

**NATIONAL ASSEMBLY
HOME AFFAIRS BUDGET DEBATE
INTRODUCTORY SPEECH
BY
MANGOSUTHU BUTHELEZI, MP
MINISTER OF HOME AFFAIRS
Cape Town: June 11, 2002**

Madam Speaker:

It is a pleasure to introduce the debate on the Home Affairs Budget Appropriation for the 2002/2003 financial year.

At the outset, I wish to pay tribute to my former Deputy, the Hon. Charles Nqakula, who ably shared the responsibilities of my portfolio from January 2001 to May 2002. I thank him sincerely for his support and congratulate him again on his new appointment. I wish also to welcome my new Deputy Minister, Mrs Nosiviwe Mapisa-Nqakula. I trust we too will work together as a team in this demanding portfolio.

In this year's State of the Nation Address, His Excellency President Mbeki has urged us to expand access to service delivery and a better life. My Department has made several contributions towards this goal by improving on our service delivery with the aim of "Rendering World-class Service" to millions of South Africans, from rural villages to modern city suburbs. To this end, my Department has integrated its priorities into the various Government clusters and obtained allocation of funding for key projects due to our participation in intergovernmental structures and processes. We have begun operating in terms of the required planning framework and have tabled our second strategic planning document, while seeking to optimise allocation of public resources through co-operative governance and intergovernmental relations. I must add, however, that under-funding will inevitably result in budget shortages. Despite reprioritisation, key aspects of departmental activity remain underfunded and adversely affected.

The two key considerations in the initial departmental budgeting process and the reprioritisation undertaken to address funding deficits have been tied to our strategic priorities set out in our Strategic Plan and their link to the Government's National Programme of Action, as well as to the priorities determined by the Cabinet and FOSAD Clusters of which the Department is a member. However critical priorities affecting our ability to provide a world-class service remain un-funded, adversely impacting overall governmental performance in many spheres.

The current fixed establishment of the Department consists of 7,320 posts of which 697 are vacant and not funded, and 477 are severance package posts which cannot be filled, creating dissatisfaction from customers with the services received at our offices. Rendering a world-class service while operating with a vacancy rate of more than 16% on an establishment based on the needs of 1995 is impossible. Therefore, the Department is compiling a new staff establishment.

It is also necessary for my Department to work smarter. We are moving from manual processes to electronic systems, gradually computerising more and more offices. Automation will also assist the Department to curb corruption amongst officials by eliminating weaknesses in the current largely manual system and providing auditable checks and balances.

For the current financial year, 30 offices within the 10 regions have been identified for computerisation. The Eastern Cape, Limpopo, KwaZulu Natal and Mpumalanga, which are now less than 50% computerised, are high priority. Sub-regional offices will be equipped with passport capturing machines. We aim to allocate at least one passport capturing station per sub-region.

In moving towards electronic systems, we must ensure well-trained personnel and continuous capacity building. Consequently, the Department will increasingly spend funds on Adult Basic Education training and administrative and functional training. Our main areas of focus are advancement of managerial and supervisory skills and line functional improvement. Of particular note is our involvement in the Presidential Strategic Leadership Programme for all senior management. Appropriate courses have also been developed for supervisors at the intermediate and lower levels. In the field of functional training, emphasis is on equipping staff to enhance effectiveness and efficiency and to prepare the implementation of new policy initiatives, such as the new immigration management system set forth in the new Immigration Act.

Turning to Civic Services, last year I indicated that my Department had begun re-evaluating the present location of its network of offices, to bring services closer to the public. Various options are being evaluated, among which is the conversion of freight containers into offices, especially in remote areas. My Department will look at a variety of options to reach out to our communities in rural and marginalised areas. The container project is but one option. Other options include mobile units similar to those employed by the South African Police Service and small buildings in certain areas, depending on the circumstances, aiming for maximum cost effectiveness and practicality.

These are interim solutions pending the complete restructuring of civic affairs once the HANIS project is complete. A stronger information technology core will allow the devolution of civic affairs service delivery to municipalities and one-stop government facilities, so that our citizens may obtain identity documents, registrations of births, deaths and marriages and related certificates from a variety of points of distributions, including municipal offices. This will redress the apartheid legacy of unequal distribution of our offices, throughout South Africa.

Late registration of births has been abused by illegal foreigners to obtain South African citizenship. Screening committees were established during 2000 to prevent the approval of applications for late registrations of births where the applicants cannot substantiate South African citizenship, and where false information is furnished by foreigners illegally in the country. The success rate of screening committees proved to be below expectation as the system was still abused. Applicants whose births were not registered have had ample time to do so, and we are now investigating other forms of severe scrutiny to ensure the bona fides of

each application, mindful that every South African has the constitutional right to be registered no matter how late in life he or she may choose to do so.

New procedures have been implemented regarding the rectification of departmental errors in dates of births in the Population Register, to assist former reference book holders when applying for IDs. During 1986, with the introduction of the Identification Act, 1986, identity numbers were pre-allocated to reference book holders. As these persons' full and correct date of birth were not on record, dates were estimated prior to 1994. These applicants were normally elderly people not able to provide documents supporting their applications for a different date of birth. Applications were queried a number of times, whilst the applicant was deprived of the right to apply for social pension and other benefits. The new procedures allow for such applicants to be interviewed by a senior official at a regional or district office, and a prescribed agreement form may be completed by both the applicant and the Department.

My Department is implementing the Electronic Document Management System within civic services, which will implement effective, real-time, online automated document management from capture to business transaction, improving business process efficiency. The system will make Home Affairs records and archiving information immediately available for access to any authorised individual at workstations in the entire system, both nationally and internationally.

Phase 1 is being implemented, comprising the implementation of a centralised core system with an associated workflow component to cater for the management of births, marriages and deaths, and an effective Management Information System within the Department's Head Office buildings. In the same building there will be high volume document capture modules and the implementation of a centralised indexing to initiate the process of existing records back-capturing. Additional features are the development and implementation of a query front-end with the flexibility to be decentralised, effective volatile and non-volatile online storage to cater for stricter legal process, a Disaster Recovery facility to ensure full redundancy and 24 hour availability, integration with the National Population Register; and conversion and integration of the existing microfilm records to online documentation format. The commissioning date for Phase 1 is 1 September 2002. A tender for Phase 2, comprising the roll-out of the system to regional offices and the conversion of existing paper records will be published during August 2002.

The Home Affairs National Identification System (HANIS) celebrated a significant milestone in the Basic System Commissioning on 18 February 2002. The original HANIS Project Plan identified four phases, namely Requirement Definition, System Design, System Build and Basic System Commissioning. These phases were successfully completed by 18 February 2002. The total expenditure until March 2002 amounted to R495,122,478. The Project's Commercial Verification function will enable all interested parties to query the HANIS database and perform reliable identity verification. The function will have the potential to generate income for National Treasury through user charges. We are contemplating a Back Record Conversion to capture all the existing fingerprint data on the manual records onto the HANIS database. The quality of fingerprints and photographs is the cornerstone of this project. The Department, therefore, has an intensive Quality Assurance

Programme. Live Capture will ensure quality data intake. The Electronic Document Management System will capture all forms from all processing and ensure a paperless environment. The system will cater for the archiving functions of all the systems, including HANIS.

Pending the recommendations of the Haysom Commission of Enquiry, the Identity Card component is still outstanding. The envisaged smart ID card will provide a common platform for the integration of government services centred on the verification of citizens. The Department has worked with other government departments to identify applications and integrate them onto the smart ID card. The Department is liaising with the Department of Science and Technology to ensure that the integration through the micro data bank in the smart card is indeed preferable to the smart card merely operating as a window enabling the direct connection between the central data bank and the reader. The investment in smart card technology must be in line with the best available technology and with foreseeable developments. The introduction of smart cards and related readers is one of our most massive technological investments, both from a financial viewpoint and in terms of technological distribution and contributions towards raising our citizenry's technological floor. Therefore, I have chosen not to rush into it until there is consensus that we are achieving the best value for money and making the right decision.

The smart ID card project will be aligned with other government initiatives such as e-government, the Gateway project and the proposed Electronic Communications and Transactions Bill.

The amount of money paid by the HANIS Project in Forex adjustments is R62,5 million. This shortfall, due to the devaluation of the Rand, has placed stress on the HANIS budget. The National Treasury has been informed of these Forex payments and the matter will be addressed in the Department's Monthly Reporting on the State of Expenditure as well as in the Adjustments Estimate.

Turning to our second line function responsibility, Migration Services, it is known that the Immigration Bill has been assented to. As I indicated during the debate on that Bill, the text had a number of errors and problematic areas because it was drafted in haste without any assistance from my Department or interaction with officials with knowledge and expertise in the subject matter. The NCOP process could not correct these mistakes, but tried to amend the Bill further to eliminate its provisions relating to the quota system for a work permit. For various reasons, it could not get around to doing so. The Standing Committee stated that I should bring amendments to the Bill to correct its mistakes and deal with its unresolved policy issues. However, no guidance was given on how these issues should be dealt with or the Act amended. For this reason, I indicated in the NCOP that I am committed to implementing the Immigration Act as it was passed by the Legislature. I will bring to Cabinet only those amendments which are necessary to correct aberrations such as cross-references to sections which no longer exist or unintended language created by the unjustified collapsing of various sections into one.

The Immigration Act will need to be implemented by means of extensive regulations, which we are drafting to ensure that we can make the Immigration Act work at its

best and as intended. I am committed to making the Immigration Act work in spite of its flaws. For instance, the Immigration Act does not outline the quota system but merely prescribes that one should be developed. A number of more or less obsolete quota systems are now in force or were in force in the past in the world, and many more could be creatively conceived to adjust to our specific needs and policies. The quota system which we will develop through regulations will try to fulfil the desire expressed by the amendments tabled by the majority party in the NCOP and will bring things to fruition, so that we can bring the new system of migration control in operation without legislative amendments in respect of the quota system. We will try to marry the quota system with what was originally adopted by Cabinet, taking into account the statements made by our Colleague, the Minister of Trade and Industry.

We hope to be able to publish regulations within 30 days. We are under time pressure. Once regulations define the elements of the new system of migration control, new forms will need to be designed, printed and supplied to all our offices, while training our officials in their use. Therefore, I am not in the position to indicate a clear commencement date for the new system of migration control, but my Department hopes to bring it online within the next 90 days.

The Immigration Act is an enormous improvement on the present uncertainty and levels of discretion. It contains innovative solutions which place South Africa ahead of many other countries which are struggling with issues of migration without the opportunity to develop a new system from scratch which is responsive to the needs and challenges of the 21st century. The Act brings immigration control into compliance with the highest standards of human rights protection and administrative and judicial review while placing South Africa on par with many other countries in respect of many of its provisions, especially in respect of investors' and intra-company transfer permits. We trust that as implemented through regulations the Immigration Act may become an excellent Act. Its real final effect will, however, depend on the resources Parliament will make available for its implementation, which will be required in much greater measure than what was envisaged for the Bill as approved by Cabinet. Financial resources will also have to be allocated for the possible cost of legal challenges arising out of the new Act in the initial stages of moving from the old Act to the new.

The Act finally makes Home Affairs responsible for all facility management at ports of entry, so as to begin dealing with the sorry state of facilities at most border posts, which are foreign visitors' first impression of our country. Serious upgrading is required not only of the actual entry and departure facilities, but also in respect of the improvement and erection of staff housing. Connectivity, not only in terms of computer systems, but even basic matters such as electricity, telephone and fax facilities are sorely lacking and will need to be addressed.

The Department has attempted in vain over the years to secure an increased budget to respond to the mounting pressure on our staff and infrastructure at these posts. The number of persons cleared on entry and departure at our ports of entry has grown from 19.8 million per annum in 1994 to 28.3m per annum in 2001, an increase of 42.9%, while the staff establishment at the majority of these ports has not been amended since 1995 and no significant increase in funding of accommodation requirements has been realised. In 1997, Cabinet approved an amount of R101m

for the upgrading of these ports of entry in terms of the erstwhile National Crime Prevention Strategy. However, divided between 53 ports, the improvements, although marked, could still not address the needs satisfactorily.

Initiatives driven by other departments such as the Departments of Environmental Affairs and Tourism and Trade and Industry often impact on my Department. For example, the creation of seven Trans-frontier Conservation Areas in conjunction with our neighbouring countries is aimed at increasing tourism figures, not only for the country, but for the region as a whole, and involves the upgrading of the staff establishments and facilities at existing ports of entry within the proposed boundaries of these areas and the erection of new border posts. My Department cannot cope with the increased pressure on its budget by means of re-prioritising existing funds.

A further example is the creation of the Trans-Kalahari corridor, which is aimed at easing the flow of commercial traffic through Botswana to Namibia, which runs through the Skilpadshek border post in the North West Province. This facility is inadequate for the volume of traffic envisaged in terms of a trilateral memorandum of understanding between the three countries, and the border post has to increase its hours of service from the current two-shift operation to a three shift 24 hour operation. Additional personnel expenditure and housing accommodation has to be provided, which was not factored into the Department's 3-year financial planning cycle.

During the 1999/2000 fiscal year, the SAPS has requested that my Department takes over the immigration function at 4 of the 15 border posts where the SAPS currently perform functions on our behalf, where traffic volumes have increased to the extent that full time immigration officers are now required. To date the Department has failed to do so due to budgetary constraints on the appointment of additional staff and the erection of office and housing accommodation.

The events of September 11, 2001 have increased the responsibilities of my Department to ensure that persons seeking entry into our country are properly screened from a security viewpoint before being admitted. Poor facilities, where the infrastructure is not conducive to the correct, swift and separate channelling of incoming and outgoing traffic, create loopholes enabling persons to enter the country without reporting to an immigration officer for the necessary checks and controls.

The Department of Public Works, in conjunction with the various role players at ports of entry, has developed a Repair and Maintenance Project, which is a specialised approach for the repair and maintenance of facilities under their control at land border posts. The estimated cost to implement this project, based on an investigation by a consultant appointed by the Department of Public Works, is R94,6 million which is needed to bring the infrastructure at our land border posts up to an acceptable level to cope with the increased flow of travellers, to create a favourable first impression for visitors and to ensure an acceptable level of security.

Another of my Department's priorities in migration control for the current financial year is the redesigning of the Movement Control System to a real-time online system. The current system is outdated and can no longer cope with the volume of data to be processed, nor does it satisfy the needs of the user departments. It

MEMORANDUM

TO : MR IVAN LAMBINON
FROM : MARIO GR ORIANI-AMBROSINI
DATE : MARCH 11, 2002

I have reviewed the Strategic Plan of the Department of Home Affairs seeking for substance. The only substance that I could find in its 40+ pages is that the Department will engage in the finalisation of the HANIS project, will rewrite the Movement Control System and implement the EDMS and rewrite and implement the National Population Register which, I believe, are all functions which are out-sourced to private contractors. Even in respect of these functions there is no indication of what needs to be done, how it is going to be done and what is involved in doing it, nor any mention of time-frame or anything concrete and tangible. Furthermore, the Plan indicates that the Department will investigate the impact of the Immigration Plan and of the devolution of civic services to municipalities. Over and above these two items which could have been captured in a one paragraph document, I cannot find any items of substance. I also cannot see the difference between this year's Plan and last year's, with the exception of the aforesaid elements. At least last year's Plan had some concrete indicators, such as the commitment to provide IDs within a certain time-frame. Please help me because I am in great fear of being ungenerous. Help me to translate the language of the document into something I may understand and assist me in pointing out to me the pages and lines in which the message is contained of what the Department should be doing in terms of this Plan.

—oooOooo—

FAX COVER SHEET

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Attention

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Date

:

MARCH 11, 2002.

From

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Attention : PRINCE MANGOSUTHU BUTHELEZI

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