

**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,
12 May 2015**

Mr Speaker and Deputy Speaker

Members of the Executive Council

Members of the Provincial Legislature

Mayors and Councillors

Traditional Leaders

Members of the media

Distinguished Guests

Comrades and Friends

Ladies and Gentlemen

Mr Speaker, I am indeed honoured to present to this esteemed House the Premier's Budget Vote for the 2015/16 financial year. I am delivering this speech against the backdrop of our beloved country having celebrated 21 years of nationhood about two weeks ago. Indeed, Mr Speaker, in celebrating 21 years of democracy, we are also celebrating the remarkable gains we have made in a relatively short space of time.

Whilst impressive achievements have been recorded over the past 21 years, we are obliged to acknowledge that associated challenges must be diligently addressed.

At the same time, we are gearing up to commemorate 60 years of the adoption of the Freedom Charter on 26 June 2015. President Nelson Mandela described the Freedom Charter as, “A mixture of practical goals and poetic language. It captured the hopes and dreams of the people and acted as a blueprint for the liberation struggle and the future of our nation”.

President Mandela further stated that it was a revolutionary document precisely because the changes it envisioned could not be achieved without radically altering the economic and political structure of South Africa. The Freedom Charter remains the people’s collective vision for the future.

Mr. Speaker,

May represents Africa Month and the celebration of Africa Day, the day when the Organisation of African Unity (OAU), the precursor to the

African Union (AU), was formed in 1963. This day acknowledges the progress that we, as Africans, have made, while reflecting upon the common challenges we face in a global environment.

The African Union, comprising of 53 member states, has brought together the continent of Africa to collectively address the challenges it faces, such as armed conflict, climate change, and poverty.

South Africa is an integral part of the African Continent and for this reason our country will this year pay tribute to Africa Day within a month-long celebration. The Africa Month programme will strengthen the socio, cultural, economic and political relations among African nations. We understand and remain committed to the fact that our national interest is intrinsically linked to the entire continent's stability, unity and prosperity.

The Minister of Arts and Culture, Mr. Nathi Mthethwa recently announced South Africa's month-long programme that will feature all aspects of arts, culture and heritage. The Month will be celebrated through a variety of activities under the theme: "***We are Africa***" – ***Opening the doors of learning and culture from Cape to Cairo***".

The activities will also aim to support the AU 2015 theme: - "Women Empowerment and Development towards Agenda 2063". At a

Provincial level, we are also rolling out a similar programme through the Provincial Department of Sport, Arts and Culture. The details will be publicised through the different mediums.

Mr. Speaker,

The late architect of the Organisation of African Unity Kwame Nkrumah once remarked “Revolutions are brought about by men who think as men of action and act as men of thought’, the recent acts of Afrophobia by some criminal elements displays that lack of thought on their part.

Over the last few weeks, the image of our country was tarnished as we witnessed with major concern threats to the life of our brothers and sisters from Africa within our South African society. Government has come out and made it very clear that these acts of Aphrophobia are by no means a reflection of our democratic principles. We will not tolerate attacks on foreign nationals in our country. As we celebrate Africa month, we should once more be reminded that our freedom was not delivered on a silver platter but it came with the support of our African brothers and sisters fighting side by side with us to attain it. South Africa owes a great debt to our African brothers and sisters on the continent who stood by us in our historic fight for freedom and justice. People from the continent spared no effort in supporting our fight for freedom and

liberation. We cannot forget their immense sacrifices in hosting our people who were seeking safety and refuge.

Government wishes to remind citizens that not all foreign nationals are living in South Africa illegally, or involved in crime and everyone, whether they are citizens or foreign nationals will be brought to book and face the full might of the law if they are found to be involved in criminal activities. Let us not allow the criminals to drive a wedge between ourselves and our African brothers and sisters. We have always been a nation that talks about our problems and negotiates its response. This approach has always served us well. Responding with violence and anger will never bring an end to challenges nor will it enable sustainable and durable solutions. We need to be consistent with both actions and thought and this has been correctly articulated when Kwame Nkrumah spoke on what it is to be African, "I am not African because I was born in Africa but became Africa."

As the Northern Cape Provincial Government, we wish to thank all citizens that while several attacks on foreign nationals were experienced in other parts of the country, the Province had no such incidents reported. This is a reflection of the spirit of peaceful co existence and

interaction between people of different backgrounds and nationalities. Government remains committed to working with all stakeholders to ensure that there are no attacks on foreign nationals. The Provincial Joint Operational Centres in all nine provinces are hard at work conducting operations aimed at cracking down on crime in order to ensure lasting peace in our communities.

Mr Speaker,

As I present this budget, it reminds us to be mindful of the remarks made by Minister Nhlanhla Nene in his 2015 Budget Vote and it reads as follows:

“Governments, everywhere, face difficult choices because the gap between what is required and what can be afforded is very wide. And so, we have to be steadfast in our resolve to do more, together, with less”.

Minister Nene also mentioned that while the economy had been expected to grow by 2.7 percent, this expected growth had to be revised downward to 1.5 percent.

In addition, Government's debt continued to grow as a percentage of GDP with the concomitant announcement that "fiscal consolidation can no longer be postponed". What this means for all three spheres of government is that there will be budget reductions of R10 billion in 2015/16 and R15 billion in 2016/17 to lower our country's expenditure ceiling.

In understanding this budget vote it is critical for me to mention that the various Departmental Budget Votes delivered by the MEC's form the basis of our Provincial Programme of Action for 2015/16, against that backdrop I will not re-iterate what the various MEC's outlined.

It is therefore against this context that I table the Office of the Premier's Budget Vote this afternoon.

Ladies and Gentlemen,

On numerous occasions both I and Members of the Executive Council displayed tangible proof of how the African National Congress led Government has changed the lives of millions of South Africans for the better, but some opt to overlook these facts. Indeed, South Africa in

general and the Northern Cape in particular is a better place to live in today.

Mr Speaker, the budget allocated to the Office of the Premier for the 2015/16 financial year will enable it to execute its transversal functions in administration, institutional development policy and governance. The budget vote of the Office of the Premier that I present this afternoon, together with the budget votes of MEC's already presented here, will surely move us closer to realising the ideal of an equal society wherein there is economic freedom.

This budget will also seek to bolster the Office's capacity to strategically plan, co-ordinate and monitor the implementation of the priorities identified for the Medium Term Strategic Framework (MTSF) 2014-2019.

With the Office of the Premier being at the helm of government in the Northern Cape Province, it is critical to have in place an ethical, skilled, professional and a capable workforce to advance the government agenda.

Admittedly, this should be the norm across the spheres of government and the strategic role of the Office of the Premier requires sharp minds to drive efficiency and effectiveness in directing the implementation of policy prerogatives that enhance our capacity to deliver quality services.

Mr Speaker,

The final budget allocation for the last financial year (2014/15) was **R 194.7 million**; to enable the Office of the Premier to perform its monitoring and coordinating role in the provincial administration. As at 31 March 2015 reporting date, we spent 99.7% of the allocated budget in executing our mandate.

The 2015/16 initial budget allocation for the Office of the Premier is **R 183.8 million**. This year's initial budget allocation is R 10.9 million less when compared to last year's R 194.7 million final adjusted allocations. Despite all this, services must and will continue to be provided to our people.

The composition of vote 1 is as follows:

- **Programme 1: Administration. R 79, 2 million**
- **Programme 2: Institutional Development. R 66, 8 million**
- **Programme 3: Policy & Governance. R 37, 8 million**

The overall objective of the Administration programme is to render administrative and financial support to the:

- Premier,
- Executive Council,
- Director General

as well as other internal programmes within the Office of the Premier in fulfilling our legislative and governance responsibilities.

The role of the Premier's Support sub-programme is to provide advisory and administrative support to the Premier in executing her constitutional mandate in the province. The strategic objective of this sub programme is to ensure that the Premier fulfils her constitutional, statutory and political obligations and to implement the electoral mandate. The total budget allocated to Premier's Support in fulfilment of all its strategic functions is **R 14, 4 million**.

Ladies and Gentlemen,

An amount of **R11, 3 million** has been allocated to provide operational, strategic and administrative support to the Director-General to enable

him to execute the overall coordination of government's provincial function to attain the 14 Outcomes (with specific emphasis on Outcome 12). In partnership with key stakeholders such as Provincial Treasury, COGHSTA, Office of the Auditor-General, the Director-General will continue with the provincial effort to improve financial management at local government through the 'operation clean audit' forum.

The Security and Records Management Unit ensures that there is accountability and enhanced transparency through the implementation of sound Records Management Systems, telecommunications and messenger services. The unit also contributes to improved productivity through provision of a safe and secure working environment. This unit has received an allocation of **R8.6 million**.

Mr Speaker,

No office can exist without sound financial management and the financial Management Unit is always up to the task. **R 34.1 million** has been allocated to this unit to enable it to provide financial accounting, management accounting, Supply Chain Management and asset management services to all internal programmes of the Office of the Premier. Financial accounting responsibilities of the unit include compilation of four interim financial statements culminating in the annual

financial statements that are presented to the Office of the Auditor-General for auditing.

Mr. Speaker,

Under the guidance and supervision of the Director-General and contributions by all units and employees of the Office of the Premier, we received a financially unqualified opinion in the audit of 2013/14 annual financial statements. There is one non-compliance issue, namely that of irregular expenditure that we are addressing as a collective and once this has been overcome, we will achieve a financially unqualified audit with no findings or the so called 'clean audit'. Exceptional circumstances have necessitated the incurring of irregular expenditure and while exercising vigilance on the matter, the situation will be closely monitored in order that the desired management outcomes are achieved.

Ladies and Gentlemen,

In order to continue its existing institutional corporate governance arrangements, the Executive Council Support through secretarial services, provides strategic policy and operational support to EXCO and EXCO Clusters. To enable them to function optimally they have been allocated an amount **R 6, 5 million.**

As a means of ensuring better coordination, R 3.9 million has been set aside to provide administrative and strategic support to the Provincial Council on AIDS (PCA) which is composed of key external and internal stakeholders and chaired jointly by the Premier and the Civil Society Forum Chairperson. The Provincial Council on Aids co-ordinates and monitors the implementation of the multi-sectoral Provincial Strategic Plan on HIV and TB in the Northern Cape. The successful co-ordination and implementation of this strategic plan contributes to Outcome 2 of the Medium-Term Strategic Framework.

Ladies and gentlemen,

An institution's soundness is often measured by its Human Resource Management. The purpose of the Institutional Development programme is thus to strategically lead the province towards long term planning for human capital, towards a development orientated public service and provision of advisory legal services.

Mr Speaker,

The Office of the Premier has as its core responsibility, the need to provide strategic leadership in human resource administration in the

Northern Cape Province. This should be done so as to ensure a diverse, competent and committed workforce that is capable to deliver on Government's mandate. The key focus of the Human Resource Administration and Management unit is thus to manage and co-ordinate the human resource administration function both provincially and in the Office of the Premier. Moreover, it oversees Provincial HR transversal functions in departments. In order to perform this function the unit has been allocated **R 7.8 million**.

R 8, 5 million has been allocated to the unit to implement Human Resource development Strategy for Northern Cape. The unit performs transversal coordination function on human capital development in all government departments and other sectors in the province. Furthermore, the unit facilitates and coordinates employee performance management within the Province and the Office of the Premier.

In South Africa the pool of intermediate level skills, especially artisan skills, is too low to support national and sector development and growth. The workforce is not keeping up with the skills required to remain competitive in an increasing knowledge-based economy. In the Northern Cape there is a need to facilitate the continuous upgrade of skills, to

assist with securing a measurable increase in the artisan, technician and related occupations. Consequently, the Northern Cape Government has linked the development and supply of skills to the anticipated demand of skills arising from major and relevant economic priorities of the province which are in advanced stages of planning and in certain cases, already in the implementation phase. These economic priorities are broad, extending beyond the specific industry and aiming to substantially improve the competitiveness and growth of the regional economy.

To achieve the abovementioned, the Strategic Human Capital Development (SHCD) Chief directorate is closing down on a skills development initiative in Renosterberg of wherein of 250 unemployed learners were trained on various intervention programmes. We partnered with the Safety and Security SETA (SASSETA) to train the unemployed Youth in the following trades: Agricultural (Piggery, poultry and plant production), security, sewing and refrigeration.

Furthermore, the office partnered with MERSETA to train 100 unemployed youth within Pixley Ka Seme District in welding, motor mechanics and jewellery making. The allocation of this project amounted to R 1.134 million.

I am proud to announce that through this unit the Office of the Premier signed a memorandum of understanding for funding with the Local Government Sector Education and Training Authority (LGSETA) for workplace learning. Subsequent to the signing of the MOU, an expression of intention has been signed which will see the placement of 202 interns as well as the up-skilling of 43 employees to qualified artisans. This initiative will be implemented within municipalities within the province. The projected cost of this project is estimated at R11. 5 million.

Through this unit, the Office, is taking advantage of training and workplace learning funding opportunities through partnerships with SETA's to equip our youth through the provision of workplace learning skills. This is part of our response to the challenge of unemployed youth that are neither in education and training in the Province. Our intended approach is to forge partnership with external funders and service providers in order to impact on youth employability.

Furthermore the Office in partnership with National and Provincial Treasury has recently signed an offer to the value of R3 million from the Public Sector Education Training Authority (PSETA) to implement a

learnership in the Province. This learnership will be targeting 50 unemployed learners to be trained towards a NQF 3 certificate in Accounting Technician (Public Sector). The SHCD Chief Directorate will lead and manage the execution of these projects and will also embark on the review of the Northern Cape Provincial Human Resource Development Strategy with funding assistance from the National Skills Authority (NSA).

The unit also supports the Provincial Human Resource Development Council, chaired by the Premier, consisting of business, organised labour, civil society, SETAS, institutions of higher learning and Government, with a mandate of coordinating the development of skills required by the Provincial economy.

Mr. Speaker,

R14.4 million has been set aside for the Premier's Bursary Trust Fund to fund new and returning students in various institutions of higher learning in various disciplines. The objective of the trust is to make higher education opportunities available on a full time basis to Northern Cape youth that have academic potential but have no financial means. Four hundred and twenty two (422) continuing and new students from across

the province have received funding through the trust during the 2015 academic year. In order to ensure that students make optimal use of the funding and improve on the pass rate, the Trust has now established an Institutional Liaison section that monitors progress of students and offers support with any challenges that they might experience.

In addition to the above the office sourced additional funding towards the allocation of bursaries from the following partners:

1. Mining Qualifications Authority (MQA) – 90 bursaries towards Engineering and Mining related fields.
2. BANKSETA – 50 bursaries for accounting related fields.
3. Assmang Mine – Contributed R250 000, 00 towards generic bursaries for needy students.

Their contributions go a long way in securing the skills and economic base of our Province and for that we are grateful.

All the training and skills development initiatives are part of our broader governing philosophy and doctrine of declaring war on poverty through the skills development of our people.

R 5 million has been allocated to provide professional Human Resource planning, organisational design and efficiency enhancement services, to

advance service delivery improvement, within the Northern Cape Provincial Administration.

We are committed to ensure labour peace and sound labour practices within the working environment in the Office of the Premier and the provincial government. To that end, the Labour Relations Unit has been allocated **R 3.9 million** to discharge its labour relations obligations within the Office of the Premier and to the provincial administration at large.

Mr Speaker,

To boost productivity within the Office of the Premier and in the Provincial administration, **R 2.9 million** has been allocated to the unit that is responsible for the implementation and monitoring of wellness programmes throughout the provincial administration.

The Office of the Premier is also tasked with various Provincial transversal co-ordinating roles such as Information Communication Technology and Communication. To this end, **R11.9 million** has been set aside to provide professional Information Technology services to the Office of the Premier and other provincial departments to improve service delivery through e-Government initiatives.

The Communications unit has been allocated R 3, 1 million to implement the provincial communication strategy and plan. This will include work pertaining to media liaison, production of media adverts and events management services. Key to the work of this office is also expediting follow-up and resolving queries received through the Presidential Hotline. The Communications Unit serves as an interface between the various Government Departments and Municipalities in order to co-ordinate and streamline the communication function in Government.

The strategic objective of the Legal Services unit is to render a comprehensive, co-ordinated legal advisory service to the Northern Cape Provincial Government. The work performed by this unit, in essence, leads to good governance as per Outcome 12 and enhances service delivery. For this work, the unit has been allocated an amount of **R5. 9 million** to continue to render legal advisory support services to the Premier, Executive Council, Heads of Department, and municipalities to ensure that constitutional obligations are met.

The Programme Support unit ensures an efficient and effective developmental provincial government through provision of management support to all units in the Institutional Development programme. **R3.4**

million has been allocated to the programme manager responsible for this division to ensure implementation of the provincial programme of action on issues pertaining to institutional development.

Mr. Speaker,

The purpose of the Policy and Governance programme is to strategically manage policies and strategies throughout the province towards the achievement of sustainable provincial growth and development and monitoring and evaluation of the Government Programme of Action and the Provincial Growth and Development Strategy (PGDS). We have consolidated a Provincial Programme of Action (P.O.A) for 2015/16 with clear deliverables per sector department. We have also facilitated that such a P.O.A is also driven by the Exco Clusters in terms of monitoring implementation.

To promote effective intergovernmental relations and ensure total provincial compliance with the Intergovernmental Relations Act of 2005, **R 2.1 million** has been allocated to the Inter Governmental Relations Unit.

Mr. Speaker,

The purpose of special programmes is to mainstream, coordinate, monitor and evaluate programmes in terms of Women, Children and People with Disabilities to address inequalities and restore the moral fibre of society. The unit will implement the integrated mainstreaming strategy of Special Programmes.

The role that women and small business can serve to grow and develop the economy is considered a priority by this Office. The Mme Re Ka Thusa Trust therefore assists previously disadvantaged women on economic empowerment initiatives in the Northern Cape and that will end up contributing to the wider job creation programmes of the provincial government. **R 4, 2 million** has been set aside for transfer to Mme Re Ka Thusa Women's Development Trust for the 2015/16 financial year. The Trust is in the process of embarking on a special poverty alleviation project, whereby two groups of unemployed women will be provided with sewing machines and materials to start their own business.

For the first time this year, the Mme Re Ka Thusa Trust fund will introduce the Northern Cape Premier's Entrepreneurial Awards to recognise excellence in women-owned businesses.

Ladies and Gentlemen,

R 7.1 million has been allocated to the Provincial Policy Management.

As the core of its functions is policy analysis to determine the effectiveness of service delivery and compliance to policies. It also provides strategic leadership in the implementation of goals set in the National Development Plan through the facilitation and coordination of the planning functions in the Northern Cape provincial government. Further to this, the unit is tasked with the facilitation and coordination of activities of all government structures as set out in the Medium Term Strategic Framework that will enhance service delivery, promote economic development and contribute towards the achievement of the goals outlined in the National Development Plan (Vision 2030); and

The overseeing of the Provincial Growth and Development Strategy (PGDS) and by interfacing with strategic government's special projects such as Northern Cape Solar SEZ and all Provincial Government's approved high impact projects also forms part of the strategic mandate of this unit.

The unit in the office responsible for Monitoring and Evaluation is responsible to track the performance of provincial government on

service delivery initiatives and interventions. The unit will continue with coordination on a province-wide Management Performance Assessment Tool (MPAT) where government will assess its performance in critical service delivery areas. To perform this strategically important role, the unit has been allocated **R 7. 4 million**. The essence of Monitoring and Evaluation cannot be handled as an event but it is a management practice, this is the ethos that this Unit needs to ensure exist across the public sector in the Province.

Mr. Speaker,

To ensure the smooth running of the Policy and Governance unit,

R6.2 million has been allocated, which includes earmarked funding for the planning function that deals with the alignment of Strategic plans and APP's to the country's National Development Plan, MTSF and other Provincial Priorities that was transferred from Provincial Treasury from 1 April 2015 in order to ensure the alignment of departmental plans to government priorities in an integrated manner.

Ladies and Gentlemen,

Through normal budget processes, engagements are continuing with the Provincial Treasury to lobby for funding to establish and operationalise the February 2015 Executive Council Lekgotla resolutions that seek to

strengthen the coordinating capability of the Office of the Premier. On an ongoing basis, new pieces of legislation are enacted which inevitably results in certain new functions being delegated to the Office of the Premier with no new concomitant funding to perform those functions. An example of such legislation is the Spatial Planning and Land Use Management Act of 2013 (SPLUMA). We are continuing to engage Treasury to assist us on funding the new functions through the normal budget processes.

Mr. Speaker,

As I conclude, I would like to pause and ponder on what Amartya Sen said: “What a person has the actual capability to achieve is influenced by economic opportunities, political liberties, social facilities, and the enabling conditions of good health, basic education and the encouragement and cultivation of initiatives”. Today, I say without fear of contradiction that our budgetary commitments will be executed with utmost care by the officials in the Office of the Premier and other Provincial Government Departments. **Mr. Speaker,** this has been a challenging budget to prepare, under difficult circumstances. The resources at our disposal are limited.

Ladies and Gentlemen,

Preparing a budget under difficult circumstances is an apt reminder that our public services are many and varied and that the Executive relies on the diligence and good judgement of both elected public representatives and government officials in exercising financial prudence and irreproachable probity at all times.

Mr. Speaker, as I conclude allow me to express my profound appreciation to the DG and the entire staff of the Office of the Premier, as well as the staff in my office for all their hard work and support. I also wish to thank my family, my religious family in my parish as well as my family in the ANC for their invaluable support and guidance.

Moreover, together with my colleagues in the Executive Council, I can confidently state that we have a clear vision for the Northern Cape Province that will certainly yield economic prosperity, peace and stability for all. Work has begun in earnest and we count on the support of each and every citizen of the Province.

Let us continue to be united in our diversity by also embracing the people of our Mother Continent and across the globe who have made the Northern Cape their home. We will continue to co-exist side by side in peace, joint prosperity and unrivalled harmony.

I thank you