

**MINISTRY OF DEFENCE & MILITARY VETERANS**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**1322. Mr S J F Marais (DA) to ask the Minister of Defence and Military Veterans:**

In view of the fact that the National Treasury only approved a budget of R50 billion against a Defence Review driven budget requirement of R80 billion (details furnished), how does she account for the R1 billion already spent from the defence budget on the Cuban mechanics, known as Project Thusano, while it is common knowledge that the technical skills were available in the Republic and it was an ideal catalyst for the intake, job creation and providing of much-needed technical skills to young soldiers, thus adding to reducing the unemployment in the Republic and upskilling the soldiers of the SA National Defence Force? NW2534E

**REPLY**:

1. The figures as indicated above are inaccurate. The expenditure on Project Thusano is as indicated in the table below per financial year:

|  |  |  |
| --- | --- | --- |
| **Ser No** | **Financial Year** | **Amount Spent** |
|  | **a** | **b** |
| 1 | 2015/16 | R6 Million |
| 2 | 2016/17 | R144 Million |
| 3 | 2017/18 | R163 Million |
| 4 | 2018/19 | R261 Million |
| 5 | 2019/20 | R25 Million |
|  | **Total Expenditure** | **R599 Million** |

1. The total expenditure of R599 million, minus the planned expenditure of R229 million over five years on the initial contract terms equals to R370 million. This is an insignificant escalation compared to savings and recovered funds over five years.

1. It is estimated that the Department of Defence (DOD) will save R1, 9 billion, plus R192 million (10% inflation), that equals to R2.1 billion over the period of five years of the contract, excluding the costs of, amongst others:
	1. labour;
	2. reduced spares;

* 1. repair of components;
	2. spray painting for the J Ops Division;
	3. maintenance and repair at Special Forces;

* 1. support to internal and external operations;

* 1. maintenance and repair at Infantry School, and

* 1. training and qualifying of one-thousand-one-hundred-and-eighty-one (1181) apprentices.

1. The above mentioned calculations are based on R384 million that was saved in the FYs 2014/15 and 2015/16 of the initial contract and inclusive of the current contracted period.

1. Vocational and technical skills that have been developed over the past three years came with not only college-text book-theory, but along with excellent work ethic that is military-operational results driven; which cannot be found in any civilian institution. A feeder system to this initiative by the South African National Defence Force (SANDF) is the Military Skills Development System (MSDS) recruitment, whereby youth is trained and employed every year; therefore in this case the project has indeed, and continues to contribute towards national objectives of creating sustainable jobs whilst imparting unparalleled skills development with a unique twist of excellent military operational work ethics.

1. Members of Parliament are invited to visit Project Thusano workshops to equate recovered and savings by observation on the ground, especially in the Department’s preservation facilities in Walmansthall (Pretoria) and De Brug (Bloemfontein).