

MINISTER OF DEFENCE AND MILITARY VETERANS



NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO 777

DATE OF PUBLICATION 11 MARCH 2022

**REPLY RECOMMENDED BY:
MINISTER OF DEFENCE AND MILITARY VETERANS: MP**

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

- (1) Whether with reference to the budgetary pressure on the SA National Defence Force and the immediate need to address the threat of implosion of the strategic prime mission equipment capabilities, what steps (a) has she and/or her department taken and (b) will be implemented immediately to drastically reduce the cost of employees as a percentage of the approved annual budget?
- (2) Whether given that earlier this year the Secretary of Defence reported an expected Compensation of Employee (COE) overspending of around R 3 billion for which no plans were in place to address the issue (details furnished), she has found it sufficient for the Republic to have only an air wing instead of an air force and a water wing instead of a navy to protect the Republic, but overextended on COE; if not, what is the position in this regard, if so what are the relevant details.

REPLY

(1)(a) On the 03rd of February 2021, The Department of Defence (DOD) briefed the Portfolio Committee on Defence and Military Veterans (PCD&MV). In the briefing, the DoD appraised the PCD&MV on the course of action to be taken in order to alleviate the budgetary pressures and the HR interventions to be implemented to reduce the HR cost pressures.

The COE expenditure comprises 64% of the total budget allocation (Rbn32, 759,882) for FY2021/22 as at 28 Feb 22.

(b) The Department is currently implementing measures and interventions to reduce HR cost pressures for the 2021 MTEF. These measures and interventions, as directed by the MOD&MV and promulgated by C HR, include the following:

- Strength: Maintain average strength of 73 098 for FY2022/23.
- MSDS Intake: Conduct an MSDS Intake every alternate year.
- Reserves: Reduce Reserve Force man-days from 2,601,591 million to 1,990,259 million
- Cap allowances: Cap annual increases on Operational and Regimental Allowances.
- Exit strategies: Process Implementation of Exit Mechanism – MEM.

- The National Treasury has allocated one billion rand (R1bn) to fund the Mobility Exit Mechanism during FY 2022/23 and eight hundred million (R800m) FY 2023/24
- De-activation of unfunded posts: De-activation of all normal vacant posts for longer than five years

2. The total cost for the CoE for the FY2021/22 is projected to be R33, 746 billion. The CoE allocation for the FY2021/22 was adjusted to R31, 014 billion, hence the deficit of R2, 731 billion is expected. The DOD therefore remains on its trajectory to implement the HR interventions that will reduce the HR cost pressures; as projected; by R993 million for the FY2022/23. The South African Airforce remain a vital Service in the SANDF, its performance is well respected throughout the world. Most Defence Forces (Airforce) in the Continent and the world over are and still holding the South African Airforce in highest regards. The current temporary challenges will surely be overcome as we return to fly and dominate the skies. The SA Navy, is hosting international and world leading Naval Forces exercises and is recognized as a worthy competitor in the naval sphere. This will lead to the navy conquering the seas as we negotiate the recent budget shortfall of the South African National Defence. Recapitalization processes will be slow and minimal that the South African population must be cognizance of the ever decreasing budget impact it has had on our capabilities.

DR Modise

Ms T. R. MODISE: MP
MINISTER OF DEFENCE AND MILITARY VETERANS

DATE: 26.05.2022