

Middleman phenomenon in the agricultural sector is shortchanging farmers

By **Noko Masipa MP** – DA Member on the Portfolio Committee on Agriculture, Land Reform and Rural Development

Honourable Speaker

In rural parts of South Africa, the biggest challenge faced by our citizens is poverty, hunger, and unemployment. A strong agro-based economy should be a buffer against all these triple challenges. History has shown that when farmers do well the whole nation prospers.

During Covid-19, the farmers came to the rescue of the hungry. Farmers did not stop working in order to ensure South Africa's food security. Meanwhile, farmers are being shown the middle finger by the ANC government even as they try to keep the country food secure.

Limited knowledge about agriculture appropriations and budgets is a problem for ANC governments. They think that a R16 billion allocation to agriculture is big money. When the ANC governments see the big appropriation figures, they do not think about job sustainability.

Mr. Noko Lamola, a farmer in Limpopo, is a victim of the Presidential Employment Stimulus Initiative of R1.2 billion. He received his voucher of R8 300. Little did he know that he needs to pay SASSA grant to the middleman who earned 25% commission resulting in him buying items of R6 225. Prices of calf self-starter pellets which normally cost R300 is priced at R633, yellow maize of 50kg which goes for R145 is priced at R455, and lucerne that cost R100 is priced at R400. These prices are inflated by between 100% and 300%.

When the DA welcomed the employment stimulus package, the DA did not expect the middleman to generate over 50% income. The DA expected real jobs on the farms. The ANC government's reliance on the middleman is killing every hope of commercializing black farmers in this country.

Worst of all, drought has not abated in parts of the Central Karoo, Eastern and Northern Cape as yet. Whilst farmers in ANC governments received pittance from drought allocations due the middleman who helped himself with SASSA grant from money meant for struggling farmers, the DA has continued to support struggling farmers with fodder without inflated prices to help them keep jobs on the farms.

Seven years' drought cannot be farmed with one season's rain. But the ANC government withdrew the funding support in the midst of farmers' struggles.

The DA conducted oversight at Onderstepoort Biological Products and Agricultural Research Council. These strategic institutions play an important role in fighting animal diseases and pests. They are struggling financially whilst monies are wasted on the middlemen who adds no value.

The DA pressured the ANC government to strengthen biosecurity after the outbreak of Foot and Mouth disease in Limpopo in 2019. A budget of R495 million was allocated. No tangible programs are in place to show the value for money. And now we are faced with avian influenza and no budget for biosecurity. Min Didiza, stop wasting taxpayers' money with middlemen.