

Friday, 16 February 2018]

JS 1 – 2018] FIFTH SESSION, FIFTH PARLIAMENT

PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA

MINUTES OF PROCEEDINGS

OF

JOINT SITTING

FRIDAY, 16 FEBRUARY 2018

1. Members of the National Assembly and the National Council of Provinces assembled in the Chamber of the National Assembly at 19:06.
2. The Speaker of the National Assembly and the Chairperson of the National Council of Provinces took the Chair.
3. The Speaker of the National Assembly requested members to observe a moment of silence for prayer or meditation.
4. The Speaker of the National Assembly announced that the President had called the Joint Sitting of the National Assembly and the National Council of Provinces in terms of section 84(2)(d) of the Constitution of the Republic of South Africa, 1996, read with Joint Rule 7(1)(a), in order to deliver his state-of-the-nation address to Parliament.
5. [19:07] The President of the Republic delivered his address as follows:

Speaker of the National Assembly Ms Baleka Mbete; Chairperson of the National Council of Provinces Ms Thandi Modise; Deputy Speaker of the National Assembly and Deputy Chairperson of the NCOP; Former President Thabo Mbeki; Former Deputy President Mr F W de Klerk; Chief Justice Mogoeng Mogoeng and all esteemed members of the judiciary who are here; Ministers and Deputy Ministers, Premiers and Speakers of Provincial Legislatures, Chairperson of Salga and all executive mayors present; the Heads of our Chapter 9 Institutions; the Chairperson of the National House of Traditional Leaders; the leaders of faith-based organisations; Former Speaker Dr Frene Ginwala; Former Speaker of the National Assembly Mr Max Sisulu; invited guests; veterans of the struggle for liberation; members of the Diplomatic Corps; hon members; fellow South Africans: It is for me indeed a great honour and a privilege to have this opportunity to address you all and indeed the nation on this the state of nation address.

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This address should have been delivered last week, but was delayed so that we could properly and carefully manage issues of political transition. I wish to thank hon members and the people of South Africa for their patience and for their forbearance.

I also wish to extend a word of gratitude to former President Jacob Zuma for the manner in which he approached this very difficult and sensitive process. I also wish to thank him for his service to the nation during his two terms as President of the Republic, during which our country made significant progress in several areas of development.

I spoke to President Zuma yesterday and we exchanged wonderful pleasantries. He wished us well for the holding of this state of the nation address.

Fellow South Africans, in just over 150 days from now, the people of the world – and, indeed, our people in this country - will unite in celebrating the 100th anniversary of the birth of Nelson Rolihlahla Mandela. It is a day on which we, as South Africans, will remember the life of one of the most remarkable leaders this country and, indeed, this continent and the world has ever known.

We will have an opportunity to recount Madiba's long walk to freedom. We will also have an opportunity to reflect on his wisdom, his unfailing humility, his abiding compassion and his essential integrity. We have dedicated this year, 2018, to his memory, and we will devote every action, every effort and every utterance to the realisation of his vision of a democratic, just and equitable society. Guided by his example, we will use this year to reinforce our commitment to ethical behaviour and ethical leadership.

In celebrating the centenary of Nelson Mandela we are not merely honouring the past; we are building the future – and, particularly, the future that Nelson Mandela envisaged for South Africa, our country and its people, a future with its roots in the Freedom Charter.

We are continuing the long walk he began to build a society in which all may be free, in which all may be equal before the law and in which all may share in the wealth of our land and have a better life.

We are building a country where a person's prospects are determined by their own initiative and hard work, and not by the colour of their skin, place of birth, gender, language or income of their parents.

Ek wil dit nou mooi in Afrikaans sê: Ons bou 'n land waarin 'n persoon se vooruitsigte deur hul eie inisiatief en harde werk bepaal word, en nie deur die kleur van hul vel, geboorteplek, geslag, taal of inkomste van hul ouers nie.

[Translation of Afrikaans paragraph follows.]

[I would like to state this clearly in Afrikaans: We are building a country in which a person's prospects are determined by their own initiative and hard work, and not by the colour of their skin, place of birth, gender, language or income of their parents.]

This year, we will also celebrate the centenary of another giant of our struggle, uMama Albertina Nontsikelelo Sisulu. Through her amazingly remarkable life and outstanding contribution, she defined what it means to be a freedom fighter, a leader and a diligent and disciplined servant of the people. Through the leadership qualifies that uMama

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Albertina Sisulu displayed – put on display for all of us to see - she also embodied the fundamental link between national liberation and gender emancipation.

As we mark her centenary, we reaffirm that no liberation can be complete and no nation can be free until its women are also free. We honour this son, Nelson Rolihlahla Mandela, and this daughter, Albertina Nontsikelelo Sisulu, of the African soil in a year of change, in a year of renewal, in a year of hope.

We will seek to honour them not only in word, but in deed as well, particularly in direct action towards the achievement of their shared vision of a better society in our country.

We should honour Madiba by putting behind us the era of discord, the era of disunity and the era of disillusionment that had somehow engulfed our country. We should put behind us the era of diminishing trust in public institutions and weakened confidence in our country's public leaders. We should put all the negativity that has dogged our country behind us because a new dawn is upon us – and a wonderful dawn has arrived.

It is a new dawn that is inspired not just by our collective memory of Nelson Mandela, but it is also inspired by the changes that are now unfolding in our country – wonderful changes that everybody can see.

As we rid our minds of all negativity, we should reaffirm our belief that South Africa belongs to all who live in it. For though we are a diverse people, we are one nation. There are 57 million of us, each with different histories, different languages, and different cultures, experiences and views, as well as different interests. Yet we are bound together by a common destiny that is defined by our South African-ness.

For this, we owe much to our forbearers – people like Pixley ka Seme, Charlotte Maxeke and Chief Albert Luthuli – who understood the necessity of the unity and harmony of all the people of this great land, South Africa.

We are a nation at one. We are one people, committed to working together to find jobs for our youth; to building factories and roads, houses and clinics; to preparing our children for a world of change and progress; to building cities and towns where families may be safe, productive and content.

We are determined to build a society defined by decency and integrity that does not tolerate the plunder of public resources or the theft by corporate criminals of the hard-earned savings of ordinary people.

While there are many issues on which we may differ, on these fundamental matters we are as one. We know that there is still a lot that divides us. We are divided by history; we are divided by where we live; we are divided by our gender; we are divided by a whole range of things.

We remain a highly unequal society, in which poverty and prosperity are still defined by race and gender.

All of us gathered here - Members of this Parliament; and, yes, indeed, all others who are also visitors here and many of our people out there - have been given the responsibility as South Africans to build a new nation, and to confront the injustices of the past and the inequalities of the present. We are called upon to do so even as we face difficult conditions.

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The state we are in as a nation is that while poverty declined significantly following the democratic breakthrough of 1994, we have seen reverses in recent years. Poverty levels rose in 2015, unemployment has gone up and inequality has persisted.

For several years our economy has not grown at the pace needed to create enough jobs so that we can lift our people out of poverty. Public finances have been constrained, limiting the ability of government to expand investment in economic and social development.

Despite these challenging conditions, we have managed – and this we managed working together – to achieve progress in improving the lives of our people. Even under conditions of weak growth, our economy has created jobs, but not at the pace required to absorb new entrants into the labour market.

This means that as we pursue higher levels of economic growth and investment, we need to take additional measures to reduce poverty and meet the needs of the unemployed in our country.

Since the start of the current Parliament, our public employment programmes have created more than 3,2 million work opportunities. In the context of widespread unemployment, these opportunities continue to provide much-needed income and relief. They also provide work experience and training to the many South Africans who find opportunity to participate in them.

We have also taken steps to reduce the cost of living for our people. The cost of living for our people has kept on rising on all levels. Government's free basic services programme currently supports more than 3,5 million indigent households across the length and the breadth of our country.

More than 17 million social grants are paid each month, benefiting nearly a third of the population. These grants have alleviated a great deal of poverty amongst our people and they are deeply valued by our people. We know, however, that if we are to break the cycle of poverty, we need to educate the children of the poor. We have insisted that this should start in early childhood.

Today, we have nearly one million children who are participating in early childhood development facilities. This is significant. We are seeing improvements in the outcomes of our basic education system.

The matric pass rate increased from 60,6% in 2009 to 75,1% last year. That is phenomenal progress. There are currently almost one million students enrolled in higher education, up from 500 000 in 1994. That represents progress.

As we enter a new era, we are determined to build on these achievements, confront the challenges we face and accelerate progress in building a more prosperous and equitable society.

We have seen a moderate recovery in our economy and a broader, sustained recovery in the global economy. Commodity prices have improved and keep on improving. Many of our firms and many of our mines are seeing increased orders coming in. The

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stock market has risen, the rand has strengthened and there are early indications that investor confidence is on the rise.

We have taken decisive measures to address concerns that have been raised by a number of stakeholders about political instability. We are committed to ensuring that there is policy certainty and consistency in a number of areas where there has been policy weakness and uncertainty.

There is a greater sense of optimism amongst many of our people. Our people are hopeful about the future, and one sees this as one goes around. Business confidence among South African companies has improved and it keeps improving. Foreign investors are looking anew at opportunities in our country. When we had occasion to be in Davos at the World Economic Forum, we were able to interact with a number of international investors. They said that they were beginning to look at South Africa anew, through a new prism, and that they could see that change was on the way in South Africa, and that was what they found attractive.

There are some international banks that have identified South Africa as one of the hot emerging markets for 2018, and that is welcome news to our ears.

Our task, as South Africans, is to seize this moment and not to pour cold water on it. Our task is to seize this moment of hope, this moment of renewal, and to work together to ensure that it makes a meaningful difference to the lives of our people.

This year, we will be initiating measures to set the country on a new path of growth, employment and transformation. We will do this by getting social partners in our country to collaborate in building a social compact on which we will create drivers of economic recovery in our country.

We have to build further on the collaboration with business and labour to restore confidence and to prevent an investment downgrade once more. Tough decisions will have to be made to close our fiscal gap. We have to stabilise our debt and restore our state-owned enterprises to much better health.

At the centre of our national agenda in 2018 is the creation of jobs, especially for the young people in our country. We are going to embark on a number of measures to address the unemployment challenge.

One of the initiatives we will embark on is to convene a jobs summit within the next few months to align the efforts of every sector and every stakeholder behind the imperative of job-creation. Now, this is a response to a number of stakeholders in the labour movement and in business that have said to us as government that what was needed to immediately and urgently address the challenge of jobs was to have a jobs summit where many South Africans would put their heads together and come up with solutions.

The summit will look at what we need to do to ensure that our economy grows and becomes more productive, that companies invest on a far greater scale, that workers are better equipped, and that our economic infrastructure is expanded. We will expect this summit – yes - to come up with practical but urgent solutions and initiatives so that they can be implemented immediately.

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We will make a major push this year to encourage significant new investment in our economy. To this end, we will organise an investment conference in the next three months, targeting both domestic and international investors, to market the compelling investment opportunities to be found in our country, and there are many such opportunities.

As part of the many initiatives that we are going to take, we are going to address the decline over many years of our manufacturing capacity, which has deeply affected employment and exports.

We will seek to reindustrialise on a scale and at a pace that draws millions of job seekers into the economy. We are going to promote greater investment in key manufacturing sectors through the strategic use of incentives and a number of other measures that government has at its disposal.

To further stimulate manufacturing, we will forge ahead with the localisation programme, through which products such as textiles, clothing, furniture, rail rolling stock and water meters are designated for local procurement. We have already spent R57 billion on locally produced goods that may have been imported from a number of other countries and created jobs in these other countries.

Special economic zones remain important instruments we will use to attract strategic foreign and domestic direct investment and also to build targeted industrial capabilities and to establish new industrial hubs throughout our country. Those hubs have already been identified. A number of them are already in construction.

The process of industrialisation must also be underpinned by transformation. Through measures like preferential procurement and the Black Industrialist Programme, we are developing a new generation of black and women producers that are able to build enterprises of significant scale and capability.

We will improve our capacity to support black professionals, deal decisively with companies that resist transformation, use competition policy to open up the market to new black entrants, and invest in the development of businesses in our townships and rural areas.

Radical economic transformation requires that we fundamentally improve the position of black women and our communities in the economy, ensuring that they are owners; that they become managers; that they become active participants in the economy; that they become producers; and, in the end, that some of them may well also become financiers.

Our most grave and most pressing challenge is youth unemployment. It is therefore a matter of great urgency that we draw young people in far greater numbers into the productive economic activity of our country.

Young South Africans will be moved to the centre of our economic agenda. They are already forming a greater proportion of the labour force on our infrastructure projects and are the primary beneficiaries of programmes such as the installation of solar water heaters and the war on leaks. We are taking steps and measures to involve our young people in economic activity because it is there that we face a grave challenge with regard to unemployment.

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We continue to draw these young people in far greater numbers into productive economic activity through programmes such as the Employment Tax Incentive. Working in partnership with business, organised labour and community representatives, we are creating opportunities for young people to be exposed to the world of work through internships, apprenticeships and mentorships, as well as through entrepreneurship programmes.

Next month, we will launch the Youth Employment Service initiative, which will place – yes, you ask howmany – unemployed youth in paid internships in companies across the economy. Together with our partners in business, we have agreed to create a million such internships in the next three years. If we are to respond effectively to the needs of young people, it is essential that they themselves articulate their views and their needs and are able to engage with government at the highest level.

To this end, I will therefore be establishing a Youth Working Group that is representative of all young South Africans to ensure that our policies and programmes advance their interests.

Infrastructure investment is key to our efforts to grow the economy, create jobs, empower small businesses and provide services to our people. We have invested heavily in new roads, power stations, schools and other infrastructure.

As some of our projects are taking time to get off the ground and to enhance all the efforts that we are making, I will assemble a team to speed up implementation of new projects, particularly water projects, health facilities and road maintenance. That team will be set up and do most of the work.

We have learnt valuable lessons from our experience in building all the new infrastructure, which will inform our way ahead. We will focus on improvements in our budget and monitoring systems, improve the integration of projects and build a broad compact on infrastructure with business and organised labour.

Mining is another area that has massive unrealised potential for growth and job-creation in our country. We need to see mining as a sunrise industry, rather than as a sunset industry. We will revitalise our mining sector. With the revival in commodity prices, we are determined to work with mining companies, unions and communities to grow this sector, attract new investment, create jobs and set the industry on a new path of transformation and sustainability.

This year, we will intensify engagements with all stakeholders on the Mining Charter to ensure that it is truly an effective instrument to sustainably transform the face of mining in South Africa.

By working together, in a genuine partnership, which is underscored by trust and a shared vision, I am certain we will be able to resolve the current impasse and agree on a charter that both accelerates transformation and grows this vital sector of our economy.

The processing of the MPRDA Amendment Bill through both Houses of parliament is at an advanced stage, with an indication by Parliament that the Bill will reasonably be finalised during the first quarter of 2018.

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The Bill, once enacted into law, will entrench existing regulatory certainty, provide for security of tenure and advance the socioeconomic interests of all South Africans.

We are extremely concerned about the rise in fatalities in mining particularly this year. We call on mining companies to work together with all stakeholders to ensure that mine accidents are dramatically reduced this year. One mining fatality is one too many.

Ultimately, the growth of our economy will be sustained by small businesses, as is the case in a number of countries around the world. It is our shared responsibility to grow this vital sector of the economy.

We will work with our social partners to build a small business support ecosystem that assists, nourishes and promotes entrepreneurs. Government will honour its undertaking to set aside at least 30% of public procurement to small and medium enterprises, to co-operatives and to townships and rural enterprises.

We will also continue to invest in small business incubation, because it is through the incubation process that we have been able to see small and medium enterprises mushrooming throughout the country. We encourage big business to do the same, and find ways to incubate small businesses and give them maximum support.

The establishment through the CEO Initiative of a small business fund – which currently stands at R1,5 billion – is an outstanding example of the role that the private sector can play in helping to develop small and medium enterprises.

Government itself is finalising a small business and innovation fund targeted at start-ups. We want to be able to support start-ups so that those South Africans who are entrepreneurially driven should be able to get support from government as well. We will reduce the regulatory barriers for small businesses.

Now, we have been talking much about reducing the regulatory barrier. I want to make sure – I'm going to make sure – that this does become a reality, because I continue to meet people in small and medium enterprises who keep telling me about the burdens that they have to bear as small and medium enterprises which disempowers them from growing their businesses.

We are also working to expand economic opportunities for people with disabilities in our country. Among other things, the Small Enterprise Finance Agency, Sefa, has launched a scheme to develop and fund entrepreneurs with disabilities called the Amavulandlela Funding Scheme.

When we come to agriculture ...

... tsena tsa temo ke tsona tse bohlokwa le ho feta, lebaka ke hobane ke moo batho ba rona ba tla fumana menyetla e metle ya hore ba kene kgwebong ena ya tsa ho lema. Ke moo re shebileng hore re ka kgona ho thea mesebetsi. Bane ba Khomishene ya Meralo ya Naha ba ile ba re ho rona re ka kgona ho thea mesebetsi e lekanang milione ha re tla ho tsena tsa temo. (Translation of Sesotho paragraph follows.)

[. . . we find that this is the most important sector, because it is where our people will have great opportunities of getting into the agricultural business. It is where we will be

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able to create more jobs. The National Planning Commission told us that we will be able to create close to a million jobs in the agricultural sector.]

Agriculture made the largest contribution, by a significant margin, to the improved growth of our economy in the second and third quarters of 2017. This year we will take decisive action to realise the enormous economic potential of agriculture.

As agriculture requires land, as agriculture needs land as a basic resource, we will accelerate our land redistribution programme not only to redress a grave historical injustice, but also to bring more producers into the agricultural sector and to make more land available to our people for cultivation.

We will pursue a comprehensive approach that makes effective use of all the mechanisms at our disposal. Guided by the resolutions of the 54th national conference of the governing party, this approach will include the expropriation of land without compensation.

We are determined that this process of restoring land to our people should be implemented in a way that increases agricultural production, that also improves food security and that ensures, in the end, that agriculture becomes a growing sector of our economy. Government will therefore undertake a process of consultation to determine the modalities of the implementation of this resolution.

We make a special call on the financial institutions in our country so that they become our partners in mobilising resources to accelerate the land redistribution programme, as increased investment will be required as we generate more growth in agriculture and treat agriculture as a job-creator and as a sunrise sector of our economy.

Tourism is another area which provides our country with incredible opportunities, quite literally, to shine. Tourism currently sustains 700 000 direct jobs and is performing better than most other growth sectors in our economy.

There is no reason why we can't double the number of employed people in tourism. There's just no reason. We have the most beautiful country in the whole world, and we are the most hospitable people in the whole world. And there is no reason we cannot grow our tourism industry.

South Africans – and I call on all South Africans – to open their hearts, to open their rondavels as well, and to open their arms and welcome visitors from all over the world. Let us make South Africa the real hub of tourism in the whole world.

This year, we will enhance support for destination marketing in key tourism markets and take further measures to reduce regulatory barriers and develop emerging tourism businesses. We call on all South Africans to join us in this effort as we grow our tourism industry.

Our prosperity as a nation depends on our ability to take full advantage of rapid technological change. The Fourth Industrial Revolution is upon us and some are even beginning to talk about the Fifth Industrial Revolution. This means that we urgently need to develop our capabilities in the areas of science, technology and innovation. Our SKA Project, where our scientists and our young people are excelling just beyond any imaginable limit, is already demonstrating to all and sundry across the world that South

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Africa and South Africans are well attuned to innovation and to technology. That is an area I would like to see us exploit so that we can grow our economy.

We will soon establish a Digital Industrial Revolution Commission, which will include the private sector and civil society, to ensure that our country is in a position to seize the opportunities and manage the challenges of rapid advances in information and communications technology. The drive towards the digital industrial revolution will be underpinned by the availability of efficient networks.

We will finalise our engagements with the telecommunications industry and other stakeholders to ensure that the allocation of spectrum reduces barriers to entry, promotes competition and reduces the cost to consumers in our country.

When it comes to international matters, South Africa has acceded to the Tripartite Free Trade Area agreement, which brings together SADC which is our region, Comesa, and the East African Community. The free trade area will combine markets of 26 countries with a population of nearly 625 million people. It will open market access opportunities for South African export products, contribute to job creation and the growth of South Africa's industrial sector.

Negotiations towards the Continental Free Trade Agreement are progressing at a brisk pace, and it is expected that the framework agreement could be concluded soon.

South Africa will this year take over the chair of the Brics group of countries, and will give priority to the promotion of value-added trade and intra-Brics investment into productive sectors.

On 1 May this year, we will introduce the first national minimum wage our country has ever had. This historic achievement – a realisation of one of the demands of the Freedom Charter – is expected to increase the earnings of more than 6 million working South Africans and improve the living conditions of households across the country.

The introduction of this minimum wage was made possible by the determination of all social partners to reduce wage inequality, while maintaining economic growth and employment creation. It stands as another example of what is possible when South Africans engage in meaningful dialogue to resolve differences, difficulties and problems that would have been thought to be intractable to resolve.

To ensure greater coherence and consistency in the implementation of our economic policy and to ensure that we are better equipped to respond to continually changing economic circumstances, I will be appointing a Presidential Economic Advisory Council that will assist us and advise us in crafting our economy policy. This council will draw on the expertise and capabilities that reside in labour, business, civil society and academia.

The country remains gripped by one of the most devastating droughts in a century, which has severely impacted our economy and which has also negatively impacted our social services and agricultural production. The drought situation in the Western Cape, the Eastern Cape and Northern Cape has been elevated to a national state of disaster.

This gives the national government the authority to manage and co-ordinate our response nationally with the support of all our provinces. This will also ensure that we

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also heighten integrated measures to support the provinces that are hardest hit. We are looking at activating the necessary extraordinary measures permitted under the legislation.

I commend the people of Cape Town and the rest of the Western Cape for diligently observing water-saving measures. We call on everyone in the country to use water sparingly as we are, essentially, a water-scarce country that relies on this vital resource to realise our development aspirations.

On 16 December last year, former President Jacob Zuma announced that government would be phasing in fully subsidised free higher education and training for poor and working class South Africans over a five-year period.

Starting this year, free higher education and training will be available to first-year students from households with a gross combined annual income of up to R350 000.

The Minister of Higher Education and Training will lead the implementation of this policy, while the Minister of Finance will clarify all aspects of the financing of the scheme during the Budget Speech next week.

In addition to promoting social justice, an investment on this scale in higher education is expected to contribute to greater economic growth, reduce poverty, reduce inequality, enhance the earnings of families and increase the competitiveness of our economy. Government will continue to invest in expanding access to quality basic education and improving the outcomes of our public schools.

The Funza Lushaka Bursary programme plans to award 39 500 bursaries for Initial Teacher Education over the next three years.

In an historic first, from the beginning of this year, all public schools have begun offering African languages. Also significant is the implementation of the first National Senior Certificate examination on South African Sign Language, which will be offered to deaf learners at the end of 2018.

The Accelerated Schools Infrastructure Delivery Initiative programme continues to deliver modern facilities to our schools, particularly in the rural areas and in underprivileged urban areas across the length and the breadth of our country, with at least 187 schools being completed to date. The programme will complete all outstanding projects by the end of the next financial year.

Social grants remain a vital lifeline for millions of our people living in poverty. We will urgently take decisive steps to comply with the all the directives of the Constitutional Court.

I want to personally allay the fears of all our people of any disruption in the efficient delivery of this critical service, and I will take action to ensure no person in government is undermining implementation deadlines set by the court.

We will finalise work on a permanent public-sector-led hybrid model, which will allow a set of public- and private-sector service providers to offer beneficiaries maximum choice, access and convenience.

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This year, we will take the next critical steps towards eliminating HIV from our midst. By scaling up our testing and treating campaign, we will initiate an additional 2 million people on antiretroviral treatment by December 2020.

We will also need to confront lifestyle diseases, such as high blood pressure, diabetes, cancer and cardiovascular disease. In the next three months, we will launch a huge cancer campaign similar to the HIV counselling and testing campaign. This will also involve the private sector as we need to mobilise all resources in our country to fight this disease.

The time has now arrived to finally implement universal health coverage through the National Health Insurance. The NHI Bill is now ready to be processed through government and will be submitted to Parliament in the next few weeks. Certain NHI projects targeting the most vulnerable people in society will commence in April this year.

In improving the quality of life of all South Africans, we must intensify our efforts to tackle crime and build safer communities. During the course of this year, the Community Policing Strategy will be implemented, with the aim of gaining the trust of the community and to secure their full involvement and co-operation in the fight against crime.

The introduction of a Youth Crime Prevention Strategy will empower and support young people to be self-sufficient and become involved themselves in crime-fighting initiatives.

A key focus this year will be the distribution of resources to police station level. This will include personnel and other resources, to secure capacity and experience at the level at which crime is most effectively combated.

In recognising the critical role that NGOs and community-based organisations play in tackling poverty, inequality and related social problems, we will convene a Social Sector Summit during the course of this year. Among other things, this summit will seek to improve the interface between the state and civil society and address the challenges that NGOs and community-based organisations face.

Growth, development and transformation depend on a strong and capable state. It is critical that the structure and size of the state is optimally suited to meet the needs of the people and ensure the most efficient allocation of public resources.

We will therefore initiate a process to review the configuration, number and size of national government departments. Many of our state-owned enterprises are experiencing severe financial, operational and governance challenges, which have impacted on the performance of the economy and placed a great deal of pressure on the fiscus. We are going to intervene decisively to stabilise and revitalise state-owned enterprises.

The recent action we took at Eskom to strengthen governance, root out corruption and restore its financial position is just the beginning of the processes that we are going to embark on. Government will take further measures to ensure that all state-owned enterprises fulfil their economic and developmental mandates.

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We will need to confront the reality that the challenges at some of our SOEs are structural – that they do not have a sufficient revenue streams to fund their own operations.

These SOEs cannot borrow their way out of their financial difficulties, and we will therefore undertake a process of consultation with all stakeholders to review the funding model of our SOEs and other measures.

We will change the way that boards are appointed so that only people with expertise, experience and integrity serve in these vital positions. We will also remove board members from any role in procurement. I want to repeat this. I want to repeat this, because, at a number of our SOEs, we have found that board members tend to get involved in operational matters up to procurement. So we will remove the participation of our board members from procurement and work with the Auditor-General to strengthen external audit processes.

As we address challenges in specific companies, work will continue on the broad architecture of state-owned enterprises to achieve better co-ordination, oversight and sustainability.

This is the year in which we will turn the tide of corruption in our public institutions. The criminal justice institutions have been taking initiatives that will enable us to deal effectively with corruption.

The commission of inquiry into state capture, headed by Deputy Chief Justice Judge Raymond Zondo, is expected to commence its work shortly. The commission is critical to ensuring that the extent and nature of state capture is established, that confidence in public institutions is restored and that those responsible for any wrongdoing are identified.

The commission itself should not displace the regular work of the country's law enforcement agencies in investigating and prosecuting any and all acts of corruption.

We must fight corruption and we must fight fraud and collusion in the private sector with the same purpose and intensity that we want to fight these in the public sector. We must remember that every time someone receives a bribe there is someone who is prepared to pay it. We will make sure that we deal with both of them in a very effective manner.

We urge professional bodies and regulatory authorities to take action against members who are found to have acted improperly and unethically. This requires that we strengthen law enforcement institutions and that we shield them from any external interference or manipulation.

We will urgently attend to the leadership issues at the National Prosecuting Authority to ensure that this critical institution is stabilised and able to perform its mandate unhindered, without any fear, favour or prejudice.

We will also take steps to stabilise and strengthen vital institutions like the SA Revenue Service. We must understand that tax morality is dependent on an implicit contract between taxpayers and government that state spending provides value for money and is free from corruption.

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At the request of the Minister of Finance, I will shortly appoint a Commission of Inquiry into Tax Administration and Governance of Sars, to ensure that we restore the credibility of the service and strengthen its capacity to meet its revenue targets.

Our state employs 1 million public servants. The majority of our public servants serve our people and our nation with diligence and commitment. They need to be applauded for that service they give. However, we know the challenges that our people face when they interact and interface with the state. In too many cases, they often get poor service or no service at all. We want our public servants to adhere to the principle of Batho Pele, of putting our people first.

Hi lava leswaku lava va tirhelaka rixaka loko va hi tirhela a va swi tivi leswaku vanhu va lava leswaku va va tirhela kahle na ku endla swilo swa khwatsi leswi vonaka hi vanhu. Va fanele va swi vona leswaku vatirhela-mfumo va hina va tirha mitirho ya kahle leyi voniwaka hi vanhu hinkwavo. (Translation of Xitsonga paragraph follows.)

[We want those people who render service to the nation to know that people want them to render quality service and should render it diligently and be seen by everybody. They should ensure that as our government employees, they render quality service that is seen by everybody.]

We are determined that everyone in public service should undertake their responsibilities with efficiency, diligence and integrity. We want to instil a new discipline: to do things correctly, to do them completely and to do them timeously. We want our public servants to be agents of change.

During the course of the next few months, I will visit every national department to engage with the senior leadership to ensure that the work of government is effectively aligned.

I will also find time to meet with provincial and local government leaders to ensure that the state, in its entirety, responds to the pressing needs of our people.

Fellow South Africans, I believe that our country has entered a period of change. While change can produce uncertainty, while change can also produce anxiety, it also offers us a great opportunity for renewal, for revitalisation and for progress. Together we are going to make history in our country.

We have done it before and we can do it again – bonded by our common love for our country, our love for our people, resolute in our determination to overcome the challenges that lie ahead and convinced that by working together we will build the fair, just and decent society to which Nelson Mandela dedicated his life.

As I conclude, allow me to recall the words of the late great Bra Hugh Masekela. In his song, Thuma Mina, he anticipated a day of renewal, of new beginnings.

He sang:

I wanna be there when the people start to turn it around
When they triumph over poverty
I wanna be there when the people win the battle against Aids

Friday, 16 February 2018

I wanna lend a hand
I wanna be there for the alcoholic
I wanna be there for the drug addict
I wanna be there for the victims of violence and abuse
I wanna lend a hand
Send me.

As I conclude: we are at a moment in the history of our nation when the people, through their determination, have started to turn the country around.

We can envisage the triumph over poverty. We can see the end of the battle against Aids.

Vhathu vha hashu vha khouri vha khou toḁa shango heḽi ḽi tshi vha shango ḽiswa. ḽi tshi vha shango ḽavhuḁi. ḽi tshi vha shango ḽine ḽa ḁo ḁisela vhathu vha hashu zwithu zwavhuḁi. (Translation of Tshivenda paragraph follows.)

[Our people say they want his country to be a new country. To be a good country. To be a country which will bring good things to all her people.]

Now is the time when all of us should lend a hand. Now is the time for each of us to say “South Africa, send me.” Now is the time for all of us to work together...

Sifikile isikhathi sokuthi sibambane ngezandla sisebenze sonke sibeke iNingizimu Afrika phambili. (Translation of isiZulu sentence follows.)

[The time has come for us to hold hands, work together and put South Africa first.]

This is now the time when we should honour the memory of Nelson Mandela - to build a new, better South Africa for all our people. Now is the time. Thank you very much.

6. The Chairperson of the National Council of Provinces adjourned the Joint Sitting at 20:28.

P TYAWA
Acting Secretary to Parliament