**UNREVISED HANSARD**

 **NATIONAL ASSEMBLY**

**WEDNESDAY, 3 MAY 2023**

**PROCEEDINGS OF THE NATIONAL ASSEMBLY**

The House met at 15:00.

House Chairperson, Mr C T Frolick, took the Chair and requested members to observe a moment of silence for prayers or meditation.

Announcements.

Mr J J McGLUWA: Chairperson!

The HOUSE CHAIRPERSON (Mr C T Frolick): Yes, hon member!

Mr J J McGLUWA: My apologies. I want to rise on a point of order: I see hon Zwane is in the House. Sanctions are very important to this House. We have made a particular sanction yesterday, and I would like to know: What is the status of hon Zwane in this House?

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon member: The matter, and the sanctions applied by the Speaker, is being attended by the Speaker, in consultation with the Chief Whip of the Majority Party and the hon member concerned. That is how the matter will be dealt with! I am not in a position to impose sanctions on members. Unfortunately, you have put the question to the wrong person. Now, I want to recognise the hon Minister.

**QUESTIONS FOR ORAL REPLY**

**ECONOMICS**

**Cluster 4**

Question 192:

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank

you, hon House Chairperson. The provisional liquidation of the SA Post Office, Sapo, has the potential to affect ordinary South African who depend on social services. It has become this becomes a final order by the court. Seven hundred SMMEs that support Sapo, as a service provider, will be affected; 6,9 million beneficiaries who get their grant through this

mechanism will also be affected; and no less than 12 000 workers will also be affected.

Therefore, the Ministry has instructed both Sapo and the department to do everything possible to prevent Sapo from being liquidated and to safeguard the services it offers. In the main, there are conditions attached to the allocation, to respond to the question of conditions attached. Those conditions attached to the allocation of R2,4 billion, include the following: Addressing legacy issues, such as creditor payment and employee benefit deficit; and to facilitate the departure of Sapo staff; in this regard, consequence management will be taken against the board and the executive who are responsible for noncompliance.

In other words, when the findings come to clarify how did you get here: Launching the Post Office of tomorrow, is another condition; also, implementing quarterly meetings between Department of Communications and Digital Technologies, DCDT - that is the department – and National Treasury; and to track and communicate progress towards meeting the bailout requirements.

*IsiZulu:*

Nifuna ngenzeni?

Ms A H MTHEMBU: Thank you, hon House Chair. Hon Minister, considering that the SA Post Office, Sapo, has recently been placed under provisional liquidation by the High Court: How will this impact on ordinary South Africans making use of Sapo services; and what conditions are attached to the 2,4 billion grant from the National Treasury to Sapo. Thank you once again, House Chair.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank

you, hon member and hon Chair. I think the member maybe wants me to re-emphasise the response that: When this happened, no less than 700 SMMEs whose business will be affected; 6,9 million beneficiaries who get their grant will also be affected; and a minimum of 12 000 workers stands to be affected.

The R2,4 billion conditions are about addressing legacy issues, such as: Payment of creditors; launching of Post Office of tomorrow; implementing the quarterly meetings

between the department and National Treasury; and to track and communicate the use of that money. Thank you, hon Chair.

Ms T BODLANI: Thank you so much. Hon Minister, Sapo continues to be mismanaged, with branches closing on a daily basis while holding on to the dream of the Post Bank. In his wisdom, Treasury has provided another bailout to Sapo, using taxpayers’ money. Sapo forecast a net loss of R2,3 billion for the 2022-23 financial year! What are the reasons for the Minister to reappoint the board that oversaw the collapse of Sapo, now to oversee the R2,4 billion bailout? Thank you, Minister.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: We

are in a process of appointing a new board. What is existing now is an appointment on interim measures until we appoint eh board. Of course, in doing so, for institutional memory and accountability. That is one of the considerations that made us to say, in the interim, as we are working on appointing the new board, the existing board must assist us to clarify the underlying conditions that placed us where we are now. Thank you, hon member.

Mr S N SWART: Chair, it is Steve Swart here. May I take it on his behalf?

The HOUSE CHAIRPERSON (Mr C T Frolick): You may proceed!

Mr S N SWART: Thank you, House Chair. Arising from your response, hon Minister, the ACDP, like many others, is deeply concerned about the possibility of the SA Post Office - the reality of the Post Office facing this financial crisis which has resulted in it being placed under provisional liquidation.

You correctly point out the implications that it would have on staff members on access by the public, and clearly, this needs to be avoided at all costs. Will the hon Minister indicate whether the provisional liquidation order, which is set to be heard again on 1 June 2023, given the fact that the creditor involved in bringing that application has been paid, will be opposed by Sapo? In fact, will the Post Office bring an application to have it removed from provisional liquidation, which will enable it to apply its turnaround strategy and avoid a fire sale of all the assets in terms of a liquidation sale? That is the first issue. Secondly, does the hon Minister foresee ... [Time expired.] Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank

you, hon Swart. As I have said several times in dealing with that question in public, we are working on the best possible solution and the primary purpose is to make sure that Sapo doesn’t disappear. So, the solution or the option we are going to take will be of such a nature that creditors remain comfortable with regard to the future of the institution.

In that approach, we may not ... The issue of challenging the liquidation does not come across as an attractive option to us, other than finding the best possible way, which will be agreed between us and the creditors. That is where we are, at the moment.

The HOUSE CHAIRPERSON (Mr C T Frolick): The last supplementary question will be asked by the hon Kwankwa. I am informed the hon member is not available to take the question. Hon members we will thus proceed to the next question.

Question 213:

The MINISTER OF FINANCE: House Chair, let me start off by congratulating member Sarupen for being elected number four in the DA. ... [Laughter.] ... The document that the hon member

refers to was incorporated into the Economic Reconstruction and Recovery Plan, which was adopted by this House on Thursday, 15 October 2020. The Economic Reconstruction and Recovery Plan, ERRP sets out a range of immediate and short term measures that will be taken to rebuild confidence, restart the economy and continue to mitigate the effects of the pandemic.

These measures are accompanied by a set of structural reforms that will enable faster, more and inclusive growth and empowerment over the medium to long term. Many of these reforms are drawn from government’s long term structural reform agenda as outlined in the Economic Transformation Inclusive Growth and Competitiveness. A contribution towards a growth agenda for the South African economy.

Progress of the implementation of the EERP is reported regularly and publicly by the Ministry of chairs of Economic Sector Investment, Employment and Infrastructure Development Cluster. The hon member is advised to refer to this question and some of the aspects to those members. Thank you.

Mr A N SARUPEN: Minister, thank you for your congratulations. But since you have now tell us that this document has been included in the Economic Recovery Plan, I just want to take you through some highlights from this document. They promised reforms in early childhood development, but there have been no reforms. In KwaZulu-Natal there are not even delivery for school feeding schemes. Documents promised centres for youth employment creation and apprenticeships. No reforms have happened to implement this. The promise reform in the energy section have the private sector take over failing Eskom power box. No reforms have been implemented to implement this.

The document listed critical reforms to raise ... [Inaudible.]

... on the second large page. To raise investing confidence illicit growth by 0,5%. They promised to reduce ... [Inaudible.] ... to entry to raise growth by 0,6%. They promised to reform transport to raise growth by 0,3%. It promised 2,0% additional growth by prioritising agriculture and tourism to each annualise growth of 3,5% rather than the current base ... [Inaudible.] ... of 1,5%.

Like every government policy document, it promises a lot but delivered very little. Furthermore, this document has also

been contradicted by various industry master plans produced by the DTI. They have moved trade policy in a great contradictory position ... [Inaudible.] ... and the Economic Recovery Plan.

So Minister, would you care to explain to this House why none of these reforms have been implemented and why so many documents contradict each other and government compared to this document?

The MINISTER OF FINANCE: I suspect the hon member is not following or reading government documents. No, your duty is to listen now. I am speaking. The hon member is aware that there is a project run by the Presidency and National Treasury called Operation Vulindlela, whose main focus is to focus on transformational reforms referred to in that document. Amongst others, is one you have referred to now.

Minister Mantashe is around to tell you what is happening in the energy sector. Including, some of the outcry by a number of people and saying that we must provide an embedded generation. In fact, Minister Mantashe has done that on the energy front, and it goes beyond the limitations of 100 megawatts. So those are structural reforms. We are bringing

structural reforms to change how Eskom is about, by creating a transmission company. At the moment it is going to be presented in Parliament, amending the Electricity Act in order to provide for a transmission company. Those are the reforms that are referred to in that document. At the moment we must have seen that Transnet has issued a document for private participation in the rail and port sector.

So the entire sector is being transformed to provides for private sector participation. That is why I am saying maybe the hon member has not been following some of the documents that the government has advised you ... we can send you a report on the ... [Inaudible.] ... Thank you.

Ms M D MABILETSA: Minister, the sector master plans of the Economic Reconstruction and Recovery Plan are fundamental in ensuring progress and development on the targeted sector.

Without requesting details on the master plan, what is your frank and broad assessment of the state of the sector master plans and have they had - at this stage - the intended policy impact as envisaged? If not, what are the reasons? Thank you.

The MINISTER OF FINANCE: My assessment of the broad master plan is that in a number of sectors, they are effective and that they are not - contrary to what the hon members said here

- in contradiction with the Economic Recovery Plan, ERP. No, that is not true. A number of sectors have made progress, in clothing, automobile industry, in the global business sector, which in particular include call centres. All of those masterplans, particularly the call centres, people can talk about specific provinces, but they exist precisely because of the incentive packages that government has placed around them. So the masterplans – broadly - are working and support in the structural reform. Thank you.

The HOUSE CHAIRPERSON (Mr C T Frolick): The third supplementary question will be asked by the hon Shivambu.

Ms H O MKHALIPHI: Chair, I am the Shivambu today. [Laughter.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Please, proceed.

Ms H O MKHALIPHI: Can I be protected, Chair?

The HOUSE CHAIRPERSON (Mr C T Frolick): Please, proceed.

Ms H O MKHALIPI: Chair, on behalf of the deputy president of the EFF, we ask the Minister. Minister, we said, as the EFF, that the document presented by the former Minister Tito Mboweni as National Treasurer Economic Policy document was a privatisation pamphlet. The document makes bold proposals to privatise water, sanitation and electricity. The pamphlet called for privatisation of airports, manufacturing of ... [Inaudible.] ... We were not surprised because it was ordered by IMF and World Bank consultants who are used to go all over the world championing austerity budget and privatisation.

Minister, will you agree that the document tabled as an economic strategy is in fact a manual of steps to follow if you want to privatise strategic functions of the state and destroying the capacity of the state for the sake of profit? Yes, or no. Straight to the point.

The MINISTER OF FINANCE: What was the document about? The document was about microeconomic reforms, and microeconomic reforms are critical. Professor Hausmann has made an important point recently, and said part of the focus of the South African in the state and discourse in economy has been focusing on the exclusion of microeconomic changes which are necessary. What are those microeconomic changes that are ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon Minister, I am sorry to interrupt you. May I ask the members of the ANC just to quiet it down because I can hardly hear what the Minister is saying. Please proceed, hon Minister.

The MINISTER OF FINANCE: House Chair, some of these questions help us to talk proper economics. I am saying the document ... we are still coming on macro. The document was about microeconomic reforms. I was quoting Professor Hausmann from Harvard, when he said part of the difficulty with the South African discourse, it focuses on the macro part. Whereas our major challenges, whether its electricity, whether its logistics and so on, are microeconomic reforms that are necessary for growth in this economy. When that document that you are talking about was microeconomic reforms and structural reforms that are necessary for growth in this economy.

Obviously you are write a document you draw experiences in other jurisdictions. No doubt about that. That document was not a prescription for privatisation. It was a prescription for structural reforms which are critical for growth in this economy. Thank you, House Chair.

Mr M HLENGWA: House Chair, may I take the question for Inkosi?

The HOUSE CHAIRPERSON (Mr C T Frolick): You may.

Mr M HLENGWA: House Chairperson, almost South Africa’s most pressing economic challenges today include loadshedding and employment by extension, poverty and inequality. If the aim of this document produced in 2019 correlates with the value of investment in this country has espoused in the mission statement of the South African Investment Conference which was held in its fifth session recently - aiming to position South Africa as a global irrelevant planner and partner in trading investment that can compete with the best of the world - are there therefore mechanisms in place designed to directly positively impact investment pledges made at the conference also addressing the economic transformation agenda? Thank you, Chair.

The MINISTER OF FINANCE: It is difficult to understand the question, but I could say the lecture about investment conference. But let me attempt. The investment conference is part one. But the document is ... I have made the point. The document was about what kind of reforms that are necessary in the sector. The investment conference was but one aspect of marketing investment in the economy. Not necessarily part of

the structural reformed articulated in that document. That’s a fundamental key that members must understand. What kind of changes were being produced that we have microeconomic level? What are the changes that are necessary whether its rail, whether its electricity, whether is on the skills sides and so on and so on? That is what the document is about. Investment is about promotion of investment which affects the growth fiscal capital formation. Thank you.

Question 235:

The MINISTER OF MINERAL RESOURCES AND ENERGY: Through you, hon

Chairperson and the hon members, the quality of coal that goes to Eskom, is an operational matter. It requires the management of Eskom, who actually verifies what quality and what quantity did they received. It is not a departmental matter, but an operational matter. What I can assure you of is that, in South Africa, there is no shortage of coal, nor there is a quality of coal that is inferior.

That’s why, one of the issues that I always ask to the Minister of Electricity ... [Inaudible.] [Interjections.] The question that I always ask is, why would Eskom opt for trucking in coal, instead of getting coal in the cost-plus

mines next to the power station, so that that the coal can come to the power station on a conveyor belt? That debate has started, and it is serious.

Furthermore, if you are taking coal through a conveyor belt, the quality of coal is not going to be tempered with. It is more secured and it is more protected. Secondly, it important to always remember that, coal mining is not a social activity, but a business activity. If you are running a coal mine, you are running a business. You will send coal to Eskom and you will export the other coal. So, it is not a question of saying that you now stop to export to fulfil Eskom’s supply. There’s no such a thing.

You order the sufficient coal for Eskom and allow the business to export the rest of the coal, because they are running the business and are making profits, and in the process, employ people. That is what coal mining is all about. So, the question of Eskom supply on the business contractual agreement between Eskom, at our level, we have not received any problem raised by Eskom concerning shortage of coal. I know, and I can tell you from that point you were making.

A week ago, I opened a coal mine, which is extending the life of an open cart by 25 years. The owner is Seriti. It’s a black company. Do I have interest, because everybody is saying that I have interest everywhere? I wish I had, but I don’t have it. However, we open that mine so that the quality of coal continues to improve, and those businesses must make and do business, with whoever they can make it.

Ms P MADOKWE: Through you, House Chairperson, Minister, I think you’ve missed the question. The question is not about the quantity of coal, but the quality of coal. This is coming from the fact that Eskom has been saying that some of the service providers have been given them low-quality coal, which has affected even the functioning of the power stations, and to some extent, even affected or made them worse.

So, the question is that, as the department that is responsible, and has different entities like Council for Geoscience, CGS, Ltd, and even the Mine Health and Safety Council, MHSC, which would assist in making sure that the quality of coal is proper.

What is it that you have done as the department, to make sure that you assist Eskom in addressing and assessing, in making sure that the coal that we use is of proper standard before it is even released to the power stations, considering the fact that, these power stations are very important as well, in making sure that load shedding is destabilised? Thank you very much.

The MINISTER OF MINERAL RESOURCES AND ENERGY: Hon Madokwe

didn’t listen to the answer. Now, let me repeat it, let me repeat the answer. I said that, one of the discussions we are having with Minister Ramokgopa is, why should we opt for trucking in coal for Eskom, rather than taking it from cost- plus mines on a conveyor belt?

That talks to the quality of coal because, when you truck coal in, the risk of tempering with the quality is higher, but if you get if from a conveyor belt from a nearby mine, that quality will be more secured and it will be protected. That is the answer I’m giving you, and as the department, we can’t take that decision for Eskom, but we can raised that issue.

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members.

Mr M J WOLMARANS: Hon Minister, while Eskom’s power stations use Middle East coal, rather than high quality low Xcoal to run its power stations, what is the department doing to attract large investments in new and expansion of old coal mines, such as Seriti’s Klipsruit Colliery and Canyon Coals Gugulethu Colliery, and how will such large investments minimise the uncertainty around the adequate supply of coal to Eskom’s power stations, and the impact that this uncertainty may have on energy security in the country?

The MINISTER OF MINERAL RESOURCES AND ENERGY: Coal mines are a

very viable business. The turnover in 2021 was R130 billion, that was a turnover of coal mining. It’s quite a good industry. Contractual arrangement between Eskom and the coal mines, is not actually facilitated by a department. It’s a contractual agreement between Eskom and business people called coal miners, and they supply the quality of coal.

That’s why I say, the quality of coal is a function of operation. Therefore, it is Eskom management that has a responsibility and a duty to ensure that the receive coal of the quality they require. It can’t be a departmental responsibility. What ... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members.

The MINISTER OF MINERAL RESOURCES AND ENERGY: There you are.

The HOUSE CHAIRPERSON (Mr C T Frolick): Hon members, please don’t interrupt the Minister.

The MINISTER OF MINERAL RESOURCES AND ENERGY: The problem with

people who have never run a tuck shop is that they always intervene, and yet, they have never run a tuck shop. Now, when you try to simplify complex operations, they won’t understand because they have never run a tuck shop.

All I’m saying is that, Eskom has got a management that should ensure that the quality and the quantity of coal they get is what they’ve agreed on contractually with the coal mining, that’s it. It’s not a departmental matter.

Mr S N SWART: House Chair, rising from the hon Minister’s response, we know that Eskom is not ... [Interjections.]

The HOUSE CHAIRPERSON (Mr C T Frolick): Order, hon members. Please proceed, hon Swart.

Mr S N SWART: ... we know that Eskom is not short of coal, and it receives the coal it requires. The ACDP agrees with the Minister concerning the conveyor belt, and we are looking forward to the new logger mine that will be delivering coal to Kusile. That will possibly resolve a lot of issues. However, the problem, Minister, is that, where the government can come in, there are criminal syndicates, the so-called coal mafia operation, which is partially behind the poor performance of Eskom power plants.

These syndicates supply poor coal to Eskom, and even contaminate metro, rubble, and subgrade quality. We also see this. So, hon Minister, the question is, what is the government doing, to stop these criminal syndicates and close these illicit stop yards and dump sites, which are in effect, resulting in the quality of coal that is required by Eskom being stolen and then removed elsewhere, resulting in poor quality of coal being supplied to Eskom?

Having said that, we agree with you on the issue of conveyor belt, and we are looking forward to seeing those conveyor belt being implemented at all power stations. Thank you.

The MINISTER OF MINERAL RESOURCES AND ENERGY: At least, half

the question has been answered by the hon member in that, conveyor belts linking coal mines to the power stations, is the safest of supplying coal. If Eskom prefers trucking in of coal, actually, they are facilitating the work of the syndicates.

That’s what I’m saying because, you truck in coal, and it is tempered with between the source and the power station. You also cannot ask, what the government does about that. The suggestion we are making to Eskom will emphasise this: Is there a conveyor belt from a mine to a power station that will work, whether it is Ogies in Kusile or Khutala in Kendal, or Matla in Kriel. If you do that, you secure the quality of coal.

However, if you truck it in, the syndicates will intercept trucks and contaminate the coal. That is how it is. So, it is not the government that is facilitating the syndicates, it is syndicates that are intercepting trucks that trucks coal into Eskom power station, which is not a normal operation of a coal mine and a power station.

Mr K J MILEHAM: Through you, Chairperson, I might not run tuck shop, Minister, which you appear to know a lot about, but I have run several successful businesses. Minister, there is a lot of noise both in this House, in discussions around the dinner table, the tshisanyama [burnt meat] and the social media about how we are exporting coal we desperately need to run our power plants. This is a complete red peril.

The real issue is that, South Africa’s preferential procurement policies, are excluding coal producers who may wish to supply to Eskom. Any attempt to reserve such power production to increase the process that Eskom has the need for it, which you have just pointed out, is actually not true.

However, I really want to address the second part of the initial question.

Minister, will you kindly inform the members of this House that the coal power plants which are being decommissioned or are planned to be decommissioned, are in fact being shut down, not because we lack coal, but rather, because they have reached the end of the usable lifespan, that there is no rush to be decommissioned, but it is instead planned in the life

that has been on the cards, and included on our energy planning for many years. Thank you.

The MINISTER OF MINERAL RESOURCES AND ENERGY: I think you

should appreciate the fact that commissioning and decommissioning of power station is not within my scope. If I had the scope, I wouldn’t have decommissioned Komati, because Komati was given that electricity at 70% electrical beneficiary sector, but it was decommissioned.

Today ... [Interjections.] ... by whosoever, and today, we have a solar plant in Komati. That solar plant, instead of 1 300MW that might be provided, it gives us 400MW. Therefore, that decision to be decommission Komati, I submit, is a wrong decision. I submit. These power stations that you say must be closed, I think, let me not get into that, leave it to the Minister of Electricity.

I said to him that, he is going to take all the hot potatoes because, I don’t know if you remember that, at a point, there were three power stations that were almost closed. Those three power stations are today operating, and they are performing above average. That is Kandale, Grootvlei and Komati. So, if

the power station has come to an end, it can be decommissioned.

However, if the lifespan can be extended, in fact, it should be extended because, the crisis we are having is the availability of the electricity today.

Question 193:

*IsiXhosa*:

UMPHATHISWA WEZEZIMALI: Ndiyayibilela le mali yam namhlanje.

*English:*

The answer to the question is yes. The National Treasury has engaged with the National Energy Regulator of South Africa, Nersa, as required in terms of the law. Electricity tariffs are regulated in terms of the Municipal Finance Management Act, MFMA, and the Electricity Regulation Act. The Electricity Regulation Act empowers Nersa to determine the electricity tariffs to be charged by municipalities and Eskom.

However, in terms of section 42(1) of the MFMA, Eskom is required to submit a proposal to amend the municipal tariffs charge for electricity to the Minister of Public Enterprises,

the executive authority and Nersa, the regulatory agency for approval. But before such a submission of the proposed amendment to its pricing structure to the Minister of Public Enterprises and Nersa, Eskom must request National Treasury and South African Local Government, SALGA, to provide written comments on the proposed amendments, 14 days in advance. And these comments must be included in the application submitted to the executive authority and regulator.

It should also be noted that after National Treasury and SALGA have provided their written comments, Eskom is still required to submit the proposed amendments to Nersa for approval in terms of section 42(1)(b), the MFMA. This is the last time National Treasury is engage in the process. Thank you.

Ms M D MABILETSA: Hon Minister, the Eskom application to Nersa was in fact substantially more than the 15,1% agreed for municipal tariffs. Given government’s commitment to tackling the cost of living and knowing the economic hardship and knock on effects to inflation that this will have, why is it that the National Treasury has not been successful in convincing Eskom through its written comments and its engagement with Nersa, given that administrative pricing has an extremely

negative impact on the rate of inflation. Does the Minister and National Treasury agree with the tariffs? If so, why?

The MINISTER OF FINANCE: Let me start with the Yes. We agree with the tariff. Because what the tariff attempts to do is to give Eskom a cost reflective tariff. That’s what it attempts to do, a cost recovery tariffs. Why would I be passionate in supporting that in this current environment? It’s precisely because I’m taking a quantum leap of dealing with the Eskom debt. It’s quite important that in doing so, moving forward Eskom becomes viable. I know its cost implications on the economy, but at the same time, there is a need, we have got to balance between the cost to the economy and the survival of the institution.

So I’m answering this question broadly in those terms, and say, indeed, we do agree National Treasury, including its political head agree with the change. It does not mean there’s common consensus amongst everybody. The position I occupy suggests that I take a particular view precisely because of the fiscal sustainability I need to protect. Thank you.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you, hon Minister. The next supplementary question is to be taken by the hon Kwankwa but he is not on the platform. So I will give the opportunity now to the hon Heron to ask his supplementary question.

Mr B N HERRON: Thank you House Chair. Minister, we also have to be concerned about the consumer and when Nersa approved Eskom’s increase in February 2023, it moved the tariff 173 cents per kilowatt hour. That in every municipality across the country, consumers, including indigent households are already paying far more than that, if not doubled that. And municipalities are relying on surpluses from electricity sales to fund their operations. The City of Cape town’s budget for the upcoming financial year includes 34% percent of the revenue will come from electricity sales with a R2 billion surplus.

The City of Johannesburg has also budgeted for R2 billion net surplus from electricity sales. So surely the focus Minister should shift to Treasury to the sustainability to the consumer by looking at the funding model of local governments. Thank you.

The MINISTER OF FINANCE: There is no doubt that it is going to be a challenge about the funding model for municipalities. The key question moving forward should be, are municipalities going to rely on electricity as the source of revenue? That’s going to be the challenge. Are municipality going to rely on electricity as the source of revenue? That model is under threat. As thing stands, that model is under threat. So there needs to be a separate discussion. A separate discussion about the future sustainability of municipalities and what are the appropriate sources of revenue? That’s a separate discussion we need to be engage into.

In so far as the indigent, the President has made a worse scenario in supplying the local government. We made the worst case scenario that the probability is that it is going to be 20,7, when the interest rates go to 15%. That assumption made us to provide an additional R1,1 billion to support the indigent and municipalities. So in that sense, we have cushion the impact on the poor and municipality. Saying the fact that the poor sometimes are not paying, and I don’t know what the municipalities are using with that Indigent Fund. But in principle, we anticipated the twenty point something percent, and we provided a R1,1 billion to use in addition to what we

are currently providing in municipalities. The entire total indigent package is R70 billion per annum.

Mr A M SHAIK EMAM: Thank you, House Chairperson. Minister, as far as I understand, you are saying that the situation Eskom is in is due to high debt, mismanagement, corruption, and looting. This means that ordinary consumers have to pay the price. So, Nersa takes into account the Eskom crisis and on that basis increases the prices of inconsistent electricity supply by Eskom to consumers. What is the National Treasury doing to intervene in this matter? Or are you powerless because Nersa is a separate entity and you have no authority to resolve this matter with it? Thank you.

The MINISTER OF FINANCE: Let me start with the last question and say, Yes, I’m powerless. I have got no authority. Any independent institution like that should retain its independence and that independence should be jealously guarded. Because tomorrow, it should not be subject to manipulation by anybody.

The second point is that the battle between Eskom and Nersa has always... Those battles have always been going to court.

Because Nersa has always said we are not going to fund you for your own inefficiency. So, the tariff they do they take into account what are the inefficiencies in Eskom and therefore, give the current tariff which is cost reflective, but does not compensate Eskom for its inefficiencies. So, it is inaccurate to come to that conclusion that Nersa does provide for Eskom. That’s the reason why they sometimes go to court with Eskom.

It is around that debate between those two institutions. Thank you.

Question 206:

*IsiZulu*:

UNGQONGQOSHE WEZOLIMO, UKUBUYISWA KOMHLABA NOKUTHUTHUKISWA

KWEZINDAWO ZASEMAKHAYA: Ngiyabonga, Sihlalo weNdlu, ngibonge nakumhlonishwa, uNdabezitha uCebekhulu, mayelana nohlelo lokwabiwa komhlaba, ikakhulukazi ...

*English*:

... beneficiary selection and allocation policy, ...

*Siswati*:

... linye kuphela ipulazi...

*IsiZulu*:

Kodwa mangisho, mhlonishwa u-Singh, ngoba ngiyazi ukuthi uwena ozolandela ukubuza umbuzo, ukuthi amanye amapulazi anikezwe uHulumeni abe nenkinga yokuthi batathe lowo mhlaba ngendluzula la inkantolo isinqume khona ayisithupha kodwa amanye asezinkantolo angu-25 ewonke uma singawabala nje. Ngiyabonga.

*English:*

The HOUSE CHAIRPERSON (Mr C T Frolick): The first supplementary question will be asked by the hon Singh on behalf of the hon Cebekulu.

Mr N SINGH: Thank you very much, hon House Chairperson.

*IsiZulu*:

... ngiyabonga mhlonishwa. Mhlonishwa ...

*English:*

... it is common cause that because of the slow pace of land reform and restitution programmes, people are resorting to land grabs – not only on state-owned land, but also on private property. Yes, eviction is an option ... [Inaudible.] ... the Minister will answer. Where all else has failed but with large

tracks of state land available, it is better to ... [Inaudible.] ... or to require land on the sustainable basis whether for housing or agricultural purposes.

Just two weeks ago, large tracks of land that was earmarked for an automotive supplier park special economic zone near Winklespruit in KwaZulu-Natal was invade by land grabbers who then allotted plots to themselves, saying they are tired of waiting to be given land where they can build homes. The land is privately owned by Dube TradePort corporation. Now it would seem that impatience seems to be mounting between residents and job seekers although many of the invaders are said to have arrived in expensive cars from outside of the area. My question, hon Minister is this: “What interventions or proactive steps can your department take to allay the fears of land owners, vis-à-vis, the aspirations of communities such as those in Winklespruit?”

*IsiZulu*:

UNGQONGQOSHE WEZOLIMO, UKUBUYISWA KOMHLABA NOKUTHUTHUKISWA

KWEZINDAWO ZASEMAKHAYA: Mangizibongele kakhulu, Mphathisihlalo kanye nakuwe lungu elihloniphekile, Baba u-Singh, ngingasho nje ukuthi ...

*Siswati*:

... kulambela umhlaba intfo lekhona, njengoba nje sati ke kutsi ngembili, laba lebebasiphetse abatange bakwati kutsi sibe nemhlaba lewenele. Empeleni, batitsatsela ngendluzula bona kucala. Hulumende ke waKhongolose, kusukela nga 1994 wakhuluma wabonisana nalabo abehlangane nabo etinkhulumweni tekwakha Umtsetfosisekelo, kwekutsi loluhlelo lwekubuyiswa kwemhlaba lutawentiwa njani. Lusachubeka ke njengobasati, njengoba wati nawe.

Angitsi ke koja ekusiko kutsi bantfu bonkhe labatitsatsela umhlaba ngendluzula, ngulabo bantfu labacakekile kumbe labalambele umhlaba. Uyasho ke nawe kutsi njengoba sibonile nje eDube TradePort, bantfu lebebafika ngetimoto letinhle letibitako, ungasho kutsi labo bantfu balambele umhlaba? Nani, intfo lekhona nje ngukutsi bantfu labanye bayaganga, labanye bakwenta kube ngumshikashika wepolitiki kube sengatsi kukhona labafuna kukwenta, kantsi bafuna kutitsatsela bona nje.

Lokubalulekile kutsi umtsetfo awente umsebenti wawo.

Kwesibili, bantfu labanemhlaba abawubiyele. Siyake sitfole kwekutsi lesinye sikhatsi labanye labanemapulazi, umuntfu nasekafuna kulitsengisa, ikakhulukati lawo lasedvutane

nebantfu njengasemalokishini. Ayekele kube khona bantfu labahlala kulo, abese eta kuhulumende, atsi “buka ke hulumende nyalo angisakwati kukhipha labantfu, mina nje nkhosiyami angifuni kubahlukumeta, ngibhadale lemali”, ente ngamabomu abuka nje vele kutsi labantfu bayawutsatsa umhlaba akhona.

Ngiyabonga. Nangoke lomunye losedvutane kwakho.

*English:*

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you, hon Minister. The next supplementary question will be asked by the hon Tshwete. [Interjections.] Order, hon members.

Ms B TSHWETE: Thank you, hon Minister. What could be the consequences for those found in the wrong by the law for committing such acts of land invasions, Minister?

The MINISTER OF AGRICULTURE, LAND REFORM AND RURAL

DEVELOPMENT: Thank you very much. We are a law-abiding society, and as a country, we have enough legislation that we need to abide to. I think it’s important that those who are found in the wrong the law must take its course. In the 25 cases I have just mentioned, six of the court orders have been given. And we have evicted those people who illegally took

land which have done so in a wrong way. And I think that must be the norm because one of the problems of land invasion is that it impacts government’s planning.

Some of the people put their structures on infrastructure such as sewer or water and people will then go and toyi-toyi on the streets and say that they don’t have enough water, whereas illegality is actually part of the cause. And I think as South Africans, no matter how challenged we are about land needs, I think it is important that we abide by our legal framework that we set there. It might be good tomorrow, hon Hlengiwe, and say that you will take land. What will you do when you are in government? And when people do that, will you ... [Inaudible.] ... No, you won’t. I think it is ...

The HOUSE CHAIRPERSON (Mr C T Frolick): Order. Order. Order, hon members. Order. Order, hon members. Hon Minister, will you address the Chairperson, please.

The MINISTER OF AGRICULTURE, LAND REFORM AND RURAL

DEVELOPMENT: Chairperson, I think what is important is that when we are on the other side and we are in opposition, we must never have an illusion that if we do wrong things,

supposedly when we take over – and that is why I say “when”, thinking of the things that will happen because we want to implement the law and now we are in power. I think the legal framework of this country must be respected by everybody.

Thank you.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you, hon Minister. The next follow-up question will be asked by the hon Masipa.

Mr N P MASIPA: Thank you, House Chair. Minister, land invasions across the country have had a devastating impact on the economy. South Africans have felt the negative impact of the land invasions and the lost economic opportunities. It has been widely reported that land invasions are spearheaded by organised crime syndicates who take advantage of vulnerable community members and encourage them to illegally occupy the land. At what point is the Minister going to act against organised crime syndicates who drive these land invasions?

Two, when will he act against the department’s continued failure to provide security of tenure to communal communities to stop them from being manipulated by these politically organised crime syndicates? Thank you.

The MINISTER OF AGRICULTURE, LAND REFORM AND RURAL

DEVELOPMENT: Thank you very much. I think the question you are asking cannot be answered by the Minister of Agriculture alone because the issues of crime, as we indicated, are matters that are dealt with by the police as well as the security cluster. So, we have been working with the police to really address some of those problems, either land invasions or even farm attacks where they happened, or rural communities who have been under attack. Because I think it is important as South Africans, as I said earlier, to be able to address challenges wherever they occur. And I agree with you that it’s important that we need to deal with land invasions because in some instances it’s organised by syndicates but also some use it as a political tool to garner votes by mobilising society in a wrong way. And I think we must call it for what it is because the reality is, you cannot mobilise society through lies when you know very well that you cannot do that. Secondly, you cannot do what is illegal when you know that you can afford a lawyer and ordinary citizens may not. Thank you very much.

The HOUSE CHAIRPERSON (Mr C T Frolick): Thank you, hon Minister. The last supplementary question will be asked by the hon Matiase.

Ms E N NTLANGWINI: Thank you, House Chair. I will be taking it on behalf of the hon Matiase. Minister, your most recent report to land claims court indicates a very worrying confusion between the commission for the restitution of land rights in terms of who holds the ultimate responsibility for briefing the lawyers to defend the rights of our people whose tenure to end is threatened by the white farmers, in particular. We have seen a surge of cases in which long–term residents are evicted by these white racists farmers, especially in Stellenbosch. They spend the entire lives on these farms and are evicted. What steps have you taken to resolve this confusion? And further, what steps are taking to protect the rights of the farm workers and the farm dwellers who are being evicted on a daily basis by these white racists here in Stellenbosch? Thank you.

The MINISTER OF AGRICULTURE, LAND REFORM AND RURAL

DEVELOPMENT: Thank you very much. Firstly, this is a new question as you know. It doesn’t flow, no. If you read the question relates to eviction on land that has been allocated through the beneficiary selection policy. So, I just want to state the fact which you know. And you are smiling. So, that question is a new one. But with respect to the assistance that

government is giving in support of farm workers or labour tenants that are illegally evicted, we’ve provided legal services to those that are at the threat of eviction or even evicted. Thank you very much.

Question 205:

The MINISTER OF MINERAL RESOURCES AND ENERGY: Hon House Chair,

hon members, firstly, the department does collaborates with the Department of Higher Education, Science and Innovation. We work with them; secondly, we are working with the Department of Trade, Industry and Competition; and lastly, we are working with The Presidency. Together with other stakeholders, we are developing the Hydrogen Society Roadmap in South Africa. It is more than just the corridor. You’ll see that there is a serious research project happening in Boegoebaai. There is another accelerated project in Saldanha Bay. There is another one, which is hydrogen trucks powered by hydrogen in Mogalakwena. We are working together with all those departments. Working with the Department of Higher Education, Science and Innovation is necessary because this new sector requires a lot of research and innovation.

Dr W J BOSHOFF: Hon House Chair and hon Minister, I must say while I was watching you, I was watching the Minister of Electricity with my left eye, and I see he still has an easy smile, so, I don’t think he is going to be in his job for a very long at the moment. What I would like to know is what impact do you expect from the hydrogen development both on the coal market and the diesel market? Do you have any projections or expectation on the impact of this hydrogen development on those markets?

The MINISTER OF MINERAL RESOURCES AND ENERGY: We can’t project

that because, for example, if you take one aspect of the hydrogen powered truck, it is already working in Mogalakwena. We are intending to work with Anglo to ... [Inaudible.] ... the trucks. So, the other projects are underway. It started with Boegoebaai, which was driven by the Minister in The Presidency at the time. It is today moving faster in Saldanha Bay than in Boegoebaai. So, we are hoping that both those experiments will succeed. They have an outlet in Sasolburg.

So, it is ongoing. It is a continuing research, and it will grow as we research.

Ms V T MALINGA: House Chair, hon Minister, given that South Africa has comparative advantages in platinum group metals, which are key in components for green hydrogen production. What role is the department expected to play using the hydrogen economy and what mechanisms does the department have in place to boost investor confidence that South Africa is a destination for investment in hydrogen economy given the increasing demand for hydrogen fuel cells storage aimed at providing renewable energy storage to the Eskom grid? Thank you very much.

The MINISTER OF MINERAL RESOURCES AND ENERGY: Investor

confidence is the key word. It is a function of the work being done. If we accelerate the investment as South Africans first, we will attract other investors into the space. That’s why when I talk about hydrogen powered trucks, I referred to Anglo. Their keenness to invest is encouraging the rest of other investors to come in. It is important to remember that Namibia, just next door, is also investing in hydrogen.

Unfortunately, they are exporting all their hydrogen ... [Inaudible.] ... We have to actually supplement that work by accelerating our research as South Africa.

Mr K J MILEHAM: House Chairperson, Minister, the Hydrogen Society Roadmap is intending to facilitate the integration of hydrogen-related technology in various sectors of the South African economy thereby stimulating economic recovery in line with Economic Reconstruction and Recovery Plan. Now, given our broader electricity, societal and economic challenges in South Africa, what specific steps is your government taking to incentivise private investment in the development of robust hydrogen infrastructure?

The MINISTER OF MINERAL RESOURCES AND ENERGY: What is wrong

about hon Mileham’s question is that he directs it to the government. That means that any Minister here can respond to that question. What is important, hon Mileham, is that sometimes the state is always pointed to do things that it should facilitate. The government must facilitate investment. That’s why if you talk of the Hydrogen Roadmap, it is a combination of various investors coming together ... it also includes the pipeline coming from Limpopo to Johannesburg and to Ethekhwini. It will not be the government that invests in that. The government will facilitate that process. Various investors are going to invest.

Ms M D HLENGWA: House Chair, since the Prof has a network problem, I will take it. Hon Minister, the Minister of Higher Education, Science and Innovation recently stated that the government is actively working to increase the supply of trained people with skills necessary to implement operating and maintain the hydrogen economy. Considering this, I would like to know what measures your department will put in place to ensure that youth living in communities surrounding hydrogen mines will form part of the people that will be upskilled as mentioned by the Minister of Higher Education, Science and Innovation? I thank you.

The MINISTER OF MINERAL RESOURCES AND ENERGY: An issue that

needs an open debate in South Africa is the division of the work locally because sometimes people interpret it narrowly that, if you say people around hydrogen project, it means people right around there. I interpret local as South Africa. And every South African who must ...

*IsiXhosa:*

Hayi, musa ukufuna ukuziphendula kodwa ububuze umbuzo. Xa ubuze umbuzo, ndiyekendiziphendule. Yingxaki into yokubuza umbuzo uphinde ufune ukuziphendula. Into ebalulekileyo kukuba

xa kuqeqeshwa abantu kufuneka baqeqeshwe babe baninzi, kungalinganiselwa inani eliza kuxhamla kuloo msebenzi okwindawo ethile.

*English:*

... just an area around the project. In other words, you can’t just train people from the Northern Cape because the project is in Boegoebaai or you only train people in the Western Cape because it is in Saldanha. You must train people anywhere who have that skill because one of the important thing about skills is mobility. So, if you are trained and skilled, it doesn’t matter where you are in South Africa. You can move from one point to the next because skills give you mobility. So, our facilitation is to encourage people to take that development opportunity from wherever they come from in South Africa irrespective of their colour of skin.

Question 194:

The MINISTER OF MINERAL RESOURCES AND ENERGY: House

Chairperson, let’s start off by correcting the concept of a war room. We don’t have a war room there; we have put together a coordinating structure that pushes together three companies. Which is the Petroleum Oil and Gas Corporation of South

Africa, PetroSA, Strategic Fuel Fund, SFF and the South African Gas Development Company, iGAS, all of them want to be consolidated into National Petroleum Company of South Africa, that’s what we are doing.

That work is continuing to ensure that we are creating a new company. PetroSA, which is the main question, is stabilizing, is doing well on the side of trade, actually they have registered a profit after a long time, on the trade side. But on the refinery side, we have only issued bids for people who will partner with the department, to actually open the refinery, itself. That process is at the tail end; we are assessing the applications; we have received sufficient applications. And in those applicants, they are mainly competent people who can partner with the state, in developing the revival of the refinery. So, we are busy with that, that is where we are. Thank you.

Ms V T MALINGA: House Chairperson, the national chair is throwing me under the bus. Since most of the refineries in the country are currently not producing, further exposing the country to the security of energy supply risk. How will PetroSA develop equitable feedstock options for the Gas to

liquids, GTL, refinery as soon as it is operational and how is the coordinating structure have any strategy to ensure that PetroSA secures a long term feedstock solution coordinating structure that is waring?

The MINISTER OF MINERAL RESOURCES AND ENERGY: House

Chairperson, that is the function of the conference, leave it, unfortunately. Now, the reality of the matter is that PetroSA is a refinery, it has the refining capacity. Private refinery, many of them are closed down, whether it is ENGEN, it is the SA Petroleum Refineries, SAPREF, in Durban. They are beginning to close because it more attractive to import finished products than to refine.

But that poses a risk in the country. In the sense that it makes the country to be depended on refined petroleum from outside. So, it is quiet urgent for us to finish the question of the refinery in ... [Inaudible.] ... because that refining capacity is necessary for the state, is not sufficient. We need more refineries if we want to satisfy the need of the country and reduce the risk. Thank you.

Mr K J MILEHAM: Minister, PetroSA is planning to reinstate full production at its Mossel Bay production assets, which include the FA platform and the gas liquid refinery, following a total suspension of production in 2020, owing to feedstock shortages. Now, I know that you didn’t answer hon Malinga’s initial question. So, I will welcome an answer here to that, as well. Which was when will that return to production? But my question is this, what steps is the South African government taking to ensure that refurbished gas to liquid refinery will operate sustainably and profitably in the long term, given the challenges the company has had in the past, specifically related to feedstock supply? Thank you.

The MINISTER OF MINERAL RESOURCES AND ENERGY: House

Chairperson, let me refine this, because the answer I have already given it, in the sense that ... I have said it; I will mention it again. We’ve sent out this tender for bids, to partner with the PetroSA, because it was quiet clear that PetroSA needed more financial resources and technical capacity to be able to return the refinery into production.

That is what we are working to and we are hoping that we will complete that within the next 18 months. Within the next 18

months we must complete that process. Then begin on returning PetroSA plants, three plants in PetroSA, we want to return all of them to production, but that process is going to take step by step. And we need a partner for that. Once we get that partner we will go on. And that process is at the tail end of identifying the partner.

So, when will it return to production? That is the function of the process I am outlining. So, PetroSA is going to return to production – actually I am talking to the team in PetroSA. We have emphasized that, listen, the fact we are beginning to be profitable in the trade side, doesn’t give you an excuse not to invest time and energy on returning the plants into production. So, we have emphasized that part, we must return those plants to production, because if that happens South Africa will be better. Thank you.

Ms P MADOKWE: House Chairperson, one of the reasons why PetroSA is where it is today, is due to the failed Ikhwezi Project where the entity lost almost R14 billion. However, whenever the question about the status of PetroSA arises, it often given an impression that, your department tweaking legislation and mainly depending on exports will somehow

magically change the issue of the country’s petroleum supply and that of PetroSA. What discussions have taken place, particularly by this coordinating structure, regarding holding responsible the individuals who failed, who were responsible for the failed Ikhwezi project, financially liable? And what the state stands to benefit from depending on external help rather than equipping and capacitating PetroSA?

The MINISTER OF MINERAL RESOURCES AND ENERGY: House

Chairperson, the external support is directed at equipping PetroSA to be self-sufficient. Otherwise the alternative will be to say; the fiscals must ... [Inaudible.] ... pop out that money and we say; yes, the fiscals will help, PetroSA will participate but we need a partner, because we need huge resources for PetroSA to be returned.

Now the project, you are referring to, you say it is because of the failure of that project. Let’s accept that. Actually when I describe PetroSA, I always say that is an example of

... [Inaudible.] ... that’s how I describe it. Because you have PetroSA which used to generate profit which have a reserve of R27 billion which two drill rigs. Those drill rigs are not there and therefore PetroSA is not that a failure of a

project, but there was quiet dip stripping of an asset of the state.

And what we are doing we say; let’s rebuild that project, that institution, because it is a healthy project and many people have come to offer us ... many of us wanting to buy it. And we said; no we can’t sell it because people will strip it, want to come back and buy it and make more money. We must restore it as the state asset and that is the commitment we have made; we will continue to have ... [Inaudible.] .... so, we are not depended on an external support ... where?

*IsiXhosa*:

Ingaba ufuna ukulandelisa ngombuzo? Ndiyakubona ukuba uyapena- pena.

*English*:

Ok, now ... ok thank you. [Time expired.]

Mr A M SHAIK EMAM: Minister, you rightfully agreed and alluded to the fact that, it is a risk particularly when refineries are shut down and of course we are importing fuel. Now, we have capacity constrains in terms of batting but particularly

at the Durban harbour and other areas, including but not limited to the limited storage facilities. Do you not believe that this poses the serious risk, unless we address the batting challenges that we face, in Durban port particularly, that we might run out of fuel at some stage? Or what measures are you putting on place to try to circumvent or prevent that?

The MINISTER OF MINERAL RESOURCES AND ENERGY: House

Chairperson, the Durban port has quiet central in terms of petrol facilitation, in export and import. But, with the blowing up of the ENGEN refinery the capacity is out of ... [Inaudible.] ... and we have converted that into a storage facility – not sufficient. SAPREF, which central energy fund was in the centre of discussion, reviving it and be part of it. Then, there were floods that destroyed it.

Therefore, restoring it to production capacity will quiet costly but the discussions are continuing. And our view is that storage capacity is important, is necessary but in South Africa today, the biggest outcry is on the reduction of the refining capacity. We are working on that.

That’s why when we had the state visit to Saudi Arabia, one of the discussions was on working with Saudi Arabian American Oil Company, ARAMCO, to build a refinery, which was promised for Richards Bay, few years ago. We are reviving those discussions. Because if we improve the refining capacity, we are resolving the risk and at the same time we are reducing the need for more storage capacity for import. Thank you.

Question 225:

The MINISTER OF EMPLOYMENT AND LABOUR: Hon House Chairperson, well, it is important to highlight that section 15A(2) of the Employment Equity Act which is Act 4 of 2022, which is the Employment Equity Amendment Act requires that the Minister may and my emphasis after consulting the relevant sectors with the advice of the Commission for Employment Equity and for the purposes of ensuring equitable representation of suitably qualified people from the designated groups that all occupational levels in the workforce, then can set numerical targets or any national economic sector identified. Of importance to know is that the designated groups as defined by the Employment Equity Act are black that is African, Coloured and Indian, women of all races, emphasise that women of all

races, and people with disabilities irrespective of their race and the gender.

Therefore, the methodology and the criteria that would be taken into account in the regulation of the sector in terms of Employment Equity Act numerical targets will not be limited to race only, but the intersection of race and gender across occupational levels in the workforce to ensure equitable representation of all population groups and gender in accordance with the demographics of the national and the regional economically active population as published by Statistics South Africa in the Quarterly Labour Force Survey. In addition, other relevant factors to be taken into account will include but not limited to the latest Employment Equity Act status of the sector as reported by the designated groups. Hence in the workforce movement in terms of recruitment, promotional and skills development opportunities including where applicable determination of race, economic circumstances and other dynamics of each sector as expressed by the relevant sector stakeholders during the consultation process.

Therefore, the ... [Inaudible.] ... is that the sector stakeholders’ engagement have now been concluded with economic

sectors and proposed sector Employment Equity Act numerical targets. They will soon be published in the government *Gazette* of public comments for 30 days as required by the Act.

Therefore, in order to give you fact to the main objective of the regulations of a sector numerical targets which is to ensure equitable representation of all the designated groups across the occupational level, section 42 read with section 15 of the Employment Equity Act require that any person, including employers and employees, that assess compliance with Chapter 3 of the Employment Equity Act must take into account the factors which have been listed, and we have mentioned all those factors. Thank you.

Dr M J CARDO: Minister, let’s be honest, the Employment Equity Amendment Act is simply a reinscribed form of job reservation and the numerical targets, which you now have the power to set across national economic sectors are quotas in ... [Inaudible.] ... this law is ... [Inaudible.] ... piece of social engineering gives you powers in compatible with the free market economy who deter investors, strangle growths and kill jobs. My question to you is this, how will the Amendment Act targets and benefits the vast majority of poor black people who are unemployed not just a small elites, and how

this serves to promote equality in compliance with a Constitutional Court tests or redress measures?

The MINISTER OF EMPLOYMENT AND LABOUR: Maybe to answer you, a rhetorical question is, how will leaving the status quo benefit the majority of the blacks? We have never been able to benefit from what we see today. Part of the problem your question is informed by what I will call is against affirmative action which has been there in other countries to deal with the history those who have been disadvantaged by the past. In South Africa is a fact that the majority have been disadvantaged.

Therefore, your question tends to be antitransformation and anti-equity. We’re very clear that on this one we have to ensure that transformation cannot be frustrated. We’re ready to fight for this one. We’re ready to fight because it will benefit the majority of our people including those who are unemployed. However, what we cannot allow is to people to protect the privileges of the past and wanting us to sit in the past and enjoy those privileges. Thank you.

Mr M J WOLMARANS: House Chair, through you to hon Minister, one of the critical aspects of government’s mandate is around the development of an economy that will help our own economy to grow and to create job opportunities. Hon Minister, how important is the call made by President Cyril Ramaphosa on the social compact to help grow our economy and create much-needed job opportunities, and how various stakeholders engaged with the department in response to this call? Thank you.

The MINISTER OF EMPLOYMENT AND LABOUR: We ...

*IsiXhosa:*

Itheni yalahleka ngoku? Hayi zizikhumbuzi zam.

*English:*

You see, what we are doing we are hard at work, yes, consulting the various stakeholders and there are a number of proposals which they’re putting in ensuring that we are able to take this matter forward and there are different proposals which we are consolidating. That’s why we’ve said that there is consultation with the stakeholders who are making their inputs. That’s why we’re giving them this 30 days so that we

listen carefully what they’re proposing. That’s what I can say for now. Thank you.

Mr K CEZA: I’ll be hon Mkhonto, House Chair, today. Minister, in light of the marginalised groups that you have just mentioned, what specifics and clear measures will the department implement to ensure that the gains of affirmative action are not reversed and youth and women employment is prioritised? Thank you.

The MINISTER OF EMPLOYMENT AND LABOUR: That’s why we are

saying that we are insisting on the companies that they put these targets we’re talking about. Therefore, if there is the resistance, first, our inspectors are looking into that, and we are inspecting the companies. However, if there is resistance we’re saying that we will be very hard to them. By being hard, maybe let me start here, we will not start by being harsh. We will start with what we call corrective measures, point to their weaknesses and say that they must correct them. If still after that they do not do the right, then we have to apply harsh measures.

Remember that all along it has been voluntary. Now, it’s no more going to be voluntary, we will enforce it through the law. Therefore, if people violate the law it means that we have to be harsh. If they’re doing business with government we will have to say that you can’t do business with government if you are violating the law. Therefore, it means then we just have to be harsh for the sake of transformation. We are not going to live many more years without transforming this economy and just having what we call political power.

Therefore, we are very clear that we are putting all those strategies in order to enforce transformation.

Ms H DENNER: Hon House Chair, through you to hon Minister, you just said it that the effective ... [Inaudible.] ... that companies which did not comply with your ... [Inaudible.] ... racial quotas would be barred from doing business with the state. Now, section 2(17) of the Constitution under the heading procurement states that when an organ of state in any of the three spheres of government contracts for goods or services, it must do so in accordance with the system that is fair, equitable, transparent, competitive and cost-effective, and even the State Capture Commission described it in its

report as adherence to the imperative to maximise value for money for the state.

Now, my question, Minister, is if only a certain number of companies can contract with the state due to the exclusion brought about by your quotas does not giving effective imperative, does that not then constitute a violation of the Constitution regarding procurement by the state? Thank you, House Chair.

The MINISTER OFEMPLOYMENT AND LABOUR: Very interesting, you also say fair and equitable, and what do you mean? If we continue to give those who are advantaged, is that fair and equitable? As simple as that, the fact of the matter is that many of the white companies have had an advantage and many of the emerging black companies have never had that advantage.

And I know that you run to courts like you have done with the Treasury. We are looking into all those issues to ensure that the black people are also able to benefit in this. We are not going to protect that privilege abusing the Constitution.

Therefore, we will be looking into all those issues. So, to us is that positive discrimination has always been a big debate centuries ago, so, it’s necessary that even the so-called the

most advanced economy has had this debate about positive discrimination or affirmative action. That’s what we are doing.

Question 195:

The MINISTER OF EMPLOYMENT AND LABOUR: Thank you, hon

Chairperson. Well it’s indeed worrying to see that the employment is structural in nature, it is for this reason that the department has commissioned a number of studies to make recommendations on innovative strategies and policy approaches that can better address growing unemployment. In collaboration with the International Labour Organization – the Ilo, the department has developed an employment policy to guide the various initiatives aimed at promoting employment. The overall objective is to create sufficient and decent jobs in order to reduce the unemployment and enhance productivity and competitiveness.

The department’s employment policy proposes a plan of action to promote an inclusive and sustainable approach to addressing the problem of unemployment. So, the key areas of focus are to promote conducive environment for job creation; to promote entrepreneurship and access to finance for youth, for women

and the Expanded Public Works Programmes, EPWPs, to promote industrial development role in job creation; to strengthen a well-functioning labour market information system; to integrate employment issues in macroeconomic policies and investment strategies towards employment mainstreaming and job creation. Also, we are looking at establishing effective and efficient system to manage internal labour mobility and cross- border migration and promote smooth transition from informal economic to formality, and promote labour intensivity in public investment.

So, the department’s employment policy is currently being discussed with various departments to ensure that there is a co-ordinated approach across government. Once consultations have been completed at the employment policy, they will be released for public comments and inputs. So, in addition – that’s the last point, Chair – to the development of the policy, the department also provides essential social security protection through the Unemployment Insurance Fund, UIF, and the Compensation Fund. The department’s Productivity SA and the Commission for Conciliation and Mediation and Arbitration, CCMA, are also engaged in the various programmes to help business with productivity improvements and turnaround

solutions. The CCMA aims to preserve the jobs and thus minimise job losses. Thank you.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Thank you, hon Minister. The first supplementary question will be asked by the hon Nontsele.

Mr M NONTSELE: Thank you, House Chair. Thank you, hon Minister for the insights you have shared with us. Hon Minister, the President enacted the Employment Services Act in 2014. Can you just take us to understand since the signing? How willing are the employers in making use of the services of the department in terms of recruitment and placement services offered by the department to the employers? What are the limitations found in the application of this Act, if there is any? Those that result in challenges faced by the Department of Employment and Labour in terms of ensuring that the country’s employment opportunities are made in line with our National Development Plan. Thank you.

The MINISTER OF EMPLOYMENT AND LABOUR: Thank you very much, Chairperson. As you say hon Nontsele, since the passing of the Employment Services Act 4 of 2014, we have seen the

application and usage of this Act’s provisions in areas such as registration of employment opportunities, the recruitment and employment from the employment services of South Africa system and the registration of the private employment agencies and temporary employment services. Well, employers have used these services of Productivity SA to promote the productivity in the workplace but we continue to use the Act to provide continued employment of people with disabilities within government and the private nongovernmental organisations. Of course, usage by the employers is not at the level where we would want it to be.

The area that is less developed has been that of labour migration management under section 8 and 9. We have commissioned research and have undergone extensive consultation in this area. And we have a draft national labour migration policy and a whole new chapter in the form of an amendment Bill to implement the policy. We will table the proposals in Parliament as soon as we have completed the National Economic Development and Labour Council, Nedlac, and the internal government processes. At this stage we have competed at the level of the department but we have to go

through the Nedlac processes, including the areas of the amendment. Thank you.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Thank you. The second supplementary question will be asked by the hon S L Ngcobo.

Ms M D HLENGWA: Chairperson, the hon Ngcobo has connectivity problems. I will take it. Hon Minister, it has been reported that almost half of the working age women in South Africa are out of the labour force compared to 35,6% of their counterparts. Concerning this, I would like to know what measures have your department put in place to collaborate with other relevant departments to upscale unemployed women in rural areas for the post-COVID-19 working environment which requires a basic understanding of digital technologies? I thank you.

*IsiZulu:*

UNGQONGQOSHE WEZEMISEBENZI NEZABASEBENZI: ... [Ubuwelewele.]

... hhayi, ngiyambingelela.

*English:*

Hon member, when we were talking about the strategies and in our emphasis we talked about designated groups – women and African women are very central to that in our strategies. I think the big debate which you have raised is around the African women in the rural areas. I can tell you that there is a programme that we are cooking to try and train our people, in particular women. Minister Didiza will tell you about what we are doing, which is what we are proposing in relation to, for instance, agriculture – training those women massively.

Minister Ndabeni-Abrahams will also be able to tell you in terms of the small businesses which we are talking about and targeting in the main - the women, in order to be able to do things for themselves. We are cooking that programme. It is part of the integration and the co-ordination we have been talking about. And I guess, even Minister Kubayi – in relation to housing - we are also saying that the target, in whatever training we doing, the majority should be women. But we are not training for the sake of training. We are saying that we are training so that people must be placed somewhere. If they have to start their own businesses, it means there must be proper support – that’s the intention for a massive programme we want to launch.

*IsiZulu:*

Akunjalo, Ngqongqoshe? [Ubuwelewele.]

*English:*

Ms H DENNER: Thank you, House Chair. Hon Minister, you talked about employment and opportunity creation. The private sector is the largest employment creator in the country, however, government has been alienating and scapegoating the private sector for many years to divert attention from its own inability to stabilise the economy and employment creation, just as you have done in answer to my previous question. The latest example is that of the social engineering Employment Equity Amendment Act that we have just spoken about that affords you the power to interfere in private sector businesses by setting race-based quotas. How do we envisage, Minister, legislation and interference like this example that I have just mentioned, by promoting government’s relationship with the private sector and empowering the private sector - the greatest employment creator in the country in job creation for amongst others, women and youth? Because Minister, I must tell you that you and your government seem to be moving in an opposite direction from that. I look forward to your ... [Inaudible.] ... answer, sir. Thank you, House Chair.

The MINISTER OF EMPLOYMENT AND LABOUR: The problem is that you make an assumption that this is imposed by the government. On the measures that we are coming up with, the Employment Equity Commission has representatives from all the stakeholders, including business. They are part of this. So, this issue of thinking that it’s being imposed is in ... [Inaudible.] Secondly, we cannot leave everything to the private sector. As government we are there, we have to intervene in one way or another. We should intervene for the sake of progress. And I dare say basic economy talks about government intervening whenever there are market failures. So, that’s where our intervention is. We are intervening where we know that if we live everything to the private sector, we are not going to be able to achieve the transformation which we want. So, it can’t be free where private companies just do as they wish – we can’t allow that. Thank you.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Thank you, hon Minister. The last supplementary question is by the hon E Hendricks. the hon Hendricks? We then move to Question 247, which has been asked by the hon Shaik-Emam to the Minister of finance. The hon Minister?

Question 247:

The MINISTER OF FINANCE: Let me just try, hon House Chair. This is the most difficult question and it is interesting to know what kind of supplementary questions are going to come and be relevant. Having said that, let me, in answering the question, provide a caveat. The numbers that I am going to give the hon member have got two fundamental flows: The first one is that the numbers I have are for the police department, not for police, because it's difficult to distinguish between the employees, whether on Persal on Sars, which are verified these numbers from both Persal and Sars, which come to the number, but it won’t tell me whether the person is a police or not the police, from the department.

So, the numbers I am going to give you are a package of the whole department. In terms of the police, in the last financial year, 2022-23. It was R9,9 ... No, R9 901 712. Okay

...

*IsiXhosa*: Iyandehlula lento!

*English*:

Let me simplify it for you. Let me simplify: R9,9 billion! Right? Does it make sense? That is the Police.

In terms ... [Interjections.] No, no, no!

*IsiXhosa*:

Khandiyeke wena, sundibhulisha!

*English*:

The next one, Health, is R20 billion, but these numbers would exclude, for instance in the clinic, in case of Health, the private health sector. So, these are the numbers. But, let me make two points. You know, when you quote the Constitution, sometimes it is quite important to posit the whole thing together. The quotation that we have heard there, of section 217, is subsection 1. The member deliberately does not go to subsection 2, which provides for preferential procurement.

This is a deliberate attempt!

The second thing is that the South African society is cast in a racial mode, which itself is social engineering. When we are attempting to address the attempt of previous social engineering, we are accused by the same people who are

products of social engineering. It can’t be fair! Thanks Chair!

Mr A M SHAIK EMAM: Thank you, Chairperson. Hon Minister, my question was very clear. I was talking about police officers - nobody else in the department, but police officers - per se!

But, very importantly, it is quite a small amount, I noticed. You take R9,9 billion and of course remove others in the department and so forth, but South Africa loses estimated billions of rands in this country because we do not get value for money. Number two, foreign nationals - most of them in this country - do not pay taxes. Number three, those with foreign nationality in this country, who have offshore interest, evade taxes and there are illicit financial flows.

Police officers are performing one of the most dangerous and riskiest jobs you can ever find. They were earning R13 danger allowance. Now they get R20 danger allowance per day. R20 to put their lives at risk, living in informal sectors! So my question is: Will you have any objection - because I know it is not within your mandate - will you have any objections if we had suggested, and if it was approved in this House, that police officers in this country be exempt from paying taxes,

so that they could live decent comfortable lives, be motivated and protect you and me like they do? Thank you

The MINISTER OF FINANCE: I don’t know whether I would not object to attacks for freebies for policemen, for whatever category of employees for that matter. Where does it end? You are also a politician. I am looking at how you guys are looking at our houses, and you look where your Premier lives, in the house of the governor. We do not own these houses!

So let me just say if you want a ... The point you are raising is really not a tax issue. The point you are raising is an employment condition of the policeman. If you want to discuss the critical conditions of employment for policemen, given the environment in which they work, let us have that discussion separate from the tax discussion. I think that we are conflicting. That is why I was worried what kind of complementary questions will follow this one. Thank you.

Ms Z NKOMO: Thank you, House Chair. Minister, with regards to increasing revenue to meet constitutional and government policy imperatives, the Davis Tax Committees have over the years made specific tax proposal to the National Treasury. How

has this revenue proposal shaped the current taxation model; and how have they benefited government and the citizens of the country at large? Thank you.

The MINISTER OF FINANCE: I knew, hon Chairperson that the question is going to be broader than police service and health workers. The question has been brought into entire tax system, including the hon member. The Davis Tax Committee - what is called the DTC, when they abbreviate it - makes a number of recommendations for a variety of taxes. It is difficult to enumerate them over the time. However, to answer the question on whether they have shaped the policy: Yes, indeed! Indeed, because those recommendations have impacted on certain tax categories and we have taken those recommendations to account, if I were to answer the other member in those terms. Thank you.

Mr A N SARUPEN: Thank you, House Chair. Hon Minister, the average annual salary wage of police officers is estimated to be R170 000 per year, and the average salary for a nurse is R302 000 per year. However, there are 27 650 managers in national and provincial government departments alone, whose salaries are in excess of a million rand per year, and their

average annual salary is R1,4 million per year. They get above inflation increases funded from the taxes of nurses and police officers.

My question is this: What steps will the Minister take to reduce the cost burden and contain the salary growth of millionaire managers in the public service, noting that they have enjoyed above inflation salary increases over the past decade?

The MINISTER OF FINANCE: I don’t know why they are curving this ... It is not an extraordinary question. It is not an extraordinary question. However, let me say, in his state of the nation address, the hon the President said ...

*IsiXhosa*:

... ndiyamthanda nangoku. Ngubani ongayithandiyo inkokheli yakhe kuba nani niqhwaba izandla ngokungathi ngu ... [Ngokungavakaliyo] lenu nje. [Kwahlekwa] La personality cult ingathi ngumsilini na! Thyini! Wonke umntu uyayithanda inkokhelo yakhe, nje ngani nixhentsela lanto yenu phaya!

*English:*

I want to come to the question because it is fundamental. Let me just say what the President said in his state of the nation address. The President, in his state of the nation address said that the Presidency and National Treasury are going to all look reorganising government in order to ensure efficiency and sync. That is what the Presidents said. That this task exists between National Treasury and the Presidency.

Part of that, it may not be focusing on that. You are focusing on these ones. Part of what we want to look at are all these small kind of organisations which have smaller entities, which government have. Some of them are paying double the salary of the DG of National Treasury. It is a debate that we are currently having, of reorganising government. The President has set as a mandate to achieve that objective. Thank you

Mr M HLENGWA: Chair, the question may have elements of confusion but at the same time it begins a necessary discussion about frontline services. It is quite clear, Minister, in that nurses, healthcare workers, police officers and other frontline workers are really not earning salaries which are commensurate with the work that they do. It is inconsistent with the risks that are involved.

So, maybe the question then becomes: Would National Treasury be amicable to the reconfiguration of the tax regime in so far as frontline workers are concerned, to adjust the salary scale, which will split the salaries to taxable and non- taxable, in order to cushion the challenges that they face, also considering the fact that salary increases at times - which is most often than not – are below the inflation rate?

Thanks Chair.

The MINISTER OF FINANCE: Yeah, I think that is why I was saying it is going to be interesting what the supplementary questions are going to be on this question. Even that one talks to the conditions of employment of frontline workers. So, part of the difficulty is - let me just give you an indication: The Organisation for Economic Co-operation and Development, OECD, in 2019, did it all right, as to when the salary package is in relation to the OECD economics. Where do we start? We are stuck at number 30, close to the Scandinavian countries. However, when they turn the question around, and you ask: Per capita, how many workers do we have compared to those countries? Per capita, we have got less workers than them. Which means your fundamental problem is the number - the head count. If you use the OECD study, your problem is the

rate! Where does your problem lie? It lies in the point that I was raising, that these institutions you pulled - the agencies we have in government, all of them combined - have got 160 000 people.

These !60 000 people mean that we have got a fundamental problem with the frontline workers at two-levels: First, is the pay; and secondly, is the quantum - the number of those workers. If you look at the Budget over the past two years, one of the focus has been trying to improve the quantum of frontline workers, whether the police, Health, teachers and so on.

However, what you need to do is to restructure the other crowd in order to make sure that you can improve the conditions of employment of frontline workers. So, it is basically not a tax issue but a basic condition of these employees which everybody is serious about. But, we have got to react to restructure government in such a manner that we can provide you with the right quantum of workers; and secondly, that they are paid at a correct rate. Thank you.

Question 196:

The MINISTER OF AGRICULTURE, LAND REFORM AND RURAL

DEVELOPMENT: House Chair and hon members, thank you for the question from hon Tlhape. In acknowledging the impact of load shedding on food security as a department, in January we convened a meeting of industry stakeholders, which included farmers, agribusinesses and other important members of the sector critical in food production.

We then had an assessment to preliminary identify the impact. We agreed on setting up a ministerial task team including members of the industry and research agencies such as the Bureau for Food and Agricultural Policy, BFAP, to enable us to have a better assessment on where exactly the challenges were and the severe impact. That work was undertaken, and in February the task team gave us their report.

We simultaneously had an engagement with Eskom to look at what it is that we can do to ameliorate the problem. Working with Eskom we agreed that where possible we can have load curtailment. This means that you can actually arrange with Eskom in terms of your timelines when you need more of your energy sources and when you do not require massive energy sources. When we did that study it was very clear that the

irrigation areas in our country are where we require more energy at a concentrated time. We then agreed that we will work with the provincial structures of Eskom as well as well as our farmers’ organisations and agribusiness industries so that when we apply load curtailment there would have been consensus amongst those players.

Eskom did however indicate to us that where farmers or agribusinesses are actually embedded on municipal infrastructure it may not be quite easy to isolate because of the density of other players that are linked in that energy source. However, some of the municipalities were able to find some way to address challenges where it was possible. That work has actually assisted in provinces where there is concentration on irrigation areas such as in the Eastern Cape, KwaZulu-Natal, Mpumalanga and some parts of North West. In some of the areas it has not been easy to actually do so.

I must also indicate that the ministerial task team included the Department of Minerals and Energy as well as the Department of Public Enterprises. When the Minister of Electricity was appointed he also had a meeting with us and the industry players so that he can have a sense too. It was

part of his orientation to understand where most of the problems were in terms of energy requirements by the agricultural industry.

While we appreciate that load curtailment is working in a particular sense, we have also put aside R500 million which we are going to put in Land Bank where we will have blended financing to assist industries as well as people who require assistance, some of whom may be wanting to use alternative sources of energy as part of their production system.

I must also say that certain industries such as the sugar industry have indicated that they can contribute as well in to the coal generation of energy which will not only assist them as the players but will also assist neighbouring communities. And discussions are ongoing with Eskom in that regard. That will be in areas such as Kwazulu-Natal and Mpumalanga where sugar production is being undertaken.

So, this shows what government is trying to do in dealing with energy security challenges in order to avoid food insecurity in the country. Thank you.

Ms M M E THLAPE: House Chairperson, thank you to the Minister for the comprehensive response. We have seen the outcry from poultry and dairy farmers in the main. Having spoken about the curtailment of load shedding, there have been calls also for granting exemption or reduced schedules. I just want to find out what action has the department taken in terms of granting exemptions or reduced schedules for the farmers to date because your meeting was around February? Thank you.

The MINISTER OF AGRICULTURE, LAND REFORM AND RURAL

DEVELOPMENT: Hon House Chairperson, with regards to exemption I must say that in our engagements with Eskom they did indicate that even in the health sector where some of the exemptions have been granted, it has not been to all the health facilities. So, what they recommended, which has been implemented, is load curtailment and it has worked as I indicated that in areas such as KwaZulu-Natal, Mpumalanga, North West and the Eastern Cape load curtailment has been implemented. Thank you.

Mr N P MASIPA: House Chair, food security is under severe threat in this country. Load shedding has contributed to many families going hungry. Many South Africans can no longer

afford food. Food inflation has accelerated, and so food prices increases by 14% in the last 12 months to March 2023. This is the highest increase in food prices since 2009. At what point, Minister, would you protect the many South Africans suffering from food insecurity by extending your support to commercial farmers who are excluded from the blended finance? Please answer this question honestly, Minister.

The MINISTER OF AGRICULTURE, LAND REFORM AND RURAL

DEVELOPMENT: It is indeed a good question and I am very happy because hon Masipa sits in the Portfolio Committee on Agriculture. He knows that the blended finance with regards to assisting farmers with the load shedding impact is actually across the board and not isolating small or medium or commercial farmers. All farmers in our country are important players in terms of providing food security.

Yes, bab’ uMasipa, I don’t think we need to have a discussion and a debate. You know well that this programme has not started. I said just now when I was answering to hon Tlhape that R500 million has been set aside. If you will wait we will make an announcement that says where you get the form, where

you apply and how you qualify so that you can actually be comfortable.

You also know that the issue of the cost of living which includes the high prices on food is a combination of factors; it is not only the issue of electricity. The issues of fuel increase, the issue of the conflict between Russia and Ukraine have also contributed where agro chemicals and fertilisers have been on the increase, but also the disruptions on the agricultural value chains globally. So, it is not just one factor that results on the high food prices. Challenges of high unemployment have also made contributions on affordability for those unemployed, and hon Masipa, seated there, knows very well. He just had to ask that question, but no. Thank you.

*IsiXhosa:*

Mnu Y TETYANA: UMontwedi, akekho, ndim uMontwedi namhlanje. Yimani, musani ukungxama. Mphathiswa, lo cimi-cimi sonke apha kule Ndlu – Hayi yima kancinci wena maan. Lo cimi-cimi siyavumelana ukuba amafama asakhasayo, ingakumbi la antsundu, ayabetheka kakhulu kwizinto ezininzi. Awanayo imali yokuzithengela iijenereyitha, ootata uGwede abanazo phaya

kwiifama zabo. Lithini isebe xa lijonga lo monakalo walo? Yintoni eniyenzayo ngoku ukuzama ukuncedisana nala mafama? Xa umamela uMphathiswa uNxesi uthetha kamnandi xa esithi urhulumente wenu...

*English:*

...is biased towards the black farmers or black people. So, in this context...

*IsiXhosa:*

... yala mafama loluphi uncedo eningasibonisa lona eniza kuthi nilenze, nilenza kuwaphi amafama asakhasayo? Enkosi.

UMPHATHISWA WEZOLIMO, AMAHLATHI, UHLENGAHLENGISO LOMHLABA

NOPHUHLISO LWAMAPHANDLE: Enkosi ke Mnumzana uMontwedi wanamhlanje. Ubuza ukuba yintoni esiza kuyenza ukuncedisana namafama asakhasayo ingakumbi aba abantsundu? Senditshilo ukuba siza kuwancedisa amafama asakhasayo kuba siyayazi awanawo amandla awoneleyo. Xa sithetha kanjalo sifuna umntu atsho ukuba simncede ngesola okanye ijanareyitha. Iza kuxhomekeka kumfama kuba kaloku amandla awalingani kwaye awafani.

Kula nkqubo ye-Land Bank yokufaka izicelo zokuncediswa, umntu uza kutsho ukuba ufuna ukuncediswa ngantoni. Ukuba ufuna ijanareyitha exabisa ama-R50 000 ibanki iza kumnika ama-R40 000 ukuze yena agqibezele ngama-R10 000. Loo nto ithetha ukuba sizama ukuhlangabezana naye kwingxaki ajongene nayo ebangelwa ngulo cimi-cimi okubangela ukuba ungakwazi ukuvelisa kakuhle. Enkosi.

Mr N SINGH: Hon House Chair, I’m asking on behalf of Inkosi Cebekhulu. Hon Minister, you are quite right, it is not only food production that gets affected when there is load shedding but it is more agro processing, and it is in that sector where many people are employed and many farmers who employ these people lay them off work because they say there is no electricity etc.

So, you have the two Ministers who are supposed to keep the lights on sitting next to you, and the one who has gone out provides the money. Has there been any talk of further incentivisation if these farmers and ordinary people have to use things like solar panel and alternate sources of supply to ensure that the agro processing plants are kept active when there is load shedding? Just like there are diesel rebates,

you have been speaking about some rebates, have you actually worked out how they could benefit more than anybody else, particularly those involved in the agricultural production sector?

The MINISTER OF AGRICULTURE, LAND REFORM AND RURAL

DEVELOPMENT: Hon Singh, we should maybe ask my colleagues next to me. However, as I indicated earlier, we are working with the Ministry of Minerals. I indicated that the Minister has already met the sector, also the Department of Public Enterprise under which Eskom falls and the Minister of Finance.

If you look at the Budget presentation of the Minister of Finance in February, it indicated what not only citizens but also industries can claim back in terms of addressing the electricity challenge. The issue of diesel rebates and the issues of solar, we are working together on all those to then say how best can the people who are working in this sector, particularly agro industry, be supported.

Let me say that even before the engagements with the agricultural sector and the agribusiness sector, in January

last year agribusinesses such as Premier Foods and others had already been assisted on load curtailment by Eskom to make sure that they don’t get disrupted in their enterprises. So, work has been ongoing to make sure that the agricultural sector is cushioned so that there is no challenge of food insecurity in our country. Thank you very much.

Question 230:

The DEPUTY MINISTER OF AGRICULTURE, LAND REFORM AND

DEVELOPMENT: Thank you hon Mbabama for the question. The answer is that, since it relates to 2013 and the Mandela Administration had indicated 1998 the cut of date, the questions speaks about January 2013 but the question also says since. Therefore, between 1 July 2014 and 27 July 2016, there were 163 383 claims were lodged between that period.

As we are all aware that the Constitutional Court then interdicted the commission from proceeding to process those claims with proviso that we must first finalise those that were lodged between the 1998 cut-off date. Thank you very much.

Mr H C C KRÜGER: Minister, load shedding is having a devastating impact on many lives. Many youths are unemployed; and many South Africans are going to bed hungry. In the renewable energy project, the South African government has set a target of generating more than 17 000 megawatts by 2030. The target is supported by the Renewable Independent Power Producer Programme, REIPPP, which has attracted foreign and local investment in the renewable energy project.

Small enterprises would like to assist in easing the negative impact of load shedding. However, Minister, they are prevented from doing so because the earmark’s phase for renewable project must have no existing land claim.

Renewable energy companies cannot enter into arrangements with current rightful land owners to contribute positively to the local economy. Minister, will you assure the members of this House that you will crack the whip to ensure that the Land Claims Commission concludes its work? Thank you.

*IsiXhosa:*

USEKELA MPHATHISWA WEZOLIMO, UBUYEKEZO LWEZEMIHLABA NOPHUHLISO

LWAMAPHANDLE: Wamde lo mbuzo andazi ukuba kutheni.

*English:*

I’m not sure why the member went to Nineveh when sent to Tarshish. But anyway, we are not waiting to crack the whip, we are continuously doing that particular work to ensure that we finalise those outstanding claims. We report to the Land Claims Court on a six-month basis on the progress that we are making.

Next to you, hon Masipa would be able to advise you on which provinces have been completed and what is outstanding. It is very complicated process but we have not completed it as yet but we are about to complete it. Thank you very much.

Mr N CAPA: Hon Deputy Minister, what measures do you envisage in order to further capacitate the Land Claims Commission so that they can move speedily and efficiently in expediting their mission and further catch up with any backlog that they may have?

*IsiXhosa:*

USEKELA MPHATHISWA WEZOLIMO, UBUYEKEZO LWEZEMIHLABA NOPHUHLISO

LWAMAPHANDLE: Siyabulela Mthembu ngalo mbuzo.

*English:*

There isn’t only one measure. One such measure that is in dire need is financial resources. The second one is the capacitating of the Land Claims Commission to ensure that it has the necessary structures in place to ensure that it proceeds with its work in provinces and the filling of such vacancies is being addressed so that the work can proceed smoothly.

The other one is trying to ensure that our communities speak in one voice in relation to claims because one of the serious challenges is that communities at times do not speak in one voice in relation to claims and families. So there are various measures but we are keen on the job in ensuring that this particular aspect is being resolved as speedily as possible.

Thank you.

Ms H O MKHALIPI: Deputy Minister, your Lamosa Report to the Land Claims Court indicates that you will need a further

R68 billion to settle the remaining 7 000 land claims lodged in the December 1998 deadline. You have spent about

R44 billion settling over 75 000 land claims. Why do you need R68 billion to settle such a small number of claims compared

to the claims you have settled thus far? Considering budgetary constraints, by when do you foresee full settlement of all land claims lodged in 1998? I know it’s a difficult question but your Minister is here to assist.

The DEPUTY MINISTER OF AGRICULTURE, LAND REFORM AND

DEVELOPMENT: Our work is guided by the Act and the Act states what our role is. One of those vital roles is to give land to the people who were forcefully removed by colonialists and apartheid in the country. Systematically, that is what we are doing.

That particular Act also accommodates the fact that in some instances, you would find it not possible for you hon Mkhaliphi to go back to where you were moved from. In that instance, the commission then considers that you say whether you want alternative land or monetary compensation to bring back your dignity and that is also costly. Perhaps I should speak about alternative land because we do secure and buy alternative land and those whom we buy from ask for huge amounts.

So, there are a complex of issues that make that particular issue so ballooned. But, these are issues led by the Minister that we are engaging with Treasury and I think that this Parliament should one day in the near future be able to discuss this issue that relates to the settling of claims and the amounts needed.

*IsiZulu*:

Siyabonga, mhlonishwa u-Matiase

Mnu M HLENGWA: Ngicela ukuwuthatha umbuzo egameni leNkosi, Sihlalo. Ngiwumntwana weNkosi njalo, yinto yamaKhosi le, woza

...

*English*:

... with caution. [Interjections.] Speed kills!

*IsiZulu*:

Okokuqala umuntu akancome ukuthi uNgqongqoshe ekhona anike neSekela lakhe ithuba lokuphendula. Yinto engajwayelekile leyo. BoNgqongqoshe ...

*English:*

... You must learn to share. Chair, on a serious note, ...

*IsiZulu*:

... hhayi, ngizowubuza ... [Ubuwelewele.] ... kahle ...

*English*:

... the backlog is now overtaken by events. We have got claims where development has taken place, people have died, there are disputes with families and there are now land claims.

Is government genuinely committed to ensuring that it addresses the land quest otherwise we are kicking for charge because if the financial resources are lacking then National Treasury should provide us with a plan as to when will the monies ... [Inaudible.]. Deputy Minister, the question is, are you genuinely committing because the backlogs are now overtaken by events leaving our people in a condition of despair? Thank you.

The DEPUTY MINISTER OF AGRICULTURE, LAND REFORM AND

DEVELOPMENT: The answer is yes, we are genuinely committed. If

I may elaborate, since the birth of our organisation in 1912, one of the central features ...

*IsiZulu*:

... ngicela nilalele.

*English*:

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Order, order hon members.

The DEPUTY MINISTER OF AGRICULTURE, LAND REFORM AND

DEVELOPMENT: Maybe you will gain.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Order hon members.

The DEPUTY MINISTER OF AGRICULTURE, LAND REFORM AND

DEVELOPMENT: Since the assumption of President Mandela in a new dispensation, it is this government that had indicated that people must get their land back. It is also in recognition of centuries of colonialism that we are asked to sort out a mess that was not created by us. This is post colonialism.

This is why we are bringing the land back to the people. In fact, last week, people in District Six were asking me what people meant when they say we have received our land back. We were removed here in 1955, we now own houses issued by this government. Just last week.

We are genuine but it does not mean we must not negate the challenges we face. That is why when answering hon Capa, I had indicated that, one of the critical challenges we are facing is resources. You must remember that we are not doing this for ourselves but we want to create a lasting legacy for generations to come so that they are not faced with the problem that was created by other people. I thank you.

Question 236:

The MINISTER OF MINERAL RESOURCES AND ENERGY: Hon Madokwe, I

am reminding you about something you know that in 2007 De Beers took the Department of Mineral Resources to court. That was in 2007. And the judgement of that court was that slimes dams are not mining activities. They belong to water. And therefore, the relevant department today is the Department of Water and Sanitation. So, the reality of the matter is that you are asking us to do something that is not in our

jurisdiction. We are used to that of anything that smells mud must be thrown at us. It is Water and Sanitation that is responsible for the issues there.

Yes, the houses that were washed away were built by a mining company De Beers consolidated then. Jagersfontein, it is not a mining company in terms of the judgement of 2007.

Ms P MADOKWE: Minister, notwithstanding that there was the court judgement you are referring to, which you should have appealed by the way but chose not to. And you are now using to avoid accountability. There are recommendations that were made last year by the portfolio committee that are directed precisely to your department on Jagersfontein. That one would have expected you to respond to.

Moreover, recent report attribute the Jagersfontein disaster to poor engineering. During the period when tailing dams were still under the Department of Mineral Resources and Energy.

Why did your department failed to confirmed the mine safety and allowed mining activities to continue in the area despite concerns even from the community members? Thank you.

The MINISTER OF MINERAL RESOURCES AND ENERGY: Mine safety

falls within the jurisdiction of the Department of Mineral Resources and Energy. Water safety is not in the Department of Mineral Resources and Energy. No, I am not joking. [Laughter.] I am not joking. In 2007 there was a court order.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Hon members? Hon members, please allow the Minister to respond.

The MINISTER OF MINERAL RESOURCES AND ENERGY: In 2007 there

was a court order that took that jurisdiction away from us. Now where there is justice system we don’t walk into Jagersfontein because you think that it should be mining and grab it. You would have to follow a long process of getting that reversed. Today there were slims dams in Jagersfontein and I can tell you in the whole of the Free State and all the gold mines they are falling within the Department of Water and Sanitation. So, if there is a weakness of engineering it’s a weakness of engineering in the relevant department. So, you don’t do around engineering skills and try to address all the issues. It doesn’t work that way.

Mr S LUZIPO: Hon Minister, noting the judgement of 2007 that declared that mineral regulation does not apply in mining dumps. Is there any consideration within the department to revisit that judgement or alternatively creating a legislation that will ensure that what is described as processing is not necessarily processing but mining and therefore, allow that it be regulated under Mineral Resources and Energy? Thank you very much.

The MINISTER OF MINERAL RESOURCES AND ENERGY: If you are

engaging the Justice Department in the Free State it will be irresponsible of me to come to Parliament and announce that. We should do it and get the result. Once we have results we come to Parliament and account.

Mr J R B LORIMER: Minister, the international best practice with regard to the management of tailing dumps is containing in the Global Industry Standard on Tailings Management, the GISTM. Has the department taken steps to introduce compliance with the standard in South Africa? And if not, why not?

The MINISTER OF MINERAL RESOURCES AND ENERGY: Trailing dams

are constructed during mining. When they are constructed under

mining a mining legislation does apply. But once you leave that mine and it becomes a derelict mine or an ownerless mine and sell to somebody else as slimes dams the judgement put it under the jurisdiction of Water and Sanitation. And we are not going to go and grab that space from Water and Sanitation. We will engage the department. Actually we did not run away from Jagersfontein. Many of you know that. We went there. we put our team. It helps Water and Sanitation. That doesn’t make it a mining issue. It is a Water and Sanitation issue. But we do provide our support service to them. And that’s what we are going to continue doing until there is a different outcome in the process.

Ms M D HLENGWA: Hon Minister, what plans does your department has in place to collaborate with the Department of Environment, Forestry and Fisheries to ensure that this strategy is not repeated? Thank you.

The MINISTER OF MINERAL RESOURCES AND ENERGY: If it was a

mining activity there would be a plan. It falls under Water and Sanitation. Water and Sanitation ... Hold on. Hold on. Hold on. So ...

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Order, hon members.

The MINISTER OF MINERAL RESOURCES AND ENERGY: ... you don’t go

around developing plans for all the departments. You only develop plans from your department. Slimes dams are given by courts to Water and Sanitation. Though we can’t go around and develop plans for slimes dams actually if you ask us as a department we always emphasise the fact that these things will still be with us because we have the skills. We have the knowledge. But it has taken away from us by a court order. It is in Water and Sanitation. So, we can’t develop plans for Water and Sanitation. It does not work that way in government.

Question 197:

The MINISTER OF FINANCE: Hon House Chair, the government has taken a few steps to provide relieve and help households experiencing high food prices. Food inflation has been fending high in recent months and has been driven largely by high prices of bread, cereal, meat – particularly beef and poultry. In August 2022, the Trade and Industry suspended the antidumping duties on poultry imports from five countries for a period of 12 months to help reduce of poultry or chicken pricing. Furthermore, the 2023 Budget stated that the

government had taken a decision to extend the diesel fuel levy refund period to manufacturers of food staff for a period of two years effective from 01 April to 13 March 2025. These was coupled with the announcement that the general fuel levy will not be increased in the 2023-24 financial year.

In addition, the National Economic Development and Labour Council’s, Nedlac, cost of living’s rapid response task team which the National Treasury is part of, have been established to build an understanding of the issues driving the cost of living and attempt to secure immediate or short-term changes from the government to address high food prices and food insecurity of poor and vulnerable households.

Intervention in preventing collusion in the food processing market is essential in ensuring that consumers are not subjected to unjustified and opportunistic price increases. This however falls within the mandate of the Competition Commission and we recommend that the hon member refer this to the Minister of the Department of Trade, Industry and Competition. Thank you.

Mr M G MAHLAULE: Thank you very much, Chair. I will take it on behalf of hon Skhosana. Minister, notwithstanding the measures put in place, food inflation is one of the main drivers of the overall inflation and it remains government policy to protect the poor. Is the cost of living rapid response task team considering further exemptions to VAT on broader range of food staffs than currently it is? Thank you very much.

The MINISTER OF FINANCE: This question has come up on several occasions in the House and I understand its motivation. There has been a commission which was appointed by the National Treasury in order to evaluate the whole impact of VAT and which products should be zero-rated. That committee made a number of proposals. At the moment there is no discussions. Or let me put it in this way, I am not considering any zero- rating of any item at the moment. What we should be looking at is the discussion that we need to be interested in. What are the other measures that we need to take in order to cushion the impact to the vulnerable? I made the point earlier today that in terms of the indigent policy we provided about R70 billion to support the vulnerable. Taking into account we have also increased in this financial year R1,1 billion in the

electricity alone, and not in the entire basket. So, these are measures.

In addition to that, we are increasing the social grants as we have said in the Budget. In addition to that, various programmes of government are intending to deal with the poor. Among other things is the Expanded Public Works Programme.

Amongst other things is the social relief grant. All of these are measures which are intended to deal with the question of poverty and unemployment. Thank you.

Mr A N SARUPEN: House Chair, I will be taking the question on behalf of hon Alexander. Minister, Statistics SA’s figures released two weeks ago show that the massive food price inflation has reached 14% year-on-year while globally over the same period food prices had fallen 21%. So this is no longer a problem of imported inflation, but it is being driven by fundamental weaknesses in the domestic economy specifically load shedding which causes huge loses in production and high transport costs due to high fuel costs as well as other domestic microeconomic factors driving up these costs. What steps is the Treasury taking specifically to reduce input costs that is driving this inflation? Thank you.

The MINISTER OF FINANCE: Hon House Chairperson, the first point is the wrong assumption. Which is a wrong assumption? It is the one that suggests that it is no longer driven by global factors. It is inaccurate. You will understand that the

Russia-Ukraine conflict had an impact. The fuel prices have largely been impacted by that. The food staff have been impacted precisely because of the fertilizers. It has been impacted by that. Those are global issues. I do not deny that it has been compounded by domestic challenges such as load shedding - no doubt about that.

Another complicating factor which must also be taken into account domestically is the exchange rates. All of these things combined. You don’t simply have a panacea from the Treasury to deal with these complex economic questions in order to deal with A or B because it is a multifaceted and complex confluence of factors which impact on these. So, I cannot suggest as you propose that these are the measures. At first I have outlined the support measures that the Treasury has been providing to the vulnerable while working with other departments. I have outlined that in answering the previous supplementary question. Thank you.

Ms Y N YAKO: Thank you, Chair. May I take this question? Minister, in March 2023, the Competition Commission reported that they are monitoring the prices of essential foods because opportunistic major food retailers are abusing our people.

They have just increased the price of basic food such as maize, cooking and oil grades. This is the food that is mostly accessible to many of the poor and working households. While our people go to sleep on an empty stomach, some companies are reporting increases in profits because these highs are essential in food. Have you, as the Minister, set down with the commissioner of the Competition Commission to understand what is driving these increases if greed is part of it? Or do you agree with the Stellenbosch researchers who said food price increases are justified? Thank you.

The MINISTER OF FINANCE: House Chairperson, wrong door! You are knocking at the wrong door. Wrong door! There is a department called the Department of Trade, Industry and Completion ... [Interjections.] ... whose responsibility ...

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Hon member, listen to your response, please.

The MINISTER OF FINANCE: ... is to monitor opportunistic and uncompetitive behaviour. In responding to the original question of hon Skhosana ...

*IsiXhosa:*

... ndinike indlebe, mntwana wam.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Order, hon members! Order, hon members!

The MINISTER OF FINANCE: Withdraw, hon member. Withdraw without reservations. Withdraw!

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Hon members!

The MINISTER OF FINANCE: In the answer to the original question I said.

The DEPUTY MINISTER OF AGRICULTURE, LAND REFORM AND RURAL

DEVELOPMENT: Order, Chair!

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Hon members, would you please allow the Minister to respond. Hon member, what is

your point of order? Would you please take a seat, hon Minister.

The DEPUTY MINISTER OF AGRICULTURE, LAND REFORM AND RURAL

DEVELOPMENT: The hon member is saying, the Minister ...

*IsiXhosa:*

... ungazophambana apha.

English:

[Interjections.] ... You, you!

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Hon members, stop interacting with each other. Hon members! Hon Madokwe, hon members and hon Ceza.

*IsiZulu:*

Siyabonga!

*English:*

The MINISTER OF FINANCE: Hon House Chair, let me say to that hon member I apologise unreservedly. Then, let me come to the question. In my conclusion of the original question I said,

intervention in preventing collusion in the food processing market is essential in ensuring that consumers are not subjected to unjustified and opportunistic price increases. This, however, falls within the mandate of the Competitive Commission and we recommend that the hon member refer this matter to the Minister of the Department of Trade, Industry and Completion. That’s why I say, wrong door. Bye bye!

Mr M HLENGWA: Thank you very much, hon House Chairperson. Hon Minister ... [Interjections.] ... Madiba, Madiba ...

*IsiZulu:*

... sekuyimina manje.

*English:*

Minister, a study by Wits released this year in February indicates that 20.4 South Africans are food insecure. The latest food basket index indicates that the basket of food has gone up by R516,00. if you look at the basic foods Spar is charging R433, Pick n Pay R428, Checkers R421 and so goes down. In light of this, Minister, and in response to the response you gave, why are not in this critical moment considering zero-rating the foods which are of basic necessity

to our people because you said you are not? Should you not be considering it given that South Africa is for all intense and purposes the welfare state and all the other issues contained therein - food relieve, poor people in so far as prices are concerned ... [Time expired.] ... to understand your rationale as to why you are not considering it.

The MINISTER OF FINANCE: Let me just say that when you table a Budget you ask yourself a couple of questions. How much can the economy afford? I am not somebody who can tell you that you have high debt or not and so on. The capacity to service debt depends on the capacity of how the economy is performing. Is our economy performing in such a manner that I can fund everything on earth? The answer is, no.

In my days as a union organiser there was a guy who was an Intulo creature. He was a manager on the other side. When I am on strike Roy Lawrence would say, Mr Godongawani you must distinguish between the company’s willingness to pay and the company’s ability to do so. What we are talking about is not an unwillingness to address the issues of poverty, but it is the ability of the resources we have to be able to deliver on everything. I am saying this as somebody was saying, why don’t

you cut the fuel levy. I don’t like it. I have said it. But let me tell you the following. If I were to withdraw it today, I am taking R90 billion out of the system. How am I going to deal with that question? [Time expired.]

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Thank you, hon Minister.

The MINISTER OF FINANCE: It is an affordability issue. Thank you.

Question 198:

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Hon

Chair, I was looking at the time. I had already packed. To hon Kubheka, indeed we want to accept the fact that if you continuously violate an international treaty, it leaves your country without protection against what we call spectrum interference. As we speak now, we speak of KwaZulu, Mozambique and Eswatini signal spillage**,** meaning a signal finding itself in an area which was not predetermined for its operation.

Again, the other challenge is that if we don’t move on this matter, the upkeep for analogue needs goes down because firms that produce those products and that maintain ... move away

because there’s a change globally and that is no longer making business for them. Again, it delays what we call the production of broadcast and content, including educational, sporting and entertainment ... on analogue platforms.

The delay in the release of International Mobile telecommunications, IMT, Spectrum has a significant impact on the speed and quality of services that could be offered, especially to people who are in disadvantaged areas, and that concomitantly moves together with the reduction costs. Again, it postpones the social obligations. Remember, the mobile operators, in securing the spectrum, would have actually made undertakings to implement certain obligations which are of social interest, and if we do not work on this speedily, it affects those.

Lastly, the Minister, on 9 December, would’ve pronounced

31 March as the analogue switch-off date, which would’ve affected a number of stakeholders. Whilst the *Gazette* was out, it had an impact on a number of people and it led to a lot of discussions which are ongoing. We hope to finish those and once we are done, in a very short space of time, we will

actually be able to make the announcement to remedy the situation of the delay. Thanks, hon Chair.

Ms N J KUBHEKA: Hon House Chair, can I firstly just inform you that on the paper I’m not Mr N J but I’m Ms N J. Can they correct that?

The HOUSE CHAIRPERSON (Mr M L D Ntombela): They will in the near future. Go ahead, hon member.

Ms N J KUBHEKA: My hon Minister, thank you for the response. Have you determined the work which still has to occur to ensure migration from analogue to digital broadcasting and has a new date for the analogue switch off, as you tried to explain, been set. If yes, when Minister, because you are not giving a specific date. When can we, more or less, expect it to occur? Thank you, hon House Chair.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: I

would’ve said to the hon members that based on the *Gazette*, based on the pronouncement on 9 December, leading to the *Gazette*, a lot of engagements got involved. I just want to ask for the hon members’ indulgence. There is a lot of litigation

that surrounds this matter. So, you have to be careful how you handle it. We understand the urgency.

As I’m talking to you now, five provinces are done. Outstanding provinces ... less than 100 000 households ... to be, what you call, installed. Once that is done, we will very soon be able to talk about a date. It’s going to be very quick. It’s imminent but it’s not a date that I can pronounce now, hon member. However, I appreciate the urgency.

Ms T BODLANI: Hon Minister, even your predecessor makes the impression that it was urgent but we are still here.

Broadcasting digital migration, BDM, has been a very expensive pet project of your department, which fails to capitalise on the existing infrastructure of the private sector to minimise costs. Oversight done by the committee in the Free State has revealed that even the poorest of South Africans still prefer pay channels because of the content variety. Hon Minister, what is the estimated time that it will ... end and the estimated budget for the postinstallation? What is the budget and what is the end date that you are planning for the postinstallation processes? It cannot be a perpetual project. Thank you, Minister.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: I

hear that the hon member went to the Free State and they engaged. There are people who prefer pay channels. If you don’t mind, can you repeat your question for the ears of a former mine worker?

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Go ahead, hon Minister.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: No,

no ...

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Oh, you are ... [Inaudible.] ... Minister.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: ... I

could not hear the question, hon Chair.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Okay.

*IsiZulu*: Ungaphinda, mama.

*English*:

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: I’m

standing in order to hear the question properly.

Ms T BODLANI: Hon Minister, you have a project that you have implemented as a department. At some point the BDM has to come to an end.

*IsiZulu*:

Sila ...

*Sesotho*:

... hao bathong.

*English*:

Therefore, the question is, at which point are you going to end the process but then, when are you going to end the process of the after service, because it is our understanding that there will be an after service on the installation of the set-top boxes. When will that end? However, what is the cost to your department to complete that project because it cannot happen perpetually?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Well,

if I understand you, when you speak about after service you are speaking about maintenance and a lot of other issues. It is difficult to say exactly when that is going to end. We are also putting together a formula to deal with that but I am not able to say when it is going to end, otherwise if I told you I would be misleading you.

Mr A MATUMBA: Minister, the continuous delays to the analogue switch off, which most recently was expected to occur on

31 March 2023, ought to have provided an opportunity to the department to distribute set-top boxes to millions of South Africans who will be cut off from access to information on free-to-air television should the switch off occur without the comprehensive distribution of set-top boxes to enable access to digital terrestrial television.

Minister, acknowledging that access to information is a constitutional right, how many set-top boxes have been distributed to South Africans and how many are yet to be received. Thanks.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: From

where I’m sitting, I’m not going to give the exact figure of what has been distributed. What is yet to be distributed is

80 000. To calculate exactly what has been distributed, we can give you that number. I don’t know it exactly out of my mind now. That was a straightforward question.

Mr M HLENGWA: Chairperson, one of the biggest impediments to oversight and accountability is the inability of government to be committed to its own commitments, and that is ensuring that projects, programmes and service-delivery agendas have a start and end date.

Now, the digital migration programme has been going on for the longest of time and has been open-ended. The fact that up to now seated here the Minister cannot give an end date, makes it difficult for Parliament to hold him accountable. So, the question stands that, at the very least, for the Minister to give us a ballpark date so that we are able to gauge whether he is making the necessary strides to complete what is supposed to have been done donkey years ago. So when, Minister, when? Nini. [when]

An HON MEMBER: When Minister?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: No,

no, no, that’s not what they are asking. You are asking for the date and I said it’s not available. We are working on it as quickly as possible. Yes, you want a date. You want me to say ... You want me to lie to you. We have said to you ...

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Order, hon members.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: ... I

have said to you that on 9 December the Minister would’ve pronounced the 31st and that has an implication of engaging with all the prospective litigants — people who are affected by this. We are wrapping up all those as we are speaking now. I can’t say when we are wrapping up and say next week is the date. It doesn’t make sense. However, I am saying that I appreciate the urgency.

The HOUSE CHAIRPERSON (Mr M L D Ntombela): Thank you very much, hon Minister. The time allocated for questions has expired. Outstanding replies received will be printed in Hansard. Order, hon members. I request members to stand and

wait for the Chair and the mace to leave the Chamber. That concludes the business for the day and the House is adjourned.

The House adjourned at 18:11.