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ENTITIES TO AMALGAMATE OR CLOSE

Provincia fat to be cut

Colleen Dardagan

KWAZULU-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 Ezenvelo 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 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, Ezenvelo, the Richards Bay Industrial Development Zone, Dube TradePort, the KwaZulu Natal Film Commission, Trade and Investment KZN, the Sharks Board and Amafa, among others.

"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, 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.

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 SMME 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 that they were aware that the rationalisation process was under way.

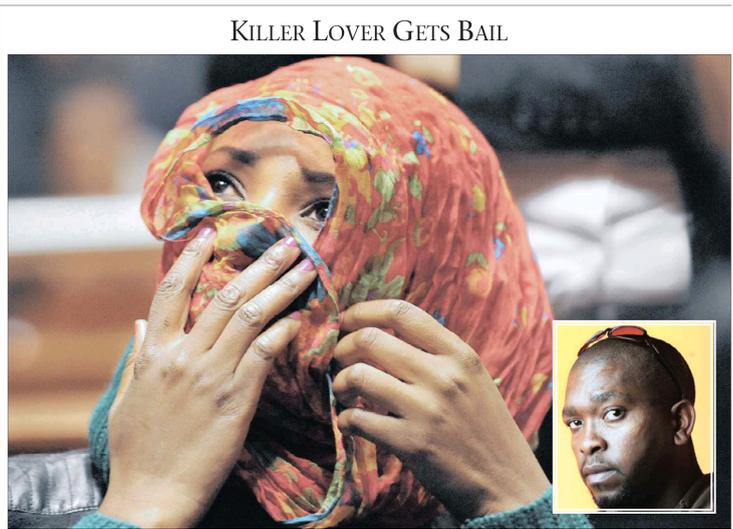
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KILLER LOVER GETS BAIL

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 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.

Funds would be prioritised for service delivery and the matter had been escalated to the national treasury.

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 inter-

vention, 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.

Eestha 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.

In its breakdown of costs, the document says there will be about R1.7 billion in infrastructure investment and contribution.

Another R400 million was for the upgrading and construction of stadiums and facilities and other event venue contributions.

"The legacy will be derived through infrastructure development, additional housing, stadium and facilities upgrades, urban mobility and improved telecommunications, among others," said the document.

Shonele 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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Another ANC heavyweight breaks with Zuma

Luyolo Mkontane

ENOCH Godongwana has become the latest high-ranking ANC official to break ranks with the ruling party over President Jacob Zuma's administration and his style of leadership.

Yesterday, Godongwana, a critic of Zuma, called on the masses to march against the "nonsensical" government.

The chairman of the ANC economic transformation committee addressed the political school of the Police and Prisons Civil Rights Union in Boksburg yesterday, when ANC secretary-general Gwede Mantsho failed to attend.

The former deputy minister of economic development asked, if there were journalists in the room as some things he would be saying

were "career-limiting".

Godongwana then fired the first salvo, saying a comrade had once told him it was abhorrent for ANC cadres to march against its government.

To which he asked: "Xzibhedza uyo sigenyomer shela? If it's bad, why can't we march against it?"

"We've got to go back to the streets and march against our government when it's making nonsense, but march in support of our government when it's doing good things."

For the radical economic transition to work, he said, a functioning state free from corporate "capture" was needed. "If we don't have a

functioning state, comrades, *kanakole* (things will be bad). We've got to get our ethics right."

There have been growing concerns in the ANC-led tripartite alliance about the Gupta family's influence on government decisions, and how they can't we march against it?

proximity to Zuma to score business from the state. Godongwana said while some democratic gains had been made since the dawn of democracy 22 years ago, the government was scoring some spectacular own goals.

"Through our own goals we are undermining the process of democratic consolidation." Zuma came under intense pres-

sure late last year to change his decision to appoint little-known backbencher MP David van Rooyen as finance minister after the unceremonious sacking of Nkhosha Nene, which wiped billions of rands off the economy.

The president's decision was met with strong criticism from an ANC veteran and former minister of health and public enterprise, Barbara Hogan, who characterised Zuma as a man who had crossed the line and needed to be held to account.

Godongwana, who was Hlogoi's deputy in Public Enterprises, touched on the controversial Taxation Laws Amendment Act, saying the ruling party was never consulted on the matter.

@luyolomkontane P4

What KZN government plans to spend this year vs last

	2016/2017	2015/2016
Office of the Premier:	658 644	737 294
Provincial Legislature:	518 652	479 262
Agriculture/Rural dev:	2 170 644	2 292 480
Economic Development:		
Tourism and Enviro Affairs:	2 702 992	2 997 119
Education:	45 464 373	43 162 070
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:	9 271 940	9 166 637
Social Development:	2 778 162	2 711 615
Public Works:	1 432 608	1 423 344
Arts and Culture:	786 472	888 770

TOTAL budget allocation for 2016/17, R109 006 041 compared with a total allocation of R104 960 947 in the 2015/16 financial year. The MEC for Finance in KwaZulu-Natal, Belinda Scott, said the budget allocation for both health and education was a priority. She said one of the main issues relating to the health allocation was the weakening of the rand by about 45% against the US dollar since January last year. "As a result we have to find a further R1.8 billion for the Department of Health as all medicines are imported."

Scott predicted that the rand would weaken by another 20% against the dollar in the coming months. All government posts were frozen unless designated as essential to the provision of priority services. A contingency reserve was set at the same level of the 2015/16 financial year at R750 million. Scott said she had also put forward a "strong argument" to have the provincial legislature budget "elevated" to the national budget. - Colleen Dardagan

