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**Eskom seeks private investors**  
Gold... \$126.30 \$1... \$15.30  
JSE All... \$153.80 \$1... \$15.77  
Dow Jones... 16,922.90 \$1... \$16.91

What KZN government plans to spend this year vs last

	2016/2017	2015/2016
Office of the Premier:	658 644	737 794
Provincial Legislature:	518 652	479 262
Agriculture/Rural dev	2 170 644	2 292 480
Economic Development		
Tourism and Enviro Affairs	2 702 992	2 987 119
Education	45 464 373	43 162 870
Provincial Treasury	675 280	663 853
Health	36 578 637	34 314 275
Human Settlements	3 485 112	3 822 970
Community Safety and Liaison	210 123	191 045
Sport & Recreation	426 479	437 827
Corporate Governance and Traditional Affairs	1 545 923	1 581 163
Transport	9 571 940	9 366 670
Social Development	2 778 162	2 711 615
Public Works	1 432 608	1 423 344
Arts and Culture	786 472	888 770

SINCE 1852  
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GET A HEAD START  
Friday, March 11, 2016  
Dbn 22/25  
Pmb 18/23  
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ENTITIES TO AMALGAMATE OR CLOSE

# Provincial fat to be cut

Colleen Dardagan

**K**WAZULU-Natal's "bloated" Economic, Tourism and Environmental Affairs Department is in for a major shake-up as the provincial government investigates 18 public entities in an attempt to slash costs.

Radical options being investigated by Finance MEC Belinda Scott and her department include moving conservation body Ezemvelo KZN Wildlife to South Africa's national entity SANParks and absorbing iThala Bank into the department.

She warned too that there was no money from the province for the Commonwealth Games either (see report below).

In her annual budget speech yesterday, Scott confirmed that some public entities would be shut down, others amalgamated, and the rest investigated as to their effectiveness in contributing to the growth of the provincial economy.

The Department of Economic Development and Tourism is responsible for the oversight of at least 18 public entities such as iThala Bank, Ezemvelo, the Richards Bay Industrial Development Zone, Dube TradePort, the KwaZulu-Natal Film Commission, Trade and Investment KZN, the Sharks Board and Amafa, among others.

"The department has become just a transferring agency. The bulk of its budget allocation caters for transfers to its entities," she said.

The province had more public entities than any other in the country.

She said they were doing the work that should be done by the government.

The Finance MEC told The Mercury the resigning of the entities, most of which had expensive governance boards and were heavily staffed, was a direct result of an announcement by President Jacob Zuma in his State of the Nation address that called for rationalisation of the public sector and, in particular, cuts in the government's massive wage bill.

The provincial government employed 205 000 members in 2013. By last year that had escalated to 213 000.

As an example, Scott said the transfer of Ezemvelo to SANParks was on the table for consideration.

"That is a very interesting discussion that has to happen. The parks are costing this province a fortune. Our largest parks are national parks anyway. It makes sense that they are taken over by SANParks," she said.

A task team to investigate the efficacy of each of the public companies, and whether or not they were necessary, was under way.

"This is a two-phase stringent process. The task team has been established. There are legal implications. Most of these agencies have legally constituted boards," she said.

She described the boards as "costly".

The pending Property Development Agency would be shut down immediately.

"That hasn't even been set up yet, so it's easy to do away with it," Scott said, however, it was not her aim to spread panic among the staff of the affected entities.

"Of course those that are critical to the growth of the provincial economy, such as the Dube TradePort and the Richards Bay IDZ, will remain. But we must look at their efficiency."

She said in some instances entities could merge.

"For example, iThala Bank. It's main focus is small business. We have an SME unit inside the department. Why do we need them both?"

Bheko Madlala, spokesman for the MEC for Economic Development, Tourism and Environmental Affairs, Mike Mabuyakulu, would only confirm they were aware that the rationalisation process was under way.

"We know that a process is under way. Until that process is concluded we don't want to comment," Madlala said.

Scott said she had already had meetings with Mabuyakulu.

"I have spoken to the MEC. We have already started working through this. The process will include Treasury, the Office of the Premier and the Department of Agriculture as they are involved as well."

Zamo Gwala, who heads Trade and Investment KZN, said the move was not news to him.

"As you know, there was a task team set up by President Jacob Zuma at national level to investigate this matter," he said.

"It was also discussed at a provincial cabinet level. The discussion is at a cabinet level now. I don't know really what path the discussions are taking."

Gwala said, however, the sooner he was told of the plans, the better.

Scott said while she could not give a deadline for the conclusion of the process, she had instructed the appointed team to move quickly and efficiently to avoid any uncertainty.

"This was a national directive and all the provinces are going through this process," she said.

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## KILLER LOVER GETS BAIL



Sindisive Manglele was granted bail in the high court sitting in Palm Ridge, Johannesburg, yesterday soon after being sentenced to 12 years behind bars for the killing of Nkululeko "Flabba" Habeli. She was granted leave to appeal. As usual, she covered her face in a scarf in an attempt to shield herself from the media as well as Habeli's relatives seated in the front row in the courtroom yesterday. ▶ P4

PICTURE: ANTOINE DE RAS

## No cash for Commonwealth Games, but they will go on

Thami Magubane

KWAZULU-Natal has no money to spend on the Commonwealth Games, scheduled to be hosted in Durban in 2022.

Finance MEC Belinda Scott announced yesterday during her budget speech that the province did not have money for the event.

However, provincial treasury officials pointed out that this did not mean that the provincial government was pulling out, or that the event could be cancelled.

"At this point I need to state that this province is not in a position to fund the Commonwealth Games - which is a national event," Scott said.

"Provincial Treasury has escalated this matter to National Treasury for urgent national intervention, in order that national government is made aware that they will need to make provision for this funding pressure."

"Every cent spent in KwaZulu-Natal must be used to service our communities during these tough economic times. (The) government is here to serve the people," said Scott.

In a media briefing, Scott said that about R1.2 billion was supposed to be split between the province and the eThekweni Municipality, with each contributing almost R600 million towards the games.

South Africa was announced as the host of the 2022 Games in an event in Auckland, New Zealand, in September last year, and this would be the first Commonwealth Games held in Africa.

Esethu Hasane, who is the spokesman for the Minister of Sport, Fikile Mbalula, said the preparations for the event were still going ahead.

"A local organising committee is still going to be set up and the ministerial committee to handle the games is still in place," he said.

He declined to comment further, saying more information on the cost breakdown was available on the Durban2022 website.

The documents titled Economic Impact on the website, www.durban2022.com, said the Games were expected to see the spending of R20 billion, translating into a estimated R1 billion GDP growth.

The 2022 Commonwealth Games were expected to attract more international visitors than any previous games, with up to 200 000 visitors expected over the duration.

"The impact on GDP shows the economic benefits in the short term. However, there are also important broader benefits that are expected to leave a lasting legacy tangible," said the documents.

Shonelo Msomi, the media liaison spokesman at the provincial Treasury said: "The Commonwealth Games were not budgeted for. As things stand, the province does not have the money. What will happen is that there will be engagement with the national government until an agreement has been reached," he said.

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