

UNREVISED HANSARD
NATIONAL ASSEMBLY
WEDNESDAY, 5 NOVEMBER 2025

Page: 1

WEDNESDAY, 5 NOVEMBER 2025

PROCEEDINGS OF THE NATIONAL ASSEMBLY

The House met at 15:00.

The Speaker took the Chair and requested members to observe a moment of silence for prayers and meditation.

ANNOUNCEMENT

The SPEAKER: Hon members, once again, I would like to remind you that the first bow I make is to the mace with the sergeant-at-arms and then the second one is on the right and the third is on the left. I always see a confusion when I am starting ...

[Interjections.] ...

Mr V G REDDY: Madam Speaker, please also bow to the Lord. Please bow to the Lord as well. Thank you.

The SPEAKER: Hon Reddy, we are missing you in the House because you are missing television. Order, hon members. I would like to

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 2

wish hon Des Van Rooyen well as he assumes his new task as the Chief Whip of the Opposition. Order, hon members.

Hon Mondli, can you please take your seat? Chief Whip of the Democratic Alliance, what is your point of order?

The CHIEF WHIP OF THE SECOND LARGEST MINORITY PARTY: Thank you, Madam Speaker. I just want to know if there was an indication that it would last beyond the weekend?

The SPEAKER: Order, that is not a point of order.

Hon members, I would like to welcome hon Van Rooyen, who is not only the Chief Whip of the Umkhonto weSizwe Party but also as a member of the Joint Standing Committee on Financial Management of Parliament.

We have just come back with him, hon Mpapane, hon Clark and other members who are here to the walkabout that we are doing to see progress on the rebuilding of Parliament project. And we want to assure you that indeed a lot of work is being done in the rebuilding of Parliament and the Old Assembly, and also the offices of members which we had to, in agreement with the

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 3

Minister of Finance, rebuild in order to ensure that we have got enough offices for all the Members of Parliament.

Hon members, can I ask ... Turn off the lights I am not sure what is happening. Hon members, it is not loading shedding, it might be loading reduction, but it is not loadshedding.

The only question in the Order Paper today is questions addressed to Ministers in Cluster 4: Economics. There are four supplementary questions on each question. Parties have given an indication of which questions their members wish to pose a supplementary question. Adequate notice was given to parties for this purpose. The members who will pose supplementary questions will be recognised by the presiding officer. In allocating opportunities for supplementary questions, the principle of fairness among others has been applied.

If a member who is supposed to ask a supplementary question through the virtual platform is unable to do so due to technological difficulties, the party whip on duty will be allowed to ask the question on behalf of their member or any other designated member from that party. When all the supplementary questions have been answered by the Executive, we will proceed to the next question on the Order Paper.

WEDNESDAY, 5 NOVEMBER 2025

Page: 4

The first question has been asked by hon Hlazo-Webster to the Minister of Employment and Labour. The question reads as follows, and I quote:

Whether her department conducted any recent assessment or a compiled data on the prevalence and impact of unfair pay practises in the Republic. If not, why not? If so, what do the findings reveal about the scale and causes of pay inequity across sectors, and which groups are the most affected by the disparities, particularly along the lines of gender, race and age?

I have been informed that the Deputy Minister will be answering the question on behalf of the Minister.

QUESTIONS FOR ORAL REPLIES

Cluster 4: Economics

Question 1129:

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N Sibiyi):
Deputy Minister. Thank you very much, hon Speaker. The response to the question is that it is significant to highlight that the unfair pay is prohibited by various labour laws. Unfair pay is

regarded as an unfair labour practice under the Labour Relations Act of 1995. Pay or wages are part of the terms and conditions of employment, and as such, the Basic Conditions of Employment Act of 1997 protects employees against any unfair term and conditions of employment, which is inclusive of pay.

The National Minimum Wage Act of 2018 advances economic development by improving the wages of the lowest paid workers and protect workers from unreasonably low wages. In particular, the Employment Equity Act, EEA, of 1998, as amended, contains specific provisions on equal pay for work of equal value and requires employers to eliminate any unfair discrimination in employment policies and practises, inclusive of remuneration and benefit policies in their workplaces.

Furthermore, section 27 of the EEA requires all the designated employers that employ 50 and more employees to submit annually their income differential statements to the National Minimum Wage Commission, reporting on the remuneration and benefits received by each employee on each occupational level of the employer's workforce. However, to be specific, no recent assessments have been conducted by the National Minimum Wage Council on the prevalence and impact of unfair pay practices due to poor data quality challenges identified in the income

differential data submitted by the employers in the previous year.

The EEA form, which is an income differential data collection tool, has since been reviewed and aligned to the latest EEA amendments and the amendments of the Companies Act to improve the quality of income differential data reported by employers. This revised EEA form was published in April 2025, and the employers are currently submitting their 2025 EEA forms starting from 01 September 2025 until 15 January 2026. Thereafter, the National Minimum Wage Committee will analyse the EEA form data and advise the Minister of Employment and Labour accordingly as mandated by section 27 of the EEA.

There are no findings because no recent assessment has been conducted due to the poor income pay data quality submitted by employers too. It is only the assessment or analysis process of the 2025 income differential data by the National Minimum Wage Committee that any pronouncement can be made on which groups are the most affected by the pay disparities, particularly along the lines of gender and race. Thank you very much, hon Speaker.

Mrs N L HLAZO-WEBSTER: Thank you very much, Deputy Minister. I think what is clear from your response is that while there is

policy and there is law in place, you yourself concede that even the data that is submitted is not of the quality that would actually ensure and that you would be able to stand with confidence to say today that there are not unfair pay practises that are taking place.

Given that, and the historic inequalities that we have in our country and the current entrenchment of those by unfair pay practices, would you say that where unfair pay practises are identified, they should be outlawed? Would you agree with that? And would you then, Minister, support, Deputy Minister, support an amendment to strengthen law to that effect, to ensure that unfair pay practises are then not continuing? Because the reality is they are, even despite current legislation.

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N Sibiya):

Thank you very much, hon Speaker. I think, hon Speaker, while I might be tempted to agree with what has been raised as the question, but I think it will be prudent not to pronounce on this matter before we get the employers to bring back the new form that we have sent to them to fill and respond to us as the department, which will give us the actual status of the matter we are talking about.

WEDNESDAY, 5 NOVEMBER 2025

Page: 8

This is going to be happening just now in 2026. Then for us to be able to talk about something that we are saying is credible, we will be waiting for that report and the analysis that we are going to be doing as the department.

Mr B N MANELI: Thank you very much, hon Speaker. I think the question to supplement here is how will the department ensure the effectiveness of the Employment Equity Amendment Act in enforcing and addressing pay inequalities and what additional measures or policy initiatives are being considered to strengthen its impact on reducing disparities across gender, race, and age groups given the non-compliance that we always have with regard to the laws.

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N Sibiya): Deputy Speaker, it is important to highlight that the justifications for non-compliance to the principle of equal pay for work of equal value will form part of the findings after the analysis process of the 2025 EEA form data, by the National Minimum Wage Committee because these justifications are included in the new revised EEA form.

The department is also the custodian of the Minimum Wage Act. This law safeguards the interests of workers regarding wages. No

WEDNESDAY, 5 NOVEMBER 2025

Page: 9

worker should be paid below the minimum wage, regardless of gender, race, or age. The department ensures that the National Minimum Wage Act is enforced alongside the Employment Equity Act. Thank you very much, Speaker.

Mr M N PAULSEN: Thank you very much, Speaker and good afternoon. I will be asking the follow-up question on behalf of hon Mokwele. Minister, you say you do enforce the minimum wage, but there are sectors, especially the hospitality industry in this country, that favours the use of undocumented migrants to abuse them and pay them slave wages. What specific action is your department taking to address this because this is what is fuelling the hate against immigrants in this country? Thank you very much.

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N Sibiya): Thank you very much, hon Speaker. Yes, we acknowledge that the hospitality sector is one of the sectors where we have challenges as the country. The work that we have done as the department to try and deal with this in that sector is that we have partnered with the sector through their representative where we are having some advocacy programmes that we are going around the entire country to deal and enforce our labour laws, in particular when it comes to the National Minimum Wage. What

we have done as well is that we are offering our services at the department to different sectors, not only hospitality sector, but targeting hospitality sector and focussing on it. That is the first sector that we have started our advocacy programme to try and deal with the issue of minimum wage, but also to make sure that we bring the stick and the carrot in making sure that we work together with the sector in trying to advance what we seek to achieve as the country.

Ms J A BASSON: Thank you Speaker. Deputy Minister, in the light of the ongoing concerns regarding unpaid pay practises, what specific criteria is being applied by the department to justify these indifferences in remuneration, and what has the turnaround time that the employees can expect?

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N Sibiya): Speaker, it is important to highlight that non-compliance with the principle of equal pay for work of equal value will be included in the findings after the analysis process, as I mentioned earlier when responding to the 2025 EEA form data by the National Minimum Wage Committee. Since these justifications are included in the revised EEA form, the department will only be able to draw conclusions on the justifications for non-

UNREVISED HANSARD
NATIONAL ASSEMBLY
WEDNESDAY, 5 NOVEMBER 2025

Page: 11

compliance after completing the analysis of the 2025 EEA form process.

Question 1152:

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N M Sibiyi):
Speaker, Cabinet announced on 28 May 2025 that it approved both the White Paper on National Labour Migration Policy 2025 and the Employment Services Amendment Bill of 2021 for implementation and submission to Parliament. The Employment Services Amendment Bill introduces Chapter 3A to the Employment Services Amendment Act, as it stands currently. Thank you very much, Speaker.

Mr M BAGRAIM: Madam Speaker, to the Deputy Minister: In other words, there is no legislation at present. Section 9 of the Constitution prohibits unfair discrimination, and yet your department has pushed for the Employment Equity Amendment Act, which introduces quotas at the cost to businesses of 10% of their revenue should they fail to comply. Targets which have to be met under threat of bankruptcy are not voluntary, Deputy Minister. They are quotas. Will you agree to suspend any regulations enforcing these quotas until the courts have ruled on their constitutionality? Thank you, Deputy Minister.

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 12

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N M Sibiyi): I think, hon Speaker, on this question, I will answer just in one word or one sentence. There is no regulation we are going to suspend. Thank you very much.

Mr N L S KWANKWA: Speaker, to the Deputy Minister: The 24th Commission for Employment Equity Annual Report 2023-24 again lays bare government's failure to achieve genuine transformation in the workplace. Thirty-one years into democracy and nearly 25 years since the Employment Equity Act came into effect, white males still dominate senior management positions across the country, and the situation, as you know, is worse in the Western Cape, where there is simply a refusal to transform and to ensure that all the demographics of our country are reflected in the top echelons of the private sector.

Deputy Minister, when will your department move beyond reports and rhetoric to enforce the law with urgency and consequence, and what decisive measures will you implement to strengthen the inspectorate and hold noncompliant employers to account? Thank you.

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N M Sibiyi): Speaker, as the department, in terms of inspection and

enforcement of all our labour laws, we work tirelessly every day. Our inspectors wake up every morning to go out and do the work of inspection and enforcement, doing it in an ethical way and in a credible manner. I can assure this House that, every day, we hold employers to account, those who are noncompliant.

We are even reforming some of our labour laws to bite even more, to have harsher fines, and be able to bite when it comes to those employers that are not complying with our labour laws. So, we are going to continue working tirelessly, as we have been doing, and up our game in terms of inspection and enforcement to make sure that the level of compliance increases. We are focusing on the Western Cape as well, in particular when it comes to the hospitality sector, where we have more challenges. Thank you very much, hon Speaker.

Mrs H DENNER: Speaker, to the Deputy Minister: The intended beneficiaries of legislation like the Employment Equity Act continue to suffer by the millions. I think we all know that. Whilst your department's job-destroying policies are continuously, as the Minister termed it herself in this House, being shoved down our throats, they are all the while limiting the private sector's ability to create jobs.

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 14

I am really interested, Deputy Minister, to know when you, your department, your party, and your Minister will finally come to terms with reality and realise the truth, which is that race-based legislation does not work. There is more than enough evidence to support that. What would your Plan B be to fix what you have broken and finally uplift those millions of jobless South Africans into the dignity of sustainable employment? It is not happening at the moment. Thank you, Madam Speaker.

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N M Sibiya): Speaker, we strongly do not believe that the Employment Equity Act is a hindrance to job creation. We believe that it is addressing the previous challenges that we all know of, and those who believe that we should scrap the Employment Equity Act, I believe, are anti-progress. For us, we believe we must move forward and implement it to a T so that we continue as a progressive government in its entirety, not the party. It is a government policy, so we are going to continue implementing it because we believe it is working. Thank you very much.

Mr I ISMAIL-MOOSA: Speaker, to achieve representation in terms of demographics at workplaces is a fundamental principle of the founding fathers of the liberation movement. This has not happened, so the need for quotas is a matter of last resort. Is

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 15

there a gap in legislation that will make the Minister amend our laws, or must Al Jama-ah submit a Private Member's Bill if there are shortcomings? Thank you, Deputy Minister.

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N M Sibiya):
Speaker, the unemployment rate is rising in the country, we all agree, and it has no prospect of declining if departments such as Employment and Labour will not do their part. I think, in relation to the national labour laws that we have as the department, we believe that the reforms we are currently embarking on are going to bring change and assist the country in terms of addressing the challenges that we are faced with. Thank you very much.

Question 1093:

The MINISTER OF AGRICULTURE: Thank you very much, Madam Speaker, and thank you very much to the hon member for the question. The Department of Agriculture is co-ordinating the National Food and Nutrition Security Plan, as the plan is a multisectoral one. Departments like the Department of Social Development will report on social protection measures, the Department of Health, which is responsible for nutrition, will report on nutrition indicators, the Department of Basic Education, who are custodians of the National School Nutrition Programme, will

report on that, and entrepreneurial development will be reported on by the Department of Small Business Development.

Currently, the plan is undergoing a theory of change process, and new targets are still being developed. This is being done in conjunction with the report issued by the Department of Performance Monitoring and Evaluation, which did a comprehensive deep dive into the successes, obstacles and failures of the 2019-24 plan, and obviously these are now being taken into consideration as the new plan is developed. The Department of Agriculture is finalising the targets as relates to the second aspect with the Department of Co-operative Governance and Traditional Affairs and the SA Local Government Agency, Salga. The Strategic Objective 2 outlined in that process is to be funded through the Comprehensive Agricultural Support Programme, CASP. It is worth, in that regard, also indicating that since the October 2024 statistics, the Department of Agriculture itself has released the National Food Nutrition and Security Report, which was released during the course of this year, which provides a, for the very first time, a baseline report that allows us to drill down to assess food security at a district level.

This will help us ensure that when these targets are set at a district level, in terms of the new plan, they are able to work and measure against a baseline. As it relates to the Department of Agriculture, our main involvement in this is focusing on food production and the availability of food. In that regard, the Agriculture and Agri-Processing Master Plan and the implementation thereof have seen an increase in production in the agricultural sector from 11% in 2015 to 13% in 2024. We have also seen, as a result of this plan, major jumps in production of maize from 34% of production figures in 2015 to 65%, soya from 72% to 80%, wheat from 17% to 53%, deciduous fruits from 17% to 49%, and tomatoes from 8% to 94%. The Department of Agriculture, for its part in the plan, will continue to focus on food production, the production of good nutritious food with a focus on indigenous crops, and the inclusion of small-scale farmers in the production thereof. Thank you very much.

Ms R C ADAMS: Speaker, I will take the question. Minister, what indicators and reporting frameworks are being used to measure the progress and impact of the joint implementation of the Food and Nutrition Security Plan, CASP, and Ilima/Letsema, and what preliminary outcomes can the Minister report to date? And in light of any implementation challenges, what steps is the department taking to improve accountability and transparency in

WEDNESDAY, 5 NOVEMBER 2025

Page: 18

the deployment of the CASP and Ilima/Letsema funds under the Food and Nutrition Security Plan, and how are provinces held responsible for meeting set targets? I thank you.

The MINISTER OF AGRICULTURE: Thank you very much for that. As I said, the plan is still in the final stages of development. It is going through the theory of change process, and again, taking into account the work done by the Department of Performance Monitoring and Evaluation, which did a top-to-toe evaluation of the effectiveness of the plan. And so at this stage, it's not possible to give those concrete targets, but once they are available, the plan will be tabled here in Parliament. I think it's also the implementation challenges that have been highlighted quite clearly in the Department of Performance Monitoring and Evaluation's assessment of the previous plan, and a large part of that focuses on a silo approach by the government, not enough co-ordination between departments, and not enough accountability. And so, it's very important as we develop the new plan that we address those shortcomings that were identified. We work at breaking down the silos and adopt a whole-of-government approach to dealing with this.

As it relates to Ilima/Letsema and CASP funding, we have been very clear from the beginning of the creation of the department

in April of this year that what we need to do is to focus on greater transparency and accountability. The days of just simply handing over tranches of money to provinces and crossing your fingers and hoping that they're going to reach the beneficiaries have sadly come to an end, sad for those who've been abusing those. There is a great deal more transparency and accountability, and there will be measurement from the department nationally against projects submitted by the province against performance.

And we've also indicated that we would like to move towards a quarterly tranching down so that we can control and ensure that money's paid out or being spent according to the plans that have been submitted by the provinces, rather than just simply waiting for the end of the year and realising that the money has, A, not been spent, or it's been spent in the incorrect way. I believe that will bring far more transparency and accountability. And I believe it will also ensure that the funds set aside in both the CASP programme and the Ilima/Letsema Programme make their way to ... [Time expired.] ... [Interjection.]

Mr A D BEESLEY: Speaker, I'll be taking the question. Hon Minister, since assuming office 16 months ago, what has been the single greatest threat to South Africa's ability to produce a

surplus of food for export, given that true food security relies on surplus production driven by the private sector rather than state intervention? And how does the Multisector National Food and Nutrition Security Plan address that threat? Thank you.

The MINISTER OF AGRICULTURE: I was going to say the biggest threat is Action SA, but I think that would be tongue-in-cheek. But thank you to the hon Beesley for the question. I would say that the biggest threat to surplus production, hon Beesley, is biosecurity. And what we've seen over the course of the last decade is a sliding away of our biosecurity. And that has had some real-world consequences.

It meant, for instance, that we do not have access to a variety of markets abroad, particularly for citrus. We have seen the long travail we've had with Citrus Black Spot. We are now currently seeing the issues we're going through with Foot-and-mouth disease, as well as some incursions that we've had from neighbouring countries of pests that put our sectors at risk and our production at risk. And so, making sure that biosecurity is intact at a border level, but also that within South Africa, we're practising international best practice when it comes to biosecurity. And that is why we've set up the Biosecurity Hub in

UNREVISED HANSARD
NATIONAL ASSEMBLY
WEDNESDAY, 5 NOVEMBER 2025

Page: 21

conjunction with industry, academics, and scientists based at the University of Pretoria.

And the Biosecurity Hub is responsible for developing the strategies that the government can then roll out to ensure biosecurity. Without sufficient biosecurity, our crops and our ability to produce not only food for ourselves, but food for export, where the premium is gained and where the profitability sits will not be achieved. And that is why the third pillar in the department's seven pillars is biosecurity as everybody's responsibility. And we have to start, as South Africa, taking biosecurity far more seriously than we have in the past. Thank you.

IsiZulu:

Inkosi R N CEBEKHULU: Ngiyaxolisa, Somlomo, izindlebe zithuntubezekile, zingiphethe kabi.

English:

Thanks for the opportunity. Hon Minister, given the persistent challenges of limited capacity and weak oversight in implementing food security initiatives, how will the department strengthen co-ordination across the government and partnerships with traditional authorities, smallholder farmers, subsistence

WEDNESDAY, 5 NOVEMBER 2025

Page: 22

farmers, and local co-operatives to ensure that these programmes reach their areas? Thank you.

The MINISTER OF AGRICULTURE: Speaker, it's precisely the reason that we need to drill down to the district level that the food security report used districts as the building block and the foundation upon which it uses as a base point for analysis. That means that we're able to identify in the report, and I do recommend the report to the House for its reading, because in your constituencies, you'll be able to see exactly where the interventions are most required. What that's allowed us to do is to identify those districts that are most at risk in terms of food security, so that our departmental initiatives, provincial departmental initiatives, but also district initiatives can reach into those areas to start to deal with food security.

One of the other areas that we are focusing on is the development through the Agricultural Research Council of seed stock for indigenous crops. There is a wealth of knowledge within our small-scale local communities of indigenous crops, things like sorghum that have fallen off the wayside, but which could play a very important role in terms of food security at a local level. And it's through providing seed stock and assistance to those small-scale farmers to have access to those

seeds, but also to the capital that is required and the interventions that are required to improve that. I am sure that you would have seen as well over the course of your oversight, hon Cebekhulu, that many of the farmer support units are not operating at their optimum.

And that is now a key focus that this has become from the Department of Land Reform into the Department of Agriculture to start to turn those farmer support units into genuine hubs of agricultural technology and assistance, particularly to small-scale farmers, so that they can also start to take advantage of the technology that leads to improved yields of those products. We shouldn't be isolating technology to the commercial sector. We should be using precision farming and technology, even at a small-scale level, so that we can improve those yields going out. And it's the department's intention through those farmer production support units, FPSUs, to be able to reach out deep into those districts. Thank you.

Ms J A BASSON: Minister, considering that hunger is rising despite multiple overlapping programmes, what measurable outcomes, such as reduction in household food insecurity or malnutrition rates, will be used to evaluate success? And what accountability measures will be followed if the department fails

WEDNESDAY, 5 NOVEMBER 2025

Page: 24

to meet its standard targets within the first two years of implementation?

The MINISTER OF AGRICULTURE: Well, thank you very much. And obviously, why that report that I referred to earlier was so fundamentally important, hon Basson, is that we've never had a baseline before in South Africa. What the food security and nutrition survey did was provide us with a baseline against which we can measure progress. Now again, this is a multi-sectoral approach.

Whilst the co-ordination of much of it lies with the Department of Agriculture, the main role in nutrition is played by the Department of Health. The main role of access to nutritious food is played by the Department of Social Development, as well as the school basic feeding scheme. So, it's about co-ordinating all of those.

What we would want to see is that when we publish next year's report, coming off that baseline, to see the improvement and to be able to see those metrics moving in the right direction.

Without a baseline, what it means is, that A, we've had to use a shotgun approach to addressing food security. The new report allows us to focus like a laser beam on those areas that are

suffering from food insecurity. But also, it allows us to have the baseline against which you and every member of this House can hold us accountable as a department. And obviously, the portfolio committee and this House have a role to play in that.

But it is going to require a whole-of-society approach to deal with it. It is not acceptable in a middle-income country like ours that people are going to bed hungry at night. And we need to produce enough food in South Africa, and we need to make sure that every citizen in this country, no matter whether in rural or urban areas, has access to good quality, nutritious food on a regular basis. And it is up to this House to hold this department accountable in that co-ordination. Thank you very much.

Question 1165:

IsiXhosa:

UMPHATHISWA WEZEMALI: Ndiphazanyiswe nguMantashe.

English:

The SPEAKER: Hon Minister, your time is moving.

The MINISTER OF FINANCE: It is assumed that the question pertains to the contract between the National Treasury and

Oracle for the Integrated Financial Management System. The Auditor-General of South Africa did not pronounce findings on alleged corruption concerning Integrated Financial Management System, IFMS. As to the report of the Special Investigating Unit, the National Treasurer filed an application in the High Court to review this report. The parties to this application have filed their respective affidavits. After heads of argument have been filed, the next step would be for the court to set a hearing date.

Only a court of law may find a person guilty of fraud or corruption. No officials or former officials of National Treasury or the service providers have been charged with criminal conduct or found guilty of such pertaining to this matter. Following National Treasury's decision to review the aforementioned report, engagements were initiated with Oracle to reassess the contractual and operational engagements related to the IFMS. These discussions remain ongoing. The objective is to ensure that any future collaboration is underpinned by transparency, accountability, and cost efficiency, and is aligned with the government's broad digital transformation agenda. No new long-term contractual commitments have been concluded to date. I thank you.

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 27

The CHIEF WHIP OF THE OPPOSITION (Mr D D D Van Rooyen): Allow me also to thank you for the congratulatory message.

The SPEAKER: Order hon Chief Whip, I think that your member wants to ask a question.

Mr L D SELEPE: Madam Speaker, there's a member from that side that is calling the Chief Whip the weekend special. Can the member withdraw that? It is unparliamentary. Yes, there's a member this side.

The SPEAKER: I will ask the Table to assist me. Thank you.

Mr L D SELEPE: Yes.

The SPEAKER: Can we in the meantime allow the Chief Whip of the MK Party to make a follow-up question. Order, hon members.

The CHIEF WHIP OF THE OPPOSITION (Mr D D D Van Rooyen): Minister, your response lacks any sign of determination to deal with corruption and fraud as established by National Treasury and the Auditor-General's office. Compounding this matter, Minister, is the fact that it's a well-held opinion within your Ministry and the information and communications technology, ICT

sector that there are officials and senior politicians that you are defending. That's why almost a decade now, we haven't had any progress on this matter.

Also, you are defending Oracle, a foreign company that is dominating our ICT space in South Africa. Now, these allegations are very serious, Minister. I think you should come out clear on what is your take about these serious allegations against the Ministry that is holding the national purse. Thank you very much.

The MINISTER OF FINANCE: Hon Speaker, I think in answering the hon member, I said no pronouncement by the Auditor-General. In so far as the Special Investigating Unit, SIU report, it is taken for review. Those officials have every right because they performed those functions in their capacity as officials employed by National Treasury. They've got every right to protect their reputation.

Mr S C SEKOATI: Speaker and to the Minister of Finance, the objective of undertaking the implementation of the Integrated Financial Management System has been an important step in the right direction, but as well in terms of a digitisation of the systems at both the provincial and the national government, to

ensure that there is an enhancement in terms of government processes.

However, we realised that there was a delay. Would you share with us in terms of the impact that has been created by the delay, but as well the mitigation steps that the National Treasury has taken to make sure that we are able to mitigate those effects of the delay. I thank you.

The MINISTER OF FINANCE: It is important to note that this IFMS was intended to replace old age financial management systems such as the Personnel and Salary System, Persal and Logistical Information System, Logis. All of them in their present form, unless you do a patch and work as we have done with Vulindlela are insufficient and therefore poses risk. So, in the meantime, what Treasury has done was to improve operational efficiency using the modules that are ... [Interjections.]

The SPEAKER: Order, hon members! Can you please switch off your microphones.

The MINISTER OF FINANCE: Treasury has researched the program and using modern approach to try and make sure that you can plug the gap in the meantime. There's something called the Digital

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 30

Government South Africa, a platform which progressively introduces integrated financial management capability, supporting improved transparency, stronger controls, and preparedness for future accrual alignment reporting. So, those are the systems we're using and trying to do to deal with the current challenges we're facing in the immediate. Thank you.

Mr K H WAKELIN: Hon Minister, given the ongoing legal matter between the National Treasury and the SIU, and the recent cancellation of the Oracle contract, how will the Minister ensure the National Treasury's ability to maintain its reputation as the trusted custodian of taxpayers' money, given that the reputational damage that this matter has now caused the National Treasury? I thank you.

The MINISTER OF FINANCE: There's no doubt in the manner in which it has been managed in the public domain. To some extent, National Treasury has taken a knock in terms of reputation. No doubt about that. As to what processes we should do to manage the damaged reputation, or should we focus on getting the things right and in the process regain reputation. Those are challenges we've got to think about. For as long as in the medium space and people accuse us of corruption, which we suspect we're not, we'll always take a reputation ... [Inaudible.]

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 31

Mr N S MATIASE: [Inaudible] ... on their own accord have taken the matter for review is the department that hon Minister is responsible for. The Minister as he speaks on one end of his mouth, condones impunity and wrongdoing, on the other side of his mouth, condemns wrongdoing. But what is key and perhaps what we need to ask now hon Speaker is whether the National Treasury is above the law. Are the National Treasury officials exempted from same level of scrutiny as other officials of other departments? What message are you sending, hon Minister, when more than R400 million was looted, continues to be unaccounted for, and yet no one is held accountable, and you seem not to be committed to hold anyone accountable? Thank you very much.

The MINISTER OF FINANCE: There are too many questions in one. In case I don't answer all of them, you'll bear with me. I don't think anybody says Treasury officials are above the law. If the National Treasury loses the matter in a court of law, mind you, at the moment the matter is before a court of law, it's not that they're above the law. If National Treasury loses this matter in a court of law and the court of law says those officials have a case to answer, they'll definitely have to answer that case at the appropriate time. I think we should give them the opportunity for a court of law to make that pronouncement, not we ourselves make that judgment. Thank you.

Question 1112:

The MINISTER OF FINANCE: Indeed, there's one official in the National Treasury who has retired and retained to do some consultancy work. That official is Ismail Momoniat. Why has Ismail Momoniat, retained? Because Ismail Momoniat, at the time of retirement, he was dealing with both the Zondo State Capture Commission issues and the de Financial Action Task Force, FATF process. Therefore, we had to retain him precisely because of those skills to take us to the conclusion of the FATF process, which he has done successfully. I thank you.

Mr C G NIEHAUS: Hon Speaker, I hear what the Minister says about the return of Ismail Momoniat to the Treasury. Now, my question is, Minister, it is not entirely true that it is just that official that has been recycled, because it appears that the ANC does not believe that the National Treasury must be transformed.

What we are seeing, Minister, is a well-co-ordinated and deliberate effort to retain the same individuals, not just within the Treasury, but in the Treasury space. If we are not keeping senior officials as Momoniat there in the Treasury, who should rightfully be in retirement, we are recycling others through the revolving door between the National Treasury, the

WEDNESDAY, 5 NOVEMBER 2025

Page: 33

private banking sector, the International Monetary Fund, IMF, and the World Bank.

Now, Minister, are we saying that three decades after our democracy has come about, South Africa has not produced enough young, qualified professionals who understand the economic crisis facing our country, to take over leadership roles within the Treasury space? Thank you.

The SPEAKER: Well, hon Minister, you can answer the question, but I just wanted to advise you hon member that you have had a new question which goes broader than the initial question asked by hon Maotwe. But I'll leave it to the Minister to answer.

IsiXhosa:

UMPHATHISWA WEZEMALI: Ewe, uhambele phambili kodwa mandimlungise.

English:

The nature of the skills we have in Treasury, the nature of the skills we have in Public Investment Corporation, PIC the nature of the skills in Development Bank of Southern Africa, DBSA are the skills that are attracted to banks. As a result, you'd find

that even now, that's why we've got to pay a competitive salary, banks steal our people.

As to other officials who leave and retire and become employed by banks, they're employed because of their skill, they're not retained by National Treasury. The same applies to the IMF. The IMF has got two different kinds of people in World Bank, and also the African Development Bank.

There are people who are employed by National Treasury as employees of National Treasury who are deployed in those institutions to serve our purpose, like an executive director level who represents the country. Those are the people. It's not a revolving door. I think you need to be helped in that regard.

Ms N A GCALEKA-MAZIBUKO: Hon Speaker, the development of internal state capabilities is fundamental for the state to realise its developmental objectives. The National Treasury has key entities such as Government Technical Advisory Centre, GTAC, DBSA, and its own internal capabilities that can significantly contribute to developing the capabilities of the state in the three spheres of government. Minister, what initiatives are the National Treasury, GTAC, and DBSA implementing to develop the

state capabilities of municipalities to provide key basic services? I thank you.

The MINISTER OF FINANCE: That's what we do best.

The SPEAKER: [Inaudible.] You stood up Minister and said, this is what you do best. So, I was trying to understand, which one. You can answer.

The MINISTER OF FINANCE: That's what we do. This could be done. Let me just say the Development Bank of Southern Africa, first and foremost is active in all municipalities in the country, not only in all municipalities, but also throughout the African continent. In the process it's also developing skills. What we have also discovered is that in through the Budget Facility for Infrastructure, BFI, a number of institutions, their project failed to meet the BFI precisely because they've not been prepared properly.

Therefore, the DBSA has also been located in that space to be able to help these municipalities. A case in point, we've just finished now the Polokwane Wastewater Treatment, which has been done via that process. What other institution were you asking about hon member?

The SPEAKER: The GTAC.

The MINISTER OF FINANCE: Oh, the GTAC is also training a great deal in municipalities. They're also assisting with municipality in capacity development. So, that's all our institutions are playing in that space.

IsiXhosa:

Uyayibona le nto bendiyithetha Somlomo, umvile?

English:

Dr M J BURKE: I note that the hon Niehaus spoke liberally and repeatedly about the word retirement. My question is in that vein. Is it true that National Treasury has a long history of building skills from within the organisation and that vacancies are often filled via internal promotion? If this is true, does the Minister then not regard Treasury as something of an example of internal skills development?

The MINISTER OF FINANCE: This question may be tricky, I must think carefully. No, it's true that even you can look at this current crop of deputy directors-general, all of them are homegrown. The standard in National Treasury is to do exactly that. Even in interns, when we take interns, we take them over a

longer period, Some of them do not leave us. One of them has emerged as the chief director at the moment.

We are also a training centre for chartered accountants. As we speak this year, in the current lot, we've taken about 23 people who are going to be trained as chartered accountants. So indeed, we do develop our own skills base and they are homegrown.

The SPEAKER: Hon Minister, I could see that you are saying you are thinking carefully how you'll answer because I've seen a number of your colleagues here thinking, so we can get money to do exactly what Treasury does. Hon E.K. Madlala.

Mr E K MADLALA: Minister, given the high cost associated with the rehiring of former senior officials as consultants, while existing internal capacity remains underutilised, why has the Minister not put concrete measures in place to eradicate duplication of payments to consultants in instances where the National Treasury and GTAC already possesses the necessary internal capacity to perform the same duties?

Even in an incident where it could be one, in a scientifically run organisation, you would obviously have a programme to transfer skills because retirement is not unprecedented. What

are the steps that the Minister has put in place to eradicate the existence of that?

The MINISTER OF FINANCE: I thought I made the point that the employment of Mr Ismail Momoniat was an exception, precisely because of his skills base in that work and continuity. Then if you said you wanted to bring in a completely new person, do interviews and bring a completely new person, that would've been a problem. So, I don't think in this case that argument falls. By the way, the better part of his work, he was doing it at a salary of a deputy director-general. Thank you.

Question 1094:

The MINISTER OF FINANCE: On the 8th of July when I delivered a speech for the departmental Vote, I indicated that the draft regulations will be ready for intergovernmental consultation at the end of August 2025.

The drafting of the regulations is a complex undertaking, dealing with intricacies of the entire public procurement landscape, which includes within its scope national, provincial and local government, as well as public entities, and Parliament and provisional legislatures to a limited extent.

More time is required to ensure that the drafted regulations give appropriate effect to all aspects that require regulations, and are drafted clearly and consensually.

The preparation of the draft regulations has now reached its final stage and will soon be ready for intergovernmental consultations with the affected Ministers, as well as organised local government.

Thereafter, the draft regulations must be released for public comment, and after consideration of the comments and revision of the draft regulations, Parliament must scrutinise them. These consulting steps are prescribed by section 63 of the Public Procurement Act.

Once these steps are completed, the final regulations will be promulgated, given the various steps before promulgation and the possibility of extensive comments that must be considered.

It is not possible to provide a specific date for the regulations. However, the need to bring the Act and the regulations into force to accelerate economic transformation and to enhance the public procurement system to curtail the misuse of public funds and corruption is a government priority.

Mr S C SEKOATI: Thank you, Deputy Speaker. Is it really that, despite the preferential procurement policy directing public spending to prioritise historically marginalised groups, the significant beneficiaries of public procurement are still only white-owned businesses, while less than 50% was spent on companies with 51% black-owned ... whereas youth and persons with disabilities received less than 9% and 1% respectively? This is further expounded by the fact that the industries that produce the goods that are consumed by government ...

What measures will the department take in ... regulations and planning to ensure that the localisation, local content requirements and set-asides are effectively aligned to support emerging black industrialists to ensure that government is the first offtaker to secure the development and growth of local and black-owned industries?

The MINISTER OF FINANCE: ... [Inaudible.] ... the piece of legislation we presented here in Parliament was simple, but when we left Parliament we couldn't even recognise it because of the massive amendments that were made to the legislation – correctly so – to give the content ... to the developmental objectives which the piece of legislation must achieve. However, we must

WEDNESDAY, 5 NOVEMBER 2025

Page: 41

accept that what that then does is to make the interpretation very difficult in terms of regulations.

Having said that, there is clearly an improvement in terms of the achievement of black-owned, women-owned enterprises. There is progress in this regard. What we have not been successful in doing is ... designation. In other words, which sectors should be designated as those that should be designed either for small and medium enterprises, others for ...

The one thing I've discovered now ... the Department of Labour has institutions that provide services by disabled people. I mean, that's something that has come to my attention now. It may require some designation, but it needs myself and the Minister of Trade and Industry to look at the designated list and make the appropriate decisions.

So, it's work that we're undertaking with the Minister concerned to also achieve local content and to promote local industries and black economic empowerment, BEE. So, that's a designation we might think of ... immediate ... which came to my mind was this issue ... work of disabled people who can make furniture for governments, provide linen for hospitals, and so on and so on. That work is being considered.

WEDNESDAY, 5 NOVEMBER 2025

Page: 42

Mrs W R ALEXANDER: Minister, after two decades of BEE, creating a millionaire class of politically connected insiders, while conditions worsen for the unemployed majority it claims to empower, how will the new Public Procurement Act regulations avoid replicating these failures, particularly with regard to ensuring that procurement preferences deliver measurable contributions to job creation, poverty alleviation and skills development?

The MINISTER OF FINANCE: There's an assertion which is incorrect ... an assertion which is incorrect ... that BEE has created a few millionaires.

Black economic empowerment has an array of instruments in it. Some of them is equity in industry, some of them is just affirmative action and employment equity in industry. If you look between 1994 to date, particularly in government and see how many black people are there ... you go into the financial sector and see how many black people sit in senior positions ... and as a result of the BEE programme.

They may ... Where the DA is missing the point ... where the DA is missing the point ... there may be unintended consequences – which were all weaknesses – as a result of a noble piece of

legislation. There may be unintended consequences, which, if the debate was rotating around those unintended consequences, you'd probably find us waiting.

I think that's where we should have a discussion. However, BEE as a principle is an important ... and because we're trying to deal with society cast in a racial mode. In order to transform such a society which was cast in a racial mode, you then have got to use extraordinary measures to transform that society to ensure that all of us live in a society in which we are equal.

There's also an assertion that is wrong, which suggests that what the DA believes is South Africa's belief. It's not true. When you say, now, given that people believe this, believe that... It is your belief. It is not South Africa's belief.

The CHIEF WHIP OF THE OPPOSITION (Mr D D D van Rooyen): Deputy Speaker ...

Setswana:

... ka puo ya ga mme ba re le duba thankga. Ga ke itsi fa e le gore wa nkutlwa gore ke reng, Tona? ...

IsiXhosa:

UNREVISED HANSARD
NATIONAL ASSEMBLY
WEDNESDAY, 5 NOVEMBER 2025

Page: 44

... nixov'udaka.

English:

I will tell you why I'm saying ...

IsiXhosa:

... ndisithi nixov'udaka.

English:

You have opted, you were not forced, you have opted to go to bed with the most antiprogressive, ahistoric, and of course reactionary and antitransformative cohort of South African society in the form of the DA and FF Plus.

Now, these ones don't believe in transformation, but out of your own collective wisdom, you have opted to go to bed with them.

Tell us, how are you going to navigate through procurement provisions ... [Inaudible.] ... black economic empowerment, BEE, with such wrong partners? How are you going to do that? I thank you.

The MINISTER OF FINANCE: You know, as Des speaks he forgets that ... or hon Van Rooyen.

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 45

The DEPUTY SPEAKER: Hon Minister, could you please take your seat? Hon member, on what point are you rising?

IsiZulu:

Mnu L D SELEPE: Sekela Somlomo, nginephuzu lokukhalima okuphambukayo. Cha, bengifuna ukuthi nje, umhlonishwa u-Des.

English:

The MINISTER OF FINANCE: No, my apologies. My apologies. We have come a long way. That's why I used his first name. My apologies.

By the way, I negotiated with him for the government of national unity, GNU, at The Houghton Hotel. Now ...

The DEPUTY SPEAKER: Order, hon members. Order! Hon Minister, please take your seat. Hon Van Rooyen, is that a point of order? Order, hon members. I would like to hear the member.

The CHIEF WHIP OF THE OPPOSITION (Mr D D D van Rooyen): By the provision of the Rule of this House, the Minister is casting a serious and dangerous aspersion. ... [Inaudible.] ... lying to the nation because he might be found wanting. I'm not sure what he is referring to.

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 46

The DEPUTY SPEAKER: Hon member, your point is not sustained. Hon Minister, please proceed.

The MINISTER OF FINANCE: I want to put two things first. The first point ... we were together this side. We were together this side and you decided to leave, and go and sit that side and then say let's unite.

IsiXhosa:

Injani loo nto?

English:

The DEPUTY SPEAKER: Hon members, order! Hon members, order! Hon members, order!

IsiXhosa:

UMPHATHISWA WEZEMAL: Nina nifuna ukulungiswa.

English:

The DEPUTY SPEAKER: Hon members, order.

The MINISTER OF FINANCE: Thereafter, we tried to negotiate with you. We tried to negotiate in two meetings. The last one was ... The Houghton Hotel. No, no, no, what you did ... [Inaudible.]

WEDNESDAY, 5 NOVEMBER 2025

Page: 47

... the public why you couldn't sleep ... you in bed, because you said you can only work with us on condition that we chase our President away. How does that work? Because ...

The DEPUTY SPEAKER: Hon members. Hon members.

The MINISTER OF FINANCE: ... [Inaudible.] ... you're telling lies to your supporters.

The DEPUTY SPEAKER: Minister, please take your seat.

The MINISTER OF FINANCE: You need to be telling the truth. ... [Inaudible.] ... your supporters must know.

The DEPUTY SPEAKER: Hon Minister, please take your seat. Hon members of the MK Party, I am trying to recognise your own new Chief Whip but you're not allowing me. So, please allow me to recognise your Whip. Hon Van Rooyen?

The CHIEF WHIP OF THE OPPOSITION (Mr D D D van Rooyen): Deputy Speaker, I think there is some regression in terms of how the question is being answered. The Minister is no longer talking about the ... [Inaudible.] ... He's talking ... other stories now. Please rule on this matter.

The DEPUTY SPEAKER: Hon Van Rooyen, that is not a point of order. You would know the Rules or maybe you can consult the Rules ... that the Minister can answer the question as he deems fit. If you are not satisfied you may write to the Minister and ask for a written reply. The Minister's time has expired. Hon member, I'm not taking another point of order. We will now proceed. Hon Swart has the last supplementary question.

Mr S N SWART: Madam Deputy Speaker, may I leave my video off due to connectivity issues?

The ACDP, like so many others, is deeply concerned about the high levels of corruption, particularly when public procurement accounts for a significant portion of government expenditure ... nearly a trillion rand.

The Zondo Commission was particularly scathing of corruption, where he stated that evidence received by the commission demonstrates that in many cases, the boards of state-owned enterprises, SOEs, have shirked their responsibilities, or worse, used their powers to corrupt the SOEs which they have been appointed to protect. He pointed out that the collective misconduct was evidenced by an abuse of centralised procurement processes.

WEDNESDAY, 5 NOVEMBER 2025

Page: 49

Does the hon Minister believe that the provisions in the Public Procurement Act and the draft regulations will sufficiently remedy the shortcomings relating to procurement corruption highlighted by Judge Zondo, and if so, in what way? Thank you, Madam Deputy Speaker.

The MINISTER OF FINANCE: Let me start with the judgement of Judge Madlanga in the Supreme Court of ... in the Constitutional Court.

Judge Madlanga said two things ... he said two things. The Constitution gives you power to make legislation. You can't, through regulations, make yourself a bad law and then through regulations try to circumvent that. First, you are wrong. He's telling me this as Minister of Finance.

The second thing Judge Madlanga says is that each organ of state, not Treasury, but each organ of state must have its own procurement policy operating within the guidelines set out by Treasury. That's what Treasury does. It sets norms and standards. That's what Treasury does. Each organ of state must have its own procurement policy.

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 50

That distinction is quite important, because every now and again when something happens, whether it's in Tembisa Hospital or elsewhere, people ask where Treasury is.

The third point I want to make ... if people want to flout Treasury regulations, they will. Let me give you an example of what's happening now. The threshold for no big tenders ... the threshold for no big tenders is 500 000, but then ... people do ... they issue a tender for 499 000. It's less than 500 000. Then they split ... even if it's a 1,5 ... tender, into three tenders, and it's given to friends.

Mind you, people like to say it's politicians. Go into this report of the Special Investigating Unit, SIU, and see who the people are who are doing these things. It's just junior officials. They then link up with these syndicates outside.
[Time expired.]

Question 1154:

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: Hon Deputy Speaker, members, the SA National Petroleum Company, SANPC, was incorporated in terms of the Companies Act. Two, its establishment is provided for in the SA National Petroleum Company Bill. Now, that is the discretion framework. The reason

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 51

that we have a Bill that is before Parliament is to regularize that. At this point in time it is working as a subsidiary of Central Energy Fund, CEF, until that Bill is promulgated into an Act. Why do we do that? It is because the entities that are pulled together to form SANPC are all subsidiaries of CEF. So we have not disestablished them. We will establish them when that Bill becomes law.

The fortunate part is that the Bill has now been certified by the state law advisor. It is going to go to the portfolio committee in Parliament. That's what we are waiting for. Let me add one aspect. We are doing that because we want to establish a petroleum champion for South Africa, like any other country. You can go to Angola, they have. You can go to Brazil, they have. Last week we were in Vietnam and they have Petrovietnam. That is the trend because the scale of economies determine the effectiveness of an entity. That is what has driven us.

Mr S ZONDI: Deputy Speaker, the SA National Petroleum Company, SANPC, is a subsidiary of the Central Energy Fund, the CEF Group, another state-owned entity. Section 51(1)(g) of the Public Finance Management Act, PFMA, states that:

An accounting authority for a public entity must promptly inform the National Treasury on any new entity which that public entity intends to establish or in the establishment of which it takes initiative, and allow the National Treasury a reasonable time to submit its decision prior to formal establishment.

This is an important safeguard in the legislation to ensure that all state-owned subsidiaries are PFMA compliant and do not adversely affect the state's finances in the future. The SANPC registration is K2022-4690-6930. The company was registered in 2022. It appears the company was registered before getting the section 51 approval, which leaves it open for a possible legal challenge from debtors who can question its legal standing to avoid paying their debts. Do you confirm the company was registered after it got section 51 (1) (g) of the PFMA approval by the National Treasury, and that it is registered with the Information Regulator to comply with the Protection of Personal Information Act, POPI, Act? If not, what will you do to rectify this?

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: SANPC is registered. It is compliant with all the legal requirements. That's why it is operating as a subsidiary of CEF. And were

working on a process of passing the Bill into a law to make it a stand-alone company. It is not a stand-alone company. It is a subsidiary of CEF because PetroSA, iGas, and Strategic Fuel Fund, SFF, are all subsidiaries of CEF. That's how it works, and it is operational. It does not contravene any law.

Ms F HASSAN: Hon Minister, in simple terms, especially for our viewers and our people at home who want to understand what this particular piece of legislation means for them, what new things will SANPC be able to do under this particular Bill, and how will those powers practically improve the security of supply, specifically about keeping more fuel in reserve, speeding up imports, and ensuring backup gas where there are disruptions? Thank you.

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: The establishment of that company is driven by the desire to ensure that there is security of supply. That is the basis. The entire law is talking to that really. And the company is aimed at ensuring that the state competes in the open market as a competent entity. And that is what is going to come out of that company when it's established by that law.

WEDNESDAY, 5 NOVEMBER 2025

Page: 54

What is critical is that the law itself must give SANPC the right framework to compete. And the reason for that is, at that point, there was a very strong hostility to fossil fuels. And many people thought that fossil fuels will be out of fashion, they will disappear, they're not disappearing, they're growing. And the demand for fossil fuel is growing every year globally. And we need to play in that space as a country. That is what that Act is all about. It is about us ensuring that the security of supply, and we all play in that space as a country.

Mr L D SELEPE: Hon Minister, assuming that the SA National Petroleum Company Bill passes, and SANPC become a stand-alone entity, what have you done as part of the process of putting in place a new CEF mandate?

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: A new CEF mandate? CEF is a holding company. It has subsidiaries under it. You don't need to change that mandate because the holding company ... what you should do in the operations is to make CEF smaller but top-class skills in it so that it can intervene in the subsidiary. That's all you need to do. You don't need to change the mandate of CEF. It is okay. It's a holding company. It has five subsidiaries under it. Once you have a SANPC

standing alone, it will be left with two. You can restructure that space.

But as a holding company, anywhere else, a holding company is what we are discussing and trying to educate CEF about. You are a holding company. Don't compete with your subsidiaries. You are creating a misnomer by competing with your subsidiary. Don't be operational. Assist your subsidiaries. Have newer, but top-class skills at CEF level so that your intervention will be effective at the subsidiary level.

Ms P R MAILOLA: Minister, following the launch of the SA National Petroleum Company as a state-owned company in the petroleum sector, and considering the EFF's longstanding view that the state must take ownership of its strategic resources, what role will the company play in present and future exploration of mineral and petroleum resources in a way that ensures that the state plays a central role in the exploitation of our natural resources for the benefit of all South Africans? Thank you.

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: SANPC will not do anything in mining. Let's take that out. It is a petroleum company. It will deal with oil and gas exploration and

exploitation. That is the role it will play and therefore ensure that we have secured supply of petroleum, not mining. That's why in the exploration level, you will have your Council for Geoscience for mining, and you will have your Petroleum Association of South Africa for petroleum. And that will continue with SA National Petroleum Company trading in that space. Therefore, it will import, it will exploit internal resources as we overcome the challenges by foreign-funded NGOs that try to block that development. Once we overcome that problem, it will be a good company with internal supply and also importing. It has all the capacity. That's why the issue of Island View - I'm just giving that to you - it's very important to us that we get it at a bigger volume to secure the state capacity to ensure that there is the security of supply of petroleum, not mining.

Mr N S MATIASE: Deputy Speaker.

The DEPUTY SPEAKER: Hon Matiase, your point of order?

Mr N S MATIASE: The Minister knows that from the bottom of his heart that dichotomizing petroleum from mining is disingenuous.

WEDNESDAY, 5 NOVEMBER 2025

Page: 57

The DEPUTY SPEAKER: Hon Matiase, you are now entering into a debate with the Minister, and that is not a point of order.

Mr N S MATIASE: The point of order is that the Minister must be sincere with his answer.

The DEPUTY SPEAKER: Hon Matiase, that is not a point of order. We will now proceed.

Question 1095:

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: Hon Deputy Speaker, yesterday I made the point that anarchy is counter-revolutionary. We must always remember that if you are engaging destructively, you are being counter-revolutionary. Don't do that.

Now, the national rollout of the new cadastral system is structured province by province. The implementation is designed to ensure a systematic and successful structure transition from the existing South African Mineral Resources Administration System, Samrad, and the entire process is scheduled for completion by November 2026. This phased approach is designed to allow adequate time for system testing. We don't just implement. We implement; we test the system. We implement and test the

system again. In that testing of the system, we ensure that we don't miss any steps.

The rollout commenced in the Western Cape. We're in the middle of rolling it out and that was in October, last month. The transition will proceed sequentially with the final phase concluding in November 2026 in the North West province. By the end of the period, all nine provinces will have fully transitioned from Samrad and will be operating under the new cadastral system - a comprehensive land recording system critical for effective land management.

In order to address the challenges with regards to licensing backlog, additional capacity is being sourced from other regional offices. So, when we have a rollout in the Western Cape, we take people from other provinces to assist in that province. This is what we are doing. We're rolling it out province by province at this point in time.

The DEPUTY SPEAKER: I have been informed that the hon Hassan will take charge of the first question on behalf of the hon Mahlaule in accordance with Rule 137(10)(a). I now recognise the hon Hassan.

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 59

Ms F HASSAN: Minister, noting the importance of a transparent cadastral system for its potential role in attracting investment and unlocking the mineral wealth of the Republic, and given the ongoing delays in the full implementation of the new system, what accountability mechanisms are in place for the service provider and your department's project team should the announced timelines for the full rollout of the new cadastral system fail to be met? What progress, if any, have the interim measures already achieved in reducing the current licensing backlog? Thank you.

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: One of the first issues that we must understand is that the delay is aimed at dealing with the complexity of data cleaning, given decades of mining in the country as well as inaccurate data on the current system. That's why we are changing the system.

A decision was taken into effect that only verified and quality information is fed to the cadastral system. As a result of this, we are slow. However, to ensure that we put in clean data, we don't make the same mistake. We can rush but I can give you an example of one or two countries where they rushed to implement a cadastral system and that cadastral system collapsed in their face. We don't want to have that. We want to check it as we go,

as we roll it out. Therefore, the department continues to focus on efficient processing of licensing applications.

On an annual basis, the department processes no less than 2 500 applications and the vast majority of these applications are either rejected or refused, as applicants usually apply where there's an existing right already. So that's where we are. The question of being slow is not an accident rather than a precaution to ensure that the data fed in the new system is of quality and is correct.

Mr J R B LORIMER: Minister, the old cadastral system, Samrad, was problematic since it was introduced in 2011, so much so that I was agitating in this Parliament as long ago as 2015 for it to be replaced. Minister, why do you think it took so many years from then until January 2023 for the department to admit that Samrad was not functioning? And can you explain why it will have taken another four years before we get a fully functioning system, if indeed it functions?

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: The beauty of leadership is that it is continuous. You don't disown mistakes that were done before you took over. They are your responsibility. Yes, they are your responsibility; I can't

disown it. If that was what you were driving from 2011, when I was still in Luthuli House, being the secretary-general, I own up for that, for my predecessors.

No, no, no, no. No, now, when you ask a question, allow me to answer you. Having done that, we're now into the new cadastral system. It took time to take that decision. We visited at least three countries to go and check how the cadastral system works, and we came back. We are implementing it. We're in the middle of implementing it. We're rolling it out in provinces. Thank you.

Dr W J BOSHOFF: Hon Deputy Speaker, I would just like to know from the Minister, are there interest groups, persons, people or whatever who will gain by the delayed implementation of that and who might wilfully try to delay it? And what precautions are in place to prevent that?

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: The assumption is wrong. The assumption we are making here is that because we're putting in a cadastral system, everything is at a standstill. We continue processing applications manually as we're working on the cadastral system. So that is continuing. If there's a delay, it's a delay that is part of the process and the system, and we'll address that.

By the way, let me emphasise this. As I said earlier, applications are very complex because when you apply for a mining licence, you identify a farm only to discover that that farm is actually having a person who has a right or a permit on it. All those are rejected and sent back to the owner. Manually, it takes a bit longer. Once we get the cadastral system, we are hopeful that we'll accelerate that process.

Mr S ZIBI: Deputy Speaker, I'd like to ask the Minister when, in terms of the current schedule of the rollout of the system, will it be rolled out in the North West and Limpopo provinces, which have South Africa's biggest deposits of platinum group metals and ferroalloys. Thank you.

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: We said it will be finished in November 2026 and the last province will be the North West. Let me tell you why the North West province is last and I would imagine that Limpopo will be among the last too. When you test the system in a smaller province, you correct the mistakes and roll it out to the more difficult and complex provinces. So, give us time up to November 2026. We'll go province by province.

Question 1164:

WEDNESDAY, 5 NOVEMBER 2025

Page: 63

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Speaker, first of all, it is important to recognise that government views satellite communication as a useful tool that can expand broadband access to areas that are otherwise not reachable by wireless, mobile, or fixed networks, as the hon member's question also implies. This recognition is based on the fact that satellite communication will help in addressing connectivity gaps where terrestrial-based solutions are often too slow, too costly, or even impossible to deploy.

It was this consideration that informed the fifth administration to start the exploration of a draft national satellite communications strategy. The purpose was to establish how satellite solutions, including the possibility of state-owned capacity, could best support digital inclusion and foster the digital transformation that our country needs. However, it is important to recognise that, in doing so, there is a fundamental question that always has to be asked: Can or does the state have the capacity to fund a project of this magnitude, one that has the potential to run into several billions?

It is this exercise that has taken place in order to establish whether, given our fiscal priorities, we have enough to embark on this or whether we should look at different models of

ownership and funding. Should the funding be done entirely by National Treasury, or should we consider the prospect of public-private partnerships, or alternatively look at funding through development finance institutions?

I think at any given point, any government has to make and balance its priorities. The important element is that, through the evolution of technology, there is no way we can ignore the fact that satellite solutions play a critical role in enhancing access to broadband connectivity. It will ultimately be informed by whether the South African government, whether it is in this term or the next term, has sufficient resources in its fiscus to fund or pursue this avenue of the potential ownership of a state-owned satellite company. Thank you.

Mr I ISMAIL-MOOSA: Deputy Speaker, to the Minister: What plans have you put in place to ensure that remote areas will be prioritised to replace fibre infrastructure, which is not only too expensive but also unreliable? If there aren't any plans, why not? If so, what are the relevant details? Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Speaker, the answer to the question lies in the strategy. The gap that can be filled by the lack of coverage due to the

absence of fibre is satellite solutions. We have to make the determination whether we leverage the existing capacity in the market because there are already several providers of satellite solutions, some of them local, some international. This has to be informed by government's position on how to proceed on its satellite policy. So, in order to reconcile those two, it cannot be a mindless intervention. It has to be an intervention that is informed by the country's strategy towards embracing satellite technology.

Mr O M MATHAFA: Deputy Speaker, to the Minister: Given the new policy allowing departments to procure information technology services outside of the State Information Technology Agency, Sita, what financial control mechanisms has your department implemented to prevent the proliferation of costly information technology contracts across government that could lead to a lack of economies of scale? How is your department ensuring that Sita is not simply left with only the complex, nonlucrative contracts, thereby crippling its revenue and its long-term mandate to provide cost-effective services?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Speaker, I am at your grace. The hon member is on another

question, so I do not know how to proceed. The follow-up question he has relates to another question.

The DEPUTY SPEAKER: Hon Mathafa, because we do not have many opportunities, if you would like to repeat that question, I can understand that you maybe had the wrong one there, and I will allow the Minister then to respond.

Mr O M MATHAFA: Thank you, Deputy Speaker. No, that is the only question I have. I will plead with the Minister to use his discretion. Thank you, Deputy Speaker.

The DEPUTY SPEAKER: Thank you. Hon Minister, it is now up to you if you want to answer that ahead of time.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Speaker, I understand the hon Mathafa's question about this subject. I will answer it. The intervention that we have made with the regulation was not a policy directive, hon Mathafa. It was a regulation based on the frustration across the ecosystem of government – departments and Ministers, and some of them are in this House – that there is a real constraint with the capacity of Sita's information and communications technology deliverables in meeting the needs of government departments and

the costing element of it. Government departments mobilised me and reasonably requested that they be provided with relief that empowers departments with a choice.

That choice is still subject to the same procurement processes that any other government process entails from the perspective of the Public Finance Management Act. So, on that score, compliance with existing procurement rules remains the same. It must still meet the test of suitability per the needs of the department, and it must be based on a business case. It is not a discretion that someone can just wake up one day and decide to pursue another avenue. They must be able to, upon submission of a solid business case, say that, based on their market test, they are convinced that what is being provided can be procured quicker, at a lower cost for efficiency and for quality of service – because those are the three ingredients that must always drive quality of delivery: not excessive cost, not prolonged services, and not unreliable services. I will still be ready to take the question again.

Mr A K NGOBESE: Deputy Speaker, hon Ministers and Deputy Ministers present here, and hon members, my question is as follows. Given that many rural and remote areas remain disconnected, even after years and years of fibre roll-out

promises, what alternative access models is your department exploring – such as community-based networks, public-private partnerships, or shared-spectrum arrangements – to ensure affordable and reliable Internet access for those communities?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Speaker, I thank the hon member. The reality is it has to be a multipronged approach. That is why the question we are grappling with is moving with speed to close the gap – the gap that is currently not being reached by fibre roll-out. It is part of the reason that the creation and establishment of the SA Connect project was initiated, to reach those communities for last-mile connectivity. It is largely premised on connecting government facilities, including even traditional authorities, in the most remote areas.

The reality is we have to also look at, from a policy intervention perspective, what we can take. Infrastructure sharing is one of the possible solutions. It will obviously require that, from the regulator's side, in terms of the licensing conditions attached to the issuance of licences to telecommunications service providers and even the allocation of spectrum, a provision is made for that so that we maximise every possible avenue for South Africans to get connected, regardless

of which channel ultimately provides their broadband connectivity.

Mr E HENDRICKS: Deputy Speaker, to the Minister: How does the department intend to safeguard national data sovereignty and cybersecurity if reliance on foreign satellites and fibre networks continues, particularly in light of growing global geopolitics and cyberthreats? Thank you, Minister.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Deputy Speaker and hon member, the foundation of the question presumes that there is already reliance on foreign satellites.

Be that as it may, the reality is that there are sufficient guardrails implemented by the regulator through conditions attached to operating licences, which include penalties for violations. Over and above that, national laws, such as the Cybercrimes Act, and other state instruments are sufficient to deal with nefarious elements when they prevail or should they prevail.

So, in as much as I think you are anticipating a future that does not yet exist, the reality is that there is sufficient

provision within the current legislative framework to respond adequately to that risk, if it emerges.

Question 1096:

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thanks very much, Deputy Speaker. There's been a series of interventions that are immediate that the department has initiated to support both the survival and sustainability of the SA Post Office. In March, there was an allocation of R150 million from the department's budget that was injected towards the Post Office to ensure that it can keep its operations. In addition to this, an amount of R381 million was sourced through the temporary employee relief scheme through the Department of Labour in order to keep those operations running. These funds were strictly for operational continuity specifically for working capital needs such as salaries. The funding was granted on the strict condition that it wouldn't be used for any external resources that have been allocated to the Post Office.

The fundamental question about the future of the Post Office is that we need to get over one thing which currently constrains it. The Post Office, as is commonly known, is currently under business rescue. That means that it is constrained in terms of

the interventions from the shareholders perspective made because those actions have to be compliant with the court outcomes. However, the reality is that any consideration about prolonging the sustainability of the Post Office means that we have to look with an open mind at the prospects of attracting sustainable and private investment in. I know this has often been weaponised. The reality about this is to look at strategic partnerships that the Post Office can enter into to leveraging on its depth of infrastructure to be able to transition into the future that the market has moved into, namely, the areas of e-commerce and the areas of digitisation. I think one of the key instruments that is going to help us get to that is that already the business rescue practitioners have expressed a desire to exit the business rescue process. For that to be actioned, the court must ultimately satisfy itself that all the associated conditions have been met. From our side there is equally that desire to get there.

But it is important that the postbusiness rescue chapter of the Post Office lands into a stable leadership that can then take the entity forward. It is to that end that we have already initiated the process for the appointment at the SA Post Office so that there is a leadership structure, and that there is no any disruption between the period within which the courts grant

the business rescue practitioners their request to depart and the time in which the finalisation of the appointment of the board can be done so that from a leadership and continuity perspective, there is that leadership at the entity. It is a long journey. It is a complicated process because it also equally depends on external dependencies in terms of how you quickly finalise the appointment of the board. There's Cabinet compliance process that must be done as Cabinet is the ultimate approval of those appointments.

But there is no way in which we can guarantee the future of the Post Office by thinking that it can survive with so dependency on government funding alone. The evolution that has happened in this sector and the burdens that our fiscus is facing require that we explore the channels of these private partnerships in the market so that they can help sustain the Post Office and meet its mandate of promoting access to universal postal services with right regard.

Does it mean that the results will be immediate? No! But I think it is the right path to take in order to make sure that we get many South Africans who are not yet able to access other means of postal and courier services in the communities where they are based because that is where the Post Office exists. Thank you.

WEDNESDAY, 5 NOVEMBER 2025

Page: 73

Mr S I SUBRATHIE: Thank you, hon Chairperson. Thank you, hon Minister for your response. I was hoping that you will talk a little bit more about these strategic partnerships. Both you and your director-general, DG, have indicated a while ago to the portfolio committee when you appeared that the department will be going out to the market for strategic partnerships for the Post Office. If I'm not mistaken you mentioned that you would be going in either a week or two weeks. Given that the ultimate survival of the Post Office, as you've indicated, is dependent on it being repurposed with agencies, and that strategic partnerships are crucial to achieve this to be more focused. What progress have you made to secure such strategic partnerships by citing examples to us? What types of partnerships have you secured? What are the criteria you have considered or will you consider in securing these partnerships? Thank you, hon Deputy Speaker.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, hon Subrathie. Part of the process of getting to the goal or getting those private partnerships, we had to engage with the Development Bank of South Africa in terms of getting their advice on how we approach this journey. The idea for doing that was for them to provide us with advice on the appointment of transactional advisors, that is, to have the capacity to

WEDNESDAY, 5 NOVEMBER 2025

Page: 74

assess the quality of those private partnerships that come in place. As you would recall, based on the interactions in the portfolio committee, the business rescue practitioners have indicated that there have been unsolicited approaches from the market. But what we wanted to do was to do a public calls out so that we can assess extensively who has the capacity and the appetite to partner with the Post Office from a digitisation perspective, warehousing perspective and consideration of e-commerce partnerships. My belief is that until it is signed, it is not sealed.

There's been discussions with several partners in the market. Because getting to a final agreement on a contract involves a lot of back and forth, those haven't been finalised. There are very credible partners in the market who had already out of their own accord made approaches either to the department or to the Post Office through the business rescue practitioners expressing that appetite. But we have to make sure that the process is fair, it is transparent and open to everyone to scrutinise it. That's why our intention is to do that public call out.

I know your concern is primarily about it has taken time. Going through the channels of those compliance, going through the

interactions with the Development Bank of Southern Africa, DBSA, for instance, in framing the package of partnerships, and ultimately ensuring that it is something that is cojoined, it's co-owned by both the department and the business rescue practitioners. Business rescue practitioners currently have the responsibility from a governance and leadership perspectives of managing the Post Office. It's something that we must do together. [Time expired.] Thank you.

Ms T K BODLANI: Thank you so much, Deputy Speaker. Minister, the SA Post Office, Sapo, was placed under the business rescue practice by the previous administration. You have touched on this, but I'm going to ask you to please elaborate. What is the update on the exit of the business rescue practitioners? What plans do you have in place to ensure continuity on the management of the SA Post Office, Sapo? You'd have spoken that you are close to putting a board in place, and we appreciate that, but there has to be operational leadership at Sapo. Can you take us into confidence in terms of where you are with that process, Minister. Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, hon Bodlani. Starting with the first one, I think the intervention or the route to go through the business rescue

option was the right one at the time. If it wasn't the case, the Post Office would be liquidated. That intervention meant that in the ensuing period it was then able to safeguard the life of the Post Office and keep its operations running.

Notwithstanding the branch closures that have happened and notwithstanding the retrenchments that have happened, but those had to happen in order to keep it running to its bare minimum. Where we are now in terms of the exit of the business rescue practitioners is that they have shared their affidavit with us as the department and as the Ministry. We have provided feedback on that affidavit because they want to file it with the courts so that the courts can make a determination on their request to exit. What is required from the pretext of getting into business rescue is to equally process this request from the Post Office through the channels of Cabinet. Which is what we will do in the upcoming months.

What we want to do as the department is to prepare for the reality that there will be a day in which the business rescue leave. We don't want that day to come before we have finalised the appointment of the SA Post Office board. That is why in the last two weeks we have finalised the selection panel to kick-start with interviewing and shortlisting process. I can't give

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 77

you the exact time as to when we will finish that because, as I said, there are several dependencies on that. Once the selection panel has done its work, it is then the responsibility between the department and the Ministry to look at the calibres of one thing recommended to us and provide our feedback. If we are satisfied, we first take it to Cabinet committee, and ultimately to Cabinet. That's when we will have a fully established board.

But what we prefer and what we... Time expired.]

Mr A NCHABELENG: Thank you, Deputy Speaker. Minister, the reality is that the SA Post Office has been left to decay for years while its competitors aggressively captured its market share. The decline in revenue and technological obsolescence did not happen overnight, but the direct results of a decade of negligence as well as failure to adapt. Can you explain to the millions of South Africans who rely on the Post Office: What one single significant and revenue generating service has the SA Post Office successfully launched and scaled nationwide in the last three years? If you cannot name one: Does this not confirm that your department's approach has been one of reactive crisis management rather than proactive strategy effectively presiding over the demise of a crucial state asset? Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thanks very much, hon House Chairperson. Hon Nchabeleng, you have to contextualise how we got to where the Post Office is. The immediate focus is on its survival. Its survival is to safeguard its operations right now to ensure that there is no total wipe out that leads to closure of its branches. When your single obsession is its survival, you look at safeguarding what works in that period. What works has been to make sure that in areas, primarily the dense areas, community people continue to have access to those service points because the majority of the population that continues to use the Post Office now are social grant beneficiaries. I know where you come from. It was to make sure those operations at the very least work.

You are right on the part that the Post Office in its battle for survival got left by the market. That is why the focus is this partnership to make sure that they are geared towards those areas, particularly the e-commerce space and the courier space which have also been infested by the retail services. The Post Office can find room to play in the market in that space. It is a highly competitive space that may need it to adapt. That is why my view and the view of the department is that it cannot do it in its current design. It has to be aided by the partnerships

WEDNESDAY, 5 NOVEMBER 2025

Page: 79

that are existing in that market if it does have a chance of adequately providing those services.

Mr L D SELEPE: On a point of order, Chair. The Minister did not answer the question. We want to know one single service for revenue generating.

The HOUSE CHAIRPERSON (Mr W Horn): Hon member, the Minister did answer. In your view even the public will share it. Maybe he did not answer sufficiently. That is not a point of order.

[Interjections.] Hon Molefe: Is that a new point of order because I have dealt with the previous one?

Mr M K B MOLEFE: No, the Minister was totally ...

[Interjections.]

The HOUSE CHAIRPERSON (Mr W Horn): No, hon Molefe, we are not going to have that. I have dealt with that point of order, and we are moving on. [Interjections.] Hon member, unless it is a new point of order. I am not going to entertain a rehearse of the previous one.

Mr J S NGUBANE: It is a new point of order, Chair. Chair, we did raise these things in the Chief Whips Forum where you are

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 80

sitting here, and the public is waiting to hear. We were given these questions by the public. We are not asking them for ourselves. You are asking a certain question, and you can hear when sitting here that it is not actually the question that you are asking. The Minister is going in the East and the question ... [Interdivisions.]

The HOUSE CHAIRPERSON (Mr W Horn): Hon member, you are, as a matter of fact, repeating the previous point of order. Please, don't do that.

Mr A K NGOBESE: Thank you, House Chairperson. Thank you so much, hon Minister. I know a similar question has been asked before me, but I want to repeat it so that we get a clear answer on it. Considering the SA Post Office's role as a critical channel for social grant distribution and small business logistics: What steps are you taking to strengthen and collaborate with other state entities such as the SA Social Security Agency, Sassa, and the Small Enterprise Development Agency, Seda, to transform the SA Post Office branches into integrated community service centres rather than standalone underutilised facilities?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much, hon House Chairperson. You'd be aware that prior

to the Post Bank being separated from the Post Office, part of the arrangement of recapitalising the Post Bank was the Sassa contract being placed in there. That is why to this day and age you can find social grant beneficiaries being able to access their social grants and save their monies with the Post Bank. That was the one intervention that the previous administration made in order to keep the institution and to get closer to the most vulnerable members of society to have direct access points in their communities.

The reality is that all these ideas that everyone wants the Post Office to be, can only be enabled by an injection of capital into it. And that injection of capital into it means an investment into its digital infrastructure so that it offers more than it currently offers. That is equally dependent on the prioritisation of the allocation of funds, which is not something that we do.

In order for the Treasury to satisfy itself that it is investing in the right place and you are planning in the right direction, we need to showcase that. What we are saying to you is that the last few years those efforts have been constrained. We are trying to get out of a business rescue and save it. It is why we are going to market to want these partnerships on these

different areas of services that may help sustain the longevity of the Post Office by being more adaptive to the demands of the digital, postal and courier service market.

Question 1138:

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: House Chair, I'll preface that with how we got to issuing the regulation, that Regulation 17, which was to provide a pathway for government departments to have the choice to procure outside of State Information Technology Agency, Sita, if they were able to present through a very credible business case that they can procure outside of it at a quicker turnaround time at a lower cost, as I said, in response to the question from hon Mathafa, but also in showcasing that, one, those needs can then be addressed.

That was sparked by the fact that when the Government of National Unity was pushed, and I think this predates this because several of my colleagues in Cabinet had been writing even to previous Ministers trying to seek exemptions. The problem with exemptions is that they are at the discretion of whoever is the Minister at that time. We wanted to put a credible pathway through the regulation, and it doesn't leave the power to a Ministerial intervention to determine whether the

WEDNESDAY, 5 NOVEMBER 2025

Page: 83

Department of Police or the Department of Justice and Constitutional Development can procure elsewhere. Before we did that, we issued the draft regulation as we are forced by the law to all the executive authorities, including the provincial governments.

The reception we got was in support of that, but we had to take another step, which is to get the concurrence of the Minister of Finance, who graciously offered that concurrence. Upon so doing, right, it is now then the responsibility of the very same departments that had these frustrations to have this choice to exercise it. We haven't yet done a scientific measure of what value has that choice given this department. However, an anecdotal experience that I would share with you is that from the Ministry's side, since the application of the regulation, we have received no letters from any other Minister wanting to seek an exemption from Sita. I can't speak out of Cabinet, but the members of the executive know. They know their slogan about the entity. I'll be in defiance of my oath if I share that. However, the reality is that they now have an avenue that they seem very comfortable with.

Therefore, to make this point, because it is important to deal with it, because it often gets inferred, particularly

interactions with the portfolio committee, that somehow this move is an attempt to emasculate the State Information Technology Agency. It is not. It is to enable government to always have the choice at different times in trying to meet the digital transformation goals that we have, that it has the flexibility to do that. That does not mean people can act outside of the requirements of the Public Finance Management Act or any other legislation that governs how government procures its services, and it accounts for that. Thank you.

Ms T K BODLANI: House Chairperson, through you to Minister, thank you for telling us the truth about this new regulation. Indeed, Minister, it was a progressive move on your part, and we do welcome that. However, Minister, one of the chronic issues that Sita is impacted by is the leadership instability, and as an institution, Minister, an immediate and urgent intervention is needed. When will Sita have a permanent board, a permanent managing director, MD, to ensure stability of Sita and to inspire confidence in the organisation?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much. With regards to when we have a permanent MD for Sita, including a permanent board, I think we are now at the final stage of, you know, formalising the last steps of that

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 85

appointment. I always hesitate to mention this point, hon Bodlani, so that you don't then say, but you said something else and then a different vision occurred. The board conducts the interviews of the managing director and ultimately makes a recommendation to the Minister. The Minister takes that recommendation, assesses it, and if he agrees with it, will then communicate to the board. However, for that to take effect, it must then still go to Cabinet committee. It must then still go to Cabinet for concurrence. Until all those steps have been ticked, to give a definitive timeline would be misleading.

However, it's a matter that you would recall that even based on the emphasis that the committee gave us, it's something that we want to conclude by this financial year. I'm confident that we would conclude both in terms of the appointment of the managing director and the new board that will then take over in this.

There was a reason why we had to have an interim board, as you would recall, that the previous board, we had to reinstate them to save the remainder of their term. That then lapsed.

Therefore, because by the time it lapsed, there hadn't been a process triggered to get a new board. We didn't want to do an extension of the very same people whose term has lapsed, particularly because that relationship had broken down, to be frank.

Therefore, we had to put in an interim board so that the organisation has leadership that can steer it towards permanent leadership, which is where we feel confident that we'll now be able to tick those two key developments before the end of the financial year.

Mr M MRARA: Minister, considering the policy shifts that now allows departments to bypass certain procurement items, what is the strategy your department developed to fundamentally reform Sita, making it a competitive and preferred service provider again?

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: Thank you very much. Hon Mrara would know that the department had started doing an exercise of repurposing what Sita's function should be. Therefore, part of that means that we have to look in terms of the current capabilities, what can remain within Sita's doing, and where can we get some form of flexibility in making sure that we intervene in the right direction for not only government department, but for the entirety of government to be able to meet its digital needs. You would know that the digital transformation roadmap, which is located within the Digital Services Unit in the Presidency, is looking at a co-ordinated approach towards tackling digital transformation in the state.

WEDNESDAY, 5 NOVEMBER 2025

Page: 87

The key element in here is that we need to position government to be able to respond rapidly to the changes and the evolutions that are happening in the sector to have the ability to meet their needs. Secondly, is to deal with this misconception of bypassing. There is no bypassing. Ultimately, when a department wants to procure those services, it approaches Sita to say that these are our needs, this is our business case. Are you able to meet this within your own timeframes that you've stipulated?

If the department is of the view, based on the interaction that it has with Sita, that those can be met. That shouldn't be the discretion of Sita because it will be a ... [Inaudible.] ... in a process that impacts its own capacity to deliver. We are saying that department should then have the leeway to be able to secure those services in the interest of making sure that there is no interruption of service, in the interest of making sure that government doesn't find itself in situations where there is overcosting, because that is another reality that frustrates government departments. We must look at what is in the best interest of everyone in the ecosystem to make sure that ...

Thank you. [Time expired.]

Ms B K DIALE: House Chair, through you to Minister, what has been the expenditure of SA Police Services over the past five

years on information technology, IT, services, and which service providers were utilised for these purposes, and how much have they been paid over the past five years? Thank you.

The MINISTER OF COMMUNICATIONS AND DIGITAL TECHNOLOGIES: House Chair, that is a very, very specific question. I do not have those facts with me right now. What we'll commit to is to source those figures so that we can feed you the calculated facts. I don't want to speculate on the size of that business. I don't have those facts with me right now.

Xitsonga:

Ttn S M GANA: Mutshamaxitulu wa Yindlu, ku hundza hi le ka wena ku ya eka Holobye ...

English:

... whilst this move is welcome, several government departments have suffered data breaches. There are people that are getting access to the information that belongs to the government of South Africa. Therefore, in this move, where in now departments are going to procure IT services for themselves, how will the data and the information of government be secured in that instance?

UNREVISED HANSARD
NATIONAL ASSEMBLY
WEDNESDAY, 5 NOVEMBER 2025

Page: 89

Xitsonga:

Ndzi khensile swinene, Mutshamaxitulu wa Yindlu.

HOLOBYE WA SWA VUHLANGANISI NA TITHEKINOLOJI TA DIJITALI: Ndzi khensile swinene xivutiso xolexo, muchaviseki Gana.

English:

Look, our view is that within, one, the law enforcement capacities of the state, right, and the instruments that are available, and also within the specs on the contracts that government departments want to achieve. There're very clear guidelines in terms of the location of data in terms of the protection of sensitive government data and the sovereignty of that data. It does not give government departments the exclusive right to auction of government data. I think it's very clear, but there's also another key important point that there are what are called mandatory services and nonmandatory services. The mandatory services are around particular and specific information that touches, for instance, in terms of the data that is in the hands of the state security services. That should always be guided to make sure that there is no risk of that interfacing with, you know, external threats.

The reality is that government departments should also be able to ... within government and so whether it be its state security, there's sufficient interventions to respond to threats when they happen. You have a technology background, you know that the efforts to either hack systems or penetrate those, it's a permanent obsession or permanent ... [Inaudible.] ... for people. It's about putting enough guardrails in place to minimise that threat and making sure that whenever it occurs, because there will be instances that it occurs, there is sufficient response so that you limit the threat of a permanent damage existing. However, there is no perfect solution to say that, do you have enough in the contracts that are in place or do you have enough arsenal in terms of your resources in the state to prevent a situation where there can never be an attack or where there can never be the risk of a possible disruption in that. Thank you.

Question 1166:

The MINISTER OF ELECTRICITY AND ENERGY: Thank you very much, House Chair, and thank you to the hon Crown Prince Nchabeleng for the question. Just to make the point that the independent power producers, IPP, Procurement Programme is a state-initiated and led programmatic intervention that has, amongst others, three primary objectives. The first one is to ensure that we

introduce competition on the generation side so that we can de-risk ourselves from the monopoly of Eskom and over-reliance on one entity. Once it fails to deliver, then it takes with it the economy of the country as we experienced during load shedding. The second one is to ensure that there is a structural comparing with the energy mix in the country.

We are beginning to green the mix so that there is some degree of decarbonisation so that we can reduce the share of fossil fuels as part of the energy mix. The third one is to tap into the liquidity of the private sector to help us to build this infrastructure project that is focused on electricity. As a result of that, we have seen an insatiable appetite of private sector since the inception of the programme. There has been considerable investments.

By 2020, the installed capacity from the independent power producers was sitting at 5 206 MW and the nominal generating capacity of Eskom was at 45 117 MW, which places the share of private sector generated electricity at 10,3% of the total mix. By 2025 March, the nominal generation capacity of Eskom was at 46 886 MW and that of private sector was at 7 495 MW. There is a delta there of 2 289 of private sector generated capacity relative to 2020. So, that's the kind of improvement that we

have seen and that constituted about 18,8% of the total generation capacity.

The introduction of reforms is not a threat to Eskom's existence. The issues around the wheeling, the trading platforms, the introduction of traders - all that it does is to ensure that there is a healthy competition. Like I said, the end consumer now has choices about where to get their electricity, and that can only help in ensuring that there are greater investments and innovation. As a result of competition, we should theoretically see the results in the abatement of exponential tariff increases. I must say that Eskom has conducted a risk assessment that tries to understand, if you like - the cost structure of the tariff and understanding also what that tariff structure means to its business going forward.

If you were to ask me, the single biggest existential threat to Eskom is not competition, but the issues around municipal data site. Competition is healthy. Eskom must accept the new reality. Eskom is more competent - the best outfit on the continent to respond to this competition. We have embraced it, and I am more than confident that Eskom will decimate anyone who comes in its wake because of this competition. The state and the country rely on Eskom to be an efficient electricity provider. Eskom is a

battery of the country. There is no private generator that will develop a project just to provide for the poor, but Eskom is in a position to do that. So, it's a great equaliser, and we welcome ... [Time expired.]

The HOUSE CHAIRPERSON (Mr W Horn): Thank you, hon Minister. Hon Nchabeleng, your follow-up question, please.

IsiZulu:

Mnu A NCHABELENG: Gwaza, mkhonto, gwaza! Gogo Gwede nogogo Enoch ...

Sepedi:

... dumelang.

English:

Minister, regarding the smart metres rollout programme by Eskom, who are the service providers? Who won the tender to supply smart and prepaid metres to Eskom? Which companies are currently contracted to supply Eskom with prepaid metres, and which companies are licensed wholesalers currently selling prepaid electricity on Eskom's behalf? What percentage of them are owned by blacks, women, youth and persons with disabilities?

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 94

The HOUSE CHAIRPERSON (Mr W Horn): Hon Nchabeleng, thank you. Before I hand over to the Minister, let me just say: Remember time stands still for no one. Hon Minister?

The MINISTER OF ELECTRICITY AND ENERGY: I think as a follow-up question, the detail nature of the question is such that I am unable to offer a competent answer to the House. Otherwise, I will be misleading the House. I volunteer to submit it to you in writing. In fact, you should be exceptionally worried when I get into the procurement space and start to rattle off who is doing what, and who is doing the other. It's just to undermine that procurement. So, that discipline is important. The fact that I can offer you a response now is a confidence on the ability of the shareholder, the executive not to interfere with that process. I think that's important. Thank you.

The HOUSE CHAIRPERSON (Mr W Horn): The next follow-up question has been awarded to the hon Mileham.

Mr K J MILEHAM: Thank you, House Chairperson and Minister, I hope you are having a good day. Minister, noting that generation share from independent power producers has increased significantly over the past decade and that Eskom's financial viability is questionable given its high debt burden and growing

municipal debt, especially from the ANC-run municipalities, is the Integrated Resource Plan, IRP, 2025 not in fact an admission that the state has no real short-term solution for the next decade? And for that timeframe, South Africa's only hope for new generation is the private sector. In fact, isn't that exactly what you told the portfolio committee yesterday when you admitted that not a single cent of government funding would go towards new generation capacity in terms of IRP 2025?

The MINISTER OF ELECTRICITY AND ENERGY: Thank you very much, hon Mileham. Well, it's a paradox what you are articulating. What is that paradox? What the IRP does is that it presents two horizons. In short, our electricity plan says that the first horizon is between now and 2030, during which we will obtain 11,9 GW of new generation capacity from solar photovoltaic, PV. Eight point nine gigawatts will come from wind, and the six gigawatts will come from gas to power. We also compute the next horizon, from 2030 to 2045. It is a long-term plan. We also emphasise that in the immediate term, what keeps these lights on is Eskom.

We had to focus on ensuring that we improve the performance of the installed fleet. When I was appointed, and everyone was ridiculing the President, they asked, "Why do you need a

Minister of Electricity? The Energy Availability Factor, EAF, was sitting at 48%. Now, two years after the appointment of the Minister of Electricity, it is at 71%. Guess who is eating a humble pie? It's exactly that. Then we have a new problem - that new problem is over-generation. And we are able to use that as a lever to restart the South African economy, which is why we are engaging with the smelters.

There is no truth to the claim that the state will be retrenched. All we are doing is ensuring that there is diversity in the mix and introducing new players. It is our policy to say that the private sector has got a role to play. We are moving away from a monopoly to competition, and this can only augur well for the economy of the country. So, we are on the right track.

The HOUSE CHAIRPERSON (Mr W Horn): Hon Boshoff, you may ask the next supplementary question.

Dr W J BOSHOFF: Thank you, hon Chair and hon Minister. I think if we look at the nature of electricity generation, which is predominantly moving in the direction of decentralisation and smaller scale, do you suspect that we might reach a time where Eskom becomes more of a social company providing electricity to

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 97

those who can't afford to provide their own, rather than a commercial operation? Or do you think we will reach that stage?

The MINISTER OF ELECTRICITY AND ENERGY: Thank you very much, hon Boshoff. I think it is going to play both. You need a backstop to ensure that when everything fails, you have someone to protect the interest of the South African economy from an electricity point of view - the generation capacity that is. What Eskom is doing now is introducing Eskom Green so that we can understand that the profile of generation has changed. We need to exploit our renewable energy endowments. We have those in abundance.

What Eskom Green will do is, if you like, to compete with the new generation capacity on what is classified as green. If you are to go to any major energy consumer in the country, typically this will be big industries like mines and smelters. If you are to ask people who they prefer to provide their electricity - the private sector, the developer, a generator, Ramokgopa or Eskom - with their eyes closed, they will say Eskom. Eskom has 100 years of experience. Eskom has the highest density of the most qualified, competent, and patriotic engineers. Eskom has developed patents over a long time. Eskom understands the entire value chain of electricity generation. It takes an

extraordinarily long amount of time for anyone to come and claim to understand what the space looks like. If you go to the private generators, I can tell you with my eyes closed that you will always find someone who has previously been associated with Eskom. Eskom is the engine of this country. Eskom is going to provide social protection for the poor while also ensuring that it catalyses the South African economy. So, hon Boshoff, I'm sorry - it's all of the above.

The HOUSE CHAIRPERSON (Mr W Horn): Hon Thring, you may ask the last supplementary question. Thank you.

Mr W M THRING: Minister, it is an open secret that Eskom is a shadow of its former self for all the reasons. While there have been some notable improvements under your helm, more and more customers are shifting to private generation. Minister, in assessing the risks to Eskom's viability over the increased private wheeling, trading platforms, and third-party access to public transmission infrastructure, does your department have considered concrete plans to embrace and leverage the shift to private generation, while mitigating risks and improving the long-term financial viability of Eskom in order to remain a viable player in the evolving energy landscape? If yes, please share some of the details, and if not, why not? Thank you.

The MINISTER OF ELECTRICITY AND ENERGY: Thank you, Chair and hon Thring. We have just computed what we call the critical mineral strategy and tried to understand. In the course of adopting that strategy, understand what the minerals of the future are, that is, those minerals that are going to support the decarbonisation agenda. The Boston Group has conducted a study that shows that the minerals that are needed to support decarbonisation are in high demand, but the demand side of the decarbonisation is such that it exceeds the supply side.

There is a delta deficit of 20% of the minerals that are going to drive the decarbonisation agenda. Those minerals are found on the continent. A great majority of them are found in the Southern African Development Community, SADC, and they will require two things for us to exploit them. They will require electricity and water. In response to your question, Eskom is repositioning itself not only as a domestic supplier of electricity to South Africa, but also allowing traders to do as they see fit here. I think we are going to look north, and we are going to support and undergird the growth of Zambia, Mozambique - you mentioned them, Zimbabwe, because the transmission lines exist, and we have sufficient capacity. We are growing that 252 gigawatts in the next 15 years or so.

The South African economy, irrespective of its rate of growth - GDP growth, will not be able to absorb that kind of additional capacity. So, Eskom must look north. We welcome competition. There is no contradiction between the proliferation of private sector participants in any form, including traders and new generation capacity, and Eskom's long-term future. Eskom is turning the corner - yes, you are right. We come from a difficult past where we registered R16 billion profits after tax. You will see that it is going to grow, and not on the back of tariff increases only. You will see that the primary driver is that it's becoming more efficient and getting better at negotiating these contracts going forward. The future of Eskom is guaranteed. Thank you.

Question 1097:

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N M Sibiyi):

Thanks for the question. Chair, it is a reality that the two funds play a very strategic role in the lives of workers in this country. But again, we must accept that they are challenging. There is a lot of work that must be done to make them work in a manner that is expected in the country. We will be focusing on the Compensation Fund as it is the one that received the disclaimer. The Auditor-General has highlighted several key findings that have contributed to the persistent disclaimer

audit opinions for the Compensation Fund. These findings include inadequate record-keeping and data integrity. The lack of comprehensive and accurate records has compromised the reliability of financial information. Ineffective internal control environment, existing internal controls have not been sufficient to safeguard assets or ensure proper financial management. Inadequate information technology controls, deficiencies in IT systems have led to vulnerabilities such as intercepted payments and unreliable data processing. Hon Chair, the recurring audit disclaimers are attributed to several underlying systemic governance and internal control failures. This includes the unavailability of historical accounting records related to benefits paid and revenue collected, which impedes accurate financial reporting. Weak internal controls with information and communications technology, ICT, processes, particularly those affecting the interception of processing of payments. The absence of readily available audited financial statements for unlisted investments further complicates the audit processes and financial transparencies. The Minister is currently actively working to reinforce and stabilize the leadership of the fund by addressing vacancies at the senior management level. This process includes filling key positions and ensuring that management is held accountable for their responsibilities. Accountability is further promoted through ...

[Inaudible.] ... monitoring processes that track the implementation of action plans as well as both financial and non-financial performance reporting.

In addition, the audit committee, which reports to the acting director-general and Minister, plays a pivotal role in overseeing the progress of the audit action plan. It conducts a monthly review of the audit action plan to ensure that funds management is diligently implementing the prescribed actions outlined in the plan. The audit committee continues together with management to ensure implementation of the following actions: Comprehensive data cleansing initiatives are being implemented to improve the accuracy and reliability of information within fund systems; key financial processes are being automated; and robust audit trails are being established. These measures aim to minimize manual errors, enhance traceability throughout all financial transactions in the funds. The capacity of the internal controls directorate is being reinforced to ensure active monitoring, evaluation, and enforcement of the implementation of controls activities. The internal control directorate is now better equipped to investigate instances of financial misconduct and enforce appropriate disciplinary actions. Furthermore, a financial misconduct plan has been developed and is currently being

implemented, complete with due dates to address all outstanding historical cases in the fund. I must say, hon Chair, that there is a lot of work that we are currently engaged in trying to change the face of this fund, and we are putting in quite a few capacity and internal controls that are going to assist the fund to be changed to a better fund. Thank you, Chair.

Ms N S NKOPANE: What specific measures or reforms have been proposed or implemented to address these systemic governance and internal control deficiencies in both funds? Will the implementation of the audit plan resolve those issues, and what barriers have hindered the effective execution and oversight? Thank you, Chair.

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N M Sibiya): Chair, we strongly believe that the implementation of this plan will turn around the situation in the fund. The implementation of the audit action plan during the first semester of the 2025 financial year ... the Compensation Fund implemented several targeted measures to enhance its internal control environment and reduce recurrence of audit findings. On general controls, the environment improvements are to ensure consistent progress. The management of the Compensation Fund established a structured system to evaluate the implementation of the audit action plan

that we are currently implementing. Feedback on the plan execution is scrutinized rigorously every two weeks. Capacity-building and address the backlogs that exist in the fund, the fund has prioritized strengthening its accounting, financial, and internal controls functions across various directorates within the fund. This involves equipping these areas with the necessary skills to address pre-existing backlogs of ineffective controls and rectify accounting records that had been affected by prior periods. On interim financial reporting, as an added measure, the Compensation Fund instituted the preparation of interim financial statements as of 30 September 2025. In enhancing payment processes, we are busy working towards mitigating the risk of erroneous payments that have been rife in the fund. The fund's payment procedures now incorporate account verification at the point of final fund release. This mechanism is designed to detect and prevent payments to incorrect beneficiaries. And this is supposed to change the face of the fund [Time expired.]

Mr M BAGRAIM: Deputy Minister, the disgusting audit failure for both the Unemployment Insurance Fund, UIF, and the Compensation Fund has been constant for over a decade. We keep hearing the same answers from you and your predecessors. It appears that not only are the systems hopeless, but the staff managing the

systems are either unable to manage or refuse to manage. We now have both these entities ring-fenced and reporting separately directly to the department. However, the same staff members remain, and the same systems are reflecting the failure. Why not engage with the private sector, which could run claims and payouts properly without delay and without theft? Thank you, Minister.

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N M Sibiyi):

Thanks for the question. Chair, we do acknowledge that the challenges have been recurring for quite some time. But as we have explained to the House, how we are envisaging turning around the situation, the turnaround plan that we are implementing is going to change the current situation. But also, as I have said, the filling of key positions at a senior level is going to change how the fund has been operating. We are bringing in capable leadership in the fund. But also, we are making sure that the issue of capacity-building among the current employees that we are having is also being addressed. The systems, as I have said, we have identified the ICT system as one of the biggest challenges. We have implemented the biometric system now, which is fully being used in all our labour centres, starting from the labour centre up to the highest office. No transaction is done without the biometric

WEDNESDAY, 5 NOVEMBER 2025

Page: 106

system being engaged, which is changing. We have observed that there is a greater change and there is accountability. So, we are closing all the leaks and the loopholes that have been there. There will be a change. Thank you very much.

Mr Z E MTHETHWA: Minister, you have rightly outlined the root cause of the instability at the Compensation Fund and the Unemployment Insurance Fund, namely, systemic governance failures, IT weaknesses, and a culture of impunity regarding the Auditor-General's recommendations. Furthermore, you have detailed the recovery strategy for the R1,7 billion, which relies heavily on the work of the Special Investigating Unit, SIU, and law enforcement. My follow-up questions are twofold, focusing on accountability and proactive prevention. Given that the lack of consequences for officials is the root cause, what specific time-bound disciplinary actions have been taken internally against managers and officials, including those at a senior level, who failed to implement the Auditor-General's recommendations or who presided over the control failures that allowed the R1,7 billion to be stolen? Furthermore, beyond relying on the SIU to follow the money, what tangible system-wide control have you implemented to ensure that a syndicate ...

[Time expired.]

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 107

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N M Sibiyi):

Chair, let me not deal with the figure of R1,7 billion. Let me deal with theft in the fund. But also, the challenges that we have seen and issues of consequence management. Currently, what we are implementing is, we have established the Anti-Corruption and Integrity Management Directorate, ACIM. This directorate is dedicated to investigating all fraudulent transactions and operations within the fund. The ACIM directorate is staffed with permanently appointed qualified forensic investigators and engages external investigators appointed through procurement to strengthen the investigative capacity within the fund.

Furthermore, the ACIM directorate has formed a strategic partnership with key stakeholders at the Fusion Centre. This collaborative effort includes working closely with the National Prosecuting Authority, NPA, the Asset Forfeiture Unit, AFU, and other relevant entities. The primary objective of this partnership is to proactively address and prevent fraud within the Compensation Fund. The investigative report produced by the ACIM directorate plays a crucial role in enabling the Compensation Fund to prosecute individuals implicated in fraudulent activities. In addition, these reports guide the implementation of operational controls. As a direct outcome of the strengthened anti-fraud initiatives and ongoing investigations led by the ACIM directorate, the Compensation

Fund has made significant progress in tackling fraudulent activities. Notably, in September 2025, the fund secured successful prosecution against nine individuals, some of whom were former employees. These individuals were found guilty of fraud and subsequently sentenced, underscoring the effectiveness of the fund's current approach to fraud prevention and enforcement. We are dealing with corruption and we are ... [Time expired.]

Mr S L NGCOBO: Deputy Minister, has the department conducted lifestyle audits on senior officials and leadership responsible for managing the Unemployment Insurance Fund and Compensation Fund? And if not, what measures are being taken to ensure accountability and detect possible conflicts of interest or corruption amongst those entrusted with oversight over these funds, Deputy Minister? Thank you.

The DEPUTY MINISTER OF EMPLOYMENT AND LABOUR (Mr N M Sibiyi): Thanks for the question. We have not done any lifestyle audits on the senior officials within the two funds, Chair. That is why we have established such a directorate that you see in the Compensation Fund, because we believe we need to deal with what has been happening. The suggestion that we conduct lifestyle audits is great. It can be looked at, but we have not done it.

But further to that, we are strengthening the consequence management. The effectiveness of consequence management within the two funds is being amplified, and quite a few cases of fraud are being fast-tracked. That is why I raised earlier on what we have done regarding the establishment of the ACIM, which is assisting in the Compensation fund. Further, with the UIF, it is the same story. We are working with quite a few law enforcement agencies. You have seen in the past few months that quite a few syndicates have been exposed in the UIF, and several of our own employees and outsiders have been arrested, and we have also been able to get back the money that has been stolen, but some have been sentenced to longer years. So, there is quite a lot of work that is being done, and we are closely looking at the work that both funds are doing. Thank you very much.

Question 1116:

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: Deputy Speaker, members, you know, one of the issues is an allegation that "you are not serious". It always happens when you're not involved and you are doing oversight. Oversight gives you a right to be critical. The reality of the matter is that legal powers of our department are limited when it comes to business rescue processes. Because business rescue practitioners do not fall in

UNREVISED HANSARD

NATIONAL ASSEMBLY

WEDNESDAY, 5 NOVEMBER 2025

Page: 110

our department. They fall in another ministry and therefore we don't have direct authority over them.

So, therefore, will continue to engage them. We engage interested parties; we engaged affected parties for solutions. That is the best interest of the family and all those affected.

In this regard, we have also held various meetings. First of all, with Vantage Goldfields Mine, which was the owner of the mine when the accident happened. At one point, they declared that they would have the money, they will reopen the mine, and they went to the business rescue practitioner, committed to bring the money from Australia. We gave them time, and it became clear that they had no money. We went back to the business rescue practitioner who brought another investor from China - said, these have money, they have guarantees, we'll give you the money. We gave them space. That money did not materialize.

Two weeks ago, the court has given the businesses rescue practitioner a leeway to actually open up for investment in Lily Mine, that is Lily and Barbrook. Those are two gold mining companies. And we're hoping that they will attract investors

because the price of gold is above R4,000 an ounce, and we're hoping that it will.

So, it is not lack of seriousness. It is the question of trying to get an investor so that is not only retrieving the bodies, it's also opening the mine for operations. And the reason for that is that you need economic activity in that area. That is the biggest problem there. If you go there, poverty is in the face of people, so you must open the mine, make it work, and retrieve the bodies. That is where we are now.

So, business rescue practitioners are not under our jurisdiction. We engage with them. Thank you very much.

Ms P R MAILOLA: Minister, regarding this matter, it's almost been nine years now. Is it the view of the department that the bodies of these people must remain buried in that mine forever? Or Minister, would that still be the view if those who were buried alive there were big owners of businesses or one of your senior politician in this country? Thank you.

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: Mine disasters happen in the mining industry all the time. And one of the issues that I'm trying to explain to the House all the time, is

that most of the time, capital make billions and billions of rands on mining. But when there's a disaster, there's a temptation to take a shortcut and want the state to take over the responsibility of a disaster.

And our view is that capital must take responsibility for the disaster in an operation where they made money. That would be our attitude, whether it was big business or was a big politician, that if a mining company has a disaster, capital must take responsibility for a disaster.

If that was not the case, I can tell you now, the state will be taken for a ride everywhere. I've been in the mining industry for some time. I witnessed the Kinros disaster. The state refused to take responsibility, Genco took responsibility. I witnessed the Vaal Reefs disaster; Anglo took the responsibility. I witnessed the Sandalina disaster, Genco took the responsibility. And that is a trend that is there. Capital invests, makes money, and when there's a disaster, they must take responsibility.

If this House says to me, we are giving you money, we are voting for this budget. Talk to the Minister of Finance. Go and retrieve those bodies. We will do that. But the reality of the

WEDNESDAY, 5 NOVEMBER 2025

Page: 113

matter is that big business make money on the mines, but when there's a disaster, they expect state to take responsibility.

Ms F HASSAN: Hon Minister, thank you for that response, and I think outlining the role that private sector has, not just in making money through the extraction of minerals, but taking responsibility where difficulty in crisis has occurred.

Minister, the follow-up question relates to the department and how you will ensure, as the department, that in line with the court decisions, that the business rescue process is concluded, especially given some of those challenges you outlined initially around the poverty in the area, but also to ensure a safe recovery plan is executed, practically reducing the delays and giving the families a clear schedule and point of accountability. Thank you.

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: Let me repeat this point. Business rescue practitioners do not fall under our department. If they did, there are few that I would have fired, including the optimum one, including another one, in all other mines, but I don't have that authority. What we have the right to do is to put pressure on the business rescue practitioner to

ensure that they implement solutions to a problem. That is my responsibility. And I'm doing that to the best of my ability.

That's why I can tell you that there's been a series of investors who promised to take over Barbrook and Lily Mine. And we say, take them over, make money, but take those bodies out. We're not getting that. We're working on that. We're hoping that we'll get a solution sooner.

That's why in the last time I gave a promise because Vantage said we have money and only to discover that they don't have the money, but they wanted to have the section 11 given to them, and our responsibility to say, if you don't have money, we take away your section 11, we'll give it to a person who will operate the mine and also retrieve those bodies.

Mr J R B LORIMER: We all want to see the remains of the victims returned to their families. But getting them back will involve risks to the rescuers. Just after the accident, rescuers dug frantically to try and retrieve the container. Just before they got there, was another collapse. The decision was made to withdraw them, which was a good decision because the collapses continued and even the emergency shaft became unusable.

So, Minister, will you make the restart of the mine conditional on rescuing the remains? And if so, at what point, if at any point, will you say the operation is too dangerous to the lives of the rescuers and does not need to happen?

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: Mining is inherently dangerous. So, you cannot stop an operation on the basis of it being dangerous. It's dangerous in any way. That's why I give you a list of disasters that I have witnessed in the mining industry. The biggest was Coal Brook, by the way. That is the nature of the industry.

Anybody want to get a section 11 in Lilly Mine, Barbrook, will get that section 11 on condition that they retrieve those bodies. That will be a condition. And we've repeated to all of them that if they say they want to operate a mine, but they can't take the bodies, we don't give them section 11. That's how it works.

Ms M P KOBE: Hon Minister, I really am glad that you are saying that you're open to the retrieval of the bodies. Actually, I say President Herman Mashaba has written to you, your office, and the office of President Ramaphosa to facilitate the retrieval of these bodies. Why have we still not received a response and a

WEDNESDAY, 5 NOVEMBER 2025

Page: 116

commitment from your department? If not, when can we expect a response in this regard?

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: The problem with a letter written to me or the President by Mr Mashaba, is an assumption that the state must take responsibility from capital. Now ... no, no, no, no. Now you ask a question and now you're howling. Why do you do that? Remain cool, remain cool. Live, remain cool.

All we're saying is that we will insist on capital retrieving those bodies and operate the mine. We're insisting on that. And the reason for that is very simple. Those two mines have good deposits of gold. And therefore, we're insisting that anybody want to go to Lilly Mine and Barbrook ... you see I give you both, that person must take the full responsibility of reopening the mine, and that's it.

The HOUSE CHAIRPERSON (Mr W Horn): Thank you, hon Minister. Hon members, that concludes this oral question session. Outstanding replies will be printed in the Hansard.

Members are requested to stand and remain standing until the presiding officer has left.

UNREVISED HANSARD
NATIONAL ASSEMBLY
WEDNESDAY, 5 NOVEMBER 2025

Page: 117

That concludes the business of the day. The House is adjourned.

Business of the day concluded.

The House adjourned at 18:04.