**African Christian Democratic Party**

**23 May 2023

ACDP Parliament
Debate on Budget Votes 23 & 26: Defence and Military Veterans
Speech by ACDP Chief Whip, Steven Swart MP**

**ACDP laments cuts to SANDF budget**

“Chairperson, honourable minister,

It was a great joy to attend a recent SA Air Force Museum Flying Day at Air Force Mobile Deployment Wing (Swartkop). I was immensely impressed with both the veteran and younger pilots who took to the sky in a number of vintage and new aircraft. It was particularly pleasing to, once again, see the Gripen and Hawk fighters in action.

The ACDP would like to commend all members of the armed forces who planned and participated in this successful event.

We also remember SAAF flight engineer, Sgt Vusi Mabena, who was killed in the DRC in February this year when his UN painted Oryx helicopter came under sniper fire. Our thoughts and prayers are with his family and the SAAF at this time. We also wish the commander, Maj O. Matlapeng, a speedy recovery.

It is against this background that the ACDP once again laments the budgetary cuts experienced by the SANDF.

The defence budget is shrinking in real terms, going from R54 billion in 2020/21 (increased due to additional COVID-19 related interventions) to R48 billion in 2021/22; R54 billion in 2022/23; and R51 billion in 2023/24. For 2024/25, R51 billion is allocated and in 2025/26 R53 billion has been allocated. These amounts are insufficient even just to keep up with inflation.

Although the SANDF has reduced personnel numbers by 2 833 between April 2022 and March 2023 (down to a total of 69 358), National Treasury maintains it has not seen a discernible impact on cost of employment, partly because the SANDF is spending money on implementing its exit mechanism. R1.8 billion was allocated last year for the Mobility Exit Mechanism (MEM) over the next three years.

The ACDP also shares concerns expressed already about an apparent lack of control over spending, resulting in irregular expenditure, including a R3bn overspend on salaries. Much of this irregular expenditure can be attributable to the cap on compensation of employees. The ACDP is concerned that in order to fund the shortfall, the department must shift funds from operations and assets acquisition and maintenance. This clearly impacts very negatively on the country’s defence capabilities.

A balance must be struck between what the committee refers to as “prudent financial spending” with the rider that it should not result in “a shrinking defence force”. This in the light of factors including South Africa’s “increased population growth”, “the growing security threat posed by porous borders” and “regional instability”. The ACDP agrees with this assessment.

National Treasury has made various recommendations on “optimising internal spending” including staging Armed Forces Day (AFD) once every two years; “reconsidering the number of costly parades for promotions”; re-evaluating the continued maintenance of 44 attaché offices (which costs R320 million a year) and cutting travel spend, which amounts to R1.5 billion annually.

National Treasury further recommended that the SANDF manage overtime spending and other discretionary allowances; rationalise certain functions in corporate services such as avoiding duplication of functions like finance; dispose of assets that can generate revenue; and merge Armscor and Denel to save costs on corporate services. Some of these recommendations seems eminently reasonable.

Given these severe financial constraints, the ACDP supports the committee’s recommendation that DoD and NT “engage to find feasible ways of dealing with severe irregular expenditure and unsustainability of the CoE cap”.

The ACDP also shares deep concerns about the docking of the sanctioned LadyR Russian cargo ship at Simon's Town naval base in December 2022. What was loaded on or off the ship during the midnight hours? If it was innocent, release the cargo manifest. Ongoing silence on this issue threatens very important trade relations with the West.

To conclude, despite severe budgetary constraints the SANDF has always responded when needed both in peace-keeping functions and domestically. For that we honour all the men and women in uniform.

I thank you.”

**-ENDS-**