

No consequences for those letting down poorest of the poor

Speech by Tsholofelo Bodlani MP, DA Shadow Deputy Minister of Communication and Technologies

In 1994 South Africans stood in snaking lines with much jubilation to cast their first democratic vote. A vote they hoped would bring them political and economic freedoms. A rebirth from the inhuman apartheid past. Today, we see those lines daily across the country! The sick and desperate enduring harsh elements because the South African Post Office just does not have the heart nor the infrastructure to disburse social grants.

In welcoming today's debate it is apt that from the onset we all agree as members of this parliament who have sworn to be **faithful to the republic** – that the South African Post Office is a monumental disaster! This agreement will help assist the debate so we can refrain from political platitudes, and accuse those who insist on stating the facts about this once glorious entity of being unpatriotic. It is my hope that today, honorable members will choose truth over political expediency. If we do that, perhaps this government can finally take decisive action about SAPO's future.

Reporting to the Communications and Digital Technologies committee, SAPO delivered devastating, yet expected news that their financial difficulties are ongoing and that they have forecasted a loss of **R2.3 billion** in the 2022/2023 financial year. Simply put, the **R2.4 billion** bailout that the Treasury has approved is going into a black hole, while the future of thousands SAPO employees' hangs in the balance. The monthly liabilities continue to increase due to the monthly losses, as monthly expenses continue to exceed monthly revenue. Sadly, the portfolio committee has received reports from the department that SAPO employees in the Eastern Cape have been killed for trying to expose acts of corruption. The DA conveys its deepest condolences to the families who lost their loved ones. The committee has also received reports of how SAPO employees are looting and destroying SAPO infrastructure as they feel frustrated by the uncertain futures they face. These are the unintended consequences of yet another failed state-owned company.

Allow me to quote from the SAPO report which reads 'SA Post Office's cash flow position is extremely dire, as creditors, medical aid contributions, pension fund contributions and SARS obligations remain unpaid and will continue not to be paid unless urgent financial assistance is provided. **END**

To put all this in context: SAPO has outstanding liabilities of R5.3 billion!

SAPO owes the ill-conceived Post Bank R3.2 billion!

Essentially SAPO is over R8.5 billion in the red.

The fact is that the provisional liquidation of SAPO comes as no surprise to the Democratic Alliance and anyone who has followed the downward spiral of this entity in the last few years.

Business Administration 101 informs that SAPO could have been salvaged had the ANC not held its myopic views about wanting control of EVERYTHING. A partial privatization of SAPO could have brought in investment and better management processes. How and why does the ANC government still consider SAPO as a viable investment? Even as a sentimental gesture, the insistence to keep SAPO open is just irresponsible and lacking the political urgency to reprioritize funds to help the poor.

As we pause for an honest reflection on SAPO, allow me to categorically state how SAPO is a classic example of what happens when oversight mechanisms are ignored and the governing ANC uses its majority to defend the indefensible, pushing for bail out after bail out, with no real benefit to SAPO clients. SAPO is a real example of how ANC cadre deployment can destroy services and entities that are meant to help the poor. This, while clichés such as '*our people*' are used to pacify those who continue with their blind loyalty to an organization that has lost its moral fiber.

South Africans just cannot catch a break. The irresponsible and prolonged national lockdown had left many South Africans unemployed, with no prospects of finding employment as

load-shedding is shedding jobs. While the R350 Social Relief Grants serves as temporary provision of assistance intended for persons in dire material need, South Africans want JOBS!

The DA maintains - jobs give dignity! Clearly, creating an enabling environment for economic growth and job creation is above the paygrade of the president and his ministers.

House chairperson, let me use this moment to reassure South Africans that contrary to the propaganda spread by the ANC, the DA would never ever take away anyone's social grants. In fact, a DA-led national government would increase social grants to empower beneficiaries to have more disposable income to cope with the rising cost of living. The DA can budget for the introduction of a conditional Universal Basic Income Grant at R585 per month for adults without formal employment between the ages of 19 and 59 of which the cost is estimated as R157 billion per year. The DA cares!

In South Africa, the biggest beneficiaries of the partnership between SAPO and SASSA are the criminals who loot the state of millions of rands of grants meant for the poor. The lack of consequence management and low to non-prosecution of officials who simply resign once they are caught is a travesty of justice. The only measures to mitigate the impact of the South Africa Post Office's provisional liquidation on the delivery of its core services, including paying out social and other grants on behalf of the SA Social Security Agency is to vote this government out and vote for a caring and capable DA!