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

DID YOU KNOW...	OUR LEAD STORY
<p>The Portfolio Committee on Water and Environmental Affairs has on 23, 24 and 30 October, held public hearings on the National Water Resource Strategy. Full reports of the meetings can be accessed at www.pmg.org.za/committee (choose <i>Water Committee & date</i>)</p> <div data-bbox="196 810 644 1591"><p>SA Women in Co-operatives (SAWICO) is about 80% comprised of female primary co-operators. It was launched in 2011, with assistance from Small Enterprise Development Agency, SA Micro-Finance Apex Fund (SAMAF) and Old Mutual. It is represented in Gauteng, Mpumalanga, Free State, North-West, and Limpopo. It sets up and co-ordinates programmes that will ensure success in existing and planned cooperatives, by helping with management and technical skills, quality control, identifying business opportunities, mentoring and after-care. Only about 2 600 of the 50 000 cooperatives presently registered are economically viable, with less than 6% complying with all regulations. Many suffer from weak governance or structures, or problems with management and financial aspects, lack of access to information, support services and markets.</p></div> <p>A prime example of a positive and progressive community response has been shown in the constituency of Orange Farm, which has reached a conscious decision not to hold labour protests, but instead to arrange a Housing Indaba, to which all three spheres of government will be invited. A copy of the decisions will be sent to the President for further action.</p>	<p>The Department of Performance Monitoring and Evaluation, Public Service Commission, Financial and Fiscal Commission and Auditor-General are increasingly providing reports on the performance of departments, as part of the ongoing drive to ensure that departments are focusing on the right priorities, are meeting the requirements of cooperative governance. It has recently reported on the Department of Rural Development and Land Reform (DRDLR), which is the overall custodian for rural development, supported by the Department of Agriculture, Forestry and Fisheries (DAFF).</p> <p>DRDLR is supposed to achieve sustainable agrarian reform through establishing a thriving farming sector. By 2014, it should ensure that 24.5 million hectares, or 30% of total productive land, is transferred to black owners, and create 50 000 new smallholders. It is unlikely that either of these targets will be reached. DRDLR's numerous challenges include protracted and contentious land claims, under-utilisation of land that has been settled, smallholders being crowded out from markets, and poor coordination. In South Africa most households buy, rather than produce food, which is of particular worry in the rural areas, where transport costs and small economies of scale mean that basic food prices are higher. Although the target of establishing 68 000 food gardens might be reached, this is actually very low in relation to the need. The Minister of Agriculture has recently urged that all food production schemes – including backyard lots, school and community gardens and cooperatives, must be the major response to food security. DAFF's Ilima Letsema provides implements and starter packs for food production.</p> <p>Achievement of other DRDLR targets also seems doubtful. The target for universal access to water in rural areas has been revised, and bulk water supply is plagued by dysfunctional infrastructure and poor quality of water. Although DRDLR says it has reduced rural unemployment from 73.4% to 60%, and is trying to raise formal jobs in the commercial agricultural sector, many of the jobs created through public employment programmes have had little impact on continuing rural unemployment. 80% of rural local governments are supposed to establish coordination structures, but many are not functioning, or not effective. DPME suggested that DRDLR needs to develop integrated sustainable development strategies that correlate directly to the potential of each district, and then coordinate the contributions of communities, departments, municipalities and the private sector. It should also align the Green Paper and the National Development Plan more closely, ensure more rapid transfer of agricultural land, produce clearer proposals on security of tenure, and monitor all projects closely to prevent corruption.</p>

LOCAL GOVERNMENT MATTERS

The August edition of *Monitor* reported on the Auditor-General's concerns around audits of municipalities, and the Select Committee on Appropriations has been following up on the issues. The Department of Cooperative Governance (COGTA) gave a preliminary report on the Local Government Turnaround Strategy (LGTAS), which was supposed to coordinate the work of various key players, such as national and provincial Departments of Energy, Water Affairs and Public Works, municipal managers, SALGA and technical support units. The Select Committee was critical of regression of audits in North West, and stagnation in Northern Cape, and suggested that a completely new strategy was required, as no improvements were visible, despite the LGTAS having started some years back. MPs noted that COGTA had no need to do research into the problems, as they were already succinctly set out by the Auditor-General, and called for a more accurate follow-up report. COGTA, in the follow-up report, explained that for about 18 months the LGTAS had lapsed, but that it was now focusing on 108 municipalities, with 81 under the Municipal Infrastructure Support Agency. COGTA conceded that Operation Clean Audit would not be achieved by 2014, but assured Parliament that it has a definite action plan. The good practices of well-functioning municipalities would be applied throughout, and COGTA was now insisting upon proper skills, good leadership that took full responsibility for controls, consistent implementation of audit recommendations, well-functioning Public Accounts Committees, finance committees, audit committees and good internal action plans, audit and risk management plans. It had filled 219 Municipal Manager, and 278 Chief Financial Officer posts. Ethics Committees have been established in Cacadu, Alfred Nzo, OR Tambo and Overberg municipalities, and municipalities in KwaZulu Natal and Northern Cape have been helped with financial management policies.

MECs for Local Government in Limpopo, Free State, Eastern Cape, North West and Mpumalanga were also asked to tell the Committee about the status of municipalities in their provinces. Few municipalities received unqualified audit opinions, some were still failing to submit financial statements on time, and many reported on substantial unauthorised, irregular, and fruitless and wasteful expenditure. There were still major problems around non-accountability by mayors, councillors and officials, as well as continuing allegations of fraud, corruption and maladministration. Municipal Infrastructure Grants were not being spent, owing to inadequate planning. There were few attempts to replace ageing bulk infrastructure, which would lead to poor service delivery. In some cases service delivery agreements were so badly drawn that they were impossible to enforce. The Select Committee also called for reports on the four prioritised municipalities of Madibeng, Greater Taung, Ventersdorp and Mafikeng. The Special Investigating Unit (SIU) had been asked to investigate another 24 municipalities in North West. These reports also identified widespread corruption, misappropriation and maladministration, in financial and human resources areas, although SIU, Hawks and SAPS were ensuring that criminal and civil proceedings were taken, where appropriate, against offenders. The SIU had been hindered in some investigations by lack of supporting documents, inadequate communication, poor administration systems, non-compliance with legislation, since some municipalities were using Council decisions to contravene the law, and threats being made to witnesses, whilst one municipality's officials even tried to destroy documents by burning the building, unaware that the documents were removed on the previous evening!

In a rather surprising report, National Treasury suggested that the picture was not so bad, and that MPs should take into account the fact that some municipalities were only restructured in 2000, and had to deal with multiple areas of governance. It cited improvements in water quality and delivery, and said the standard of documentation was improving. National Treasury also reminded Parliament that some municipalities struggled to raise revenue. The equitable share and conditional grant formulas were being reviewed, in consultation with municipalities, to strengthen the policy framework. MPs still felt that the rate of submission, and the quality, of all financial reports had to be improved. They have called for a workshop to consult jointly with all agencies responsible for anti-corruption, law enforcement and statutory compliance.

The Portfolio Committee on Cooperative Governance, in August 2011, received a petition on the provincial boundary dispute in Matatiele, expressing the desire of the Matatiele community to fall under KwaZulu Natal, not Eastern Cape. COGTA had previously tested views in the areas, resulting in the 12th and 13th Constitution Amendment Bills, and briefed the Committee on the issues again. Parliament has asked that COGTA must return to Matatiele and explain the issues, that National Treasury must ensure proper budgeting for service delivery in that area, and that Cabinet should discuss whether these requests could be addressed by a 14th Constitution Amendment Bill. COGTA has to report back within 90 days.

The Municipal Demarcation Board (MDB) is, meanwhile, doing consultations to re-determine municipal boundaries, to continue until October 2013. The delimitation of wards will be done between November 2013 and June 2015. The Demarcation Board wants to review its mandate and policy, to allow it to contribute to creating efficiency in local government, although it anticipates that the current budget cuts are likely to hamper effective implementation even of its current plans.

EDUCATION MATTERS	WOMEN , YOUTH AND DISABILITY MATTERS
<p>The National Student Financial Aid Scheme (NSFAS) has announced a Transformation Programme. NSFAS has previously had problems of recovery of funds from and direct communication with bursary recipients, but its new systems will allow for better access by students, including e-mail and mobile technology, and for alignment of systems to higher education institutes, who will be able to check approval of bursaries when students apply. NSFAS will be targeting students from Grade 9 levels. NSFAS has also set up a Central Application System, for funding, but which has nothing to do with applications to individual institutions, which students must still do themselves. Any funding given will be more strictly controlled, to ensure that it is used for the purpose intended.</p> <p>DPME reports show that the Department of Basic Education (DBE) is on track to reach targets for Early Childhood Development Programmes and Grade R enrolments. However, it has highlighted that the targets for quality basic education are unlikely to be met by 2014. The Annual National Assessment scores are very low, indicating ineffective teaching and school management, and the curriculum is also not being fully covered. Although Grade 12 passes have increased, fewer learners are getting their bachelors degrees, and the economic slowdown has reduced opportunities for workplace experience.</p> <p>Star Schools allow students to finish their matric year, or re-do Grade 12, although even they have a disappointing drop-out rate of 38%. Subjects offered include English, mathematics, physics and accounting. These are not full time institutions, but are supplementary service providers, mostly offering lessons on Saturdays. They offer lessons, register students with the Education departments and conduct exams in all provinces.</p> <p>The DBE's Accelerated Schools Infrastructure Delivery initiative (ASIDI) was intended to do away with 495 inappropriate school structures, and to provide basic services such as water, electricity and sanitation. However, DBE spent only R59 million of the R1 billion committed in the 2011/12 financial year. The completion dates, originally scheduled for March 2012, were shifted to August, then November, and DBE has now conceded that the dates were not realistic and could be delayed even more by rains.</p> <p>The Standing Committees on Appropriations and Finance criticised the DBE and implementing agents severely for making promises, despite the fact that plans were not even drawn, and said this was failing government, as well as the 12 000 learners affected. Contracts for 6 schools were terminated due to non-performance by contractors, 12 schools had not even reached 50% completion, and 17 more were less than 60% complete. Parliament has insisted upon full plans being shown to it, with timelines, before committing to providing money for 2012/13.</p>	<p>The UN Aids Task Force was recently in South Africa, and reported on ongoing problems with the high rate of teenage pregnancy, gender- and sexual orientation-based violence, particularly lesbian women victimised by 'corrective rape'. It said that stronger prosecutions and effective sentences for perpetrators were needed to protect this very vulnerable group, and urged MPs to ensure changed perceptions and culture.</p> <p>The National Youth Development Agency said it had achieved 90% of its 2011/12 targets, and had exceeded targets for providing business and financing support to young entrepreneurs, and providing employment opportunities for the youth. Its Integrated Youth Development Strategy was with Cabinet for confirmation, and it hoped to promote a uniform approach to youth development in all sectors. It did not achieve the target to interact with 140 000 youth through the NYDA call centre, due to cable theft. It was doubtful of its ability to recover R161 million of loans. MPs felt that the targets might have been too low, said that more focus was needed in rural areas, and decided that the loan policy must be fully debated during a workshop.</p> <p>Sex Workers Education & Advocacy Taskforce (SWEAT) services include testing for sexually transmitted illnesses and HIV/AIDS, providing condoms and a 24-hour toll free helpline for sex workers. It is involved in a human rights defence project, is training sex workers as paralegals, monitoring human rights abuses and helping sex workers access the courts. It told Parliament that the current criminalisation of sex work leads to many abuses, especially by the police. In 2009, 12% of sex workers were allegedly raped by police officials, and 46% reported police threats, or attempts to bribe for not arresting, or police failing to take reports of violence by sex workers' clients seriously. SWEAT is actively trying to sensitise the police, who have admitted assuming that women are sex workers by the way they dress, and also admitted to confiscating condoms from them. Abuse at healthcare facilities included nurses refusing to treat sex workers for sexually transmitted infections, or not maintaining confidentiality on their HIV status. SWEAT urged that the report of the SA Law Reform Commission on this sector must be followed up.</p> <p>The Expanded Public Works Programme says a person getting a disability grant is expected to forfeit it whilst working on the EPWP disability projects. MPs have urged that a distinction must be made between permanent and temporary disability, and have, in the Budgetary Review & Recommendation Report, said that tenders for all EPWP Programmes should include appointment of women contractors and people with disabilities, whilst contractors must also be specifically obliged to provide training.</p>

SNIPPETS FROM REPORTS TO COMMITTEES and COMMITTEE CRITICISMS

The Department of Arts and Culture established 24 mini-libraries & another 13 new libraries in 2011/12.

The Department of Agriculture, Forestry and Fisheries reported that South Africa had been overly-ambitious when setting its tariff rates in 1994, as it was trying to lower customs duties in order to increase its market access. This has caused the current problem that about 96% of EU products are entering South Africa duty-free, and, even where tariffs are charged, they are limited by “standstill” provisions, making them well below other countries’ rates. The low tariffs on imported goods are crowding out local producers, and monopolies in some industries also drive out small competitors. South Africa, unlike many other countries, does not subsidise its farmers, making food production in this country unsustainable and unprofitable. A differentiated tariff policy framework is needed to address the agricultural industry’s concerns that products are not being protected. A balancing act is needed between the concerns of agriculture (for instance, wheat farmers), and the downstream industry (millers) and consumers (purchasers of bread).

The Department of Human Settlements has reported mixed results in the spending of the new Urban Settlements Development Grant. This was introduced as an alternative to the Municipal Infrastructure Grant, to allow municipalities to invest in land and infrastructure that would provide secure tenure and accommodation for lower income households, and support economic development. Some municipalities are unsure how they should account, and some claim to have delivered, although they have no plans for upgrades of informal settlements. In practice, the grant is often not being used, as intended, for infrastructure, but for maintenance backlogs and other gaps like community centres. There is now a reporting template.

The Department of Justice and Constitutional Development has achieved a Lean Management Award, due to improving systems, reducing queues in Maintenance and Master’s Offices, and reducing wastage.

The Department of Public Works claimed that substantial savings have been achieved in the major centres, through its insistence that occupants of government buildings comply with an energy savings code. The Independent Development Trust (IDT) is implementing an energy efficiency programme, focusing mainly on changing light fittings, and remote metering, and a Green Building Programme on selected buildings in KwaZulu Natal. 1 795 people have been employed on the contracts, including interns. However, MPs said that there was still too much paper wastage, that energy efficiency must be extended to more schools and hospitals, and DPW must follow up on all commitments made since 2008.

The **SA Social Security Agency (SASSA)**, in 2011/12, increased the number of social assistance beneficiaries by 5.5% to 15.5 million. 2.7 million people receive the Old Age Grant, and 10.9 million people receive the child support grant, which contributes substantially to reducing poverty and vulnerability and improves the academic performance of the recipients. There is still a backlog in appeals as many records are incomplete or missing. The establishment of the Inspectorate for Social Security was delayed by shortage of staff and funding, although its structure has been approved and funding has been found.

HOWEVER, PARLIAMENTARY COMMITTEES HAVE ALSO EXPRESSED SERIOUS CONCERNS....

The Portfolio Committee on Agriculture was very worried about the Minister’s announcement that there have been corrupt contracts within the Marine Living Resources Fund, and widespread lack of compliance with regulations in the Department’s entities: Ncera Farms and Agricultural Research Council.

The Portfolio Committee on Communications interrogated the Annual Reports of the Department of Communications and its entities, and was distressed that proper answers could be obtained only through continual and probing questions from MPs. It was strongly critical of irregular, fruitless or wasteful expenditure, and bonuses paid when targets were not achieved, particularly at ICASA, which spent 98% of budget, but achieved only 44% of targets. MPs were incorrectly assured that the Director-General’s performance contract was signed & its State Owned Entity (SOE) oversight unit was functional.

The Portfolio Committee on Correctional Services yet again took the Department of Correctional Services (DCS) to task for inaccurate information in the Annual Report, as well as the repeated audit findings that were not addressed as promised in the previous year. DCS must now provide monthly reports, and present its Turnaround Strategy, developed in 2010, to the Committee. MPs found it unacceptable that DCS had not complied with Parliament’s suggestions to find alternative recruitment strategies, or to address continued administrative and leadership challenges. MPs reiterated radical shifts were needed in the budget, to address rehabilitation, and social reintegration, demanded that attention be given to the White Paper on Remand Detention, and asked that the labour inmate policy be presented to this Committee before it was finalised.

Several Committees criticised delays in paying Disaster Response funds, which, although falling under COGTA, involves various other departments, and local government. They have asked for amendments to the legislation, to cut out the red tape, and for negotiations with National Treasury for immediate pay-outs.

<p>The National Credit Regulator (NCR) has reported that unsecured credit has increased by 49%, year on year, and there are now more consumers with bad credit records and on blacklists. The gross debtors' book is at R1.3 trillion. The NCR has proposed amendments to the National Credit Act to close gaps in the system, and suggested the need for new guidelines that assess affordability. It also recognises the need for more consumer education, and wants to monitor the levels of unsecured lending. Although the National Debt Mediation Association had suggested a Voluntary Debt Mediation Solution, it could not be implemented, as it was in conflict with the National Credit Act.</p> <p>NCR has been conducting raids on micro lenders at pension payout points in four provinces, and has effected several arrests. Many lenders charge excessive rates of interest and fees. Meanwhile, National Treasury, the Competition Commission and Financial Services Board are investigating the widespread abuses in the credit life insurance market, which include no quotations and no contracts given to clients, and bank cards being withheld. MPs said the interest formulas needed more investigation. The Minister of Trade and Industry has been asked to ensure that the National Credit Act is reviewed to ensure that all institutions comply.</p> <p>Rollout of Anti-Drug Campaigns is being done, by the Department of Social Development, with a focus on creating awareness of substance abuse. Regulations under the Prevention and Treatment for Substance Abuse have been published for public comment. It has been proposed to the Inter-Ministerial Committee that the age limit for alcohol consumption be raised to 21, and that shebeens near schools or Early Childhood Development services, child and youth care centres should be closed down.</p>	<p>The Department of Agriculture Forestry and Fisheries and Red Meat Industry Forum were called back to Parliament to give update reports on their disputes (<i>reported in 2011 in the Monitor</i>). DAFF said it had applied for the rezoning of areas previously affected by Foot & Mouth Disease, had stopped grazing permits, and was discussing fencing of borderlines with Mozambique, to prevent straying of infected animals. The Red Meat Industry Forum countered that the problems were not solved, since the meat inspection unit was still not set up, that 45 abattoirs in Limpopo were not registered, and permit problems led to false descriptions of imported products. It added that fences were not set up, and cattle from Lesotho, without any distinguishing branding marks, were still crossing the border.</p> <p>The National Wool Growers Association also disputed DAFF claims that their concerns about predator management and support of shearing competitions had been addressed. Although there was agreement on the issues, this was not backed up by delivery from DAFF. The Association was trying to promote sheep shearing as an industry and trade, but struggled to get permits. It was worried that prime agricultural land was being converted for mining, and that emerging farmers were not getting enough support and were not opting for farming careers. Of more serious concern was DAFF's failure to give feedback on 108 complaints about failure of vaccines.</p> <p>MPs were deeply concerned that the EU had given a negative evaluation of many SA products, only being prepared to accept exports of ostrich and game that could meet criteria on zero use of growth stimulants. They heard the concerns that although Johnes Disease was apparently prevalent, it was not being addressed by DAFF, and insisted that the DAFF produce full reports these issues.</p>	<p>The Department of Water Affairs reported that although the Millennium Development Goals (MDG) were adopted in 2000, South Africa had also set its own goals for water access and infrastructure in 1994. Worldwide, there was now about 89% compliance to the MDG water supply targets for 2015, except in sub-Saharan Africa, where there was 61% compliance. South Africa would reach these MDG targets. However, it would not be able to meet its own targets to address all backlogs and achieve 100% access to water by 2014, as the growth in household figures was equal to the delivery rate, particularly in urban areas, and because of shortage of funding. The Municipal Infrastructure Grant was supposed to address the backlog, but was delayed by lack of coordination across departments. The Departments of Water Affairs and Cooperative Governance are now establishing focused task teams to accelerate delivery at "hotspot" areas of high risk. Vandalism, poor service quality and the fact that municipalities do not spend properly on water remain major challenges. MPs want reports on functionality in municipalities to be presented to Cabinet, and have asked that this issue be incorporated into the National Water Resources Strategy.</p> <p>The Department of Home Affairs (DHA) new Infrastructure Development Plan aims to ensure nobody will have to travel more than 25 km (50 km in Northern Cape) to access a DHA office. Another 142 service delivery points are needed, and DHA is exploring options of using more mobile offices or 4x4 vehicles, negotiating with tribal chiefs to release land, possible sharing of premises with courts, schools and Council offices, offices in Thusong Centres or using temporary structures. It also intends to accelerate the National Population Registration Campaign Strategy, connect to more health facilities, and set up more self-service facilities.</p>
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NEW AND PROPOSED LEGISLATION AND CALLS FOR SUBMISSIONS

For calls for comment: www.pmg.org.za/programmes/hearings / For Bills, go to: www.pmg.org.za/bill

The Labour Committee is discussing changes to the **Labour Relations Amendment Bill** since the public hearings. The **Basic Conditions of Employment Amendment Bill** is ready for adoption but has been postponed until the other Bills are ready. Comments on the **Employment Services Bill** and **Employment Equity Amendment Bill** can be sent to zsakasa@parliament.gov.za until 14 December.

The Credit Rating Services Bill [B8B-2012] and **Financial Markets Bill [B12B-2012]** have been adopted by the National Assembly Portfolio Committee.

The Higher Education and Training Laws Amendment Bill has been adopted. The Portfolio Committee is still busy with the Further Education and Training Laws Amendment Bill, which will essentially convert existing Further Education and Training Colleges and Adult Training Centres into new structures that will have a broader coverage, a different focus, and better management structures.

The Intellectual Property Laws Amendment Bill has been referred back to the National Assembly by the President, who expressed concerns over the constitutionality of the Bill. The majority of MPs debating the Bill did not, however, agree with the IFP's contention that this was a money bill. SA Music Rights Organisation had said that constitutional requirements for public participation were not followed when substantive changes were made to the Bill. Senior Counsel suggested that the Bill should have been referred to the National House of Traditional Leaders and dealt with as a Bill under section 76 of the Constitution. It was not clear whether the consultation that had taken place was sufficient. Deliberations are continuing.

The Traditional Courts Bill has been debated again by the NCOP. Responses were given by the Department of Justice and Constitutional Development to some of the submissions, although some other substantive comments were not addressed, and several comments at the public hearings did not directly address the Bill itself, but highlighted current abuses under the existing system of traditional leaders and courts. MPs have decided to take inputs back to the provinces, for further consultation.

The Maritime and Aeronautical Search and Rescue Bill has been introduced, and, during preliminary discussions, MPs suggested that the Department of Transport must arrange with National Treasury for quick access of funding for emergencies, particularly around salvaging operations.

The Transport Laws and Related Matters Amendment Bill was introduced. MPs asked preliminary questions around tolls, and urged more public input and a more detailed cost analysis. Both Bills will shortly be advertised for public comment.

The Road Accident Fund (Transitional Provisions) Bill seeks to correct an anomaly arising from the Road Accident Fund Amendment Act of 2005, which had the effect of limiting some claims arising from accidents before a certain date. The Constitutional Court ruled that these provisions were unfair and gave the RAF eighteen months to rectify the matter. This Bill is now introducing transitional measures to cover the claims of certain categories of third parties, to ensure that any claims can at least be quantified and will be capped. The NCOP will likely finalise it during November. MPs' concerns about contingency fees charged by attorneys will be addressed in the Road Accident Benefit Scheme Bill, which will re-define the RAF.

The Spatial Planning Land Use Management Bill is being considered by the Portfolio Committee on Rural Development and Land Reform, and legal opinion has been sought on some provisions. Land use management identifies and tries to balance the competing business, development or social interests around land, to reach the best, most efficient and equitable solutions for use of that land. Spatial planning takes a more visionary approach of how space should be developed. These two approaches will likely lead to tension between the departments, provinces and municipalities, but this Bill tries to ensure that the system of land use management and spatial planning promotes social and economic inclusion. As currently worded, the Bill allows any Minister to ask the Department of Rural Development and Land Reform to prescribe norms and standards – such as the Department of Human Settlements asking for norms and standards on density. It will be supported by other development frameworks and land use management guidelines, and these must be subject to regular review. There will have to be close cooperation on where projects will be located, and that could be problematic, because of the contradiction that whilst government wants to set up spatially efficient and compact developments, on land closely located to infrastructure, public amenities and income generation opportunities, the cost of that land is generally very high.

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