

**Address by Honourable Nosiviwe N Mapisa-Nqakula, RSA Minister of Home Affairs on the occasion of the Presentation of the Home Affairs Budget Vote (Vote 4) for 2005/06 to 2008/09, Portfolio Committee, in Cape Town, 2006, May 26.**

---

Chairperson  
Honourable Members  
Our Director General, Mzuvukile Maqetuka,  
DDGs and Senior Managers of our Department

We are once again thankful to the Portfolio Committee for giving us an opportunity to present our budget for its consideration before our presentation to the National Assembly. I must particularly thank the Committee for your understanding and patience with the Department in allowing us to resolve the issues pertaining to the finalization of the annual report for 2004/05.

I can assure the Committee that both the Department and the Auditor General's office have gone through a tough and a lengthy process to get the report finalized in terms of our joint undertaking before this committee.

Chairperson,

The process of bidding for this Budget started last year in June when I put forward certain policy objectives that necessitated National Treasury to consider allocating additional funds to finance such policy options. The policy options were presented in a form of a budget request to the Medium Term Expenditure Committee (MTEC) and accordingly approved in November 2005.

As we seek your support for this budget, we do so in the full knowledge that if this budget is approved the department will have to seriously commit itself to address the challenge of ensuring that it spent wisely and derive value for money in the improvement of the lives of the people we serve.

Chairperson and Honourable Members

The past year has been one of the most challenging for the department as it represented the period within which the actual implementation of our programmes started in earnest. This was after we had spent the first year of our term in office establishing the necessary framework for the transformation of the department to properly fulfill its mandate.

We have registered key achievements in this regard and we believe that the department is well on course to stabilize and develop the necessary capacity required to meet its objectives. This work has however also exposed certain weaknesses that need to be addressed if we are to succeed in the overall transformation and repositioning of the Department of Home Affairs. The budget, therefore seeks to direct much needed resources to be deployed towards addressing some of these key weaknesses. We have also ensured the alignment of this budget to the strategic plan in order to allow for close monitoring of the impact of our expenditure on service delivery objectives.

The Budget itself has been designed to cover seven key intervention areas aimed at improving service delivery levels of the department. I put forward these policy proposals to address the growing concern of the public about the level of service delivery of the Department.

I will outline in broad terms some of these key policy proposals and intervention areas that form the basis of this budget:

## **1. People**

### **Chairperson**

One of the key challenges of the department has been the inadequate levels of human resource capacity across the department. Over the past two years we have made a scientific investigation of our organizational establishment and its occupational levels for different categories of officials both at head office and in our provinces. We have reported to this committee that our new approved establishment has grown two fold compared to 2003 and that funding for this establishment has been approved over a period of four years ending 2008/09.

Of importance to note has been the need to make provision for much needed capacity within our civic services branch that was initially left out of the first investigation of the establishment.

We have therefore put forward a policy proposal that is aimed at ensuring further enhancement of our human capital and have requested additional funding above the baseline allocation to fund the establishment of the Department in critical areas such as provinces and in new missions abroad. Additional funds requested in this regard were:

R134m for 2006/07

R215.6m for 2007/08

R369.5 million for 2008/09

## **2. Infrastructure and Government printing works**

The second critical policy option was in relation to the enhancement of the building infrastructure to improve accessibility of the public to the services of the Department. We have since received the report of the study we have commissioned last year in conjunction with CSIR on the location of our offices. This is aimed at ensuring that our roll out of office infrastructure takes into account the distances and population densities. We also need to ensure that the location of our offices as part of our service deliver model should support urban and rural development strategies as well as service to Presidential nodal points as identified by government. This policy option also addresses the infrastructure requirements for the Government Printing Works in preparation for its conversion to a state owned enterprise. Additional funds requested for these areas were:

R212.6m for 2006/07

R122.6m for 2007/08

R82.6 million for 2008/09

## **HANIS**

Honourable members will be aware that most of the programmes that form part of the Home Affairs National Identity System are now at advanced stage or nearing completion. These include the population of AFIS through the conversion of over 40 million fingerprints records. While we had targeted to complete this work by September this year, I can safely share with the committee that we are within course to finish before this target date.

Cabinet is still at this stage discussing outstanding issues relating to the procurement model for the Smart ID card and we are certain that these discussions will be finalized soon. In this regard we have made provision for the roll out of the process once we have the required go ahead.

Additional funds provided for the HANIS project this year are:

R384.1m for 2006/07

R96.1m for 2007/08

Nil for 2008/09

## **Service Delivery**

Another key challenge that we face is in relation to our service delivery improvement model. Due to service delivery challenges at our provincial offices where our clients are receive services, it became essential to allocate resources towards the overall improvement in the manner in which we serve our people. Some of the initiatives in this regard will include the allocation of further mobile units, and the implementation of the recommendations arising from civic services survey conducted by the HSRC. The survey was aimed at identifying some of

the gaps in the provision of services to the citizens, including determining areas where the biggest needs are. Additional resources will be allocated towards a more efficient ID distribution strategy, queue management in our offices as well as the running of the campaign on the rights of the client. It was therefore essential to request additional:

R115.8m for 2006/07

R97.16m for 2007/08

R99.2 million for 2008/09

### **Counter corruption**

It is public knowledge that the Department's services are essential for the life of the masses and therefore the Department finds itself vulnerable to certain syndicates and corrupt elements that hinder service delivery. The drive to uproot corruption was inevitable and therefore necessitated bidding for additional funding to address this fifth policy option.

What was requested in this regard as additional funds was:

R26.8m for 2006/07

R37.8m for 2007/08

R34.9 million for 2008/09

### **Immigration Services**

The passing of the Immigration Amendment Act of 2004 necessitated the fundamental transformation of our country's immigration service. The implementation thereof required an injection of resources into capacitating the new structures and operations of the National Immigration Branch. We needed to source additional funding to provide the world class service in this area and to ensure that the Department is well capacitated to ensure that immigration policy and its implementation can play a role in supporting national objectives in the areas of development, economic growth, security and foreign policy.

Some of the key programmes in this regard will be in support of the work of the Border Control Coordinating Committee (BCOCC), which is a multi departmental structure tasked with overseeing the proper functions of all our ports of entry under the convenorship of the department of Home Affairs. The work of the BCOCC also includes the programme for the improvement of infrastructure at the different ports of entry.

We also needed to make provision for the additional capacity that will be required to deal with the anticipated influx of foreigners in 2009 and 2010 when the country would be hosting world-sporting events. Additional funds requested in this regard were:

R62.4m for 2006/07

R59.5m for 2007/08

R63.4m for 2008/09

### **Civic services**

The final policy option that was brought forward to request for additional funds was civic services. This is our biggest branch and one whose functions affect the lives of our own citizens. Most of the options stated before such as HANIS, Counter Corruption, infrastructure and people are also supporting the well functioning of civic services and therefore additional funds requested for civic services were limited to:

R10.1m for 2006/07

R9.7m for 2007/08

R9.7 for 2008/09

The total additional request for funds was therefore;

R946m for 2006/07

R638.5m for 2007/08

R659.5m for 2008/09

### **Chairperson and Honourable Members**

I need to state that the law of economics dictates that economic resources are scarce and therefore it is always the norm that the fiscus does not always fund all needs due to a number of competing needs among government Departments based on levels of priorities.

The Department was eventually allocated additional funding according to what the fiscus could allow and the overall additional allocation was:

R173.1m for 2006/07

R233.8m for 2007/08

R781.5m for 2008/09

The allocated additional funds resulted in the increase of the baseline budget allocation that was debated last year for the outer years to:

R2.8 billion for 2006/07

R3.053 billion for 2007/08

R3.742 billion for 2008/09

The budget shows a slight decline during the first year as compared to the previous year's budget of R3 billion but is eventually increasing in the two outer years. The detailed explanation of these trends will be elaborated further by the delegation of senior official who are present to engage you for the rest of the day.

Before I can handover to the DG and senior managers that are here to further elaborate on the Budget and the Strategic Plan, I would like to address an important matter relating to the tabling of our Annual Report. I am aware that this is matter that the department has brief the committee on several occasions, but it is important that we highlight a few issues in this regard.

I am particularly angered and disappointed by the audit opinion that the department has received and have already directed the DG as the accounting officer of the department to institute a process of dealing with all the issues raised by the Auditor General in his report.

Firstly, chairperson, as a department we need to acknowledge that there might have been situations where we had contributed to the delay by the team of the Auditor General in finalizing this report. It is clear to me that certain problems emerged during this particular audit that ranged from communication lines to the need to provide documentation on time as well as the general manner in which the two institutions related in terms of the work of conducting the audit. These are matters that we are continuing to look into to get to the bottom of such problems with a view of avoiding similar situations in the future.

At the time when we started this audit, we realized there were major problems with certain aspects of our financial administration, including possibility of fraud. I asked the department to institute a forensic audit and soon thereafter 12 officials were suspended on grounds of financial misconduct. I am yet to receive the report of this investigation, which has now been completed, and once I have studied its contents and recommendations I will report to the committee in terms of any further steps we shall take to address these weaknesses in the system.

Chairperson and Honourable members, at this stage I'll hand over to the DG and senior managers who will present to you the strategic plan that will lay the foundation for a detailed presentation of the budget vote in terms of figures.

Once more let me thank you for the opportunity.