

## **Budget Vote 14: Statistics South Africa**

### **Speech by Zak Mbhele MP, DA Shadow Minister in the Presidency**

Stats SA stands apart from most other state entities and organs as one of the few “islands of relatively good management and performance” by most indicators in a sea of chronic public sector mismanagement, poor governance and failures to fulfil policy and legislative mandates. The organisation broadly demonstrates adequate activity and progress, but remains heavily constrained by financial and human resource shortfalls, firstly with a budget decrease of almost 20% in real terms for the 2023/24 financial year, and secondly high staff turnover owing to a persistent skills drain and a high vacancy rate of up to 20%.

Its production of statistical products has declined over the years, with a number of survey reports having been delayed or discontinued in light of limited funding and personnel, and not to forget the shambles that was the early phases of Census 2022. It remains to be seen whether the release of the finalised census report will in fact be done in July this year as reported to the Committee, in light of intensified and ongoing disruption to the work environment due to the ongoing loadshedding crisis.

These operational challenges make it even more apparent that Stats SA will have to vigorously pursue and establish strategic public-private partnerships to mitigate its systemic weaknesses. The DA has long advocated for this approach in government across the board, and it is pleasing to note that Stats SA has prioritised this in its strategic direction. We would urge that this drive is undertaken proactively and so as to optimise on every possibility that exists in all sectors of society.

As is repeatedly said in these budget vote debates, statistics are important to provide relevant and accurate evidence-based information for social stakeholders and institutions in order to facilitate proper planning, decision making, and monitoring and evaluation of government policies and projects.

In light of the government’s supposed and declared commitment to practising evidence-based policymaking and programme implementation, statistics should serve as primary indicators of what is working and what needs to be changed or improved. When statistics continually reveal stubbornly high and increasing unemployment, that should be a signal that we do not have an enabling environment for job-creating investment and growth, which should then compel a review of government policy to identify key adverse factors that act as constraints and dampeners to disincentivise hiring and capital investment, as well as to adapt and innovate where needed, for example by allowing for differentiated minimum wage benchmarks.

In converse, when statistics show an area of good performance, for example when the Western Cape is demonstrated to be the only province that had job creation during a certain quarter, that should be a signal to enquire further and deeper as to the reasons and factors causing this positive outlier performance, to see whether and how the lessons and insights of such a study can be shared and implemented wider.

Chairperson, let me be clear that when I refer to the good results of the Western Cape in context of this debate, it is not to beat my party's political drum and engage in self-promoting chest-thumping because it is a DA-governed province, as ANC members are undoubtedly likely to hear when they listen with cynical ears to what I'm saying.

I really do mean that the highlighting of such developments should be taken and used as an opportunity for learning and gaining insights that can help other provinces improve their governance and service delivery. I believe I can speak confidently for Premier Alan Winde and his Provincial Cabinet colleagues when I say that the strategic approach taken, policy innovations implemented, and programmatic work that is done by the Western Cape Government in pursuit of governance excellence is rooted in the intention of being a benchmark-setting example of best practice and ideas that will benefit the whole country when shared and adopted.

It is clear to all that there are many shortcomings and failures in almost every area of government service delivery, from loadshedding and rising crime to deepening poverty. What is needed is radical reform to overhaul public sector operation, and key to this new chapter will be the promulgation of a comprehensive suite of investment-attracting and job creation-promoting exemptions from overly restrictive and confidence-dampening legislation and regulations, in order to ease the burden of doing business, lower barriers to compliance, and incentivise capital investment and entrepreneurial innovation.

One of the stated strategic priorities of Stats SA in its five-year plan is to drive legislative reform, which aligns with this imperative for a vigorous shake-up of the status quo and we encourage Stats SA to pursue this proactively, stridently, without fear or favour, using its statistical information as indicators and signposts as to the direction of fundamental changes that need to happen.