

**SPEECH BY THE DEPUTY MINISTER OF DEFENCE, MR THABANG MAKWETLA,
DURING THE DEPARTMENT OF DEFENCE BUDGET VOTE 26 JUNE 2009, NATIONAL
ASSEMBLY, CAPE TOWN.**

Chairperson
Honourable Minister
Honourable Members
Members of the Portfolio Committee on Defence
Colleagues
Ladies and Gentlemen:

It is to me an inspiration to participate in the budget debate of our country's Defence establishment today, several years since I was weaned off this sector where my political life actually evolved, and where I cut my teeth as an exuberant back-bencher in Parliament. The challenges this budget seek to address are themselves evidence of how far the Department of Defence (DOD) has come since the pioneering work of its early post 1994 era, which laid the foundation for our contemporary defence establishment.

I wish to pay tribute to the many public servants, both in parliament and the Executive who contributed to bringing us this far.

Chairperson,

Our debate today heralds the beginning of yet another five year span to advance, build and develop our country's defence establishment to realise " the resolve of South Africans, as individuals and as a nation to live as equals, to live in peace and harmony, to be free from fear and want and to seek a better life " in an even more sophisticated way.

We are discussing these government responsibilities bouyed by the overwhelming fresh mandate the ruling party received from the electorate, which was spurred by the attitude that " together we can do more ". In this context, we must in line with the 10 priorities of the Medium Term Strategic Framework (MTSF) strengthen engagement with society by promoting public participation and engagement with civil society on Defence matters and international cooperation.

To this end it is the desire of the Minister to ratchet up the overall communication of the DoD and the public to bring an end to the era where defence and military affairs were instinctively treated with suspicion and cynicism, make Defence matters a business of all citizens and the Defence Department a centre of excellence and an employer of first choice to our young citizens.

Honourable Member Nomzamo Madikizela Winnie Mdikizela-Mandela could not have articulated this better during the debate of the President's Vote when she said " we owe it to the masses... It is about giving our people real control of their lives. It is about ensuring that the electorate steers the body politic and are not reduced to mere passengers or spectators in the unfolding process".

" Indeed our movement has consistently strived to defy the political eliticism in which politics becomes a matter for professionals. Our people should not be reduced to mere voting fodder and be treated as though they are incompetent to shape the content and direction of our democratic project " .

Honourable Members, as the Minister has already mentioned the most important project of the DoD in the next five years is the elaboration of the new Defence Strategy, a long term view that must guide our defence function over the next 20 years (Defence Strategy 2010 – 2030) based on a review of the status quo. This involved exercise, will do a fresh appraisal of the strategic environment and its implications for our defence, this will address among others our defence posture in the context of collective Defence Strategies, and the capabilities we require.

At a more pressing level, the building and consolidation of our Defence function is going to require the sustaining and escalating of improvements in and around management practises as noted by the Auditor General. The Minister is committed to observing the MTSF priority of ensuring that by 2014 all Government Departments receive unqualified audit reports.

Honourable Members there can be no excellence in the Department of Defence if we do not evolve the best management practises, because the DOD is the biggest establishment of Government Departments, it is not an exaggeration to say it is a State within a State. It is in

control of enormous resources and assets. It also manages the biggest budget and the most extensive procurement function. The Minister is committed to sanitising all procurement activities of all kinds, to ensure ethical conduct, transparency and integrity. This will go a long way in freeing opportunities for the benefit of all citizens in keeping with official policies.

Over the past *decade and a half* we have seen the development of *several* new policies that are aimed at positioning the DOD to best deliver on its mandate. Our focus in this second decade is to ensure the full and effective implementation of those policies that have been seen to work, and to review and refine those that have not. Our *mission* remains unchanged, but our strategies must always be responsive to changing circumstances. The Ministry of Defence and Military Veterans, pledges its commitment to embrace the priorities *of the Medium Term Strategic Framework (MTSF) of government over the next five years.*

Our main objectives in this regard remains to Enhance and Maintain Comprehensive Defence Capabilities *to safeguard the people of South Africa* and to Promote Peace, Security and Stability in the region and the continent *as a whole. This encompasses the development of landward forces, maritime and air defence systems by having the required capabilities. A well maintained Defence capability will immensely enhance South Africa's role in in promoting democracy and prosperity on the continent.*

To realise this objective we *must* ensure that a mandate driven force design and force structure *are* realised. *This* is becoming more of a necessity than a luxury. It is *for* the realisation of this necessity that the Department is developing the Defence Strategy 2010 – 2030 as a document providing a comprehensive and cogent strategic argument for this endeavour.

Equally driving the need to update South Africa's defence policy is the *increased obligation to contribute* to stabilising parts of the African continent. Subsequently the growing utilisation of the South African National Defence Force (SANDF), in peacekeeping on the continent, has compelled a review of the distinction between primary and secondary functions. In short there is a need to *strike the right balance regarding* peace missions to give peacekeeping its correct place in the roles and functions of the SANDF.

SANDF Budget

However, the insufficient budget of the SANDF continues to be a cause for concern. In nominal terms the budget allocation has increased from R10,9 billion in 1994 to R 32 billion in 2009/10. During this period *the Defence* budget was augmented with funding for Peace Support Operations and *the rejuvenation* of the prime mission equipment of the South African Air Force and South African Navy. The Peace Support Operations' budget allocation for the current financial year stands at R969 million. Given the current economic climate our Defence budget has not increased substantially in real terms thereby eroding the purchasing power of Defence's operating funds. Defence's budget allocation has decreased from 4.6% of GDP in 1994 to a projected 1,2% of GDP in the current financial year (2009/10). This is further demonstrated by the fact that Defence's budget allocation has declined from 7.9% of the total government spending in 1994 to a projected 3.8% of the estimated total government spending in the current financial year (2009/10).

The economic situation in the country and the world does not make things easy for all of us but we cannot compromise the security of our country *and the continent*. Our defence capabilities can therefore not be allowed to be compromised by the budgetary constraints experienced by all of us. Together with *members of Portfolio Committee on Defence*, we hope we can come up with innovative ideas to ensure that we keep the SANDF in a state that is *commensurate with its obligations*.

The skills revolution agenda remains a key driver of the DOD's contribution to our country's socio-economic development priorities. We continue to maximise the enlisting of the youth in technical careers within the defence sector through various initiatives such as the Military Skills Development System (MSDS) as currently implemented by the services of our national defence force. An effort to profile the MSDS as a sustainable skills generator for government will be pursued through partnerships and collaboration with other organs of state, *as the Minister mentioned when she tabled the budget*. This forms part of our primary contribution to invest in the youth and to alleviate unemployment and poverty by preparing them for decent and rewarding careers in the sandf. Also high on our agenda is revitalization of the reserves with more than 22,000 volunteers forming the reserve, of which seventy five percent are from

the designated groups.

The DOD highlighted the requirement for the improvement of the quality of the lives of military veterans. To that end, the Department played a pivotal role towards the establishment of a single veteran's association, the South African Military Veterans Association (SAMVA). Furthermore the Department is in the process of configuring itself into a vehicle that will drive the new responsibilities as promulgated by the Commander-in-Chief and President of the Republic. As a precursor to this the Minister has appointed new members to the Advisory *Committee* on Military Veterans who will undoubtedly contribute to the wayforward in this huge task. This vehicle that will be created will ensure that an effective and efficient system is in place to provide the required support to the military veterans. The task team appointed by the minister has already started work. What is evident is that we are responsible for a huge politically sensitive and driven constituency which must be diligently disappear in order to be efficient in addressing its needs.

Strengthening Human Resource Base

Becoming the employer of choice remains a key tenet of our vision thus the DOD will continue to develop an adequately resourced, skills-based performing, disciplined and reliable workforce. This will be evident in the various programmes, notably among others, the DOD Works Regiment that seeks to provide target training of identified projects to maintain and renovate the facilities of the defence force. This could be linked with the other government departments like the department of Public Works in the maintenance of buildings.

Monitoring and Evaluation

Honourable Members, our plans and initiatives will be supported by a *robust plan for* monitoring and evaluation, aimed at establishing and sustaining an information bank to evaluate the department as a whole. A sharper focus will be given to the strengthening of the norms and standards to improve the levels of accountability, a function located primarily within the administration programme. Such *interventions* will see the further development of systems, processes and frameworks aimed at creating a sustainable monitoring and evaluation that provides sufficient accountability regarding the funding received from government.

Secondly, both in policy and organisational interventions we must be alive to the need to craft our solutions with a long term view and also what we need urgently to deal with the dire needs of voters now.

A one stop shop monitoring and evaluation component will be established to provide strategic advice on M&E issues within the Department. In line with Government-wide Monitoring and Evaluation system, the department will deepen the understanding of Monitoring and Evaluation at all levels of our defence establishment. Chairperson, honourable members there is no doubt that the next five years will see the emergence of new challenges within the defence environment, My Minister and I, are excited at the opportunity of being part of the team that has been fielded To do duty in the service of our country.

I thank you.