

NFP Debate on Financial and Fiscal Commission
Amendment Bill 2015

Madam Speaker,

Honorable Members,

All guests,

The Bill under discussion today is of critical importance because it has a direct impact on government's ability to deliver services and implement its programme of action. Any plan is toothless without sound financial planning. The Financial Fiscal Commission is responsible to make recommendations to government on the equitable division of revenue between the three spheres of government and provide advice to organs of state on financial matters.

In the past, the commission has found that service delivery protests are on the increase and they are directly linked with government's failure to address service delivery or because of unfulfilled, empty promises. In its submissions for the 2016/2017 Division of Revenue, the Commission has made particular focus on infrastructure development and has stated that, "Long-term planning and financing challenges and the lack of a long-term strategic vision have resulted in inadequate investment in skills, infrastructure and innovation. This has led to long-standing structural weaknesses in South Africa's economy, affecting growth".

With respect to Housing in particular, a past report informs us that the service this backlog would cost the government R 800 billion, and with only R 30 billion being allocated per annum to the supply of RDP house annually, it will take the government 26 years to service the backlog. Honorable Members, with this context, it is clear that this Commission has a valuable role to play in making certain that government on all three levels, is able to meet these demands.

For this reason, the NFP will support amendments that will strengthen the capacity of this Commission; so that it is able to maximise its performance. We particularly support the amendments to Section 19 of the Act which will impact the filling of critical positions in the Commission as well amendments to Section 16 which will enable the Commission to obtain information from any person.

Honorable Members, in a country with three interlinked levels of government, in which there is room for political manipulation it is desirable to have an impartial and independent institution to ensure proper financial management in these arms of government. We believe these amendments will help achieve exactly that.

Thank you.

Presented by: Hon EM Zungu