

**DEBATES AND PROCEEDINGS OF THE THIRD**

**KWAZULU-NATAL PROVINCIAL LEGISLATURE**

**FOURTH SESSION**

**THIRD LEGISLATURE**

**THURSDAY, 13 SEPTEMBER 2007**

**THE HOUSE MET AT 09:52 IN THE LEGISLATIVE CHAMBER,  
PIETERMARITZBURG.**

**1. SILENT PRAYER OR MEDITATION, OR READING OF THE PRAYER IN  
SCHEDULE 2.**

The Speaker, Mr T W Mchunu, took the Chair and read the prayer.

**2. OBITUARIES AND OTHER CEREMONIAL MATTERS**

**THE SPEAKER:** Hon members, I am saddened to officially announce to this House the passing away of Mr Simon Mabuyakhulu, brother of the hon Michael Mabuyakhulu, MEC for Local Government, Housing and Traditional Affairs. The funeral service will be held on Saturday, 15 September 2007 at 09:00 at the Mbulantana Multipurpose Centre in Ngwavuma.

[Ngqongqoshe, le Ndlu ikhala nawe kulokhu okwenehlele niwumndeni.](#)

I am further saddened to announce the passing away of Phakamile Mercy Hlengwa uNdlunkulu of the late iNkosi, M W Hlengwa, former deputy Speaker of this Legislature, who passed away on 9 September 2007 after a short illness. The funeral service will take place on Saturday 15 September 2007 at the eMfume eSivivaneni Royal Residence and the service will start at 10:00.

[Nawo futhi umndeni weNkosi uHlengwa sikhala kanye nawo.](#)

Lastly, I need to announce the passing away of Mr Cleophas Guess Ndlovu, a liberation struggle veteran who passed away yesterday, 12 September 2007. Once funeral arrangements have been finalised, hon members will be notified accordingly. Those are

the few obituaries that we have received. I will request that we stand for a moment of silence to respect those who have passed away.

*The House observed a minute of silence.*

**THE SPEAKER:** May their souls rest in peace.

**HON MEMBERS:** Amen.

### **3. ANNOUNCEMENTS BY THE SPEAKER**

**THE SPEAKER:** Hon members will recall that last week I announced in this House that two Ministers from national government will be in our midst and will address the House on certain aspects of their respective portfolios. In that regard, we are awaiting the coming into this chamber of the hon Mr Trevor Manuel, Minister of Finance. We are also awaiting the arrival of the hon Minister Sonjica who will also be with us and address us. I have arranged with the Chief Whip to create an opportunity just before each of the Ministers speak for members of the media, especially those who have cameras, to enter the Chamber to take photographs of this historic occasion in the history of this House. I say that, so that jpm members will not be surprised or distracted.

Hon members will also remember that we tabled an invitation from the hon Dr Z L Mkhize, MEC for Finance and Economic Development and Leader of Government Business, who had requested all hon members to support and promote the upcoming South African International Trade and Investment Conference and Exhibition that will be held at the ICC in Durban on 29 to 31 October 2007. We did circulate these invitations, but will continue to remind hon members because it is an important occasion that we are dealing with.

I also want to indicate to hon members that I have allowed the distribution of an invitation from the Partnership of the Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities and the *Sukyo Mahikari*, South Africa. That invitation is for you to attend the function at the ICC on 18 September 2007 from 14:00 to 17:00. The topic of this event will be "Youth Education in Africa: Enabling Future Leaders for the 21<sup>st</sup> Century".

We are not going to make this a habit, but we took into consideration that, firstly, one of

the parties to this partnership is a constitutional creation and, secondly, the issue in question is that of youth education in Africa. We think it is an important topic. However, we regret to advise that we are not going to pay for your travel expenses to that event. Hon members who attend will do so of their own volition. Our task is just to bring this to the attention of those who have an interest in this activity. I am sorry about that, but that was also the outcome of discussions I have had with a number of people.

I am hoping that this concludes my announcements, save for an amendment to my announcement about the invitation to the Ministers. I wish to indicate that we had also invited to this occasion mayors, speakers, municipal managers and whips, where they exist, from the districts of this province. We welcome those who have already arrived. We also invited the mayor of this municipality, which is the host municipality to the seat of government, as well as the seat of the Legislature. We welcome those who have arrived. We welcome those who are still to arrive. We welcome those who have apologised, as well.

I am informed by the Chief Whip that we already have Cllr Ludi Buyisa who represents the district municipality of Zululand. I am also informed that we already have Dr M Mugadi, the municipal manager in uMgungundlovu. From Ugu we have Mr Ndelu, the deputy municipal manager of Ugu, as well as Cllr R R Pillay, speaker of Ugu. We have been informed that we already have Cllr Z Hlatshwayo, mayor of uMsunduzi, the City of Choice, as I have said. We also have Cllr M S Mlangeni, mayor of Amajuba. These are the ones who are reported to have arrived. I am certain that others are still on their way. We think it is for the benefit of all of us in this province that this occasion takes place. It is therefore very important that all structures of government are represented. The only reason why we could not invite all the local municipalities was the lack of space in our gallery because of this museum that we are sitting in. [Laughter] [Interjections]

Am I out of order, hon member? If what I have said is not a fact, I will allow the point of order. However, if what I have said is a fact, I will not allow the point of order.

I am also reminded that I need to announce that there will be a People's Assembly next week, on 19 September 2007. The venue is the Rydalvale Sports Grounds in Phoenix and the time will be 09:00. There will be a circular going around giving further details of the programme. Hon members are just being reminded that that is the situation at the

present moment. This concluded these these initial announcements by the Speaker.

#### **4. ANNOUNCEMENT OR REPORTS BY THE PREMIER**

**THE SPEAKER:** There are only six hon MECs here. It does not look as if there are any announcements, but I will allow the hon Mabuyakhulu to indicate the status to us.

**MR M MABUYAKHULU (MEC for Housing, Local Government and Traditional Affairs):** Mr Speaker, I rise on behalf of the hon Premier. There are no announcements to make at this stage.

#### **5. TABLING OF REPORTS AND PAPERS**

**THE SPEAKER:** I have already indicated that the hon Minister Manuel will come into this House very soon. I was informed that the report on the Provincial Budget and Expenditure Review has been tabled in the House, so it will be circulated. My duty is just to report that it has indeed been tabled.

We are waiting for the report on the issues of electrification pertaining to the Province of KwaZulu-Natal to be tabled by Minister Sonjica.

I do not see any further tabling of papers or reports and we will therefore proceed.

#### **6. FORMAL MOTIONS AND NOTICES BY THE CHIEF WHIP**

**MR V C XABA (Chief Whip of the Legislature):** Mr Speaker, thank you very much. My office has no formal motions and or notices to be tabled today.

**THE SPEAKER:** Thank you, Chief Whip. Before we go on to notices of Bills or motions, there is just one announcement that I had intended to make, but it slipped my mind. I am going to be in this House until lunch time. After lunch the hon Deputy Speaker will preside over these proceedings, because I am to join the Speakers Forum in Gauteng. Therefore, when members do not see me, please understand I will have left for Gauteng.

#### **7. NOTICES OF BILLS OR MOTIONS**

**THE SPEAKER:** I have not as yet spoken to the Chief Whip and the Whips on the procedure we are going to follow on this matter. Today I will therefore start with those

hon members who did not get an opportunity last time. The hon Mr Panday is one of those, but I see he is already standing. Hon members, I believe I have captured all your names. May I begin with ...

Mnguni, kukhona okonakele?

**MR D N KHUZWAYO (ANC):** Ngibuza Somlomo ukuthi ngibonakele yini. Manje umhlonishwa usuke abe mkhulu ngaphambi kwami.

**THE SPEAKER:** Cha uyakuhlupha nje Mnguni. Uyakuhlupha. Ngikubonile impela. Sengihlale nawe iminyaka eminingi kabi Mnguni ngiyakwazi uma umile noma uhleli phansi.

Shall we begin with the Deputy Chief Whip?

**MRS M V NOEL (ANC):** Mr Speaker, I hereby give notice that I shall move on the next sitting day of this House as follows:

**This House noting:**

That all people who are employed are taxed on their gross salary the whole of their working life, and

That upon retirement they are also taxed on 40% of their retirement package, leaving the taxpayer with a drastically reduced standard of living.

**Therefore resolves:**

To appeal to the SARS and the Minister of Finance to review this practice and reduce the anxiety of people who believe they will struggle to exist in the twilight of their lives for which they are believed they had prepared for adequately by participating in a pension fund.

**MR K PANDAY (IFP):** Mr Speaker, I hereby give notice that I shall move on the next sitting day of this House as follows:

**This House noting:**

That Clairwood was once a vibrant and close-knit Indian suburb in the south

basin of Durban where most of the Indians outside India lived, and

That this little India was raped by the apartheid government and, through its insensitive, ruthless and uncaring actions, the National Party destroyed the fabric of life in Clairwood.

**Therefore resolves:**

To call upon the present government and this House, in particular, to live by the spirit and the word of the Constitution to ensure that Clairwood is not raped any further, and

That the image of Clairwood be restored to its former glory.

**MR R M BURROWS (DA):** Mr Speaker, I hereby give notice that I shall move on the next sitting day of the House as follows:

**This House noting:**

That the South African Jewish and Muslim citizens and communities will be celebrating significant days in their religious calendars shortly;

That members of the Jewish faith are celebrating the start of the Jewish New Year, *Rosh Hashanah*, today;

That over the next 10 days they will be moving towards their holiest day, *Yom Kippur*, and

That the Muslim faithful will from today mark the start of their holy fasting month of *Ramadan*.

**Therefore resolves:**

To join in spirit with these two communities, and

To wish them blessings for today and in the coming days.

**HON MEMBERS:** Hear, hear!

**PROF J S MAPHALALA (NADECO):** Ngiyabonga Somlomo. Ngokuhlala kwale Ndlu okulandelayo ngiyakuphakamisa kanje:

Le Ndlu iyabona ukuthi:

1. Izinhlalo zokusakaza izindaba ezweni zisimamisa izilimi zemiphakathi eyehlukene esifundazweni. Ziphinde zelekelele ukuthi izingane ezikoleni zikhulume ulimi ezaluncela ngendlela efanele ukuze ziphumelele ngamalengiso uma sezibhala izivivinyo zazo.
2. Kuyichilo nokucekela phansi isiZulu nesizwe okwenzeka ohlelweni lwabasha nakwi-Breakfast Show Okhozini. Ukwenza isiZulu isifanakalo nesijabane ukuze uKhozi FM luthole inzuzo yemali nodumo entsheni.

Le Ndlu ibuza ukuthi:

1. Uma ukusheba izilimi kuqhakaziswa kungani i-SA FM, Radio Sonder Grense, nezinye izinhloko zona zingashebi izilimi zazo?

Ngiyakuphakamisa

**MRS N P NKONYENI (ANC):** Mr Speaker, I hereby give notice that I shall move on the next sitting day of the House as follows:

**This House noting:**

The concerns raised by the hon Mrs Ambler-Moore (DA) around the administration of Nevarapine and a short course of AZT, comparing KZN to the Western Cape;

That the Department of Health in KwaZulu-Natal is leading the country in terms of the numbers of patients on anti-retroviral treatment, and

That scientists themselves are not clear and have not determined whether the Department of Health should administer monotherapy, dual therapy or triple therapy in terms of the prevention of mother-to-child transmission and to slow down the progression of HIV to Aids.

**Therefore resolves:**

To call on the DA to plead with their alleged funders, the pharmaceuticals, to reduce the costs of drugs that inaffordable so that the roll-out can be expanded.

**THE SPEAKER:** Hon Dr Buthelezi. Hon Dr Buthelezi ... Oh, hon member u-Mr Buthelezi. Cha ungadinwa nje uma ngikunikeza lezo ziqu. Nisebancane nobabili noDokotela manje nisuke nilingane.

**MR T D BUTHELEZI (IFP):** Ngokuhlala kwale Ndlu okulandayo ngiyakuphakamisa kanje:

Le Ndlu iyakubona:

1. Ukuziqhenya ngezintombi nomama besizwe abebesemkhosini womhlanga ngokungavumi ukwesatshiswa nokuthobela imithetho engenabo ubulungiswa, kepha baqhubeke nokuhlolwa kwezintombi.

Ngakho-ke le Ndlu inquma:

1. Ukwethulela isigqoko wonke lawa maqhawekazi aKwaZulu akhombise isibindi esifuze esamaqhawe kaZulu anikela ngempilo yawo evika ubuZulu bawo.
2. Ukumkhuza uhulumeni kaKhongolose ukuba apheze ukuzama ukufeza lokho okwehlula amaNgisi namaBhunu: Ukucokoshisa izindlela zokuphila zomdabu.
3. Ukumyala ukuba awesule ngokushesha lo Mthetho i-Children's Act ochithwa yibo bonke abantu *ababhadlile* emakhanda.

Ngiyakuphakamisa kanje.

**MRS W G THUSI (ANC):** Ngiyabonga Somlomo. Ngokuhlala kwale Ndlu okulandelayo ngiyakuphakamisa kanje:

Le Ndlu iyakubona ukuthi:

1. Amalungu ale Ndlu ahloniphekile anesibopho sokusabalalisa ulwazi

ngemithetho yaleli lizwe lethu nangendlela uhulumeni asebenza ngayo ngokweqiniso nangendlela eyakhayo.

Ngakho le Ndlu iyonquma kanje:

1. Ukucela uSotswebhu Omkhulu wale Ndlu ukuba acele i-Human Rights Directorate e-Premier's Office ibambisene noMnyango Wezenhlalakahle, Wezempilo, Nezobuciko, Amasiko Nezokuvakasha, ukuba balekelele amalungu ahloniphekile ngokuwafundisa kahle i-Children's Act ka-2005.
2. Iyonquma futhi ukucela amalungu ale Ndlu enze ukuhlonipheka uma esefundisiwe ngalo Mthetho ngokusabalalisa ulwazi oluyiqiniso.

I so move.

**MR G B BHENGU (IFP):** Ngokuhlala kwale Ndlu okulandelayo ngiyakuphakamisa kanje:

Le Ndlu iyakubona ukuthi:

1. Kule nyanga kuphela iminyaka engamashumi amathathu kwaphangalala elinye lamaqhawe omzabalazo uMnu. Steve Bantu Biko, [ngangingaphezu kwakho] owafela ezandleni zombuso wobandlululo.

Ngakho-ke le Ndlu inquma:

Ukudumisa leli qhawe kanye namanye amaningi adela impilo yawo

nokunethezeka ngenxa yomzabalazo.

Ukuthokoza emndenini wakwaBiko ngokuzinikela ngomyeni nangobaba ukuba

alwele izwe lakithi zimfamona.

Ukuzwakalisa ukukhathazeka ukuthi ngenxa yokuthi uBiko wayengesiyona

ingxenye yombimbi lwe-ANC, COSATU, South African Communist Party,

akakutholi ukuhlonishwa okumfaneleyo.

Ukukhuza uhulumeni kaKhongolose ukuba angazami ukubhala kabusha

umlando nokugubuzela iminikelo yamaqhawe angekho ekhwapheni labo.

**THE SPEAKER:** Hon Mthimkhulu! MEC Mthimkhulu! [Interjections]

**DR B M RADEBE (MEC of Social Welfare and Population Development):** Mr Speaker, *bengicela ku-check-hwe ukuthi i-motion ye-member ayingaphezulu yini kwamagama awu-hundred.*

**THE SPEAKER:** *Eeh, sizoyisetha. Sizoyi-check-ha,* hon MEC Mthimkhulu.

**MR M E MTHIMKHULU (ANC):** Mr Speaker, I hereby give notice that I shall move on the next sitting day of this House as follows:

**This House noting:**

That today this KwaZulu-Natal Legislature is making history in becoming the first provincial legislature in South Africa to expand its oversight role by inviting national Ministers to come and address this House on issues which directly affect our communities on the ground, and

That the provincial Legislature of the Western Cape has already indicated an interest to follow this unprecedented trend that has been set by the KwaZulu-Natal Legislature in our parliamentary system.

**Therefore resolves:**

To sincerely thank the leadership of this Legislature for making us proud for this historical leap which we are taking in our participative democracy today.

**MR A J HAMILTON (IFP):** Mr Speaker, I hereby give notice that I shall move on the next sitting day of this House as follows:

**This House noting:**

The fact that crimes against farmers have increased by 25% in one year to 794, as highlighted by the IFP leader in this Legislature, the hon Dr L P H M Mtshali in his latest newsletter, and

That this shocking statistic highlights the lack of political will - if not callous

indifference - by the ANC to deal with this serious problem which farmers are facing.

**Therefore resolves:**

To demand that both the national and provincial Ministers of Safety and Security take all necessary steps to bring these shameful attacks to an end immediately.

**MR R E KEYS (DA):** Mr Speaker, I hereby give notice that I shall move on the next sitting day of this House as follows:

**This House noting:**

The ANC's attempt to buy councillors from the DA with offers of government jobs and payments of debts, and

That the ANC has deployed the hon Premier to Amajuba to try and influence non-ANC councillors to help them steal back Amajuba and Newcastle.

**Therefore resolves:**

To condemn the ANC ...

[Interjections]

**THE SPEAKER:** Hon members, please! Let us allow the hon member to proceed without interruption.

**MR R E KEYS (DA):** I continue, sir.

To condemn the ANC for using taxpayers' money to try to further their party-political aims, and

To call on the Premier to focus his attention on delivering services to all people, rather than trying to create a one-party state.

**MR S J GCABASHE (ANC):** [Somlomo](#), [ekuhlaleni kwale Ndlu okulandelayo ngiyophakamisa kanje](#):

Le Ndlu iyabona ukuthi:

1. Emasontweni ambalwa edlule kuvele emaphephandabeni ukuthi endaweni yeNkosi uMzimela, phesheya koThukela, kunokunyathelwa nokunganakwa kwamalungelo abantu.

Umbiko uthi umphakathi awuvunyelwe ukwenza izinto ezithile njengokungcwaba, imishado, nazo zonke ezinye izinto umphakathi ofuna ukuzenza ngosuku lwangoMgqibelo ngoba nje kuwukuthi iNkosi yona iyasabatha ngalolu suku.

Kuyisimanga-ke ukuthola ukuthi nanokuba uMthethosisekelo waleli zwe ukwemukela ukuthi izinkolo zonke ziyafana, futhi uMthethosisekelo waleli zwe usho ukuthi abantu banelungelo ngamunye ngamunye lokuthi bakhonze la bethanda khona sithole ukuthi esimeni sendawo yeNkosi uMzimela lokhu akwenzeki.

Ngakho-ke le Ndlu inquma:

1. ukuthi lufakelwe izibuko lolu daba sithembe futhi ukuthi isimo esifana nalesi ngeke siphinde senzeke.

**DR L P H M MTSHALI (IFP):** Mr Speaker, I rise on a point of order.

**THE SPEAKER:** Anginikeze-ke kuqala ilungu elihloniphekile uBaba uMtshali. Ngo-half past ten, I do want to give notice that I will be closing this part of the session. uBaba uMtshali.

**DR L P H M MTSHALI (IFP):** Mr Speaker, I request that the words of the motion delivered by the hon Mr Gcabashe be counted.

**THE SPEAKER:** Yes, Mr Cele?

**MR B H CELE (MEC for Transport and Community Safety and Liaison):** Mr Speaker, regarding the motion delivered by hon Mr Bhengu, could we please check that the spelling of Biko is correct? The hon member kept on aspirating “Bhiko, Bhiko”, so I would

appreciate it if we could just check the spelling of Biko. [Laughter]

**THE SPEAKER:** [Ngiyabonga](#). Let us proceed to the hon member iNkosi Mathaba.

**INKOSI K W M MATHABA (IFP):** [Somlomo Baba, ngokuhlala kwale Ndlu okulandelayo ngiyakuphakamisa kanje:](#)

[Le Ndlu iyakubona ukuthi:](#)

1. [Ngokombiko wabezindaba uNgqongqoshe Wezezindlu Kuzwelonke, uNksz Lindiwe Sisulu, uthe bonke laba ababewakalisa ukukhononda kwabo ngodaba lwezindlu emiphakathini yase-Cape Town uzobakhipha ohlwini lwabantu abanokuthola izindlu.](#)
2. [Iyashaqeka ukuzwa inkulumo enesihluku nengenaluzwelo njengale iphuma emlonyeni kaNgqongqoshe onomthwalo wokuhlinzeka abantu ngezindlu.](#)

[Ngakho-ke le Ndlu inquma kanje:](#)

1. [Ukuyifela amathe le nkulumo embi kaNgqongqoshe ekhombisa umoya wobundlovu kayiphikiswa.](#)
2. [Ukumkhuza uNgqongqoshe okungukuthi uyisisebenzi sabantu, kasiyena uNkulunkulwana wabo.](#)
3. [Ukumyala ukuba azehlise axolise kubantu abangobasi bakhe ngokuziphatha kabi.](#)

[Ngiyakuphakamisa kanje.](#)

**THE SPEAKER:** Hon Mr Kubheka. [Awu kahle kahle bo, Khathide.](#)

**MR M A I KHUBEKA (ANC):** Mr Speaker, I hereby give notice that I shall move on the next sitting day of this House as follows:

**This House noting:**

That South Africa has experienced more than 350 years of colonialism and more than 30 years under a vicious apartheid system;

That injustices were the order of the day in that the majority of people were politically oppressed, socially neglected and economically exploited, and

That the past 13 years have seen the ANC led South Africa and her people moving away from this legacy, deepening democracy and improving the social economic conditions of all.

**Therefore resolves:**

To condemn certain sectors of the media and other prophets of negativity for painting a picture of doom and gloom on the progress registered to realise the objectives of a better life for all.

**MRS B S MOHLAKA (IFP):** [Ngiyabonga](#). Mr Speaker, I hereby give notice that I shall move on the next sitting day of this House as follows:

**This House noting:**

The discrimination against certain members of the KwaZulu-Natal Legislature at security checkpoints, in particular those members who belong to the Inkatha Freedom Party.

**Therefore resolves:**

To strongly condemn this type of behaviour, and

To call on the Speaker to investigate this matter.

**THE SPEAKER:** Hon Mrs Mohlaka, I do need to respond to that. It is a substantive motion and therefore there must be facts attached to that motion. I want to give the assurance to this House that we will investigate that, but you will also need to assist me. As the mover of that motion, you will also assist me by providing me with the facts, please.

**MRS AMBLER-MOORE (DA):** Mr Speaker, I hereby give notice that I shall move on the

next sitting day of this House as follows:

**This House noting:**

The 30<sup>th</sup> anniversary yesterday of the untimely death of Black Consciousness leader, Mr Steve Biko, at the hands of the apartheid government in September 1977 and the shocking cover-up that followed, and

That South Africa continues to be poorer without this courageous leader.

**MS G N SWARTBOOI (ANC):** Mr Speaker, I hereby give notice that I shall move on the next sitting day of this House as follows:

**This House noting:**

The senseless killing of three children by their own father at uMsinga a few weeks ago.

**Therefore resolves:**

To condemn such acts of violence which go far beyond the ordinary perception of abuse or other acts of domestic violence, and

To congratulate our judiciary for its swift action in arresting and convicting the perpetrator of this crime and for sentencing him to three life sentences, thereby sending a clear message to all those who prey on the weak and the defenseless.

**THE SPEAKER:** Before we continue ... Yes, Mr Burrows?

**MR R M BURROWS (DA):** Mr Speaker, just to confirm: You do have the names of those who have not yet spoken and no doubt you will carry them forward to next week.

**THE SPEAKER:** Yes, Mr Burrows, I did indicate that when we started. I did exactly that. That is the trend we will be following as we go forward until we have adopted a proper procedure which will be discussed by the Chief Whip, the Whips Forum and myself.

**MR G B BHENGU (IFP):** Mr Speaker, I rise on a point of order and I refer you to Rule 90. Printed on the Minutes of our last sitting, there is a motion moved by the hon Mrs C M Cronjé, MEC for Education. I have counted the words and there are 180 in total.

[Interjections]

**THE SPEAKER:** Hon member, thank you for bringing that to my attention. We will investigate and correct that, because the Rules allow us to do so.

**MR S J GCABASHE (ANC):** Mr Speaker, [bengicela ukuthi uBaba uGwala achaze ukuthi ubani lona amsongela kangaka ukuthi uyohamba esinda kuma-Ministers. Kade ekhomba bengithi uyambona.](#)

**THE SPEAKER:** [Ngizokhuluma naye ngizwe ukuthi kwenzenjani.](#) Before we proceed with our Order Paper, as indicated we will be going to Item 8. In terms of that item there will be a debate on the service delivery by the MEC for Housing, Local Government and Traditional Affairs.

It gives me great pleasure to announce on behalf of this House the presence in the House of the hon Mr Trevor Manuel, national Minister of Finance. We welcome him to this Chamber.

Further to welcoming the hon Minister, I also need to announce the arrival of Cllr B M Sithole, mayor of uMgundgundlovu; Cllr V Ntshangase, chief whip of uMgundgundlovu; Cllr J P Khoza, mayor of Sisonke; Cllr S W Mdabe, iLembe mayor, and Cllr S Ngubane, chief whip of uMsunduzi. As I have indicated, there will be further announcements as other leaders from other spheres of government arrive.

## **8. ORDERS OF THE DAY**

### **8.1 Debate on Service Delivery Report - Department of Housing**

**MR S V NAICKER (IFP):** Mr Speaker, at the outset of this particular debate, I would also like to convey to the hon MEC our feelings for his sense of grief. We hope that he will have the courage to stand up to his responsibilities, in spite of the grief he is faced with.

Sir, we acknowledge the quarterly report presented by the hon MEC for Housing. We also acknowledge the progress that we have made, but there has to be certain observations in any situation of this nature.

It is encouraging to note that the department has approved 431 989 housing subsidies during the past 12 years. Housing subsidies can be regarded as housing opportunities. One of the challenges facing any government is its ability to translate its policies and philosophies into concrete terms; therefore the 431 989 housing subsidies are opportunities. Obviously collectively everything possible is being done, but the figure can be regarded as an unparalleled achievement and a considered investment. We do acknowledge this.

The department had further embarked on breaking new ground in facilitating sustainable human settlements through integrated housing delivery. There is, however, something that is of serious concern to us. Financial institutions nationally committed themselves to spending R42 billion before the end of 2008 and our province shows the least movement in terms of contributions from financial institutions. This is indeed a very serious concern in terms of the progress and prosperity of a country if financial institutions are reluctant to contribute. If we in this province, the most populous among the nine provinces, find ourselves lagging behind, it leaves us with a big question as to what the future holds for housing. This, coupled with a lack of capacity at local government level, it is bound to have a negative impact on delivery.

Capacity is also something that has been extremely topical and it requires the absolute attention of our government to provide and implement the required capacity to municipalities. We have also recently established that 13 municipalities do not have approved IDPs. I accept that the intentions of government are pure, but if one of the machineries of government and local authorities do not even conform or comply to capacity requirements, how will we go about providing the houses that are supposed to be provided?

Moreover, we cannot be regarded as just apportioning money to local authorities and regard that as fiscal dumping. What is more, the amount of money that has been allocated to local authorities, where is that money? Those funds, in many instances, are not even accruing interest for local authorities simply because of a lack of capacity. So the question, as far as capacity is concerned, is something that is of serious concern and it must be addressed.

Our concern will always be that particular sector of poor people, those who are deemed unbankable or not creditworthy. That is another important element in this entire exercise which further thwarts our efforts to bridge the gap between the first and second economies. When we talk about the first and second economy, we strongly recommended to the hon Minister a new concept of inclusionary housing. We cannot divorce ourselves from the very principle of inclusionary housing. It must not merely be a policy. It must be a policy that has to be translated down to the level of the developing area.

The slum-clearing legislation will obviously make a further demand on our budget. Again, it is a well intended piece of legislation, one that is intended to bring about an improved quality of life to our people, but we must accept the reality that funds have to be realised to readjust that situation.

I now want to refer to something which does not give me much pleasure, and that is the EEDBS. The hon Minister will be aware of the fact that this particular policy was accepted and finalised on 9 December 2005. Yes, a long time has elapsed, but when we were able to budget additional funding towards the implementation of the EEDBS, we did so in this House.

In the last budget presentation, while this matter was being discussed, we established that an amount of R10 million was paid to a consultant, if we understood the budget correctly. With all due respect, was this money paid towards dispensing the services of a consultant or was it for work that that particular consultant had been doing for a long period but for which he was not paid? R10 million off that budget obviously has a huge impact, so that begs the question as to what is the position of this R10 million. [Time expired] Thank you, sir.

**THE SPEAKER:** Thank you, hon member. The hon Mr Slabbert is the next speaker, for seven minutes.

**MR J H SLABBERT (ANC):** Thank you, Mr Speaker. I want to join the hon member Mr Naicker in passing my condolences to the hon MEC.

Before turning to the debate on Housing, allow me to refer to the first part of the hon MEC's report. I refer to his tribute to the now late Inkosi Gumede and the MEC's

reference to his untimely loss. I do not think anyone could describe the late Inkosi better than the hon MEC has done. I am convinced that all hon members and even staff will underline every word he said. In spite of our political differences, he was a friend. He was altogether an exceptional personality and he will be sadly missed by this Legislature.

When we talk about housing, I think most of us just take the house we live in for granted. It is just something that must be there. I wonder how often we really appreciate the house we live in, and how often we are thankful for it. How often do we think about those in so-called squatter camps? When I look at the squatter camps, I cannot help but feel for the people who live in them. I often wonder how those people can live and survive in those shacks with roofs covered with plastic bags and cardboard and whatever else, just to not get soaked with water during rainstorms, and I am not even talking about all the other elements they must face on a daily basis. Do we ever think of the kids also living there, or the circumstances under which they must grow up? Furthermore, do we ever consider how the environment in which they grow up affects and influences their future lives?

In my home town of Vryheid we have a squatter camp right next to the refuse dump. I wish I could bring you a photograph of that refuse dump. I can only describe it as shocking and disgusting! What is even more shocking is the number of kids spending their days on that refuse dump to get something to eat. The only place they know is that refuse dump, and none of them go to school. I am just wondering when the inevitable will happen, and when there will be an outbreak of some or other disease. It is bound to happen sooner or later.

I have been told way back as far as 1994, and even before that that squatters will be removed and that people will be given houses. In the meantime the squatter camp is getting bigger and bigger. The only thing that can bring relief and a better life to these people is the long overdue Slums Bill which is an excellent piece of legislation and which will also stop the re-emerging of future slums. Local governments will be mainly responsible for the implementation of this Act, and I am sure the MEC and his department will keep a close watch on this to ensure that they do not sidestep their responsibilities. I am sure some of them will try. I can recall that when our Portfolio

Committee had public hearings, not a single municipality attended these hearings. Their responsibilities under this Act may therefore come as a surprise to some of them.

I will not be honest with myself if I do not say that I have a serious concern with the allocation of houses. I do not know whether the strict criteria which are supposed to be followed with regard to the allocation of housing are being followed. It is my honest and humble opinion that this is not the case.

The hon MEC tabled an excellent, comprehensive and factual report in which he openly admits that there are shortcomings here and there. However, compared to all the victories, surely one or two shortcomings may be acceptable. A shortcoming is not necessarily a mistake. If you do nothing in your work environment, you cannot make a mistake. However, if you do something, you are bound to make mistakes.

The MEC touched on every aspect of housing. I cannot fault the report and, in fact, I strongly support it. I think this report deserves the unanimous support of this House.

Please allow me to deviate slightly from housing. I am not deviating from the MEC, though. I am still dealing with the same MEC. The MEC has the political authority to manage disasters. Our province has been struck by several disasters of late. We have had veld fires, and we have had sea damage to most of our beaches - from Margate in the south, right up to the far North Coast.

I am aware that the hon MEC Mthimkhulu flew all along the coastline to compile a report on the damaged beaches. I know about that, but I am still unaware of what he has said in this report. I hope we will get to hear about that sooner or later. [Hear hear] In many ways our province depends on tourism, and we must do something if we do not want our tourism trade to bleed to death, and it is already happening. A province like ours, which is almost entirely surrounded by the sea, needs its beaches. If there are no beaches, it will be like a general going to war without ammunition. This is a very serious situation. If our coastal towns lose their tourists, the economy will suffer, unemployment will go up and the only thing that will flourish is crime.

Some of the coastal towns where the crime rate used to be very low have already changed dramatically. Why would thousands of visitors from Gauteng, Mpumalanga and

the Free State drive all the way to the South Coast and the North Coast if there are no beaches? Tell me that. I want to know.

I am exceptionally pleased that today we are honoured by the presence of the Minister of Finance. Perhaps he will hear our outcry. You never know, maybe we will get some help.

Sir, I will conclude because my time has almost expired. Let me just say to the MEC and his department: [Masisukume sakhe](#). Thank you.

**HON MEMBERS:** Hear, hear!

**THE SPEAKER:** Thank you, hon Mr Slabbert.

**PROF J S MAPHALALA (NADECO):** [Ngiyabonga Somlomo, ngifisa ukuvumelana nelungu elihloniphekile uMnu. Naiker mayelana nokushayela kwale Ndlu ihlombe, ukukhushulwa kwemali okuzosiza abantu bakithi mayelana nokokuthi bazakhele izindlu zabo kalula. Kuyemukeleka ukunyuswa kwemali, kosizo lwemali ukuthi abantu bazakhele izindlu ikakhulukazi umphakathi owawuncishwe amathuba, ikakhulukazi lo owama-Afrika okuyiwona odla imbuya ngothi nokuyiwona ohlala ezindaweni ezilukhuni kakhulu njengendawo lezi okwakhiwa kuzo izindlu ezingamaxhokovana. Ngiyavumelana futhi nomnumzane lo osanda kuhlala phansi u-Slabbert ukuthi udaba lomjondolo luyinkinga enkulu. Ngiyazi ukuthi uNgqongqoshe useke wazama ukuthi luxazululwe kwaze kwahamba kwayiwa nasemiphakathini le ehlala kulezi ndawo ukuthi imijondolo ingabe isakhiwa amaxhokovana angabe asalulwa asiwe phambili.](#)

[Kodwa-ke kusenomqansa omkhulu, ungqingetshe omkhulu ukuthi izingane uma sezithombile zizokwenzenjani ngoba lezi zindlu zingamakotshana. Kuhlala indoda ehloniphekile nomkayo, izingane zinhlanu bese zithomba. Zizokwenziwa kanjani, kuzolalwaphi kuzoba yini? Kushukuthi-ke inselelo abhekene nayo uNgqongqoshe ukuthi leyo nselelo iyoxazuluwa kanjani. Leyo eyezindlu esezakhiwe kodwa ezingamakotshana.](#)

[Siyazi ukuthi uhulumeni yentando wenengi uqale wakhela umphakathi izindlu, waba namaphutha amaningi. Izindlu zaba ngamakopi, zangakulungela ukuhlala imindeni eqotho nehloniphekile. Zaba yizindlu ekubonakala kahle ukuthi izindlu nje lezi zokuhlala ama-Afrika kuphela. Ngoba uma ubheka akekho omunye umuntu owake wambona ehleli](#)

khona kweminye imiphakathi. Kwase kubonakala ukuthi-ke labo bantu bayabonga ngoba phela kuthiwa uyawubonga uhhafu wesinkwa, awukwazi ukungabongi lutho kodwa uma ubheka kubonakale akusizi. Izindlu lezi zigcwala amanzi njengalaphana nje e-Mooi River. Njengase-Mooi River la amanzi agcwala angena endlini. Abantu bayabonga kodwa kuhulumeni bethi, "siyambonga, siyambonga ngoba kade sihleli ngaphansi kwezihlahla". Okusho ukuthi-ke uzamile uhulumeni kodwa siyethemba uNdiyema uzoyibheka le miqansa okusabhekeke ukuthi ilungiseke ikakhulukazi izindawo zasemakhaya.

Kithi eMaNgwaneni nakwezinye izindawo ukuthi kwake kwayiwa kwaJobe kwaqhamuka indlu enhle eyayiwu-5 room, cishe ifanane no-4 room laba bakuqala, nawo esasikhala ngabo kodwa kwasekuqhamuka-ke isidididi impela sekopi kodwa uma sifika kwaJobe sayibona indlu enhle. Sifuna ukuzibona-ke ukuthi zingakhi sithole isithombe embikweni kaNgqongqoshe uNdiyema ukuthi emakhaya, siyabona emadolobheni, emakhaya zingaki esezikhona emakhaya, le kithi emakhaya lapho abantu abahleli khona la akwakuyi-homeland khona. Indawo okwathiwa iyokhuphuka *i-homeland* ibe yisimangaliso, kushiwo ematsheni. Ematsheni la udla imigubane, uwudle umgubane! Manje-ke sifuna ukwazi ukuthi uhulumeni wentando yeningi usengene wagamanxa kangakanani lapho, kwenzekani lapho, hhayi ukuzula la eduze kwamadolobha kosuka bonke abantu bagcwale la edolobheni? Bosuka bonke bagcwale la kube nemijondolo kufane nokuvika amanzi ngezandla. Asibone amagalelo emakhaya.

Kithi eMaNgwaneni, e-Bergville, naseMzumbe kubokaNgqongqoshe uMagaye, nangu uMagaye uyangivumela. Yileyo into esiyifisayo ukuthi yenzeke Ndiyema. Umbiko wakho muhle, imali iyashoda, kodwa imali ayingavimbi ukuthi kuthiwe ayikho. Ngabe siyakwenza lokhu, imali ayikho, siyohlala kube yi-gradualism, njengaku-apartheid kwakuyi-*gradualism*. Nikhalani ingani nayi iDube into enithi niyayibona. Nikhalani ingani nakhu niyakubona. Bahlala abantu bajwayela bafa baze bajwayela, ayiphele i-gradualism kubonakale indlela eya phambili eyakhona. Akusho lokhu ukuthi uNdiyema akazami, uyazama, umqansa mukhulu sifuna ukubona kahle ahlukalise, athi emakhaya nakhu, kwaJobe, le eNkosini yaseMadletsheni neyakwaMathaba, ngibala amakhosi agcwele la, neyaseMathulini. Sizibone izindlu nakhona. Namakhosi agcwele la eNdlini.

Manje-ke asiyibone leyo nto yenzeka kulezo zindawo. Labo abaseThekwini nabakuphi siyabona ukuthi sizelwa nawu-2010, Ndiyema. Manje okujahile ukuthi sishanele

masinyane eThekwini umuntu ahlale khona kuqhamuke ibhilidi elihle, kuqhamuke nani. Manje siyakhala ukuthi, cha iTheku phela alisiwo umhlaba. Alisiwo umhlaba lodwa.

Siyawubonga umbiko wakho Ndiyema uyasinika ithemba lokuthi njengoba imali izokhushulelwa le okuthiwa *eye-subsidy*, into enhle kakhulu leyo iyasijabulisa. Kodwa-ke amehlo akho Ndiyema awathalaze yonke indawo, 56% uhlala ema-*rural areas*, ezindaweni zasemakhaya. Yilapho-ke sifuna ukubona amagalelo khona la imoto ingeke ikhuphukele khona, uma ike yakhuphuka ihlehlele emuva iyolimala ngeke ize ifike. Kukhona omunye umuntu othi mina ngahlala la, ayikho imoto engafika la. Ngiyabonga

**THE SPEAKER:** Hon members, we will proceed with Mrs Thakur-Rajbansi who has five minutes. I cannot see the hon member and she therefore forfeits her turn. The hon Mrs J M. Downs has four minutes. I see the hon member is also not in the House, and she therefore also forfeits her turn. The hon D N Khuzwayo is next on the list.

**MR D N KHUZWAYO (ANC):** Mangibonge Somlomo, ngibingelele neNdlu yakho ehloniphekile lapha. Okukhulu, ngicela ukudlulisela la mazwi ngiwabhekise kumhlonishwa uNdiyema ngithi: “Baba akwehlanga lungehlanga ngomnewenu”. Cha, ngizocela ukuthi ngithathe le Ndlu ehloniphekile ngiyibhekise emakhaya manje. Ibone ensimini kulinywa lapho kukhona obambe igeja, lapho kukhona ophethe isitswebhu, sizibone izinkabi ziqhubeka nokubamba intambo, bese siyayibuyisa leyo nto sibheke ngemuva kwalo obambe igeja, kunezinyoni okuthiwa yimivemve. Bese siyabuya lapho sibone uNdiyema umhlonishwa ebambe igeja. Sibone iNhloko Yomnyango iphethe isitswebhu, sibone izintombi nezinsizwa ziyikhathula le ndima. Sibone imivemve laphaya, yileli komidi elikhona. Yasho njalo enye insizwa iyixoxa le ndaba ngelinye ilanga.

Umuntu makawuncome umbiko othulwe umhlonishwa uNdiyema. Mangingakhohlwa ukubonga iNhloko Yomnyango, uMaMnguni nezintokazi nezinsizwa ezisebenza kanzima ukuphucula izimpilo zabantu bakithi. Phela umuntu ungumuntu ngekhaya. Babekhona ohulumeni kulesi sifunda sakithi, kodwa lokhu esikubonayo kulesi sifundazwe sethu saKwaZulu-Natali kuyaqala. Lapho sibona uMnyango Wezezindlu ufika qathathatha nasezindaweni zasemakhaya.

Akukholakali ukuthi abantu abangaphezu kwa-2.5million bazizwe sebethokozile ezindaweni ezisifanele nezihloniphekile. Siyazi sonke kule Ndlu ehloniphekile ukuthi

sibheke kwi-2010 lapho yonke iminyango isebenza kanzima ukwenza umehluko ngo-2010. Siyawuncoma uMnyango wakho Ndiyema ngokuqhakazisa iKwaZulu-Natali. Phela ngisho nalabo abayofika besuka kwamanye amazwe imbala naphesheya kwezilwandle, akusekubi, bayobona ukuthi kuyasetshenzwa. Izinga lemikhukhu noma imijondolo lobe selehlile okukakhulu nalo Mthethosivinywa owamukelwe kule Ndlu ehloniphekile uzolekelela ukuthi ingabe isaqhubeka le mikhukhu.

Sinethemba lokuthi nomasipala bazosebenza kanzima noMnyango Wezezindlu ukuphucula izimpilo zabantu bakithi. Mangikuveze lokhu kule Ndlu ukuthi umhlonishwa uNdiyema bayamncoma abantu baKwaZulu-Natali ngokubonakala ezindaweni zasemakhaya nasemadolobheni. Bathi umhlonishwa noMnyango wakhe uma eza nentuthuko akabheki ukuthi umuntu usonta kuphi. Nizokhumbula malungu ahloniphekile ukuthi kuke kwaba khona ngelinye ilanga lapho kulandwa lolu hlelo emsakazweni okwaba khona insizwa nje esuka kwamanye amahostela ikhuluma, isenga nje ezimithiyo, ithi cha iyabona impela kuzofanele ngelinye ilanga umhlonishwa uNdunankulu alethe uNgqongqoshe Wezezindlu azokhuluma ukuthi ngabe kwenzekani ngoba bona ababoni ntuthuko ngasemahostela. Ngabona ukuthi imbudane nje leyo, into engekho ngempela.

Iyo le nto engikhuluma ngayo kwamina ngisuka emakhaya. Uyabona nje, eNkosini uMemela, ko-Donnybrook, siyazibona izindlu zikhona. KoMkatsheni ekugcineni ko-Underberg, siyazibona izindlu. Uma kubhekwa KwaZulu kuyakhiwa. E-Port Shepstone sibonile futhi nakhona, emakhaya ngikhuluma ngendaba yasemakhaya, kwakhiwa izindlu. Uyabona ukuthi impilo iya ngokuba ngcono. Okusho ukuthi ngempela umhlonishwa nomnyango wakhe bayafinyelela khona lapho. *But-ke* okubalulekile yilokhu: siyazi sonke ukuthi izingcanga ziyayikhonkotha imoto ehambayo, kodwa emile aziyithi vu. Ziyayichamela!

Masisukume sakhe iKwaZulu-Natali. Ngiyabonga Somlomo.

**THE SPEAKER:** May we then proceed to hon B J Msomi. The hon member has four minutes.

**MR B J MSOMI (UDM):** Thank you, Mr Speaker. Let me join my colleagues in saying that Ndiyema, we are with you *Baba kulesi sikhathi esinje*. Because of time *ngizorasha nje but angisho ukuthi* I am disappointed because I was hoping *ukuthi* some hon

members would come and join [i-UDM](#) so that I would have more time, but unfortunately ... [Laughter]

**THE SPEAKER:** [Sisekhona isikhathi noMndayi akakashayi uMgqibelo.](#)

**MR B J MSOMI (UDM):** OK, thank you. Let me say [ukuthi](#) we thank [i-report kaNdiyema uNgqongqoshe](#) but one can see [ukuthi](#) there is something that is happening, but there is still a mammoth task ahead. But-*ke* because of time, as I have said, [ngizozama ukuhlala kule nkinga engiyibonayo elimazayo la ezindaweni zakithi lapho okwakhiwa khona izindlu nala sibona khona kunentuthuko ikakhulukazi eza ngawo umnyango](#). I am aware [ukuthi](#) there are municipalities that have been given [ilungelo lokwakha izindlu](#), like [idolobha laseThekwini](#), that is accredited by [i-Department ukuthi](#) they can build houses on behalf of [i-Department yakwa-Housing](#). However, [inkinga enginayo ukuthi umnyango wenza kanjani ukuthi unike ilungelo idolobha laseThekwini lakhe izindlu, noma kube khona into eliyenzayo](#) in terms of developing [ama-areas amanye kube kunama-policies angekho](#) in place.

[One, ngikhuluma ngesinxephezelo, njenge-compensation policy. ITheku, kutholakala ukuthi](#), they have no compensation policy, yet in some areas you find [ukuthi](#) there are properties that need to be destroyed to make way for [i-development](#). The example of what I am speaking [about yindawo yakwa-Remi eduze KwaMakhutha](#) where we have seen [i-area](#) being developed. [Kunama-properties abantu](#), big houses that need to be destroyed or to be taken down because of water, strong water pipes and other [lokhezana nemigwaqo](#), but at the end of the day if [kukhuluma abantu bakwa-Remi noma kuloya mphakathi uthi](#) what is it that we are going to get as [i-compensation](#). And [uthola ukuthi o-project manager nabantu](#) who are responsible for their projects, they could not come out and tell [abantu ukuthi yini abazoyithola](#). Instead, they are telling [abantu ukuthi](#) for a big house that is going to be destroyed, [umuntu](#) will get a starter house.

How can you allow such a thing like that [kulesi sikhathi esikhuluma ngaso ukuthi esentando yeningi. Ukuthi kungathi umuntu eno-five roomed house wakhiwe ngesitini, wakhiwe nge-block](#) but at the end of the day you expect that person to get a starter house.

[Ngiyafisa ukuthi uNdiyema ngoba cishe uyayazi sengamfaka nasemnyangweni wakhe naye ukuthi akangenelele kulolu daba ngoba ekugcineni uzolibe ezwa sengathi abantu](#)

abayifuni i-development. In this case you find ukuthi with development, instead of helping about or taking abantu forward, is taking abantu backward and abantu [they] end up being ama-victims instead of beneficiaries. So I would ask uNdiyema ukuthi [to] look at this issue because it shows ukuthi kunama-loop holes amaningi ekusebenzeni nasekulekeleni umphakathi, yet abantu bakithi bayayifuna i-development. Akekho umuntu esengike ngahlangana naye la othi is against i-development. Kodwa bengifisa ukuthi umnyango ulekelele ngokuthi amadolobha anikwe amandla nomasipala babe nawo ama-policies okulekelela abantu bakithi. Ngiyabonga.

**THE SPEAKER:** Siyabonga Nomndayi. We then proceed to the hon member Mr Mari who has seven minutes.

**MR G MARI (DA):** Thank you, Mr Speaker. I would like to extend my deepest sympathies and condolences to the hon MEC Mabuyakhulu on behalf of the Democratic Alliance. I also wish to take this opportunity to thank the hon MEC for his quarterly report in which he highlighted some of the work done by the department. I also wish to extend my appreciation for the HOD and the staff for their commitment to deliver houses to our people.

At the outset, let me reiterate that KZN has been short-changed in the national government housing budget allocation.

**HON MEMBERS:** Hear, hear!

**MR G MARI (DA):** KZN, the most populous province in South Africa, has had to put up with severe backlogs due to historic inequities in allocations. While there has been a significant increase in the national housing budget, KZN has not received its fair share. From a budget of R4,5 billion in 2003/04 to R11,5 billion in 2009/10 is indeed a significant increase, but KZN has again not been given its fair share. Gauteng is doing far better with a much smaller population and fewer backlogs.

Hon MEC, as I have pointed out in my budget debate in April, you - as the political head - have the responsibility to ensure that this province is not short-changed again. I want to acknowledge that much has been done with the available resources to deliver houses, but a lot of money has been wasted in rectifying poor workmanship and unblocking of so-called blocked projects. An amount of approximately R110 million has been set aside

and as at 31 March 2007 some R30 million has been allocated for that. We could have built new houses with those monies that have been allocated, to actually fix up that shoddy workmanship.

It is unfortunate that appointed contractors are absconding without completing their contracts and who could not be brought to book. Very few if any action has been taken against defaulting contractors. Hon MEC, this has not only impacted negatively on the number of subsidies being allocated to beneficiaries, but it has also made a significant dent in the budget of the province.

The Democratic Alliance believes that if you take the number of blocked projects that have existed since 2004, our assumption that a significant amount of money has been lost is correct.

It is also significant to know that in the past 12 years, 431 subsidies have been approved, but the questions need to be asked: What are the current backlogs at this point in time? Will the national government's millennium targets be met? With the absence of a waiting list, actual numbers are very difficult to ascertain. Many municipalities have scrapped the waiting lists, and eThekweni is one of them. I want to concur with the hon Mr Naicker in asking: Do the 431 989 subsidies equate to the same number of houses on the ground?

Hon MEC, the Democratic Alliance calls for a waiting list to be established in all municipalities in the province. We want them to produce a database of all applicants. This will determine exactly how many units are required to meet the housing demand.

The ANC councillors use bogus housing applications forms to woo voters and increase membership. They are continuing to do so and this is a criminal act. It has emerged that during the local government elections some 15 000 housing applications were handed out and collected in eThekweni Municipality alone, as well as by ANC candidates in Phoenix, Chatsworth, Tongaat and other areas.

After the Democratic Alliance had exposed this as a vote-catching gimmick, the head of eThekweni Municipality's housing department stated that those applications were illegal and would not be accepted. Guess what? A protest march, organised by ANC activists, forced eThekweni Municipality to accept those forms. Where are they now after the

elections? They are probably on a shelf, gathering dust. Those poor people out there were misled to vote for the ANC on the pretext of getting houses.

The same act is at work, at this very moment, by certain councillors in eThekweni Municipality. They are getting involved in misleading home seekers to sign application forms and survey forms and requesting a R12 fee. They are not told that that it is the membership fee of the ANC. I wonder if this is to increase membership for the looming succession battle in the ANC. The DA calls for action to be taken against these councillors. These councillors are known to the municipal manager of eThekweni.

The Democratic Alliance had just had sight of the Provincial Budget and Expenditure Review and has made some very interesting observations which I would like to share with the hon MEC. For the financial year 1994-95 to 2000-01 the number of subsidies approved was 214 214, and from 2001-02 to 2006-07 ...

Hon MEC, what is significant is the following: In 2000/01 some 27 801 subsidies were approved; during 2002-03 some 23 437 subsidies were approved, and in 2003-04 some 43 397 subsidies were approved,

**MR R M BURROWS (DA):** That was when the DA was running it!

**MR G MARI (DA):** In 2004-05 there was a carry-over from the 2004 and some 42 776 subsidies were approved.

**MR R M BURROWS (DA):** We were doing it!

**MR G MARI (DA):** This was when the IFP and the DA were actually governing this province. Now, here comes the strange part. When the ANC took over in 2004-05 only 13 776 were approved. Finally, in 2006-07 only 21 906 were approved. So, now we can see which party has been delivering in this province!

Mr Speaker, the statistics I have given point to the fact that as from the 1994-95 financial year to the 2000-01 financial year 212 14 subsidies were approved. From the 2001-02 financial year to the 2006-07 financial year only 173 083 subsidies were approved. Now, I ask the question: Why has there been such a decrease after the ANC took control in this province? More significantly, there has been a reduction in the number of subsidies approved during those periods.

What the Democratic Alliance wants to know is this: If eThekweni Municipality says it is delivering 16 000 to 17 000 subsidies per annum, what is the province actually delivering in terms of the number of subsidies and number of houses on the ground?

I also want to draw to the MEC's attention to the fact that in the Provincial Review document there is a serious decline in the number of credit-linked individual housing subsidies. The figures quoted for 1994-95 to 2000-01 are that 3 031 subsidies were approved, and from 2001-05 only 451 subsidies were approved. I thank you.

[Interjections]

**MR T JEEBODH (ANC):** Thank you, Mr Speaker. Hon members, hon MEC, I must echo the sentiments of my hon colleagues. What do you say when you have such an excellent report put before you?

To hon member of the Official Opposition: Do you oppose it for the sake of opposition or do you add value by panelbeating that which is not dented? Hon members of the government party will obviously be labelled as chorus singers. So, let us be objective and give credit where it is due.

In South Africa – and in our case KwaZulu-Natal - the policy of the national democratic government from 1994 to date has prevailed. During the past 12 years some 431 989 housing subsidies have been granted. Opportunities in some form or another have benefited this province. For those who were in government before that, it had to be an apartheid or quasi-apartheid institution and absolutely no one can be proud of that association! You either did it out of compulsion, for which you are forgiven. Other than that there is no forgiveness.

I must just state tongue-in-cheek that earlier an hon member alluded to the rape of Clairwood. I agree with you. The National Party raped this country. However, what is more disheartening is that these very same members once were members of that National Party. It was only in 1994 that you got equal franchise. So, prior to that you were happy to go along with those who preyed upon our communities. This government cannot become arrogant and complacent, for the journey ahead is still very long. And as the Chinese proverb goes: A journey of a thousand miles begins with one step.

In this province we have an estimated backlog of 260 000 units for slum eradication

alone. If we want to eliminate this by 2014 extra forms of funding have to be realised, or else you will not be doing justice to the people of this province. Many people choose not to be slum dwellers and wait patiently for 30 or more years for a home. You do not want to penalise those people who do not want to break the law. They are waiting patiently, but let us not force people to slum so that they can qualify for a home.

The Elimination and Prevention of Re-emergence of Slums Act not only puts the issue of slums into the court of municipalities, but it will also force small municipalities to wake up, submit their housing plans, get their proposals in place and speed up housing delivery. The IDPs and the municipal infrastructure grants must be reviewed, as the national Department of Local Government is begging municipalities to access these funds.

Whilst I must sound like a stuck record, the fact is that the formula for this province is skewed. Minister "Check Book" Manuel might have raised this at his MinMec meeting, but we are here today, so he must listen to us. We need more money for this province. It is the biggest of all nine provinces. It also has the biggest backlog, but we do not have the resources to meet those backlogs.

I must just elaborate a little on the EEDBS. As a committee we discussed this and the MEC had alluded to the fact that by 2009 this process would be completed. The frustration of those people who have to wait is increasing day by day. We are happy that the presentation by eThekweni Municipality stated that for the 293 towns some 57 000 units will be handed over to beneficiaries. That is welcome news, because people want to own their own homes and not be subservient to the government forever.

The other issue currently doing the rounds is the amendments to the Housing Consumer Bill. I raise this because we in government must not allow shoddy workmanship. If we are giving grants to beneficiaries, let them be worth every cent. Even the national Minister Lindiwe Sisulu alluded to the fact that of late she has not at all been happy with some of the developments that are being delivered. There is always the issue of more money being spent to try and rectify faults. It is hopeful that these amendments will ensure that shoddy workmanship and poor delivery to communities are things of the past.

In closing, I must state that we thank you for being hands-on, but we also thank the departmental officials, those who are present here and those who are not, that whenever

you deal with issues you are on board. Thank you very much.

**HON MEMBERS:** Hear, hear!

**MR K PANDAY (IFP):** Thank you, Mr Speaker. At the very outset I wish to convey to the hon MEC of Housing, Local Government and Traditional Affairs the IFP's condolences on the passing away of his brother. May God always be with you. I will not rebut the statements that have been made by the last speaker. I will leave that for another time.

I want to start with the concluding remarks of the hon MEC of Housing in his report to this House on 30 August 2007 when he said, and I quote:

The pace of housing delivery, the quality of the houses delivered, the location of houses built should all form part of a mix that goes into building truly integrated and sustainable communities.

I must agree with this mission statement. We must not only build houses which our people will not be able to call "home". Incidentally, a home has warmth and it is a platform for families and communities to love, respect and live with each other very peacefully.

In considering this first point, the department has to have a more proactive and vigorous towards the IDPs. It is sad that, after so many years, there is still a problem with capacity building of municipalities. We have been hearing year in and year out that the municipalities just do not have the capacity. Is there something wrong with the teaching and learning method adopted towards building capacity? Or is it that new innovations are coming up? Are new innovations creating these problems? The hon MEC indicated on page eight of his report that the department's housing summit of last year diagnosed stumbling blocks which had impeded efforts to speed up the housing delivery process. One of the issues which the hon MEC had highlighted was a lack of capacity among municipalities to play a meaningful role in the delivery of houses.

Hon MEC, you will agree that a more aggressive approach towards capacity building is needed. We should not be teaching officials the same material year in and year out, unless there are new ideas of developing to be learned or if there are new officials in the municipalities.

The hon MEC mentioned that land inavailability continues to be one of the serious challenges which threaten to undermine the building of houses. Apartheid allowed for big cartels to take away prime housing land within the city precinct. They were used for sugar cane plantations and, alas, today large tracks of land are used for housing developments by private developers.

I have raised this issue vehemently during the reign of the late MEC Dumisane Makhaya. It was supported by the present MEC, the hon Mr Rajbansi, and also the hon Mr Mari. We talked of the law of expropriation, hoping that it could be used. Alas, that did not happen. What happened was that this land has now been developed for the middle to upper class income earners. The poor lost out because the department had procrastinated and did not take the necessary measures. We seem to have all lost out.

Today one just has to drive past the kwaMashu turn-off on the N2 North and one will be able to see the developments. Today there are rows of houses, hundreds of them, on prime land where sugar cane once thrived. Although much of the land has been utilised, there are still lots more. Hon MEC, expropriate the land and let us set aside in the next few years as a housing boom around the city of eThekweni.

The hon MEC and the department have to look at housing development in some of the countries that are experiencing the same problems, that is, a shortage of houses or a shortage of land. During our study tour to India, we in the portfolio committee and an official from the department witnessed how the available land was being utilised to its optimum. High-rise buildings were the solution. We visited one of these developments where we witnessed four storey buildings.

I want to raise another very important issue. I will appreciate a report - not necessarily today, but some time in the future - outlining what the department has done to provide houses for disabled people. I personally am not in favour of houses for disabled in one particular area where only the disabled stay. We call this area the houses for the disabled. I would like to see them integrated. Therefore, every project, particularly a high-rise building, must have lifts and it must be wheelchair friendly.

I am aware of the difficulties experienced by the disabled. My personal experience informs me that our flats are not able to accommodate disabled people. I have had to carry a person and his wheelchair up several flights of stairs so that he could visit family

members who were having a prayer service. This must not be allowed to be perpetuated. Hon MEC, we would appreciate some response on the upgrading of the present flats and other buildings which are inaccessible to disabled persons. Thank you.

**MR M MABUYAKHULU (MEC):** Thank you, Mr Speaker. There is a guest of honour in our midst. We are very grateful to have the national Minister of Finance among us in this august Chamber as we debate issues that affect our communities throughout the country and also in this Province.

I want to thank my colleagues for participating in this discussion. The report presented to this House paints a picture of the scope of progress during the first quarter of this financial year. It is important that we discuss the 439 189 subsidies which the new democratic state has approved since 1994. The report gives a clear picture of the state of affairs before the democratic dispensation came into being in 1994. We all know that the last time the previous apartheid government built houses, particularly for the poorest of the poor, was in 1980. It is therefore important that we celebrate this achievement. As we do so, we do so knowing that our public fiscus has a lot of other social requirements which also need to be addressed.

From the point of view of housing, we believe that major progress has been made. Of course we have national targets which we must meet. Those national targets will require all of us to work even harder in ensuring that we meet the needs of the country, as well as the commitments that South Africa made to the global community and to our people as a whole.

In KwaZulu-Natal we have initiated a process of galvanising and mobilising financial institutions. We are in the process of packaging at least three major projects in KwaZulu-Natal where financial institutions are coming to the party and dealing with these matters with us. We are not at that stage where we can blow our own trumpet in that regard. However, we simply want to say we are at a stage where we have been able to go out and to meet with financial institutions. They made a commitment to invest in housing and, in investing in housing in the country as a whole, we expect KwaZulu-Natal to get a fair share of housing investment by financial institutions.

We said this during the budget speech and we want to repeat it today: Housing is not necessarily the government's responsibility alone. It is a responsibility which we need to

share with all those who can make a contribution to the nation. We need to share this responsibility with financial institutions. We have to share this responsibility with the people who themselves must be housed, because they must become masters of their own destiny. They have to contribute to their own housing.

We also must share the responsibility with the private sector. Hence, the national housing team has come up with a policy of inclusionary housing. That policy is a global phenomenon or a global norm. When the private sector is involved in housing developments, it is able to earmark a certain percentage for those who are in the lower income bracket so that they can be accommodated as well. We have put a percentage of 20% in privately driven developments as part of inclusionary housing. We think it is one way of encouraging people in this country to contribute towards housing the nation. From that point of view we are very grateful that both financial institutions and private property developers themselves are beginning to heed the call.

As for slum clearance, we in this country have committed ourselves to eradicate this shameful and degrading environment where our people live in squalid conditions and where there are no ablution facilities. We have said that we in South Africa want to achieve this by 2014. This is a noble objective. All of us must work hard so that by 2014 we can report to the country on the progress we have made. For us to do that means we must make a decisive move.

In the first instance, when it comes to sharing we must divide the available resources in such a way that, with all the competing needs in housing, there is a fair amount of budgetary resources that can be set aside for us to fund slums eradication. We have no qualms in that regard. In the budget that we presented in this House in April, we showed very clearly how much money will be set aside for us to attain this honourable goal by 2014.

I want to say to my colleagues: Yes, we believe we should get more resources. However, I also want to say that I am part of the national housing team. That housing team agreed that the formula for the division of housing revenue should be devised in such a way that we do not disadvantage any part of the country. That cake must be able to feed other parts of the country, as well. When it comes to housing, the principle of equilibrium in the budgetary approach has been agreed to by the national housing team

as a whole. That principle means that recognition has been given to the Province of KwaZulu-Natal. I must say that we are going to see a progressively improved allocation of resources on the basis of this formula which will ensure an increase in the budget allocation for the Province of KwaZulu-Natal, relative to the population in the province and the housing needs which exist in our province.

We are very clear with regard to the issue of the EEDBS. We have made this commitment to this House and to the portfolio committee. We said that we would start with eliminating and concluding the issue of the EEDBS process in the outlying areas. However, we know that the greatest demand for the EEDBS is in eThekweni. We have said that we want to dedicate the remaining resources available in our budget to deal with the issue of the EEDBS within the eThekweni metro. That is the commitment we made to this House. We have consistently made that commitment, even in the portfolio committee, and we are not going to change that.

The hon Mr Slabbert raised concern over the allocation of houses. That is a matter which I think we should deal with within the national code and the national housing policy allocation formula. We want to eliminate any perceived or real corruption in the allocation of houses so that all those deserving beneficiaries can benefit. The national housing team and the Office of the AG have already conducted investigations, and the findings show that there was a problem with some housing beneficiaries.

In this province we will continue to look at the HSSM system and probe whether there are any individuals who are irregularly benefiting from housing allocations. However, we hope to benefit from the assistance of colleagues who will report corruption. In this instance we do not want people to play political games. We do not want people to lie and say that those who are legitimate beneficiaries are only benefiting because they belong to Party A or that Party A wants only some people to benefit. We want to take away party-political allocations of resources. This is about housing allocations to all our people.

Quite simply, we want to ensure that our people participate in their own housing delivery. We are committed to that. We in the national housing team are progressively improving the quality of houses that are being delivered to our people. When we started in 1994, a starter home was only 20m<sup>2</sup>. We have now agreed to build a 40m<sup>2</sup> house. We were also

able to improve the subsidy quantum that has been allocated. If hon members understand basic arithmetic, they would know that there is a correlation between improving the quality of a house and the number of subsidies one can approve on a year to year basis. [Interjections]

I want the hon member Mr Burrows to listen. There is a correlation between the amount that is available in the budget for each year and the quality of the houses that we deliver. [Interjections] You will speak to the hon Minister later - not now!

When we deliver those houses, we also improve on the quality of the subsidies for the houses we deliver. We will always have an ever-diminishing return. It is a basic economic fact that the number of subsidies will decrease, comparatively speaking, because you are improving on the quality of the product. If hon members say we should continue building 20m<sup>2</sup> houses, we will be able to allocate more subsidies to more people. I think that is basic economics, but some of us are not saying that and therefore there is no issue. I think all of us agree.

We have starting a process of accreditation at eThekwini, but that process is not complete. However, the issues with regard to servitudes and compensation have nothing to do with eThekwini's status as an accredited or yet-to-be accredited municipality that will work with us on housing delivery. These issues will be dealt with in a particular way because they do not necessarily fall within the ambit of eThekwini. We deal with issues of development. There are also issues of servitudes and compensation that must be dealt with, but the issue raised by the hon Mr Msomi is receiving our attention.

I just want to talk very briefly about the question of waiting lists at municipalities. This has been a problem, but our approach in going forward is to delink the individual from the subsidy so that we are able to deliver and allocate houses quickly. If this is dragged out over a long period of time, we find that houses are vandalised. While we may appreciate the hon Mr Mari's feelings on the matter, we say that fast-tracking is the way to go. We want to allocate those houses before they get vandalised. We want the beneficiaries to occupy them so that we can deal with that issue promptly.

As for eThekwini, the ANC did not ... [Interjections] Well, they can speak for themselves. They conducted a survey to establish the housing situation in eThekwini. There was nothing wrong. When we probed it, we did not discover anything wrong with that. As a

political party, the ANC has the right to establish, for its own needs, what the housing backlog is.

The national housing team is also dealing with the issue of unavailability of land. We are moving towards establishing a national housing agency which will be able to acquire municipal state-owned land, whether provincially or nationally, so that we are able to have one particular vehicle for land and housing development throughout the country. We do not have difficulties around that.

In conclusion, the report before this House, which is a report for the first quarter of the year, indicated that we have far surpassed ourselves when it comes to our targets which we presented to the House. Indeed, we are on course and will achieve the targets which we submitted to this House during the budget speech in April of this year.

With these words, I again want to thank all hon members who participated in this debate. Thank you for contributing to the fact that houses are being built throughout the Province of KwaZulu-Natal. I thank you, sir.

**THE SPEAKER:** Thank you very much, hon MEC.

Hon members, I gave an indication earlier on that just before the hon Minister addresses this House on this historical day, I would allow members of the media to enter the Chamber to take photographs. I am sure their main target will be the hon Minister. We hope the hon Minister will bear with us and the people of KwaZulu-Natal. I now invite members of the media to come into the Chamber.

I thought the hon Minister was going to come in while members of the press were entering the Chamber, but that is fine. Hon Minister, we have already welcomed you, and a vote of thanks will be delivered at the end. Nonetheless, I as Speaker of this Legislature, on behalf of the Speaker's Office, personally wish to thank you for coming in and for being with us here. Before you arrived, I had indicated ... There was a little bit of howling about the fact that we have invited you to this Chamber which, factually speaking, is a museum.

I also want to alert you to the fact that we have invited representatives from the district municipalities. We have already indicated who is here. The latest arrivals who have not been announced yet are Councillor Logi Naidoo, Deputy Mayor of eThekweni Metro, as

well as the municipal manager of uMsunduzi, Mr Rob Haswell. Those are the final ones that we will be announcing and whose names we have.

Hon Minister, besides the districts, we would have loved to invite all local municipalities to be represented here. However, the upstairs gallery which you can see is the extent of our seating arrangements. That is our seating space in this museum. It is just one of the motivations why we are currently considering building a new legislature in this province. I just wanted to start with that but, nonetheless, you are now invited to address this House. I will kindly allow a few more minutes for members of the media to come and take photos of the hon Minister. Mr Minister, please come to the podium. I will ask the media to leave before you start addressing the House.

*Members of the media entered the Chamber.*

**THE SPEAKER:** Nithathe-ke bakwethu. Nizidelise ngempela. Nisho phela uma seniqedile, sengathi aniqedi nje! Kukhona nawe ntombazane, kuyafiwa impela. Hhayi-ke ngiyabona ukuthi kuyalunga impela.

Nale ndoda esebenza la endlini isila. [Interjections] Ewu, namhlanje umuntu uzobona nezinye izinto abengazazi.

Hon members, now that the photographers have concluded their photo session and have left the Chamber, I would like to invite the hon Minister of Finance to address the House.

**MR T A MANUEL (Minister of Finance, National Parliament):** Thank you, Mr Speaker, hon Premier, hon MECs, hon members of the provincial Legislature, as well as my brothers and sisters in KwaZulu-Natal.

Mr Speaker, thank you again for this opportunity. This is certainly a “first” for me. I think it is also a “first” in the context of co-operative governance. This occasion is a manifestation of the interaction which should exist between the three spheres of government - between us at national Government, this Chamber representing the provincial Legislature, and also the representatives of local government. This is a manifestation of what the Constitution seeks in Chapter 3 when it refers to the co-operation between us that is so necessary.

As has been mentioned earlier in the motion before this House, what we are doing today is pioneering stuff. I hope this welcoming step will also be taken up by other provinces so that we can interact in this way.

Mr Speaker, in the Budget Speech of February this year we conveyed a very strong message that said, and I quote:

Human life has equal worth and human beings are equally entitled to political, economic and social rights which allow them to choose a life that they have a reason to live.

We chose this scene because it resonates very strongly with the notion of a developmental state. It starts with the understanding that history has cast a long shadow that impacts on access to opportunity and livelihood for the majority of our people. A developmental state therefore needs to intervene in order to improve the quality of life of all our people.

Our Constitution provides a very good basis for us to respond to this challenge to achieve the social cohesion and human solidarity that we aspire to. We should be mindful that our society does not live in that shadow of history which dominates over the opportunities of an open society. The past four years have seen acceleration in the progressive realisation of social and economic rights that are enshrined in our Constitution. However, the best measure we have of whether we are a caring democracy is in provincial spending and its outcomes. The Constitution gives provinces the responsibility for the funding and delivery of social services. The bulk of our explicit pro-poor policies are provincial competences.

Mr Speaker, hon members, all of you will be aware that KwaZulu-Natal is the most populous of all nine provinces. Some 9,9 million South Africans or 20.9% of the country's population reside here. Accordingly, this province accounts for 20,7% of combined total provincial expenditure.

The review we are debating today provides hon members of this Legislature with a barometer on progress made and shows whether government is providing education, health services, access to adequate housing, social services, etcetera, in order to deliver a better quality of life for our people. The review allows members and citizens to

evaluate what gains have been made over the past four years. More importantly, it allows hon members to assess how the MECs have performed against the targets that they themselves have set. For example, hon members can check whether departments have met the targets which they had set out in their Annual Performance Plans for the past four years. It also enables legislators to determine whether money has been spent on what it was appropriated for.

It is from this House where tough questions should be coming in instances where hon members might detect a failure to deliver. We have to be accountable for the Executive decisions we make and, of course, for the implementation thereof.

The report, in looking at the period between 2003 and 2010, places this here right in the centre of a seven-year frame. It then compels us to look at the trend lines, because anybody who has ever financed anything would know that the trend line is more important than the snapshot. So the trend line of expenditure is projected very strongly because the review covers a seven-year period.

Secondly, this document allows the province to benchmark itself against the other eight provinces in virtually every area. You know, part of the difficulty of provincial legislatures is that they tend to isolate themselves. We therefore tend to look at the trends within our own provinces. This document now lifts the trends across the provinces, allowing for that very important comparison.

We in this country can also compare ourselves to other countries. As a reference point, we have used some of the United Nations Development Programme spending. Let me give an example. It is not in the document, but it may help us to understand some of the issues as they arise. The United Nations Development Programme has a listing based on what it calls the Human Development Index. South Africa is listed 121<sup>st</sup> out of 177 countries. The two countries that lie ahead of us are Korea and Chile. Korea is at 26 and Chile at 38 ... well, in the middle-income category one is above and one is below. Turkey is at 92 and India is at 126. Now, Korea spends 4,6% of its GDP on education; Chile 3,7%; Turkey 3,7% and India 3,3%. South Africa spends 5.4% of its GDP on education. So, because we are spending on an important function like education, clearly we are in a much stronger position than countries that we would compare ourselves with.

It is a different story when we measure defence as a percentage of GDP. South Africa spends 1,4% of its GDP on defence, India 3%, Turkey 3,1%, Chile 3,9% and Korea 2,4%. In fact, we are one of very few countries in the world that spends less than 2% of GDP on defence.

The same United Nations Development Programme report refers to the fact that South Africa is one of three or four countries that spends more on the provision of water to its people than it spends in defence. So, if we look at the picture internationally, our spending priorities are clearly directed towards the needs of people. The measure of caring and the measure of development are there, but we need to examine whether we are getting value for money! While we spend more on education than most of our peer group countries, the difficulty is that the outcomes and the outputs are unfortunately lower than those in our peer group countries. It suggests that this might be an area that merits more attention by way of oversight. By simply improving on the efficiency and effectiveness of our education system, we can actually make an even greater investment in the future without necessarily requiring more money for the function.

A challenge to all of us, not just in the education sector, but to all of us, is how to achieve the efficiency and qualitative improvements that are required. This document represents a very unique link between the policies we adopted and the budgets allocated on the one hand, and expenditure and outputs or the value for money on the other hand. We can use this review to evaluate whether our policies are delivering the intended outcomes. This will strengthen accountability and certainly enhance democracy.

We should, however, draw the attention of this House to the fact that the review reflects a wealth of financial information. There is unevenness in respect of non-financial information, both within and between different social services. I will deal with that in more detail in a moment.

**However, if you take the situation in health as an example, you would find a table that** deals with the number of primary healthcare visits, and so we can tick this off and do a comparison. We know what the spending is on non-insured families, families without medical aid. We know that, but what we do not know is why people would go to primary healthcare facilities or why they would be referred to secondary or tertiary healthcare facilities. We do not know that, and the health profile of South Africa is

therefore not represented on the basis of what we know. People might go to a primary healthcare facility because they have a hangover in the morning and need some aspirin. On the other hand, people might go there because they have communicable diseases that require repeated visits or hospitalisation. We do not know this, and nurses and doctors find that the bureaucratic load of such information is outside their frame of reference. Sometimes we charge these people in public services with enormous responsibility.

If you take the task of counselling a person who needs to be informed that they have tested HIV positive, it is an enormous burden. It takes an enormous amount of time. We need to understand the extent of that load. That is something we need to understand so that we can allocate resources appropriately. We need the information because it will help with the allocations and with the planning of what we need to do to drive change.

We need to be able to answer a series of questions about public finance. When I say “we”, I mean all of us as legislators. Was the allocation of financial resources adequate? Was it spent by the department as promised? What did the money buy beyond the concurrent expenditures of public servants’ salaries? What is the measure of the consequent improvements in the lives of our people? These questions go to the heart of the measure of the quality of public spending and this is what we are hoping a review like this will facilitate by discussion in a legislature such as the one which you chair, Mr Speaker.

If we look at these functions ... Look at Chapter 2 that deals with education. Clearly there have been positive changes in this province. KwaZulu-Natal has the largest education budget of the nine provinces and last year the province spent R18,6 billion on education. That is a tidy sum of money, it outstrips the other provinces, in fact this province spent over R56 billion on school education between 2003/2004 and the financial year that ended on 31 March this year.

There are some worrying trends however. The poor learner spend in this province is R6 698. The national average is R7 461. What does this say to us? How might we address it? The averages do not always work, population densities and a million other factors come into play, but it must at least compel legislators here to ask a series of other questions about education.

Over the period of the four years to date, 4 055 classrooms were built in this province, it is a remarkable achievement, but what we need to do is to take this further to ensure that we can create an environment that is conducive to learning and teaching and so we would like to invite the province to debate what a norm for a school is because a collection of classrooms cannot be equal to a school. What does a school need? How do we get those things? How do we change what is taught? Where is it possible to construct these laboratories and libraries? How will these be financed? These are big challenges that go to the heart of the challenge of transformation which has to be empowerment through education.

The number of learners at primary and secondary schools has increased by 64 226 as a result of this demarcation. Now let me just say through you, Mr Speaker, to hon members of this House, none of what I am saying is regional, in fact all of what I am saying has come to me in the very intense debate we have in the Budget Council through MEC Mkhize and his predecessor, Peter Miller. So the Province of KwaZulu-Natal does not come to MINMECs and set on their hands and wait for National to tell them, these are very intense debates and I can say without fear of contradiction that the province has always been very well represented, that the quality of debate, the amount of information available has always been there and the best and has compelled us to think about transformation in a very distinct way. [Hear hear]

In respect of education, the province is also making inroads in addressing the challenge of illiteracy and Early Childhood Development. Expenditure on Adult Basic Education increased from R39.6 million in 2003/2004 to R72.6 million last year, while expenditure on Early Childhood Development rose from R22.6 million to R97.7 million over the same period. These are very significant changes and I think we must record these as very significant investments.

The province has designated 3 341 schools as “no-fee” schools. These schools have enrolled almost 1.2 million learners this year alone. The challenge we face with the “no-fee” schools is ensuring that the quality of education is at least as good as schools where fees are paid. We must ensure that the governance structures of the “no-fee” schools are in place and strong enough to hold teachers accountable and to ensure that our children receive the best education that the system has to offer. We must make sure that those learners living in the poorest communities have at least an equal chance of

making it through our education system. This can only be attained by improving on the quality of the oversight. This is distinctly not a task for the Education Department through its district offices alone, nor can it ever be a task left to the Education Department and members of the Portfolio Committee on Education alone. Each one of us, each one of us deployed into communities through the system of constituency offices, should be called upon to account for the quality of this public service. Oversight may appear cumbersome, but it is the only guarantee we have of removing the long shadow of disadvantage cast by history and I would like to plead, through you Mr Speaker, that all of us should grow increasingly intolerant of mediocrity and underperformance. [Hear hear]

Let me turn to the second largest item of expenditure on the province's budget which is health. There have been a number of notable interventions at a national level with the aim of improving access to health services which have yielded positive results in all provinces. Spending on health remains strong and by 2009/2010, government will spend R500 per uninsured family per month. Government's efforts to increase the number of professionals in the health sector are beginning to yield results in the province. KwaZulu-Natal has been able to take advantage of our intervention in respect of rural and scarce skills allowances.

Perhaps because the MEC had a different job and has very specific professional training, the Health budget of KwaZulu-Natal has been growing at an average annual rate of 8.4% above inflation from 2004 to 2006/2007. As this Review shows, primary health care visits now average 2.2 utilisations per person per year. It is a significant number, but what the report tells us is that it is only 60% of the number of visits in the Western Cape which is at 3.7. It would be interesting to drill through and try and understand this. Perhaps, Chair, the uninsured citizens of KwaZulu-Natal are much healthier and do not need healthcare. It might be the result of services that have been unsatisfactory. It might be that the clinics are too far from where people are. It might be for one of a myriad of reasons. But what the report does is to invite an enquiry about why primary healthcare visits might only be at 60% of the province that has the highest number of visits. Or alternatively it might just be quite normal and people in the Western Cape are hypochondriacs or something like that, but that is what the study needs to tell us about the 2.2 visits.

Hon members, this province has set a trend in terms of partnering with the private sector to deliver more and better quality services to the people and at a faster pace. The Inkosi Albert Luthuli Hospital has been recognised as a good example of a PPP arrangement where the state and private sector work together to provide quality services our people deserve. But what we need out of it and you know it is one of those PPPs where people from all over the world want to come and see – I hope that there are not too many of them, hon Premier, and they do not get in the way of medics who need to deliver medical services, but everybody wants to see how this hospital is functioning, it is in a league of its own. But the learning points from it, because it is also unfortunately, MEC Mkhize, a bit on the expensive side, the learning points from it need to be drawn so that we get better at this partnership with the private sector and the delivery of some of the services.

While the Review also shows that the burden of disease has risen for a variety of reasons, it also confirms that the health sector is better prepared to respond to these challenges. The uptake of the antiretroviral treatment programme nationally now has 264 000 people on it, up from 143 000 just 12 months ago. There are 28% or 74 000 people who are currently on treatment in this province.

Turning to the Expanded Public Works Programme: The Zibambele programme is a model expanded public works type programme and has been used as an example to other provinces. Of the R2 billion spent nationally on the programme in 2006, R707.8 million was spent in this province. I think it is very highly commendable. This province provided employment opportunities and income to 35 717 men and women, the highest by far compared to other provinces. So the province needs to be commended for this sterling effort in targeting the unskilled and unemployed in providing work opportunities.

Zibambele also works particularly well in the rural areas, but the challenge is to continually lift the quality of the outputs. Achieving this is far less to do with the people who work in this programme. It will only be attained if the supply and measurement systems which are functions of the quality of departmental organisation can be significantly improved. But there is also the challenge of defining expanded public works programmes beyond the norms of road maintenance. We have to remind ourselves that the origins of President Roosevelt's New Deal in the USA was a focus on large-scale infrastructure programmes and even here in South Africa some of the large

infrastructure programmes such as the Hartebeespoort Dam, just west of Tshwane, was in fact built as an expanded public works programme to lift poor whites out of poverty.

So we have got examples right here in our own country. The challenge to us is not just to look at filling potholes but to think differently about infrastructure and infrastructure needs and deal with poverty on a much grander scale and I think the opportunities present themselves to this province to innovate as it has done with Zibambele.

Turning to social development, I need not remind hon members about the opportunities that the shifting of the social security grant administration presents this province. Statistics SA data for 2005 indicate that the greatest number of children could be found in this province and totals over 3.8 million children or 21.2% of the total population. More than 1.7 million children aged between zero and 13 receive child support grants. Child-headed households continue to be a concern and have increased from 11 044 in 2004 to 15 152 in 2005.

During the 2005/2006 financial year, Government subsidised 51 children's homes in this province, which are run by private welfare organisations. Of these homes, 13 are situated in rural areas and 38 in urban areas. Government also manages a children's home which accommodates about 85 children of all ages.

One of the trends in this province now is the challenge of increasing numbers of young people who are exposed to harmful substances. A new treatment centre was opened in Newcastle in January last year and is serving the surrounding areas. The centre offers a four week residential programme for boys under 18. Expenditure for the sub-programme: Substance Abuse, Prevention and Rehabilitation increased from R13.8 million to R17.3 million. Clearly it is a great initiative but my submission to this House, with great respect, is that this is a drop in the ocean. The children of the poor do not have access to rehabilitation and treatment in fancy private centres, it is a growing problem, we must be able to respond to this challenge.

From the old to the young, approximately 19% of the elderly in the country lives in this province. Counselling services for the elderly totalled 30 985 or 42.3% of the total clients counselled in the country last year. This by far outnumbers the rest of the provinces.

However, we have to look at the expenditure on care and services to the older persons. In relative terms, care of the aged in this province has fewer rand spent than in provinces like Gauteng and the Western Cape. It might be for sociological or other reasons, but again I think it is the kind of issue that invites an enquiry and comment and this House is more than competent to undertake an enquiry like that.

Mr Speaker, hon Premier, hon members, as we reflect on the successes we have achieved over the last four years, we should never become complacent. Those of us who are elected political office-bearers need to remind ourselves that we have made a commitment to serve our people and to serve our Constitution. This task will always be difficult in a developing country, especially one where the needs are as great as this. The hon Jeebodh earlier spoke about the allocation to this province. The deal between the provinces is struck by the FFC. In relative terms this province has a measurable development component because of the backlogs. The problem that we have in the allocations is that they all need to add up to 100% at the end of the day. So, through you, Chair, to the hon Jeebodh, do advise where we should take it from, but that is a discussion we could have definitely.

The efficacy of any democracy depends on the degree to which elected representatives are accountable to the electorate for the decisions they make. This must happen here in this legislature and in our Parliament. The central tenet of the omnibus of public sector reforms that we are implementing requires us to be accountable. It should not be taboo for a legislator to challenge or question a Member of the Executive from his or her party for failing to deliver on the policies adopted and the promises made. It can only strengthen our democracy. It is only when we are able to engage in constructive and honest debate that we can rise to the collective responsibility that our people have entrusted us with and that is to deliver a better life for all. This is what democracy is all about, this is what our people expect of us and we cannot fail them.

In the same vein civil servants who fail to meet the commitments they make in their performance contracts, especially those who mismanage funds resulting in departments getting disclaimers year after year, should not have any space in our public service. [Hear hear] We must commend the Executive of this province under the able leadership of our Premier, hon Ndebele, for the decisive steps the government has taken in dealing

with transgressions of the PFMA by certain government officials and from the National Treasury we want to applaud this government for those steps.

In conclusion I want to invite members of this House to join hands and work with us in improving our reporting and in making use of the information we are making available in the budget documents and reports to ensure that together we can continually assess whether we are delivering on the promises we made to our people when they gave the mandate to govern them for five years. This Review I submit to you for consideration is a step in that direction and I would like to thank all of you for listening to me this morning.

*Ngiyabonga kakhulu!*

**THE SPEAKER:** Hon Minister, thank you very much. We are now going to entertain a debate by members of this legislature, after which we will then invite members and the Minister to be in this House and we will announce as we adjourn at a session where the Minister, having listened to this debate, will share his own views on issues raised during the debate. It will be an informal occasion in which members are encouraged to participate so that the issues that the Minister will address are known. Hon S J Gcabashe, you have six minutes to begin this debate in this House.

**MR S J GCABASHE (ANC):** Somlomo, ngiyabonga ukuthola leli thuba. Ngibingelele u-Minister T Manuel. Ngibonga umsebenzi omuhle awenzele isizwe selokhu akhethwa kulo mnyango. Umthwalo athweswe wona mkhulu futhi unzima kakhulu. Minister, umsebenzi okuwona ngaso sonke isikhathi ukwenza sikubuke njengomuntu okuba nzima ukumwina ekusekeleni lokho thina nama-departments esisuke sikubona ukuthi kufanele ukuthi kwenzeke. Siyaqonda-ke ukuthi lokho kudalwa ukuthi yonke iminyango kahulumeni nationally ama-provinces and the local government ibheke wena ukuthi usike amavenge kuwona ukuze sithole. Sesike saxoxa-ke kule province ikakhulukazi i-portfolio committee yethu ye-finance ibuka i-equitable share formula ngendlela eku- alokethwa ngayo imali kwi-province nakwi-local government. Kuleli bhuku Minister leli, i- Provincial Budget and Expenditure Review 2003–2010 ku-page 3 where you talk of a more towards a review of the intergovernmental system.

Izinto ezihayilayithwe lapho sonke siyavumelana nazo 100% siyabona futhi ukuthi iyona ndlela ezosebenza ukuthi sikwazi ukusebenza sibheke phambili. Ikakhulukazi la kukhulunywa nge-misalignment between policy objectives and resources allocated.

Kulena nje i-classical example esike sadila nayo sibone ukuthi kwesinye isikhathi kunama-policies ake athathwe othola ukuthi ngesikhathi ese-implementwa awanama implications la sizithola sisenkingeni ekudileni nawo. Ngingathatha i-example yaseMzimkhulu where ngenxa ye-demarcation uMzimkhulu usuba i-part yeKwaZulu-Natali where la uthi ubheka khona i-allocation ngokwe-capita per learner, whatever, azifani.

IKwaZulu-Natali uthola ukuthi ngesikhathi si-cater le province asinayo imali within i-budget yethu kwi-province yokuthi sigcwalise le gap because i-Eastern Cape ibingaphansi kwethu. Lezo zinto yilezo ezifike zidale izinkinga ukuthi i-decision ithathiwe nationally but i-implementation kwi-province..... and i-province ayikwazi kwenza lutho within i-budget because there is no flexibility even ngendlela ezi-allocathwa ngayo izimali. Bese kuzoba ila ma-challenges esiwabukayo futhi a-relate to i-accountability for delivery and functions and i-concurrent ngokwama-provinces.

Kunalezi zimali sometimes eziqhamuka nationally, eziqhamuka nje zingama....., Ngizothini? Ezisuke kunama-specific decisions ukuthi uma inikezwa le mali it will do one, two and three njengama-conditional grants, njenge .... funding and all other things. Lezo mali yes siyazi-appreciatha but azinikezi i-space for i-provincial government ukuthi ngokwayo-ke ukubona once these monies are allocated ingaba kuphi i-flexibility ukuthi lezi mali zisetshenziswe la kubonakala khona ukuthi zidingeka kakhulu. I hope ukuthi esikhathini esizayo u-Minister ngoba ungu-Minister ovulelekile he will invite ama-provinces and local government before, during and after yokuthi ku-tablishwe i-complethwe i-budget ukuthi benze i-input ngoba ngale kokuthi kwenzeke lezi zinto, asisho ukuthi ayenzeki, kodwa ngathi ayenzeki ngale ndlela esiyibona ngayo and we are prepared ekutheni kwi-submission ezayo ye-province to you ikucacise ukuthi what are the things esikhuluma ngazo. Okunye-ke okusikhalisayo kakhulu ukuthi while izimali zi-allocathwa to i-province, i-province i-allocathe to ama-departments, inkinga enkulu esihlangabezana nayo Minister ukuthi i-topography yase-South Afrika is very difficult ukuyi-understanda.

I was not aware until I came back to the province talking to Minister yakwa-Transport ukuthi uku-builder a kilometer of road in KwaZulu-Natal uzo-slicer these mountains and all that, imali that is allocated for you to tar and build the road i-end up iphela kwi-process before you can even start that building and construction of the road. But also

after umgwaqo sewakhiwe waqedwa uku-maintaina because of the very same conditions kubiza kakhulu and I am sure ukuthi akuyona iKwaZulu-Natali nje kuphela akhona namanye ama-provinces that will be affected by that. Kuthina it becomes a big big problem because ukuyi-maintaina le migwaqo kuyinkinga.

Kukhona le issue yokuthi uma ufunda this report uyathola ukuthi i-contribution e-Gauteng kwi-GDP ingakanani but i-most ye-income i-Gauteng e-surviva ngayo uku-mover kwama-goods between KZN and Gauteng. And those goods are moved on these roads. Most of these heavy-duty trucks zisebenzisa our provincial roads not national roads okudala ukuthi manje kube nengcindezi to the Department of Transport to maintain these roads because ayikho imali within our budgets that is able to deal with that. I like this thing Minister yokubukwa kwe-Gautrain and Coega. [*Mina*], I do not have a problem ngiyayi-supportha but I think it needs to be considered in the next time ukuthi how other provinces are going to benefit in a similar way. Even if *siwabuka* on a rotation base like us really we were hoping that will get a similar treatment when it comes to the issue of i-Dube Trade Port and the surrounding *lokhuzana* but it is very difficult for us to understand MEC Mkhize. I think he has appeared before us more than six times but still *asizwa ukuthi* why we did not benefit. *Ngiyabonga*.

**REV A H MBATHA (NADECO):** Thank you, hon Speaker. NADECO would like to thank the Minister of Finance for visiting KZN and also for speaking so fondly of how KZN performs in executing the task of administration.

Hon Minister, I am going to deal with general things first, our concern is sometimes the government approach, which does not really seem to be creating sufficient employment for our young people who have completed their tertiary education. We do not get a sense that this matter is enjoying particular priority to government's approach in this area.

The second one, hon Minister, will be in a developmental state that we are in it is amazing to find that the austerity measures when they are taken. They are taken in a manner that does not seem to be taken cognisance of the fact that the majority of our people are in any event poor and they are just beginning to enter into the ladder of development. In other words if you increase or allow interest rates to be so increased on a sharp curve, you are necessarily again deleting those people from the list so that they

suffer repossessions. Again they will have to start afresh and it becomes very difficult for them to start afresh.

Hon Minister, as NADECO, we do not believe that the hon Minister should intervene or the government should intervene on price fixing. Sometimes you get a feeling if prices soar in a manner that appears to be uncontrollable to the extent that the poor people cannot afford certain commodities we get a sense that not enough planning may have been made when government is budgeting. We do not advocate that we should neglect this area to the extent that we will implement Zimbabwe solutions. We believe that we need to do it right now, so that we never find ourselves in a situation where we have to learn from Zimbabwe how to do it.

Then I will come to our parliament, hon Minister, yes, our problem is still quality. The quality of our education is still lagging behind although there is a lot of effort put in to improve the education. As a matter of fact, we are very worried about the fact that maybe the recovery plan this year is not going to produce the best results. Therefore more finances will be needed next year because there will be more repeaters next year who would not have made in their matric this year.

On health care, I agree with the hon Minister. Minister, the facilities are just too far away from the people therefore they cannot access them or reach them. Either there is no road or if there is a road, there is what we can call a sandy road. In KwaZulu-Natal sometimes we understand a road to be something that is full of dust where the water also runs when there is rain. That is our concept of a road, but in the Western Cape when they talk of a road they talk of a tarred surface. In Gauteng when they are talking of a road they talking about a tarred surface. So, our people cannot access those facilities. Therefore you will see that the utilisation of those facilities is very low, because in any event if there is a road there is no transport that can enable them to reach those places. However, we are proud that with all those challenges our workers in our health centres appear to be very, very conscious that our people need this care.

I just want to make a case though for ARVs our province has come to a point where many people depend on this. So, if more financial allocations were to be made towards us so that more people can be able to access ARVs we will be doing the right thing.

As far as expanded public works are concerned, Zibambeli is the best thing that could

ever happen to people who are unemployed and who are also unskilled. I also support the Minister. I am actually excited that the Minister mentioned this. We would like to see Zibambeli in building the airport in Durban. We would like to see Zibambeli in doing this major construction so that Zibambeli does not only tell the people that if you are a client of Zibambeli you will always be a small person and when it comes to where you can make money, its only those who have got capital who can participate in those big projects.

Hon Minister, in general we commend you for coming to us. May the good Lord bless you?

**MR A RAJBANSI (MEC for Sports and Recreation):** Thank you, Mr Speaker. The hon Minister of Finance said that today is a very historic day where the first province, which the hon Minister addresses is Kwazulu-Natal. I may say that Kwazulu-Natal has a string of firsts as a result of an initiative of our Premier we had the first A1 Grand Prix race, because of relevance and of importance to you, Mr Minister, that the first captain of a Springbok team who beat the All Blacks in a series in New-Zealand came from this Province in 1935.

You know, mention has been made about the fairness of our equitable share. May I remind you that when we look at historical imbalances, the national government before 1994 did not realise that a province called Natal at the time existed. It was a stepchild.

So our baseline from 1994 was built on that historical imbalance and Madiba himself in his Long Road to Freedom says he struggled to climb a hill and on reaching the tip of the hill he finds another hill. The only province in South Africa where you have that undulating topography is this province, where our capital backlog and the terrible neglect has been worst and we have ample reason and justification for the national government through its Financial and Fiscal Commission to look and review the allocation to this province. Of course your main purpose is to ensure whether we have the best value for our money where there are financial controls, financial stringencies, etcetera? I may draw your attention to an analysis made of this country's overall performance by impartial, independent financial institutions. They identified the targets set by the national government and gave us a very, very strong B. Coupled with that our hon State President analysing the performance in this country, said that we have delivered, but we

have not delivered to the extent to which we want to deliver.

You referred to mediocrity, the national Minister of Education on assumption of office declared a war and all other Ministers followed suit. They declared a war against mediocrity and said while we going to look at the continued growth we going to look at the qualitative growth. You compare percentages, Mr Minister, as far as education is concerned, I may say that for the formula for allocation for sports at national level you should look at Europe. They have a formula.

We worry about Zimbabwe, but when you look at literacy rate in Zimbabwe, they compare amongst the best in Africa and we must learn certain things from Zimbabwe as to how to beat the invincible Australians, the invincible Australians as they humiliated the Australians yesterday in the Twenty20 World Cup.

One of the things we must compliment as that we have best financial control measures in the world. The public does not know that we have audit people in our department for 200 out of 365 days in the year and I am glad. As far as education is concerned, we do not regard, Mr Minister, what you spend on education as an expenditure it is an investment. It is really an investment. I want you to know when little children are transported to schools, where those schools exist, KwaZulu-Natal do not have the money to transport our children. You make comparisons to the learner expenditure compared to the whole of the country, but compare Western Cape and Gauteng. They are incomparable. They were taken over in 1994 as developed provinces. Therefore I want to say that we are satisfied with the overall assessment that there is judicious spending of the taxpayers' contribution. Thank you.

**THE SPEAKER:** Thank you, the hon Mr Rajbansi. The next speaker is Mrs J M Downs. The hon member has got four minutes. She is absent from the House and therefore forfeits that time. Hon B F Scott you have seven minutes.

**MRS B F SCOTT (ANC):** Mr Speaker, hon members, firstly I would like to say, thank you very much for the hon Minister to visit this province and address this province. As the Chair of Finance, your input is very welcome. I also want to let you know that our committee regards ourselves as a partner of yours at national level and that we try to ensure that your policies are carried out at provincial level.

I do not want to talk about the equitable share formula in terms of we need more money. I want to deal with the issues that you have raised, Mr Minister, regarding the challenges and the review of the intergovernmental system and the challenges that we face as South Africa in the relationship between national, provincial and local government.

I referred to the review, I think one of the most important things that you have stated was that the reason for this review is to evaluate whether our policies are delivering the intended outcomes. Is what we are doing as a country achieving what we need to achieve in terms of our developmental goals? Part of these challenges that has been stated in this book is an accountability for delivery and where does this accountability problem lie? Is the problem sometimes with the policy or are the problems with respect to whether provinces are properly funded or whether their allocation to policy is properly funded?

Provinces are given certain competencies but one of the issues that were raised by our own provincial treasury was that we have little or no say over the resource allocation to exercise these competencies. That is a challenge that we will continue to face in the province. Yet we are held accountable. I think that that is where your budget council meetings with our MEC for Finance are extremely important. The other issue that you raise is obviously is whether the assignment or configuration of certain functions lend themselves to inefficiency and ineffectiveness and these are a lot of the issues that we try to deal with as a Finance Portfolio Committee when have departments before us.

The most important challenge, I think, is the misalignment between policy objectives and resource allocation, which is what you referred to in your speech. I am going to refer the national budget review. In the national budget document we were referred to a policy co-ordination and an advisory service that serves in the presidential office, which is a framework developed for government-wide monitoring and evaluation. An integral part of this is an aspect that is controlled by national Treasury to look at a program performance information framework. I think this is where some the key problems are. Are we getting value for money? Are we achieving the desired outcomes? The only way we are going to determine that is if there are key performance measures that are measurable and that we can actually measure. I also believe that Treasury came up with quite an elaborate list of performance targets. I would like to see that performance targets simplified, and also simplified and normalised from one province to another. If we could identify key

performance measures for education across the country and actually measured it between provinces say in education as the matric pass rate or whatever, we could use this as a measure to see whether departments are actually delivering.

Yes, we might be spending our money and I think that this review document is an indication that provinces do have the ability to spend, but are we spending it correctly. We have our policy initiatives. We have our priorities that are set by the national President and our own Premier, but are we actually achieving these? A lot of these outputs are given but whether the outcomes are achieved is something that we need to be able to more clearly measure.

The other issue that I would like to raise is the equitable share formula. I think that one of the important issues that was raised by the Financial and Fiscal Commission was that the current equitable share formula does not relate to the vertical division of revenue issues. The fact is that this was a key instrument in the allocation of revenue across provinces, making it imperative for the Commission to consider these issues in the equitable share. I think this is important to take into account the vertical division of revenue in order to deal with the development needs of the province. My colleague hon, Gcabashe referred to one issue which was the cross-border issue when we took over in Mzimkhulu in the Eastern Cape. I know that in the national budget the national Treasury did allocate additional resources to provinces that took on a higher population figure. We were given the table. Whilst there was a realignment of the equitable share in that respect, looking at a direct implication like population? What I do not think was taking into account was the norms and standards at provincial level, which differ. Some of the issues that the FFC raised were the quality of health care facilities might vary from province to province. As you have indicated yourself, Mr Minister, the allocation per learner might differ from province to province. There is also the issue of staff and personnel benefits, which might differ.

I do think that in addition to the budgetary alignment in the 2007-08 financial year we need to look at a once-off national payment that can actually take into account these different provincial norms and standards, because I know it has been an incredible challenge, particular to our Minister, our MEC for Health and our MEC for Education. But these are issues that we have brought to your attention in the past.

I have got 21 seconds left. Well, the only other thing that I would like to raise then in terms of the FFC is the issue of MIC. Even though the MIC expenditure in this province is very good, the MIC allocation in terms of the conditional grant does not take into account the capacity of municipalities so what we find across provinces is money is being thrown to municipalities for infrastructural development, but they do not have the capacity to deliver. I think that maybe we should be looking at that development component of the equitable share for local government. Thank you.

**MR B J MSOMI (UDM):** Thank you Mr Speaker. Let me thank my colleagues in thanking the hon Minister of Finance for honouring our invitation. I must say it is quite an experience but I will address myself to the question he said we must ask or we must pose whether we are getting value for money.

I will first address myself to education. Through you, Mr Speaker, I do not think we are getting value for money on education yet we are aware that we are spending a lot of money on education but I do not think that it is also easy to apportion blame to anyone specifically. But I think the system itself needs to be overhauled. We are running this system which is called OBE yet in the whole country of South Africa we do not have a single expert on this type of education system. As a result we are producing matriculants who cannot read or write properly. You can check the spelling mistakes that they commit when they try to write. *Inkinga yodwa angeke ngikhulume ngo Biko no*, but I am saying we are having a serious problem about the product of our education and it is going to take time to reach a stage where we say we are satisfied about the product of our system.

So I did like what the Minister has said, especially on the care of our elderly people, and we need not to copy what is happening in other countries especially the developed countries. I think even on education we need to do something that we need a certain approach which does not copy what is happening in Australia or other countries because it does not work here. You can hardly find a matriculant writing a composition which has a single a correct sentence. It is a hell of a problem.

On the other issue of departments, I would like to address myself to the extent to which we involve the consultants. Speaker I do not think we are receiving value for money by various departments because a lot of money goes to the consultants, nationally, and

what is also surprising is that if appointments are being made for senior officials a lot of requirements are needed, before a person can be appointed. However, at the end of the day once the person assume his position he will be surrounded by a number of consultants but *ube sewukhohlwa ukuthi le nto ebifuneka kuyena uyisebenzisa nini makukuphi.*

You can go to all three tiers of government, you go to municipality, you go to this government, you go to national parliament you will find in almost all departments a *rulwa ama-consultants and ama-consultants iwona athatha imali enkulu. Ngiyakhumbula ngelinye ilanga sikhuluma ngendaba yezindlu zomxhaso kwakusewu-R18 000* at that time. We found ukuthi instead of R18 000 of building the structure it was only about R9 000 half of that amount was put aside just to put up the structure itself. *Yilokho ebengikhala ngakho Speaker. Ngiyakholwa ukuthi kuzwakele.*

**THE SPEAKER:** *Nonkosi uma ungezwakalanga ungabe kukhona okunye okonakele.*  
Hon Mr Krog, seven minutes.

**MR J KROG (DA):** Thank you, Mr Speaker. It is indeed an honour to have Minister Manuel addressing the KwaZulu-Natal Legislature, not only that we may hear his views, but that we can express our views for the challenges lying ahead in KwaZulu-Natal. Your Budget Review, Minister, is very helpful for us, particularly because it is over a seven year period.

Mr Minister, the DA supports you and your advisors and your macro-economic policies which ensured that recent growth rates are between 4 and 5% and inflation around 6% that is favourable for KwaZulu-Natal as well.

The DA presently sees challenges for the National Treasury in the following areas:

1. The divide between the middleclass and the poor and jobless creates uneasiness in KwaZulu-Natal and I think you have mentioned it in your speech.
2. The high unemployment rate in KwaZulu-Natal, the dependence on social grants, makes South Africans not internationally competitive in manufacturing and adding value to our resources.

3. We share your view that south Africans do not get value for the amount of money spent on education. But this extends to South African Police Services, this extends to medical services, municipal services and the Public Service in general. This is particularly noticeable in Public Works Department in KwaZulu-Natal where the output of capital and maintenance projects values against the budget input ratio, is about 10 to 6. Private sector management of capital works is in the region of 10 to 2. Mr Manuel, we suspect your influence on the FFC is somewhat larger than you present to us.

Coming closer to home, the members of the KwaZulu-Natal Finance Committee, has expressed it here today that it is critical of the formula used in the equitable share distributed to the province. We are happy to hear that there is presently a review, but we are disappointed that it will only be implemented in 2009.

We understand the principle that the formula must be understandable and simple for everyone to see and understand, but the divergences of typography and backlogs that has been expressed here today, is not properly considered and that causes a skewing of the economic development in the province.

As you have pointed out, Mr Minister, the South African Constitution's strength lies in the fact that each South African must have equal access to our resources. I am of the view that this is not happening to financial resources in terms of the division of revenue and calculation of the equitable share.

The backlogs in KwaZulu-Natal have been in existence for more than 13 years and continue to exist hopefully not as a result of politics but at some stage they will have to be addressed to close the divide between the rich and poor.

The fact of the matter, Minister, is the following:

1. KwaZulu-Natal has about double the number of municipalities with less than 60% of households with access to: electricity, formal housing, water, refuse removal and sanitation of all the provinces.
2. KwaZulu-Natal learner expenditure on education, as you have also indicated to this House, is the lowest of all the provinces over the whole 13 year period since 1994.

3. The lie of the land in KwaZulu-Natal (we have many Valleys of a Thousand Hills in Natal) makes the cost of infrastructure very expensive. To name but a few and it has been mentioned by previous hon members, to build and maintain a road in KwaZulu-Natal must be twice the cost that other provinces has. Housing: To install services in hilly areas for housing development leaves very little for the top structure. Schools: To build school classrooms, toilets, access roads and bridges in hilly areas costs much more than in flat areas – I emphasise, billions more. And the same applies to hospitals and clinics.

Mr Speaker, to cap the above problems, historically KwaZulu-Natal is one of the provinces where people live in rural communities and urbanisation has not taken place as fast as in other provinces because of the strength of our traditional authorities. As you are aware, Minister Manuel, the cost to supply services to outlying rural communities is excessively high and in some instances, impossible.

The backlogs in infrastructure such as classrooms and toilets are one of the highest in South Africa. Of the 6 000 schools in KwaZulu-Natal, at least half do not meet national standards. We have 270 mud school buildings, Mr Minister. To give each South African equal opportunities, these are the problems that need preference.

As far as economic development is concerned, large amounts are budgeted outside the equitable share and this has been raised previously. The Gautrain has been mentioned, the Coega development has been mentioned, the change of the borders has been mentioned.

Mr Speaker, we have to finance the Dube Trade Port of about R3 billion out of our equitable share portion. We are optimistic that a more equitable review of the process of economical projects over all the provinces will be implemented shortly.

Many provinces have game parks and they are funded through SANParks. We in KwaZulu-Natal believe we can manage KwaZulu-Natal Ezemvelo Wildlife better as a different brand, but this is at a cost of R200 million per annum and, Mr Speaker, this comes out of our equitable share.

Sir, you probably hear these arguments from each province during your visits and you have indicated that, but as a lawyer I hope our arguments were persuasive enough for

you to take into account when you consider how to narrow the gap between the first and second economies and between the rich and the poor, to create an open opportunity society.

Mr Speaker, I have not mentioned that in KwaZulu-Natal we have the highest AIDS rate of all provinces. We have eThekweni Municipality using R350 million to develop provincial functions. Minister Manuel, please drive past our beaches and help us with disaster funding. I thank you.

**THE SPEAKER:** Thank you. Hon Dr L P H M Mtshali?

**DR L P H M MTSHALI (IFP):** Thank you, hon Speaker. May I also join the Chair of our Portfolio Committee in welcoming the presence of the National Minister of Finance, in KwaZulu-Natal. Thank you very much for prioritising the Kingdom province.

Mr Speaker, Sir, my contribution will also touch on the presentation made by the hon Minister when he presented the provincial budgets and expenditure reviews in the debate in the NCOP.

**THE SPEAKER:** Thank you, hon Dr L P H M Mtshali. Hon Mtshali?

**DR L P H M MTSHALI (IFP):** Thank you, hon Speaker. May I also join the Chair of our Portfolio Committee in welcoming the presence of the national Minister of Finance in KwaZulu-Natal? Thank you very much for prioritising the kingdom province.

Mr Speaker, my contribution will also touch on the presentation made by the hon Minister when we presented the provincial budgets and expenditure reviews in the debate in the NCOP. South Africa has since 1994, achieved a considerable degree of macro-economic stability. A great deal of the credit for this goes to non-else but Minister Manuel. Thank you, Sir. The IFP says this quite boldly, we commend you for that. Conventional wisdom informs that such advances as were made during the past decade create opportunities for real increases in expenditure on social services and reduce the costs and risks for all investors in the economy.

While the ANC government has increased social expenditure quite steadily, these additional resources have not been utilised effectively and efficiently precisely because the ruling party has failed to reduce the costs and risks for all participants in the

economy, whether domestic or foreign. What still impedes economic growth and foreign investment in South Africa today are restrictive labour laws, the slow pace of privatisation, and the unreasonable cost of government.

Overall government expenditure for infrastructure spending will total some R410 billion between 2007 and 2010. Of this, about 40% is to be spent by public enterprises. The list there is topped by Eskom with R84 billion to cover energy generation, transmission and distribution, and Transnet with R47 billion to go towards harbours, ports, railways and petroleum pipelines.

We in the IFP, have no doubt that such a vast amount would be spent more effectively and efficiently out of the hands of our notoriously unaccountable state parastatals. The kind of development the Minister envisages in this address would be more realistic and indeed more secure in the hands of privatised enterprises with the lines of accountability, so precious to the Minister, more clearly defined and enforced by the market, rather than party-political forces.

This brings me to the most significant point and also most worrying feature of the Minister's address in Cape Town, namely, his institutional approach to democracy. The Minister maintains that our democracy is functional merely because our democratic institutions are in place. This is a dangerous fallacy. The ANC is clearly indifferent to the individuals who man our democratic institutions and, so to speak, bring them to life.

Hon Speaker, the countless civil servants who now staff government departments without the required qualifications, experience and work ethics are where they are courtesy of this government's failed employment policies. They represent the greatest risk to our democracy and economy, both of which they continue to discredit and mismanage.

Another disturbing phenomenon we are currently witnessing is a wholesale transfer of competences from provincial to national level. It is against this backdrop that a debate is raging inside the ruling party about the future of South Africa's nine provinces. So far the debate has been inconclusive. The hon Minister may be interested to know that despite an uncertain future this very legislature faces, the ANC in KwaZulu-Natal has gone ahead with plans to build for it an additional new multi-million rand venue.

The latest example of centralisation is a new service delivery agency, mooted by the national Department of Education, with responsibilities for building classrooms and other infrastructure. I personally have a lot of time for the Minister's frustration with the snail pace of provincial infrastructure delivery. Some provincial government departments are, admittedly, hopeless. However, their inefficiency and ineffectiveness stem largely from the inadequate human resources at their disposal rather than from the internal structures of South Africa's three tier system of government. Incompetence is certainly not restricted to our provincial departments where it may be merely more visible. It originates from the government philosophy which underlies recruitment.

Any system that entails such a wide-ranging distortion of the market forces as affirmative action, racial quotas and political appointments, opens an additional door to corruption. A most perfunctory survey across the civil service, provincial or national, will indicate that corruption is pervasive. Take housing subsidies of all places in the KwaZulu-Natal Department of Housing. Of the 314 audited instances of applications for a housing subsidy in the 2004/05 financial year, 239 applicants declared that they and their spouses were unemployed when in fact according to personal records, they or their spouses were employed by the state and received a joint income of more than the threshold amount of R42, 000.00 per annum at the date of declaration. The fraudulent subsidies awarded on this basis, amounted to roughly R3.5 million.

Hon Speaker, let me give you an even better and more recent example. A sample survey conducted last year by the Auditor-General revealed that during the ten months between March 2004 and January 2005 as much as R300 million had been paid in housing subsidies to 50 000 fraudulent beneficiaries across the nine provinces. This is no doubt merely the tip of the iceberg.

It was also revealed that more than 25 000 duplicate subsidies, that is more than one subsidy to the same applicant, had been approved. As many as 6 000 subsidies have been granted to applicants younger than 21, which, at the time was against the regulations. If this is not a monumental and cynical waste of the taxpayers' money then I do not know what is!

And this is not even the whole picture. In five provinces since 1994, a total of 2 554 people died while waiting for their housing subsidies to be approved. Apparently

thousands of legitimate applicants do not live long enough to see their housing subsidies approved while thousands more are granted the same subsidies on fraudulent grounds.

This assessment leaves us with a definite Orwellian aftertaste. The Department of Housing which is supposed to see to the country's housing needs is itself awash with housing subsidy fraud. The Department of Public Service, which is supposed to oversee the proper functioning of our civil service, has itself one of the most alarming vacancy rates. Similarly, a string of self-proclaimed "pro-poor" budgets have left us in KwaZulu-Natal and elsewhere, with what appear to be pockets of development in an enduring sea of poverty.

Hon Speaker, I feel obliged to draw comparison between the past and present allocation and utilisation of the state resources in the context of economic development in KwaZulu-Natal. Seventeen years ago, in 1990, KwaZulu-Natal was home to 23% of South Africa's population, the region had the highest dependency ratio, that is the ratio between the employed persons and their dependents, in South Africa, and also one of the lowest levels of urbanisation in the country.

- Yet, during the years 1970-1990, KwaZulu-Natal had the second fastest level of economic growth amongst the country's nine regions.
- Yet, manufacturing grew faster in KwaZulu-Natal during this time than anywhere else in South Africa.
- Yet, KwaZulu-Natal's strong performance in GDP per capita growth relative to the other regions was achieved through strong growth in manufacturing output and in community health and education services output.

All this was achieved under a financial regime of gross under-funding. Having achieved so much with such limited resources, the erstwhile KwaZulu Government, led by Prince Mangosuthu Buthelezi [Interjections.] as Chief Minister, must have done something right. I will tell you what it was. Over-spending, fruitless and wasteful expenditure, mismanagement and fraud as we know them today, were virtually unknown then. Inkatha understood governance as a selfless service to the community. This government – for all its noble efforts and there are many of those – is, by comparison, more interested in self-promotion at the expense of service to the community.

All this suggests that the bulk of available state resources are secondary to the way these resources are used.

**THE SPEAKER:** There is a point of order. There is a point of order. *Ake ninikeze nanti ilungu elihloniphekile...* Hon member Shabalala.

**MS L F SHALALALA:** Mr Speaker, can the hon member take a question?

**THE SPEAKER:** Can you take a question hon member?

**DR L P H M MTSHALI (IFP):** *Somlomo baba, anginaso isikhathi sokusinisa amahleza.*

[Interjections.]

[Laughter.]

**THE SPEAKER:** The hon member will not take the question. Proceed, hon member.

**DR L P H M MTSHALI (IFP):** Given the disproportionately higher level of state resources available to the government, this comparison, based on a 1992 study by Deloitte & Touche, further shames this government as largely inefficient and ineffective.

*Somlomo Baba, kumqoka ukuba ngilimise ngesihloko ukuthi, uma izimali – izintela zomphakathi – zingaphathiswa okwezikhali zamaNtungwa, inkinga iyohlale ikhona njalo. Ngiyabonga Somlomo.*

**THE SPEAKER:** We close the debate hon MEC for Finance, hon Mkhize.

**DR Z L MKHIZE (MEC for Finance):** Thank you, Mr Speaker. Firstly, let me take the opportunity to convey our condolences firstly to our colleagues in the IFP although it has been done many times, but we still feel it is important to do so. On the passing away of colleague iNkosi Gumede and similarly to my colleague who has lost a brother – colleague Ndiyema, Mabuyakhulu. We wish to express our deepest sympathies. I also want to take the opportunity to thank the Minister for honouring us by visiting this province certainly that alone is an honour to us. But as for the report that he has given to this house, we are also very pleased. I also want to extend a word of gratitude on behalf of myself and my other colleagues in the team finance for the very wonderful spirit within which we are able to conduct our business under a stewardship particularly to be able to

debate, discuss, differ and argue without any restriction. Certainly, Minister, that has assisted a lot of us in discussing the issues of our concern as members of your team finance. We thank you very much for that. I want to thank the members here for also raising the issues. At least for one, the Minister will be able to see the kind of environment one has to survive to deal with the issues of finance in the province. However, I must say that it is always interesting to debate in this house and I did intend debating a lot of issues.

I do want to say, hon Mantshinga it is always a pleasure to have you around.  
[Interjections: loud laugh]

Ngifuna nje ukuqala ngithi: awu waze wenda myeni ngoba uma sesikhuluma kangaka ngenhlupheko ekhona uma ungase ubhale phansi, udwebe inhlupheko ukuthi uyitholaphi kulesi siFundazwe la kungekho manzi, lapho abantu benengxaki yemfundo, lapho kungekho khona umgwaqo, ugesi, zonke izinto – yilapho vele kwakukade kuphethe khona uHulumeni wakwaZulu. Manje, asingakhulumi engathi into esiyiqabuka namhlanje ngoba lokhu esikusebenza namhlanje kuqhamuka khona lapho kade kuphethe khona uHulumeni wakwaZulu. Futhi-ke iyona le IFP ebiphethe khona iminyaka engaphezu kwamashumi amathathu. Manje, akungathi uma sikhuluma bese sikhuluma sengathi bekubuswa, sekonakele namhlanje ngoba sekuqhamuke uKhongolose. La bantu – abasebenzi bakaHulumeni – uMantshinga abakhombayo ukuthi cha abenzi lutho, abakwazi ukusebenza ngaphezu kwamashumi ayisishiyagalolunye abantu abakhona, bebevele bengaphansi kwakhe uMantshinga.

Uma sikhuluma ngokuphathwa kwezimali, kwaMnyango wezeMfundo (ukubeka nje wona wodwa) kube nama-Disclaimer eminyakanyaka. Akukaze kufike muntu iminyaka emihlanu, akuzange kuthinte muntu, abaphathi bakhona ababezisho ngisho nasemaphepheni ukuthi cha bona bakhethwe ngoba bona beyiqembu leNkatha. [Interjections: loud laughter] emaphepheni uMnyango lo wezemisebenzi kwaWorks, akhuluma ngawo ubaba ilungu elihloniphekile, munye nje unyaka uphethwe yi-ANC (ubukade ungaphansi kwesandla se-IFP) ngaphandle-ke kwalowa mzuzwana nje la kwabakhona ubuhixihixana kodwa-ke, yonke le minyaka le! Cha ngisholo ukuthi-ke akungathi uma sifuna ukukhuluma ebandla ezithangamini sibabaze sengathi into entsha le esingayazi. Kona-ke ukuthi izinkinga zikhona asikuvume lokho, kodwa akungabi sengazuthi besifike sizithwele ngojosaka singuKhongolose. Sithe uma sesifika la sase

sizithi di phambi kwabantu baKwaZulu-Natali. Cha sazifika khona baba Mantshinga. Silungisa zona-ke, nokuba-ke kungakhulunywa nathi ngoba nakhu cha sikhona, sizimele ngenhla, sizozilungisa lezi ezivumayo ukulunga.

It was also interesting to get from the hon Krog the issues of your uneasiness about the widening gap between the jobless poor and the rich middle class. That is very good coming from the DA as it does, of course there is a contradiction if you hear what the hon Mantshinga was saying. One day I think I should get him into a workshop. However, the issue is an issue that we are very concerned about – the issue of the widening gap between the poor and those who are well-to-do. It is an issue that government as a whole has to make an effort about. That is why it is going to be important for us to focus on what is it that we can do to increase the number of jobs but also to – when we talk about empowerment, Black Empowerment is part of dealing with that and addressing those issues. So I hope we can have support right through all the processes including those kinds of policies that we were talking about.

The concern for example that hon Mtshali is raising about the performance of the manufacturing sector in KwaZulu-Natal the difference between the times that hon Mtshali is talking about, and today, is the issue of globalisation. We have an open economy now. Having said so, I do want to say to the hon Minister while mindful of some of the advances that have taken place about some of the concerns, the issue of the per learner per capita expenditure is a concern to us but at the same time we have actually had consistent growth in the education department of over 2 billion – more than any other province has done. This issue of per capita is a mirage that it is really difficult to reach. We are trying our best, but we are saying at the end of the day we have to look at how fast we can increase the budget in relation to the capacity of the department as well as the extent to which we can have enough to be able to allocate to the other departments. Too many decisions to make, too many needs and that is where we really have a problem.

The area again of statistics that has been raised we are actually concerned. The MEC for health was indicating that the HIV figures are much more than what is reflected there around the figure of 110 000 people as it were, and therefore they are trying to work out the system to improve that level. We agree with the Minister that the non-financial information is important for us to use for planning and also for assessing our progress. I

think the point that has been made quite strongly is that we are together in trying to allocate the resources but there is a lot more we can do by motivation, by supervision, by oversight, as members of this legislature and I think that is the challenge we want to take.

Thank you very much.

**THE SPEAKER:** Thank you hon Mkhize, MEC for Finance. Members we have come to the end of this debate and therefore to the end of item 8.2. We will then adjourn in order to come back to item 8.4. Before we adjourn let me just make the last announcements. We have been informed that Councillor S M D Buthelezi, Chief Whip of the uMzinyathi District Municipality did join those who have come from other districts. Thank you. [Siyakwamukela Shenge](#). We thank all our members who have participated from the municipalities.

Let me make this announcement. Members will receive a notice, if you have not, please ensure that you get one. Members of the NCOP Standing Committee Matters, you are meeting on Tuesday, 18 September 2007 at nine o'clock in Committee Room Number one. If you have not got your notice please come and get it.

The last announcement is that as we adjourn, especially, members in the public gallery, please listen very carefully, all mayors, municipal speakers, municipal whips and the municipal managers from the public gallery are invited to join the Speaker of KwaZulu-Natal Legislature for lunch at the Members Dining Hall. Protocol staff will lead you to the Members Dining Hall. The other guests on the public gallery who are not mayors, speakers, whips and managers, protocol staff will take you to the dining hall in the administration building. As you go out please identify yourself either as from the municipality and the designations I have spoken about or as just a member of the public attending and you will be taken to the correct place.

I have thanked the Minister and I am thanking the Minister of Minerals and Energy who I am informed through the Chief Whip has arrived already and do wish that all of the matters that have been raised, if there are any reactions by the Minister, are taken care of as we adjourn the House now.

ADJOURNS FOR LUNCH / RESUMES

**THE DEPUTY SPEAKER:** Hon members, you may be seated. Hon members, welcome to the afternoon session of this sitting. May I take this opportunity on behalf of the Speaker, to welcome our National Minister of Minerals and Energy, the hon Buyelwa Sonjica. Minister, you are welcomed to the Kingdom of the Zulu. We are very happy to have you. Without any further ado hon members, we shall therefore now proceed to item 8.4 which is A Report on Issues of Electrification Pertaining to KwaZulu-Natal by the National Minister of Minerals and Energy, Minister Buyelwa Sonjica. I have already on behalf of the House thanked her and I have recorded our gratitude for making herself available to us. Over to you Minister.

**MS BUYELWA (National Minister of Minerals and Energy):** Thank you very much Speaker. I hope my protocol is correct. Members of Parliament of the KZN Provincial Legislature. *Nginyanibingelela nonke bandla. Kumnandi ukuba la eThekwini* because it is warmer here. I can feel the warmth in this House as well and the warm welcome is also appreciated. Speaker and hon Premier in absentia, hon members of the house and ladies and gentlemen.

I am truly honoured and privileged to address this August House of the KwaZulu-Natal Provincial Legislature under the theme "Fast-tracking and Universal Access to Electricity in KwaZulu-Natal".

The Department of Minerals and Energy presides over a sector with arguably one of the highest potentials to improve the lives of the people of South Africa. Only when a sustainable, affordable energy supply is universally accessible does development occur. Without electricity there cannot be full development of any area. This has been proven world over.

Today, I would like to focus on some of the plans that we have put in place to make the quest for achieving universal access to electricity a reality by 2012. We committed ourselves to that target as National Government and we are still committed to reach the target we have set for ourselves. That means therefore that by 2012 even KwaZulu-Natal will no longer be referred to as the darkest province in the country. It will be lighter even in KwaZulu-Natal. We are still committed to that. I have been requested to focus on the provision of energy generally and electricity in particular in the district municipalities of uThukela, uMkhanyakude, uGu and uMzinyathi respectively.

If I take you back to the State of the Nation address of 2004, our President set the target for achieving electrification across all South Africa by 2012. In fact, the President went further this year and reaffirmed the commitment and said:

“Access to electricity, water and sanitation has improved. By 2005, South Africa had already achieved the Millennium Development Goal in respect of basic water supply, with improvement access from 59% in 1994 to 83% in 2006. According to the United Nations Development Programme (UNDP), South Africa is one of the few countries that spend less on military budget than on water and sanitation. In the words of the UNDP Human Development Report of 2006. This is what the United Nations Development Programme said about South Africa.

This year we shall complete concrete plans on implementation of the final stages of our programmes to meet the targets for universal access to water in 2008, sanitation in 2010 and electricity in 2012.

Now let us look at the electricification status of the province. In 2006/07 financial year licensed KwaZulu-Natal municipalities achieved 89% of the planned connections for the year, whilst Eskom achieved 100% of the planned connections. This year, performance is expected to be at 55% as we speak and however only 31% has been achieved to date. We hope this situation will improve. The reason for under-performance is mainly due to poor planning and lack of technical capacity.

If I may digress a bit, this is one of the challenges that has been identified almost in all municipalities, country wide; the problem of technical capacity which impact negatively on delivery of basic services. You will find that some municipalities, especially in the deep rural areas do not have one engineer and indeed that does delay delivery of basic services like water and electricity. So, this is not unique to KwaZulu-Natal. What is important is indeed what we are trying to do here, to bring national to the province so that there is a link between the province and the national because that will help us to intervene timeously when we pick-up the problems, because of this linkage between ourselves and the province. I want to commend this initiative led by the hon Premier of bringing the national Ministers to the province so that we would talk about these things, learn to plan together, co-ordinate efforts and initiatives. I think it is important that we do that. Project Consolidate also identified this.

Again I do not want to digress just once. We visited the Northern Cape when I was still in Water Affairs, Premier. *Uma sifika eNorthern Cape* we realised that there is a sanitation project that has been given funding of R5 million and that R5 million was rolled over, it was the fifth year that it was rolled over. On trying to find out what the problem was, the President was leading these Imbizos of Project Consolidate. When we tried to find out what the problem was, we learnt that the problem was related to the Environmental Impact Assessment that it was difficult to do. The municipality did not have the capacity to do an EIA. The President asked us to whether the district municipality has spoken to the province about this problem? We realised that they did not speak. So on the spot the President, province you do this for the municipality, the province said we do not have capacity and the President said why do not you speak to the national and on the spot somebody was delivered to deal with the problem.

What I am trying to highlight here, is the importance of this initiative of national speaking to province, speaking to the municipalities. It is very important. I think it will make an impact on delivery. It will give us the impetus that we made on the place of delivery.

I am mentioning this all of this because it is urgent for us to achieve universal access and partnership is very critical and this collaboration amongst all of these spheres of government. For us to convince the National Treasury that the programme requires more funding, national Treasury must be able to see that we have spend 100% on what was given to us because if we under-spend then we can not justify or motivate for more funding to come towards the province. So it is important that we work together to ensure that we do not under-spend and I want to leave this challenge to the province but we must all understand that it is not only a challenge for the province, it is also a challenge for us as national ministers in ensuring that we work together to achieve all of these things.

Talking of challenges, I recognise the fact that KwaZulu-Natal is amongst the three poorest provinces in the country and it has the highest backlogs in terms of unelectrified households. Well I referred to it as the darkest province in the country. It is an unfortunate situation which really has to be changed for the better. According to our statistical information the backlogs as at March 2006, 73 187 households in uGu still needed to be electrified, 84 369 in uMkhanyakude, 70 563 in uMzinyathi and 56 882 in uThukela.

Within the implementation of the Integrated National Electrification Programme (INEP), the absence of bulk infrastructure, especially in rural areas, has put a strain on the performance of the programme. I want to emphasise this because that is what has delayed delivery, the absence of bulk infrastructure. In the absence of that, we can not do connections, you need the grid, you need the substations and it takes up a lot of money especially when we give that infrastructure for rural areas. However, it is imperative of government to do that if we are talking about giving a better life to all our people. It is something that we have an obligation to do. As a result, last year an amount of R282 million had to be channelled from electricity connections to bulk infrastructure. Maybe as a province, I would leave you to debate a lot about this because we had to channel this and this had an impact on connections resulting in a reduced number of connections planned for that particular year. This year again, out of a total of R1.4 billion allocated for household electrification, a further R380 million has been set aside for the building of ten substations.

Of these ten substations, those that will be located in KZN are uMsinga Substation with a capacity of 20 megavolts in uMsinga Local Municipality and Benedict Substation also with 20 MVA in Inkandla Local Municipality. This year we will only electrify 150 000 households nationally. We will also electrify all clinics, 700 schools and also improve the quality of supply in preparation for the 2010 FIFA World Cup. However, good news for KZN – the good news for KZN also confirmed by the Department of Health in the province we have electrified all the clinics and in the next two years, somebody is going to smile because we will be electrifying all the schools. So 2009/10 the electrification in schools will be eradicated in KZN, so I can see somebody smiling already.

The recent electricity outages around the country must be uppermost on everyone's minds again this year. In relation to this, I want to assure you that although we are experiencing some hiccups, there is a clear roadmap to ensure security of electricity supply to all South Africans. We must also appreciate that this is not unique to SA but this is also as a result of the positive things that are happening in the country. We are having an economy that is growing very fast, putting a pressure on the supply because there is more demand for electricity than before. The fact that we are also now expanding the services to areas that were neglected in the past has also put a strain on the supply of electricity. So that is the problem that we have but, we are dealing with the problem.

Recently, we concluded the final piece in the electricity legislation that regulates municipalities, the Electricity Regulation Amendment Bill, which will bring municipalities under the jurisdiction of the National Energy Regulator of South Africa. This will allow me to hold all electricity distributors to account in the event of poor service provision, and serious sanctions will apply in cases of breach of licence conditions.

I must mention that we are also aware of the concerns by communities regarding “weak” electricity, which cuts off under the most spurious of weather conditions. I know that they say when it is windy it is like *eziya zibani okuthiwa ngofinyafuthi ukuba uke wasibeka endaweni enomoya its gone, the light is gone kuzosala kumnyama. So we do not want ofinyafuthi* for our electricity. Do you know *finyafuthi* comrades [interruption by members *isiphefi*] oh *isiphefu*, well we call them in my language *ofinyafuthi*. I know whenever my Zulu is very good and I always say things just off tangent, so you will excuse me. You must just bear with us and we will make sure that the electricity or the power that we give to all South African is of good quality.

A challenge which we are confronted with is that most of our people have limited access to energy to meet their thermal needs. Even when they have electricity, they continue to use low grade coal and paraffin for heating and cooking. We are exploring the revision of the regulatory framework to facilitate the use of more energy efficient carriers like LP Gas and other modern thermal fuels including an appropriate pricing mechanism for LP Gas. It is unacceptable that the LP Gas is priced as a leisure energy carrier, when there might be an opportunity to utilise it to substitute traditional carriers like biomass and paraffin.

As part of our objective of monitoring the impact of our policies, we will be evaluating the socio-economic impact of electrification. A baseline study commenced this year, which will allow trends to be established on the various impacts of electrification. For example, we would be able to establish the correlation between education, healthcare, enterprise development and job creation as an outcome of electrification.

In conclusion, I must reiterate my commitment to ensuring that we fast-track universal access to electricity in KwaZulu-Natal. I am aware of the request regarding the proposed partnership between the province and ourselves in fast-tracking electrification in uMkhanyakude District and hon Premier, I want to commit and I do not want to end

the debate here, but we are committing a 50/50 co-funding partnership that has been proposed and to that end we will be contributing R 50 million towards those projects.

I am also glad ...but I still have to go and beg the Minister of Finance. I am also glad... no, no it is a commitment there is no doubt about it, we are committing that, I am just joking. I am also glad to announce that I am now in a position to commit funding for the building of additional bulk substations over and above the Benedict and uMsinga substations. I have already mentioned. These substations will cost approximately R200m in the next 2.5 years and we are going to build those in Pomeroy in uMzinyathi, eMandabeni, eThukela nase Nondabuya eMkhanyakude.

We will make another R51m available to cover the costs of the projects listed under the Premier's priorities.

I thank you, and with your permission the team was supposed to elaborate, I am not sure if they are here. They are here. If you need any details, we wanted to give you the details and I will request you to be patient a bit and get the details from my technical people.

Thank you very much, hon Premier and Mr Speaker.

[Applause!]

**THE DEPUTY SPEAKER:** Hon members, you will agree with me that we thank the Minister for his address, although at the end of the programme of course the hon Premier will still officially thank the Minister, but I see the Chief Whip has got something to say.

**MR V C XABA (Chief Whip of the Legislature):** Yes, Mr Speaker, there was a request from the hon Minister, after discussing with her we agreed that the elaboration on the issues will take place immediately after the debate as part of the Minister reflecting on the issues members shall have actually raised. Thank you very much.

**THE DEPUTY SPEAKER:** Thank you, hon Chief Whip. If I understand the Chief Whip well, then it means we then proceed now to the debate and I have got a list of names here. According to my list, hon members, the first member to deliberate is hon M A Tarr for 10 minutes, from the African National Congress.

**MR M A TARR (ANC):** Thank you very much, Mr Speaker. Mr Speaker, it is a great honour to have the hon Minister in the House with us here today because it is so important to be able to debate with the person where the buck stops and for that reason we welcome your presence and hope that this debate will result in some useful outcomes.

Speaker, the Minister mentioned during her address that KwaZulu-Natal was the darkest province of them all, but I must also tell the hon Minister that in terms of enlightenment and wanting to know where we are going, we are the most enlightened province of them all.

[Applause.]

I think it was mentioned earlier on by the hon Premier that in fact of the various provinces in this country, we enjoy the highest growth rate and we are now second in terms of GDP of all the provinces in this country. However, that all points then to the absolute necessity that we plan and make sure, as the hon Minister has said, that we have adequate supplies of electricity to cope with the growth rates which we would like to see.

Mr Speaker, in front of me I have got a document which the hon Minister's department used in a presentation earlier this year to the Select Committee on Finance in Cape Town and I think some of the figures in this document do correlate with the picture the Minister is giving us today.

So, I take the figures out of this document, there might be slight differences but I think it is the overall picture that is actually important. For example, let me quote one or two of the figures, Mr Speaker, during the period 2006/2007, the allocation for Eskom was R68 million of which we spent 68%. So, because of technical reasons, as the hon Minister has mentioned, and other reasons, we are not quite able to spend what our allocation was.

However, I think of more interest, is the number of connections. There were 18 515 connections planned in 2006/2007, the actual connections were 12 412, in other words 67% of what was planned. However, hon Minister, the interesting thing about that is of those 12 412 actual connections, 11 248 were in eThekweni. So you then actually look

at what happened in the rest of the province. Umgeni Municipality which is just up the road here, planned 954 connections, of which they made none – 954 connections planned, there were none.

Then we come to Umgungundlovu which is where we are standing, right here, Mr Speaker, they planned 1 110 connections and 180 were made. Now I think that is a sorry state. When you look at the rest of the province, I mean it is pitiful the number of new connections that were actually made. And the reasons, the Minister highlights these in the same report here and let me go through a few of them. The first is, late project approvals by municipalities, so in other words the delay in project approvals delays the contractors getting on site and starting to do the connections. Municipalities commit to projects which do not materialise, so you say you are going to do certain things and it does not happen so obviously that reflects poorly on the connections. And then communication between Eskom and the municipalities and it is here, Mr Speaker, that I think that we in this House could also play an important role and the Minister in her speech laid down a challenge to us today, what can we do to actually help the process along? I think that is actually what the hon Minister said.

And clearly there is a breakdown somewhere between municipalities, the IDPs of municipalities, what they propose doing in terms of housing. You cannot plan houses unless you are planning electricity, water and roads at the same time. So quite clearly we need to have a look at better coordination between Eskom and municipalities.

Now, Mr Speaker, members will know that the Portfolio Committee for Local Government and the Portfolio Committee for Finance, are closely monitoring municipal budgets, municipal IDPs, to make sure that they actually talk to one-another and I would think that what we should be doing when we monitor these in future is that – there seems to be another meeting going on here, Mr Speaker. [Interjections.] I would suggest, Mr Speaker, that in our future meetings when the portfolio committees meet with the municipalities, we actually have the provision of electricity as a specific issue and I am fairly confident that Eskom would be prepared to be present at the meetings and maybe we can act as a catalyst to assist in the better co-ordination and planning for the roll-out of electricity round our province.

Good news is that the hon Minister mentioned that all clinics are electrified. However, I must tell you, the other in discussions the Provincial MEC for Finance who used to be the MEC for Health, he told us that often before they could build a clinic, they had to lay on power, but not only that, if I can digress a bit, they had to lay on water, they had to lay on roads and they also had to provide accommodation for the sisters who manned the clinics.

Now I wish that the hon Minister of Finance was here because when we are looking at provincial equitable shares, we do not just build a clinic and we do not just build a school, because unlike other provinces we have got huge areas to cover, difficult areas to get access to. So there is the clinic, there is electricity, there is the water, there is the roads, there is accommodation, that is the package that goes with clinics and members in this House who have visited the new clinics that are being constructed, will know that is exactly what is happening at those particular clinics.

Yes, the hon Minister did lay down a challenge. I think we in this House need to take it seriously and say what can we do to help the actual process along?

I hope you will forgive me, I have got two minutes left and I would like to digress onto another matter but as I said, it is not often you speak to the person where the buck stops and it is so nice. And what I would like to do is talk very briefly about the issue of Richards Bay Minerals and perhaps make a request, the Minister, I am not going to make any accusations or anything today, but there are three things which I believe we need to look at with Richards Bay Minerals. The first one relates to their licence and their renewal, because as members in this House, hon Minister, I must tell you there is a lot of concern in this House, another 50 kilometres of our coastline, primeval coastline, which is actually going to be dug up.

However, having said that then, the conditions for the reforestation, because the reforestation, a lot of this was Casuarina which relates an old agreement with the local people living there, to create charcoal - I think that needs to be looked at again as well.

And then thirdly, hon Minister, and I apologise for taking advantage of you, if you would not mind perhaps also looking at the question of beneficiation because I believe that what comes out of the dunes there, the titanium, it simply gets loaded or most of it, some

is beneficated in Durban, a small amount, it mostly gets put onto a boat and sent somewhere else where they beneficate it.

And I think those three issues, they are actually very important in this province and I really think that the whole question of RBM and RioTinto of course sit above them and they do not have a wonderful record in the rest of the world and here and I am simply asking that the whole question is opened up and have a good look at them.

Minister, thank you for allowing us to take advantage of that as well and we again express our appreciation that you are here and we certainly will do our best to be part of the solution in the years ahead. Thank you.

**THE DEPUTY SPEAKER:** We thank the hon Tarr and the next speaker will be hon T D Buthelezi from the Inkatha Freedom Party, for nine minutes.

**MR T D BUTHELEZI (IFP):** Thank you, Mr Speaker, hon Premier, Minister Buyelwa Sonjica, hon members. Just like the speaker before me, I will digress for the greater part of my presentation but save to say that it is very heartening to note that in the Minister's presentation she speaks about the correlation between education, healthcare and what is the impact on that and the outcome as a result of electrification.

However, quickly to hasten that it is not surprising therefore that the Minister refers to KwaZulu-Natal as the darkest province, seeing that KwaZulu-Natal has the highest electricity backlog in the country with 836 551 connections and that if you look at all the municipalities like Umzinyathi, Uthukela, which have been covered, we find that 60% of all these projects are all in the planning phase and very few are in the connection phase. Like Mr Mike Tarr, while we feel that the focus of today's debate is on energy issues, I want to digress and really focus on mineral issues because we feel that mineral resources are directly linked to the issue of energy consumption and therefore as the IFP we want to focus on mineral issues seeing that there is no other opportunity where we would be able to highlight these concerns to the Minister.

Our concern as the IFP is to say, if you look at the totality of the picture of minerals in South Africa, the number of black mining entrepreneurs coming from KwaZulu-Natal, is very, very disappointing, it is not there, and let us look at the example of Richards Bay Coal Terminal. The Department of Minerals and Energy encourages transformation of

this industry, particularly with regard to ownership, procurement, skills development and so on. And in fact, Minister, the South African coal sector is now at 20% black ownership, with more than 20 BEE deals that have been concluded in the coal industry and all these deals, if you count them together, it is a value of more than R19 billion BEE deals concluded in the coal sector in this country. But how much of that R19 billion has come to KwaZulu-Natal? Of all the 20 BEE deals that the department is actively encouraging and pursuing, how many of those BEE groupings have come from KwaZulu-Natal?

Richards Bay Coal Terminal currently – we know there is an expansion of Phase 5 which will look at 91 million tons but currently 72 million tons are leaving through Richards Bay Coal Terminal. Surely we would expect to see at least one or two faces from KwaZulu-Natal coming through if we have 72 million tons leaving through Richards Bay per year. Why must all the BEE deals go to Gauteng and to Eastern Cape when in fact our province is the one that is actively exporting this coal?

KwaZulu-Natal handles 97% of the country's coal exports, 97% of the country's coal exports, but then you will see as I am about to illustrate to you now, there is not a single black grouping from KwaZulu-Natal that has been given access to this 91 million tons. Let us look, hon Minister, at the BEE groupings that just on 10 May 2007 were given rights to export through Richards Bay Coal Terminal: The first one, African Rainbow Minerals (Pty) Ltd owned by Patrice Motsepe – he is not from KwaZulu-Natal. Yomhlaba Resources Limited owned by Royal Bafokeng Capital, you know, also not from KwaZulu-Natal but they have got the access to Richards Bay Coal Terminal. Mmakau Mining (Pty) Ltd owned by Bridgette Radebe, sister of Patrice Motsepe.

Now if you look at all these companies that just now have been given the concession to Richards Bay, collectively they will be exporting 4 million tons per year of coal. Now in the IFP we talk about distribution and economic growth and BEE, it is therefore a sad indictment on the department if there is this skewed distribution of wealth and skewed distribution of resources and the number of players. We can focus on electricity, we can focus on energy, we can focus on water and sanitation, but if we ignore the goose that lays the golden egg, which creates wealth in this province, which wealth is now being taken by people in Gauteng and Eastern Cape, then we will be letting down the very same people who have put us here in this parliament.

Therefore we raise these issues, Minister, because they fall under your direct line function and we raise these issues because to us as members of this legislature, it is unacceptable that KwaZulu-Natal is referred to as the darkest province when we have so much wealth residing in this province.

Just now you have titanium that has been discovered in KwaMaphumulo, but the number of flights coming in from Johannesburg already tells you, you know, that it is people from Gauteng who have those rights. And when we were speaking to Inkosi there yesterday, local people who want to be involved with what you call geological reports, but all the geological reports for KwaZulu-Natal are based in Pretoria and it is only people with limited access such as Mmakau Mining and African Rainbow Minerals, who have access to those geological reports.

So we therefore find your visit to KwaZulu-Natal today, Minister, a blessing in disguise because we know through your intervention we will begin to see more companies coming from KwaZulu-Natal because the labour there is from here, but why then should the spoils of labour and why should the profits then be shipped out of this province? Through your intervention, Madam Minister, we know that BEE as you are implementing in your department - because even if you go to Northern Cape and many other provinces, we are seeing the fruit of that, but we are saying let the citizens of KwaZulu-Natal also then receive the dividends of democracy.

We are saying let them also taste the fruit of their freedom because they have the resources in their own province. Therefore while we will continue to look at issues of electrification, we will continue to look at issues of sanitation and water, let us not forget a sector which is exclusively now being controlled, being managed by people who come from outside this province. It is precisely for this reason why even in 1994 and 1993, among other reasons, the IFP strongly advocated for provinces because we can begin to say as people of KwaZulu-Natal, you must share in your own wealth.

The ANC loves to talk about the Freedom Charter. They talk about all these things, but they must pay lip service to that. [Interjections] We are saying that now they must begin to implement and not see all the wealth going out of this province whereas we in the province are the ones - no, I do not have a copy of the Freedom Charter - but I am saying here, Minister, through your intervention, we hope you will pay particular attention

to the Richards Bay area because if we had to go there even tomorrow and we go to the airport to see the flights coming in, they are all from Johannesburg and they are going to RBM, they are going to Richards Bay Coal Terminal. [Time expired] I thank you, Mr Speaker.

**THE DEPUTY SPEAKER:** Hon Buthelezi, we thank you for your very, very academic contribution, you reminded me of my university days. The next speaker to deliberate is hon Mari from the Democratic Alliance, for seven minutes.

**MR G MARI:** Thank you, Mr Speaker. Firstly, may I take this opportunity to welcome the hon Minister to this House.

It is encouraging to note that the hon Minister is aware that KZN is the third poorest province and also has the highest backlogs thus her intervention making available funding to the darkest province.

Hon Tarr has actually hit the nail on the head in his address that Ethekezi has delivered the biggest percentage of electricity to its consumers. This success is clearly attributed to the effect that Ethekezi has been the distributor of electricity and not being run through a regional distributor.

We must move away from the big state utilities and let municipalities become the distributors of electricity. In this context, I want to elaborate on the government's decision to establish REDS in this country and its impact. Right now there is an attempt by government to extend the state control of electricity.

Government is so determined to remove the present control of electricity distribution from municipalities and place it in the hands of a centrally-controlled bureaucracy called the Regional Electricity Distributors (REDS). If this is allowed to happen, it will undermine municipal finances as well as cross-subsidies to the poor and public oversight will be lost. Furthermore it undermines the Constitution which provides for electricity reticulation at local government level. Numerous metros and municipalities use income generated by the sale of electricity to cross-subsidise electricity tariffs to poorer communities as the equitable share is totally inadequate to provide free electricity to the indigent as well as provide infrastructure to extend services like electricity water and sanitation to peri-urban and rural areas.

Furthermore this move will not only be expensive, but also less efficient and will result in higher tariffs. It is now more than ten years since government committed to a natural tariff structure by merging the distribution assets of the state's electricity utility, Eskom and the 180 municipalities, licensed to sell electricity. The Democratic Alliance supports rationalisation of electricity distribution that will usher in an efficient municipal electricity provider but not in the form of a huge state controlled utility full of bureaucracy like the REDS, but rather a decentralised municipal entity which will meet the requirements of our Constitution.

[Hear, hear!]

It is regrettable that the government has failed to pass enabling legislation and reneged on its commitment to REDS as municipal entities. It is common knowledge that the state's utility, Eskom, has for the last two years has experienced problems of supply and that can ultimately be traced to inadequate advanced planning in the face of the country's economic expansion and a demand for electricity from new consumers.

What is more astounding is that government is still persisting, not only in maintaining the inefficient and expensive monopoly, but pressing ahead with a system of centrally controlled regulators as public entities which will both remove local oversight and undoubtedly will increase cost to the consumer.

The Democratic Alliance believes that REDS will retard rather than improve the delivery of electricity. I say this because firstly this will cost the consumers. These regional distributors will be expensive to run because of the start up cost, generally regarded as being around R2.5 billion. This money will have to be recouped from users and in this context it will be unlikely that electricity will be cheaper.

There are other serious implications apart from property rates income. There are very few other sources of income for municipalities to sustain themselves. Electricity is one of the key areas where municipalities generate income that could be used to cross-subsidise the cost of basic services and support indigence policy for the poor.

The Minister of Mineral and Energy, hon Buyelwa Sonjica recently said that municipalities will be able to retain the revenue generated by electricity sales, but she fell short by saying how this would be done and how she plan to reconcile this concession

with the need for equity. Clarity is sought if the municipality will receive the same income, I think not.

Mr Speaker, so what is the solution? The DA believes that municipalities should have the responsibility for electricity distribution as mandated by the Constitution, therefore the DA suggests REDS must be made MEDS which is the Municipal Electricity Distributors structured as multi-jurisdictional service districts that would co-operate to find workable and affordable solutions to power challenges and would obviate the need for expensive new bureaucracies or duplication.

The DA also believes that we need a comprehensive plan to upgrade ageing distribution networks and implement a well-structured maintenance plan for the electricity distribution sector. There is no point in building new power stations if energy cannot be reliably delivered. It is for this reason that the DA coalition run Cape Town Municipality pulled the plug on the country's first Regional Electricity Distributor. It became clear that this pilot project was a risky venture and will not deliver sustainable, affordable energy supply that will be accessible to all by 2012.

The Local Government's Portfolio Committee recent visit to municipalities highlighted the lack of bulk infrastructure as something that was the cause for non-delivery of electricity to households in the area. The Minister has indicated that new bulk infrastructure funding is going to be made available to deal with these backlogs and we welcome this, but in order for electricity to be acquired it must be affordable. Therefore we suggest that municipal entities must be able to deliver electricity rather than huge state run bureaucracies like the REDS. Thank you.

**THE DEPUTY SPEAKER:** Thank you, hon Mari. We do not see the hon Downs in the House and therefore proceed to the next speaker, hon M Sithebe for ten minutes.

**MR M SITHEBE (ANC):** Thank you, Mr Speaker ...

**THE DEPUTY SPEAKER:** My apologies, my apologies, hon Sithebe. What has happened here? Apparently we must now call the speaker who is from the MF, hon Rajbansi. My apologies to you MEC, it is your turn for eight minutes.

**MR A RAJBANSI (MEC for Sports and Recreation):** Thank you, Mr Speaker. Firstly, I want to convey my best wishes to our hon national Minister in charge of electrification,

and general energy. I was very, very impressed with the hon Mr Buthelezi, who was actually echoing what the hon Premier has been doing recently and that is the KZN alumni, asking people to come back to KwaZulu-Natal. It also implies that the benefits also must come back to KwaZulu-Natal. You should also have extended this, because we need energisation of our sports fields and you should have suggested that some of the BEE benefits go to the PSL teams so that they can also rise to great heights. I have suggested to some sponsors of major teams in other provinces that we need some tonic for KwaZulu-Natal and I would like the national Minister to know that their response was there are no big mining houses in KwaZulu-Natal.

The Minister is also in charge of energy, all energy and Sasol has announced a major, major BEE programme. Let us hope. There is a nice phrase: Let the margarine spread throughout the bread. You must ensure that benefits goes in the direction where the need exists the greatest.

When the hon Minister was speaking we could see the energy flowing from her. She has really energised this province and she has lit this province to such an extent that the brightness will remain in this province for a considerable period of time and here I want you to know that we have a very knowledgeable and energetic MEC in charge of electrification. Legally we do not have one, but he is a *de facto* minister of electrification.

There is a long debate for a considerable period of time about the history of municipalities dealing with distribution. We must study two differential tariffs. Before Ethikwini became a metro, Durban was a regional distributor of electricity and those who were outside the municipal boundaries were punished to increase the rates revenue of the old Durban Municipality. There was, what was called in-city tariff, which was reasonable and there was an out-of-city tariff where neighbouring municipalities who were serviced by other municipalities suffered a tremendous disadvantage.

The entire theme of the Minister's address was universal access to electricity, but I also want to suggest that we have a very good debate about alternate forms of energy. In certain countries the sun, irrespective of the usage of petroleum, there are certain new inventions that have come out where you might not have to move a motor car with petroleum. We must look at that. We must look at other forms of energy. You know, that will save our foreign exchange. What is happening in Brazil, what is happening in the

Western Cape and in the United States for example, and the viability thereof? There are also arguments for and against alternate forms of energy.

The thing about this province is that there is a tremendous emphasis on priority being given to rural areas so that nobody can complain, irrespective of whatever tag the area carries that development is being spread far and wide. When you study the Minister's programme and also given that other structures that ultimately by 2012 the entire KwaZulu-Natal will be electrified. I think, the good news that will percolate throughout the province from today is that in two years all our schools will have electricity.

May I also make an appeal? Electrification contracts are very, very huge from the sporting side, that the hon Minister could lay a sporting condition to say wherever electrification have been effected could they divert and put two or three lights at sports fields so that people can have floodlights at sports fields which we can develop free of charge.

On the question of BEE, I want to repeat that Sasol is a very, very major project and even if they want to build another Sasol, if consideration being given to that, do not forget KwaZulu-Natal. KwaZulu-Natal as we have said in the earlier debate has a history of neglect. We want to ensure that in respect of other provinces, the playing field is being levelled.

I know through figures given by Mr George Murray that most of our connections has been in the Durban Metro area. However, remember this, that we are measuring the backlog against presently constructed hobs and would energise MEC in charge of Housing and a very good national Minister of Housing. Our provision of housing delivery is going to increase so that when the housing delivery is going to increase your goal posts as far as backlog is concerned will be shifted far and wide. We must plan for that.

You see, when you look at certain countries that have had a history of imbalances, look at India for example, you are going to have problems.

When we look at sports events, when the Sharks were playing the Lions recently there was a limited power failure. The referee decided to carry on and it benefited the Sharks. They scored two tries. I want to make an appeal. I want to make an appeal. When Pakistan played South Africa, there was a power failure for two hours during the cricket

match.

We are very, very heartened. We are very, very encouraged. I told the hon Minister earlier on that the Lord has given, the hon MEC for Health will agree with me, that the Lord also has given the human body electricity. It is called electrodes, but we take it from the sun and the sun and the wind in certain countries play an important role. LP gas which you refer to is very, very important. It is going to be the saviour. Thank you.

**THE DEPUTY SPEAKER:** Thank you hon Rajbansi. The next speaker will be hon Downs who is not in the House. I therefore call upon hon Sithebe, for 10 minutes.

**MR M E SITHEBE (ANC):** Thank you, hon Speaker, for granting me this opportunity to speak on this issue. It is my honour to speak on the important matter which is precipitated by the apartheid legacy, the socio-economic environment is entirely skewed, it favoured less than 13% of our population.

We have registered numerous grievances through our programme of "Taking Parliament to the People", which depicts a bleak side of things that engulfs the African population in particular. The service backlogs are in the main located in areas that were under the Zulu government jurisdiction and relatively those that were under the Natal Provincial Administration.

Mr Speaker, I need to congratulate this august House for having the foresight of forging the spirit and letter of co-operative governance. Today we have a National Minister in our midst, the first of its kind to be practised in this House. The venture seeks to promote interrelation and interdependency which reinforces the vigour to accelerate service delivery.

It is important to note that all the issues that relate to service backlogs which date back to time immemorial, are to be addressed by the pertinent National Minister through our transformed legislature which is grounded on democratic values and ethics.

Basically issues of electricity and water are major problem areas in the province and the country. The obvious observation is that delivery capacity is questionable.

Most of the reports from constituency offices and speakers in the people's Parliament, reliably informed and reported the discriminatory selection that is used in the reticulation

process of electricity which undermines section 9(3) of the Constitution which reads as follows:

*“The state may not unfairly discriminate directly or indirectly against anyone on one or more grounds, including race, gender, sex, pregnancy, marital status, ethnicity or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth.”*

We need to ensure that there is no electricity reticulation which is informed and influenced by party allegiances. It must be purely on the basis of transparency. The information should at all costs be disseminated to affected communities as per section 32(a) of the Constitution.

[Interjection.]

I am telling this to whoever is not observing, what is enshrined in the Bill of Rights of our country, so, that is what we seek to address here.

Everyone has the right of access to any information held by the state. The issue of electrification in the province is getting urgent attention in the post 1994 era. At least the ANC led government is entirely committed to better the lives of all the people in the deep rural areas that are now confident of a prosperous future. It is no longer regarded as a mirage to have electricity. The ANC led government brought about hope to all people of the province and the country. [Hear hear]

We need, Madam Minister, to set up a mechanism to monitor closely the electrification process so as to accelerate service delivery. People of the province are having and pinning hopes on the government of the day.

It is important to note the big relief that you have brought about through the electricity restructuring process in order to provide tariffs that are affordable to all end users of services. We need just to join the Minister to assist by completing the restructuring of electricity to REDS in order to enable those municipalities without the necessary capacity.

The ANC-led government decided to set up wall-to-wall municipalities in order to provide service to all people of our country. We seek to deal a serious blow to service backlogs

which were created by colonial apartheid and its surrogates in the former Bantustans and semi-Bantustans.

I think I need also here to point out on a few issues that were raised earlier. My hon colleague, Mr Buthelezi, I think you are 100% right when you begin to talk about clause 3 of the Freedom Charter which deals with the whole question of redistribution of the wealth of the country, but that very same clause of the Freedom Charter, that Freedom Charter is a Freedom Charter of the entire people of South Africa because we are talking of one South Africa and it would be quite important that we strike a balance when we are dealing with these types of issues because if we see ourselves as people that are residing in an exclusive area without really tapping into human resources that we have and other material resources that we have in our country, that would also work against us. I think it becomes important that we are able to strike a balance when it comes to that, but in any event I think it is quite good that we have a Charterist on that other side as well.

One other issue that we also need to look at very seriously when it comes to the issue of mineral resources that we still have in evidence in our own backyards especially in the province, is the whole issue of coming to track and doing some SWOT analysis as to whether we have managed to really transform that industry so that we are able to track that Black Economic Empowerment is actually adhered to. I think that is an area where we should actually try and adhere to it and track very closely that we are trying to transform the economy that is found in our mineral resources. So, that is an area that I would actually agree with my learned colleague, hon Buthelezi, on that particular aspect.

However, Minister, through you, hon Speaker, I think we are quite convinced that the challenges that the Minister in fact depicted before us, clearly it shows that there is a lot of work that is there because we were not going to identify the backlogs as to what is the backlog at Ugu. At Ugu it is 73 187, at Umkhanyakude it is 70 563, at Uthukela it is 56 886 and that alone tells us that at least we are beginning to work on this type of redressing all these backlogs that we have inherited from the apartheid and colonial legacy that we have inherited and we are quite convinced as the ANC that together we would be bettering the lives of our people as we go on to forge a partnership with our people in terms of trying to build a better future for our people in the province and in the country. Thank you, hon Speaker.

**DEPUTY SPEAKER:** Thank you Hon Sithebe for your contribution. Our next speaker will be the hon iNkosi M Z Mthuli for 10 minutes. [Ndabezitha!](#)

**INKOSI M Z MTHULI (NADECO):** Thank you hon Speaker, I would like to thank you and your House for the opportunity that you have given us today. We call it [yithuba elingajwayelekile](#). Mr Speaker in particular hon Speaker, I also thank the hon Minister for the sound speech she delivered before us this afternoon.

To us the citizens of this province it looks as if [kuzosa sesikhanyisa ngogesi sonke lesi sifundazwe sakithi KwaZulu-Natali ngenxa yokufika kukaMhlonishwa](#).

Uma u-President ekhuluma ngogesi, ekhuluma ngo-2012 siye sibone kahle ukuthi noma kanjani siyobe sesinawo ngalezo zikhathi. Kodwa-ke ngoba sesibonile ukuthi enkulumweni yakhe umhlonishwa uMengameli siyabona kufika oNgqongqoshe esifundazweni sethu. Kuyakhombisa ukuthi ngempela ukufika kukaNgqongqoshe sekuzo-implimenta lokho okushiwo uMengameli. Ngakho-ke kuyasithokozisa lokho kakhulu thina balapha KwaZulu-Natali.

Ukufika kwakho mhlonishwa kuzoxazulula inkinga yokwesweleka kwama-substation okuyiwona ayimbambezela enkulu ekufakweni kombani kwi-province yakithi. Lokho okudala ngaso sonke isikhathi ukuthi kube khona i-*incomplete job*. Uma ngisho njalo ngichaza ukuthi kukhona izindawo ezifakelwa ugesi, zithi sezifakelwe ugesi uzwe kukhala abangaphambili ukuthi kazi kwenzenjani kuthina na? Kanti namandla kagesi awasekho ngenxa ye-substation ukuthi leyo ebikhona amandla awo amumathayo angeke asakwazi ukuthi amumathe umthamo walawo mandla kagesi kulabo abazofakelwa ngaphambili. Ebese uthola ukuthi-ke umsebenzi awusaphelanga.

Inkinga ebhekene nomasipala inkulu kakhulu ngoba amanye amawadi awanawo kwasanhlobonhlobo ama-substation. Ngakho-ke kuyobe kulukhuni kwasatshe ukubona ukuthi ungayifaka uyithini indaba kagesi kwi-IDP wazi kahle ukuthi kunamawadi angenawo nhlobo ama-substation. Kodwa-ke uma abantu bekhala bakhala kube sengazuthi umasipala awubanakile kanti ubanakile, inkinga yama-substations awekho ngempela kuleyo ndawo asuke edinga ukufakwa ukuze omasipala bakwazi ukuthi badlulisele ugesi kubantu.

Somlomo, ukuvakashelwa umhlonishwa Wezokumbiwa Phansi kuzosishiya nelikhulu

ithemba lokuthi isifundazwe sakithi ngelinye ilanga kungekudala siyohlomula ngokushesha ngasohlangothini lwezombani ikakhulukazi ngoba ubehamba naye ohloniphekileyo ophethe umnotho wakithi eNingizimu Afrika. Ngiyabonga.

**DEPUTY SPEAKER:** Sibonge Ndabezitha, the next speaker will be hon B. J. Msomi for six minutes. *Nomndayi.*

**MR B J MSOMI (UDM):** Angibonge Somlomo, ngiqale ngokubonga nami uNgqongqoshe umhlonishwa uBuyelwa Sonjica ukuthi asivakashele namhlanje. Nombiko-ke asithulele wona la ocacisa kahle ukuthi ama-programmes umnyango onawo yimaphi ngokufakelwa kukagesi kulesi sifundazwe sakithi. Ngiyafisa futhi ukusho ukuthi isikhathi azibekela sona kufakelwa ugesi ezikoleni zakithi ngibona kuzoba yinto enhle kakhulu leyo nokufanele siyibonge thina kulesi sifundazwe ngoba izikole ezingenawo ugesi uyathola ukuthi zinobunzima ekutheni zikwazi ukunika ezinye izifundo ngoba zidinga ugesi.

But kule nkulumo yami, ngifuna ukukhuluma njengomuntu wasemakhaya nokhulele emakhaya. Ukuthi bengilindele kuNgqongqoshe ukuthi usazoke akuchaze kamuva futhi ukuthi kukho konke osekushiwo kungabe kuzokwakhiwa ama-substations, kuzoba nezindawo njengalezi ezikoMkhanyakude no-Pomeroy, koMsinga kanjalo ezizoba nama-substations. Kodwa ngabe-ke kuthiwani ngalaba bantu abasemakhaya othola ukuthi imizi yabo igqagqene. Othola ukuthi omasipala bathi ngenxa yamandla amancane abanawo ngemali esuke ikhona, abakwazi ukulekelela le mizi ehlukene eyakheke ngokuhlukana *ezilalini* noma emakhaya ngoba izindleko kade ziba nkulu.

Uthole ukuthi abantu bakithi ngezizathu ezibambekayo nangokuthanda futhi izindawo zabo ngamagugu abo abakwazi ukuzishiya lezi zindawo. Ake ngilinganise nje la kithi akulula ukususa nje umnumzane omdala uthi akahambe aye kwenye indawo ngoba kunamathuna la, kunazo zonke izinto eziyigugu zalowo mndeni. Uma laba bantu abanjalo esikhathini samanje befuna ugesi, uthola ukuthi iningi kakhulu imali okufaneleke bayifake. Kuthiwa abahlangabeze ugesi. Abanye kuze kuthiwe o- R15 000, abanye o-R 8000 ngoba kubalwa amakhilomitha. Mangaki amakhilomitha azosuka la kunogesi khona kuze kuyofika lapho? Kanti mina ngokwami, ngibona ukuthi uma kungaba khona iqhinga elenziwayo laba bantu abafana nalaba bakwazi ukusizakala, ziningi izinkinga esingazibiza ngama-*challenges* ezingaxazululeka uma kulezi zindawo ezifuna intuthuko ihamba kancane kuzona ngokuba kude kwazo kunezinye izindawo,

uma zingase zisizakale.

Ake ngiqale ngilinganise nje ukuthi uma kungafakwa ugesi kuleziya zindawo, bangancipha abantu ababalekayo baye emadolobheni. La ekubonakala ukuthi umhlonishwa uNdiyema angasizakala khona ukuthi imijondolo idalwa ukuthi abantu abayiboni intuthuko emakhaya. So-ke abantu uhulumeni kumele abheke ukuthi kungabe uletha intuthuko noma uyisa intuthuko lapho kunabantu khona yini kuqala ngoba nginesiqiniseko sokuthi leya ndawo yakithi uma ingafaka ugesi baningi abantu abangabuya emadolobheni bayohlala khona.

Okwesibili, izingane lezi ezihamba amabanga amade zidinga ukuthi zihanjise ngamabhasi nezimoto namaveni - njengoba uNdosi ekhala zonke izinsuku ukuthi izingane zilayishwa ngamaveni. Kungaphela lokho uma ngase lezi zikole ezisemakhaya nezindawo ezisemakhaya zibe nezingqalasizinda nogesi. So bengingajabula mina uma uhulumeni nomnyango kamhlonishwa ungake ukubheke ukuthi bangalekelelwa kanjani abantu abasemakhaya ukuthi nabo bakwazi ukuhlomula ezinhlelweni zentuthuko esikhuluma ngazo kulezi zikhathi, la sikhuluma khona ngokuthi wonke umuntu wala e-South Africa kufanele azuze ngenkululeko esiyitholile ngoba ngiyakusho nje lokhu ukuthi laba bantu engikhuluma ngabo, abantu abasayizwa ngendaba inkululeko, abantu abasayizwa ngendaba intuthuko ngenxa yezindawo abahleli kuzona.

Akukhubazi kuphela-ke endabeni kagesi, ngisho ukwakhelwa nje izindlu uthola ukuthi la bekhona kuthiwa umgwaqo awukho abakwazi ukwakhelwa izindlu. So bengingajabula-ke uma umnyango ungase ubabhekelele laba bantu engikhuluma ngabo ukuthi akube khona phela ukubahlangabeza ukuthi uhulumeni akube khona imali ayifakayo ethe xaxa ukuze bakwazi ukuthi bathole ugesi.

Okwesibili mhlawumpe bekungaba kuhle-ke kodwa siyacela usukhona lo mthetho olawula ukusebenza kokufakwa kukagesi ngoba abantu akuve benenkinga. Kuqala uke uthole ukungazi ukuthi kungabe umasipala noma u-Eskom ozobafakela ugesi. Kodwa-ke lo Mthetho esisanda kuwuphasisa-ke ngiyathemba ukuthi leyo nkinga isixazululekile ukuthi uma u-Eskom uzokwazi ukuthi umsebenzi wakhe ufikaphi nomasipala futhi uzokwazi, namakhansela azokwazi ukuthi uyini umsebenzi wawo ekufakweni kukagesi.

Yilokho Somlomo engithi angikuphawule kakhulu ngoba ngiyakubona ukuthi kuyinkinga ikakhulukazi kulezi zindawo ezisemakhaya. Kunento abayithandayo okuyintuthuko

[kodwa engakwazi ukufika ngenxa yezindawo abakuzona. Ngiyabonga Somlomo.](#)

**THE DEPUTY SPEAKER:** [Siyabonga Nomdayi. Isikhulumi esilandelayo umhlonishwa R. E Keys we-Democratic Alliance](#) for four minutes.[Thank you, Nomdayi. The next speaker is hon R E Keys of the Democratic Alliance for four minutes.]

**MR R E KEYS (DA):** I thank you, Mr Speaker and I would like to thank the Minister for the presentation to this House. I was a bit confused, however, when the hon Sithebe was quoting figures and I was looking at the statistics presented by the Minister and the hon Sithebe said there was a 55 000 backlog in Ugu but according to the Minister there is 255 000 and I think that there is a need to ... [Interjections] What also is important is as a province we went to Uthukela, Umkhanyakude, Umzinyathi District Municipalities and according to this information, the problem is in Ugu, so the backlog is much worse in the south than in the north but our parliament went jolling around in the north.

[Interjections.]

Mr Speaker, I would say at the outset, centralising REDS is a communist plot, the name says it all, REDS! This centralising tendency by the NEC of the ANC is a vote of no confidence by the national ANC comrades against their provincial and municipal comrades. You cannot do the job, so big brother comrade will do it for you - Napoleon is right. Napoleon is always right.

Let us analyse a few examples:

- We witnessed the removal of some functions to national that were performed by the provincial Welfare Department, the payment of grants – according to national, their comrades could not do the job so let us give it to an agency to take it over.
- The attempt to centralise municipal police under the SAPS despite the fact that they are paid by ratepayers, to implement municipal bylaws.
- The investigation to establish a single public service – sorry guys, big brother wants control of your employees in the province as well as in the municipalities.
- There is an absolute addiction to the centralisation of power – Napoleon must be right.

- Then we have the saga of the provinces. Napoleon wants to do away with the provinces, not because it would be less expensive, but because he cannot tolerate others exercising power.

While this debate rages on, our ANC comrades on that side of the House continue spending hundreds of thousands on a feasibility study on the relocation of this Legislature to Town Hill and hundreds of millions on facilities of this House before we even know if this House is going to continue to exist. But then again, Mr Speaker, Napoleon is always right.

The picture gets worse. Over the years the power stations have been decommissioned and parts of those power stations have been sold to other countries, sold to the United States, sold to the United Kingdom. An example of this is the Ngagane power station in Amajuba. Part of this now stands as a silent memorial to the crazy decisions of closing down power stations. Along with that, came down the closing down of the mines and the loss of thousands of jobs and now Eskom has been instructed since 1994 to suspend the construction of power stations. Now while the demand of electricity was increasing, the supply stayed stagnant. Instead of building power stations to keep up with the demand, it was kept stagnant. Therefore it is like making babies without the resources to raise them, but Napoleon is always right and woe betide those who dare cross him.

The DA is clear, let the people decide, let the people on the ground decide, it is the people who will govern – part of the Freedom Charter, “*Let the people govern, let them decide*”. [Interjections] [Time expired]

**THE DEPUTY SPEAKER:** Hon members, order, order. Hon members, order. We thank you, hon Comrade Keys, for your contribution. [Laughter, interjections] The next speaker will be hon Inkosi Mdletshe, for 10 minutes.

**INKOSI B N MDLETSHE (IFP):** Hon Speaker, hon Minister of Mineral and Energy Affairs, hon members. Energy including electricity – is considered to be a vital need to humanity which enhances both their human and economic development. It contributes not only to the improvement of education, health and living conditions; but also to generation of wealth.

KwaZulu-Natal – like the whole country – is on an intensive campaign to generate wealth

for the empowerment of its residents especially those previously denied access to the wealth of the country. It is however, a sad reality that our province is a tale of two cities as it were.

On one hand, one is attracted to the glitter of bright lights, to richness and luxury in the major cities of KwaZulu-Natal. But travel just a short distance from these developed areas, and you will come face-to-face with poverty. You will be confronted by rural communities groping in darkness, with connection to the electrical grid being a far-off dream. Let it be said, lack of electricity is particularly damaging to KwaZulu-Natal's rural schools. Yet we expect education to lead our drive towards the realisation of the dreams of the 21<sup>st</sup> Century.

This is the background against which I rise to contribute to the debate on the address by the Minister of Minerals and Energy Affairs. I urge that as long as no action is taken now to address these glaring imbalances, our Province cannot see the light of the day when all poverty will have been banished from our midst.

The fact of the matter is that KwaZulu-Natal is way behind in terms of the backlogs, not only in the provisions of electricity but also in development generally. One is asking oneself if the current government is also playing the same game as was played by the Nationalist Party government which ensured that this Province remained in a Cinderella position. If not, then I would like to hear from the hon Minister as to what formula government has to address this backlog. After all, the New National Party ended absorbed by the ruling party so they share their policies as heir of the National Party.

It is a fact that government through Eskom has electrified some rural parts of the province. But what concerns us is that when one compares the capacity of the electrical power supplied to rural communities with that supplied to big cities, one finds that the capacity for rural energy is low. In most cases, electricity supplied to rural communities goes off at the slightest disturbance as hon Minister you have witnessed that. When the wind blows for instance, you must be on alert for it is very likely to disturb the power supply.

[Mhlonishwa, uma ngingase ngikuxoxele indaba enkulu, kudlula nje i-truck, idlulile nje kanye usucimile ugesi kithina asisenagesi.](#)

This scenario then gives rise to feeling that government or Eskom is biased towards urban areas. One other example which strengthens this perception is found in the case of uMsinga. Eskom has decided to divide uMsinga Municipality into two areas, that is, Greytown which is nearer Pietermaritzburg and Tugela Ferry or Pomeroy, may be for purposes of improving service delivery. But the irony is that while the Greytown/Pietermaritzburg power has been upgraded, Tugela Ferry and Pomeroy has not. The effect of this situation is that, while the power of the Greytown/Pietermaritzburg side is capable of handling the energy demands, uMsinga is struggling to meet its current demands, let alone the future demands. This says, for instance, that as the Municipality is about to move to new offices, they will go without air conditioning just because the electricity cannot cope.

The remedy to this pathetic situation lies in the Eskom giving serious attention to building substations in deep rural areas so as to boost the infrastructure currently available.

*Angibonge mhlonishwa ngoba ngibonile laphaya ku-page five we-speech sakho ukuthi ukhuluma ngazo zona lezi zindaba. Nami bengihlele ukukhuluma ngazo. Okusho ukuthi usizi siyalwazi, sobabili sicishe silwazi. [Thank you hon Minister. I see that on page five of your speech you are raising all these issues. I had planned to raise same issues as weel. This therefore means you and I have one thing in common, we share the sorry plight.]*

Another issue that is of concern is the perception that some members tend to project government projects and taxpayers money as privilege or favours dispensed by political party.

I say this because I have witnessed a situation where a delegation consisting of exclusively members of the ruling party went out to one community at uMkhanyakude District to promise that community that what they referred to as a special project which would help them electrify about three hundred houses. The question that came to my mind when I heard that was: From which budget? Were they going to fund that project from their own pockets? Or, did they have a donor?

Sadly, up to now nothing has materialised. In the same uMkhanyakude District, there is an undertaking for working together between the District municipality and Eskom to implement the IDP's. But time and again Eskom comes up and initiates the so-called

special projects which are outside the parameters of the IDP and which carry party-political undertones. Now some communities ask themselves whether Eskom is there to help speed-up the service delivery or it is there as a tool to advance the fortunes of the ruling party.

Three years ago, the uMkhanyakude District Municipality approached the Department of Energy and Mineral Affairs with the request for the department to utilise the Mbazwana multi-purpose centre as a supply base for gas, which would benefit communities. The department agreed to that request and there was an undertaking to have that project done. It is unfortunate however, that up to now, this moment, the department has not honoured its undertaking.

Mr. Speaker, we here understand very well that this department is a national one. But even though this is a case it is a fact that the same department operates within the provinces, and it operates among the very same communities we are representing. What concerns us therefore is the fact that there is no effective communication between this Legislature and the officials of the department. While they have all the right to move and work among the communities, I believe it is however proper that the left hand must know what the right hand is doing. I suggest therefore that there should be a mechanism to keep each other informed of what is happening on the ground.

Mr. Speaker, the government has at some stage pronounced that the supply of energy, and particularly electricity, was to be devolved to the municipalities. I have seen that in the Minister's speech, we applaud that thinking on the part of the government because municipalities are the sphere of government that is closest to the people.

At the end, I want to address the issue [ethinta ilungu elihloniphekile uSithebe](#). You see hon member, Mr. Sithebe, [mhlawumbe awukaze ulaliswe phansi. Amagama lawa aziswana kube sengathi sizithutha asizwa ukuthi ukhuluma ngathi, ayingozi kabi kabi. To call us surrogates, yingozi embi kabi kabi leyo. Yiyo le nto eyaqhatha leli zwe laKwaZulu-Natali ngoba angazi noma uSithebe wayekhona yini noma wayeboshiwe ngaleso sikhathi. Because these are the words ayingozi kabi kabi lungu elihloniphekile Sithebe. Kufanele uwaqaphele silungise izilimi zethu siyakha la kulesi sikhathi samanje.](#)

[Lastly, there is - ukungena laphaya eSisonke mhlonishwa, eMzimkhulu, kwenze ukuthi i-backlog ibe nkulu. Ukungena kwalaba bantu abaqhamuka eMzimkhulu. Now you have to](#)

look into those matters positively because you find that i-document ayikhiphile umhlonishwa ikhuluma ukuthi iSisonke i-backlog iphansi iwu-68000, kungenzeka ukuthi laba bantu abangenile beqhamuka eMzimkhulu will increase that backlog. We need to look into those matters sibone ukuthi yini engenziwa ukusizakalisa iSisonke.

Somlomo, sengihlala phansi, ngibonga kakhulu. Thank you.

**THE DEPUTY SPEAKER:** Sibonge Ndabezitha ngomnikelo wakho. Siqhubeke sicele manje uNgqongqoshe uMnumzane Mabuyakhulu imizuzu elishumi. Ndiyema.

**MR M MABUYAKHULU (MEC for Housing, Local Government and Traditional Affairs):** Thank you, hon Speaker. In the first instance, I think we have immensely benefitted in this Legislature with the presence of the hon Minister here. Indeed her presence has been very valuable to us, in sharing with us what the department of DME intends to do. More importantly, in highlighting major issues around the question of electrification and where we are going as a country led by the government that is led by the African National Congress. Thank you, Madam Minister, for being such an important guest of honour for this Legislature.

We just want to confirm Madam Minister what you have already said to this House, that indeed, working together with you, and together with municipalities, we would want to ensure that we make electrification a massification project. You will primarily be aware that electrification will stimulate both the second economy and the first economy. It is in the second economy area where we are much more concerned because we believe that there is a direct correlation relationship between poverty and under-development as well as the question ensuring that people there do not have access to electricity. If indeed we do provide electricity and electrification in those communities it will improve their lives a very great deal and will give them a better life.

We want to say as well Madam Minister that you will recall that KwaZulu-Natal has a comprehensive plan. We invited you when we hosted in 2005 an Electrification Summit and through that summit, we were able to develop a very comprehensive plan in terms of what we think should be done in this province. What we want to agree with you though, is the fact that we believe very strongly that indeed for us to be able to deal with the huge backlogs, as we are the least electrified province, we do need to be able to work together and ensure that we indeed turn the corner by ensuring that the elements

of the electrification summit working together with yourselves and the municipalities and all stakeholders, are able to be implemented.

I want to say, Madam Minister, that as you have reflected in this presentation here by the officials, we do have a huge backlog in KwaZulu-Natal around electrification and indeed we think that when the cake is cut, an appropriate slice of the budget shall be allocated towards redressing this imbalance in ensuring that KwaZulu-Natal indeed does actually catch on and we are able then to be able to have an appropriate electrification which actually matches, comparatively speaking, with the other provinces.

Therefore, it is true that in the 2006/07 financial year, municipalities in this province have done their best and of course we do concede the fact that in some instances the issues of capacity may have hampered the abilities of municipalities. However, I must say Madam Minister that a total of more than 37 000 electrification and connections were done in KwaZulu-Natal by respective municipalities. This indeed clearly indicates that if we can augment their capacity and give them more additional resources, of course working together with all other stakeholders, we can turn the tide. Madam Minister, I think all of us would concur with the hon member, hon Buthelezi, when he is dealing with issues around empowerment and transformation in the energy sector in general. I think, however, in raising the fundamental and pertinent issues, they should not be raised and be camouflaged in a pseudo-political intent. They should be open and direct because they should be dealing with the people of KwaZulu-Natal.

What is unfortunate is an insinuation that has been perpetuated over a long period of time that people who are outside of this province who happen to be able to get business transactions they do so because they favoured by the ruling party. It is important for us to dispel that myth and demystify it here and now. Secondly, we must be able to take an issue of why people are so against black economic people who are emerging, yet they actually do not say anything about the very white capital that have consistently benefited and we do not hear any noises made about the white Van der Merwes, the Keys and many others who are benefiting and the process of transformation that the government is embarking upon is to simply say we must ensure that the economic spoils of this country are evenly distributed to all the people of South Africa. Therefore we do agree that the issue raised by hon Buthelezi is a valid one. The unfortunate part is that it is camouflaged, but being valid, is valid.

Let me then turn to the issue as well, that the DA says they do not support. We fully support the issue of the REDS because the REDS are not about the red flagging about a communist plot that is emasculating provinces and emasculating leaders in provinces and in municipalities. It is absolutely not that. It is a figmentation of the DA's imagination and they suffer from the delusions of their own grandeur. We want to say, that the REDS are dealing with two fundamental things, if I can just summarise it. The first one is a notion of economies of scales and scope. There is no way you can ensure that the smaller municipality which is in a far flung area will ever have the absolute financial capital and muscle for it to be able to have a roll-out and invest in the roll-out of electrification quickly and faster so that it can meet the national target of 2012. So for us to do that it makes perfect sense purely on the basis of the economies of scale that the concept of the REDS must actually exist. It is not about the red flag. It is communist plots. Secondly, we also then believe very strongly that in our own case there is no fear that this debate therefore is about taking away the power that actual rests in various spheres of government like municipalities. The income through the REDS, the income earned by municipalities will still be ring-fenced and protected. It is a matter that we have actively participated in, we have debated it and we are satisfied that municipalities shall not suffer with regards to this.

Let me then deal with the issue raised by the hon Napoleon Bonaparte, the late hon Bonaparte. In the first instance, I must say that Napoleon would be turning in his grave if he had to hear the hon Keys speaking the way he speaks. Napoleon could not have been always right and I think we cannot agree to that. However, it is important for us to be able to simply say this. That the issue we are dealing with here is that the backlogs we are talking about, they emanate from the historical apartheid legacy in which the very DA participated in that system and yet they have got the temerity to come and sit in this House and actually pontificate. Then we think we should actually be kind enough and not insult the integrity of our people.

Let me then deal with the issue raised by the hon Mdletshe. I think hon iNkosi Mdletshe the ANC is not another National Party. There is not any Cinderella approach that is given. You actually would have heard from the Minister that the projects we are referring to at uMkhanyakude, the 50/50 million rands, we are committing R50 million rands in the province and they are committing R50 million rands to electrify uMkhanyakude, which your party could not do in thirty years governing this province. It could not do it in thirty

years governing this province! [Interjections.]

You have not even a single home to show to our people for what you did. We want to simply say it does not augur well when you come here and you make every project looks like a political project. It is not a political project. Why are you so scared that we are a government that delivers? We are a delivering government. For heaven sake you must be very thankful that the ANC governs this province and we deliver to the people of KwaZulu-Natal. [Interjection.]

Hon Speaker, I want to take this opportunity to thank the Minister and to thank those who participated. I thank you, thank you very much, hon Speaker.

**DEPUTY SPEAKER:** Hon members order. We thank the hon Minister for his contribution. Before we proceed to the item of elaborating on the Minister's address, I wish to make two important announcements.

The first announcement is: the Speaker, hon Mchunu, would like to invite all guests to join him for a cocktail dinner in the members dining hall immediately after the adjournment of this hon House. The second announcement is: To all women members of the Legislature, it is no discrimination; it is an ordinary announcement, notice of the CWP launch. members are invited to the launch of the Common Wealth Women Parliamentarians of KwaZulu-Natal branch today on the 13<sup>th</sup> of September 2007, immediately after the adjournment of this House. All women members are therefore requested to stay behind for this purpose after the sitting.

The house adjourned at 16:22.