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TUESDAY 26 NOVEMBER 2019

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**PROCEEDINGS OF THE WESTERN CAPE  
PROVINCIAL PARLIAMENT**

The House met at 10:00.

The Speaker took the Chair.

The SPEAKER: You may be seated. I recognise the Chief Whip.

**BUSINESS OF THE HOUSE**

(Motion)

The CHIEF WHIP (DA): Thank you hon Speaker, I move without notice the motion on the Order Paper printed in my name:

That, notwithstanding the provision of Rule 18, the hours of sitting on Monday, 2 December 2019 shall be from 10:00 to adjournment.

The SPEAKER: Thank you hon Chief Whip. The Secretary will read the Order of the Day. I see that members agreed to on the motion of the Chief Whip. You see, hon Chief Whip, members always agree so I just presumed.

Are we all in agreement with the Chief Whip's motion? Agreed to.

Hon members, †baie dankie. [thank you.] I now wish to request the Secretary to read the Order of the Day.

The SECRETARY: Introduction and first reading, Western Cape Adjustments Appropriation Bill [B 6-2019]

### **ORDER OF THE DAY**

#### **Western Cape Adjustments Appropriation Bill [B 6 –2019]**

(Introduction and first reading)

The SPEAKER: I recognise the Minister of Finance.

†n AGBARE LID: Hoor-hoor!

[An HON MEMBER: Hear-hear!]

HON MEMBERS: Hear-hear! [Applause.]

The MINISTER OF FINANCE: Hon Speaker and Deputy Speaker; hon Premier and Cabinet colleagues; hon Leader of the Opposition; leaders of other political parties; hon members of the Western Cape Provincial Legislature and most importantly the people of the Western Cape.

Hon Speaker, the Minister of Finance, Tito Mboweni, may have his Aloe Ferox, but we have our *spekboom*, which is native to the Karoo and which symbolises the Western Cape. What the *spekboom* symbolises is resilience, because it can survive frost. It can survive drought and it can survive fire, because it packs a punch reducing carbon in our atmosphere and because it can survive up to 200 years here in the Western Cape.

We, like the *spekboom*, are going to have to be resilient, as we face an increasingly turbulent future in South Africa, because, of course, when aspiration exceeds opportunity, especially among young people, it will fall to us to give hope to people who do not have jobs or who have given up looking for jobs, in the Western Cape.

Now hon Speaker, we all remember Premier Alan Winde delivering his maiden State of the Province Address, with a new vision, with a new focus and with a new urgency, driven by what he had seen, and by what he had heard during a gruelling election campaign, and inspired by a vision of people living free from want, free from hunger, free from deprivation, free from ignorance and, of course, free from fear in the Western Cape.

During that speech Premier Alan Winde promised that we would deliver a range of programmes that would keep people safe and he promised that we would make allowance for those programmes in the Adjustments Budget process, because too many people live in fear in the Western Cape.

Since then, we have developed a Western Cape Safety Plan, which is informed by evidence, and which will be implemented using the latest technology, and which aims to boost law enforcement capacity in our least safe neighbourhoods to deal with crime - especially violent crime - in the Western Cape.

We will, over the next twelve months, be partnering with the City of Cape Town to train and deploy one thousand law enforcement officers, providing us with more boots on the ground to fight crime - especially violent crime - in the Western Cape.

We made a promise, and we have kept that promise, because today we can announce that we have allocated an amount of R130 million in the Adjustments Budget for 2019/20; and we have allocated an amount of R417 million in 2020/21; R350 million in 2021/22 and R400 million in 2022/23 - all to support the deployment of one thousand additional law enforcement officers to fight crime - especially violent crime - in the Western Cape. [Interjections.]

An HON MEMBER: Hear-hear! [Applause.]

The LEADER OF THE OFFICIAL OPPOSITION (ANC): You said three thousand, but it dropped to one now?

The MINISTER OF FINANCE: Hon Speaker, we have listened to the

victims of crime, and we have heard the victims of crime, and we have found R1,3 billion to support the fight against crime - especially violent crime - in the Western Cape. When so many people have lost hope and when so many people have lost trust in Government, we are actually getting things done in the Western Cape. [Interjection.]

An HON MEMBER: Hear-hear! [Interjection.]

The MINISTER OF FINANCE: Hon Speaker, we all remember the sense of renewal, of revitalisation and of progress, following President Cyril Ramaphosa's first State of the Nation Address on 16 February 2018, and we all remember the announcement of a "new path", with the promise of more economic growth, of more employment and of more transformation in South Africa.

However, since then that sense of renewal, of revitalisation and of progress, along with the new path and the promise of more economic growth, of more employment and of more transformation, has faded in South Africa. What should be going up is going down, and what should be going down, is going up in South Africa. [Interjections.]

We have stagnant economic growth with the economy forecast to grow at 1,2% in 2020, 1,6% in 2021 [Interjections.]

An HON MEMBER: That is the DA's report, [Inaudible.] is going down.

The MINISTER OF FINANCE: ...and 1,7% in 2022. We have collapsing revenue collection, with the revenue shortfall forecast to be R52,5 billion in 2019/20, R84 billion in 2020/21 and a staggering R114,7 billion in 2021/22. We have ballooning expenditure, with expenditure increasing by R191,3 billion in 2019/20, R134,7 billion in 2020/21 and R118,8 billion in 2021/22.

We have zombie state-owned enterprises, consuming billions of rands in bailouts: R49 billion for Eskom; R5,5 billion for SAA; R3,2 billion for SABC. [Interjections.]

†'n AGBARE LID: Sies!

[An HON MEMBER: Siss!]

†'n AGBARE LID: Skande!

[An HON MEMBER: Disgrace!]

The MINISTER OF FINANCE: R1,8 billion for Denel and R300 million for SA Express in this financial year alone, in South Africa. [Interjections.]

†'n AGBARE LID: Sies! Skande!

[An HON MEMBER: Siss! Disgrace!]

†'n AGBARE LID: Skande!

[An HON MEMBER: Disgrace!]

The MINISTER OF FINANCE: We have staggering levels of national debt, with gross loan debt of R3,6 trillion or 64,9% of GDP in 2020/21; R4 trillion or 68,5% of GDP in 2021/22; and R4,4 trillion or 71,3% of GDP in 2022/23.

We have eye-watering debt service costs of R232,8 billion in 2020/21; R264,6 billion in 2021/22 and a staggering R299,1 billion in 2022/23. We have terrifying fiscal risks in the form of Eskom, with a debt mountain of R440 billion, requiring bailouts of R112 billion over the medium term, consuming about R85 billion in debt service costs per year, with the potential to blow up the entire national balance sheet in South Africa, and, of course, we have sovereign credit rating agencies ready to push the red button and downgrade our sovereign credit rating to junk status in South Africa. [Interjection.]

An HON MEMBER: Who is responsible?

The MINISTER OF FINANCE: Hon Speaker, the fact is, national debt measured as gross loan debt has increased by a staggering... [Interjections.]

The SPEAKER: Order, order hon members!

The MINISTER OF FINANCE: ... R2,4 trillion or 293% over the past ten years, from R805 billion or 33% of GDP in 2009/10, to R3,16 trillion or

60,8% of GDP in 2019/20; and debt service costs have increased by a staggering R146,7 billion or 257% over the past ten years, from R57,1 billion in 2009/10 to R203,7 billion in 2019/20 in South Africa.

To put these numbers in perspective, consider the fact that if we do not stabilise national debt, we will be spending R299 billion on debt service costs alone by 2022/23, which is four times more than we will spend in 2019/20 in the Western Cape. We should not forget, of course, that national debt does not include SOE debt, with the ten largest state-owned enterprises increasing borrowing by 177% in just eight years, from R266,7 billion in 2009/10 to R738,3 billion in 2017/18. These numbers are staggering. The fact is that National Government's key fiscal objective is to stabilise national debt, but the data shows [Interjections.]

The SPEAKER: Order, order hon members.

The MINISTER OF FINANCE: ...that if we do nothing national debt will not stabilise and will continue to increase to unsustainable levels, with gross loan debt exploding to 80,9% of GDP in 2027/28. Let me say that again: the data suggests that if we do nothing, national debt will not stabilise and will continue to increase to unsustainable levels, with gross loan debt exploding to 80,9% of GDP in 2027/28.

An HON MEMBER: Shocking, shocking!



The MINISTER OF FINANCE: It comes as no surprise therefore that Moody's Investor Services, which now stands between us and full-blown junk status, concluded that the Medium Term Budget Policy Statement did not represent a developed and credible fiscal strategy for South Africa.

Hon Speaker, we are, in the end, in deep trouble. We are earning too little, spending too much and borrowing much too much in South Africa. We are drowning in red ink and using multiple credit cards simultaneously to balance the books in South Africa. This is unsustainable and we are now in deep economic trouble in South Africa.

Now the Minister of Finance, Tito Mboweni, set out his response to the full horror of the mismanagement of the economy, the mismanagement of our public finances, the mismanagement of our state-owned enterprises and the massive corruption in our country in his Medium Term Budget Policy three weeks ago in Parliament. To his credit, the Minister, who is often an island of sanity in a sea of madness, had the courage to acknowledge that economic growth needed to be accelerated and tabled a paper titled "Towards an Economic Strategy for South Africa." [Interjections.]

He had the courage to tackle zombie state-owned enterprises, like South African Airways which he referred to as a "Sword of Damocles"; and Eskom which he said "should be run like a business" and he made it absolutely clear that national health insurance was not affordable in South Africa.

Of course, it was not long before those in the governing party who are stuck in the past still fighting the Cold War, still fighting for the smokestack economy, still fighting for the return of Aeroflot, all the time singing their favourite song, *The Internationale*, sprung into action to defeat all efforts to boost economic growth in South Africa.

Standard and Poor's put it so well in their recent rating review when they pointed out, and I quote:

“Factional disagreements within the ANC ruling party threaten the reform momentum crucial to kick-starting economic growth.”

An HON MEMBER: Where is Mmusi, where is Mmusi?

An HON MEMBER: Where is Jessie?

The SPEAKER: Order, hon members, order, hon members!

An HON MEMBER: Jessie is here!

The SPEAKER: Hon Minister, will you please take your seat.

The MINISTER OF FINANCE: Hon Speaker, the Minister of Finance...

[Interjection.]

The SPEAKER: Hon Minister, will you please take your seat?

The LEADER OF THE OFFICIAL OPPOSITION (ANC): You think you are winning votes but [Inaudible.]

The SPEAKER: What is the point of order, honourable?

An HON MEMBER: (Mr A LILI?) Thanks very much, hon Speaker. Hon Speaker, is the hon Minister going to... [Interjection.]

The SPEAKER: What is the Rule you are rising on?

An HON MEMBER: Mine, hon Speaker, is... [Interjections.]

An HON MEMBER: What is your point of order?

The SPEAKER: Order, order hon members!

An HON MEMBER: Mine, hon Speaker, is the hon Minister going to be able to take a question, especially around the issue of the police that he is going to add. [Interjections.]

An HON MEMBER: No, sit! [Interjections.]

The SPEAKER: Okay, thank you.

An HON MEMBER: Excluding the economic situation in our townships  
[Interjections.]

The SPEAKER: Thank you, thank you, hon member. Hon members...  
[Interjections.]

An HON MEMBER: Workshop!

The SPEAKER: When you are done then I will speak. [Interjections.]  
Order! Thank you. Order! My request... [Interjections.] Order, hon  
members, you do not speak when the Presiding Officer is speaking. Hon  
members, order! Let me just bring to the attention of the House, when you  
want to ask a question, you do not ask a question in asking whether you  
can ask the question.

An HON MEMBER: Hear-hear! [Laughter.]

The SPEAKER: So then let us now afford the Minister an opportunity  
whether he wishes to respond but the Minister must proceed. Minister.

The MINISTER OF FINANCE: I do not wish to respond to a question from  
that hon member.

The SPEAKER: Well please proceed.

The MINISTER OF FINANCE: He is exactly one of the members I referred to in my speech earlier. Thank you, Hon Speaker.

The SPEAKER: You may please proceed, Minister.

The MINISTER OF FINANCE: Thank you, Hon Speaker. Now the Minister of Finance, Tito Mboweni, was also clear in his Medium Term Budget Policy Statement that to stabilise our public finances would require difficult decisions that would imply sacrifices and as a result pencilled in what he called “large reductions” to provincial transfers in South Africa. We expect to spend approximately R72,8 billion in 2020/21, R77,3 billion in 2021/22 and R81,7 billion in 2022/23, or a total of R231,9 billion over the medium term in the Western Cape.

However, the fact is that total provincial transfers, in the form of provincial equitable share and conditional grants, will be cut by R20,3 billion over the medium term between 2020/21 and 2022/23; and total municipal transfers, in the form of local government equitable share and direct conditional grants, will be cut by R20,5 billion over the medium term between 2020/21 and 2022/23.

We should make no mistake that these budget cuts risk wiping out service delivery on the frontline, in education, in health and in social development in provinces across South Africa.

We need to understand that National Government's mismanagement of our economy, mismanagement of our public finances, mismanagement of our state-owned enterprises and massive corruption are the reasons budgets are being cut and are the reasons service delivery may be compromised in the Western Cape. [Interjection.]

The MINISTER OF COMMUNITY SAFETY: Hear-hear!

The MINISTER OF FINANCE: That is the truth!

The MINISTER OF COMMUNITY SAFETY: Absolutely!

The MINISTER OF FINANCE: The fact is that budget cuts may compromise our ability to appoint sufficient teachers to accommodate increasing learner numbers, may compromise our ability to provide quality healthcare resulting in longer waiting times for emergency services and may compromise our ability to provide social services and to support vulnerable children, older persons and persons with disabilities as well as victims of violence in the Western Cape.

What makes these budget cuts so hard to swallow is that Provincial Governments are expected to absorb them so that National Government can bail out zombie state-owned enterprises in South Africa. We estimate that the budget cuts this province will be expected to absorb will be roughly equivalent to the bailouts pencilled in for South African Airways.

The fact is, we are effectively bailing out National Government, so that National Government can bail out zombie state-owned enterprises like South African Airways in South Africa, which means, perversely, that when it comes to our national airline, that the poor are effectively subsidising the rich, which is simply wrong in South Africa.

An HON MEMBER: Exactly!

The MINISTER OF FINANCE: That is the truth. However, hon Speaker, we must give credit to National Government for allocating additional funding to employ social workers, to prevent gender-based violence and to improve access to sanitary dignity for young women in the Western Cape.

We will receive an additional R59,7 million over the medium term to employ social workers in areas with a high prevalence of gender-based violence in the Western Cape.

We will receive an additional R17 million over the medium term to continue to support efforts to deal with the social drivers of HIV, TB, STIs and gender-based violence in the Western Cape.

And we will receive an additional R31,5 million towards improving access to sanitary dignity for young women so that they can stay in school and get the education they deserve in the Western Cape.

Hon Speaker, the Minister of Finance pointed out in his Medium Term Budget Policy Statement, and I quote:

“There is no point in publishing a policy statement if it simply means publishing a budget three months early. The purpose is to open a debate before the budget is finalised.”

The Minister was quoting from a press statement on the first three-year Budget Policy Statement, but neglected to mention that one of the key objectives of the Medium Term Budget Policy Statement is to provide certainty to the public service and certainty to the markets.

However, that is exactly the opposite of what the Minister did in his Medium Term Budget Policy Statement when he announced that to stabilise national debt “additional measures” - read tax hikes, and spending cuts - in excess of R150 billion would be required over the medium term between 2020/21 and 2022/23.

What is so intriguing for a Minister who believes that - and I quote - “hope is good but it is not a strategy”, is that the “additional measures” are expected to result from budget cuts imposed on compensation of employees. We were told that “reductions in compensation, based on the outcome of discussions with labour, are expected to be implemented in the future.”



Well, if ever there was a case of hope dressed up as strategy, it is the idea that the public sector unions will simply roll over and agree, at some point in the future, to major reductions in expenditure on compensation of employees in the public service in South Africa.

We at this stage simply do not know therefore, at this stage of the budget process, how the budget cuts will be applied to conditional grants, whether the budget cuts to compensation of employees will even materialise and, if they do materialise, how they will impact the Western Cape, which means that we are entering a period of significant and unprecedented uncertainty when it comes to the budget in the Western Cape.

To deal with all these known unknowns in the budget process we will firstly continue to implement our Western Cape Government Fiscal Strategy. We will continue to focus on proper expenditure management, proper revenue management and maintaining a balanced budget in the Western Cape, and we will continue to apply the principles of allocative efficiency, fiscal sustainability, fiscal consolidation and fiscal discipline in the Western Cape. And we will do so to maintain stability, credibility and transparency when it comes to the budget in the Western Cape.

However, despite the significant and unprecedented uncertainty, we can be absolutely sure that there will be budget cuts, and so we have made some tough decisions about how to proceed over the medium term in the Western Cape.

First, we have assumed a worst-case scenario and have planned a downward adjustment to the provincial budget over the medium term of 5%, or R2,67 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.

Second, we have committed to minimising the impact of the budget cuts on education, on health and on social development in the Western Cape.

Third, we have committed to minimising the impact of the budget cuts on the maintenance and repair of existing infrastructure assets in the Western Cape, and, fourth, of course, we will continue to maintain a balanced budget in the Western Cape. To achieve this, we will have to explore further measures to increase own revenue, to reduce expenditure and to improve efficiency over the medium term in the Western Cape.

We will also have to be more innovative and find new ways of doing things in government in the Western Cape. We will, for example, have to explore new ways to finance new infrastructure development that supports economic growth, including public-private partnerships, accessing finance from development banks and accessing finance from development finance institutions in the Western Cape.

Now, Hon Speaker, we have worked hard, perhaps harder than any other province, on implementing belt-tightening measures in the Western Cape.

An HON MEMBER: Hear-hear!

The MINISTER OF FINANCE: However, because of the budget cuts we anticipate, it is necessary to act now and to impose additional belt-tightening measures, which will be implemented over the medium term by Government in the Western Cape.

We will firstly review the provincial ministerial handbook. We will reduce spending on overtime through planning and implementing stricter controls. [Interjection.]

We will reduce spending on payouts for leave through proper leave planning and more stringent measures. We will review spending on performance bonuses across Provincial Government. We will review spending on procurement with a view to further cost containment, and we will monitor? all appointments of senior staff members that fall below a departmental vacancy norm in the Western Cape.

Hon Speaker, we need to pause for a moment and consider the fact that we will only be able to absorb these budget cuts because we have been prudent in the past and we have made provision for possible future shocks in the Western Cape. We are in the fortunate position of being able to minimise the impact of budget cuts, as I have said, on education, on health and social development only because we have built up reserves for unforeseen and unavoidable expenditure and for fiscal stabilisation in the Western

Cape.

We have a total of R659 million available over the medium term for unforeseen and unavoidable expenditure; and we have a total of R1,2 billion available over the medium term for fiscal stabilisation in the Western Cape, which is the lifeline we will have available to cushion education and health and social development, as well as the maintenance and repair of existing infrastructure assets from budget cuts, which of course is a huge tribute to my predecessors and to the Provincial Treasury in the Western Cape and which goes to show that, like the *spekboom*, we can adapt and we can survive tough conditions in the Western Cape.

Now hon Speaker, we have a vision of “A safe Western Cape where everyone prospers” focusing on five strategic “vision-inspired priorities” in the Western Cape.

We will prioritise and invest in safe and cohesive communities over the medium term in the Western Cape. We will do so by enhancing the capacity and effectiveness of policing and law enforcement and strengthening youth-at-risk referral pathways and child and family-centred initiatives, to reduce violence and increase social cohesion and safety in public spaces in the Western Cape.

We will prioritise and invest in economic growth and job creation over the medium term in the Western Cape. We will do so by increasing

investment, boosting infrastructure development, growing the economy through export growth, creating opportunities for job creation through skills development, and creating an enabling environment for economic growth through resource resilience in the Western Cape. [Interjection.]

We will prioritise and invest in empowering people over the medium term in the Western Cape. We will do so by improving early childhood development, improving education and learning, improving youth and skills development, improving health and wellness, and improving care for older persons and persons with disabilities in the Western Cape.

We will prioritise and invest in mobility, spatial transformation and human settlements over the medium term in the Western Cape. We will do so by providing better linkages between places through public transport and mobility systems that work together, creating spatially and economically vibrant growth points, providing more opportunities for people to live in better locations and improving the places where people live in the Western Cape. [Interjections.]

We will also prioritise and invest in innovation and culture in government over the medium term in the Western Cape. We will do so by creating a culture of innovation to improve service delivery, and by focusing on new and innovative ways of doing things and on an integrated service delivery in the Western Cape.

An HON MEMBER: Where exactly?

The LEADER OF THE OFFICIAL OPPOSITION (ANC): You are selling Tafelberg. [Inaudible.]

The MINISTER OF FINANCE: Now hon Speaker, we have an opportunity to adjust the budget to support new priorities and respond to service delivery pressures in the Western Cape. We have proposed adjustments to the main budget in the amount of R716,4 million to support new provincial priorities and respond to service delivery pressures in the Western Cape.

The 2019 Adjusted Estimates provide for an allocation of R130 million for the appointment, training and resourcing of law enforcement officers who will be deployed, as I have mentioned, to fight crime, especially violent crime, in the Western Cape.

The Adjusted Estimates also provides for an allocation of R311,4 million for infrastructure-related expenditure and an allocation of R170,6 million for information technology related expenditure; and finally, the Adjustments Estimates also provides for an allocation of R50 million in emergency funding, made in terms of Section 25 of the Public Finance Management Act, for fodder support on drought-stricken farms in the Western Cape.

Hon Speaker, we have prioritised good governance and we have once again

received the best audit outcomes for the 2018/19 financial year in South Africa. [Interjections.] [Applause.]

An HON MEMBER: No man, it is wrong!

The MINISTER OF FINANCE: We have more clean audits...

An HON MEMBER: It is wrong! [Interjections.]

The MINISTER OF FINANCE: No unauthorised expenditure, less irregular expenditure and less fruitless and wasteful expenditure, by miles, than any other province in South Africa. [Interjections.]

The SPEAKER: Order! Order hon members! Please proceed, Minister.

An HON MEMBER: It is the Premier.

The MINISTER OF FINANCE: Thank you Hon Speaker.

An HON MEMBER: It is wrong. [Interjections.]

The MINISTER OF FINANCE: We also have the first clean audit of any health department in any province ever in South Africa.

An HON MEMBER: Hear-hear! [Applause.]

The MINISTER OF FINANCE: Let me say that again, hon Speaker, we also have the first clean audit of any health department in any province ever in South Africa. [Interjections.]

An HON MEMBER: Clean audit [Inaudible.] [Applause.]

The MINISTER OF FINANCE: Hon Speaker, think about it. [Interjections.]

The SPEAKER: Order!

The MINISTER OF FINANCE: We have eight... [Interjections.]

The SPEAKER: Order hon members! [Interjections.] Hon members, order hon members, let us allow the Minister to proceed. [Interjections.]

An HON MEMBER: He does not know, on that point he does not even know [Inaudible.]

The MINISTER OF FINANCE: Thank you, hon Speaker. Think about it.

The SPEAKER: Alright, thank you.

The MINISTER OF FINANCE: We have eight more clean departmental audits than Gauteng and ten more clean departmental audits than KwaZulu-Natal. We have no unauthorised expenditure, compared to



R5,9 million worth of unauthorised expenditure in Gauteng and compared to R29,6 million worth of unauthorised expenditure in KwaZulu-Natal. [Interjections.] We have R7,1 billion less irregular expenditure than Gauteng... [Interjection.]

An HON MEMBER: Talk about your province.

The MINISTER OF FINANCE: And R12,4 billion less irregular expenditure than KwaZulu-Natal. [Interjections.] Hon Speaker, it is very clear that the members of the Opposition are not listening, so I think it is incumbent on me to repeat the point.

An HON MEMBER: Yes.

The MINISTER OF FINANCE: We have R7,1 billion ... [Interjections.]

The SPEAKER: Order hon members! Minister, will you please take your seat. Chief Whip. [Interjections.]

The DEPUTY CHIEF WHIP (DA): Thank you, hon Speaker. I rise on a point of order, I cannot hear what the Minister of Finance is saying and members of the Opposition are actually interrupting him now which is contrary to the Rules. If you could please assist?

The SPEAKER: Thank you, hon Chief Whip. [Interjections.] Hon members,

hon members, may I please have your attention. Is there a point of order, hon Minister Fernandez?

The MINISTER OF SOCIAL DEVELOPMENT: Thank you, Chair. I think it is inappropriate for members to be talking to each other whilst you are speaking. You need to refer to the Rules and I think the members need to manage themselves with dignity and decorum. This is not a shebeen, this is Parliament. [Interjections.]

The SPEAKER: Thank you, hon Minister Fernandez. Hon members, in terms of Rule 39 we are allowed to have a conversation but it must not be in a context that renders the House chaotic. So the challenge that we are having now is that we cannot hear what the Minister is saying, and it is both sides of the House, because there is participation. It seems you missed each other, so can we proceed in the spirit where you can dance after the sitting? Now I recognise the Minister.

The MINISTER OF FINANCE: Thank you Hon Speaker. I think on good governance I should possibly begin at the beginning, given the response I am receiving from the Opposition. [Interjections.]

Hon Speaker, as I was saying, we have R7,1 billion less irregular expenditure than Gauteng and R12,4 billion less irregular expenditure than KwaZulu-Natal and we have R112 million less fruitless and wasteful expenditure than Gauteng and R30 million less fruitless and wasteful

expenditure than KwaZulu-Natal, which is the result of our efforts - not only to prioritise good governance, but also to constantly work to improve the way we manage our public finances... [Interjections.]

The SPEAKER: Order! Order hon members!

The MINISTER OF FINANCE: ...and it is a badge of honour.  
[Interjection.]

The SPEAKER: Order.

The MINISTER OF FINANCE: It is a badge of honour, hon Speaker, for our hard-working and diligent accounting officers, chief financial officers and staff members in the Provincial Government in the Western Cape.

The PREMIER: Hear-hear! [Applause.]

The MINISTER OF FINANCE: Now Hon Speaker, we recently tabled two outstanding documents - the Provincial Economic Review and Outlook and its twin, the Municipal Economic Review and Outlook, which tell us a story of a slow recovery in economic growth, of a rebound in employment, and of improved human development in the Western Cape.

We have businesses that are experimenting with new products, with new markets and with new technology, and that are under pressure, not to close

their business, but to expand their businesses, because they simply cannot keep up with demand for their products, which are flying off the shelves in capitals around the world, which, of course, is a credit to the resilience of businesses, which have not only survived, but have also thrived despite tough business conditions and which is ultimately a story of hope for people, especially young people who do not have jobs or who have given up looking for jobs, in the Western Cape.

We have worked hard, harder than any other province, to back business by creating an enabling environment for the private sector...

An HON MEMBER: Which?

An HON MEMBER: One person, one business!

The MINISTER OF FINANCE: ...and for the markets to drive economic growth and job creation in the Western Cape.

We have backed business in the Western Cape. We have world-class infrastructure in the Western Cape. We have an effective clean Provincial Government in the Western Cape.

We have an award-winning international airport in the Western Cape. We have a leading tourism destination in the Western Cape. [Interjections.] We are the tech capital of the continent in the Western Cape. We are home

to four world-class universities in the Western Cape. We have a vibrant culture, amazing climate and beauty everywhere in the Western Cape. [Interjections.] We are actually getting things done in the Western Cape, which is why we have a growing economy in the Western Cape. [Interjections.]

The SPEAKER: Order, hon members.

The MINISTER OF FINANCE: And which is why we are giving hope to people, especially young people, who do not have jobs or who have given up looking for jobs, in the Western Cape. That is a fact!

The LEADER OF THE OFFICIAL OPPOSITION (ANC): The worst language, the worst crime capital.

The MINISTER OF FINANCE: Hon Speaker, we have worked on the Medium Term Budget Policy Statement and the associated documents day-after-day, night-after-night, and weekend-after-weekend at the Provincial Treasury. [Interjections.]

We all owe a big thank you to Provincial Treasury's acting head official, Julinda Gantana [Applause.] who, together with Team Finance, have done such a great job producing the 2019 Western Cape Adjusted Estimates of Provincial Revenue and Expenditure, the Western Cape Adjustments Appropriation Bill 2019, the Western Cape Gazette of Allocations to

Municipalities, an Overview of the Adjusted Provincial and Municipal Infrastructure Investment in 2019 and of course the 2019 Western Cape Medium Term Budget Policy Statement, which it gives me great pleasure to table today for deliberation and for consideration by members of the Western Cape Provincial Parliament.

I would also like to thank Premier Alan Winde and all my Cabinet colleagues for their support in what has been a very challenging budget process in the Western Cape.

We will, like the *spekboom*, which can survive frost, which can survive drought and which can survive fire and which can survive for up to 200 years, have to remain resilient in the Western Cape. [Interjection.]

The LEADER OF THE OFFICIAL OPPOSITION (ANC): [Inaudible.] that is your problem.

The MINISTER OF FINANCE: I thank you. [Applause.]

The SPEAKER: Thank you, hon Minister, hon Premier, hon members and our guests. You have been very peaceful and cooperating.

Now I would like to request the Secretary to read the Bill the first time.

The SECRETARY: Western Cape Adjustments Appropriation Bill [B 6-2019]

The SPEAKER: Thank you, Mr Secretary. Hon members, the Bill, together with the papers tabled will be referred to the relevant committees for further consideration and report.

Now as we adjourn the sitting, the members of the Budget Committee, there will be a Budget Committee meeting immediately upon conclusion of the sitting. Now I would like to request the House to rise and remain standing for the procession. The House is adjourned.

The House adjourned at 10:50.