

**Address by the Premier of the Northern Cape Province, Ms Sylvia Lucas, on
the occasion of the tabling of Budget Vote 1,
at the Northern Cape Provincial Legislature,
19 May 2016**

Honourable Speaker and Deputy Speaker

Members of the Provincial Legislature

Colleagues on the Executive Council

**Chairperson and Deputy Chairperson of the Provincial House of Traditional
Leaders – Kgosi Bareki and Kgosi Toto**

Executive Mayors of District and Local Municipalities

The Director General, Management and Staff of the Provincial Government

Members of the Media

Distinguished Guests

Ladies and Gentlemen

It gives great me pleasure indeed to present to this House the Budget Vote of the Office of the Premier - Vote 1 for the 2016/2017 financial year. I am presenting this Budget Vote against the backdrop of significant historical events that have shaped the constitutional democracy our forebears fought so hard and died for.

It is fitting, **Mr Speaker**, that I am delivering this Budget Vote in the month we are celebrating Africa Day which marks the establishment of the Organisation for African Unity on 25th May 1963 - the fore-runner to the African Union of which South Africa is a proud member. On Africa Day we the people of the Northern Cape, South Africa and Africa re-commit ourselves to what Pixley Ka Isaka Seme so eloquently called **“the regeneration of Africa – the most thoroughly spiritual and humanistic – indeed a regeneration moral and eternal”**

Honourable Speaker

The last 22 years have totally changed the face of South Africa and indeed that of our Home Province, the Northern Cape. The country that was once the minority

ruled pariah of the world has evolved into a thriving democracy which enjoys healthy fraternal ties with much of the global community of nations.

Our Constitution enjoys international acclaim and on 08 May this year we marked the 20th anniversary of its adoption by both houses of Parliament. Our democracy is on track and indeed the Northern Cape as well! We will never allow ourselves to be derailed!

Honourable Speaker, we carry the hopes of the vast majority of the people of the Northern Cape. We remain focused on the responsibility of working to achieve a truly united, non-racial, non-sexist and prosperous society. This Budget Vote will certainly take us further towards the implementation of South Africa's plan – a plan of where we should be in 2030; that plan is called the National Development Plan which calls on us to work together to forge a social compact to advance on the challenges that are holding us back. It will not be easy and at times, sacrifices will have to be made, especially within the parameters of the prevailing economic climate. **Moreover**, that which is heartening is that the people of the Northern Cape are resilient and endless possibilities exist for our collective advancement.

As government, we are not immune to the effects of the meltdown and we have to make adjustments to strike a balance between competing priorities, hence the presentation of this Budget Vote under trying economic circumstances.

The Treasury stated that the ANC led government will continue to demonstrate its commitment to translate plans into concrete actions that will ensure South Africa remains an investment-grade country. On another positive note, the recent dialogue between government and social partners could catalyse and offer encouragement to our efforts to invigorate growth of our economy.

As a country, and indeed as government, we should be encouraged by the confirmation that our country in all probability, is approaching a turning point after several years of slowing growth; that the 2016/17 budget and the medium term fiscal plan would stabilise and eventually reduce government debt, and that recent developments in society generally bear testimony to the underlying strength of South Africa's institutions that support our democratic order.

Ladies and Gentlemen

A global economic rating agency, namely Moody's, recently acknowledged that there was an optimistic expectation that South Africa's economic growth would gradually strengthen after reaching a trough this year as the various supply side shocks that had suppressed economic activity since 2014 were receding; specifically the electricity supply is far more reliable; the drought is ending and the number of work days lost due to industrial action shrunk significantly.

Honourable Speaker, the scenario I have just sketched should give us hope, now more than ever, that our ANC-led government will continue with its resolve to bring about fundamental transformation in a growing and more inclusive economy.

Long term sustainability and stability, **Ladies and Gentlemen**, require this from us, as do fiscal discipline, policy certainty and strengthening of the link between policy formulation, budgeting and actual performance.

Honourable Speaker, as you may be aware that since the inception of democracy, this government has worked tirelessly to transform the South African economy, through fundamental macro-economic reforms, into a robust and vibrant economy characterised by good monetary and fiscal policy. The sound policies have inevitably resulted in a prolonged period of uninterrupted economic growth unprecedented in the history of our country.

In his 2016 Budget Speech, Minister Pravin Gordhan noted that the institutional foundations of our economy remain resilient and he cited, amongst others, our macro-economic policy, inflation targeting, well capitalised banks and financial institutions, our strong constitutional and legal framework, excellent universities and a thriving private sector.

Ladies and Gentlemen

The Office of the Premier has the legislative mandate to coordinate and facilitate the work of provincial government, which among other policy imperatives, bases its work on the principles of the National Development Plan as the Blue Print of government's vision for a peaceful, prosperous and economically viable country.

Our mandated is further translated and directed by the Medium Term Strategic Framework for the period 2014 – 2019, which is implemented on an outcomes-based approach.

In furtherance of its objectives, the Office of the Premier drives two critical outcomes, namely:

Outcomes 12 – An effective, efficient and development-oriented public service; and Outcome 5 – A skilled and capacitated work force.

The functioning of the Office of the Premier is divided into three programme areas, namely:

1. PROGRAMME 1 : ADMINISTRATION
2. PROGRAMME 2 : INSTITUTIONAL DEVELOPMENT
3. PROGRAMME 3 : POLICY & GOVERNANCE

Being cognisant of the current economic challenges, it is understandable that the total budget allocation for 2016/17 for the Office of the Premier is **R209.2 million** – **R2.29 million** lesser than last year's allocation of **R211.5 million**. Obviously we have no option but to be realistic and continue to provide services to our communities in an effective and equitable manner.

Programme 1. Administration.

The principal objective of Programme one is to ensure effective and efficient administrative support services to the Office of the Premier. To this end, R99.1 million has been set aside in the budget. Of this total amount, funds are apportioned to various Sub-programmes, amongst others, Financial Management support, Security and Records Management, the Provincial Aids Council and the Executive Council support

In partnership with critical stakeholders such as the Department of COGHSTA, the Auditor-General and Provincial Treasury, we will continue to spearhead our collective endeavour to enhance financial management at municipal level through the "Operation Clean Audit" Forum under the auspices of the "Back to Basics" project.

To this end R99.1 million has been set aside in the budget. Of this total amount, funds are apportioned to various Sub-programmes.

Mr Speaker

The aim of the Director General's Support Unit is to provide strategic, administrative and operational support to the Director-General to enable his office to execute the general co-ordination of the provincial government's activities in furtherance of achieving Government's 14 Outcomes.

Moreover, in partnership with critical stakeholders such as the COGHSTA, the Auditor-General and Provincial Treasury, the Director-General will continue to spearhead our collective endeavour to enhance financial management at municipal level through the "Operation Clean Audit" Forum under the auspices of the "Back to Basics" project.

Ladies and Gentlemen

It is our considered view that the Financial Management Unit is an indispensable component in the smooth and efficient running of the entire Office of the Premier.

Ladies and Gentlemen

It gives me great pleasure to acknowledge that under the counsel and leadership of the Director-General, the Office of the Premier received a financially unqualified opinion with no material audit adjustments for 2014/15

In addition, the Auditor-General's office formally indicated their satisfaction at our non-financial performance information which did not necessitate any material adjustments.

Moreover, Honourable Speaker, The Office of the Premier was instrumental in formally engaging with the Auditor-General and we continue to do so on a quarterly basis in our quest to achieve a so called clean auditor a financially unqualified audit with no findings. Our interaction occurred subsequent to the completion of special audits on supply chain management and I am quietly optimistic that the Office of the Premier will receive a clean audit for the 2015/16 financial year.

Ladies and Gentlemen, there however remains a challenge that needs to be resolved and that is the question of irregular expenditure purely from an auditing perspective. While not condoning this practice in any manner whatsoever, we will endeavour to improve efficiency and good governance exercising extreme caution by way of ongoing vigilance, monitoring and foresight.

Programme 2. Institutional Development.

This programme is responsible to strategically lead the province towards long term planning for human capital, towards a development orientated public service and to provide legal advisory services.

Underpinned by outcome 12, this objective seeks to create an efficient, effective and development-oriented public service in the advancement of its obligations to serve the people of the province in an equitable and efficient manner, while simultaneously ensuring that we have a skilled and capacitated work force at all levels in the administration. This year we will incrementally build capacity within the Office to provide centralised support services in areas such as ICT, Legal, Labour Relations, Employee Health and Wellness, Efficiency Services, Diversity Management and Communications.

As such this programme is allocated an amount of **R73.5 million for the 2016/17** financial year.

Honourable Speaker, Ladies and Gentlemen

Strategic Human Capital Development drives the activities relating to facilitating and co-ordinating capacity development in the Northern Cape. We are aware that there is an on-going need to upgrade skills in advancing the competitiveness and growth of the Provincial economy.

Therefore it is important to mention that **R15.2 million** has been set aside for the Premier's Bursary Trust Fund to make higher education opportunities available on a full-time basis for the youth of the Northern Cape that possess academic potential but do not have the means to realize it.

For the 2016 academic year, funding was made available for 280 new students and 294 continuing students in various tertiary institutions in the Northern Cape and

elsewhere in South Africa. That which is indeed satisfying is that 51 students are expected to complete their studies in 2016.

In order to gauge the important role the Premier's Bursary Trust Fund is playing in developing our youth, kindly allow me to read words of appreciation we have received from some of them:

"My name is Eustin John Van Wykand I am of Coloured descent living in Douglas (NC PIXLEY KA SEME).I completed my studies in 2015 with a B Education Degree and I am currently working at Hoërskool Riverside in Douglas. Thank you for the financial help that you offered me, I really appreciate it".

"I am Monyobo Tshiamo. I hope I made you proud, I am a female, African from Kimberley in the Frances Baard Region. Thank you for investing in me at a crucial time in my life which has shaped, groomed and geared my professional career to heights I would not have been able to access on my own. You have walked with me on this journey to achieving my goal of graduating with an LLB Degree".

"I am Dr.Mariete Pieterse, a white female from the Northern Cape, Namaqua District. Thanks for the financial assistance from the Northern Cape Premier's Education Trust Fund, I qualified as a dentist in 2013 at the University of the Western Cape. Although I have to repay the loan to the Trust Fund, it is interest free, and without it, my dream of becoming a Dentist would not have come true.I want to thank the Trust Fund for helping an ambitious young girl become the person she is today".

It is quite apparent that the quest for better education and the struggle for a free South Africa by the Youth of 1976 was not in vain. The sentiments of these students certainly give glorious expression to the sacrifices made by the Class of '76.

From an auditing point of view, **Mr Speaker**, the Premier's Bursary Trust Fund received an unqualified opinion for the 2015 financial year and in this regard, I extend my gratitude to the Fund's management and staff for a job well done!

At this juncture ladies and gentlemen, allow me to acknowledge the generosity of the Northern Cape Mine Managers Forum who have sponsored us with an amount of R250 000 in support of needy students.

From the skills development budget which constitutes 1% of the payroll, seven training interventions were conducted during 2015/16 and 109 employees within the Office of the Premier benefited from them. From the 109, seven Officials underwent a Compulsory Induction programme that is mandatory training for all new entrants to the Public Service.

Thirty nine employees were offered bursaries and 5 of them completed their Degrees/ Diplomas and others progressed to higher levels.

The Office of the Premier continues to lead and coordinate capacity development initiatives in an integrated and collaborative manner in pursuit of an efficient, effective and development-oriented Public Service. As such, the Office of the Premier facilitated and coordinated the Indian Technical Economic Cooperation (ITEC) and Special Commonwealth Assistance for Africa Programmes (SCAAP) initiated by the Government of India under the BRICS partnership arrangement. Sixteen Northern Cape government officials participated in the ITEC & SCAAP Certificate and Masters programme in India so far. We are proud to announce that through this initiative, one of our officials, Ms K. Morwengan Admin Officer at the Department of Sport, Arts and Culture, completed her Masters Degree in Planning and Development in January 2016.

Furthermore Honourable Speaker, the office created internship opportunities for four unemployed graduates from the same budget and another four were placed in the Human Resource Directorate for workplace integrated learning. These initiatives are in line with government policies aimed at affording unemployed learners the opportunity to gain workplace experience.

Fiftyunemployed learners were recruited and placed on an Accounting Technician Learnership through a partnership between the Office of the Premier, Public Sector Education and Training Authority and National Treasury. Training of these learners commenced in January 2016.Thirty five of the learners are placed in Kimberley and fifteen in Upington.

From the 2016/17 skills development budget, the Office has set a target to train and develop 40% of the total staff establishment through skills development programmes and initiatives. The office has planned to develop twelve Senior Management

Services members based on the Directive on the Compulsory Capacity Development of SMS Members. In addition, 15 new bursaries were awarded to employees for further studies and priority was given to employees with no post-matric qualifications.

Honourable Speaker

The Office has set aside funding to place 5 unemployed graduates in the Internship programme and another 5 for Work Integrated Learning. Four members of staff have been enrolled in a Monitoring and Evaluation Programme which is being offered by Wits University. This is a partnership comprising the Office of the Premier, Department of Planning Monitoring and Evaluation and Public Sector Education and Training Authority.

The Office has also entered into a Memorandum of Understanding with Education, Training and Development Practice which will see the training of 50 disabled learners in the province. Funding will include tuition fees as well as a stipend of R2 000 per learner per month. The duration of the programme will be six months and learners will be recruited from ZF Mgcawu and John Taolo Gaitsewe Districts.

War on Leaks Programme Phase 2

In our quest to drastically curb water loss in a water scarce province we have partnered with the National Department of Water and Sanitation to roll out a training programme entitled war on leaks for 740 unemployed youth across the province. They will be trained as water agents, plumbers and artisans in order to assist with the eradication of water losses in the municipal and household environment. The duration of the training is of an interrupted period of 3 years. Upon completion the training programme will be accordingly accredited and opportunities exist for these young people to go into business or seek formal employment. It is pleasing to note that the water agents will receive a monthly stipend of R2000 and the Artisans and plumbers will receive a stipend of R2500 per month.

Three priority municipalities have been identified based on the reported high non-revenue water losses as per the last report by the Water Research Commission. These municipalities are Dikgatlong (60), Sol Plaatje (250) and Joe Morolong (135).

It is thus imperative that the bulk (60%) of unemployed youth will be trained under this program be recruited from those municipalities.

Discretionary allocations (40%) will be made to Emthanjeni (45), Umsobomvu (35), Namakoi (50), Gasegonyane (82) and Khara-Hais (83).

The interview process to select the trainees is underway and commenced in Kimberley on the 15 May 2016 and end in Gasegoyana and Joe Morolong on the 22 May 2016. There has been an over whelming number of applications in all mentioned areas and therefore cannot accommodate all, thus the interview selection process.

Provincial Youth Summit and Expo 2016

As part of prioritising youth development and related programmes, the Office of the Premier, in partnership with the Presidency, the NYDA and other key stakeholders, will be hosting the Provincial Youth Summit and Expo 2016, from the 9 to 11 June 2016 in the ZF Mgcawu District. Five hundred (500) unemployed youth/graduates from all five Districts are expected to attend the Youth Summit and on the 11 June. all in school and out of school will attend the Expo. The Deputy President, Mr Cyril Ramaphosa and other cabinet Ministers will engage with the youth on the 11 June and I hereby issue an early invitation for all youth to attend.

Ladies and Gentlemen

The Premier's Service Excellence Awards will be held in October this year to reward excellence in service delivery as a way of recognizing and rewarding officials with exceptional performance. In encouraging all employees to give off their very best in the execution of their tasks, I am indeed encouraged by the camaraderie and diligence displayed by the staff in the Office of the Premier on an ongoing basis.

Ladies and Gentlemen, allow me to spend a little time on this subject

The chief intention of Special Programmes is to mainstream and co-ordinate programmes to foster the welfare and well-being of women, children and people with disabilities. It also seeks to address inequalities experienced by these sectors of Northern Cape society.

Through its activities, the Office on the Status of Women ensures that women are included in all processes of consultation, policy formulation and decision making to advance gender equality. For instance, our specific target in the 2016-17 annual performance plans is for women to occupy 50% of the total senior management team in the Office of the Premier over the planning horizon. We have also set specific targets to monitor and coordinate departments within the Provincial administration to ensure that departments comply with targets set by government concerning women representation in senior management. In a joint effort between Provincial Treasury and Office of the Premier, supply chain management compliance infrastructure will be developed during 2016-17 to ensure that specific targets are included in 2017-18 plans to promote women advancement on the acquisition of goods and services by the government within the parameters of existing SCM regulations.

Moreover, the critical role that women and small business can play to develop the economy is crucial in contributing to lasting prosperity in the Northern Cape. To this end, **R4.4 million** has been allocated to Mme Re Ka Thusa Women Development Trust. The Trust was established to assist previously disadvantaged women on economic empowerment initiatives in the Northern Cape and has provided loans to 25 women-owned businesses. These industrious women, within the context of their circumstances, would not have secured loans from the formal banking sector. We are indeed pleased to announce that this Trust received a financially unqualified audit opinion. This praiseworthy achievement is in keeping with our stated intention to ensure on-going financial accountability in spending public funds.

In addition, **Ladies and Gentlemen**, the Trust provided business management training to these women entrepreneurs who are making an invaluable contribution in creating employment opportunities. We will be hosting later in the year, through the Trust a women in business conference and an award ceremony for women who excel in their business.

Ladies and Gentlemen

Programme 3 : Policy and Governance.

The principal objective of this programme, Ladies and Gentlemen, is to strategically provide effective and efficient service delivery through intergrated planning, performance monitoring, intervention and evaluation, Policy Management, Coordination and Research.

In essence the work of this programme is substantially influenced by the goals and objectives of the National Development Plan, as well as the Medium Term Strategic Framework (MTSF 2014-2019).

Honourable Speaker.

In the advancement of its objectives from a developmental perspective, **R36.6 million** has been set aside in the 2016/17 financial year to support and fund this programme and its sub-programmes, amongst others the Office on the status of Persons with disability, Office on the rights of the Child and Moral Regeneration Movement

Ladies and Gentlemen

When the National Development Plan was tabled by the erstwhile Minister in the Presidency, Mr Trevor Manuel, on 11 November 2011, the opening sentence of the foreword read as follows: "Masupatsela! We chart a new course – we write a new story".

As part of a new course and the writing of a new story, we saw the realisation thereof when President Jacob Zuma announced the Spatial Planning and Land Use Management Act, Act no, 16 of 2013, on the 2nd of August 2013. Reversing the spatial effects of apartheid planning is among the critical challenges identified by the National Development Plan, and is considered as non- negotiable for the democratic government and administration.

Indeed, this piece of legislation should be viewed in the context of cooperative governance and enhancing the interaction of the different spheres of government.

The Office of the Premier will lead all processes in terms of coordinating and monitoring to ensure that the province discharges its mandate as per the Act, with the ultimate intent of advancing the National Development Plan and addressing the spatial imbalances of the past.

Mr Speaker

The transfer of the co-ordination of Strategic Plans and Annual Performance plans from Provincial Treasury to the Office of the Premier was successfully concluded in the 2015/16 financial year with the Office of the Premier taking full responsibility for leading and co-ordinating the Strategic Plan and Annual Performance Planning processes within the administration.

This transfer followed the announcement by the Department of Planning, Monitoring and Evaluation in December 2013, on the shifting of the co-ordination of the Planning function from National Treasury to DPME.

With this shift at national level, it was expected of Provinces to align with national processes by transferring the planning function from Provincial Treasury to the Office of the Premier as from the 2015/16 financial year.

Ladies and Gentlemen

The success of the co-ordination of all related processes within the Province has resulted in the Northern Cape being recognised and acknowledged by the Department of Planning, Monitoring and Evaluation as one of two provinces who have best managed the implementation of the said transfer.

This accolade has positioned the Province to lead the co-ordination and assessment of Strategic Plans and Annual Performance Plans with little support from the national Department of Planning, Monitoring and Evaluation.

It is therefore imperative that the deliverables of the 2014-19 Medium Term Strategic Framework are incorporated in Provincial Plans and that the deliverables are monitored regularly to address the challenges to service delivery.

Huge strides have been taken by the Office of the Premier in the 2015/16 financial year in institutionalising the Programme of Action relating to the 2014-2019 Medium Term Strategic Framework.

This progress includes the development of the Provincial Programme of Action for the period 2014 to 2019, and monitoring of the implementation thereof through quarterly performance reporting.

By the 3rd quarter (April – December 2015) of the 2015/16 financial year, the implementation of the Provincial Programme of Action stood at 60%. This reflects that the Province is striving and working to deliver on its commitments.

Honourable Speaker

Improving the development of plans and alignment to the Medium Term Strategic Framework will be further strengthened in the Province through mechanisms and structures directed at improving planning and budgeting processes, thereby providing the citizens of the province value for money and integrated services of high quality.

Through the co-ordination of the implementation of the Service Delivery Improvement Plans of all departments, the Batho Pele programme complements the Government's overall programme that seeks to promote basic values and principles governing public administration as enshrined in the Constitution, (Chapter 10 Section 195).

The Constitutional principles **Honourable Speaker**, sets the platform for the development of the norms and standards relating to the efficient management of the public service, as well as providing direction in serving the citizens of the country. Through the monitoring of the Service Delivery Improvement plans, the Office of the

Premier will ensure that there is sustained focus on addressing service delivery challenges and obstacles.

Allow me, **Honourable Speaker**, as I conclude, to express our deep gratitude to the thousands of citizens, who registered to vote during the two weekends that were set aside for registration by the Independent Electoral Commission. The next step is for all the people of the Northern Cape to go out in their multitudes to exercise their democratic right to elect public representatives of their choice on 03 August 2016.

Honourable Speaker, Ladies and Gentlemen

I am obliged to mention a special and extremely rewarding partnership that we have with Standard Bank. Last year, we requested the building of eight houses for indigent families. They agreed to do so without the blink of an eyelid. They are repeating their generosity this year with the construction of a further eight houses and for this we are deeply thankful.

Agbare Speaker laat my toe omhuldet bring en opregte dank uittespreekteenoor:

- Die ANC vir die rigtinggewendeleierskap en vertroue in my omhierdieportefeuljete lei and for continuing to listen to the plight of our people, especially the marginalised and the impoverished.
- Dankieookaan my kollegas in die UitvoerendeRaadvirhulhulp en bystand. Dit is voorwaar 'n besonderevoorregomdeelteweas van 'n span watregtig die "slogan" uitleef, naamlikdeursaamtewerk, kanonsmeerdoenvir die mense van onspragtigeprovincie.
- Both the Portfolio Committee on the Office of the Premier and the Standing Committee on Public Accounts for their continued support and guidance to our Office
- My appreciation also goes to the Director General – Mr Justice Bekebeke, the Chief of Staff and team in the Ministry, the Senior Management and the entire staff of OTP for their dedication, unwavering support and commitment in pursuing our vision of a ***“Prosperous province with a quality life for all”***.

- ***And, most importantly the people of the Northern Cape for their support and endeavours in contributing to a stable and peaceful province***

Ladies and Gentlemen, it would be remiss of me not to thank my family for their on-going support and encouragement, especially during trying times.

You can rest assured that I will count on each of you for solace and comfort after a strenuous day at the office.

Mr Speaker, it is my sincere conviction that together with my colleagues on the Executive Council, we will strive to yield economic prosperity, peace and stability for all. With this Budget Vote, **Ladies and Gentlemen**, we will under the leadership of the African National Congress, endeavour to advance unity in diversity and unity of purpose to make our Home Province a better place to live and work in!

Ladies and Gentlemen, I can confidently say, that the Office of the Premier, thus far, has fulfilled major aspects of its mandate while simultaneously being mindful that much more work still has to be done. As an inclusive government, we will do our best to realise our full socio economic potential together with all sectors of society, especially the downtrodden, marginalised and ordinary citizens of this vast and beautiful province we call home.

Honourable Speaker, we hereby table the Budget Vote of the Office of the Premier (Vote 1) for the financial year 2016/17.

I thank you!

Baie Dankie!

Enkosi!

Kea leboga!