



7 Pro-poor Education Policies are achieving results



9 1 000 young entrepreneurs countrywide to benefit from the Small Business and Innovation Fund



10 Municipalities must regain the trust of the people

Official newspaper of the Parliament of the Republic of South Africa

Vol. 01
Issue 05 2019

in session



LAW OF APPROPRIATION: Appropriation for service delivery to the people.

Parliament: Appropriation Bill will be used to hold government accountable

During the course of the Appropriation Bill debate, political parties represented in the National Assembly (NA) voiced their favour and disfavour about its course, and the effect it would have on how the government dispenses its service delivery mandate, writes Abel Mputing.

The Chairperson of the Portfolio Committee on Appropriations, Mr Sifiso Buthelezi, expressed his gratitude to the committee for the work it did to ensure

that the Bill is presented before Parliament.

He thanked the members of the committee for their

diligence and hard work in ensuring that they are able to table the report in the NA within the time prescribed by the Money Bills Amendment

Procedures and Related Matters Act.

Mr Buthelezi said: "The Bill proposes to appropriate from National Revenue Fund for the requirements of the state and to prescribe conditions for the spending of funds that have been withdrawn. For service delivery to continue, it is critical that the House today passes this Bill.

He pointed out that the Bill is one of the oversight instruments that the committee will utilise to hold the executive accountable. The Budget Vote also serves as a means of advancing participatory democracy. "It's

critical for the budget process to be demystified. The budget is about people's lives, and our democracy is a participatory one. It cannot be, and it should not be seen to be something for the chosen few."

Chief among the committee's priorities is to ensure that there is value for money in all that government does. "Economic growth is positively related to the revenue. If the economy does not perform, do not expect miracles from the South African Revenue Service. Although revenue shrinks, people's needs do not shrink," said Mr Buthelezi.

The bleak economic situation

has forced the National Treasury to borrow 4.3% of our gross domestic product (GDP), he declared. "The deficit of R215 billion of GDP must be borrowed. The committee is both appreciative and sympathetic to National Treasury and the executive in the balancing act they have to execute under very trying economic conditions. The backlog of services and inequalities was deliberately created to forever make the majority of South Africans spectators in the economic activity of their own country. This situation was man-made."

A different scenario to our country's economic growth woes was painted by Mr Denis Joseph, of the Democratic Alliance for the Western Cape, who suggested that "income to the state should guide our expenditure". President Cyril Ramaphosa's "new dawn" is the "admission of guilt that the government has failed South Africans".

He claimed that South Africa's economic difficulties took root during former President Jacob Zuma's administration. "We started the Stop the Zuma campaign in 2009. South Africans from all walks of life joined

in until the African National Congress decided to recall Mr Zuma."

Furthermore, Mr Joseph said that the allocation of R17.6 billion to Eskom without conditions "is counter-productive". Eskom, in his view, should be unbundled, as should other state-owned entities. "State-owned entities that are embedded with corruption and maladministration are making South Africans poorer and must be restructured."

According to Ms Mmabatho Mokaue representing the Northern Cape in the NCOP for the Economic Freedom Fighters, the Cabinet is too big. "The money used to pay salaries can be used to deliver services. The irony is that we agree on these matters in our Budget Votes, but we consent to the passing of the Appropriation Bill without the smallest amendment to what we agreed on."

She further pointed out that it took 10 years for Parliament to have the powers to amend the Money Bills, but it does little to utilise them to conduct effective oversight over the executive. "The Constitution

allows Parliament to amend the Money Bills, yet we agree on much-needed changes but all our debates end up in a talk shop. We rubber stamp everything tabled by the Minister of Finance," emphasised Ms Mokaue.

Leader of the Inkatha Freedom Party Prince Mangosuthu Buthelezi said transparency should underpin government expenditure. This is "essential in ensuring that South Africa knows exactly where its money will be spent". What is of concern to him are "gross amounts of irregular, fruitless, wasteful and unauthorised expenditures incurred by departments year-on-year".

Furthermore, "there is no consequence management for those who are implicated in mismanagement of funds and corruption", he claimed. "If you find someone else's hand in your pocket, you react immediately. But when it comes to someone taking from the state coffers, there is little or no reaction – and that is a major problem."

Adding to the perception of a lack of consequence management, Mr Steven Swart of the African Christian Democratic Party, alluded to the fact that a lot has since come out at the Zondo Commission of Inquiry and other commissions, and those implicated in acts of corruption should be prosecuted. "With every day that passes, it becomes more difficult to reclaim lost billions of rands to corruption. Those implicated must be arrested and prosecution must take place. Stolen funds must be recovered."

The National Council of Provinces also passed the 2019 Appropriation Bill following the National Assembly agreeing to the Bill at its plenary sitting.

The Appropriation Bill authorises the allocation of money from the National Revenue Fund (NRF) to various state institutions to enable its expenditure. This is done in line with Section 213 of the Constitution and Section 26 of the Public Finance Management Act (PFMA), that require Parliament to approve any withdrawal of money from the National Revenue Fund for allocation and expenditure by state organs.

The Bill was tabled by the Minister of Finance Mr Tito Mboweni in Parliament on 20 February 2019 as part of his Budget Speech. The Bill lapsed after the last sitting of the National Assembly of the Fifth Parliament, but was revived in June 2019 following the establishment of the 6th Parliament and the revised cabinet portfolios.

The reconfiguration of cabinet portfolios resulted in the reorganisation of government departments, including the establishment of new ones. This necessitated technical modifications of various budget votes and allocations in the Bill tabled in February. 🇿🇦



Minister Tito Mboweni.

Parliament passes special Appropriation Bill to save Eskom

The deepening financial crisis at Eskom has led to the tabling of a special Appropriation Bill before the National Assembly in July by the Minister of Finance, Mr Tito Mboweni. This undertaking attests to the fact that Eskom is the pulse of our economy; reports Abel Mputing.



In his opening remarks, Mr Mboweni alluded to this in no uncertain terms. “Eskom presents the biggest risk of the fiscal framework because of its financial problems and negative impact on the economy.”

Mr Mboweni told Members of the National Assembly that given Eskom’s strategic position in the South African economy, the government is urgently working on stabilising the utility, while developing a broad strategy for its future. The current financial problems facing the utility have exposed it to high levels of liquidity and balance sheet risks.

“Without changes to Eskom’s business model and financial assistance being provided by the government, the company will be unable to meet its financial obligations through the 2019/20 financial year budget allocation ... In effect, this special Bill seeks to grant

Eskom financial assistance outside of the above-mentioned fiscal framework. This seeks the approval for additional financial support for Eskom of an additional R26 billion in the 2019/20 financial year, and R33 billion in the 2020/21 financial year.”

According to Mr Mboweni, apart from the current financial assistance, Eskom’s long-term sustainability hinges on its ability to be self-sufficient. “A team of officials, led by the Directors-General of the National Treasury and Public Enterprises, has considered a number of options as the solution to the company’s debt challenges in order to ensure its sustainability,” said Mr Mboweni.

Coupled with this, Mr Mboweni said the structuring of Eskom operations, an undertaking that will be vested in the Chief Restructuring Officer, will be done in collaboration with

rating agencies. “The Chief Restructuring Officer, who will be appointed shortly, will be mandated to test these options with the rating agencies to establish what impact each will have on the fiscus, and recommend the appropriate one for implementation,” said Mr Mboweni.

The restructuring will divide Eskom into three components: Generation, Transmission and Distribution. This will “allow strong parts of the business to raise funding more cheaply. To create higher transparency across the value chain and reduce opportunities for fraud, corruption and rent-seeking. To create clear performance incentives in each business and to reduce systemic risk South Africa faces by having one very large entity.

“Failure to strengthen Eskom’s balance sheet urgently while the government is working on long-term sustainable

solutions, may likely have a negative systemic impact, as Eskom is the largest non-bank corporate debt issuer in South Africa. Any default will result in a crisis for the government and to some South African banks, given that Eskom is the largest exposure to some banks and the government.”

He concluded that the government must act boldly and precisely to save Eskom from sinking our economy, for the implications of that are too huge to bear.

“We are tabling this special Bill to ensure the security of electricity supply beyond the medium-term, with significant consequences for the economy.

The frequency of the power shortages has risen in recent years, and government needs to act boldly and decisively. We are therefore committed to a significant reform agenda for the entity.”



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA

Editor
Brent Simons

Production editor
Mava Lukani

Design and layout
Angelo Lamour

Copy editors
Jane Henshall, Vusumzi Nobadula

Writers
Sakhile Mokoena, Abel Mputing, Zizipho Klaas

Photography
Mlandeli Puzi, Zwelethemba Kostile

Distribution & subscriptions
Jacqueline Zils

Publisher
Parliament of the Republic of South Africa

Printer
Vision Enterprises cc

Section Manager: Publishing and Production
Shirley Montsho

Copyright
INSESSION is published by the Information and Content Development Unit of the Parliamentary Communication Services of the Parliament of the Republic of South Africa. All material published is copyrighted and cannot be reproduced without the written permission of the publisher.

EDITORIAL ENQUIRIES
Telephone 021 403 8738
E-mail insession@parliament.gov.za
Subscriptions jjzils@parliament.gov.za
Post
PO Box 15, Cape Town, 8000

OUR IDEALS
Vision
An activist and responsive people’s Parliament that improves the quality of life of South Africans and ensures enduring equality in our society.
Strategic Objectives
Strengthening oversight and accountability; enhancing public involvement; deepening engagement in international fora; strengthening cooperative government; strengthening legislative capacity.

BOOK A TOUR
To tour Parliament
Telephone 021 403 2266
E-mail tours@parliament.gov.za

‘Let’s build local government that delivers services to the people’



Giving context to the Department of Cooperate Governance and Traditional Affairs’ Policy Debate in the National Council of Provinces (NCOP), Minister Dr Nkosazana Dlamini-Zuma reminded delegates that the debate was taking place on the birthday of former President Nelson Mandela, the champion of the Reconstruction and Development Programme (RDP) which defined the new service delivery mandate of the democratic state, reports Abel Mputing.

“Thus his name is engraved in history as the father of our democracy and the architect of the RDP programme that was aimed at addressing the socio-economic injustices of apartheid through the provision of houses, electricity and access to clean drinking water,” she said.

Dr Dlamini-Zuma underlined from the onset that the policy debate should avoid rhetoric and rather concentrate on fashioning an ideal local government sphere capable of meeting the service delivery demands of all South Africans. The ideal local government sphere, she continued, is the one that is free from corruption and graft, and is

instead “focused, efficient and effective, and which has centres of excellence that are easily accessible to the people”.

The policy debate is an opportunity for the department to reflect on its challenges and opportunities as a custodian of key national policies and legislation, she said. “This

debate will help us to assess the progress made in achieving government’s policy priorities. For the mandate of the department is to develop and monitor the implementation of national policy and legislation aimed at transforming and strengthening key institutions and mechanisms of governance in all three spheres of government, to fulfil its developmental role.”

While there has been progress made over the last 25 years, Dr Dlamini-Zuma acknowledged that challenges in local governance persist. “We particularly note the unpalatable audit outcomes and the recommendations of the Auditor-General, as well as government’s

failure to respond to its recommendations in the past.”

We should act decisively on the Auditor-General’s recommendations, she said, “in defence of the working class and the poor, who are denied services as a result of inefficiencies and corruption”.

Also participating in the debate, the Chairperson of the

Select Committee on Cooperate Governance and Traditional Affairs, Water, Sanitation and Human Settlements, Mr Thamsanqa Dodovu, said: “We must be frank and candid about the challenges we are faced with. Yes, we have made mistakes. We are the first to admit that we have not delivered as expected and we have underestimated the magnitude of our challenges.”

“The state of our local government is a source of serious concern. There are no improvements in the audit outcomes; there is poor accountability and no consequences for poor performance.”

Some of the reasons for this gross ineptness and financial management transgressions are: “There are numerous supply chain transgressions. Municipal Infrastructure Grants are underspent or poorly spent by municipalities, and there is high employment of under-qualified managers.”

Despite all this, Mr Dodovu said: “Under the leadership of Dr Nkosazana Dlamini-Zuma, a tried and tested leader, we are going to turn the tide. She has a good track record of succeeding in that.”

According to the Democratic Alliance’s Ms Carin Visser a delegate representing the North West Province, the reality is that 25 years of democracy have been mired by service delivery discontent that has often turn violent, “resulting in apocalyptic war zones of destruction on an almost daily basis in South Africa. Towns are being looted and burnt down and private properties vandalised.”



Ms Visser blamed what she termed rampant corruption in local government on the lack of enforcement of existing instruments to prevent transgressions. “The Municipal Financial Management Act is not enforced and the rule of law not respected or honoured by those entrusted to ensure compliance with the laws.”

Mr Kenny Motsamai representing the Economic Freedom Fighters in the

Gauteng provincial delegation echoed the concern over the collapse of municipalities’ financial management. “The recently released report by the Auditor-General showed the scale of collapse in local government. Out of 257 municipalities, only 18 received clean audits in the 2017/18 financial year. Things are getting worse, not better,” he warned.

Mr Ezra Mfayela of the Inkatha Freedom Party in the KwaZulu-Natal provincial delegation, said the solution to corruption in local municipalities is to adopt a pluralist approach to local government and dissolve the centralisation of power. “We remain advocates of the belief that communities are best placed to address their individual needs and challenges. They must not simply be informed of the decision taken, they must exercise their citizen power through true partnership with the state, and ultimately they must control the pace and agenda of development required in their communities,” Mr Mfayela asserted.

Also participating in the debate, the National Executive Member of the South African Local Government Association,

Mr Bheki Stofile, reminded delegates that municipalities have not been able to raise their revenue or achieve self-sufficiency. “The current reality is that municipalities are under extreme cash flow constraints, with the aggregated year collection of 83.3%, with more than 123 municipalities with less than 80% collection levels.”

He further asserted that the “Intergovernmental Monitoring, Support and Intervention Bill, currently mooted, will create a predictable framework of support to municipalities and eliminate subjective political factors being used to justify section 139 interventions.”

The Bill will also initiate early warnings systems that “will enable appropriate and relevant support from national, provincial, to local government”.

‘Urban migration puts pressure on infrastructure development’

The Minister of Human Settlements, Water and Sanitation, Ms Lindiwe Sisulu, had the support of permanent delegates to the National Council of Provinces (NCOP) and the South African Local Government Association (Salga) when she called for urgent solutions to reverse apartheid spatial planning. People flock to cities looking for jobs, which puts pressure on municipal infrastructure and threatens the sustainability of smaller towns and rural areas, writes Sakhile Mokoena.

During the department’s policy debate, Minister Sisulu told the NCOP plenary that South Africa is “world-renowned for the inequalities in our society and this is graphically illustrated in the patterns of settlement. Statistics South Africa (Stats SA) indicates that almost half of our population is living in poverty. These are mainly in the rural areas, especially in the Eastern Cape and Limpopo.”

These are the people, she added, who migrate to urban areas at the rate of 2.4% per annum, putting pressure on infrastructure and creating the backlog in housing provision. “We still continue with a skewed development where the developed parts of the country extract cheap labour from the rural areas, further under-developing these areas,” she said.

The Minister said: “We need to drastically find solutions and restructure this apartheid reality. We need to take infrastructure, houses and jobs to our people where they live and revive our rural towns.”

Tabling budgets for Human Settlements and Water and Sanitation, which were

merged after the May general elections, Minister Sisulu was concerned about people living far from their places of work. “Our people spend huge amounts of money on transport to take them to their places of work. In our planning, we should urgently find land and places to live where there is work, and create work where they live, with all amenities that you find in the cities.

“Unless we strike some equilibrium, we will continue to have the problems of decaying, over-utilised and overburdened cities and decaying, under-utilised and under-serviced rural towns. The faces of capital might have changed over the past 25 years, but the modes of



HUMAN SETTLEMENTS: Delivery of houses to the people.

production are the same, creating under-development in rural areas and small towns," said the Minister.

For the 2019/20 financial year, the Department of Human Settlements has been allocated R33.8 billion. The Department of Water and Sanitation (DWS) has been allocated R16.4 billion. Of

this amount, R9.417 billion is appropriated for the infrastructure development programme under the Regional Bulk Infrastructure Grant (RBIG) and Water Services Infrastructure Grant (WSIG). The Minister added that the lack of sufficient bulk and link infrastructure was constraining provincial housing development.

Also participating in the debate, African National Congress delegate for Limpopo in the NCOP, Ms Shahidabibi Shaikh, said: "Access to water and sanitation infrastructure and services in South Africa has improved significantly since 1994, however, an increasing number of people are migrating to the bigger metropolitan areas, resulting in

a rising number of households in need of water and sanitation services. This, in effect, means that government needs to keep up with a 'moving target'."

Ms Shaikh said in terms of the Millennium Development Goals (MDGs) South Africa has met its target for access to safe drinking water with moderate progress in reaching the sanitation target. The United Nations recognised water and sanitation as human rights in 2010 and has set a goal of access to water and sanitation for all by the year 2030.

Another delegate to the NCOP, the Western Cape and the Democratic Alliance's, Mr Isaac Sileku suggested that to break down the barriers of

apartheid and to integrate all communities, new residential areas should be integrated with middle-class and affluent residential areas. This, he claimed, would enable all people to gain access to nearby public and privately owned assets, such as schools, health and safety facilities, transport, shops, recreational facilities and places of work.

Economic Freedom Fighters (KwaZulu-Natal) NOCP delegate, Mr Moletsane Moletsane, was of the view that the budget was insufficient to deal with the housing challenges or to address the legacy of centuries of colonialism and apartheid.

Representing Salga in the debate, Councillor Xolani Sotashe, argued that "Many disenfranchised communities continue to be denied access to employment and economic opportunities by being geographically located far from such opportunities, and by being structurally excluded from urban landmarks in metropolitan areas, intermediary cities and small towns." 🌸



Pro-poor education policies are achieving results

Pro-poor government policies, such as the no-fee schools, the National Learner Transport Policy and the National School Nutrition Programme (NSNP), are playing a significant role in advancing the objectives of the National Development Plan (NDP), said Mr Elleck Nchabeleng, the Chairperson of the Select Committee on Education and Technology, Sports, Arts and Culture, writes

Sakhile Mokoena.



Mr Nchabeleng was taking part in the policy debate of the Department of Basic Education in the National Council of Provinces (NCOP). The policy debates that took place in the NCOP follow the Budget Vote debates that took place in the National Assembly in June.

Mr Nchabeleng said the pro-poor policies have been effective in advancing the NDP's vision for 2030 that "South Africans should have access to education and training of the highest quality, characterised by significantly improved learning outcomes".

"The no-fee school policy has been very effective as currently we have 99.9% learners in compulsory schooling in our basic education system. Some of these learners would not have been able to access education if they were forced to pay fees, as 90% of public schools have become no-fee paying schools, and

learners are benefiting from school feeding schemes and subsidised public transport. This has contributed to the increase in school attendance from 51% in 1994 to 99% today," said Mr Nchabeleng.

Another such pro-poor policy is the Scholar Transport Programme, through which government provides free transport to learners who live far from schools. "Due to spatial planning of the old dispensation, some communities do not have

schools, so learners have to travel long distances to schools. Learners arrive at school tired and do not cope in their studies. As a caring government, we developed a scholar transport policy that has come to the rescue of multitudes of learners. The number of learners who are benefiting from the system have increased over the years"

Mr Nchabeleng added that "the committee will monitor the priorities made by the department for this financial

year, as we do our oversight visits across the country".

Tabling the department's R24.5 billion budget allocation for the 2019/20 financial year, Minister Angie Motshekga told the NCOP that the country's education system was on the rise. "Our basic education system is slowly and surely reclaiming its rightful place among the countries and economies of similar size and budget. We are definitely a system on the rise. Clearly the pro-poor policies of the ANC-led government are yielding good results. We have also noted that more provinces are now dedicating resources and support for the progressed learners. We can assure this House that we will intensify our monitoring and evaluation mandate, as we are enjoined to do so by the National Education Policy Act, and intervene where it is desirable for us to do so," the Minister said.

No-fee schools produce the highest number of distinctions, she pointed out, even in gateway subjects such as mathematics, science and accounting. Minister Motshekga also announced a R256.7 billion 2019/20 budget allocation for the nine provincial education departments, an increase of 6.9% from the 2018/19 overall adjusted allocation.





The Minister said her department was in the process of repositioning the entire basic education sector to effectively and speedily respond to the demands of the “new dawn”. The sector must be able to implement with speed and effect the priorities identified, while addressing the challenges and weaknesses identified within the sector and by the Auditor-General of South Africa. “We are cooperating with the Department of Public Service and Administration and the National Treasury in this critical work,” she said.

Minister Motshekga said: “The NDP aims for a world-class assessment system involving reliable measures of learning for every primary school. We are currently piloting a standardised assessment, called Systemic Evaluation, with the aim of finalising its first cycle in Grades 3, 6 and 9 by June 2020.”

For the Democratic Alliance in the Northern Cape, Ms Delmaine Christians, claimed that despite the yearly increases in budget allocations, there has been

no significant improvement in basic education. She also accused the government of failing to ensure that education is enshrined as a fundamental human right. “The Constitution states that the state has an obligation, through reasonable measures, to progressively make education available and accessible to all South Africans. However, 25 years after the dawn of democracy in South Africa, the government still has not ensured that education is enshrined as a fundamental human right,” Ms Christians said.

“It is unfortunate that despite yearly increases allocated to this department, no significant improvements have been seen.” Furthermore, the department’s annual performance plan did not prioritise school safety and does not provide a solution to the problem of violence at schools. She proposed the integration of the South African Police Service into the education system, adding that a “partnered solution needs to be found to this enormous problem compromising education every day.” 🇿🇦



‘Social grants should enable self-sufficiency, not dependency’

The Minister of Social Development, Ms Lindiwe Zulu, has told the National Council of Provinces (NCOP) that while social assistance programmes remain government’s most successful interventions for poverty reduction, social grants alone are insufficient to lift beneficiaries out of poverty on a sustainable basis, writes Sakhile Mokoena.



DELIVERY OF SERVICES: Grants recipients served.

The Minister of Social Development, Ms Lindiwe Zulu.



The Department of Social Development has a duty to ensure food security, alleviate poverty and provide social assistance to the vulnerable in our society. However, the department has been battling to achieve these goals.

Presenting her department’s budget vote for debate in the NCOP, the Minister said sustainable livelihoods means creating a conducive environment for individuals, families and communities to enhance their capabilities and

sustain themselves now and in the future.

“This will be fully achieved when every South African is able to reach their full potential. I would love to see a situation where our citizens, especially our young people, graduate from the social grant system and become self-sufficient, through entrepreneurship or other empowerment programmes so as not to overburden the fiscus,” the Minister said.

She added: “This does not in any way suggest that we do not want to provide social assistance, but that we would prefer to rather have our beneficiaries graduating out of the system over time.”

Supporting her comments about the success of the social grants, Minister Zulu quoted studies which she said found that social grants play a crucial role in keeping children, the girl-child in particular, in school. Last year alone, child support grants beneficiaries obtained a pass rate of 78.2% in the National Senior Certificate, an increase of 3.1% from 2017 academic year. The Department of Social Development’s allocation for the current financial year is R184 billion and R175 billion of this amount is a direct transfer to social grants beneficiaries. The department will transfer R212 million to the National Development Agency (NDA) and R7.6 billion to the South

African Social Security Agency (Sassa) for the administration of the social assistance programme.

The Minister presented the budget under the theme: "Working together to empower communities for sustainable livelihoods. The theme is central to the core mandate of the Social Development Sector, whose responsibility is to enable South Africans, particularly the poor and vulnerable, to become capable and self-reliant participants in their own development and, to secure a better life for themselves.

The Chairperson of the Select Committee on Health and Social Services, Ms Maurencia Gillion, said social grants must not create dependency and must be linked to economic activity. People must be empowered to take themselves out of poverty.

She said the NCOP and the department's task is to promote the construction of a socially inclusive society, one that prioritises the elimination of poverty, inequality, unemployment and underdevelopment, elements that undermine the dignity of the people.

"We welcome the minister's approach of changing the narrative that social development is about disbursements of grants. Rather it is about the development and empowerment of our people, through the usage of grants. The grant system must link our people to economic activity," she said.

She also said the department should put mechanisms in place to monitor the funds allocated to provinces, non-governmental and non-profit organisation. The minister must provide oversight to the monies transferred to province.

NCOP delegate for the Democratic Alliance Ms Delmaine Christians argued that the country is facing a crisis of epic proportions in

terms of the ever-rising rates of poverty. She claimed that we are nowhere near alleviating these high levels of poverty, unemployment, inequality and other social ills.

"It is estimated that social grants will grow to 18,1 million beneficiaries by the end of March 2022. Social assistance is currently budgeted for R175 billion for 2019/2020 and this includes grants for old age, war veterans, disability, foster care, care dependency, child support, grant-in-aid and social relief of distress.

"While it is commendable that we look after the vulnerable in society, it is extremely concerning that so many people depend on these grants and there seems to be no light at the end of the tunnel in terms of sustainable jobs" she said.

Ms Christians said a solution would be to grow the economy and create jobs. "Without sustainable work you cannot experience real dignity. Without a job you become reliant on state grants, or on remittances from family members. Without a job you live at the mercy of others, and that is not real freedom, that is not an existence worthy of human dignity."

Contributing to the budget vote debate, the KwaZulu-Natal delegate to NCOP for the Economic Freedom Fighters Ms S'lindile Luthuli attributed the high number of people on social grants to "failing economic policies of the government".

"We say that social grants must be doubled with the understanding that this is not a long-term solution to poverty. This can only be addressed in the long-term through land and wealth redistribution, economic development and industrialisation. But in the meantime our social grants cannot be so little that people barely survive off them. Where is the dignity in feeding yourself and your child on R430 a month?" she asked. 🍌

1 000 young entrepreneurs countrywide to benefit from the Small Business and Innovation Fund

Presenting the 2019/20 departmental budget to the NCOP, the Minister of Small Business Development, Ms Khumbudzo Ntshavheni, spelt out the department's objectives for this financial year. One of these is to ensure small, medium and micro enterprises (SMMEs) and cooperatives contribute to economic growth, however differences emerged on how to achieve this, writes Abel Mputing.



CREATION OF EMPLOYMENT: Small businesses in action.

The SMME "sector is primed to create employment, especially for well over two million unemployed youth," according to the Minister Ntshavheni.

However, Ms Ntshavheni, warned that to achieve this the sector needs to be resourced sufficiently. "We are fully aware that to achieve these, SMMEs and cooperatives must have access to resources such as skills, knowledge networks and finance that will enable them to nurture their innovative ideas and businesses." A departmental priority is to make sure that the cost

of finance is less expensive. "We will introduce a blended financing model suitable for SMMEs and cooperatives. This model will be introduced over the next three years, commencing in the current financial year."

The model will initially fund 1 000 young entrepreneurs countrywide. "They will be funded through the Small Business and Innovation Fund. Qualifying start-ups, innovators and SMMEs will be able to access matched grant funding up to R2.5 million per enterprise," Ms Ntshavheni explained.

The process to access the fund will be announced soon, and there is a threshold of potential job creation for each entity, she said. "These entities must have a potential to create at least 10 jobs. This will translate into at least one million jobs when the programme is successful."

She admitted, though, that finance would not be a panacea to all the challenges facing the SMMEs. According to her, "strategic public sector decision-making can redirect market failure and actively shape new markets while regulating existing ones." To



address this shortcoming, the Small Enterprise Development Agency (Seda) will increase its network in primarily rural areas and townships. "For this purpose, Seda will establish eight incubation centres in the under-served provinces of Free State, Mpumalanga, Limpopo, Northern Cape, North West, Gauteng and Western Cape townships."

These new facilities and strategic interventions will not overshadow the existing ones, she said. "We are also committed to optimise the utilisation of our already existing facilities, not only to expand our research, but to increase the return on government's investment." The

race, gender and class barriers, and are the foundation for future growth of this country. How can we simply sit by and watch them go?"

She also believes that statistics show that the economy does not work for the youth, which is an indictment on the government. "Insanity is doing the same thing repeatedly and expecting different results," she said. Furthermore, she claimed that the budget policy debate and formulation is dominated by government, big business, and unions, a situation that supports the status quo.

She is also of the view that small businesses should be

and the best example of this failure is your National Development Plan (NDP). The NDP projections have up to now remained a pipe dream. The whole NDP idea was based on an annual gross domestic product of 5.4% and during your decade of doing nothing, we barely grew the economy past the 1.5 % mark. And despite all the promises made by capitalists to our President last year at the job summit, we are seeing a blood bath of job losses across all sectors of the economy," she said.

The Inkatha Freedom Party's Mr Ezra Mfayela of the KwaZulu-Natal delegation pointed out that the department is still preoccupied with making plans after six years of existence. "The President himself said the rhetoric is over. It can only be an embarrassment that the organisational structure of this department remains to be approved."

Our thinking should be youth-centred, he said. "They are the ones who are encouraged to strive at school and university, only to find out that when they are finished with their studies, no jobs are to be found for them."

Despite his criticism, he stressed the significance of small businesses in eliminating poverty, unemployment and inequality. "SMMEs are critical and may even go so far as to play a definitive role in this respect, but there remain certain barriers for them to access finance. The government must address such challenges and look for innovative ways to assist small business in overcoming them." 🌟



department also plans to adopt an SMMEs business index to track the economic health of SMMEs as an aid to measuring the impact of SMME support programmes.

Participating in the debate for the Democratic Alliance as a delegate for Mpumalanga, Ms Sonja Boshoff claimed that many highly skilled small business owners are considering leaving South Africa. "They are aged between 25 and 45 years across the

exempt from certain black economic empowerment and labour regulations.

The Economic Freedom Fighters' Ms Poppy Koni (Northern Cape delegation), said the government's failure to industrialise has led to poor economic growth. She blamed neo-liberal economic policies for the current state of the South African economy. "The neo-liberal order this government has based its economic policy on is failing

Municipalities must regain the trust of the people

The Chairperson of the Select Committee on Cooperative Governance and Traditional Affairs, Water and Sanitation and Human Settlements, Mr China Dodovu, told the Deputy Ministers of the Department of Cooperative Governance and Traditional Affairs (Cogta) and the North West government's MEC for Local Government and Human Settlements, that cooperation across all levels of government is the first fundamental strategic tool to ensure they meet their constitutionally required mandates, writes Zizipho Klaas.

The Deputy Ministers of the Department of Cooperative Governance and Traditional Affairs, Mr Parks Tau and Obed Bapela and the MEC for Local Government and Human Settlements, Mr Gordon Kegakilwe, appeared before the Select Committee on Cooperative Governance and Traditional Affairs, Water and Sanitation and Human Settlements at Parliament recently to brief the committee on the status of the interventions in the provinces and in the North West province in particular.

"The support of the committee to Cogta and the municipalities is non-negotiable," said Mr Dodovu in welcoming the Deputy Ministers, the MEC and the officials of the national and the provincial departments of Cooperative Governance and Traditional Affairs.

Briefing the committee, Mr Tau stressed the importance of support for struggling local municipalities through section 154 of the Constitution, before the invocation of section 139. According to him, the invocation of section 139 should be the last resort. "Before any step can be taken, the magnitude of the problems faced by a municipality must be established by both the national and the provincial structures of the government," he said.

He attributed the resistance to the intervention by some of the municipalities to the hasty invocation of section 139. He said some of the North West municipalities which resist the interventions have taken the provincial government to court, and won. "If necessary steps can be taken before the intervention, there can be no unnecessary tension between these structures of government," said Mr Tau.

Making the presentation on interventions, the head of the department, Mr Dan Mashitsho, highlighted political infighting, conflict between top management and councilors, fraud and misuse of municipal funds, lack of financial systems



SERVICE DELIVERY PROTEST: Refuse strewn in protest.

and lack of political leadership in the municipalities.

Mr Mashitisho told the committee that some of the failures of intervention include weak monitoring systems, no resource allocation for the implementation of the intervention, provinces

usually deploy one person as an administrator instead of sending a resourceful team, resistance from municipal councilors and staff and the destruction of pertinent information needed by the administrator. He also mentioned the lack of a regulatory framework to give

effect to sections 100 and 139 as contributing to a legislative vacuum.

Mr Mashitisho commended the NCOP for its key role in providing objectivity, mediation and on-site investigations in the fifth parliamentary term. He said provinces should

have contributed in the same way, but unfortunately most provincial departments responsible for local government are ill-equipped and allocated far less budget to fulfil their mandate. As a result, they are unable to fully implement the provisions and implications of invocation of

section 139 of the Constitution.

Most of the interventions are characterised by a complete breakdown in communication between the local citizens and the municipality. “An incoming administrator needs to regain the trust of the community,” said Mr Mashitisho.

At the conclusion of the meeting, Mr Dodovu emphasised that section 154 of the Constitution and section 105-108 of the Municipal Systems Act are preliminary tools for assisting municipalities. He assured the department of the committee’s support and told the Deputy Ministers that the committee will continue visiting struggling municipalities. “We are going to continue engaging with you and continue carrying out our oversight in a manner that improves the delivery of services to the people.”



Committees in brief

The Portfolio Committee on Home Affairs urged the Department of Home Affairs, and the Electoral Commission of South Africa (IEC) to find innovative ways to mitigate against funding pressures that the department and its entities are currently facing. The committee highlighted that funding challenges are a reality for all departments, but also present an opportunity to innovate and find workable solutions to ensure effective service delivery.



The committee welcomed the announcement by the IEC that it will conduct public hearings from August 2019 to conclude the regulations necessary to implement the Political Party Funding Act as signed into law by President Cyril Ramaphosa. The committee emphasised the need to conclude the regulation process to ensure that the Act is implemented.

African Express and Alexkor.

“Yes, there are challenges in state-owned enterprises (SOEs) – the balance sheet, debt – but we have strategies in place. The South African Airways (SAA) has a long-term strategy and turnaround plan. The implementation of the plans and strategies will get SOEs back on their feet,” he added.

The joint meeting of the Standing and Select Committees on Appropriations was briefed by the Deputy Minister of the department, Mr Phumulo Masualle, on progress

The Select Committee on Public Enterprises and Communications heard from the Minister of Public Enterprises, Mr Pravin Gordhan, that the department is closely

process, as law-enforcement agencies are pursuing cases

Appropriation Bill. Contained in this report, is the proposed amendments tabled by the Minister of Finance, Mr Tito Mboweni, on 25 June 2019. The amendments include Mr Mboweni’s authorisation of the R17.652 billion to Eskom on 2 April 2019. This authorisation was done through section 16 (1) of the Public Finance Management Act (PFMA) as a result of a delay in accessing the planned cash injection from the China Development Bank, which resulted in Eskom not being able to meet its financial obligations.

Dr Zweli Mkhize, assured the committee that the National Health Insurance (NHI) Bill is on its way to becoming a reality. The committee asked about departmental monitoring mechanisms over the money that is allocated and transferred by the department to the provinces as conditional grants, so that such funds are used effectively to improve patients’ lives. In addition, the committee questioned the monitoring of NGOs that receive funding from the department. Some committee members suggested that these organisations should be invited to appear before the committee.

In processing the Bill, the committee acknowledged the challenges facing Eskom and the importance of not allowing Eskom to fail, but registered its displeasure over the Minister’s authorisation.

The Portfolio Committee on Health. The Minister of Health,

In an another development, the Chairperson of the committee, Dr Sibongiseni Dhlomo, has welcomed the signing of the Presidential Health Compact. “The Health



OVERSIGHT: Committee meeting.

with stabilising governance at various entities. Mr Masualle told the committee that new boards have been established at Eskom, Safcol, Denel, Transnet, South

monitoring SOEs’ financial and operational performance through weekly and monthly monitoring. He said the recovery of stolen money is in

against those implicated.

The Standing Committee on Appropriations has adopted its report on the 2019



ACCOUNTABILITY: Committee meeting.

Compact is a commitment by government to deliver better healthcare services to all South Africans," said Dr Dhlomo.

The Health Compact was signed by the President at George Mukhari Academic Hospital's Nursing College in Ga-Rankuwa. "The healthcare sector needs a lot of support to build capacity so as to provide efficient healthcare services, and this can be done by ensuring more healthcare

workers and better resources," said Dr Dhlomo.

A joint meeting of the **Portfolio Committee on Justice and Correctional Services** and of the **Select Committee on Security and Justice** met to consider the removal of Adv Nomgcobo Jiba and Adv Lawrence Mrwebi from the National Prosecuting Authority (NPA). The committees received legal advice from the parliamentary

legal services, where the committees were advised that it is not for Parliament to reopen the inquiry into the fitness of Adv Jiba and Adv Mrwebi to hold office. An inquiry into the matter has already been concluded by the Mokgoro Commission.

Parliament's legal services briefed the committees on procedural issues governing the National Assembly (NA) and the National Council of

Provinces (NCOP). The two committees agreed that the advocates will be given 10 working days to make written representations to the NA and NCOP. Furthermore, the committees will deliberate separately on the matter.

The Chairperson of the Select Committee on Cooperative Governance, Traditional Affairs, Human Settlements, Water and Sanitation, Mr China Dodovu, has welcomed the announcement of an investigation into a private company that has been dumping raw sewage into the Mthatha Dam. Pollution of dams and other sources of clean drinking water is a concern that must be addressed with urgency.

"It is extremely concerning when a private business is caught doing such a despicable

action, especially considering that the lives of our people are at stake and that these actions can result in diseases. Punitive action should be taken against anybody who intentionally pollutes our water resources," said Mr Dodovu.

"The pollution of rivers and dams also presents a fiscal threat," Mr Dodovu continued, "as municipalities are forced to redirect scarce financial resources towards purification of the water to ensure that it is of acceptable drinking quality. This in turn robs municipalities of the ability to meet other service delivery requirements, which is unfair to residents."

The Select Committee on Trade and Industry, Economic Development, Small Business Development, Tourism, Employment and Labour has revived the process of processing the National Gambling Amendment Bill.

The Chairperson of the Committee, Mr Mandla Rayi, said various challenges resulted in the Bill not being finalised in the fifth Parliament. "Three provinces, all of which have metros, objected to the Bill. One province abstained and two supported it. Mandates were not received from the rest of the provinces. That has never occurred in the history of the National Council of Provinces," he said.

On reflection, it was agreed to begin the process afresh. The Department of Trade and Industry re-tabled the Bill and said it supported the decision to begin again. 🌸



REPORT UNDER SCRUTINY: Committee meeting.



YOU STRIKE A WOMAN,
YOU STRIKE A ROCK: Protest action.

Gender-based violence undermines the gains of our hard-earned Democracy: Parliament's Presiding Officers

Parliament's Presiding Officers, National Assembly Speaker Ms Thandi Modise and National Council of Provinces Chairperson Mr Amos Masondo, joined the nation in saluting the women and girl children of South Africa for their resilience, courage and tenacity as the nation marked Women's Day.

"We continue to be inspired by the unwavering and bold resolve by this country's women and girl children towards the elimination of any form of injustice, to bring about a non-sexist, united,

non-racial, prosperous and free South Africa," the Presiding Officers noted.

This year marks the 63th anniversary of the 1956 Women's March against the

pass laws, as well as 25 years of freedom and democracy in South Africa. 2019 also marks 65 years since the founding conference of the Federation of South African Women, which adopted the 1954 Women's

Charter.

The Charter, amongst other things, called for the enfranchisement of men and women of all races; for equal opportunities in employment;

equal pay for equal work; equal rights in relation to property, marriage and children; and the removal of all laws and customs that denied women such equality.

Last year, Parliament hosted the Women's Charter Review Conference as part of a national conversation to review the Women's Charter through sustained dialogue and interactive discussions with women across the country.



On Women's Day, the nation must reflect deeply on progress achieved in 25 years of democracy, particularly in the areas of women's empowerment, gender mainstreaming, equality and the abolition of any discriminatory practices and abuse against women.

"As we mark this historically significant day, our country unfortunately continues to be plagued by the scourge of

gender-based violence. South Africa can never claim to be free if children and women continue to die at the hands of men and boys, most of whom share close relationships with them," the presiding officers said.

Gender-based violence undermines the gains of our hard-earned democracy and the sacrifices of gallant women activists, such as those who confronted the nerve centre of apartheid evil and brutality in 1956. All of us must serve as active citizens who, within our homes and communities, work daily to squeeze out of our society all the perpetrators of violence and discrimination.

Men, boys, husbands and brothers have a significant role to play in safeguarding

our democracy and freedom against gender-based violence and discrimination. We owe it to a better tomorrow and future generations to inculcate values of responsible citizenship and Ubuntu amongst boy children, in particular.

As the highest oversight and law-making body in the country, Parliament will continue to use its powers enshrined in the Constitution to abolish practices and acts that discriminate against women, devalue their humanity and harm them.

Through legislative interventions, Parliament will continue to protect women and girl children while holding the executive to account regarding the implementation of laws and policies promoting their interests.

Some of the key legislation promoting the interests of women passed by Parliament since 1994 include laws against discrimination and inequality (the Promotion of Equality and Prevention of Unfair Discrimination Act), and against violence and harassment (the Domestic Violence Act and the Criminal Law Amendment Act). Parliament has also passed laws protecting the rights of women, such as reproductive health (the Choice on Termination of Pregnancy Act) and customary law (the Recognition of Customary Marriages Act).

It goes without saying that the battle against discrimination and harmful practices against women also requires women to fill key positions of power in all spheres of society. The continuing increase in women's representation in Parliament

enables greater sensitivity and vigour in the advancement of women's issues through oversight, law-making and public engagement.

From 124 women Members of Parliament in the first democratic Parliament of 1994 to 1999, the number of women MPs now significantly increased to 201 in the current parliamentary term. Out of the 54 countries in Africa, the South African Parliament is ranked third in women's representation after Rwanda and Namibia, while globally the Inter-Parliamentary Union places South Africa in 10th place out of 193 countries.

Although there is still so much to be achieved, the gains in women's representation in the national legislature over the years is a clear indication that Parliament takes women's issues seriously. 🌹



Members of Parliament reach out to four schools on the Cape Flats in honour of Madiba



67 MINUTES OF SERVICE: Mandela Day service.

Parliament joined South Africa and the world in observing the Nelson Mandela International Day on 18 July 2019, the day the founding President would have turned 101.

Tata Madiba's birthday was unanimously declared the Nelson Mandela International Day, commonly known as Mandela Day, by the United Nations (UN) General Assembly in 2009.

This year's celebration marked a decade since the UN declaration. The UN resolution recognises Tata Mandela's values and his dedication to the service of humanity in conflict resolution; race

relations; the promotion and protection of human rights; reconciliation; gender equality and the rights of children and other vulnerable groups; the fight against poverty; and the promotion of social justice. It also acknowledges his contribution to the struggle for democracy internationally, and the promotion of a culture of peace throughout the world.

Parliament urged all South Africans to undertake positive, selfless, individual or team actions to donate at least 67 minutes of their time in service to their communities to change the world around them.

The Presiding Officers of Parliament, led by the National Assembly Speaker, Ms Thandi Modise, and National Council of Provinces Chairperson, Mr Amos Masondo, stressed that Mandela Day provides an opportunity for recommitting

Parliament to pursue the ethos and the ideals of a caring, responsive and activist society that spares neither strength nor effort to build a socially just world order.

"As South Africa marks 25 years since the democratic breakthrough of 1994, with President Mandela as the founding President of a free and democratic nation, we must unite behind a common goal of intensifying fundamental change, including

through acts of kindness in our neighborhoods, to take our country forward," they said.

Members of Parliament and parliamentary staff spent their 67 minutes in honour of Madiba this year at four schools around Cape Town, namely Mseki Primary School in Gugulethu, Montague's Gift Primary School in Grassy Park, Enkanini Primary School in Khayelitsha and Cavalliera Primary School in Kraaifontein.

The programme entailed engagement with educators and learners, a handover of gifts that included projectors, shoes and sanitary towels, among other things. Members of Parliament (MPs) also distributed educational material on the work of Parliament to learners to increase public awareness of Parliament.

The Deputy Chairperson of the National Council of Provinces (NCOP), Ms Silvia Lucas, led the delegation to Cavalleria Primary School in Kraaifontein, where MPs donated school shoes, a compujector from the MTN Foundation and sanitary towels. She said the choice of schools was based on the fact that Tata Mandela loved children. "There is no better

way of emulating Mandela's values that he held dear in his heart than to alleviate the plight of young children. That, he would have loved and appreciated."

Handing over 200 pairs of shoes, a computer combo projector and sanitary towels, at Enkanini Primary School in Khayelitsha, the Chief Whip of the African National Congress in the National Assembly, Ms Pammy Majodina, said they were at the school in response to the spirit of love for children of former President Nelson Mandela.

Ms Majodina encouraged the learners to commit themselves to their education and to do so in the name of Tata Mandela. "You are the future of this country. You are the future representatives of the future citizens and future presidents," said Ms Majodina.

Ms Zukiswa Ncitha, who is the permanent delegate to the National Council of Provinces and who was among the parliamentary delegation, said Mandela Day is crucial and promotes the spirit of commitment to serve. "We are inculcating the culture of care as envisaged in the principles of ubuntu. This is what President Mandela would have left as his legacy," Ms Ncitha said.

Mr Mkhuleko Hlengwa, who is the Chairperson of the Standing Committee on Public Accounts, told the learners about the importance of the values of freedom, unity and patriotism for which Tata Mandela stood. "We are proud of the life of Tata Madiba and his sacrifice," said Mr Hlengwa. 🌸

