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TUESDAY, 6 MARCH 2018

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PROCEEDINGS OF THE WESTERN CAPE PROVINCIAL PARLIAMENT

The sign † indicates the original language and [ ] directly thereafter indicates a translation.

The House met at 14:15

The Deputy Speaker took the Chair and read the prayer.

**BUSINESS OF THE HOUSE**

The DEPUTY SPEAKER: Order. The Secretary shall read the two Orders of the Day.

The SECRETARY: Introduction and First Reading – Western Cape Additional Adjustments Appropriation Bill (2017/18 Financial year) [B2 – 2018]; and Introduction and First Reading – Western Cape Appropriation Bill [B3 – 2018].

The DEPUTY SPEAKER: I see the hon Minister of Finance. [Applause.]

An HON MEMBER: Hear-hear!

The MINISTER OF FINANCE: Mr Deputy Speaker, hon Premier, Cabinet colleagues, hon Leader of the Official Opposition, hon Leaders of Official Opposition Parties; hon members of the National Assembly; hon Executive Mayors and Executive Deputy Mayors, Speakers and Councillors present here today in the House; senior officials of the Western Cape government led by the Director-General, Advocate Gerber; leaders of the business community; citizens of the Western Cape; ladies and gentlemen.

Mr Deputy Speaker, the Budget 2018 focuses on budgeting for the people ... [Interjection.] recognising that economic growth and development is critical to improve living standards and socio-economic conditions and therefore the pursuit thereof remains a top priority of this government.

The MINISTER OF SOCIAL DEVELOPMENT: Hear-hear! [Interjection.]

†Die MINISTER VAN FINANSIES: Mnr die Adjunkspeaker, sedert die Minister van Finansies sy Hoofbegroting in die Parlement ter tafel gelê het op 23 Februarie 2018 het ons nou weer 'n nuwe Minister by die Nasionale Tesourie.

Mnr die Adjunkspeaker, ek verwelkom die terugkeer van Minister Nene by die Nasionale Tesourie. [Tussenwerpsels.]

Minister Nene sal eers die Nasionale Tesourie moet skoonmaak want die agente van staatskaping is deur sy voorganger, Minister Gigaba, in die

Nasionale Tesourie ontplooi. Ongelukkig het die Gupta dogma aspekte van die Nasionale Begroting vertroebel en herbesinning is noodsaaklik as ons uit 'n begrotingsperspektief 'n nuwe begin wil maak. Dit sluit in die bestuur van die uitgawekant van die Begroting en die verhoging in die BTW wat werklik noodsaaklik was gegewe die ekonomiese en fiskale konteks in Suid-Afrika.

*[Translation of Afrikaans paragraphs follow.]*

[The MINISTER OF FINANCE: Mr Deputy Speaker, since the Minister of Finance had tabled his Main Budget in Parliament on 23 February 2018, we now again have a new Minister at the National Treasury.

Mr Deputy Speaker, I welcome the return of Minister Nene at the National Treasury. [Interjections.]

Minister Nene will first of all have to clean up the National Treasury because the agents of state capture has been deployed by his predecessor, Minister Gigaba, in the National Treasury. Unfortunately the Gupta dogma has clouded aspects of the National Budget and reviewing is essential if we want to have a new beginning from a budgeting perspective. This includes the management of the expenditure side of the Budget and the increase in the VAT that has really been necessary given the economic and fiscal context in South Africa.]

Mr C M DUGMORE: Donations to the DA ...[Inaudible.]

The MINISTER OF FINANCE: Mr Deputy Speaker, it is my intention to write to Minister Nene to request him to restore the credibility and integrity of the National Treasury as the supreme fiscal authority in South Africa.

[Interjections.]

The DEPUTY SPEAKER: Order, order!

The MINISTER OF FINANCE: Minister Gigaba's arrival at the National Treasury initiated the stripping ...[Interjections.]

The DEPUTY SPEAKER: Order!

The MINISTER OF FINANCE: ... of the institutional fiscal powers and responsibilities as provided for in the Constitution and in the Public Finance Management Act.

Former President Zuma and former Minister of Finance, Gigaba, captured the National Treasury through a Budget Mandate Paper. [Interjections.]

The DEPUTY SPEAKER: Order! [Interjections.] Order!

The MINISTER OF FINANCE: Mr Deputy Speaker, I will formally request Minister Nene to withdraw the Budget Mandate Paper ... [Interjection.]

†Mnr Q R DYANTYI: Asseblief, in jou drome.

[Mr Q R DYANTYI: Oh, please, in your dreams.]

The MINISTER OF FINANCE: ... and restore the institutional and fiscal integrity of the entire fiscal framework.

Mr Deputy Speaker, let me now turn to the global economic outlook. The global economic growth expanded by 3,7 per cent in 2017 and is forecast to increase to 3,9 per cent in 2018 due to the accelerated in growth in emerging economies.

†Mnr Q R DYANTYI: Nou gaan ons luister.

[Mr Q R DYANTYI: Now we are going to listen.]

The MINISTER OF FINANCE: Growth in advanced economies accelerated from 1,7 per cent to 2,3 per cent, while growth in emerging economies rose from 4,4 per cent to 4,7 per cent in 2017.

Over the medium term, economic growth in advanced economies is expected to remain unchanged at 2,3 per cent in 2018 before slowing marginally to 2,2 in 2019.

In emerging markets, Chinese growth is forecast to remain strong at 6,6 per cent in 2018 and 6,4 per cent in 2019.

But it is India's remarkable economic growth rate that is expected to outpace

China at 7,4 per cent in 2018 and 7,8 per cent in 2019. This is spectacular growth globally. Following closely, Indonesia's economy is forecast to expand by 5,3 per cent in 2018 and further to expand by 5,5 per cent in 2019. One of the reasons why we are excited about this particular growth is because Minister Winde and I have recently also met with the Trade Minister of Indonesia because we are busy doing business and sending market and business delegations to that part of the world.

In Sub-Saharan Africa, growth is expected to pick up further and reach 3,3 per cent in 2018 and 3,5 per cent in 2019 partly due to the continued economic recovery in Nigeria from the 2016 recession and we are happy about that.

Also according to Stats SA figures that were released today, Mr Deputy Speaker, South Africa's economy grew by 1,3 per cent in the 2017 financial year. That gives us hope.

Over the medium term, growth is forecast to recover and accelerate to 1,4 per cent in 2018 and further accelerate to 1,9 per cent in 2019.

Mr Deputy Speaker, let me now turn to the impact of the drought on the agricultural sector in the Western Cape. The impact of the drought on the Western Cape economy is higher than previously anticipated. A whole new water economy is emerging out of this crisis and we need lots of innovation in agriculture to ensure that the crisis enables us to remain competitive.

†Mnr Q R DYANTYI: Gee ons goeie nuus.

[Mr Q R DYANTYI: Give us good news.]

The MINISTER OF FINANCE: Farmers are innovative at best. Agriculture and agro-processing contribute a combined R54 billion to the provincial gross value added – a measure of all the goods and services provided by the agricultural sector.

Of the province's exports, 52 per cent comes from the agriculture and agri-processing sectors that Minister Winde is driving. A report by his department, the Department of Agriculture in collaboration with the Bureau for Food and Agricultural Policy, estimates that the impact of the drought equates to an average production decline of 20 per cent.

The agriculture sector in the province has, on average, had to cut its water use by 60 per cent, and some areas have already drawn down their entire water allocation.

†Mnr Q R DYANTYI: Die regering het niks gedoen nie.

[Mr Q R DYANTYI: The government has done nothing.]

The MINISTER OF FINANCE: The impact of the drought is already evident in record wheat production losses. [Interjection.] Export volumes of agricultural products from the province are expected to decline between 13 per cent and 20 per cent this year.

Mr Deputy Speaker, my colleague has already last year in the Adjustment Budget indicated that the impact of the Avian flu on poultry farmers in the province has been about R800 million. [Interjection.]

Furthermore, thunderstorms and hail recently destroyed about 200 000 cartons of late-season plums.

Mr Deputy Speaker, let me now turn to employment. The most recent job numbers from Statistics South Africa showed employment numbers for the fourth quarter in 2017 and revealed the major impact of the drought on farm worker employment in the Western Cape. The combined average agricultural employment for the 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> quarters of 2016 compared to that of 2017 was a decline of 31 000 jobs.

Despite this, the Western Cape has reported the lowest unemployment rate of 19,5 per cent in South Africa. [Applause.]

†Die MINISTER VAN MAATSKAPLIKE ONTWIKKELING: Mooi!

[The MINISTER OF SOCIAL DEVELOPMENT: Good!]

The DEPUTY SPEAKER: Order.

The MINISTER OF FINANCE: Mr Deputy Speaker, when you have a crisis like this, you need to have a fiscal strategy to respond to this. Our strategy is clear. Fiscal consolidation ... [Interjections.]

The DEPUTY SPEAKER: Order, order! Hon member Dyantyi, I have given you enough latitude now. You are making comments about everything. Give the Minister a chance ... [Interjection.]

Mr Q R DYANTYI: It is interjections.

The DEPUTY SPEAKER: It is the Minister's time today. Hon Minister, you may proceed.

Mr Q R DYANTYI: It is interjections. I am just ... [Inaudible.]

Mr M G E WILEY: It is a running commentary.

The DEPUTY SPEAKER: I am not curbing the interjections, I am saying you must contain yourself. You are making interjections on all the comments of the Minister. Be more selective. Hon Minister, you may continue.

Mr Q R DYANTYI: You want to stop ... [Inaudible.]

The MINISTER OF TRANSPORT AND PUBLIC WORKS: You do not need to stand up.

The MINISTER OF FINANCE: Mr Deputy Speaker, our strategy in this crisis is clear. We have adopted at a Cabinet level a fiscal strategy; fiscal consolidation, fiscal discipline and fiscal sustainability will continue to

underpin the Western Cape 2018 Budget.

Several fiscal and service delivery risks remain, such as the current drought and the water crisis; the growing demand for provincial government services; the reductions to departmental baselines; increase in the Value Added Tax and an uncertain outcome of the wage negotiations.

But, Mr Deputy Speaker, guided by the Western Cape Fiscal Strategy and fiscal and budget policy principles, our fiscal response centres on maintaining stability and sustainability of provincial framework, whilst mitigating and managing identified risks to ensure the delivery of the objectives of this government from 2014 to 2019.

How do we respond to these risks? As a first step towards ensuring the sustainability of the provincial fiscal framework and providing for unforeseen and unavoidable events, the province has protected the provision of reserves from the previous MTEF over the new MTEF.

Amounts of R328 million set aside for 2018/19, R446 million in 2019/20, and another R470 million in 2020/21 are provided for in the Fiscal Stabilisation Reserve to deal with potential volatility in the fiscal framework relating to national transfers including the provincial equitable share and the cuts in the conditional grants.

Funding held in reserve for unforeseen and unavoidable expenditure amounts

to R187 million in 2018, R197 million in 2019/20 and R208 million is set aside for unforeseen, unavoidable expenditure in 2020/2021.

Amounts to deal with service load pressures – As I will later refer to in regard to the Minister of Health, the Minister of Education and the Minister of Social Development, there are enormous service load pressures on these departments. For that we have set aside R362 million in the 2018/19 Budget, R474 million in 2019/20 and R489 million in 2020/21 is provided to deal with increased service load pressures to enable the Western Cape government to deliver on its mandate of frontline service delivery, specifically in the context of health, education and social development.

†Die MINISTER VAN MAATSKAPLIKE ONTWIKKELING: Mooi!

[The MINISTER OF SOCIAL DEVELOPMENT: Good!]

The MINISTER OF FINANCE: Secondly, during the technical assessments of the budgets of the Ministries of Education, Health and Social Development, it became clear to the Cabinet that any further cuts to their budgets would pose a serious service delivery risk to our people.

This budget for people is a direct response to the pleas from the Ministers to protect the people, the citizens of the Western Cape.

Allocations have therefore been made to sustain current services over 9the MTEF, particularly in key frontline services in education, health and social

development.

I am pleased to announce that R362 million is provided for in 2018/19, R474 million in 2019/20 and R489 million in 2020/21 to manage the increased service load pressures and enable the Western Cape government to deliver on its frontline service delivery. I believe that the Minister of Health is very happy about that. She is smiling. [Applause]

†Die MINISTER VAN MAATSKAPLIKE ONTWIKKELING: Mooi!

[The MINISTER OF SOCIAL DEVELOPMENT: Good!]

The MINISTER OF FINANCE: Thirdly, provision has been made towards the response to mitigating and managing key risks related to the drought as well as the potential negative outcome of salary negotiations.

Mr Deputy Speaker, the Cabinet, with the Premier, has appointed me as the Western Cape person representing this Western Cape government on the national negotiations team and I am certainly ... [Interjection.] carrying a mandate from this government into those negotiations and the mandate that I have received from this Cabinet is that we must stick to inflation or even below inflation salary increases. That is my mandate. [Interjections.]

Mr Q R DYANTYI: Is that the best [Inaudible.]

The MINISTER OF FINANCE: Interventions in this regard include

maintaining the personnel expenditure ceilings as a mechanism to manage employee headcounts and avoid crowding out of other expenditure.

Mr Deputy Speaker, let me now turn to the water crisis. The worst drought in decades and the ensuing water crisis threatens not only the economic productivity of the province, but also the socio-economic development of our people. To mitigate the impact of the water crisis on the strategic government services and priorities, the Western Cape Provincial Government established the Joint Operations Centre for the Provincial Disaster Centre to co-ordinate the provincial response.

During the 2017/18 Adjusted Estimates in this House, hon members will recall that we tabled a budget of R165 million that was allocated in this current financial year and R157 million for the 2018/19 financial year towards the drought response. These allocations are used for, amongst others, water resource infrastructure projects at schools, boreholes for health and social development facilities, additional water saving measures such as rain water tanks, gutters and downpipes as part of housing projects, drought relief, fodder for research herds, the drought communication campaign and boreholes to provide drinking water to our rural communities. Therefore I am pleased to announce that an additional R100 million has been set aside in this new financial year with the Provincial Revenue Fund towards the drought and the pursuing water crisis.

The national government has made available disaster relief grants for

provinces and some of our municipalities here of R423,7 million in the 2017/18 financial year, Mr Deputy Speaker, and R472 million in the 2018/19 financial year, which can be can be rapidly released to assist in case of emergency.

If you calculate these numbers, it is about R422 million that this government has set aside to deal with this emergency in the context of the drought.

The National Treasury has also made available R6 billion to provide for provinces: the Northern Cape, Eastern Cape, Western Cape and the Free State that are currently affected by this drought. We are looking forward to see how this money will also find its way to the various provinces.

Mr Deputy Speaker, now let me turn to the budget spending plans and priorities for this financial year.

The 2018 Budget supports economic development and infrastructure-led growth, the provision of quality education and initiatives towards advancing the youth, the wellness programmes, safety initiatives and good governance practices.

Creating opportunities for growth and jobs remain the number one strategic objective of this government. Creating opportunities for growth and jobs focuses on priority initiatives to support and enable the economy. These priority areas include manufacturing, exports, agri-processing, tourism, ICT,

business process outsourcing and skills development.

Mr Deputy Speaker, I am therefore pleased to announce that in the 2018/19 financial year the Department of Economic Development and Tourism will spend R4 million on the Municipal Services to Business Project which aims to address red tape to improve the ease of doing business by providing improved municipal services to businesses through specialised business process optimisation. Thank you, Minister Winde, this is a great initiative.

A total of R6,87 million will be spent on the Access to Finance Programme. The Access to Finance Programme is an initiative that will focus on equipping SMME owners with the relevant business knowledge, skills and resources which will contribute towards enhancing their efforts in accessing funding.

The Department will also spend R1,1 million on the Emerging Business Support Programme in the 2018/19 financial year. Mr Deputy Speaker, the Emerging Business Support Programme is a joint initiative with a major bank that focuses on equipping SMME owners with the relevant business knowledge and skills to enhance their growth, viability and sustainability.

A further R6 million will be spent on the Supplier Development Programme. The Supplier Development Programme aims to develop and grow the oil and gas businesses by exploiting opportunities within existing and new supply chains. The businesses will be developed through a structured process,

business turnaround or business improvement, to ensure that the business is able to move up the value chains of the oil and gas sectors.

I would also like to congratulate the Minister of Economic Development and Tourism and the Head of the Department, Mr Solly Fourie, for receiving the Gold Award in the category Best Head of Department – Provincial at the recent National Batho Pele Awards Ceremony. [Applause.]

Mr Deputy Speaker, I would also like to congratulate the Department of Economic Development and Tourism together with the Departments of Transport and Public Works and Cultural Affairs and Sport for receiving the Bronze Awards in the category Best Functioning Provincial Department of the Year at the recent National Batho Pele Awards Ceremony. [Applause.]

†Mnr Q R DYANTYI: Hulle soek water, nie ... [Onhoorbaar.]. Gee ons water, asseblief. [Tussenwerpsels.]

[Mr Q R DYANTYI: They want water, not ... [Inaudible.] Give us water, please. [Interjections.]]

The MINISTER OF FINANCE: Mr Deputy Speaker, the Department of Agriculture ... [Interjections.]

The DEPUTY SPEAKER: Order! [Interjections.] Order!

The MINISTER OF FINANCE: The Department of Agriculture has received

R2,6 billion over the 2018 MTEF. The Department will continue to prioritise the support of the agri-processing industry, which is well positioned to accelerate growth and sustain job creation. Agri-processing initiatives over the MTEF include continuing to promote South African Halal products in strategically selected markets and the promotion and positioning of the Western Cape as a Halal hub.

Over the 2018 MTEF, there will be a particular focus on the recruitment of strategically identified international and local developers and potential investors for the Halal Industrial Park; the establishment of appropriate governance structures in the Halal sector; and the strengthening of the domestic Halal certification environment.

Other agri-processing initiatives over the 2018 MTEF include continuing to promote South African wine in China and Angola to increase the market penetration of South African wines. And in this regard, Mr Deputy Speaker, we have a relationship with Shandong. They have 94 million people and as the hon Premier often says, if all those living in Shandong only drink one glass of red wine, we can see the dramatic impact here in the Western Cape economy. Minister Winde will make further announcements in this regard during his budget address.

Promoting tourism – .... [Interjection.]

Mr C M DUGMORE: Hopefully ... [Inaudible.]

The MINISTER OF FINANCE: Absolutely, certainly so. The Department of Economic Development and Tourism will invest R173 million of its R1,3 billion MTEF budget for tourism promotion in the province. Initiatives planned over the 2018 MTEF to boost tourism include: securing new direct air routes to Cape Town International Airport via the Air Access Project; continuing to position the Western Cape as the Cycling Capital in Africa; maximising culture and heritage tourism for the Archaeological and Paleontological Heritage Routes; and managing the negative perceptions of safety by providing proactive and reactive responses to tourists in distress.

Mr Deputy Speaker, let me now turn to Saldanha IDZ. The industrialisation of the West Coast region in Saldanha Bay IDZ is well on track with 34 potential investors signing Memorandums of Understanding, the completion of the municipal and bulk services on the back of the port, the link bridge and the road network and the upgrading of the waste water treatment plant and the water supply project.

Operations at the Saldanha Bay IDZ are expected to commence in the 2018/19 financial year. Congratulations, Minister Winde, for all your hard work.

I am also therefore pleased to announce that over the 2018 MTEF, the Western Cape government has made an additional allocation of R42 million toward the long-term lease of 35 hectares by the Saldanha IDZ Licensing Company, which can be sublet for rental income.

Mr Deputy Speaker, let me now turn to the Green Economy. The Western Cape government will continue to promote the Green Economy initiatives, with the aim of stimulating investment into green industries and to improve the resource efficiency of businesses.

With the designation of the Atlantis Special Economic Zone expected in this financial year, the focus over the 2018 MTEF will be on attracting manufacturing and service companies in the green technology space and establishing an operator for the Atlantis SEZ. Thank you, hon Premier, for your leadership in this regard. [Interjections.]

During a meeting of the Premier's Co-ordinating Forum that was held in Langebaan last week, the mayors were present there. The hon Premier called on the inter-governmental relations structures to expedite the official declaration of Atlantis SEZ. Minister Winde is working day and night trying to make that contact and establishing that with that particular office. [Interjections.]

An SEZ Mandating Committee has been established and regularly meets under the leadership of the Minister of Economic Opportunities, Minister Winde, the Minister of Transport and Public Works, Minister Donald Grant and the Minister of Finance. [Interjections.]

The DEPUTY SPEAKER: Order! Order!

The MINISTER OF FINANCE: A Special Economic Development Infrastructure Company is being established to drive multiple infrastructure programmes. Over the 2018 MTEF, R83 million has been allocated to the Green Economy initiatives across the Western Cape.

Mr Deputy Speaker, let me now move to skills development. The Premier, Ministers Winde, Schäfer, Marais, Plato, Grant and Minister Fritz are driving the skills revolution of the youth in the Western Cape.

The MINISTER OF SOCIAL DEVELOPMENT: Hear-hear!

The MINISTER OF FINANCE: In this regard I am pleased to announce that an amount of R28,1 million has been set aside over the MTEF for skills development and the Apprenticeship Game-Changer. [Applause.] [Interjections.]

The Department of Economic Development and Tourism's ambitious skills development initiative will ensure that the economy produces the necessary skills. The Youth Access Programme is a flagship project to be embarked upon over the 2018/19 MTEF in partnership with the City of Cape Town and Business Process Enabling South Africa, which assists employers in the business process outsourcing sector to implement a work integrated model for learners.

In response to the outcomes of the Rural Development Farm Worker Census,

the Agricultural Partnership for Youth Development will focus on improving education and employment prospects of the rural youth. Since 2014, 85 interns have been appointed on farms with external host employers.

Mr Deputy Speaker, I am pleased to announce that R21,9 million has been allocated over the 2018 MTEF toward skills development in the agriculture sector.

I am also pleased to announce that a young, dynamic farmer, Jacques Beukes, is in the House today. He is also the Deputy Chairperson of the Hex Valley Table Grapes Association and his core business is to grow his business, create jobs, create opportunities, empower his workers and also facilitate export of grapes. Jacques, would you please stand? [Applause.]

The Apprenticeship Game-Changer aim is to introduce at least 11 300 qualified apprentices into the labour market by 2019 by working with schools, technical and vocational education and training colleges and employers across the five priority sectors in the province.

Mr Deputy Speaker, to date, the Game-changer has leveraged R2,2 million from the MerSETA to support Maths e-learning in 70 schools across this province; in support of TVET colleges, nine maths assistants have been placed at various institutions to assist maths teachers and learners; and 1 100 learners have received work readiness training, including 250 artisanal learners. An amount of R6.1 million has been earmarked for this Game-

Changer for the 2018/19 financial year to support the current funding.

This government has committed itself to infrastructure-led growth and so I am pleased to announce that the Department of Transport and Public Works, Minister Donald Grant's department, will receive R23,5 billion over the 2018 MTEF for the delivery of public and economic infrastructure and related services that promote socio-economic outcomes and safe, empowered and connected communities.

This includes the provision and maintenance of public works and roads infrastructure, the facilitation of integrated land services, transport regulation and community based programmes. A safe, reliable and sustainable public transport system is a key lever to improving access to economic opportunity and socio-economic development.

The further development and enhancement of the newly established Intelligent Transport Centre, generally known as Transport Data Hub, will enable the alignment and integration of existing databases to improve business intelligence and service delivery.

Mr Deputy Speaker, let me now turn to Strategic Goal 2: Improve education outcomes and opportunities for youth development.

To improve the quality of education, in and out of school time, particularly in no- and low-fee schools remains a top priority for this government.

In addition to increasing learners' literacy and numeracy levels, the initiatives aim to improve young people's access to economic and social opportunities in the province, and helping families to support children and youth through development programmes. [Interjection.]

Education – The Western Cape Education Department will receive R69,8 billion over the next three years. Efforts will continue to focus on improving the level of language and mathematics in all schools; increasing the number and quality of passes in the National Senior Certificate and increasing the quality of education provision in poorer communities.

Mr C M DUGMORE: How many more teachers ... [Inaudible.]

The MINISTER OF FINANCE: Enrolment in schools in the Western Cape amounts to 1 million learners in 2017 at 1 437 public ordinary schools.

Mr C M DUGMORE: Teachers?

The MINISTER OF FINANCE: In support of the objective of maintaining stability within schools an additional allocation, hon member, of R533 million has been provided for the 2018 MTEF to manage exactly that point, service load pressures, particularly as it relates to increased education demands and learner growth.

Mr C M DUGMORE: And how many more teachers must ... [Inaudible.]

The MINISTER OF FINANCE: The learner transport scheme is expected to be extended to 59 371 learners in 2018, while 604 000 learners are expected to benefit from the no fee option, and 473 000 learners will benefit from the School Nutrition Programme.

There will also be a particular focus on securing safety in schools, in co-operation with the South African Police Services, the City of Cape Town Metro Police & Law Enforcement and community involvement.

Mr Deputy Speaker, the e-Learning Game-Changer focuses on improving digital infrastructure at schools. To date, 294 schools have a local area network connecting every instruction room to the internet and 788 schools have connectivity coverage at a central venue for learners as well as an additional central venue for teachers.

Since 2015/16, 6 400 Smart Classrooms have been installed, 910 ICT labs have been upgraded and 28 808 learner devices have been delivered across the province.

Progress has also been made in creating an e-Culture in schools, setting up an e-Admin system in schools, and training teachers on how to use e-Technology and e-Content in their lessons. We are preparing, hon Deputy Speaker, our learners for the 21<sup>st</sup> Century Knowledge Economy.

The Western Cape government e-Portal now has over 11 600 curriculum-

relevant digital resources, with over 310 000 unique users to date. The Western Cape Minister of Education, Ms Debbie Schäfer will make further announcements in her speech later this month.

I would also like to congratulate her Department and the Head of the Department, Mr Brian Schreuder, for receiving the Silver Award together with Ms Jacqui Gooch and Minister Grant of the Department of Transport and Public Works in the category Best Head of Department – Province at the recent National Awards Ceremony in Gauteng. [Applause.]

Mr S G TYATYAM: Which province got the Gold?

An HON MEMBER: Who got the Gold? [Interjections.]

The MINISTER OF FINANCE: The Western Cape Education Department also received a Silver Award in the category Best Functioning Department of the year. Outstanding achievement.

The PREMIER: Hear-hear!

The MINISTER OF FINANCE: Early Childhood Development remains a priority over the 2018 MTEF. Within Education, the emphasis will be on improving the quality of learning in Grade R. This will be done through a focus on teacher skills and professional status and on early identification of those who need remedial assistance. The aim is to ensure that the Grade R

year provides an effective foundation for learning. A pilot Grade R project is in place to test the impact of support interventions in 100 schools.

The Department of Social Development will continue to focus on improving access to and quality of ECD education. This includes issues of safety, cognitive development and nutrition which will increasingly become the focus of ECD interventions in this year.

In support of this, Mr Deputy Speaker, I am pleased to announce that the Department of Social Development receives an additional R123 million over the MTEF for ECD subsidies and facility maintenance. Minister Fritz will make further announcements in his budget speech.

Mr Deputy Speaker, the after-school programmes – The Mass Participation, Opportunity and Access; Development and Growth Programme promotes a philosophy and ethos of healthy living, lifelong activity and lifelong learning. In 2017/18 financial year approximately 36 000 learners attended the MOD programmes regularly and consistently at 181 MOD Centres. Over the 2018 MTEF, R127 million has been allocated to the MOD Programme. The Minister will make further announcements during her Budget Vote.

The After-School Game-Changer: The number of learners engaged in regular and consistent after school programming has increased to 72 043 learners, with 361 no- and low-fee schools having registered at After-School programmes in 2017/18.

Going forward, the coverage of the After-School Game-Changer will include a Grade 4 Mathematics and English Programme, an After-School Journal and Research Programme, a Cluster-based Coordinated Sporting Programme as well as a Mathematics e-Learning and EduCare Collaborative Programme.

By 2019, 112 000 learners in over 400 schools will have access to After-School Programmes. Mr Deputy Speaker, I am pleased to announce that the After-school Game-Changer received an earmarked allocation of R26,5 million for the 2018 financial year to supplement current funding.

Youth Development – Providing opportunities for and equipping youth to transition to productive and responsible adults is a key tenet of the Western Cape Youth Strategy. Initiatives aimed at youth development include the YearBeyond and the Programme and Youth Cafés.

The YearBeyond Programme placed over 100 learners who received leadership development and training as part of the programme, at 22 no-fee schools to provide academic support in literacy and numeracy to 2 000 learners in 2017/18.

Initiated by the Department of Social Development, Youth Cafés are designed to provide vibrant, positive spaces where young people are afforded the opportunity to access skills development programmes, training workshops and seminars and entrepreneurial opportunities. I had the pleasure to visit some of these together with the Minister of Social Development.

Six Youth Cafés have been established across the province in Rocklands, Vangate Mall, in George, in Nyanga, Oudtshoorn and Vrygrond. [Interjections.] Mr Deputy Speaker, I am pleased to announce that an additional four Youth Cafés are planned for 2018/19. The Minister of Social Development, Minister Fritz, will make further announcements during his budget speech.

Provincial Strategic Goal 3 – Increasing wellness and safety, and tackle the social ills. The Provincial Strategic Goal is premised on creating healthy, inclusive, safe and socially connected communities. Key priorities are targeted interventions aimed at improving the safety and well-being of the Western Cape citizens.

Access to quality health services is one of the cornerstones of social and economic development in this region. The Department of Health received the biggest budget, R23 billion in 2018/19, R23,9 billion in 2019/20 and R25 billion in 2020/21 to improve health outcomes.

The Department of Health will continue to pursue the Healthcare 2030 Plan and outcomes through, amongst others, the continued implementation of the Western Cape Wellness campaign, the First 1000 Days, 90-90-90 Strategy and a Community Oriented Primary Care initiative.

Mr Deputy Speaker, I am pleased to announce that more than R300 million will go toward community-based care for HIV, AIDS and TB over the 2018

MTEF.

The Whole-of-Society Approach aims to provide safe, socially connected, resilient and empowered citizens and communities with equitable access to services and opportunities through the alignment of resources, synergised effort and investment, through collaboration with partnerships by all spheres of government, the private sector, NGOs and civil society. Under the leadership of Minister Mbombo this, guided by the overarching principles of human rights, sustainability, social cohesion, poverty alleviation and citizen-centric approach, this approach has culminated in the identification of four strategic areas namely Education, Social Wellness, the Municipal Economy and Neighbourhood/ Spatial Development. It was quite enlightening to hear the presentation that was made during the MTEF engagements about this particular project led by Dr Piet Engelbrecht.

Further roll-out of this initiative is envisaged in the Drakenstein Municipality – and I see the Deputy Mayor of Drakenstein Municipality in the gallery – also in Khayelitsha and Manenberg/Hanover Park area.

Mr Deputy Speaker, the Minister of Health, Dr Nomafrench Mbombo, will make further announcements in this regard during her budget address.

Social development services for the poor and most vulnerable – The Department of Social Development provides community and social welfare services to the most vulnerable in the province and receives R2,2 billion in

2018/19; R2,3 billion, Minister Fritz, in the next year, 2019/20; and R2,5 billion in 2020/21.

The amounts include additional allocations of R6 million in 2018/19, R6,3 million in 2019/20 and R7 million in 2020/21 to manage the service pressures and ensure the provision of a comprehensive network of social development services.

This is particularly important, Mr Deputy Speaker, to mitigate the effect of the drought on the livelihoods of people living in rural areas, especially amongst farm workers. [Interjections.]

Mr C M DUGMORE: You must stop giving to DA NGO's ... [Inaudible.]  
[Interjections.]

The MINISTER OF FINANCE: To assist in meeting this growing need, an additional amount of R20 million in 2018/19, R28 million in 2019/20 and R30 million in 2020/21 has been provided for combating violence against women. Minister Fritz will make further announcements in this regard.  
[Interjections.]

Child and Youth Care Centres play a vital role in not only providing care and protection to vulnerable children, but also providing an environment to rehabilitate children in conflict with the law. The Department of Social Development, Mr Deputy Speaker, will receive an additional R21,6 million in

the next financial year and R22,9 million in 2020/21 to meet the growing need for bed spaces in these facilities and ensure compliance with the relevant norms and standards. [Interjection.]

Care, support and protection of persons with disabilities – Care and support and protection of persons with disabilities remain a priority of this government and the Department of Social Development.

Mr Deputy Speaker, thanks to the leadership of Premier Zille and Minister Fritz, I am pleased to announce that R534,8 million, half a billion rand, has been budgeted for services to persons with disabilities over the 2018 MTEF for the provision of bed spaces in appropriate facilities as well as day-care services to persons with disabilities. [Interjection.]

The MINISTER OF SOCIAL DEVELOPMENT: Great!

The MINISTER OF FINANCE: The Minister of Social Development, will unpack this half a billion rand for persons with disabilities during his Budget Vote. [Interjections.]

Mr Deputy Speaker – improving safety in communities – As part of the Department's Community Safety Improvement Partnership, professional policing will be also part of this agenda of the Western Cape allocation as well as the allocation to the Western Cape Police Ombudsman, R36,2 million over MTEF.

Through various partnerships, the Department has identified several high risk areas. Minister Plato will explain this during his budget speech. But one of those safety priority areas – and I also see the Deputy Mayor of Drakenstein – Paarl-East; subsequently received support from the Department in collaboration with its stakeholders in respect to the Safety Kiosks, the Neighbourhood Watch training and safety plans.

Mr C M DUGMORE: What about Worcester?

The MINISTER OF FINANCE: Mr Deputy Speaker, the Minister of Community Safety will deal with those matters.

Improving road safety – The Western Cape Provincial Traffic Services provides a 24-hour, 7 days a week service to ensure the safety of our road network in cooperation with local law enforcement agencies.

Over the 2018 MTEF, the Road Safety District Safety Plans will be extended to other areas in the Western Cape, with a project plan initiated for the West Coast region and I also see the Mayco member for Finance from Saldanha Bay Municipality in the gallery. The Western Cape Minister of Community Safety, Minister Dan Plato, will make further announcements in this regard during his budget speech.

†Mnr Q R DYANTYI: Waar is hy?

[Mr Q R DYANTYI: Where is he?]

The MINISTER OF FINANCE: He is working. I would also like to congratulate the Head of Department of Community Safety, Mr Gideon Morris, for receiving the Bronze Award in the category Best Head of Department – Province at the recent National Batho Pele Award Ceremony. [Applause.]

Mr Deputy Speaker, now let me turn to enabling a resilient, sustainable, quality and inclusive living environment.

Integrated human settlements – The Western Cape, and I am glad Minister Madikizela is listening, the Western Cape government ... [Interjection.]

Mr Q R DYANTYI: Because the others are not listening.

The MINISTER OF FINANCE: ... remains committed to improving the living conditions of the province's citizens. [Interjections.] To continue to facilitate and support the creation of sustainable, integrated and resilient settlements in the province, the Department of Human Settlements, Minister Madikizela, is allocated a budget of R7,3 billion over the MTEF and will focus on three key priority areas:

- Upgrading of informal settlements.
- The provision of Affordable/GAP Housing opportunities; and
- prioritising the most deserving and subsidised housing.

In 2018/19, the Department aims to deliver 18 160 housing opportunities of which 9 567 will be housing units and 8 693 will be for serviced sites.

The Minister of Human Settlements will continue to prioritise the implementation of catalytic projects in municipalities, which will also include the development of Belhar CBD, the Airport Precinct, Forest Village, iThemba, Penhill, Kosovo. Philippi and Thabo Mbeki and Tsunami, Syferfontein, Thembalethu, Wilderness Heights, amongst others.

Mr C M DUGMORE: Wilderness Heights? You have been lying about that for so long. [Laughter.][Interjections.]

The MINISTER OF FINANCE: Minister Madikizela ... [Interjections.]

The DEPUTY SPEAKER: Order, order! I think I heard that. Order. Hon Dugmore, I think you said something unparliamentary there. [Interjections.]

Mr C M DUGMORE: Mr Deputy Speaker, can I just address you on that? The people of Wilderness Heights have been waiting... [Interjections.]

The DEPUTY SPEAKER: Order! Order!

Mr C M DUGMORE: ... for three years for housing. [Interjections.]

The DEPUTY SPEAKER: Order!

Mr C M DUGMORE: They have been waiting for three years for housing.

The DEPUTY SPEAKER: Please take your seat.

Mr C M DUGMORE: They have been waiting for three years for housing.

The DEPUTY SPEAKER: Please take your seat. I am not interested in the motivation. Order! Order! I am not interested in the motivation. You referred to a member across the line as as lying. That is unparliamentary. Withdraw that. [Interjections.]

Mr C M DUGMORE: Mr Deputy Speaker, I did not say that the Minister, MEC for Finance was lying. I said they are lying, in other words the DA government is lying. [Interjections.]

The DEPUTY SPEAKER: Order!

Mr C M DUGMORE: Because Wilderness Heights has waited for three years for housing. [Interjections.]

The DEPUTY SPEAKER: Order! Hon Chief Whip?

Mr M G E WILEY: Mr Deputy Speaker, it was clearly heard by this side of the House that he said: "You are lying again." Now it is unequivocal, either he withdraws or else he withdraws from the Chamber. [Interjections.]

The DEPUTY SPEAKER: Order! Order! Order! I have to ask the hon member Dugmore, like we normally do, are you referring to a specific member across the floor? [Interjections.] If so, that is unparliamentary.

Mr C M DUGMORE: Mr Deputy Speaker, the “you” refers to the DA who are lying to the people of Wilderness Heights, not to that MEC.. [Interjections.]

The DEPUTY SPEAKER: Order! Are you referring to members in this House? [Interjections.] Hon Dugmore, are you referring to members in this House? If you are ... [Interjection.]

Mr C M DUGMORE: I am referring to the organisation called the Democratic Alliance because they have misled the people of Wilderness. [Interjections.]

The DEPUTY SPEAKER: Are you referring to members in this House? [Interjections.] Hon member Dugmore?

Mr C M DUGMORE: It is a collective noun, it is a collective of the DA, not individuals. They are all responsible.

The DEPUTY SPEAKER: Hon Premier?

The PREMIER: Mr Deputy Speaker, we have an objective situation here. We have the Minister making a speech and referring to Wilderness Heights and we have the interjection “You are lying again” ... [Interjections.] Now there

is one person speaking and “You are lying again” can only refer to that, Mr Deputy Speaker. [Interjections.]

The DEPUTY SPEAKER: Order, order! I do not want to stretch this out too long. Hon member Dugmore, I am going to give you a last opportunity just to confirm whether in fact you referred to a member of this House. If so, that is unparliamentary; if not, we will have to continue and you will have that on your ... [Interjection.]

Mr C M DUGMORE: Once again, Mr Deputy Speaker, it is a collective reference to the failure to deliver to the people of Wilderness Heights, despite three years of ... [Interjection.]

The DEPUTY SPEAKER: Are you then confirming that you are not referring to a member ... [Interjection.]

Mr C M DUGMORE: Yes, I am not. I am referring to the DA, you, all of you.

The DEPUTY SPEAKER: Unfortunately I have to take your word for that but if it is not so, it is on your conscience. Hon Premier? [Interjections.] Order, order! I see the hon Premier first.

The PREMIER: Mr Deputy Speaker ... [Interjections.]

The DEPUTY SPEAKER: Order!

The PREMIER: Objectively speaking, what the hon member Dugmore has now said to you cannot be so because we have a speaker on the floor and the interjection is: “You are lying again”. [Interjections.] That could not objectively be true.

The DEPUTY SPEAKER: Hon Premier, I take your point. I will hear the hon Chief Whip for the last time and then we continue.

Mr P UYS: Thank you, Mr Deputy Speaker. The hon Premier is now challenging your ruling. [Interjections.] I would like you to ask her to leave and leave immediately. [Interjections.]

The DEPUTY SPEAKER: Order! No. I am not interpreting it that way. As we have done before, the Chair always asks the other person whether in fact he refers to a specific member. If the member then says no, he is referring to the party in general, we have always allowed that. But I say this, if the hon member is deliberately misleading the House, that is something that the Chair will come back to. Hon Minister, you may continue. [Interjections.]

The MINISTER OF FINANCE: Mr Deputy Speaker, Minister Madikizela recently signed a Memorandum of Understanding with five financial institutions ... [Interjection.]

Mr C M DUGMORE: [Inaudible.] Wilderness Heights ... [Interjection.]

The MINISTER OF HUMAN SETTLEMENTS: Shut up, Dugmore!

The MINISTER OF FINANCE: ... operating in the affordable housing market.

[Interjections.]

The DEPUTY SPEAKER: Order, order! I want the House to come to order now. Is there a point of order?

Ms M N GILLION: Yes, a point of order.

The DEPUTY SPEAKER: Hon member Gillion?

Ms M N GILLION: Is it parliamentary for the MEC ... [Interjection.]

The MINISTER OF SOCIAL DEVELOPMENT: To say shut up!

[Interjections.]

The DEPUTY SPEAKER: Order, order.

Ms M N GILLION: Can I address you, Mr Deputy Speaker?

The DEPUTY SPEAKER: Just make your point of order.

Ms M N GILLION: Yes, the point of order is that MEC Fritz is out of order. I am on the floor and he is interjecting.

The DEPUTY SPEAKER: I am waiting for your point of order.

Ms M N GILLION: My point of order is, MEC Madikizela told our member on this side to shut up.. Is it parliamentary to use those words?

The DEPUTY SPEAKER: We have ruled, thank you, we have ruled that unparliamentary before. [Interjections.] Hon Madikizela? [Interjections.] Order, order! We have ruled that reference as unparliamentary before.

The MINISTER OF HUMAN SETTLEMENTS: Well, I am referring to the ANC. So the ANC must shut up. [Interjections.] That is what I said. I said just shut up!

The DEPUTY SPEAKER: Order! No. Order! Order! Please take your seats. Please take your seats. Hon Minister Madikizela, I can see the strategy but it does not work in this case. [Interjections.] Order! Please withdraw that. You were referring specifically ... [Interjection.]

The MINISTER OF HUMAN SETTLEMENTS: What exactly must I withdraw, Mr Deputy Speaker?

The DEPUTY SPEAKER: The reference ... Order! Just take your seat. The reference across the floor to a person speaking to say “shut up”. That has been ruled unparliamentary before.

An HON MEMBER: Do not listen to Zille ... [Inaudible.]

The MINISTER OF HUMAN SETTLEMENTS: Mr Deputy Speaker, I told the ANC to shut up. [Interjections.] But if the ruling that you made before ... [Interjections.] the ruling that you made before – can I finish? Can I finish? The ruling that you made before must apply to this one then.

The DEPUTY SPEAKER: Hon Minister Madikizela, in all fairness the ANC as an organization cannot speak, in that sense, to say shut up. So, I cannot uphold that one. Were you referring to a specific person? Yes?

Mr P UYS: Mr Deputy Speaker, the words were very clear. You can check Hansard. He said “Shut up, Dugmore”. Those were the words, very clearly directed at an individual here.

The DEPUTY SPEAKER: Let me reserve my view on that. I will come back, I will check Hansard and I will come back on that one. I want us please to stop this frivolous stuff now and get to the serious stuff of the Budget. Hon Minister Meyer, please continue. I want to appeal to the House. Hon member Beerwinkel, I am also speaking to you. I want to appeal to the House now to please come to order and to allow the Minister to deliver his Budget. We have long debates waiting in the next month on the various Budget votes. That will be the opportunity for interacting with the Ministers on that. Why are you standing?

Mr C F BEERWINKEL: Just to bring to your attention, Mr Deputy Speaker, in spite of your ruling, MEC Madikizela has now just told me to shut up.

An HON MEMBER: Yoh!

The DEPUTY SPEAKER: I have asked for us to stop that. I will check Hansard and revert to the House. Hon Minister, you may continue.  
[Interjections.] Order!

The MINISTER OF FINANCE: Thank you, Mr Deputy Speaker, back to serious business in this House.

Hon Minister Madikizela has recently signed a Memorandum of Understanding with five financial institutions operating in the affordable housing market. These institutions include ABSA Bank, First National Bank, Nedbank, Standard Bank and SA Home Loans. With the signing of the MoU, the parties pledged their commitment to accelerating the delivery of affordable housing in the Western Cape.

This public – financial partnership will develop a more effective and user-friendly Financed Linked Individual Subsidy application process. All efforts by the parties are geared toward assisting affordable market access finance and increase homeownership in the Western Cape. Minister Madikizela will make further announcements in this regard.

Mr Deputy Speaker, the Regional Socio-economic Project, also known as RSEP, and the Violence Prevention through Urban Upgrading, also known as VPUU, aims to improve quality of life through urban, social and spatial upgrading and build safe and sustainable neighbourhoods.

Several projects such as the establishment of community centres, rubbish collection points, upgrading pedestrian walkways, development of live-work units, a splash park and commercial centres have been completed in the Saldanha Bay, Swartland and Breede Valley Municipalities under the auspices of RSEP.

The Department of Environmental Affairs and Development Planning will expand the RSEP to seven new municipalities over the MTEF. They are Bergrivier, Witzenberg, Stellenbosch, Cape Agulhas, Prince Albert, Mossel Bay and Bitou Municipality, Minister Grant.

I am pleased to announce that an earmarked allocation of R52,3 million has been set aside over the MTEF for this specific initiative to assist municipalities in this region. The Violence Prevention through Urban Upgrading programme will continue to be implemented in Manenberg, Hanover Park, Gunya and Khayelitsha and the rest of the City of Cape Town.

Mr Deputy Speaker, let me now turn to embedding good governance – the digital government. The Department of the Premier is allocated R4,4 billion over the 2018 MTEF to provide strategic policy direction and maintain the

provision of professional corporate services for the province.

This includes the Centre of e-Innovation Programme, which includes the Centre for e-Innovation receiving R2,83 billion over the MTEF. The progress made to date in respect of ICT landscape will be maintained, with the emphasis on related security and governance. The roll-out of Broadband is supported through an earmarked allocation of R956 million over the MTEF.

Enhancing good governance, the Provincial Treasury receives an allocation of R1,028 billion over the MTEF to deal with supporting enhanced good governance, together with the Department of the Premier and the Department of Local Government.

The Department will also continue to focus on its core business in terms of its PFMA and MFMA responsibilities whilst driving its good financial governance agenda.

The Department will continue to support provincial departments and municipalities, particularly, in the area of supply chain management processes and governance, including improved e-procurement, as well as the adoption of the district approach to drive supply chain management efficiencies within municipalities.

Within the Western Cape government, all provincial public entities and 85 per cent of departments received clean audits for 2016/17, with the

remainder of the departments, where the audit outcomes have been pronounced upon by the Auditor-General, receiving unqualified audits. The Western Cape government will continue to provide support and capacity building toward strengthening good governance. I am particularly pleased that for a number of years now and again all the public entities in this government have received clean audits. [Applause.]

Mr Deputy Speaker, now I would like to turn to the Western Cape Gambling and Racing Amendment Bill. The Provincial Treasury has now gazetted for public comment, after approval by the Cabinet, the draft Western Cape Gambling and Racing Amendment Bill and accompanying draft regulations as part of the Province's broader strategy of domestic resource mobilisation.

The call for comment closes on 11 April 2018, whereafter due consideration will be given to the comments received before the draft Bill and accompanying draft regulations will be administered through the normal parliamentary process.

The Department of Local Government is allocated R791,872 million over the MTEF to monitor, coordinate and support municipalities to be effective in fulfilling their developmental mandate, and facilitate service delivery and disaster resilience through engagement with government spheres and social partners.

Given the current water crisis, the Department plans to support municipalities

to prevent water shortages by providing technical and financial assistance with regard to water augmentation programmes as well as water conservation and demand management.

The Department's Disaster Management Centre has also established several work streams responsible for preparedness and business continuity planning in order to ensure that the province is ready in the event of limited or restricted water supply.

The Department will continue to implement the Thusong Centre and Community Development Worker Programmes over the 2018 MTEF in support of increased access to government services and assistance to municipalities in bettering the lives of the citizens.

Further, in conjunction with the Provincial Treasury, the Department will continue to provide municipal capacity building programmes in support of strengthening municipal governance.

Mr Deputy Speaker – infrastructure lead growth – investment in infrastructure remains critical for improving access to quality services to the citizenry, while supporting economic growth. Over the MTEF, R25,2 billion has been set aside and will be invested in infrastructure, with an additional R1,4 billion to be invested in Broadband and R236 million will be set aside for Public Private Partnerships.

A key focus remains the emphasis on the preservation of existing infrastructure assets and addressing infrastructure maintenance backlogs. The Province is responding to the drought and water crisis by putting measures in place to ensure business continuity and to intensify water-saving interventions at public institutions over the MTEF.

The Western Cape government will continue to deliver on its objectives of infrastructure-led growth strategy. Infrastructure investment and the maintenance thereof is critical for the promotion of job creation, broadening the economic base and raising growth potential, unlocking economic opportunities and addressing socio-economic needs and challenges.

Mr Deputy Speaker, let me now turn to Education infrastructure. Over the MTEF, R4,754 billion will be spent on Education infrastructure. I am pleased to announce that 14 new schools and 18 replacement schools will be delivered over the 2018/2019 MTEF. This represents an estimated 985 classrooms as well as upgrades and additions to six schools.

†Mnr Q R DYANTYI: Wat van Uitsig?

[Mr Q R DYANTYI: What about Uitsig?]

The MINISTER OF FINANCE: The following key infrastructure projects will be delivered over the medium term:

- Kraaifontein High School; Silikamva High School; Delft High School;

- Eden Central Karoo District: Concordia Primary School and Thembalethu Senior Secondary School No. 2 in George.
- In the Overberg region: two schools.
- Cape Winelands region – I also see the Speaker of the Cape Winelands Region here. This will be in the area of Stofland Primary School in De Doorns, hon member Beukes.
- West Coast Education District: a new high school in Moorreesburg and Middelpos in Saldanha.
- Three donor projects over the 2018 MTEF includes a primary school in Stellenbosch, Phase 2 of Jakes Gerwel Entrepreneurial School in Bonnievale, as well as Phase 2 of Ithemba Primary School in Vrygrond.

The Western Cape Education Department will facilitate a number of drought interventions over the 2018 MTEF, with R490 million allocated for the following interventions:

- Procurement and installation of water storage tanks at all schools without water tanks.
- Procurement and installation of fire extinguishers to ensure fire safety compliance at schools.
- Testing of existing borehole water quality to implement recommendations on treatment procedures to utilise water effectively and repairing boreholes.
- Investigation into the connection of water storage containers and alternative water sources to ablution facilities at all schools.

- Installation of leak detectors at schools in high risk municipalities and where high water consumption is evident.

The Minister of Education and the Minister of Transport and Public Works will make further announcements in this regard.

Let me now turn to Health infrastructure. Hon Minister Mbombo, listen carefully. Over the 2018 MTEF, R2,5 billion will be invested in Health infrastructure, which includes amongst others:

- Groote Schuur Hospital and Tygerberg Hospital maintenance and upgrade.
- Observatory Forensic Pathology Laboratory – replacement of the Salt River Mortuary. I recall that the Minister referred to this last year.
- Replacement of the satellite clinics at Abottsdale and Chatsworth; New Avian Park Clinic at Worcester.
- Upgrades and additions at Eerste River Hospital. I am particularly happy about that hospital. Somerset Hospital, Khayelitsha Hospital, Gansbaai Clinic and Laingsburg Clinic.
- A new emergency upgrade planned at Victoria Hospital and Somerset Hospital.

The Minister of Health will make further announcements during her budget.

Social Development infrastructure – the upgrading and maintenance

infrastructure will support the Department of Social Development to deliver access to appropriate social assistance for those citizens unable to support themselves and their dependants.

The introduction of the Early Childhood Development Grant includes a component aimed at assisting conditionally registered ECD facilities to comply with Health and Safety Norms and Standards as determined by the National Department of Social Development.

Mr Deputy Speaker, this provision allows for maintenance allocations to these facilities of R7,9 million in 2018 financial year; R8,4 million in 2019/20; and R8,9 million in 2020/21. Provision has also been made for urgent maintenance work at Child and Youth Care facilities. I had the opportunity to visit one of the centres with Minister Fritz and I am particularly happy that this safety and maintenance work can take place in this financial year.

I am pleased to announce that an allocation amounting to R61 million has been included in the budget of the Department of Transport and Public Works over the MTEF for this specific purpose. Maintenance work will focus on a prioritised list of security improvements at several of these facilities. Provision has also been made for the construction of a new dormitory at the Clanwilliam Childcare Centre, with an allocation of R19 million in the 2018/19 financial year.

Transport and Public Works – The road network is an important catalyst in growing the provincial economy. I want to thank all the colleagues from municipalities that are present here in this House today because on numerous occasions, as well as with our engagement with the Premier, as part of the speed dating exercises, part of our inter-governmental cooperation, you consistently raised the issue of road and transport networks.

The investment in roads infrastructure, Minister Grant, amounts to R9,7 billion over the 2018 MTEF. This investment includes projects identified to promote economic growth in the province that are in various stages of implementation.

2018/19 New Projects – New roads to be built in the 2018/19 include the Saldanha Industrial Zone to the Saldanha-Vredenburg road and the West Coast Road to Langebaanweg. I see the member in the House.

Projects completed in 2017/18 include:

- R399 Piketberg
- Plettenberg Bay Airport Road
- Reseal TR102 Uniondale
- Reseal MR342 Mossgas/Herbertsdale
- Rehabilitation Borchard's Quarry to Swartklip Interchange

In 2018/19 major road maintenance includes:

- Sir Lowry's Pass to Gordon's Bay
- Hermanus to Gansbaai
- Wingfield to Melkbos Interchange
- Beaufort West to Willowmore – I see hon member Daylin
- Worcester to Ashton
- Ashton to Swellendam

I see the hon Mayor of Swellendam in the House. But hon Mayor do not phone me tomorrow morning because that amount of R40 million ...

[Interjection.]

Mr Q R DYANTYI: Just focus on your speech.

The MINISTER OF FINANCE: ... will only be made available in the outer year.

Also road construction in:

- Nuwekloof Pass
- Klipheuwel to Malmesbury
- Riviersonderend to Stanford.

The Minister of Transport and Public Works, Minister Donald Grant will provide further detail in this regard during his Budget address in this House.

Human Settlements – Minister Madikizela, are you listening?

The MINISTER OF HUMAN SETTLEMENTS: Yes.

The MINISTER OF FINANCE: Yup. A key priority for the Western Cape government is the development of sustainable integrated human settlements that will allow its residents access to social and economic opportunities close to where they live.

Mr Deputy Speaker, I am pleased to announce that approximately R6.36 billion will be spent on housing opportunities over the 2018 MTEF. The key initiatives underway and to be rolled out over the MTEF include:

- The upgrading of 60 informal settlements or 25 021 households yield with access to clean water.
- Sanitation and electricity following the recent completion of an informal settlement support strategy.

The following areas are worth mentioning given their high expected yields:

- Kayamandi - Stellenbosch: 3 011 households;
- Grabouw – Theewaterskloof: 5 270 households; and
- Mossel Bay - 3 493 households.

Mr Deputy Speaker, due to the strategic importance of tourism in this province let me turn to CapeNature.

CapeNature intends spending approximately R96,2 million on tourism infrastructure over the MTEF.

Mr C M DUGMORE: How much money [Inaudible.] Environmental Commissioner.

The MINISTER OF FINANCE: CapeNature's infrastructure priorities over the 2018 MTEF include improvements at Kogelberg Nature Reserve: Phase 2. Over the MTEF, the focus will also shift to implementing a more rigorous programme with regards to maintenance and upgrades of existing infrastructure across a number of nature reserves adding value to current facilities that will contribute to the increase in revenue generation.

Mr Deputy Speaker, this government has made a firm commitment to spend money on repairs and maintenance. Through the Ministerial Infrastructure Committee we have prioritised repairs and maintenance of our infrastructure in the Western Cape.

I am therefore pleased to announce that funding for maintenance and repairs over the 2018 MTEF accounts for R5,28 billion of the total infrastructure budget, because as Robin Carlisle used to say it doesn't make sense to build new infrastructure unless you maintain your existing infrastructure.

Maintenance of Health infrastructure is identified as strategic priority for the Department of Health in the 2018 MTEF with specific focus on Tygerberg and Groote Schuur Hospitals.

The provision for road maintenance and repairs as well as general provincial buildings account for R3,135 billion over the MTEF; followed by Education, R1,24 billion and Health, R826 million, will go to repairs and maintenance.

The Western Cape government is currently in the process of expanding the free public Wi-Fi beyond the initial 384 sites which were identified. This process is subject to the successful conclusion of the contracting process. In this regard I want to congratulate, on behalf of this government, the work that the Director-General, Advocate Gerber, is doing, specifically through CEI in terms of the massive roll-out of Broadband in this government. An amount of R1,4 billion is planned to be spent on Broadband connectivity over the 2018 MTEF.

Mr Deputy Speaker, because the Premier has declared the province a provincial disaster ... [Interjection.], through her leadership we have also requested municipalities ... [Interjections.] We have asked the municipalities to also reprioritise their infrastructure budget to deal with the issue of the water crisis.

The combined operating expenditure budget for the 30 municipalities in the Western Cape is set at R55,2 billion for 2017/18. Local government capital expenditure in the Western Cape was budgeted, a combined budget over all

the municipalities in the Western Cape for capital, at R10,1 billion in 2017/18. The Municipal Capital Budget for 2017/18 is R11,6 billion.

This increase of 15,3 per cent can be attributed to enhanced water infrastructure spend in support of the drought crisis and bears testimony to the resilient and budget responsive capabilities of local government in the Western Cape.

We want to thank all of the municipalities in this House for adjusting your budget, specifically your infrastructure budget, to deal and respond to this crisis. Some of the most noteworthy water-related projects currently being implemented by local municipalities, throughout the various districts, include:

- Eden: Upgrade of the water supply pipeline from Kleinbrak water treatment works to the Langeberg Reservoirs in Mossel Bay and for that they have budgeted R13,5 million.
- Cape Winelands – I see Clara Meyer in the House and the Deputy Mayor of Drakenstein – Construction of a bulk water supply reservoir at Dwarsrivier in Stellenbosch – and I also see the colleagues from Stellenbosch Municipality in that particular area – R19 million has been made available through the bulk water supply reservoir.
- Overberg: Upgrades to pump stations across the district, R5 million.
- West Coast: Refurbishment of the Bitterfontein Water Scheme, R10 million.

- Central Karoo: Expansion of the main water pipeline in Beaufort West, R4,2 million.

Mr Deputy Speaker, in the City of Cape Town, 8 of the top 10 capital projects are currently directed towards water augmentation as part of the City's phased approach towards mitigating risks associated with the drought.

The Western Cape Additional Adjusted Estimates: The National Department of Human Settlements reallocated allocations amongst provinces for the Human Settlements Development Grant. I am pleased to announce that an additional R100 million has been reallocated from other provinces experiencing low spending to the Western Cape for the purpose of accelerating delivery of integrated and sustainable human settlements in the province. [Applause.]

†Die MINISTER VAN MAATSKAPLIKE ONTWIKKELING: Mooi!

[The MINISTER OF SOCIAL DEVELOPMENT: Good!]

The MINISTER OF FINANCE: Mr Deputy Speaker, I am pleased that R57 million will be used for bulk infrastructure such as electricity and sewerage reticulation in Forest Village and Belhar CBD catalytic projects while R43 million will be used, with the assistance of the Housing Development Agency, to purchase land critical to the further development of the Imizamo Yethu Project in Hout Bay. I am pleased that the Minister has confirmed and the HOD that his Department has the capacity to spend this

money in this short space of time.

Mr Deputy Speaker, let me conclude. The Adjustment Budget will also be provided for the alternative use of drought funding previously set aside in the 2017/18 Budget Estimates primarily for drought and water augmentation initiatives now to be redirected to municipalities in the province to address their current drought disaster. I have personally phoned these Mayors about their capacity to spend this money. I have also personally contacted many of the senior managers. One of the Deputy Mayors is in the House that I have contacted about their capacity to spend this money and he has confirmed that the municipality has the capacity to spend this money, specifically since they have contracts and projects already in place.

Mr Q R DYANTYI: Did you phone Patricia de Lille? [Laughter.]

The MINISTER OF FINANCE: It also provides funding for the safe removal of asbestos in the Eden region. [Interjections.]

The DEPUTY SPEAKER: Order.

The MINISTER OF FINANCE: Mr Deputy Speaker, as a responsible government we will continue to engage with all role players. Minister Winde must now listen carefully. Minister Winde and I will soon meet the rating agencies to discuss the impact of the drought and our response strategy. We are determined to turn this crisis into an opportunity.

We are also planning to meet with the South African Reserve Bank about the current economic performance and the role of the Reserve Bank in Monetary Policy. It is also my intention to meet with the International Monetary Fund and the World Bank about the structural reform strategies and our approach to fiscal discipline as a sub-national government. [Interjections.]

The DEPUTY SPEAKER: Order!

The MINISTER OF FINANCE: Mr Deputy Speaker, it is coming. It is coming.

Mr C M DUGMORE: [Inaudible.] It will not happen.

The MINISTER OF FINANCE: It is going to happen. [Interjections.]

The DEPUTY SPEAKER: Order! Hon member Dugmore, allow the Minister to conclude now.

The MINISTER OF FINANCE: Mr Deputy Speaker, when the National Government falls apart you must step in. [Interjections.] We will also engage with National Treasury as the current fiscal path of the National Government will certainly, if we proceed on this fiscal path, take us over the fiscal cliff by 2022. [Interjection.] We need to prevent this at all costs and demonstrate leadership in the fiscal and economic environment.

I would like to thank the Premier of the Western Cape and my Cabinet colleagues for their leadership and support during the finalisation of this Provincial Budget. [Interjection.]

Mr Q R DYANTYI: You are going to [Inaudible.]

The MINISTER OF FINANCE: For the purpose of this member that makes so much noise ... [Interjection.]

Mr Q R DYANTYI: Singapore and [Inaudible.]

The MINISTER OF FINANCE: ... Premier Zille spent a large part of her Sunday afternoon into the evening when we dealt with this budget so she is giving leadership in a space where you cannot even imagine what is happening.

I also wish to extend my gratitude to my HOD, Mr Zakariya Hoosain, the Head Official in the Provincial Treasury and the Budget team under the leadership of Mr Harry Malila and the Director-General, Advocate Gerber and all the accounting officers in the various Budget votes.

Mr Q R DYANTYI: Saved by the departments.

The MINISTER OF FINANCE: I also want to express my thanks to the Ministry: Advocate Pretorius, Mr Johnson, Charmaine de Vos, Linda Jacobs,

Chandré Pienaar, Zodwa Mdingi and Nicolene Hill. I want to thank them for all their support as well as the intern in my office, Larissa Venter. Thank you for your support. I would also very much like to thank the Chairperson of the Budget Committee and also the Chair of the Finance Committee and all the members of the Budget Committee for their work and oversight over this budget.

Mr Deputy Speaker, it now gives me great pleasure to table the 2018 Overview of Provincial Revenue and Expenditure, Estimates of Provincial Revenue and Expenditure, the 2018/2019 Western Cape Appropriation Bill and associated *Provincial Gazette* which indicates the allocations to municipalities, the Western Cape Additional Adjusted Budget. The 2017/18 Western Cape Additional Adjustments Appropriation Bill and the associated *Provincial Gazette* of allocations to municipalities in this speech, for discussion and consideration by this House. I thank you, Mr Deputy Speaker.  
[Applause.]

The DEPUTY SPEAKER: Order! Order! The Secretary will read the Bill the first time.

The SECRETARY: *Western Cape Additional Adjustments Appropriation Bill and Western Cape Appropriation Bill.*

The DEPUTY SPEAKER: In accordance with Rule 187.1 the introductory speech, the Bills and papers laid upon the table will be referred to the

relevant committees for consideration and report.

Before we adjourn I would like to remind members that the Budget Committee will meet immediately after the adjournment of the House. That concludes the business for the day. The House is adjourned.

The House adjourned at 15:39.