



PARLIAMENTARY
MONITORING GROUP

MONITOR

A monthly briefing sheet to keep communities informed about what is happening in Parliament

NEW SCHEMES	OUR LEAD STORY
<p>The Department of Human Settlements is piloting a Rural Household Housing Subsidy Voucher Scheme, in three municipalities in the Eastern Cape, and hopes to extend it to other provinces. People in rural areas have often been unable to access subsidies, as these are usually linked to projects, but this scheme allows individual applications, including those from women married under a polygamous marriage. There are security checks to ensure that each person applies only once. Traditional leaders have been involved in the programme. The National Urban and Reconstruction Housing Agency (NURCHA) will act as programme manager, and the National Home Builders Registration Council will manage quality control and training of local builders. The scheme will empower local builders, with accredited training. These new skills will be used for developing their communities, and the trainees are then expected to pass on their skills to others. Each subsidy amounts to R103 603, and 500 units are to be built. Steering committees have been set up, building contractors' appointments confirmed, and housing consumer education will be offered. The scheme will be supervised by Programme Management Units in municipalities. The DHS is trying to deal with other departments to resolve challenges around title deeds, and has requisitioned land parcels from other departments. It has also recognised that in some places, graded roads will have to be created.</p>	<p>The Auditor-General recently reported on the overall audit results for local government. Government has a target of obtaining universally clean audits by 2014, but in the last financial year, across all 343 municipalities, 5% had completely clean audits, 45% had unqualified audits although with some findings, 18% had qualified audits, 19% had disclaimers, and 13% of audits were outstanding. The Auditor-General (AG) said the main reasons for these poor results included lack of political will amongst leadership to change the situation, poor skills of municipal staff in finance and management, and the fact that no consequences were being enforced for non-performance. He was adamant that if those three issues were not addressed, there would be no improvement. He said it was possible for municipalities to get clean audits, if they simply complied with basic accounting principles and employed competent staff. He was also concerned that many municipalities and metros had actually regressed in their performance. Another worrying factor was that, in this financial year, 234 municipalities depended on the skills of independent consultants, and in 91% of cases these consultants were actually doing the work of employees who were currently holding top positions, but were incompetent or unwilling to perform the work.</p> <p>The AG emphasised that he had been raising the same issues, year after year, to Parliament. The Office of the AG cost R3 billion annually to run, but if Parliament and departments continued to ignore his recommendations, then this was a complete waste of this money. He criticised both the Portfolio and Select Committees for failing to exercise sufficient oversight, and said that they had ignored attempts from his Office to assist in implementing non-fragmented, consistent and quarterly oversight, which was crucial to the process. Committees going on oversight visits were ill-prepared. His offer to arrange quarterly meetings to hear reports from the AG on the status of internal controls in every municipality was not taken up by Parliament and provincial legislatures. The AG was adamant that oversight would never be effective unless public accounts committees and portfolio committees worked together, and took seriously the advice and insight offered by institutions such as his office. These poor trends could have been addressed if Parliament had acted earlier. He therefore urged MPs again to act on the information provided, in order to reverse the downward trends in administration of local government.</p> <p>The AG finally pointed out that consequences for non-performance and contravention of the legislation were already included in the Municipal Finance Management Act, including criminal prosecutions, and they simply needed to be enforced.</p> <p>MPs agreed that it was necessary for Parliament to resolve formally what actions had to be taken, and to try to achieve better synergy.</p>

REPORTS FROM DEPARTMENTS AND COMMITTEES

The Department of Human Settlements (DHS)

reported back on the progress it has made in dealing with problems identified by the Portfolio Committee in projects in KwaZulu Natal. The DHS is now more closely managing the performance of implementing agents, and quality assurance inspectors are being stricter on housing quality. There are still problems with the Community Residential Unit model in eThekweni, which shows very low recovery of rentals. 5 000 subsidies had been initiated for military veterans, and projects are planned for eThekweni and Umgungundlovu, but there are still ongoing debates between the veterans and DHS on the model and procurement, and problems with land and mineral rights are still posing a hindrance to having houses transferred. In eThekweni, there was substantial irregular spending in the housing sector, but officials implicated had been disciplined.

The Department of Correctional Services (DCS) reported on the Presidential remission of sentences and release of offenders in non-violent categories. Over 25 000 probationers and parolees were released, and 19 695 offenders were released from correctional facilities, with no further conditions on half of those released. All cases were carefully considered before releases were granted. By the end of July, 114 of those released had been re-arrested and one was deported. The releases had the effect of reducing overcrowding and improving humane conditions of detention, and some errors in records were also brought to light. MPs were concerned that some of those released may not have completed rehabilitation programmes. MPs also continue to voice concerns that those sentenced to less than 24 months are offered no rehabilitative programmes, that courts still favour imprisonment, despite other sentencing options being more appropriate, and that communities are not adequately prepared for return of offenders. The DCS said that a ten-module pre-release programme was run, and some programmes for parolees will continue. DCS has to present a full report to Cabinet in three months.

The Department of Cooperative Governance

(DCoG) reported that in 2011 a decision was taken to establish Public Accounts Committees at local government level, which would oversee the executive obligations of councils, evaluate the content of the annual reports, assist in bringing delayed matters to conclusion, and ensure that the recommendations from the Auditor-General were implemented. 223 out of the 278 municipalities have established these Committees, but some municipalities have objected to doing so because there is not yet a legal framework mandating the MECs to establish the committees. There are also practical problems in some small municipalities with very few councillors. Free State and KwaZulu Natal must still establish the committees and undertake training programmes

The Select Committee on Appropriations noted its concern that contractors who have failed to perform properly on government contracts still manage to get hired for other contracts. It asked National Treasury to improve its monitoring over contractors, and to ensure those blacklisted are not hired again.

The Portfolio Committee on Agriculture has questioned the accuracy of employment figures presented, and asked why millions of rands of expenditure resulted in relatively few jobs in the Comprehensive Agricultural Support programmes. They have also been critical of the management of the MAFISA funding wing of the Department, and have decided that the Minister must be asked to meet more regularly with the Portfolio Committee.

The Select Committee on Appropriations was highly critical of reports from the Provincial Departments of Health and Public Works in North West and Northern Cape, on the spending of the Hospital Revitalisation Grants. They highlighted a series of errors, massive cost escalations, poor building and lack of proper monitoring of the building of new psychiatric hospitals in North West and Kimberley. They have asked that the Northern Cape matter be investigated by the Public Protector and have called for full insight into forensic reports, and an update from the Ministry of Health.

The Portfolio Committee on Public Enterprises was unhappy that the Department of Public Enterprises (DPE) failed to present a report on the future of the South African Forestry Company Ltd (Safcol). DPE's reason for this was that no decision had been made on privatisation, and the Presidential Review Commission recommendations were outstanding. MPs complained that this process had been under debate for years, pointed out that ample notice was provided to prepare a presentation, and would raise the matter with the Minister. Meanwhile, Safcol reported that 61% of the land it manages is subject to land claims, although it merely leases the land from the Department of Agriculture, Forestry and Fisheries. It has, however, been meeting with land claims offices to try to hasten settlement of individual claims. Other challenges include illegal occupation of land under forestry, inter-community disputes and threats from claimants. It aims to educate and empower land claimants to participate in forestry. It says the forestry model should ideally align with rural development issues. Safcol has entered social compacts and has, since 2009, invested over R25 million in infrastructure, education, water supply, healthcare, small businesses, schools, hospice rooms and community centres. It has large scale enterprise development projects, which offer significant job potential, including a charcoal project, beekeeping, green energy, and low fire-risk, quick-construction timber house-building kits.

<p>The Portfolio Committee on Economic Development heard a report from Empowerdex on compliance with Black Economic Empowerment scorecards. Since October 2011, there had been increased focus on local procurement. However, the standards for assessing levels of local procurement still need to be improved, and the current BBEE regulations do not yet specifically address local procurement. Although some statistics showed BBEE ownership as around 80% in the top 100 JSE companies, Empowerdex calculated that this figure was lower if pension-fund mandated investments were excluded. There is not particularly good compliance with human resources empowerment, but the social development indicators, being easier to manage, show better results. Although the level of black-owned businesses is good, black women-owned businesses are growing more slowly. Lack of comprehensive data makes it difficult to measure the total impact of BBEE compliance on economic development, although incentives for local procurement have had a positive effect. There are still difficulties in detecting and proving fronting.</p> <p>Overall, the introduction of BBEE has not been shown to alleviate poverty, although the socio-economic aspects do provide charitable support. Empowerdex suggested that the current scorecard seems to drive compliance rather than performance, and thought that too much focus is being placed on ownership, whereas procurement is more likely to improve sustainability, skills development and enterprise development.</p> <p>Trade and Industry Portfolio Committee public hearings were held on the Cooperatives Amendment Bill. Suggestions were made on the number of members who should form a primary and secondary cooperative, and on the Advisory Council composition. It was suggested that a single overarching organisation be created as a national body. There was mixed reaction to the proposal of a Cooperatives Tribunal.</p> <p>The National Co-operative Federation of South Africa is currently working with the University of Fort Hare to create a programme to deal with the mobilisation and education of co-operatives. This will be introduced initially in the Eastern Cape, and it is hoped that the failure rate of cooperatives can be reduced from 80% to under 50% over the next three years.</p> <p>MPs agreed that more resources should be made available for training. They also agreed that more could be done to ensure that government entities, such as hospitals and prisons, provide supply opportunities to co-operatives, and legislation may be needed on this point. They also noted the request that more bodies should be recognised, in the Bill, as being competent to do independent financial reviews of cooperatives, as those presently named will not be able to cope with the volume of work.</p>	<p>The Select Committee on Trade held public hearings on 14 August, on proposals for another credit information amnesty. The National Credit Act aims to protect consumers' interests, enable them to access credit as cheaply as possible, and encourage responsible practices by credit providers. Both positive and negative credit history is retained by credit bureaus, mostly for five years, and this is used by credit providers to assess their risk. Most of the bodies making submissions felt that a blanket amnesty (removing all credit history) would hinder credit providers from doing proper risk assessments and so they might be unwilling to extend credit at all. An amnesty that was not properly balanced might also have negative effects on foreign investment. Also, since a credit information amnesty only wiped out the record, but did not wipe out the debt itself, there was a risk that consumers giving inaccurate data might be given credit that they could not afford.</p> <p>Currently, about 46% of the 90 million active consumers in South Africa have impaired credit records, which shows that neither lenders nor consumers have been acting responsibly. Most consumers handled their credits badly after the 2006 amnesty, with 74% of those who applied for more credit again falling into arrears, and 44% having further judgments taken against them. Consumer education will be vital to change the behaviour of consumers and achieve lasting results.</p> <p>Alternatives were suggested to a blanket amnesty. These include removing dormant account information only, and insisting on removal when the debt was settled. Credit providers could be required to abandon judgments instead of making customers apply formally for rescission. Judgments from 2006 to 2011 for amounts less than R10 000 could perhaps be removed from the credit record, and those above R10 000 be removed once paid. Also prospective employers using credit records inappropriately, as part of reference checks, should be curbed. Irresponsible lending must also be addressed. It was suggested that high interest rates are driving debtors to the informal and uncontrolled debt sector, and some of these providers illegally retain ID or pension cards of debtors. Some consumers are paying for interest that was usurious in the first place. It was suggested that it should be a criminal offence for debt collectors to try to collect a prescribed debt, and that collusive price fixing should be referred to the Competition Commission.</p> <p>The Select Committee asked the Department of Trade and Industry to consult broadly and compile a comprehensive report by the end of February 2013. The Trade and Industry Portfolio Committee also separately suggested that the National Credit Regulator should encourage a culture of saving, rather than borrowing, should carry out investigations into bank and their products, and how loans are being spent.</p>
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<p>The Pan South African Language Board (PanSALB), in conjunction with the Department of Basic Education, is running workshops to promote sign language among deaf children and schools, and try to standardise sign language. Discrimination against deaf people persists, with a shortage of specialist schools, difficulty for them in accessing jobs, and lack of interpreting services at places such as police stations, clinics and courts. MPs thought that PanSALB should come up with more solutions, and called for more information on advisory services and intended programmes.</p> <p>SABC assured the Committee of its commitment to promotion of sign language, and noted that substantial content on SABC 1 and 2 is already subtitled or sign-interpreted, although some live broadcasts, sports and entertainment events are not signed if insufficient notice has been given to arrange interpreters. Some SABC1 programmes are specifically aimed at people living with disabilities.</p> <p>South African Police Service presented updated statistics to the Portfolio Committee on Police on compliance with the Domestic Violence Legislation. MPs were concerned about cases of domestic violence perpetrated by police officials themselves, and said that all incidents, within and outside SAPS, were worsened by the culture of silence. The Civilian Secretariat for Police is now monitoring implementation of the Domestic Violence Act and says it will investigate the reasons behind lack of compliance, rather than merely offering training. As a preliminary step the checklists provided to SAPS should be improved, but the Secretariat emphasised that the reasons for and nature of non-compliance were varied, and no single solution was appropriate to address all issues.</p>	<p>The South African Older Person's Forum reported on the increasing problem of violence and exploitation against elderly persons. Many are targeted at social security paypoints, because police are not vigilant enough. Many older women, particularly those with dementia whose behaviour is regarded as abnormal, are accused of witchcraft, leading to human rights abuses. The elderly are also soft targets for drug and alcohol abusers, particularly in their own families, but political motives, racism and distorted cultural perceptions also play a part. The Forum urged that elderly persons should be included in the definition of vulnerable persons, and should receive targeted protection. Many SAPS officials are not familiar with the Older Persons Act 2006 which aims to counter community violence and problems in residential care facilities. This Act provides for an abuse register but no names are yet recorded, and such abuse tends not to be prosecuted.</p> <p>The Forum urged that SAPS members should be sensitised to older persons' rights, and trained in strategies to work with people with age-related medical conditions. SAPS members should ensure that perpetrators are removed from their victims, in appropriate cases. SAPS should be required to compile reports on neglect and ill-treatment of older persons, as well as for children. The age of victims should be regarded as an aggravating circumstance when dealing with abusers. Victim Empowerment Programmes should be made available to elderly victims.</p> <p>SAPS undertook to liaise further with the Forum, and agreed with the need to educate communities. MPs agreed to take up the incorporation of the elderly as a vulnerable group, and urged SAPS management to regard the elderly as an interest group when drawing up policy and strategies.</p>	<p>South Africa's Country Report on the Rights of People with Disabilities is due on 3 December. Several state entities have not submitted their relevant information. Civil society has been asked to follow up on incomplete information from the Department of Social Development on funding. The Department of Public Works, the main custodian of disability access, has also defaulted on information. The SA Human Rights Commission, during public hearings in July, urged Parliament to be forceful in ensuring compliance with reporting obligations, and to create a framework to ensure adequate monitoring. In the meantime, the Deputy Minister of Women, Children and People with Disabilities says the Country Report, with its gaps, will be submitted to Cabinet and let those responsible answer to the President.</p> <p>She added that there is still insufficient understanding, across government, of disability issues. Assistance from the UN Disability Fund has been requested for creating a data system and a disability census, to fill current gaps.</p> <p>The Department of Education is reportedly not providing Braille textbooks to sight-impaired learners. Universities prefer to promote computer use rather than Braille, although learners may not have audio-translation packages at home.</p> <p>Line departments still seem not to know what they are supposed to implement, but MPs commented that they are not being monitored. Problems in the education and social development sectors include lack of qualified personnel, unfilled vacancies, lack of cooperation between departments, and lack of funding for assistive devices. Money for bursaries for the disabled has been returned unspent. MPs suggested that money for the disabled must be ringfenced, and agreed that all government policies must ensure inclusion of disabled people. MPs were horrified that several NGOs receive no state funding, and at the lack of health therapists in primary healthcare.</p>
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NEW AND PENDING LEGISLATION

The Veterinary and Para-Veterinary Professions Amendment Bill, to be finalised in August, aims to introduce compulsory community service for newly qualified veterinary graduates, to extend the definition of “veterinary services”, and to allow graduates to register and work, even if their university has not yet conferred a degree because fees are outstanding. An appeal committee is to be established for the SA Veterinary Council. Inspection services are to be boosted, with penalties imposed against those refusing access to inspectors. The Bill also aligns with the Immigration Act, allowing foreign veterinarians to work, and possibly to be exempted from community service. The current cost to the state of training veterinarians is about R260 000 per year. The introduction of community service will not only ensure value for money, but also boost state services and put more veterinarians into rural areas. Only 215 of the 2 400 veterinarians in the country currently work for the state. A large number of private-practice veterinarians who practise in the rural areas will be retiring over the next 15 years, and new opportunities for young graduates will open up.

During public hearings, the SA Veterinary Council (SAVC) and Association welcomed the Bill, saying that this had been under discussion for some time. They are already working with several other authorities, including South African Police Service, the National Prosecuting Authority, the Medicines Regulatory Authority, National Society for Prevention of Cruelty to Animals, the Health Professions Council of South Africa and the South African Pharmacy Council. Private practitioners have already pledged their support and there is a possibility of furthering public/private partnerships. The Department had consulted widely on the draft legislation, had already drafted regulations, had budgeted for this, and it should be ready to implement from 2014. The concerns of the group Outraged South African Citizens Against Poaching, who asked that the veterinary profession be more involved in stopping rhino poaching, would be addressed by the Bill, since it will strengthen investigative powers and allow the SAVC to suspend licences of any veterinarians who collude in poaching by making anaesthetics available to poaching syndicates.

The Further Education and Training Colleges Amendment Bill has been tabled. This will rename these colleges as Technical and Vocational Education and Training Colleges (TVET). Secondly, the Adult Basic Education and Training Centres are to be brought within the education framework, and are to be renamed Community Education and Training Colleges (CETC). A new South African Institute for Vocational Education and Training will be set up, to support the CETCs and TVETs, and the TVETs will be brought more in line with international training approaches. The Bill also aims to create better linkages between NQF Level 1 and other tertiary qualifications, to allow the CETCs to offer qualifications up to NQF Level 4, and to amend governance arrangements to meet individual colleges’ needs. Public colleges will be given the curriculum and the standards to comply with the standards set by the respective Quality Councils.

The Higher Education and Training Laws Amendment Bill seeks to empower the Minister to intervene when an institute is financially mismanaged and appoint an administrator and dissolve the board.

The South African Weather Services Amendment Bill, which was hotly disputed at public hearings earlier in the year, has been withdrawn.

The Traditional Courts Bill also has consistently attracted severe criticism, and there were reports that it was to be withdrawn. However, the Select Committee on Security and Constitutional Development has not in fact withdrawn the Bill. It has instead proposed that, by mid-September, further briefings should be given by the Department of Justice, attended also by provincial legislatures, and that public hearings will be arranged in Parliament, before taking final mandates from the provinces. The Committee has been asked by the Minister for Women, Children and People with Disabilities to ensure that women’s voices are heard, and several academics have raised some constitutional concerns.

The new Labour legislation is still under consideration. After extensive discussion, it was decided not to outlaw labour brokers completely. MPs, during debates and hearings, expressed the view that workers in essential services tended to strike because they were unclear as to their rights and responsibilities, and there were no minimum service agreements. They urged that these be put in place, and translate all labour legislation into all official languages. They noted the shortage of inspectors to ensure adequate enforcement of the labour legislation, resulting in many workers still being exploited. Members also, in passing, noted that although there were incentives offered, by way of funding to assist companies in difficulty to keep on workers, there was regrettably poor uptake, and job losses were still apparent.

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