita is not assisting us at all. We get reports of improvements, but no movements at all. Since 2019, we are still on zero percent. If there were movements, we would not get complains from the public on a daily basis.

You don’t even want to separate the offices. There is no line for collections, for births and other services. The department must make sure to safeguard the identity and status of the citizens. As the EFF, we reject the report. Thank you.

Ms L L VAN DER MERWE: Hon House Chairperson, South Africa faces a full-blown illegal migration crisis, with Isis reportedly now at our doorstep, being funded by illegal businesses operating in South Africa and with the activities

of Zama Zamas, for example now under the spotlight, it is clear that this department has no plan to deal with the prevalence of undocumented illegal migrants.

One of the mistargets was again the rollout of the Automated Biometric Identification System, Abis. Abis seeks to consolidate the information of South Africans and the data of foreign nationals into a single database. The AG has warned that with Abis limping along, the department could suffer severe harm, as the project is critical to resolving some of the security risks our country currently faces.

It must also be noted that Government Printing Works, once a shining star amongst government entities, has lost its crown. Again GPW submitted its financial statements around a year late, while it routinely keeps losing its data every time an audit is due, which can only be viewed as highly suspicious.

However, these are not our only concerns. Numerous syndicates have infiltrated Home Affairs with the help of Home Affairs officials. Far too many non-South Africans carry South African documents. Up to 40% of permits issued in South Africa have now been proven to be fraudulent by a review panel. The lack of professional service at this department has turned MPs of

the committee into admin officers, as we struggle daily to resolve a variety of queries.

It is a fact that despite the Minister and the DG’s best efforts, and the increase in mobile units, this department remains notorious for its long queues and system downtime, unfriendly staff and now a full-blown illegal migration crisis.

Facing crisis upon crisis, it is time for the Minister and his team to act resolutely and decisively. The safety, security and prosperity of our nation is at stake. I thank you.

Mr F J MULDER: Hon House Chair, the hon member of the EFF and the hon member of the UDM made me think that I would also address the House in an African language – the language that has originated in South Africa.

*Afrikaans*:

Die HUISVOORSITTER (Me M G Boroto): Ons kan nie hoor nie.

*English*:

Mr F J MULDER: What I said was that the hon member of the EFF and the hon member of the UDM made me think that I would also

address the House in an African language, one that has originated in South Africa.

*Afrikaans*:

Die Departement van Binnelandse Sake het oor tyd bewys dat hy van een krisis na die volgende gestrompel het, van paspoorte wat onredelik lank neem om uitgereik te word, tot geboortesertifikate en reis- en verblyfpermitte wat doodgewoon nie deur die departement hanteer word nie.

Die departement beskik wel oor ’n aantal staatmakeramptenare, wat ons gereeld moet kontak en wat moet ingryp om die nalate van die departement reg te stel. Verder het die departement tot dusver daarin gevaal om die Suid-Afrikaanse grense te beveilig.

Die VF Plus verwelkom die feit dat talle tekortkominge in die verslag oor die begrotingsoorsig wel erken word, en dat daar dan remediërende aksie uitgewys word. Dis stappe wat dringend geimplimenteer moet word.

Die VF Plus is egter van mening dat die skaal van disfunksionaliteit in die departement reeds so ver gevorder

het dat die maatreëls wat aangekondig is te min en te laat is. Die VF Plus sal dus nie die verslag ondersteun nie. Dankie.

Mr S N SWART: Hon House Chair, Home Affairs continues to experience challenges with network connectivity. Its live- capture system cannot function and services can then not be rendered to the public. Whilst the war on queues remains a priority, the frontline officers are still experiencing long queues with the public having to wait hours for much-needed documentation and us as parliamentarians did continuously ask to help members of the public. This the ACDP finds this unacceptable. It is unacceptable that citizens are unable to access much-needed documentation, which enables them to acquire social services.

The report before us requires that the department provides an update on how it is addressing ongoing IT challenges, as well the long queues. This is not something new; it is an ongoing problem. We need action and we need it to be sorted out sooner rather than later.

As we know, the department is also vulnerable to criminal acts, fraud and corruption, involving officials and persons

wishing to secure a South African passport, ID or other documents.

The ACDP shares the view that the issuing of the old green ID books should be stopped, as those books are vulnerable to fraudulent activity. Smart cards are far more preferable and will cut down on fraudulent activities.

The ACDP also takes note of the report relating to the IEC and where the report states that the IEC, in collaboration with key stakeholders, needs to improve its performance, to ensure they meet their annual targets to register 10 million South Africans to participate in the 2024 elections. The ACDP agrees with this.

However, when one considers all the challenges facing the department, the queues and the inadequate human resource capacity, then it is very clear that this report cannot be supported. I thank you.

Mr N L S NKWANKWA: Hon House Chairperson, we must promote and respect our African languages. This department has long been faced with administrative challenges and more especially in small towns where there is shortage of employees and as a

result people are subjected to unbearable and long queues which commences well beyond the entrances of the Home Affairs branches. This happens all over the country.

*IsiXhosa*:

ENyanga, umzekelo, abantu bathi xa befolile baphumele ngaphandle babesemngciphekweni wokukhuthuzwa ngaba tsotsi nala maphara. Kaloku oonogada bathi umsebenzi wabo bona kugada ngaphakathi kuphela ...

*English*:

... in the premises and the yard of the Department of Home Affairs and not outside. Meaning, Home Affairs needs to strengthen the security of the people, not inside only but around the premises also to make sure that the people are protected. Secondly, some of the offices have a tendency of still enforcing the Covid-19 regulation of one metre which then has the unintended consequence of making the queues excessively long but also victimises those who do not want to follow that even though the Covid-19 regulations were done away with.

Like many other departments in this country, Home Affairs is famous for always experiencing system challenges where their

systems are frequently offline. People waste money on transport because if the queue is ridiculously long and they have to keep on going back to the department many times in order to get documents. At times people complain that even the R350 they get from government, they have to spend it going to the Department of Home Affairs to sort out issues such as birth certificates and other issues for their children.

Under the Independent Electoral Commission, IEC outreach programme which focuses on informing and engaging the citizens regarding the electoral democracy, the report shows 100% achievement which for us is totally unbelievable given that the editor lacks the ability to provide civic and democracy education in a continuous basis ... [Time expired.]

USIHLALO WENDLU (Nks M G Boroto): Siyabulela Tshawe. Ixesha liphelile.

*English*:

Mr N L S NKWANKWA: Goodbye.

The HOUSE CHAIRPERSON (Ms M G Boroto): Inkosi Mandela, your hand is up. Is that a point of order? Inkosi Mandela ... Okay,

we proceed. You will come back. If it’s just up by mistake, please remove it.

Mr A M SHAIK EMAM: House Chairperson, the NFP will support the report tabled here today. Now, we are concerned about the irregular expenditure and more importantly, on the performance of the IEC, taking into consideration that over 10 million people still remains unregistered to vote in the country, and of course many others that raised concerns in the last elections. But let me tell you some of the good work that has been done by this department.

First of all, let me congratulate the department and Mr Plaatjies and his entire team at Barrack that after 25 years, a South African being on the street could not get any assistance and get his ID. Just with a little bit of intervention - within two weeks - for the first time in

25 years, that individual now has his smart card, and now he can start being recognised. Basically, he has his dignity back. It is not the only instance.

Umgeni Road is also one of those that performs exceptionally well. However, this department has inherited a lot of challenges, and this has been going on the best part of 10 to

15 years. And there has been a lot of success in dealing with corruption in this department. And despite all these successes, there is still a lot of corruption going on, but it’s over a period of time only are we able to deal with these corrupt officials once and for all. So I think what we should be doing is supporting this Minister and his dedicated team that are trying to do everything to root-out corruption once and for all.

Yes, the IT system has been failing them for a very long period of time, and we heard that they are spending a lot of money to address that particular challenge. I have seen changes as far as the queues are concerned. But very importantly hon Minister, I want to say that about 50 youths - I am told - that they have just finished their grade 12 or about to complete ... but I think we need to assist them. But congratulations to your department for a job well done. Thank you. [Time expired.]

Mr M G E HENDRICKS: House Chair, yes, Afrikaans is a ... [Inaudible.] ... language, but not the language that we hear in this House. It’s a language that ... [Inaudible.] ... They captured our language. They stole our language, and that is not the true Afrikaans. I want to tell my comrades ...

[Inaudible.] ... and elsewhere that, yes, you are quite right, it is the Afrikaans and also ... [Inaudible.] ...

Coming back to Home Affairs, I bring a lot of young people to Parliament and to my parliamentary constituency offices. They are born in South Africa but their mothers are from other countries. It’s very embarrassing when they ask me; when will my mom get a valid South African ID? And it’s very embarrassing when the embassy, when I contact them from different countries tell me that you know this is South Africa, it’s all about the money. If you have money you get your documents. So while we support this report, the reputational damage that Home Affairs has done to South Africa, has harmed our democracy, but we will support this report. Thank you very much.

Ms A RAMOLOBENG: House Chair, all South African citizens are dependent on the Department of Home Affairs as only it bears the mandate to manage and secure the official identity and status of citizens and to manage international migration. The department contributes to economic development and efficient government, and to secure our country. Budget Vote 5 encompasses the department’s budget and those of the

Independent Electoral Commission and Government Printing Works.

We welcome some of the notable achievements of the Department of Home Affairs, such as obtaining an unqualified audit opinion. With findings on compliance, spending 100% of its financial appropriation as compared to 96,4% expenditure in the previous financial year. A significant increase in the collection of revenue by approximately 109% compared to the revenue collected in the previous financial year. And also, a significant decrease in fruitless and wasteful expenditure.

We welcome the report that the Independent Electoral Commission obtained a clean audit outcome for the second conservative year. We appreciate the department’s rollout of the e-visa regime, which is now being rolled out in 14 countries. The e-visa initiative contributes to the world class visa-regime supporting economic growth and job creation. We are however concerned about the challenges of network connectivity experienced by the department and the war on queues.

We encourage the department to follow-up on the committee’s recommendation with regards to the queues matter and the

issues of network. We further encourage the Department of Home Affairs to strive towards a clean audit opinion and better adhere to inure audit plans. Appropriate budget should be allocated to expand the mobile units. Thank you, House Chair. The ANC supports the report. [Time expired.]

Motion agreed to.

Report accordingly agreed to.

# CONSIDERATION OF BUDGETARY REVIEW AND RECOMMENDATION REPORT OF PORTFOLIO COMMITTEE ON PUBLIC ENTERPRISES

There was no debate.

BUSINESS INTERRUPTED ON THE VIRTUAL PLATFORM DUE TO TECHNICAL ERROR AT 14:42 AND RESUMED AT 14:46.

*Declaration(s) of vote*:

Ms R N KOMANE: Chairperson, the EFF cannot support this report for the following reasons. Four South Africans who were employed by Eskom were suspended just to save a greedy company called *Framatome* which was favoured by the company Eskom.

*Framatome* has accepted that their two projects were never

formally accepted by Eskom but it had taken the poor workers to seek intervention from the portfolio committee before they could be listened to. Eskom used their arrogant attitude to try and get employees not to be listened to by the committee because as usual they knew the department and its Minister was on their side. Otherwise this matter should’ve been resolved much earlier.

The South African agricultural sector should be dependent on a well-run port to export their produce to overseas markets as fresh produce cannot wait for days or even weeks stuck in terminals due to a lack of capacity by Transnet. The entity is failing to address its freight rail network and has now resorted to private partners between Durban and City Deep.

State-owned companies, SOCs, are still failing to develop and implement a sustainable turnaround plan. They still fail to prove that they can be turned around as sustainable entities that don’t depend on bailouts from the fiscus.

The department is still failing to institute consequence management for executives and management who deliberately and negligently ignore their duties and contravene legislation as

it was also observed by the committee, yet the same Minister is still treated as a saint.

The department is still failing to clarify the future of Denel, including the restructuring process and how the staff in the subsidiaries is addressed.

Eskom’s irregular and fruitless expenditure has increased from R36,3 billion in 2019 ... [Inaudible.] ... R37,2 billion.

Therefore, the EFF rejects this report.

Inkosi E M BUTHELEZI: Hon Chairperson, the Department of Public Enterprises is one of the substandard ... [Inaudible.]

... progression. Apart from being ... [Inaudible.] ... itself it clearly reflects the failures of the ANC-led government.

The unfortunate thing is that as this department is going down, it is taking our whole country with it into the abyss.

Instead of fulfilling a mandate of driving investment and creating jobs, this department is alienating investors by failing to provide the ... [Inaudible.] ... infrastructure, in this regard electricity supply. This department is counterproductive in all material respects as it has become a

burden to the government and our people. It has become the main contributor in terms of issues such as unemployment.

Earlier this year, the SA Airways let go of hundreds of employees, leaving them without employment and unsure of their future. Many of our skilled workers are leaving our country and are going overseas for better opportunities because of the failures of this department.

The unacceptable and ineffective attempts of government to strengthen the fight against corruption is one we have heard way too many times and with no result except bigger figures reflecting on corruption more than the period before.

The aspirational goal of Eskom to establish a separate transmission ... while the current power stations are barely functioning begs the question as to how the department will ensure its sustainability when it’s failing to do so with the current one.

Entities such as Denel are no longer able to provide their strategic capabilities to the Department of Defence, breaking down their entire operational purpose and chipping away at

their sustainability, while Alexkor has achieved fewer than half of their targets.

We can’t continue to let the government use money to put into these state-owned entities, SOEs, like those in the energy, transport and defence sectors, while they are failing to meet their targets.

It’s totally unacceptable to have R38,9 billion allocated to fund SOEs debt when millions of our people are in dire need of water and ... [Inaudible.] We support the report, with reservations.

Ms T BREEDT: Chairperson, audit outcomes mean nothing when the same problems occur year after year and recommendations are just reworded because they just need to sound different than in prior years.

Prior recommendations for this committee included: ensure that findings of the department and in SOCs by the Auditor-General of South Africa, AGSA, are addressed.

*Afrikaans*: So mooi.

*English*:

Institute consequence management for executives and management who deliberately and negligently ignore their duties and contravene legislation.

*Afrikaans*:

Dit moet eintlik nie ’n recommendation [aanbeveling] wees nie. Dit moet ’n gegewe wees.

*English*:

Ensure the implementation of proactive lifestyle audits and reviews of conflicts and interests based on risk analysis in all SOCs; urgent development of technical capacity within the department to oversee its SOCs.

Then we look at the new recommendations of this year, and they just read: finalise and implement the SOCs reforms that have been announced by government, including the government shareholder management Bill and SOE funding criteria**;** and then develop a comprehensive modern governance framework as a critical step in improving SOCs governance and performance.

*Afrikaans*:

Dit is alles baie mooi. Spookasem wat nie realiseer gaan word nie.

*English*:

They are broad, they are unclear and this department will not hold its SOCs to account.

Let me conclude. The AGSA’s observations are worrying. Some of these observations include: the department did not follow a formal process for the invitation, evaluation and adjudication of proposals from interested parties to identify the successful and preferred strategic equity partners; no public invites for bids or expressions of interest; and no evidence that proposals were fairly evaluated based on predetermined criteria.

A department that is supposed to ensure our SOEs function, is not functioning. We reject this Bill.

The HOUSE CHAIRPERSON (Ms M G Boroto): Before you proceed, hon Swart. Hon Gwarube?

The CHIEF WHIP OF THE OPPOSITION: House Chair, we’ve just received confirmation that indeed hon Cachalia’s declaration

was not captured by the system. So can I please ask for a decision in that regard?

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Gwarube**,** I really have to pass on this one. At least there are people who represent everybody in the House and we are going to proceed. I’m sorry, we can’t go back.

Mr W F FABER: Chairperson?

The HOUSE CHAIRPERSON (Ms M G Boroto): What is it now, hon Faber?

Mr W F FABER: I must stress that if the member was not heard on the platform and it is not on YouTube, it means that it did not go out of this House. That means that that member has the right to speak and be able to debate.

The HOUSE CHAIRPERSON (Ms M G Boroto): Okay, we will proceed for now. Let’s not be held to ransom. They are still consulting but I really feel it’s unfair for us to do that. Okay, its fine.

*IsiZulu*:

He-eh! Wothi ngiphendule, ningalwi.

*English*:

The UDM?

Mr S N SWART: No, Chair. It’s Swart here.

The HOUSE CHAIRPERSON (Ms M G Boroto): Sorry, hon Swart. I’ve already cancelled ... [Inaudible.] I’m sorry that I left you. Please proceed.

Mr S N SWART: Yes, I’m starting. The South African economy cannot grow without an efficient and reliable energy source. Yesterday, the *Council for Scientific and Industrial Research,* CSIR, announced that September alone recorded more load shedding than the whole of 2020, with the majority of load shedding higher than at stage 2. The energy availability factor, EAF, has continued to decrease this year with an average of 59,4% compared to 65% for 2020. The ACDP finds this deeply alarming as households and businesses continue to struggle with these unprecedented power cuts.

Now, we note that the report requires the department to provide it with a detailed strategy to improve the EAF to

above 80% by 2024. This is very optimistic. Improving the performance of Eskom’s existing power stations and adding as much new generation capacity to the grid as possible will improve the EAF. We trust that it will be above 80% but this is highly unlikely.

The ACDP also takes note that the committee requires a detailed assessment of the just energy transition. Now, we have raised our concerns about the funding and the substantial increase in public debt, as much of this funding will be in the form of loans. As it is, the Eskom debt relief programme will result in government taking over a portion of Eskom’s R400 billion debt, which will in itself increase public debt levels and debt service costs.

Combatting economic sabotage, vandalism and the theft of economic infrastructure at Eskom and Transnet must be prioritised. This has gone on for far too long and law enforcement agencies need to do far more in this regard. Coal theft by criminal syndicates is taking place with impunity and we now see Transnet Freight Rail investigating suspected sabotage along its main coal line, which it estimates is costing the country a billion rand per day. Clearly, much

needs to be done at the SOCs. Much is not being done and therefore the ACDP cannot support this report. I thank you.

Mr A M SHAIK EMAM: Chairperson, the state-owned enterprises were created for a special purpose, not just to bring revenue to the country, but also for job creation, to create economic growth and boost this economy. However, there is not one state-owned entity that is fit for purpose, which is achieving target goals. More importantly, there is something very sinister that seem to be happening. If you saw SA Airways – R51! Not forgetting that not long ago, your entire fleet of airplanes were sold to somebody who decided that he will rent or lease them back to us. WE have done very little or nothing about it.

Eskom, whether we like it or not, no matter how much anybody wants to convince us, is another form of privatisation with renewable energy and independent power producers. The expenditure will remain the same. The debt will go even higher. There will not be able to sustain and they get shut down. There is talk of Denel going exactly the same. So, it seems like there is something going on behind closed doors. If you look at how secretive the issue of SA Airways is. To privatise almost everything!

Then, the question that arise is: How is it that it is going to be successful in private hands but in the public sector, it is not? I think it is a matter that we need pay very serious attention to. Every singly state-owned entity... I had a chance of speaking to the Minister of Finance to find out if we are getting any revenue at all from any of them. I think there is almost nothing that is actually coming in.

However, all we know is that poor taxpayers that are already overburdened, with job losses and a high cost of living, had to continuously bail these state-owned entities. Why can’t we run these state-owned entities as business, on business principles, so that it could be profitable. It can generate revenue and income to the country. Why is it not though?

The NFP cannot and will not support this Report. [Time expired.] Thank you.

*IsiXhosa:*

Mr M NYHONTSO: Sihlalo WeNdlu, inintsi into edibene noEskom phakathi. Asinoyixhasa!

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon Cachalia, it is confirmed that your declaration was not captured on Hansard.

AS such, you are not on record. I am going to request you to come back, before the ANC’s declaration. Yes

Mr G K Y CACHALIA: Second time with feeling! Chairperson, more monitoring of five-year plans. Stalin was a master of five- year plans and at least he achieved some industrialisation, albeit in cultural cost to lives and liberty. You have overseen the hollowing out of the SOEs. While helping to create the thieving elite, the majority of black people literally collect wood and carry water.

Then you have the temerity to smugly oversee and present Reports that allows for no minority report, presenting the same old pie-in-the-sky solutions, literally redeemable when folk die. The same old enablers of larceny, BEE preferential procurement, cadre deployment and localisation remain intact, regardless of the crisis we face.

You ignore that plaintiff calls from the Mteto Nyati of this world, to cease and desist. You are garbled the economy.

Severed the arteries of our logistical infrastructure and all but switched off the lights while you fly SA Airways’ *Albatross Mk II* into *Neverland.* This is ‘*Broedebond* Mergent Two’ without transport and electricity, and every bit you

fought for has been destroyed. Now you ask again for a pass for the department to get out of jail, when they should be going in there directly! Your heads are so firmly in the sand, searching for Alexkor’s elusive diamonds, that you are impervious to the DA’s examples of good governance. Why?

We all understand the need for redress, but you have trashed that imperative and set us on the road to Zimbabwe via Nigeria. We will not support this Report. Again, get it!

Ms J TSHABALALA: Thank you so much, Chairperson. Hon Chief Whip of the Majority Party, I hope hon Cachalia gets it. He cannot speck twice. You still came back worse than when you started. Seriously!

Chairperson, the ANC supports the Consideration of Budgetary Review and Recommendation Report of Portfolio Committee on Public Enterprises, for the Department of Public Enterprises. The support is really informed by the work that the DPE has done to really ensure that our SOEs improve in their key strategic sectors of our economy.

On the positive front, while Alexkor comrade Cachalia did not really submit 2021-22 financial year report, the company

profitable has improved significantly in 2021 financial year, implying that the replication of improved profitability in the pending hoodies for 2021-22 financial year is possible.

Similarly, South Coal has really improved its profitability as the company’s profit after tax amounted to R83,6 million. That is a fact! It has improved and it performing during the financial year under review. In addition, Transnet profitability has improved in 2021-22 financial year, with a revenue increase by 1,8% to R68,5 billion.

On the negative front, we want to also declare that the 2021-

22 financial year was a difficult period for Eskom, Denel and SA Airways, as they were unable to submit the financial reports on time. Regardless, the government decision to provide additional funding to SOEs, as outlined in the 2022 MTBPS, will return Eskom and Denel back to its profitability and operational efficiency. Moreover, the partnership between Takatso Consortium and government in SA Airways will expand the national carrier share in the domestic and continental markets.

Lastly, the DPE has spent 99% of its total budget, which must be applauded. [Time expired.] Underexpenditure compromises service delivery. I thank you.

Question put.

Motion agreed to (Democratic Alliance, Economic Freedom Fighters, Freedom Front Plus and African Christian Democratic Party dissenting).

Report accordingly agreed to.

# CONSIDERATION OF BUDGETARY REVIEW AND RECOMMENDATION REPORT OF PORTFOLIO COMMITTEE ON COMMUNICATIONS

The CHIEF WHIP OF THE MAJORITY PARTY: Thank you very much House Chair.

*Sesotho:*

Ke tsitsinya hore tlaleho ena e amohelwe ke Ntlo ena. Ke a leboha.

*Declarations of Vote*:

Ms D KOHLER: Chairperson, our committee went through its Budgetary Review and Recommendation Report at record speed. All, except one, which is the Post Bank whose annual report simply didn’t arrive, and when it did, the linked had expired. Today, we saw why. The Auditor-General is giving the Post Bank a disclaimer, the worst possible audit: Unable to obtain sufficient appropriate evidence; adequate accounting records; and unknown material losses.

This bank is hiding information. It has enormous amounts simply unaccounted for. Yet, the ANC believes it must be pushed to a stand-alone bank. In a single year, fraudulent losses quadrupled, from R20 million to over R80 million. We are being hustled through what is patently a money Bill, which the ANC is determined must be overseen by a committee with zero financial expertise.

We have seen no proposed budget. We have no idea where the branches will be, as the Post Office branches are closing down one by one. It looks across the state of fortune to establish, but the order has gone out. Pass it and do it now! Just in time for the 2011 ANC National Conference. Perhaps the aim is to quickly separate it from the bankrupt Post Office, which also received a disclaimer.

The Hawks investigation into the misappropriation of funds is at an advanced stage. Meanwhile, R1,4 billion, specifically set aside for the protection of retired Post Office workers, has simply evaporated. The SA Broadcasting Corporation, SABC, has set for months with no board and the SA Airways is being blamed, yet we are given a minuscular amount of time to do the vetting of the 34 final candidates.

The SABC had a captive audience during the Covid-19 period and still managed to lose viewership and listenership:

R2,8 billion disappeared; and irregular, fruitless and wasteful expenditures, with the net loss of R201 million occurred. This Minister’s department is all grand ideas backed by nonexistent research and zero delivery. It is a sad sorry department of incapable financial officers, mass looting, with the perpetrators going untouched and with entities teetering on financial abyss. This Report cherry-picked its way through the Auditor-General’s findings. No, we will not support it.

Mr K E MAGAXA: Hon House Chairperson, on a point of order: With due respect, I wanted to check if is it a Member of Parliament who has just spoken?

The HOUSE CHAIRPERSON (Ms M G Boroto): I am sorry she is off the platform and we cannot bring her back but I am sorry that I did not recognize you while she was still on the platform.

Mr V PAMBO: Hon House Chairperson, while we are gathered here, the SABC is still without the board since the term of it expired. This is the most serious indicator of dysfunctionality of this Parliament and of this executive leadership of the Department of Communications and Digital Technologies and also exemplifies the level of incompetence and characterizes the Ramaphosa administration in general.

There is no credible excuse justifying why the South African post office has been allowed to decay the way it has. Post office remains the very important means of communication for millions of our people. It provides services that few other institutions do too and is able to be accessible to the most remote areas in the country.

Its destruction will inevitably lead to the deprivation of key services to our people. It is for this reason that we argue for its recuperation. Government must do whatever it can including investing whatever money is required to turn the post office around. Linked to the viability of the post office as the entity, is an equal important role of the post bank

which is linked to the post office. The country needs a bank such as the post bank to continue the services it has been providing to our people. There must be deliberate steps taken to expand the bank’s reach and make it a fully functional state bank.

For this to happen, the post office has to be made a viable entity so that it can be made a bank controlling company. The current leadership of the department has no ideal additional capacity to even to see of the critical development both the post office and the post bank can play in the country. We therefore reject this Budgetary Review and Recommendations.

Ms Z MAJOZI: Hon House Chair, the Department of Communications and Digital Technologies together with Independent Communications Authority of South Africa, Icasa, National Electronic Media Institute of South Africa, Nemisa and Sentech obtained unqualified audits opinion with findings. However, the SABC ‘s Seta and the Universal Service and Access Agency of South Africa obtained qualified audits with findings. The SA Post Office and the Universal Service and Access Funds obtained disclaimers with findings. As the IFP we are concerned with the performance of these entities and their inability to achieve the set targets.

It is discouraging for us to find that entities which have been receiving support from the committee, the department as well as the Treasury with bailouts have been unable to change their face and generate revenue to sustain themselves. As the IFP, we are concerned that the SA Post Office, Sapo, is not doing well. It has excessive loses with little to no hope of recovery even with the enormous boost from the SA Social Security Agency, Sassa grants disbursement contract. It is concerning that across entities there are high vacancy rates for posts that are budgeted for but have not yet been filled. This is more alarming at Sapo, which has vacancies at management level.

The impact of this delayed release of spectrum cannot be downplayed. As the IFP, we have been calling for the rapid cation towards its roll out. Slow release of the spectrum keeps the data costs extremely high and it is also result in the lost opportunity for you not to afford expensive data.

This is in a country with an alarming unemployment rate. It is alarming that there is a lack of consequence management in some entities when wrongdoing is uncovered. There needs to be an action. We call on Sapo to fully co-operate with the investigation by the Hawks into the alleged medical aid fraud. As the IFP, we call on the department for a swift roll out of

set of boxes towards the switch from analogue to digital. The process must be done completely and accurately. The IFP accepts the report.

Ms T BREEDT: Hon House Chair, to know how is going in this department we just need to read the Auditor-General’s outcomes and they read like a horror novel. The Auditor-General was unable to obtain sufficient appropriate evidence for the achievement of 29 230 subsidised digital televisions installations. As reported this year, management does not have adequate internal controls in collecting, collating and verifying the data related to the Broadcasting Digital Migration, BDM project. The Auditor-General was further unable to obtain sufficient audit evidence that disciplinary steps were taken against officials who incurred irregular expenditure. Total irregular expenditure incurred for the portfolio this year amounted to R1,2 billion. Despite an improvement on the overall extent of loss, the SABC continues to suffer losses for the fourth consecutive year.

Internal controls deficiencies raised by auditors are that, management did not effectively implement the Audit Action Plan, management did not record proper record keeping and management did not implement and develop a compliance

checklist. The entity did not implement adequate consequence management processes for transgression against applicable policies, laws and regulations.

And then, we get to SA Post Office that received a disclaimer audit opinion with findings and that is all that needs to be said because if you look at the details, it is even more horrifying. Material impairment of R703 million was incurred. Material losses due to criminal conduct that was incurred as a result of fraud and theft. An amount of R861 millions of growth funds were withdrawn from the Post-Retirement Medical Aid, PRMA investment to finance the abortion of company’s current obligations. Contingents liabilities at Sapo were dependent on a number of lawsuits.

*Afrikaans*:

Dit is ’n skreiende skande. Ons kan nie hierdie verslag ondersteun nie. Ek dank u.

Mr W M THRING: Hon House Chairperson, the ACDP is aware that section 5 of the Money Bills Act guides that portfolio committees of Parliament must conduct reviews of the audited financial statements of their respective departments and entities and if required, issue recommendations on the forward

use of resources. The ACDP echoes the concern raised by the portfolio committee indicting that the department of communications and digital technology is a department in distress. This is underscored by the findings of the Auditor- General. The observations of the portfolio committee where it found that, amongst other things, entities of the portfolio committee have regressed in most performance areas. The majority of entities did not correctly apply the Public Finance Management Act. The highly paid financial experts were making mistakes in respect of the application of the PFMA. Management across most entities did not implement proper record keeping, and there seems to be a leadership crisis across most entities. It appears to be immaterial which entity one looks at from Sentech to National Electronic Media Institute of South Africa, Nemisa, and sector education and training authority, Seta. None obtained a clean audit, and all are in need of being overcalled with good governance and financial management principles, particularly the SA Post Office, Sapo, and SABC. It is doubtful whether these entities continue to exist as going concerns without further bailouts.

The ACDP is aware that one of the focus areas of the department is to create a South Africa where citizens can enjoy more significant economic and social prosperity, comfort

and higher levels of wealth and wellbeing and safety through the Fourth Industrial Revolution. While not opposed to scientific and technological advancement, the ACDP cautions against the technology emanating from ... [Time expired.] ... Fourth Industrial Revolution were we want to become transhumans by making humans hackable ... [Time expired.] ... The ACDP does not support this report. Thank you.

Mr A M SHAIK EMAM: House Chairperson, yet another government department that’s in the intensive care unit. Look at the state of the SA Post Office. What quality service did the Post Office used to provide many years ago? And the question we need to ask ourselves is, “Why have we arrived to where we are today?” This SABC still expect to continue without a board, and vetting is not yet completed. The Auditor-General was unable to claim sufficient appropriate audit of evidence for the achievement of 29 230 subsidised digital television installation form a target of 840 000.

The Auditor-General was further unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken. What if you ... [Inaudible.] ... thousands of jobs are now going to be lost at the Post Office. What is really the problem with the SA Post Office? This particular Post Office

has been losses year in and year out. The question is, “Is it fit for purpose?” Despite the challenges that it faces, we still give it more and more competition and that is through PostNet and others in the private sector. It is exactly what we have done with SA Airways, SAA, ... [Inaudible.] ... to the extent we have. The SABC’s revenue appears to be declining all the time. There is R2,8 billion by the Post Office owed to Postbank alone. There are 3 437 crimes in ... [Time expired.] The NFP cannot support this report.

Mr W M MADISHA: may I speak from here, hon House Chair. Thank you very much ...

The HOUSE CHAIRPERSON (Ms M G Boroto): Ooh, welcome! I haven’t seen you.

Mr W M MADISHA: Ooh, I am here. Hon Chair and members, thank you very much. I must say that although we support we want to say that a number of areas need to be looked into. The first one is implementation. There hasn’t been implementation at all, particularly in most of the entities. We must emphasise that the requirements that we have raised in the portfolio committee in so far as this particular area is concerned, are *inter alia*, the human capital. There is a problem there. That

will include skills development, labour turnover and proper assessment.

These are the things that will be it and an agreement has been looked into, so we don’t have this implementation over many years, of course. And we are therefore saying that that has got to be looked into. We further say that there needs to be creation of space for what as South Africans have agreed needs to be looked into, and that is the issue of people living with disabilities and the issue of women. If you look into higher management, particularly in all the entities, including SABC, you still have this kind of a problem. All this got to be looked into and I am therefore saying be it we do agree with that which has been put forward. We are saying that must be implemented as a matter of urgency. Thank you very much.

Mr C N MALEMATJA: Thank you, Chair. The ANC support the Budgetary Review and Recommendation Report of the Portfolio Committee on Communications and its recommendation. We do so with the understanding that where there are notable achievements that have been registered in financial terms, there remain a lot that needs to be done. The ANC welcomes the R200 million that has been rolled over of the Presidential Employment Stimulus to Broadband Access Fund. It will enable

13 million households to access broadband internet at an affordable rate and compatible speed.

We also hope that many young people within the information and communications technology, ICT, sector will be empowered through employment and skills development opportunities in the process.

*Sepedi*: Re no ba re na le go se kgotsofatiwe ke tekanyetio yeo e filwego Poso ka gobane Poso e hwetia tekanyetio yeo le ka boyona e sa kgonego le go fihlelela morero wa yona. Re be re kgopela gore tekanyetio ya Poso e hlahloiwe gore le yona ge e rera ngwaga kamoka e se ke e ete e kgopela kua le kua. E swanetie e kgone le go ...

*English:*

... fill vacant spaces so that ...

*Sepedi:*

... o se ke wa hwetia ka posong batho ba eme methalading ye metelele e le ge baiomi e le ba bannyane. E swanetie e be le tihelete yeo e tla kgonago go thibela bonokwane, go utswetiwa le go reka batho, ka gore ke tieo di dirwago kudu ke baisa bao ba dutiego ka mo thoko ya ka - ge ba fetia ba dira tieo

okarego re le ANC ga re iome gabotse. Ka ona mantiu ao re thekga pego yeo gore le bona eka ba ka okeletiwa tekanyetio.

*English*:

Thank you, House Chair.

Agreed to.

# CONSIDERATION OF BUDGETARY REVIEW AND RECOMMENDATION REPORT OF PORTFOLIO COMMITTEE ON ENVIRONMENT, FORESTRY AND FISHERIES AND ENVIRONMENTS AND ENTITIES

*Xitsonga:*

XIMOKONKULU XA VANDLA LERI FUMAKA: Ndzi khensile, muchaviseki Mutshamaxitulu wa Yindlu. Ndzi kombela leswaku Yindlu leyi yi amukela Xiviko.

MUTSHAMAXITULU WA YINDLU (Man M G Boroto): Ndza khensa.

*IsiXhosa:*

Mnu N L S KWANKWA: Libuyile itshipha.

*Declarations of Vote*:

Ms A M M WEBER: Chairperson, South Africa a land diamonds gold, coal, exquisite biodiversity, water, waterfalls, fresh air and abundant wildlife. The sad reality is that our natural environment which provides resources such as water, land, plants, animals, minerals and fresh air is being destroyed.

South Africa remains one of the world’s largest air pollution hotspots and our fossil fuel power stations are not complying with the minimum emission standards. The consequences are increased respiratory, cardiovascular and increase comorbidities. Does the ANC care?

Many rivers are running out due to the climate change. This causes rainfall delays and the decrease of dam levels. Low rainfall has a major impact on the security of food in South Africa and leads to the rising food costs. Does the ANC care? Roodeplaat Dam has the first ever World Rowing Masters Regatta in Africa next year. What an honour! However, the dam is not being maintained and cleaned off invasive plants. Does the ANC care about the unemployment and economic growth? Many communities are dependent for their survival on fish. But the department still can provide these traditional fisher people for with their permits. Does the ANC care? The Mufasas of the jungle had been reduced farm animals to breed and be hunted.

Does the government not to understand the circle of life?

There has to be a balance between environments and the economy.

Over R10 million has been spent on a disciplinary hearing for the South African National Parks, SANParks, Chief Executive Officer, CEO, while the Department of Environment, Forestry and Fisheries, DFFE, bursaries for 90 learners were stopped due to shortage of funding. The DFFE underspent on R1,6 billion this year, and the department received another qualified audit. What a disgrace? This money could be used for increasing the security of the endangered rhino being poached for the greed of others. Instead, helicopter flights searching for the perpetrators are halved. More rangers should have been appointed. Where are the promised lie detector tests? The content of the Budget Review and Recommendations Reports BRRR, makes it clear that the performance of the DFFE and its entities is slipping and our environment is suffering. We ask again, does the ANC care? [Time Expired.]

The HOUSE CHAIRPERSON (Ms M G Boroto): Hon De Villiers please check your Rule 64(g). We proceed.

Mr M N PAULSEN: Hon Chair, the audit opinion of the department remains unchanged for the current financial year 2021-22.

Having retained the same audit outcome of a qualified audit opinion as in the previous two financial years. The department and all its entities incurred irregular expenditures amounting to R975 million for the current financial year. The department did not improve the quality of its planning for service delivery and performance reporting. The Auditor-General stated that the department did not define evidence to validate its reported achievement. The department did not report on revised targets and the reported performance achievements lack credible, reliable and complete evidence.

All the entities except the South African Weather Service submitted performance and financial information with material misstatements. The tabling of this report takes place against the backdrop of COP27 that the greenhouse gas emission reduction approach does not account for the social impacts, because it is not managed at a centralized point resulting in existing plans such as the Just Energy Transition and job resilience, remaining unco-ordinated and unaccounted for. This is because the ANC has outsourced these plans to the Presidential Climate Commission. A commission that does not account to Parliament, but rather to the President. The $8,5 billion in the form of loans and grants from the developed nations to fund South Africa’s Just Energy Transition has

created a lot of interest that South Africa’s pavilion at COP27.

Africa as a whole is responsible for less than 4% of greenhouse gas emissions, yet we pay a disproportionately high price in terms of catastrophes and natural disasters. This is not of our own making. We must be compensated for the loss and damage incurred for climate field weather extremes like the floods in KwaZulu-Natal that cost 448 lives and displaced 40,000 people. We do not want compensation in the form of loans and grants, repayments on loans and grants will throw this country in a burden on future generations. We reject this report. Thank you very much.

Mr M HLENGWA: Sanibonani [Good day], I read this Declaration on behalf of the hon Singh. Enough is enough. We are environmentally speaking, balancing precariously upon the precipice of the point of no return. We are beyond the stage of having the latitude to second guess ourselves and beyond the stage of more action less policy. We need to turn our policies into implementable action. We need an administration that clears bureaucratic hurdles rather than obfuscates policy into such complexities that result in nothing more than policies endlessly looking upon themselves. We need a

department that takes its financial compliance seriously. None of the environmental portfolios received a clean audit.

Chairperson, the time we have is not enough to unpack the myriad of issues plaguing this department. And for that matter, the government in general. The government is continuing to fail our current and future generations in not meeting climate targets or in protecting iconic African fauna such as our elephant, rhino and lion. As one studies the approved Department of Forestry, Fisheries and the Environment, DFFE, 2022-23 Annual Performance Plan, a common threat is noted across departmental programmes, namely that motivation for revision of annual targets by the Department of Forestry, Fisheries and the Environment one might just as well say failures to meet targets across the board.

Chair, due process is not being followed. Administration is down to 60% again, we have the underperformance of the office of the chief financial officer. The auditor-general, AG, noted that the DFFE, SANParks, iSimangaliso Wetland Park... [Inaudible.] ... submitted deficient performance information in primarily because they did not follow the smart principle or let credible evidence in support of their performance claims. Economic transformation and job creation 66% targets

were achieved, education and health 43% targets were achieved, on oceans looking better at 81% up from 60.

Chair, history will record that this decade was “The Quiet Before the Storm”, or alternatively, could be the decade in which we took decisive action. The IFP supports the report. [Time Expired.]

*IsiZulu*:

Usungaze ungixoshe! Usungaze ungixoshe?

Ms T BREEDT: Chairperson, let me start by acknowledging that the South African Weather Service and the work they do amidst a waning budget, and many challenges faced. They are the only entity within the portfolio to submit annual performance and financial statements free of material misstatements, nor do they have general areas of concern such as consequent procurement, and contract management as the department and the rest of its entities. What should be noted is the repeat findings of the department and the other entities that have become a problem. These findings need to be addressed and the department should ensure that we do not see a list of repeat findings again.

The department did not improve the quality of planning for service delivery and performance reporting. In fact, the Auditor-General of South Africa, AGSA, further found that the improvement of audits and performance by the department and its entities is not translating to the improvement of livelihoods in coastal communities. Being in the midst of COP27, having studies prove that communities will be displaced by climate change and other environmental factors. We cannot afford to take this funding lightly. We need to do more to ensure the protection and improvement of livelihoods of our communities, especially our coastal communities.

The department has shown a slight improvement within its total irregular expenditure, but still not enough. The department incurred irregular expenditure of R888 million. The second biggest transgressor when it comes to irregular expenditure is South African National Parks, SANParks, that had R393 million of alleged irregular expenditure for the same period. What is specifically worrying taking the findings with regards to SANParks into account is the regression in supply chain management, SCM, compliance. SANParks is embarking on a massive infrastructure upgrade and we cannot afford this, having further findings and concerns as one of South Africa ’s biggest forms of tourism is being directly impacted.

In conclusion, I fear the forestry master plan. We have seen no other master plan that works embarked on and implemented by this government. I have little hope. I thank you.

Mr A M SHAIK EMAM: Chairperson, all the entities aligned to this department had unqualified audit opinion with findings. Now, the department was unable to correct all the identified material misstatement which resulted in a qualified audit opinion.

The department and all its entities incurred irregular expenditure amounting to R975 million for the 2021-22 financial year. However, the irregular expenditure, if you go from the period of 2017 right up to now, sits at about

R5,41 billion. The audit opinion remains unchanged having regained the same audit opinion for 2019-20, 2020-21.

Then we’ve had irregular expenditure in the SA National Parks, SANParks, for R36,8 million and if you go to the previous years it’s sitting at R393 million.

Chairperson, some of the concerns we’ve got, which we’ve highlighted previously, particularly which is the matter that had to do with the environment, is some of the areas that have

high pollution, which includes the Meer Went Jacobs, Austerville, Lamontville, Bluff areas. This department has done very little or nothing.

On the issue of the forestry setback, there is still appears to be a monopoly by big business that control that, and more importantly even with the fishing extreme. Small-scale fishers are still having great difficulty to be able to get contracts that they are able to survive on. Remember, this is their livelihood. And the other problem that they tend to be having is that we’ve been issuing quotas and contracts to some of these big fishing companies, some of them are not even South African companies, at the expense of our local fishing industry. I think these are some of the matters that needs to be ... [Inaudible.] ... but the NFP will support the report tabled. Thank you.

Mr P M P MODISE: Hon Chairperson, the ANC stands in supports of the budget review and recommendation report for the year 2021-22 of the Department of Forestry, Fisheries and Environment.

Hon Weber has asked 10 times if the ANC cares. The answer is simple; the answer is yes.

Now, the fact from an informed point of view, not some sponsored and unsubstainted views are that, we took note of the performance of the department and its entities in meeting their targets aimed at growing our economy, creating employment opportunities, contributing to skills training and development as well at the protection of the environment and wildlife biodiversity.

We have noted the challenges related to the implementation of the forestry masterplan at Knoflokskraal in Grabouw, and the impact that it has and the invasion on the land on job creation.

The introduction of the Climate Change Bill is underway, with public submissions taking place and the Introduction of the National Veld and Forest Fire Amendment Bill will introduce an enhanced mechanism to fight devastating veld fires.

The department did not incur unauthorised expenditure but a wasteful expenditure of about R9,2 million. Although we are not happy as the ANC with this wasteful expenditure, we acknowledge and we welcome the progress that the department did not incur ... [Interjections.] [Inaudible.] ... This is

good, it’s acceptable as it speaks to the improvement of the financial controls.

In its iSimangaliso Wetland Park, the SA Weather Services received a qualified audit with findings on key legislation and the marine living resources fund had an unqualified audit finding.

SANParks, we agree, it needs to improve financial operations. We are concerned about the alleged R3,937 million on irregular expenditure.

But overall, Chairperson, the stands in support of the recommendations ... [Inaudible.] ... department. Thank you very much.

Motion agreed to (Economic Freedom Fighters dissenting).

Report accordingly agreed to.

# CONSIDERATION OF BUDGETARY REVIEW AND RECOMMENDATION REPORT OF PORTFOLIO COMMITTEE ON SMALL BUSINESS DEVELOPMENT

There was no debate.

The CHIEF WHIP OF THE MAJORITY moved: That the Report be adopted.

*Declarations of vote*:

Mr H C C KRÜGER: House Chairperson, small businesses are facing tough times. Despite its moral grandstanding, it is the ANC government that is killing small businesses.

The formula is simple; a thriving small business sector creates jobs. However, due to South Africa’s unfriendly and overregulated business environment, most small businesses fail. A lack of governmental support leads many to close shop altogether. In fact, we have one of the highest failure rate in the world. Five out of seven businesses fail within their first year of doing business.

Chairperson, red tape is a hidden tax that kills jobs and suffocates businesses. We must cut businesses loose from unnecessary red tape so that they can do what they do best and that is to create jobs, invest, innovate and grow.

Start-ups need support during their critical first years when businesses are looking for ways to grow while keeping costs

down. However, the ANC government is mostly silent in this regard.

*Afrikaans*:

ANC-regeerde provinsies verontagsaam regulasies van die Public Finance Management Act, PFMA. Gedurende die 2021-22 finansiële jaar, was soveel as 260 000 fakture uitgereik deur kleinsakeondernemings wat nie binne die verpligte 30 dae deur hierdie regering aan my regtekant betaal is nie. Die rand waarde is ’n ongelooflike R29 miljard. Geen wonder kleinsakeondernemers kom nie die mas op nie.

*English*:

Small business owners, please take note, where the DA governs invoices are paid within 30 days [Time expired.] red tape was reduced and small businesses are able to prosper.

Ms B MATHULELWA: Chairperson, when a department exclusively dedicated to small businesses, impression was created. Many people expected a clear and determined focus by the government to grow small businesses, in particular black-owned small businesses.

The department has done nothing, particularly since the devastation of COVID-19 to support small businesses that are black-owned. Even at the height of covid, government subsidies for small businesses benefitted mainly white businesses, leaving our people destitute, and to this day, many black businesses have not been able to recover from that devastation.

The department has done anything to assist the mainly black businesses affected by the floods in KwaZulu-Natal and in the Eastern Cape. But all this is the indication of the failure of the leadership of this department to develop a comprehensive support strategy to small businesses as well as informal businesses in the country.

Informal businesses support livelihoods of millions of people and yet municipalities such as Cape Town and other metropolitan municipalities ... [Inaudible.] ...regulations that make it difficult for small businesses to run businesses properly.

The department has instead allowed bigger retail shops to occupy the places previously occupied by small businesses in the townships.

Perhaps the greatest sin of this department is the inability to intervene to ensure that government departments that use services for small businesses do pay these businesses on time. Far too many small businesses collapse because of the government’s failure to pay them on time.

Therefore, we reject this Budgetary Review and Recommendation, BRR, Report. Thank you.

Mr M HLENGWA: Hon House Chairperson, the development of small businesses in our country is the lifeline for our economic recovery. The country’s poor economic outlook with the constant decline of the rand and the rising cost of living, as a result, will only further impoverish the majority of our people.

Whilst big corporations are welcomed in their ability to bring about new and greater opportunities, it is the small businesses that will carry our unemployment rating to the single digit percentage, put food on the table for all South Africans and ensure that the economy extends to the townships and the rural areas. We should find a common platches at least. Small businesses are the economic backbone of our country.

Unfortunately, there have been hundreds of complaints from small business owners regarding business bullying tactics by state-owned enterprises, SOEs, regarding transactions and the business environment, which makes it difficult for them to operate.

The IFP calls for faster introduction of the Small Enterprise Amendment Bill and fast-tracking the establishment of the ombuds service contained within the confides of the Bill.

The time is upon us to make the relevant changes to support our economic recovery through strong, viable and sustainable small businesses.

Businesses should not suffer at the hands of the slow-to-act executive and legislature. We need to remove the red tape that is blocking many of these businesses and stifling their growth as per the promise of President Ramaphosa during his state of the nation address this year. Thank you, Chairperson.

*Afrikaans*:

Me T BREEDT: Voorsitter, hierdie departement is besig om ons kleinsake te faal. Kleinsake het nie net marktoegang nodig nie maar moet ook toegang tot advies en finansies hê. Dit het

verder meer ’n klimaat nodig waarin hierdie klein besighede kan begin groei en floreer. Ons het dit tans nie. Hierdie departement faal ons kleinsakeondernemings.

*English*:

The department also has a number of those legislation policies outstanding. The National Small Enterprise Amendment Bill might only refer to Parliament in 2023. The Small Enterprise Ombud Service Bill announced by the former Minister Ntshavheni in July 2020 will be referred to Parliament sometime.

During the course of the financial year, the department revised its time frames in as far as the referral of the Business Amendment Bill to Parliament is concerned and the small, medium and micro enterprise, SMME, and co-operative funding policy is also not yet concluded.

*Afrikaans*:

Hierdie departement is nie besig om sy werk ernstig op te neem nie en verder sukkel ons kleinsakeondernemings.

*English*:

Co-operative enterprises are struggling to access financial assistance. The utilisation of financial intermediaries by

Small Enterprise Finance Agency, Sefa, was flown by the Financial and Fiscal Commission, FFC, into 2019 already as increasing the cost of capital for struggling small enterprises to name but too financial challenges.

*Afrikaans*:

Ons kan nie die finansiële vereistes vir kleinsake so hoog maak dat ons nie kleinsakeondernemings meer het nie. Ons kleinsakeondernemings verdien beter. Suid-Afrika verdien beter. Ek dank u.

Mr N S L KWANKWA: Chairperson, the UDM does not support the report. There is an ongoing challenge of government department that fail to meet obligations to ensure that the invoices of suppliers are paid within the stipulated 30 days as regulated in the Public Finance Management Act. This is one of the leading challenges, which serve as a stumbling block to the growth and stability of this small businesses sector.

A huge number of 959 non-paid invoices was reported in June 2022 causing a serious impact on the financial health of many businesses especially small businesses that do not have reserves to draw on in times of need.

The department should work closely with the government accounting officers to impose consequence management on officials who failed to pay suppliers on time as this is shuttling the growth for our economy. It is said that the department is failing dismally to push for great take production as excessive regulations plays undue stress on the SMMEs sector in South Africa and causes unnecessary bureaucratic delays for businesses.

Also, sometimes more businesses failed due to the failure of the department to put in place protective measures that will help SMMEs to access financial support in markets for their products and services. This also include the failure to help them to do so on the rest of the African continent.

Inadequate access to finance remains a major obstacle for many aspiring entrepreneurs particularly in our developing countries because government lacks innovative ways to fund small and medium size enterprises and there is pertains over reliance on the financial services sector, which get less about the small man in the street. The department considered view that the department should collaborate with ...

The CHAIRPERSON (Ms R M M Lesoma): Hon member, your time has laps. Thanks you so much.

*IsiXhosa*:

Mnu N S L KWANKWA: Oh! Anisifuni ke bethuna. Thixo!

Mr A M SHAIK EMAM: Chairperson, it seems like there is no money or financial resources there is always a problem. If we look at this department, it spent 99% of its budget. But only achieved 60% of 15 out of 25 of its targets.

Now one of the concerns of small business is funding but very important here I think the department is not doing to provide them with finance skills and management skills. These things don’t exist.

So, giving a small business money but not being able to guide them until they are successful only lead to failure. But the other problem, we have got the high cost of doing business compounded by the fact that particularly government department either fail or neglect to pay the small businesses timeously resulting in many of them closing down. Despite the Public Service Commission and legislation put in place and the Auditor-General asked to deal with these, officials go on year

in and year out violating the Public Finance Management Act, PFMA, and don’t pay these people timeously. And look at the hardship and the sufferings from small businesses.

But another major problem, this department and government have done nothing, absolutely nothing to create a conducive environment for small businesses to survive in South Africa.

I don’t know whether it is political parties that are receiving funding from countries like China that every little item in this country come from China. And all your factories are closing down whether its textiles, whether is plastics, whether is leather industry, everything is shutting down because we are relying on imports to this country. What is the reason that a country will bring in imports even though ... [Time expired]

Mr H G APRIL: Hon Chairperson, the ANC support the BRRR report of the Committee on Small Business Development, SMMEs is an important contributor to our economy and the economy ensures jobs in the local economy throughout the country. The Small Enterprise Finance Agency, Sefa and the Small Enterprise Development Agency, Seda, and Cooperative Banks Development Agency, CBDA, the entity is under the department plays an

important support role in the development and financing of SMMEs.

While there has been much progress in the financial year, there is still much more work that needs to be done. We have faced very difficult financial circumstances through COVID pandemic while government made funding available the uptake of that funding was rather slow. It is imperative that the department implementation of the recommendations of the Auditor-General to mitigate risk and improve financial controls. Systems are being put in place to ensure that regular accurate reporting can occur. It is imperative that SCM Supply Chain Management Regulations are followed as this is a major area of expenditure.

Part of improving the performance of the department, it is imperative that legislation is fast-track and this will ensure the basis on which implementation of programmes can occur.

The development of the township economy remains an important area of development in creation of SMMEs and job creation within the micro economy. Low cost finance for the development of SMMEs remains as important area of focus for the development of the sector. The opposition need to stop

chatting on my left hand side and listen that we need to get together so that the sector will be part of the national economic development and transformation. And therefore, political differences need to be put aside so that we can develop the sector. The ANC support the BRRR and especially its observations and recommendations, which the department is to consider and hopes that we will always ...

Report accordingly agreed to.

# CONSIDERATION OF BUDGETARY REVIEW AND RECOMMENDATION REPORT OF PORTFOLIO COMMITTEE ON WOMEN, YOUTH AND PERSONS WITH DISABILITIES

There was no debate.

The CHIEF WHIP OF THE MAJORITY PARTY: I move that the Report be adopted.

*Declarations of vote:*

Mr L MPITHI: Thank you, House Chairperson, what we all know as South Africans is that the promises that had been made in the past from the President down to his Ministers have meant nothing. There has been zero accountability, zero delivery, and no justice for the people of South Africa and women in

particular. This BRRR is no different, it has done nothing to provide a rapid and comprehensive response to all forms of violence against women in our communities. In fact, there is simple, no plan to implement in some provinces at all. It has not addressed the backlog of cases and unavailability of rape kits in police stations. Quite frankly, the department is comfortable in keeping the current status quo, which clearly is not working.

The National Strategic Plan and the Emergency Action Plan are still not fully implemented in communities. This means that this BRRR will continue to not provide support or safety for victims. For young people the picture is just as dark. There is no support to the young people who are unemployed and destitute. There’s no action to mainstream youth development or assist young entrepreneurs with market linkages and if you are young trying to get your business off the ground, don’t rely on this department because it will not help you.

For persons with disabilities, this BRRR hardly says anything about you. It has not ensured financial support for disability rights and access and quite frankly it has not advanced the rights and freedom of persons with disabilities in South Africans anyway. If you ask me whether this department or the

ANC as a whole will help South Africans and the ANC-led government that does nothing to support women, children and persons with disabilities or has failed to respond to the crisis of the youth unemployed and every turn. My answer would be a big fat no. The DA rejects.

Ms K N F HLONYANA: Thank you very much, House Chairperson, the Department of Women, Children and People with Disabilities has been one of the greatest disappointment to date. There is no department in South Africa that can match this department with incompetents. What pains the most is that this is a department responsible for the most vulnerable in our society - the poorest of the poor and those who expect protection from the state and people of South Africa. The department to date still fails to meet its targets. Year-after-year, we have called on the Minister and her department to meet its set targets. Yet, our calls and of the people of South Africa have fallen to the ground. As to date, the department still fails to meet its own set targets. The Minister’s deed is out of touched and her leadership on the department has brought this department nothing, but failures and suffering to the people of South Africa who needed this department the most.

The Minister’s non-caring attitude has cascaded down to the DG and the DDGs who also have adopted her laziness ... [Inaudible.] ... persona and non-caring attitude. The sanitary dignity project was a key goal for the department and was going to change the lives ... of women in this country for the better. As a girl child was no longer going to miss school, but ... of monitoring from the Ministry of Women, Children and the People with Disabilities the sanitary dignity packs are not reaching the young women of our nation who are supposed to be the beneficiaries of the project. Therefore, House Chairperson, the EFF rejects this Report. Thank you.

Ms M D HLENGWA: House Chairperson, hon members ...

*IsiZulu*

...Sihlalo ngaphambili, ngivumele ngiqale la kukhuluma khona uMcwaningi-Mabhuku Jikelele, ngingafathuzi.

*English:*

The report by the Auditor-General highlighted that the department has materialised to underspend their budget by

R31 million. How is it possible for the department with such a small operational budget that claims that it is unfunded to have this large of surplus? This was one of the questions that

the IFP hoped to ask the Minister. However, she failed to attend committee meetings with exceptional apology, she submitted regarding her responsibility to attend Cabinet meetings. Considering that, the Minister’s schedule is too full to turn the parliamentary matters. It is our recommendation, as the IFP that the department fills the post of Deputy Minister as soon as possible. While he acknowledges, the department’s needs of capable administration team. This should not overshadow that the department’s core mandate which is prioritised by the most vulnerable in our society, be it a regular instead of a facilitator. The IFP accepts the Report.

Ms T BREEDT: Chairperson, this department and its entities are fundamentally flawed, as I’ve said many times before. This department is nonsensical and should not exist. To add salt to injury, is that during last week question session the Minister was very vague when answering her questions and stated that a lot of what we all believed her department’s mandate was actually according to her, not their mandate. When reading the BRRR, when remembers the Minister’s words and everything from the audit findings to targets not made, starts making sense.

This department has a budget of over R1 billion, albeit the majority is being paid in transfers subsidies to its entities. The question that can be asked is: What do we have to show for

the money? The answer is quite simple, very little to nothing. There a number of rows over requests that range from the multitude of the ICT related issues to the ANC GBF. Both the department and the CGE chronically underspend on their budgets.

The root causes of problems at the department and its entities according to the AG SA are inadequate monitoring an oversight with regards to compliance with laws and regulations as well as related internal controls. Inadequate record keeping, the commission did not have proper record systems to ensure that the documents were kept and were available for audit purposes. Lack of consequence management for poor performance and transgressions, no evidence that consequence management was performed on fruitless and wasteful expenditure and staff vacancies in key positions lead to significant findings. What is further worrying, is that 39 consultants were used for only nine projects.

To conclude, the NYDA is the only one to have achieve all its own targets. Staggering budget with money that keeps falling out of the sky as it seems, but what impact does the NYDA have and has made in the lives of the young South Africans except

those of friends of board members – nothing. South Africa deserves better. I thank you.

Mr N S L NKWANKWA: Chairperson, the UDM does not support the Report and the reasons are as follows: From where we are sited the Ministry for Women, Children and People with Disabilities does not fulfil its purpose. You will recall that young people in South Africa and in particular people that face a number of disabilities are plagued with array a number of challenges such as high level of youth unemployment, gender-based violence against women and children, gender equality and the kidnapping and murder of children. Young people remain as you know, very vulnerable in the labour market as they face the harshest chronic unemployment problem in South Africa. As the percentage of young unemployment among young people is about 70%. This clearly shows the ineffectiveness of the National Youth Development Agency in tackling joblessness among the youth in particular and other entities of government, not only the NYDA even the Commission for Gender Equality with its weighted powers invested in it by the Constitution is not doing enough to promote and protect and attack the gender inequality. It is clear that even when the budget allocation or resources are made available to fight against GBV, for instance, report shows that the expenditure of approximately

R50 million is allocated for the establishment of the National Council on Gender-Based Violence and Femicide to intensify the fight against GBV. Our primary concern is that this has even failed to yield the necessary result. The UDM urges the department to closely monitor the work of the secretariat in order to ensure that its work is meaningful and impactful.

Thank you very much.

Mr A M SHAIK EMAM: Thank you, House Chairperson, I think I must agree with some of my colleagues. We make a lot of promises; we make a lot of commitments. I think the first question I should ask: Are we really not failing with 51% of the population women? Are we not ready for a woman president in this country? Well, it seems like we talk about it, but certainly when it comes to putting into action and implementing it women are still second class citizens in the country, no doubt about it.

Let us talk about the issue of children with disabilities, and this report is about two or three years’ old and there were thousands of children with disabilities that were on the waiting list to be enrolled in schools, your special schools and that has not been achieved either. So, again, it means we are not paying attention to this particular issue.

Let us look at the issue of Gender-Based Violence in the country, which we say we are fighting against. Let us be honest about it. We are far from winning this and until and unless we agree that we get to the root cause of this problem. Our women will continue to have their rights violated, continued to be raped and murdered. Look at the statistics,

9 516 rape cases in South Africa in three months. It cannot be worse than that to be honest, it cannot be. But what measures are we putting in place? The criminal justice system just does not work for the victims. It actually only works for the criminals. The way the laws are made in this country, it protects the criminal and provides them with legal representation everything that they need, but at the expense of the victims in the country.

Now, look at the high unemployment rate among the youth, touching almost 70%. Chairperson, is this not a ticking time bomb waiting to explode? We know a destructive youth or how destructive an idling youth can be but yet we are not paying serious attention to this and this is what is giving rise to a lot of the protest action by learners and students. Now look at what the Minister of Basic Education goes on saying 91 000 children ... [Time expired.]

Mr W M MADISHA: Hon House Chairperson, it is extremely unfortunate that the tittle “Women,” has been relegated by some among us to an ugly level of political and electoral campaign. Each time people move around they say women, particularly if they want to be elected. Now, it is extremely unfortunate.

The HAIRPERSON (Ms R M M Lesoma): Hon member, there is a point of order on the virtual platform. Hon Kota, your hand is up mam.

No. It seems like it is a mistake. Hon member, you may proceed.

Mr W M MADISHA: Thank you very much. I was still saying that although there is a department, but then unfortunately the tittle women have been relegated to that particular level as if they are basically nothing. That which is done from time to time if you want to be elected of course and be given a higher position than you shall move around and say women.

Now that is a very serious problem and even those who may not agree with me may come here or elsewhere and say we do not agree, but that is a fact. So, women have been relegated in

this country to a level where is like they do not have brains altogether. It is like it is a favor when they become leaders or when they become equal in whatever way. We have to particular in that side of the department to do something which I want to say nothing is being done.

However, secondly, if we rise here and say, there must be jobs and they must be 50/50 or more and women must be in through this kind of thing that I am talking about it is like their brains are far much lower and therefore again is taking them up, you know giving them higher positions. That has to be looked into. The youth ... [Time expired.]

Ms A S HLONGO: Hon House Chairperson, the hon Shaik Emam must practice what he preaches and appoint one female, because there are two male representatives from the NFP in Parliament.

During the year under review the department was seized with numerous challenges notwithstanding that the department achieved 5,1% of its targets and spend 74,7% of its operating budget and had a saving of R31 million. The department’s increase in performance is to be commended. From 68,7% in 2018-19 to 95,1% in 2021-22.

The committee welcomes the tabling of the National Youth Development Plan, NYDA, Amendment Bill and the introduction of the long awaited National Council on Gender-based Violence and Femicide Bill.

On the eve of the start of the Sixteen Days of Activism of no Violence against Women and Children, and having concluded the second Presidential Summit on Gender-based Violence and Femicide, just less than a fortnight ago.

The country still reels from the second pandemic. Not a day goes by that we are not made aware of another senseless gender-based violence related killing and more incidents of abuse.

Furthermore, South African youth continue to bear the burden of unemployment in this country. The picture of persons with disabilities is even more dismissal. More needs to be done. The role of the Department of Women, Youth and Persons with Disabilities, is an important one and its mandate must be given effect to.

The committee welcomes the development of several frameworks that have been finalised and approved as well as reports that

have been develop by the department for the year under review, and kinley awaits the briefings in this regard.

Notwithstanding that the committee noted in particular the following key concerns. The significant ... [Time expired.]

Ms C M PHIRI: Malibongwe hon Hlongo and happy birthday!

Motion agreed to (Democratic Alliance, Economic Freedom Fighters, Freedom Front Plus, African Christian Democratic Party, Congress of the People, and United Democratic Movement dissenting).

Report accordingly agreed to.

# CONSIDERATION OF BUDGETARY REVIEW AND RECOMMENDATION REPORT OF PORTFOLIO COMMITTEE ON PUBLIC WORKS AND INFRASTRUCTURE ON PERFORMANCE OF NATIONAL DEPARTMENT OF PUBLIC WORKS AND ENTITIES – 2021-22

There was no debate.

The Chief Whip of the Majority moved: That the Report be adopted.

*Declarations of Vote:*

Ms S J GRAHAM: Hon House Chairperson, another year another litany of excuses from Minister De Llile’s department with a mixed bag of audit comes for the Department of Public Works and Infrastructure and its entities. The Auditor–General highlighted a lack of compliance with the legislation, a lack of capacity on the key personnel and a failure to adequately apply consequence management as some of the problems plaguing the department and its entities.

The Parliamentary Villages Board has failed to submit annual financial statements since 2014. Not one official has been held accountable. The Department of Public Works and Infrastructure has set its five-year target for the transfer of one and half million of hectors of land for redistribution. Three years later, they have achieved 20% of the target at 300 000 hectors and the Minister will have you believe that expropriation without compensation is the answer. Populist and disingenuous.

Irregular expenditure across the board increased by a whopping 51% to R148 million. The Auditor-General stated that the department is struggling to provide quality public works facilities in a successful and timely manner. Consequently,

there has been no improvement on the quality of lives in the citizens in many parts of this country. Inadequate project planning, ineffectual project implementation and lack of maintenance are just some of the issues raised.

An increase in unutilised buildings owned by the department has seen a concomitant increase in the illegal occupation of state-owned properties, while the department is continuing to be billed for rates, taxes and other services. The surrounding communities face security threats and lowering of property prices.

There is still a complete lack of any coherent plan to address the Immovable Asset Register as the department moves into its 10th year of having a degitised Immovable Asset Register that does not work. It is becoming increasingly clear that Minister De Lille’s department fails to inspire trust from client departments, as even Parliament has opted to do its own rebuild rather than have the Department of Public Works and Infrastructure manage it. We support this report.

Ms P MARAIS: Hon House Chairperson, the report up here clearly indicate that the Department of Public Works and Infrastructure does not have the capacity to resolve the issue

of infrastructure in South Africa. The department has many vacant buildings that can be renovated and maintained to be utilised by sister departments. However, rather the department prefer the corrupt tendency of official renting with exorbitant prices and only dries the department financially.

Where is the notion of saving the department’s money?

Leasing out buildings to private companies and renting buildings from private owners, show incompetence and corruption for the benefit of the elite group of people from occupying buildings that are not conducive for inhabitants approved by the department itself. The department rely on some Asset Register which is of no use. It should be scrapped of because all properties must be under the custodian of the state. This will fast-tract the ability of property in the state of emergency situation.

It cannot be correct that after 28-years of the so-called democracy, we find the department that is incompetent to provide the most basic which is infrastructure.

Despite the fact that Independent Development Trust, IDT, tried to play its role, the entity find itself competing with the private implementation bodies like Coega, Department of

Public Service and Administration, Infrastructure SA, Isa, which the committee does not have restriction over from oversight work. The Department of Public Works and Infrastructure is failing dismally, despite numerous reports that maintenance plan has been put in place.

We still find unmaintained buildings with things not work like ceiling falling in hospitals, ablution system not working in the police stations.

Management and occupation of buildings by departments will decrease. The hijacking of buildings and increased of the environment for criminal acts to be executed from drug dens, rape hotspots and murder.

Irrespective of reports having intervention strategies which will only be on paper if the department does not apply consequence management, we will find ourselves propertiless in the country, with little property also in private ownership.

The EFF does not support this report. [Time expired.]

Mr S S ZONDO: Hon House Chairperson, the Department of Public Works and Infrastructure is responsible for all official accommodation of all national departments. Therefore, it

should provide construction, maintenance and property management service to all client departments at national level. This includes the rendering of the expelled beating of environment service renting to the tenant acquisition and management and disposal of immovable assets.

However, considering the country’s poor and failing infrastructure, especially related to the roads, it seems like there is disconnection between the department’s responsibilities and delivering.

The department’s annual report indicates an under expenditure of R2,7 million of the total budget. It is also reported that the under expenditure occurred under all five main programmes with delays in filling vacant positions frequently cited as the reason.

The total of 79 people vacated positions in the department during the 2021-22 financial year. The latest approach of filling these positions has contributed to an incompetent organisational structure which has the breakdown of the poor service delivery, instability and corruption.

The department’s internal difficulties have led to inadequate or completely lack of focus in aiding developmental department in dealing with poor infrastructure which is affecting the lives of South Africans.

An example of this is the collapsing road infrastructure at Ingwavuma Local Municipality. The impact that it has on the day-to-day on the service of the local residents. The community’s solely programmes rely on the Expanded Public Works Programme workers to fill the potholes, however with the

23 key vacant positions. The road infrastructure in Ingwavuma like many others remain unresolved. We urge the department ... [Time expired.]

Inkosi R N CEBEKHULU: Hon House Chairperson, I am sorry.

*IsiZulu:*

The CHAIRPERSON (Ms R M M Lesoma): Yebo, Ndabezitha.

*English:*

Inkosi R N CEBEKHULU: hon House Chairperson, may I assist here.

There might have been a slip of a tongue from the colleague when he pronounced the figures when he referred to the under expenditure. It is R272 million and not R2,7 million.

The CHAIRPERSON (Ms R M M Lesoma): The hon Ndabezitha, let us proceed. Thank you very much.

*Afrikaans:*

Mnr P A VAN STADEN: Huisvoorsitter, as daar baie rooi vlae opduik, dan is dit duidelik dat daar ook baie probleme is, wat vorendag gekom het.

*English:*

On the Construction Industry Development Board, CIDB material irregularities in a tender process is a red flag. Corruption is a red flag in the tenders that are advertised. Poor ... [Inaudible] ... in the documents that have been drawn up to incorrect awards of tenders and noncompliance, is also a red flag. On the Department of Public Works and Infrastructure, on the maintenance of government buildings, the lack of an effective maintenance programme is an area of great concern.

Serious attention must be given to this programme.

The lack of asset management results in no safeguarding of assets. Assets being abandoned, looters stripping the assets and that results in a loss of revenue for the department. Out of 66 000 properties, 1 300 at this moment are unutilised.

There is no effective and efficient immovable asset plan. The National Assembly that was destroyed in a fire at the beginning of this year, is a beautiful example of a maintenance programme that is not in place.

It is only good business practice to look after your assets and to maintain them. If you don’t, the taxpayer ends up bearing the cost. Our hospitals and government buildings are really in a very bad condition and urgent intervention is needed on this front.

The SA Institution of Civil Engineering 2022 Infrastructure Report Card, found that our infrastructure is in a crisis. Referring to infrastructure segments assessed, only 15 was found to be satisfactory with the remaining segments falling into being at the risk of failing or unfit for purpose.

Irregular expenditure is a red flag.

*Afrikaans:*

Te veel rooi vlae beteken te veel probleme in hierdie departement. Baie dankie.

Mr W M THRING: Hon House Chairperson, as we consider this report, the ACDP has consistently said that this department has the largest property portfolio in the country. Yet, the returns on investment as compared to the private sector are abysmal. While the department received its seventh consecutive unqualified audit opinion, it is the matters of emphasis and other matters that are of great concern.

The Auditor-General found an estimated impairment of receivables amounting to R62 million, disclosed as a result of long outstanding debts which may not be recovered. Fruitless and wasteful expenditure of R54,5 million, spent on behalf of the Department of Basic Education in relation to the school beautification programme has been referred for investigation, after the Department of Basic Education indicated that no school benefited from this programme.

The Auditor-General also found that effective and appropriate steps were not taken to prevent irregular expenditure, where the majority of the irregular expenditure disclosed in the financial statements were caused by salaries paid to

officials, that were appointed irregularly. This irregular expenditure was made possible because of a lack of consequence management, a lack of internal controls and a failure to apply the modified cash standards and a lack of proper recordkeeping.

It is disconcerting that the Parliamentary Village Board has not submitted financial statements to the Auditor-General for over seven years. Furthermore, this department bought nine buildings called Telkom Towers for over R694 million to house SA Police Service, SAPS. Yet, of the available buildings only one has been partially occupied and not without problems.

Recently, we have heard Infrastructure South Africa, Isa established in competition with another entity, the Independent Development Trust, IDT.

The ACDP asserts that expropriation without compensation is not a panacea to the land question. This is a troubled department in need of a major overhaul.

*IsiXhosa*:

Mnu N S L NKWANKWA: Ndiyabona ukuba sityela ebumnyameni apha kuwe mama, uyayithanda le-ATM yakho.

*English*:

Chairperson, nothing works in this Department of Public Works and Infrastructure ... [Interjections.]

The HOUSE CHAIRPERSON (Ms R M M Lesoma): No, you are out of order hon member.

*IsiXhosa*:

Mnu N S L NKWANKWA: Hayi kaloku, nakwi ...

*English*:

... question session ...

*IsiXhosa*:

... wawunditsibile wabiza i-ATM.

The HOUSE CHAIRPERSON (Ms R M M Lesoma): Hon Kwankwa ... [Inaudible.] Proceed hon member.

*IsiXhosa*:

Mnu N L S KWANKWA: Mathse! Enkosi mama. Le ngxelo yeli sebe asiyixhasi kuba thina sithi akukho nto isebenzayo apha. Abantu xa besiya kwizakhiwo zikarhulumente nakweliphi na iphondo, uya kufumanisa ukuba ngamabhodlo okanye iindawo zokuhlala eza

ntaka kuthiwa ngamahobohobo, ubone nje ukuba yingqweji engabhadlanga.

Okwesibini, eyona nto siyibonayo thina kukuba sinoMphathisa oliciko oththa kakhulu phaya kumabonakude, kodwa umsebenzi wakhe awubonakali. Kwazona ezi ndawo zihlala la maLungu ePalamente akhumshayo apha namhlanje ngamabhodlo, ngelo xesha kuthiwa ...

*English*:

... our accommodation is prestige.

*IsiXhosa*:

Xa besohlulwa kukwenza ezo zinto kwiindawo ezidibene nathi, kubeka phi kwimisebenzi engqamene nemisebenzi yamasebe karhulumente.

*English*:

For an example, the Department of Defence and Military Veterans was frustrated when we went there for an oversight visit as the Standing Committee on Appropriations.

Safumanisa ukuba ingxaki ezibangela ukuba izixhobo(facilities) zalo zingabikho mgangathweni yinto yokuba isebe eli ...

*English*:

... has a maintenance programme ...

*IsiXhosa*:

elingayilandeliyo kwindawo zonke. Kwakhona, kuvele kukhutshwe iimali ezinkulu ekuthiwa ziyathathwa ekuthiwa

*English*:

... they are maintenance budgets ...

*IsiXhosa*:

... ekuthiwa zisetyenzisiwe. Xa uthetha nabasemagunyeni ufumanise ukuba akukhange kukhathalelwe nesinye isakhiwo kodwa iimali zibalwa ...

*English*:

... into hundreds of millions per annum in maintenance of infrastructure that is never maintained and building that are never maintained.

*IsiXhosa*:

Eli sebe lifuna ukuqalwa ngokutsha kwaye yahlulwe phakathi sifumane nabantu abazakukwazi ukuyilawula, hayi nje abacikoza kumabonakude bengathethi le nto yenzekayo. Ndiyabulela.

Mr A M SHAIK EMAM: House Chairperson, the NFP will support the report despite the dismal performance of this department. It is not unusual because this department is one of those that are in intensive care for a very long time. It is not surprising if you read the latest report of the Helen Joseph Hospital and the infrastructure there alone. That is not limited to the Helen Joseph Hospital, but all infrastructure which falls under the Department of Public Works and Infrastructure have crumbled.

It is in such poor condition that prompts us as the NFP to say: Should we not let this infrastructure fall under the respective departments? Because clearly, I don’t think the Department of Public Works and Infrastructure is fit for purpose. We don’t believe that it has what it needs to be able to effectively protect the infrastructure in this country. We have spoken previously even about the asset register, can tell you really, it leaves a lot to be desired, but this department has not improved.

We have had many director-generals, DGs that were acting and they’ve repeatedly appeared before the portfolio committee before the Appropriations Committee, but very little or nothing appears to be happening about it or any improvement

whatsoever. Now, look at what the Auditor-General said, they could not determine if the achievement of one million and sixteen thousand jobs opportunities as reported on the Extended Public Works Programme. Look of the kind and quality of the reporting in this department alone.

Now, you know, in the in the last five or 10 years, we have been raising again and again, the question of this particular department whether it is going to improve or not. There is really been no consequence management whatsoever. [Time expired.]

*Xitsonga*:

Tat T V MASHELE: Mutshamaxitulu na vaakitiko va Afrika-Dzonga, ndza mi losa. Nhlangano wa ANC wu seketela xiviko lexi nyikiweke xa Ndzawulo ya swa Mitirho na Switirhisiwa.

*English*:

The department and its entities have made strides in improving performance and implementation of his programmes. These programmes are strategic in nature to infrastructure development, and a built in environment in enhancing develop government property. It is imperative that the department and its entities attract the correct skills and capabilities to

ensure that they implement its programmes. The Property Management Trading Entity, PMTE must make sure that Government Property Portfolio is optimised and income generating, to support the fiscus and ensuring economic growth in the country.

The Extended Public Works. Programme, EPWP if it has achieved its targets for employment of nearly 1 million people per annum, and it must intensify its skills programme to support economic growth in the country. In the committee discussion on the Budgetary Review and Recommendation Reports, BRRR even the opposition parties recognised the progress which has been made by the department and its entities.

The success of the department and its entities will benefit the transformation agenda. of the country, which still reflects the past regime social relations. The committee will engage in heightened oversight over the work of the department and its entities, and it must play a critical facilitating role in implementation of infrastructure project as part of the Economic Reconstruction and Recovery Plan.

*Xitsonga*:

Nhlangano wa ANC wu seketela xiviko lexi nyikiweke xa ndzawulo. Nakambe, wu ya emahlweni wu kombela leswaku Holobye na ndzawulo va teka goza na ku tirhisa swibumabumelo na mixiyaxiyo leyi komiti ya vuangameri yi swi endleke.

*English*:

The ANC requests that the House consider this report for its approval. Thank you very much.

Question put

Motion agreed to (Economic Freedom Fighters and African Christian Democratic Party dissenting).

Report accordingly agreed to.

Business of the day concluded.

The House adjourned at 16:38.