

Cabinet Statement



Cabinet held its virtual Meeting on Wednesday, 24 June 2020

CABINET DECISIONS



■ South African Airways (SAA) Business Rescue Plan

- Cabinet received a progress report on the SAA business rescue process from the Inter-Ministerial Committee (IMC) on the SAA, chaired by Public Enterprises Minister Pravin Gordhan.
- Cabinet maintains that a positive vote from creditors to finalise the business rescue process is still the most viable and expeditious option for the national carrier to restructure its affairs, which include its business, debt and other liabilities.
- Cabinet believes a restructured airline will pursue the transformational agenda such as the lack of opportunities for the advancement of black pilots, after 26 years into our democracy.
- It supports the proposal for a new airline and the concerted efforts to mobilise funding from various sources, including from potential equity partners for the uptake of the new airline.

This is the only realistic pathway for a new viable, sustainable, competitive airline that can provide integrated domestic, regional and international services.

■ Economy

- Cabinet welcomes the 2020/21 supplementary adjustments budget delivered by Finance Minister Tito Mboweni on Wednesday, 24 June 2020. This was necessitated by the Coronavirus Disease (COVID-19) pandemic and the resultant economic downturn.

The Supplementary Budget sets out a roadmap to stabilize debt by improving our spending patterns and creating a foundation for economic revival.

- Cabinet is optimistic that the commitments announced by Minister Mboweni will put our economy firmly on a solid and sustainable path, particularly if everyone joins government in implementing them.

■ Update on COVID-19

- Cabinet received a progress report from the National Coronavirus Command Council. As part of responding to the enhanced risk adjusted Level 3 of the national lockdown, amendments to the regulations, in terms of the Disaster Management Act, 2002 (Act 57 of 2002), were presented.
- Whilst Cabinet appreciated the extensive work still being done to maintain a balance between sustaining livelihoods and saving lives, it approved the gazetting of the amendments relating to the opening of restaurants, hotels and casinos.

Cabinet reiterates the call to all of us to work together to stop the spread of infections within our communities by observing the health protocols such as regularly washing hands, social distancing and wearing a mask when in public.

■ Gender-Based Violence (GBV)

Cabinet is extremely concerned about the spike in GBV cases across the country. Following the recent spate of murders of women and children, it has called on all people in South Africa to unite and work together to stop this carnage.

- Cabinet commends law-enforcement agencies for their swift action in arresting some of the suspects and has urged the agencies to continue working tirelessly to arrest all those involved in these gruesome murders.
- Cabinet is unwavering in its commitment to fully implement a range of interventions developed from the National Strategic Plan on GBV and Femicide. The IMC chaired by Minister in The Presidency for Women, Youth and Persons with Disabilities, Ms Maite Nkoana-Mashabane,

continues to drive the multi-disciplinary government interventions. However, the most effective intervention requires all South Africans to play their part in ending the culture of violence against the most vulnerable members of society.

■ Sustainable Infrastructure Development Symposium of South Africa (SIDSSA)

- Cabinet welcomes the inaugural SIDSSA held virtually this week, under the theme: "Investing in infrastructure for shared prosperity: now, next and beyond".



SIDSSA is a platform that brings together critical role-players in the infrastructure investment space, who are galvanised around a key goal of accelerating an infrastructure-led economic recovery plan. Infrastructure intervention remains a catalyst to South Africa's economic recovery package.

- Through this process, a total of 276 projects have already been evaluated. These form part of catalytic infrastructure investment projects with a multiplier effect in creating employment opportunities and boosting the economy.
- Eighty-eight of these projects are investment-ready and include industries with proven superior multiplier effects in energy; water; transport; information and communications technology infrastructure; human settlements; agriculture and agro-processing.
- These projects will be funded mainly from either of the three streams – commercial, blended financing and fiscal allocations.
- As part of the economic recovery package, the country's spirit of public-private collaboration continues to focus on addressing spatial disparities, transforming the economy and creating much-needed jobs.

Enquiries:

Ms Phumla Williams

Cabinet Spokesperson

Mobile: 083 501 0139

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Minister of Finance

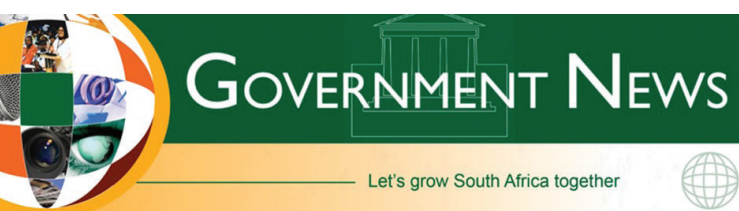
TITO MBOWENI

during the delivery of the SUPPLEMENTARY BUDGET SPEECH on 24 June 2020:

"The storm is not over. But, if we follow the health guidelines and make the right decisions to prepare for a new global reality then, soon enough, the days will grow calmer and our national Aloe Ferox shall go into the new day healthy and strong."

THE COVID-19 SHOCK AND THE REVISED ECONOMIC OUTLOOK

1. Over the **past several months**, the COVID-19 pandemic and the **emergency health response** have brought about a **severe global recession**.
2. **Real GDP growth** in South Africa is expected to plummet by **7.2 per cent in 2020**, primarily due to restrictions on economic activity to **contain the spread of the virus**.
3. **Strengthening South Africa's competitiveness** in a post-pandemic world will require a **new social compact**, decisive action to stabilise debt and **narrow the budget deficit**, and determined implementation of reforms that **improve the structure of the economy**.



REPORT GENDER BASED VIOLENCE

Communities have been urged to work with the police and report any tip-offs to the Crime Stop Hotline on 08600 10111 or send an anonymous SMS to Crime Line on 32211, or to call the Gender-Based Violence Command Centre on 0800 428 428.

Know and Share these contact details:

- Gender Based Violence Command Centre: **0800 428 428** or ***120*7867#** from any cell phone
- Persons with disabilities, SMS 'help' to **31531**
- Women Abuse Helpline: **0800 150 150**
- Child line: **0800 055 555**
- SAPS Crime Stop: **0860 10111**

The ongoing onslaught on the women and children of South Africa must stop!



#COVID19 infection control is our combined responsibility

"Unless our citizens themselves take responsibility for COVID-19 infection control, we will not be able to win."

- Dr Zweli Mkhize, Minister of Health



Covid-19 Back to School Checklist

LEARNING ABOUT MASKS

- ✓ Have at least two cloth masks.
- ✓ Wear the cloth mask all the time.
- ✓ Once you put your mask on, don't touch it until you take it off.
- ✓ Try to only touch the straps.
- ✓ Never pull down your mask- not even to talk
- ✓ Make sure your mask is washed as soon as you take it off at home.
- ✓ Dry it in the sun and iron it to kill germs.



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Let's Grow South Africa Together

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