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TUESDAY, 10 MARCH 2020

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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 Speaker took the Chair and read the prayer.

BUSINESS OF THE HOUSE

The SPEAKER: You may all be seated. Hon Premier, hon members and special guests, Government officials, you are welcome and very good morning to all of you. The Order before us is for the Minister of Finance to address this House and that is the only Order that is before us. I therefore recognise the Secretary to read the first Order of the Day.

Mr Secretary, will you please take your seat. Order! Is there a point of order, hon, the Leader of the Opposition?

The LEADER OF THE OFFICIAL OPPOSITION: Thank you very much, hon Speaker. Just on a point of order and the matter is a constitutional one,

which also impacts on our Provincial Constitution, our National Constitutional and the Rules. In your introduction you refer to the fact that the Order of the Day is a speech by the Minister of Finance.

Now as far as I am aware there is one Minister of Finance. There is a Provincial Minister of Finance. Some people refer to that person as the MEC but it is actually the Provincial Minister of Finance. [Interjections.] It is not the Minister of Finance. [Interjections.]

†Die HOOFSWEEP (ANC): Is dit seer, DA?

[The CHIEF WHIP (ANC): Does it hurt, DA?]

The SPEAKER: [Laughter.] Order, order! [Interjections.] Order, hon members! [Interjections.] Order, hon members!

Mr A P VAN DER WESTHUIZEN: EFF-like.

An HON MEMBER: Thank you, thank you, hon members.

An HON MEMBER: You just wanted to be noticed.

The SPEAKER: You will also recognise that this is the first time this House sits here in the New Year, because we had our SOPA outside, and so welcome back! It was a wonderful SOPA. I am sure you can put the hands together for yourselves. [Laughter.] [Applause.]

So we made history by taking SOPA to Mitchells Plain, and that is what we will be doing. We are going out all the time from now. I think it is going to be exciting to see that, how we do that going forward. That was not a point of order, hon member. [Interjections.]

The DEPUTY CHIEF WHIP (DA): That is an attention-seeking matter.

The SPEAKER: But that was a point, because when we are here... [Interjections.] Order, hon member! You are correct that it is the Provincial Minister of Finance. That is correct, but when we are here we are in Parliament in the Provincial Legislature, which is the Provincial Parliament of this Province, so in light of that, let me say, let us agree that we are in the Western Cape Provincial Parliament and therefore there is no need to rise on a point of order. [Interjections.]

It is a debatable matter, but the Speaker will not debate you. [Interjections.]

The DEPUTY CHIEF WHIP (DA): There is only one Leader of the Opposition.

The SPEAKER: Hon Premier, I recognise you.

The PREMIER: Thank you very much, hon Speaker, and specifically on the point raised by the Leader of the Opposition, that the Provincial Minister will be making his speech, could I say that this House recognises the National

Minister of Finance, who is in the gallery. Yes. [Applause.]

The SPEAKER: I was earlier told that the Minister of Finance would be sitting here. Now I look, I do not see him, so... [Interjections.]

Mr A P VAN DER WESTHUIZEN: He is upstairs.

The CHIEF WHIP (ANC): He did not receive a warm welcome.

The SPEAKER: You are recognised hon Minister.

The NATIONAL MINISTER OF FINANCE: Thank you.

The SPEAKER: And the other hon members from the National Parliament.

The LEADER OF THE OFFICIAL OPPOSITION: So the Provincial Minister will speak now, rather. [Laughter.] [Interjections.]

The SPEAKER: Of course, hon member, of course. Thank you very much. Now I would like to request... [Interjections.] Hon members, order! Order! Mr Secretary, will you please read the first Order?

The SECRETARY: Introduction and First Reading – Western Cape Appropriation Bill [B3 – 2020]

The SPEAKER: Thank you, Mr Secretary. I now recognise the hon Minister.

HON MEMBERS: Hear-hear! [Applause.]

The MINISTER OF FINANCE: Hon Speaker and Deputy Speaker, hon Premier and Cabinet colleagues, the hon Leader of the Opposition, hon Leaders of Opposition parties, Executive Mayors and Deputy Mayors, hon members of the Western Cape Legislature, members of the Consular Corps, Heads of Department, Municipal Managers, special guests and of course people of the Western Cape.

Two weeks ago, Premier Alan Winde delivered his second State of the Province Address, where he set out what had been delivered, what would be delivered and committed to fighting for you, all of you, in the Western Cape. He set out a bold vision of our future, captured in our Provincial Strategic Plan, which committed us to putting your needs, your choices and your dreams at the heart of everything we do, to build “*A Safe Western Cape Where Everyone Prospers*”, so that you feel safe, so that you have jobs and so that you have hope for our future in the Western Cape.

Premier Alan Winde delivered his second State of the Province Address at the historic Rocklands Civic Centre in Mitchells Plain to remind us that, for many of you, your needs, your choices and your dreams were shattered by our terrible history in South Africa. So let us not forget that we all have a special duty, as our Constitution reminds us, to heal the injustices of the past...

[Interjection.]

The MINISTER OF COMMUNITY SAFETY: Hear-hear!

The MINISTER OF FINANCE: ...and to work towards building a united and democratic South Africa. [Interjection.]

An HON MEMBER: Viva, DA, Viva. [Interjection.]

The MINISTER OF FINANCE: And I would like to pause here for a moment and extend a very warm welcome and say that I am touched and honoured, that the Minister of Finance, Tito Mboweni, has joined us here for Budget Day in the Western Cape. [Applause.] [Interjection.]

The DEPUTY CHIEF WHIP (DA): This Government.

The MINISTER OF FINANCE: I am sure that you will agree that he has all the attributes a Finance Minister requires... [Interjections.]

HON MEMBERS: Hear-hear! Hear-hear!

The MINISTER OF FINANCE: ...including being capable of repeatedly saying no, being capable of picking holes in spending proposals and being someone who has a sharp brain, attention to detail, and most important of all, a thick skin.

Of course the Minister, like all Finance Ministers, walks a fine line, because there is always the danger of ending up like poor Edmund Dudley, King Henry VII's Finance Minister, who, after filling the King's coffer with coins, was beheaded because he had upset the nobility. [Laughter.]

Hon Speaker, we have listened to you, and we have heard you, and today we are tabling a *Budget for You*, all of you, in the Western Cape. You matter!

So, if you have been a victim of crime, this is a budget for you; and if you fight crime as a law-enforcement officer, as a member of a Neighbourhood Watch, or as a member of a Walking Bus, this is also a budget for you.

The MINISTER OF COMMUNITY SAFETY: Hear-hear!

The MINISTER OF FINANCE: If you do not have a job or you have given up looking for a job, this is a budget for you; and if you create jobs by starting a new business or expanding an existing business, this is also a budget for you.

So if you do not have the opportunity to reach your dreams, this is a budget for you; and if you create opportunity for people to reach their dreams, by caring for children or by teaching young people, this is also a budget for you.

If you do not have a home, this is a budget for you; and if you want to buy your own home or rent your own home, this is also a budget for you.

†Die LEIER VAN DIE AMPTELIKE OPPOSISIE: Maak beloftes!

[The LEADER OF THE OFFICIAL OPPOSITION: Make promises!]

The MINISTER OF FINANCE: If you want even more innovative government, this is a budget for you; and if you are in Government and you have good ideas about how Government can do things differently, this is also a budget for you.

We trust that our *Budget for You* will give you, all of you, hope for our future in the Western Cape.

Hon Speaker, I would like to pause here for a moment to deal with the possible impact of the coronavirus or COVID-19 - as it is known - because it is on many people's minds after the first case was identified last week in KwaZulu-Natal.

We know many of you are concerned about the impact of the virus on yourselves, on your children, on your family and on your business in the Western Cape.

However, I would like to stress the following:

- Firstly, to date there are no confirmed cases of the coronavirus in our province;
- Secondly, our Provincial Health Department has a plan and is working



closely with the National Department of Health and the National Institute of Communicable Diseases; and

- Thirdly, should anybody test positive for the virus in our province, our Provincial Health Department is prepared to respond.

We at Provincial Treasury have made provision for unanticipated events and we stand ready to support the Health Department should the coronavirus reach the Western Cape. We have a plan. We are prepared, which brings me to my final point, and it is this: there is a lot of fake news about the coronavirus. So, we should all stop and think before circulating alarming and possibly fake news, and as Tim Harford, of the Financial Times, urges:

“Count to 10 and ask yourself whether this is really the best thing to amplify. Whether fighting a virus or a viral scare story, each of us needs to erect small barriers to slow the contagion. Alone, those barriers may seem trivial. Collectively, they work.”

Hon Deputy Speaker, when I read bedtime stories to my daughter, they often remind me that National Government is rather like the Grand Old Duke of York’s “ten thousand men”, who, when they are up, they are down; and when they are down, they are up; because, in the end, they are neither up nor down - which has serious implications for South Africa.

An HON MEMBER: Up and down!

The MINISTER OF FINANCE: We have a National Government moving in opposite directions at the same time, which goes a long way to explain why we are in deep economic trouble and have an economy in recession, staggering levels of unemployment, unstable public finances, zombie State-owned Enterprises and massive fiscal risks in South Africa.

We also have significant downside risks in the form of planned load shedding, trade wars, and oil wars and of course, the coronavirus, which will have a negative impact on the economy in South Africa.

What most people do not seem to realise is that even if the proposed structural reforms outlined in the document *“Towards an Economic Strategy for South Africa”*, are implemented by National Government, which seems unlikely, economic growth will not exceed 2% over the medium term, which is insufficient to sustain our public finances; and even if the public-sector wage bill is cut by R160 billion by National Government, which also seems unlikely, national debt still explodes, over the medium term, to a staggering R4,38 trillion or 70% of GDP, which is regarded by international financial institutions as a high-risk threshold. And worse, National Treasury have conceded that they will not be able to stabilise national debt and that the risk of a sovereign credit rating downgrade to junk status, is more pronounced in South Africa.

To illustrate the point, consider the fact that National Government will spend R290,1 billion on debt service costs in 2022/23, which is R27,7 billion more

than National Government will spend on basic education and R68,2 billion more than National Government will spend on health, and R5.7 billion more than National Government will spend on social development in this financial year, 2019/20, in South Africa. What this means is that National Government is in danger of losing control of our public finances in South Africa.

Hon Speaker, we, in contrast, have worked hard to create an enabling environment for the private sector and for the markets, to drive economic growth and to create jobs in the Western Cape, which is why we have a growing economy, expanding employment and improving human development in Western Cape.

We may have to revise our economic outlook, but we currently expect the economy to recover and to grow at an average of about 1,6% over the next five years in the Western Cape.

We think there are significant risks going forward and so we have also implemented a decisive, and robust provincial fiscal strategy and will continue to focus on proper expenditure management, proper revenue management and maintain a balanced budget; and continue to apply the principles of allocative efficiency, fiscal sustainability, fiscal consolidation and fiscal discipline in the Western Cape.

However, despite this we were put on notice by the Finance Minister last year that “difficult decisions” would have to be made and that we would have to

pencil in “large reductions” to provincial budgets across South Africa.

We made some tough decisions and planned for a worst-case scenario, which required us to cut our Provincial Budget by 5%, or R2,6 billion, in 2020/21, 6%, or R3,4 billion, in 2021/22 and 7%, or R4,1 billion, in 2022/23 in the Western Cape.

We hoped for the best and planned for the worst, and we warned at the time, that the proposed budget cuts risked compromising service delivery, especially in education, in health and social development in the Western Cape. However, after what has been a very difficult budget process we are pleased that the worst-case scenario has not materialised, which is very good news for the Western Cape, which is why we have been able to protect spending on education, on health and on social development in the Western Cape.

The fact is our provincial equitable share was decreased as a result of fiscal consolidation and cost of employment adjustments. However, these decreases were offset by increases in our provincial equitable share as a result of increases in our provincial equitable share formula to correct for population; and increases in our provincial equitable share to support gender-based violence, sanitary dignity and additional social workers in the Western Cape.

We have a proven track record of spending money for the purpose it was intended and for that reason we have received in addition, additional

allocations for some conditional grants in the Western Cape.

Today, we table the Western Cape Additional Adjustment Appropriation Bill where National Government allocates an additional R98,5 million to the Human Settlements Department to accelerate housing delivery in Breede Valley, the Transhex; in Witzenberg, Vredebes; and in Cape Agulhas, Bredasdorp, precisely because the funds could not be spent by the Free State, by Gauteng, by Limpopo and by the Northern Cape [Interjections.]

An HON MEMBER: Because the Western Cape's people [Inaudible.]

The MINISTER OF FINANCE: Where we had previously pencilled in budget cuts, we have been able to make additional allocations of R1,2 billion in 2020/21, R275 million in 2021/22 and R490 million in 2022/23 in the Western Cape.

An HON MEMBER: Excellent!

The MINISTER OF FINANCE: We are, therefore in a much better position than we anticipated, and we are ready to respond to future risks in the Western Cape.

Hon Speaker, today we table our *Budget for You*, in which we plan to spend R71,6 billion in 2020/21, R74,9 billion in 2021/22 and R78,3 billion in 2022/23, on you in the Western Cape.

We want to achieve five key objectives with our *Budget for You* in the Western Cape.

- We want to support our new Vision Inspired Priorities set out in our new Provincial Strategic Plan.
- We want to protect spending on education, on health and on social development.
- We want to hold the line on investment in new and existing infrastructure assets.
- We want to prepare for a cleaner, greener energy future;
- And we want to be ready to respond to future risks that may negatively impact on the Western Cape.

We will spend the budget across five districts and 30 municipalities in our province, and so over the next financial year we will spend:

- R49,2 billion in the City of Cape Town,
- R8,1 billion on the Cape Winelands,
- R3,6 billion in the West Coast;
- R2,7 billion in the Overberg;
- And we will spend R904,2 million in the Central Karoo.

Hon Speaker, we have a new Provincial Strategic Plan which will focus on five key Vision Inspired Priorities over the next five years to create “*A Safe Western Cape Where Everyone Prospers.*” We know that too many people,

like many of you, have been victims of crime and so our first Strategic Priority is to create a safe and cohesive community in the Western Cape.

The MINISTER OF COMMUNITY SAFETY: Hear-hear!

The MINISTER OF FINANCE: We will spend R4 billion over the medium term to create safe and cohesive communities:

- by increasing the effectiveness of policing;
- by strengthening programmes to reduce family violence;
- by strengthening programmes to assist youth at risk; and
- by making the places where you live safer and by reducing gender-based violence and gangsterism in the Western Cape.

We will spend R1,1 billion over the medium term to deploy more law enforcement officers to fight crime, especially violent crime, so that you feel safe in the Western Cape.

The MINISTER OF COMMUNITY SAFETY: Right. †Mooi! [Good!]

The MINISTER OF FINANCE: We will spend: R58,3 million over the medium term to give more young people who live in tough neighbourhoods the opportunity to attend an expanded Chrysalis Academy, so that they are not vulnerable to drugs and gangs in the Western Cape.

†n AGBARE LID: Hoor-hoor!

[An HON MEMBER: Hear-hear!]

The MINISTER OF FINANCE: And we will spend R1,3 billion over the medium term, to improve law enforcement on our roads by increasing the number of traffic officers, improving the training of our traffic officers and enhancing the technology and data systems used by our traffic officers, so that they can keep our roads safe for you in the Western Cape. [Interjections.]

An HON MEMBER: Hear-hear!

The CHIEF WHIP (ANC): In the leafy suburbs!

The MINISTER OF FINANCE: We will do this to create safe and cohesive communities for you in the Western Cape, so that you live in a safe and healthy environment and your children's schools are safe places for learning; so that you can travel safely to work, and so that you can enjoy our beautiful environment, to climb our mountains, to walk along our beaches and to picnic in our forests with your family and friends. Hon Speaker, we know that too many people like many of you, do not have jobs, and so our... [Interjection.]

The LEADER OF THE OFFICIAL OPPOSITION: How much for Mitchells Plain? How much for Khayelitsha? Be specific - not in general!



The SPEAKER: Order! Order hon members!

The MINISTER OF FINANCE: Our second Strategic Priority is to boost economic growth and job creation in the Western Cape. [Interjection.]

The CHIEF WHIP (ANC): [Speaking in vernacular - 00:29:30 - uyayazi ukuba...]

The MINISTER OF FINANCE: We will spend R32,4 billion over the medium term to boost economic growth and create jobs:

- by making it easier to do business;
  - by maintaining our infrastructure and building new infrastructure;
  - by helping businesses export more of their products and their services...
- [Interjection.]

Ms A P BANS: Where? What are you doing for [Inaudible.]

The MINISTER OF FINANCE: ...by creating opportunity for young people through skills development; and by making sure we manage our water and energy resources and reduce our waste in the Western Cape.

Ms N D NKONDLO: When are you going to support all the small business?

The MINISTER OF FINANCE: We will spend:

- R102,1 million over the medium term to establish an Ease of Doing Business Unit, which will focus on eliminating systemic constraints to economic growth, such as visa regimes, port tariffs, trade barriers and planning delays so that we make it easier for you to start a business, or to expand an existing business, in the Western Cape.
- We will spend R263,7 million over the medium term to support youth skills development initiatives, including artisan development, skills for the technology economy... [Interjection.]

Ms N D NKONDLO: You have been saying that for the past ten years.

The MINISTER OF FINANCE: ...financial and business sector skills, improved quality of maths, science and engineering qualifications, and entrepreneurial skills development... [Interjections.]

Ms N D NKONDLO: How many... [Inaudible.] Give me the numbers.

The MINISTER OF FINANCE: ...so that our young people have the right skills to fill the jobs available now and in the future in the Western Cape... [Interjections.]

Ms N D NKONDLO: [Inaudible.] ...in the Western Cape, that is [Inaudible.]

The MINISTER OF FINANCE: ...and we will spend R561,7 million over the medium term to increase tourism, trade and investment promotion by Wesgro,

so that more Western Cape products and services are taken to growth markets around the world; so that the full range of tourism experiences available across our province are promoted to domestic and international travellers and events organisers; and so that opportunities are realised for new investment and business expansion across all growth sectors in the Western Cape.

We will do this to create an enabling environment for the private sector and for the markets to drive economic growth and create jobs for you.

Ms A P BANS: Give us examples. [Inaudible.]

The MINISTER OF FINANCE: So that you have more job opportunities and the right skills and experience for the jobs of the future, and so that it is easy for you to start your own business or expand an existing business in the Western Cape. [Interjection.]

An HON MEMBER: Examples. †Kaloku. [Give us examples.]

The SPEAKER: Order!

The MINISTER OF FINANCE: Hon Speaker, we know that too many people, like many of you, are not able to reach your full potential because you do not have access to the services you need and so our third Strategic Priority is to empower people in the Western Cape.

We will spend R173,8 billion over the medium term to empower people:

- by providing specialised support for children up to the age of five;
- by providing a safe, positive environment in our schools where our children can receive the skills they will need for the future;
- by providing you with the skills and opportunities you need to enter the world of work; and
- by improving healthcare services for you and encouraging you to make healthy lifestyle choices in the Western Cape.

We will spend R2,2 billion over the medium term on Early Childhood Development, to ensure that your children receive the support they need, and that they have the best possible start in life... [Interjection.]

An HON MEMBER: Hear-hear!

The MINISTER OF FINANCE: ...from the day that they are born to the day that they start primary school in the Western Cape.

An HON MEMBER: Yes, let us hear about it. [Applause.]

The MINISTER OF FINANCE: We will spend R8,4 billion over the medium term to provide support to the most vulnerable people in our society, including young people at risk as a result of substance abuse, women and children who are victims of domestic violence, older persons who require

homecare and persons with disabilities in the Western Cape. And we will spend R31,5 million over the medium term to pilot a Sanitary Dignity Project in rural areas so that young women and girls do not have to be absent from school or drop out from school in the Western Cape; and we will do this to empower you... [Interjection.]

The LEADER OF THE OFFICIAL OPPOSITION: That is a national...

The MINISTER OF FINANCE: ...so that at every stage of your life, your needs are met to ensure you can reach your full potential. [Interjections.] So that your children are raised in a stimulating and safe environment and that if you and your child are at risk you have access to the support that you need in the Western Cape. [Interjection.]

An HON MEMBER: A funny thing you mention that!

The MINISTER OF FINANCE: Hon Speaker, we also know that too many people, like many of you, do not have your own home, live far away from where you work and that travel is too often unsafe and too expensive...

The LEADER OF THE OFFICIAL OPPOSITION: Start with the Rondebosch Bowl [Interjection.]

The MINISTER OF FINANCE: ...and so our fourth Strategic Priority is to promote mobility and spatial transformation in the Western Cape. We will

spend R24,6 billion over the medium term to promote mobility and spatial transformation... [Interjection.]

The LEADER OF THE OFFICIAL OPPOSITION: You have not built one social housing in the inner-city [Inaudible.]

The MINISTER OF FINANCE: ...by better connecting places through public transport... [Interjection.]

The SPEAKER: Order!

The MINISTER OF FINANCE: ...by providing more housing and economic opportunities in good locations; and by improving places where people live and work in the Western Cape. [Interjection.]

An HON MEMBER: Where are the people's [Inaudible.]

The MINISTER OF FINANCE: We will spend R474,1 million over the medium term to roll out the fourth phase of the Go George Bus Transit System so that people who live in Thembaletu, Parkdene, Borchards, Conville and Lawaakamp have access to bus services in the Western Cape.

We will spend R7,4 billion over the medium term on housing projects, and provide over a hundred thousand housing opportunities so that more people have a home, or can rent a home, in the Western Cape.

We will spend R74,9 million over the medium term to extend the Regional Socio-Economic Programme to ensure that we continue to invest in infrastructure that connects people, improves safety and creates jobs for you in the Western Cape; and we will do this to promote mobility and spatial transformation for you, so that you live in a neighbourhood that you are proud of, that is vibrant, that is inclusive, and that is safe and close to your work, your school and your clinic and your shops and your places of worship.

The LEADER OF THE OFFICIAL OPPOSITION: Empty, empty promises and words!

The MINISTER OF FINANCE: So that you are able to use a public transport system that is well connected, affordable and safe so that you can easily and cost effectively travel around the Western Cape. [Interjection.]

An HON MEMBER: You are saying all that now. What have you done [Inaudible.] about this?

The MINISTER OF FINANCE: Hon Speaker, to meet your needs, and to ensure you have opportunities and to help you realise your dreams, we will constantly look for new and innovative ways of doing things in Government, and so our fifth Strategic Priority is to promote innovation in Government in the Western Cape. [Interjections.]

We will spend R7,5 billion over the medium term to promote innovation in

the Provincial Government... [Interjections.]

The LEADER OF THE OFFICIAL OPPOSITION: It is your consultants [Inaudible.] DA consultants.

The SPEAKER: Order hon members!

The MINISTER OF FINANCE: ... by focusing on you; by working with you to improve and find new ways to deliver services to you; by bringing different spheres of government together and by building on our track record of good governance in the Western Cape. [Interjections.]

Ms A P BANS: There are no service delivery, no service.

The LEADER OF THE OFFICIAL OPPOSITION: McKinsey, McKinsey, again.

The MINISTER OF FINANCE: We will spend:

- R25,1 million over the medium term on establishing a War Room, that will use a new and innovative approach, called the Problem Driven Iterative Adaptation Methodology, that will tackle major challenges, including safety, mobility and the built environment in the Western Cape. [Interjection.]



The LEADER OF THE OFFICIAL OPPOSITION: Are you taking the point [Inaudible.] take it away from Bongi?

The MINISTER OF FINANCE: And we will do this to ensure that this Government works for you; so that this Government is more effective and we do things differently so we can deliver even better services to you.

Hon Speaker, you will recall, that President Cyril Ramaphosa announced a new Youth Employment Initiative, during his recent State of the Nation Address, to be funded by setting aside 1% of the national budget to deal with high levels of youth unemployment in South Africa.

We support the Youth Employment Initiative and, in fact, we already spend more than 1% of the Provincial Budget on young people in the Western Cape. So over the medium term we will spend R2,8 billion on youth development programmes in the Western Cape ... [intervenes]

The MINISTER OF COMMUNITY SAFETY: Hear-hear!

The MINISTER OF FINANCE: Which includes:

- spending R9,4 million on our Youth in Service Programme, which provides work readiness and skills development to our young people;
- spending R35,9 million on our Youth Cafés, where our young people can access personal development training and career advice in the Western

Cape;

- spending R78,1 million on our Premier's Advancement of Youth Programme, which will accommodate just over 1,000 school leavers and provide them with skills development through mentoring, coaching and career guidance; and
- spending R356,3 million on our Child Development and Youth Care Centres, which provide young people with safe spaces to grow and develop.

Hon Speaker, we are committed to protecting frontline service delivery such as education, health and social development in the Western Cape. So, over the medium term, we will spend R79,4 billion on education, R83,2 billion on health and R8,4 billion on social development in the Western Cape.

We have done so because your education matters; your health matters and your welfare matters to us in the Western Cape.

We also committed to maintaining spending on new infrastructure and existing infrastructure assets in the Western Cape. We will spend R2,6 billion on new infrastructure assets, and R16,7 billion on existing infrastructure assets, over the medium term in the Western Cape. [Interjection.]

†Die MINISTER VAN GEMEENSKAPSVEILIGHEID: Mooi!

[The MINISTER OF COMMUNITY SAFETY: Good!]

The MINISTER OF FINANCE: ...which includes:

- spending R9,6 billion on the maintenance of existing transport assets, including for example, the resealing of the Bainskloof Pass;
- spending R3,1 billion on the maintenance of existing education assets, which includes the upgrading of the Worcester Pre-Primary School; and
- spending R2,3 billion on the maintenance of existing health assets, including the upgrading of the Helderberg Hospital in the Western Cape.

The LEADER OF THE OFFICIAL OPPOSITION: And the maintenance, are you also taking that [Inaudible.]

The MINISTER OF FINANCE: But, it also includes:

- spending R1,8 billion on new education infrastructure, including the new Waveren Secondary School in Witzenberg;
- spending R431,5 million on new health infrastructure... [Interjections.]

The SPEAKER: Order, hon members!

The MINISTER OF FINANCE: ...including the new Avian Park Clinic in Breede Valley; and

- spending R236,6 million on catalytic infrastructure in the Atlantis Special Economic Zone and in the Saldanha Bay Industrial Development Zone in the Western Cape.

The MINISTER OF COMMUNITY SAFETY: Hear-hear!

The MINISTER OF FINANCE: We will continue to hold the line on spending on new and existing infrastructure assets, because spending on infrastructure boosts economic growth, creates jobs and in the end, most importantly is an investment in the future of the Western Cape, and we at Provincial Treasury stand ready to work with departments and entities to improve the infrastructure delivery pipeline in the Western Cape.

†Die LEIER VAN DIE AMPTELIKE OPPOSISIE: Hier kom 'n ding! Hier kom 'n ding! [Gelag.]

[The LEADER OF THE OFFICIAL OPPOSITION: Something's coming! Something's coming! [Laughter.]]

The MINISTER OF FINANCE: Hon Speaker, give me a moment. [Drinking water] Cheers!

Hon Speaker, when stage-six load shedding hit us last year we were reminded that we face an energy crisis with load shedding costing the provincial economy millions of rands per stage, per day, in the Western Cape.

We know that a new philosophy of maintenance has been announced and that we can expect more frequent planned load shedding for the next twenty-four months in the Western Cape. We are concerned, however, that the situation is likely to be more acute, and that load shedding is likely to be with us for

longer than anticipated, and because of that we have established an Energy Security Committee, to respond to the energy crises in the Western Cape.

We, together with the City of Cape Town, who led the fight in the courts, have done more than any other province to prepare for a different energy future in the Western Cape, which is why we were delighted to hear that National Government will implement measures to rapidly and significantly increase generation capacity, and that municipalities will finally be allowed to purchase electricity from independent power producers, to help fix our energy crisis in South Africa. [Applause.]

Mr P J MARAIS: Better late than never. [Interjections.]

The MINISTER OF FINANCE: We have a plan to work towards a new, cleaner, greener energy future that, in time, will make our province the most energy secure province...

The MINISTER OF COMMUNITY SAFETY: Hear-hear!

The MINISTER OF FINANCE: ...which includes:

- helping municipalities to procure energy from independent power producers;
- increasing small-scale embedded generation and increasing the greening of Government buildings;

- fast-tracking efforts to import Liquefied Natural Gas through Saldanha Bay, and enabling the Ankerlig Plant to operate on gas rather than the more expensive diesel; and
- working with large commercial players to help them with load curtailment measures where possible and continuing to support businesses with free advice and support on alternative energy solutions in the Western Cape.

We have allocated a budget of R60 million over the medium term to the Green Economy Team to support municipalities who wish to procure electricity from independent power producers in the Western Cape.  
[Interjections.]

An HON MEMBER: At what cost?

The MINISTER OF FINANCE: While we await clarity on the specifics, our team is building on the great work already done on energy in this province, and are preparing for a cleaner, greener energy future in the Western Cape.

However, we have to introduce a note of caution here because there are no real quick-fix solutions and it is going to take time, some time, for municipalities to actually begin procuring electricity from independent power producers in the Western Cape.

Ms N D NKONDLO: Support municipalities with supply-chain problems. Is

that the same one?

The MINISTER OF FINANCE: Hon Speaker, we live in turbulent times and we live in uncertain times, with major downside risks to the economic outlook in South Africa. [Interjection.]

The LEADER OF THE OFFICIAL OPPOSITION: And in providing [Inaudible] the DA does not make it easier.

The MINISTER OF FINANCE: With national debt, and debt service costs spiralling out of control, and with little prospect of the proposed public-sector wage bill moderation materialising, we may face significant budget cuts in the future in the Western Cape.

We have, therefore, made provision, as best we can, to mitigate the risk to the economic outlook in the Western Cape. We have held the line and will build our reserves over the medium term in the Western Cape.

- We have R1 billion in our Fiscal Stabilisation Reserve to deal with possible fluctuations in our provincial equitable share allocation in the Western Cape.
- We have R500,7 million in our Service Load Pressure Reserve to deal with increased pressure to deliver services in the Western Cape, and
- We have R208,4 million in our Unforeseeable and Unavoidable Expenditure Reserve to provide for unanticipated events in the Western

Cape.

Hon Speaker, we have also held the line on spending on compensation of employees by setting personnel upper limits on Departments in the Western Cape. However, we plan to go further and implement a Compensation of Employees' Reduction Strategy, which includes:

- terminating performance bonus allocations in 2021/22;
- limiting overtime spending;
- carefully managing leave payouts; and
- limiting the growth in personnel, so that personnel numbers are proportional to departmental priorities, in the Western Cape.

We have also held the line on spending on goods and services in the Western Cape. However, we plan to go further and explore a range of new measures, including:

- conducting performance and expenditure reviews;
- implementing an e-procurement system;
- exploring further cost containment measures;
- reviewing the mandates of public entities;
- improving facilities management;
- partnering with the private sector; and
- tightening up on reporting, monitoring and compliance with existing cost containment measures in place in the Western Cape.



Ms N D NKONDLO: When are you cutting down on the wages?

The MINISTER OF FINANCE: Hon Speaker, we have worked hard, perhaps harder than any other province, to deliver clean government in the Western Cape. [Interjections.]

Ms A P BANS: Oh, without services!

Ms R WINDVOGEL: No service!

Ms A P BANS: No services!

The MINISTER OF FINANCE: ...which is why we will take a hard line, a very hard line, and investigate without fear or favour, any allegations of corruption in governments in the Western Cape. That is why [Interjection.]

An HON MEMBER: In George, begin with George.

The MINISTER OF FINANCE: That is why we have allocated an additional R8,2 million over the medium term to strengthen the Forensic Investigation Unit, within the Local Government Department, in the Western Cape.

An HON MEMBER: Do you want to take over [Inaudible.]

The MINISTER OF FINANCE: We should never forget that what makes us different in government is that the money we spend does not belong to us. It belongs to you, the people of the Western Cape.

HON MEMBERS: Hear-hear!

An HON MEMBER: I think that the [Inaudible.] must be quiet.

The MINISTER OF FINANCE: Hon Speaker, the *Budget for You*,  
[Interjection.]

The LEADER OF THE OFFICIAL OPPOSITION: How much are you spending in Mitchells Plain?

The MINISTER OF FINANCE: The *Budget for You* tabled here today, puts your needs... [Interjections.]

The SPEAKER: Order! Order hon members!

The MINISTER OF FINANCE: ...your choices and your dreams at the forefront of everything that we do in the Western Cape.

†Die LEIER VAN DIE AMPTELIKE OPPOSISIE: Dit is 'n blou droom! Dit is nie die werklikheid nie.

[The LEADER OF THE OFFICIAL OPPOSITION: It is a blue dream! It is not

reality.]

The MINISTER OF FINANCE: We will work hard to land our vision of a *A Safe Western Cape Where Everyone Prospers*, which is why we will spend:

- R4 billion over the medium term so that you feel safe in the Western Cape,
- R32,4 billion over the medium term so that you get a job and reach your dreams in the Western Cape.

An HON MEMBER: A blue job!

The MINISTER OF FINANCE: And:

- R173,8 billion over the medium term so that you reach your full potential in the Western Cape,
- R24.6 billion over the medium term so that you have a home in the Western Cape, and
- R7.5 billion over the medium term so that you have even better government in the Western Cape.

We trust that our *Budget for You* will give you, all of you, hope in your future in the Western Cape.

Hon Speaker, in closing, I would like to thank Premier Alan Winde and all

my Cabinet colleagues for their leadership and support during what has been a very difficult budget process resulting in the finalisation of this Provincial Budget.

I also wish to extend my gratitude to David Savage, the Head Official at the Provincial Treasury, and Team Finance under the leadership of the Acting Deputy Director General of Fiscal and Economic Services, Julinda Gantana. My staff in the Ministry - thank you for your support and for keeping the office running so effectively.

Most importantly, I would like to thank my family and my amazing wife, Bronwen, who is literally *The Best Mother in the World*. [Applause.] I am grateful for your love, for your patience and for all your support.

Hon Speaker, so, it now gives me great pleasure to table these beautiful books:

- the Overview of Provincial Revenue and Expenditure;
- the Overview of Provincial and Municipal Infrastructure Investments;
- the Estimates of Provincial Revenue and Expenditure;
- the Western Cape 2020 Appropriation Bill;
- the Provincial Gazette of Allocations to Municipalities;
- the Western Cape Additional Adjustment Appropriation Bill; and
- my speech, for discussion and deliberation by the Western Cape Provincial Parliament.

In the end, this is a *Budget for You*, all of you in the Western Cape.

I thank you. [Applause.]

The DEPUTY SPEAKER: Thank you, thank you hon members. [Interjections.] Order! Thank you, hon Minister Maynier. Before I proceed with the rest of the Order of the Day I recognise that there is a point of order there. Hon, the Leader of the Opposition.

The LEADER OF THE OFFICIAL OPPOSITION: Thank you, hon Speaker. Speaker, towards his conclusion the hon MEC, Provincial Minister of Finance indicated that in our packs would be the speech. I think that is actually misleading the House because unless others have got a copy of his speech... [Interjections - speaking simultaneous]

An HON MEMBER: We do not have it? [Interjections.]

The SPEAKER: Thank you. [Interjections - speaking simultaneously.] Order, hon members. [Applause.] [Interjections.] Order, hon members, order!

Mr R D MACKENZIE: Now you must go read it!

The SPEAKER: Order, is that all hon, the Leader of the Opposition? [Laughter.] [Interjections.] Thank you. Thank you, hon member.

Mr A P VAN DER WESTHUIZEN: That is not a point of order!

The SPEAKER: Order, hon members! I would like to request the Secretary to read the Bill for the first time.

†UNOBHALA: loMthetho oSayilwayo woLwabiwo-mali weNtshona Koloni [B 3–2020].

[The SECRETARY: Introduction and First Reading – Western Cape Appropriation Bill [B3 – 2020].]

An HON MEMBER: What! [Applause.]

The SPEAKER: The SPEAKER: Thank you. Thank you, Mr Secretary.

Hon members, in accordance with Rule 188(1), the introductory speech, the Bill and the papers laid upon the table will be referred to the relevant committees for consideration and report. Now the Secretary will read the next Order.

†Die SEKRETARIS: Indiening en Eerste Lesing - Wes-Kaapse Bykomende Aansuiweringsbegrotingswetsontwerp (2019/20 finansiële jaar) [W2 2020]

[The SECRETARY: Introduction and First Reading – Western Cape Additional Adjustments Appropriation Bill (2019/20 financial year) [W2 2020]]

The SPEAKER: Thank you Mr Secretary. I now recognise the hon Minister.

[Interjections.]

The MINISTER OF FINANCE: Speaker, I table the relevant documents in the House. Thank you.

The SPEAKER: Thank you, hon Minister, the Secretary will read the Bill the first time.

The SECRETARY: Western Cape Additional Adjustments Appropriation Bill  
[B2 – 2020]

The SPEAKER: Thank you, Mr Secretary. In accordance with Rule 188(1) the introductory speech, the Bill, the papers laid upon the table will be referred to the relevant committees for consideration and report.

Hon members, before we adjourn, I would like to request that the members of the Budget Committee remain, because the Budget Committee will begin as we adjourn the House, and that concludes the business for the day. Thank you very much to the guests, to all of you, members, and please remain standing for the processing and that concludes the day. Thank you.

The House is adjourned.

The House adjourned at 10:55.