

Debate on Medium Term Budget Policy Statement and First Reading debate: Adjustments Appropriation Bill {B37-2013}

UCDP : Hon IS Mfundisi

Thursday, November 6, 2013

National Assembly

Chairperson,

The mini budget we are debating seems to have been prepared to ensure that South Africans should be appeased taking into account the ravine we are looking forward to next year.

The UCDP, like many other South Africans first and foremost welcomes the cuts on excessive spending by government officials. It remains ridiculous that we had a cabinet Minister splurging R1.1million on a vehicle before accessories were added and even more ridiculous that expenditure of R50 000.00 on fast foods by one official is seen as 'not excessive'.

The idea of using pool cars kept at the government garages is most welcome. It worked before and will work even in these days.

These announcements somewhat add value to the fight against corruption, however, we believe it would be appropriate if the Minister also gave an indication on how government intends recovering the monies already spent excessively and greedily. There is an apparent lack of enforcement of existing legislative provisions when it comes to recovering lost monies. Even with good institutions such as the office of the Public Protector, a deterrent effect has not been felt or seen.

That 15 million people are dependent on social grants is nothing to write home about. The UCDP believes that everyone has to live by the sweat of their brow. Government has to make sure that there are jobs and job opportunities within reasonable distances where people live. Industrial parks gathering moths have to be resuscitated and inducement tariffs be afforded industrialists.

We welcome the firm tone towards implementation of the NDP. The government has a reputation of producing great reads on paper, which sit and

gather dust in government offices with little or no implementation. We hope the commitment towards NDP will convince investors that South Africa is a viable place to do business in. Private sector investments indeed will add much value to this economy.

We are concerned at the unchanged transfer duty and capital gains tax. Our view is that a drop in these would open up gates for many first-time home buyers who are otherwise left out of the market because they cannot fork out the huge amounts required as deposit by banks plus legal fees and transfer duty.

Fuel levies are a huge pinch to ordinary citizens, it appears that the government continues to squeeze and squash out every penny they can get from the ordinary man and this has adverse effects on many other spheres of living. As much as it is appreciable that government invests on infrastructure and all, but if it is doing so at the expense of survival of families, that this is a futile exercise. It is just like a dog chasing its tail. The personal income tax relief of R7bn is however welcome. Government must find a way to control its debt and the budget deficit. This is vital if we are to see a stronger economy.

We note the Minister's comment on the cost of running two centres of government. We believe there are other practical ways of curbing such costs without having to entertain a drastic, costly exercise of relocating one centre. We agree that delegations that come to appear before committees in parliament must be kept to a minimum because in any case most of them come and leave without having said a word in those committees.

The UCDP holds the view that the cabinet is unwieldy. In keeping with all intents to apply austerity measures the executive has to be reduced. We need a lean mean machine in battle.

We are in total agreement with the belt-tightening measures proposed in the budget and hope they are not just cosmetic or sweeteners meant to stunt our vigilance in keeping watch over government as we believe there has never been any justification to imbibe alcoholic beverages in government circles.

The UCDP supports the 2013 Medium Term Budget Policy Statement.