



the premier

Department of
the Premier
FREE STATE PROVINCE

1999 STATE OF THE PROVINCE ADDRESS BY PREMIER: DR IVY MATSEPE-CASABURRI

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Honourable Speaker and Deputy Speaker of the Legislature,
Honourable Members of the Legislature,
Distinguished guests,
Ladies and Gentlemen:

Today we start the last session of our first democratic provincial parliament. We have gone through a challenging five years for government, the legislature and the people of the Free State.

We meet at a time when we prepare for the end of the 20th century and for entering the next millennium. Because of this, many harbour hope for a new century that should herald a better future for all humanity. This time is particularly hopeful for the majority of the people because none of them can contemplate a return to the terrible things that occurred to us, such as those revealed by the TRC process and by experience of apartheid South Africa.

There is therefore a sense of hope because whilst there were tremendous obstacles in our path in government, the majority of our people never gave up on the vision of realising the objective of a better life for all. Today we reconfirm our commitment to this objective.

We have confidence deriving from the lessons learnt and experiences gained in the last five years, that our people have the tenacity of purpose, intelligence and capacity to overcome obstacles that may stand in the way of making the coming century a better one for the province, our country and our continent.

We have new confidence, which derives from a rediscovery of ourselves, a discovery that comes from being critical of ourselves and bold to undertake a voyage of discovery into our past as Africans belonging to this country and the continent. Women have new confidence because this government and country has done more for women in five years than any previous governments had done in forty years. For women - black and white, young and old, in rural and urban areas, there has been positive change.

Yet what cause for optimism do we give women when research and crime statistics indicate that crime against women has not only increased but seems to be more vicious than ever?

The inclusion of those with disabilities in the extension of rights in our constitution, the voice they have been given and the confidence they have gained, make us declare that this government has done more for them in five years than what previous governments had done in fifty years. Yet what cause for optimism do we give, when we see the disabled 'marching and wheeling' down the streets in demonstration, as an act to make us aware of their plight of lack of transport? While we acknowledge our mistakes, we are however encouraged by their empowerment and ability to let their own voices be heard as they say 'nothing for us without us'!

Towards the end of 1998 we launched Batho Pele in our province - a campaign that commits us all to deliver services in a manner that places people first. We have struggled for this, but have not yet arrived there. We however say as mistakes are made, they should not overshadow the enormous improvements that have been made.

In my speech last year I mentioned that the biggest challenge of our new democracy was the transformation of the state and its organs to meet the needs of our people in an equitable and just manner. Understanding that transformation is about people, structures and processes, we have sought to create a vibrant, representative public service whose essential duty would be to implement policies and deliver services to our people.

Our welfare services have been restructured and transformed to improve efficiency and effectiveness. The re-registration of approximately 77,000 beneficiaries has already resulted in not only substantial savings but in service delivery that restores the dignity and independence of the elderly. In this, the International Year of the Older People, this is an important step in the right direction. I am proud to inform you all that, the department of Social Welfare won the CAPAM International award bronze medal at the Commonwealth in MALAYSIA in recognition of creativity and innovation, for manner in which they introduced a new smart card for pension payouts in the province.

As part of the poverty alleviation programme in the province, the provincial government has allocated social security grants to approximately 182 000 beneficiaries which amounts to R1 071 756 000 and that makes up to 89% of the total welfare budget.

In weeding out ghost beneficiaries; in its zero tolerance approach to fraud and corruption, the department has been able to make savings that have allowed R30m to be transferred to other needy departments. In the process the department has been able to dismiss those officials found guilty of corruption and misconduct.

Further investigations are being conducted to stem the tide of robberies that we believe may be linked to inside jobs: We will be forwarding some cases to the Heath Investigation Unit.

Achieving growth and development in the context of the decline in the mining industry has been a major challenge for the province. The development of the economy has been disappointing. But we all know that our national economy has however done better than what world trends show the case to be for economies similar to ours. These turbulent times, together with the decline of the gold price and the gold mining industry in our province, have combined to affect growth negatively. In addition, rapid technological changes have created "dramatic dislocations" in the business world.

Clearly we will need to undergo radical change in the kind of strategic directions we take as well as in the re-orientation of our institutions and the models of management we apply. Business, both predominantly black or white business will have to rethink how they organise themselves for delivery of quality and value added service to enhance job creation. Therein lies the greatest challenge for an economy in which there has been jobless growth.

We are faced with severe fiscal and financial constraints in our endeavor to achieve economic growth and development.

The province is constantly faced with the challenge of having to provide quality services with fewer resources. This reality is compounded by the fact that 85% of the provincial budget is spent on education, welfare and health, the bulk of which is spent on salaries.

Last year, I drew attention to the fact that we inherited backlogs and debts from apartheid whose scope and nature had not been revealed and later not wholly planned for. We warned that we could not budget from a wrong base and structural problems; and that lack of accuracy in base figures would affect our performance. Spending to meet these backlogs continue to warp our budget.

In undertaking our review since 1994, we focus on our performance and achievements and the implementation of our strategic priorities.

Regarding education, despite negative commentary, we, like the President, ask: why is it that the majority of our province feels that things have improved? It is clearly because of a number of obvious successes.

One of our achievements remains the delivery of stationery and textbooks. It was only last year when all stationery and 80% of textbooks were delivered to schools on time. The co-operation of the departments of Education and Welfare in the packaging and distribution of stationery and textbooks did not only ensure an efficient process but was able to engage small medium enterprises (SMME's) in this endeavor in a more accountable manner.

Access to our schooling system has improved dramatically in the last four years. Transportation of pupils in rural areas, through the innovative Bicycle project, has ensured that opportunity to access the education system is made easier for a larger number of these rural pupils.

The 1998 Matric results have shown growth in the number of students taking exams and some improvement (1.1%) in the pass rate. While the pass rate was much lower than we had hoped, the quality passes improved in that we had two hundred and ninety (290) more distinctions and more exemption passes than in 1998. This is also the first time that we had a student who passed with nine distinctions. The number of schools that had a 100% pass also increased while the pass rate of students who wrote matric for the first time also increased.

Some of the positive steps we have taken in infrastructural developments since 1994 facilitated this achievement. Approximately 401 004 needy learners were fed as part of the Primary Nutrition Programme involving almost 400 farm schools.

We are pleased as well with the commitment demonstrated by all key stakeholders. We appreciate the support of political office bearers who participated by committing themselves to the Adopt-a-School Campaign.

While these achievements were recorded, we were still plagued by some ill discipline and misconduct by pupils and teachers though the extent of the problem has declined. We hope the new culture of learning, teaching, and service (COLTS) will continue to produce positive results.

While relative labour peace has existed in the education front; a number of fraud cases have emerged and are being investigated.

Services of fifty-seven (57) employees were terminated for misconduct. It is regrettable that while budgetary constraints of this department leave very little money for anything else after salaries (97%) have been paid, fraud and corruption should continue.

Some of the major cases for which we have not been able to recover funds are being handed to the Heath Investigation unit for action.

We shall leave no stone unturned in pursuing fraudsters and corrupters.

In line with our policy of making primary health accessible and affordable, the district level is the central locus where health services are provided. Our achievements in the area of health include (1) the building of 38 primary care clinics completed with 8 due for completion in March/April (2) 38 clinics have been upgraded, (3) the improvement of the Tuberculosis cure rate from 37% to 66%, (4) a near eradication of poliomyelitis in the province, and (5) the establishment of 3 centers for the choice of termination of pregnancy.

The unfortunate chain of events earlier this year due to the cash flow crisis which had an impact on the health department is to be regretted. Everything is being done to normalise the situation.

Because our province is one of those where the rate of increase of HIV/AIDS has been high, we have established 2 AIDS Training Centers and distributed 1 451 000 condoms across the province. An inter-departmental AIDS awareness programme, spearheaded by our Youth Directorate, working in conjunction with the department of Health, is responsible for the co-ordination of the message about HIV/AIDS.

In the minds of many of our people, there reverberate phrases that mobilised them to support the anti-apartheid struggle namely, 'the doors of learning and culture shall be opened'. This government's policy attempted to bring this to reality. When government performance is assessed, very often the non-tangible is often not focused on or is selectively excluded.

When government embarks on a strategy to encourage youth 'not to do drugs but sport' by building or upgrading sports facilities, the tendency is to concentrate only on the fact that seventeen (17) basic sports facilities were erected with funds provided by National Department of Sports and Recreation.

But the investment of R8m in providing multi-purpose sports facilities in Qwa-Qwa and the upgrading of the Charles Mopeli Stadium and the Phuthaditjhaba stadium to international standards are intended not only to have concrete structures but also to make impact on the health - both at mental and physical-and well being of the nation.

We must bring people who have traditionally been excluded from sports excellence closer to national and international attention. We cannot ask people from disadvantaged communities to compete with others who are more advantaged unless we provide facilities to help level the playing field. We would not have the Victor Mpitsang's (in cricket) and the Jomo Mofokeng's.

Of particular note are the successes being achieved in the field of athletics, where of note are the following achievements:

- The Free State team hauled 41 medals (38 gold, 2 silver, and 1 bronze) at the USSASA Championships;
- A rural girl Julia Maleho and Meshack Lekori contributed seven gold medals each to win in the under12 and under 9 categories respectively.

We are proud of these young people's achievements and they stand as shining beacons next to Amanda Coetzer, Hansie Cronje, who are outstanding sports women and men nurtured in this province.

But sport, as we have indicated before, has an important catalytic role to play in development of the economy and tourism expansion. Already the Phakisa Race Way development to stage the Motor Cycle Grand Prix has created 840 jobs during the construction phase and has entered into contracts with 62 small black owned companies. The Powerboat Championship held in Parys in September has already elicited investment interest in the area to the tune of R100m. The South African Masters Golf

championship currently held in Welkom has elicited similar enthusiasm about the province as both a tourism and investment destination.

In the field of arts and culture, Mmabana Cultural Center acquired from the North West government and MACUFE have established themselves in the celebration of arts inclusively and in exploring the economic potential. Two Arts and Culture centers built in Thabong and Zamdela with funds to the tune of R2.4m to extend the services to disadvantaged communities even if these are not as outstanding as PACOFS and Sand Du Plessis.

A total amount of R12m has been spent on the provision of libraries in formerly neglected areas. Priority given to these areas has unfortunately meant some previously advantaged communities do not get the attention they expect. However, given the fact that some of the libraries have played a role in providing study and other learning opportunities and spaces for matriculants and ABET, we cannot be faulted for this aspect of delivery. However, closer cooperation between communities affected, local government and the provincial administration is still being called for in doing this expansionary work.

The impact of all this work will not likely be measured today but will be assessed when we gauge the health status and physical and mental development of our people in the next few years.

The synergy between Sports Arts and Culture and Environment and Tourism has not escaped this government. The development of tourism in this highly competitive environment is a daunting challenge. But despite limited resources, giant strides have been made.

However, tourism cannot develop unless one is able to market the province successfully. A Marketing Board has been set up which also works closely with the Phakisa Board to promote the Free State as a sport and holiday destination. We have confidence from preliminary observations that this synergy will bear fruit soon.

The wetland programme which was initiated in the eastern Free State resulted in the rehabilitation of the Seekoeivlei wetland which is now the largest on the escarpment and has received international status as one of the best-conserved wetlands. It recently received a certificate of recognition in Pretoria to commemorate World

Wetlands Day. Our only regret is that, as was stated in one newspaper report, our own communities have not yet realised the "gold" on which they are sitting. We hope this year will bring these communities into the development process so they can be direct beneficiaries as owners as international interest in the area increases. It is necessary that our citizens black and white, male and female rise to the challenges presented.

Because the possibility of job creation must urgently be explored, the two departments have also given this top priority. The wetland area has already created about 300 sustainable jobs.

One of the biggest and most successful fish hatcheries in the country has been established at the Gariep Dam. Some of the fish stocked is allocated to fifteen different TLC's to control, in order to provide affordable source of protein to local communities. Twelve of these are very successful. Other fish is sold to other provinces. A recently launched fish hatchery and processing plant project has created direct jobs in Bethulie where unemployment is high. Currently about 11,167 people have benefited from these ventures. The Bethulie initiative will be replicated in other areas.

Tourism routes that will showcase heretofore excluded communities, are being developed e.g. the Mangaung and Intabazwe routes. The development of the Eco-park at Soetdoring and the upgrading

of the conference center at Caledon Nature Reserve are projects that will be undertaken. The latter will be one of a kind to be accessed by *inter alia* disabled people. It is quite clear that tourism is achieving "lift-off".

Honourable Members

Crime is one of the major obstacles in the process of democratisation, reconstruction and development in South Africa. Development of the economy in general especially development of tourism is inextricably linked to Safety and Security.

Crime however, has taken new forms and involves a wider variety of actors and is globally more interconnected than ever before. There is a convergence of criminal/"terrorist" activities which merge organised crime, foreign and national corruption and destabilization agendas. If this were not so, why do we have money laundering, counterfeiting, drugs, arms and internet crime.

If this were not so, why would we lose +-R200 m annually in stolen drugs and medical equipment which ends up in the hands of well established clinics and pharmacists? If this were not so, why would we find resistance in the re-registration of pensioners especially in those areas where pension fraud is so rife? If this were not so why would we have robberies executed with military style precision?

As we celebrate the International Year of Older Persons we cannot but express our concern at the brutal attacks on senior citizens in our province. Despite the fact that there was a decline in the number of violent crimes against the elderly, it is shocking to observe that there were more attacks on the elderly in 1998.

There is a need for greater awareness and sympathy about the needs of the elderly within our communities across the province. We should respect and care for our senior citizens. We need to support the policy of our welfare department to shift away from costly institutional care to community based care. We can only restore the dignity and independence of older people when we ensure their safety.

Crime against women continues to show a steady increase in the number of cases reported although there has been a decline in the figures of rape of adult women from 1,984 in 1997 to 1,814 in 1998. Beyond these figures it is important to note that according to research conducted by the Women's Development Foundation (WDF) in the province, drug and alcohol abuse, by both women and men, were perceived to be the main contributory factors in the commission of gender crimes.

There has been an increase in violent attacks on the farming community. It is not only that these attacks are aimed at the farmers, but some of these involve attacks on farmworkers by farmers. This does not contribute to better race relations - instead it raises racial tension. It is our collective responsibility to achieve racial harmony in our society. We must avoid politicizing the problem and fight with all our might to eliminate this scourge. The effectiveness of the rural strategy plan revealed by the President should be assessed.

We are committed as a government to increase our efforts, in partnership with the other stakeholders in society, to combat crime and corruption. In this regard we reaffirm our commitment to strengthening the relationship with the community in the fight against crime.

We are proud to note that, as recognition of community-police partnership, another police station was awarded the Sanlam National Award.

In line with the objectives of Batho Pele, our greatest challenge is to provide safety and security to our citizens.

Safety on our roads is a matter that gives us great anxiety. While in the previous year our Arrive Alive Campaign was so successful as to earn us an award, the carnage on our roads in the last two months alone demands that we must do something drastic.

In December 1998, we had 53 collisions that resulted in 73 fatalities, 215 serious and 432 light injuries. Whereas in January we had 35 collisions resulting in much higher fatalities (75) serious injuries (232) and light injuries 533. The cost of these on our health services and other resources are much too high.

This state of affairs is unacceptable, given the efforts we have made in visible policing and law enforcement on our roads. As speed and drunken driving have been the main causes of this savagery on our roads, we hope that the "drager" or the video recorder mounted on our highway patrol vehicles will assist in identifying vehicles and later prosecuting offenders.

The stricter we become, the greater the risk for bribery. However officials are being arrested at the rate of two to four per month for corruption and/or bribery. Hopefully this will serve as deterrent.

Due to financial constraints our road maintenance and infrastructure development have been much delayed, and only the bare minimum could be done.

However important strides have been made in the area of regulating, controlling and formalizing the taxi industry through the Interim Passenger Transport Act. At least 95% of our Provincial Taxi Association have obtained conditional registration in terms of the Associations Standards and Codes of Conduct. The democratisation of the industry's leadership has led to reduction of violence. We will soon see the effects of the self regulating and formalised taxi industry that is able to render better transportation to the Free State populace.

As part of the transformation agenda the province has taken the lead in issuing tendered bus contract with the aim of improving public transport in the province. A laudable feature in that 20% of total contract of R250 million over five years, will be set aside for small emerging bus operators.

For the first time the province has an asset register for state properties which enables us to locate government properties will soon serve before the Executive Council. A proposal for the restructuring of state assets. The Free State Land Administration Act passed in this house has made it possible to avail provincial land to local authorities so that low cost housing can be erected.

Meneer, Speaker, alhoewel daar moeilike probleme vir ons was, is die Vrystaat vanjaar vreeslik mooi. Ons is geseënd met mildelike reën. Tans staan die sonneblom goudgeel en lag met die son. Lowergroen mielies, aartappels en bone staan geil op die land en slurp son en reën op hul pad na wasdom. Spekvet diere is oral te sien in wuiwende rooigras vlaktes. 'n Gesig van voorspoed in tonne kos vir mens en dier as eer vir ons Landbouers se swoeg en sweet in hul onbaatsugtige poging om ons almal te voed.

Kommersiële boere, kleinboere en kommunale boere en arbeiders is besig met hul werk, en ons is dankbaar dat hul tog 'n bydrae kan maak.

The issue of access to land and improved productivity remain one of the most vexing challenges that faces this sector. Priority was given to basic food production and projects that would enhance

capacity of new emergent farmers. A hundred commonage scheme projects to improve household self sufficiency were initiated.

Individual family ownership as well as group land acquisition on both private and state land was made possible. One of the first land restitution claims for this province was finalised with return of the people of Bethanie to their land. Another Apple project - an example of cooperation between national, provincial and local governments will contribute to the creation of jobs and eventual ownership by 375 farmers over the next three to four years.

However, limited resources resulted in inability to give adequate support to all farmers, both the commercial and emergent ones. We however appreciate the contribution the farmers make to our economy despite enormous difficulties and natural disasters.

An integrated rural development strategy has now been completed and will be implemented soon. As an attempt to address poverty in rural areas in the south, a Social Economic Regeneration Committee (SERC) comprising seven rural South Western towns has been set up to coordinate access to capital for development.

The diversification of the province's economy to sustain economic growth within a competitive environ and the development of small medium enterprises through extensive training programmes and access to funds remain a daunting challenge. Though trade relations with foreign countries have been renewed and / or explored, these have not borne desired fruits yet.

Unless however we can expand the economy and ensure access of the majority to that cake, we shall remain a divided society and reconciliation will be slow.

Mr Speaker

The financial affairs of the province which were a subject of much public discussion have to be placed in context. As a result of over-expenditure in the 1997/98 financial where outstanding orders were made payable only in the 98/99 year, considerable pressure was placed on overdraft and cash flow management.

Our inability to secure assistance in February 1998 to cover this over-expenditure, introduced a structural element and a debt overhang. A strategy has however been introduced to repay the provincial debt over a three-year period. As our provincial banker however was not in a position to provide overdraft to be serviced over three years, we applied for a Section 100 intervention. However our fundamentals are in place and assistance is being given to introduce the necessary financial discipline.

Our financial situation will most certainly be solved if we could solve the issue of 5000 supernumeraries in the system. We welcome the announcement by the Minister of department of Public Service and Administration that a tool is ready for implementation later in the year.

Housing the nation especially the homeless is a priority for this government. In 1995 our housing backlog was 220,000. The quota we received from national was for 69,000. We have not achieved this target due to the fact that land issues had to be resolved and that capacities of local government had not been up to the mark.

To date 28,099 units have been completed. To expedite delivery within this book year, thirty-five (35) towns were identified for speedy allocation of 500 subsidies worth R 85m. Five hundred (500) of these

subsidies are allocated for the elderly and people with disabilities. This is yet another indication of our commitment to these categories of people in our society.

Rural areas had not been accommodated by original policies but the Free State province piloted two areas for housing: Qwa-Qwa villages received 1000 subsidies and Bothaville 'off-farm' project with 1000 subsidies. The latter won a national Award.

In 1998 an agreement was reached with the Department of Land Affairs to make R2408m available for the upgrading of informal settlements.

Through this project 24 264 new sites will be created and transferred and 21 600 sites in Thaba Nchu will be formalised and transferred to their rightful owners.

We are intending to capacitate municipalities for effective delivery. The first group of 35 housing officials and councilors will be attending lectures at the Free State University. All in all we are targeting 90 practitioners to attend the capacity building training course.

Planning is also at advanced stage to establish housing consumer education for prospective beneficiaries.

The Provincial Housing Bill is soon to be enacted to enhance sound delivery through directly managing housing funds. The Free State Land Administration Act would ease the difficulty of state land transfer.

In a joint venture with the Department of Land Affairs 44 towns were identified for planning and surveying in a provision of new sites. From this process, +- 24 744 sites will be developed for housing purposes at a cost of R11 776 301 by March 1999. And together with the CSIR we have been ensuring quality in water supply, sanitation plants and other natural water resources.

We regret to note that several complaints are being received regarding contracts and product quality in housing delivery. These will be investigated. Some have already been placed before the Health Unit for investigation.

The need for close cooperation with local authorities and effective efficient infrastructure development has been recognised as essential ingredients in housing delivery.

Honourable Speaker

As a province which shares international borders with another country, we have to ensure the security of our people, our economy and our national sovereignty. Living in peaceful neighbourliness is important. When we were called to extend assistance to foreign citizens, during the Lesotho crisis, we rose to the occasion.

We wish to thank all those who acted to give solace and assistance in whatever way to enable the effective management of the situation.

As a province where coexistence in isolated situations as on farms is a reality, the defense and care of our neighbours is essential in building a unified nation. Reconciliation is more likely to occur when we recognise that the process cannot be one way. Each one must ask themselves what they are doing in order to advance the process. Reconciliation is not likely to occur when rampant poverty continues to ravage a large section of our society and racist attitudes continue to structure our relations.

Racist attitudes - whether in our police service, our health institutions or commercial enterprises, etc. will not assist the process. We must show zero tolerance to racism whatever its source. Our young people must be encouraged to share experiences of a common South Africaness. It is only in that way that they can chart a common future.

The sensitive issue of language and cultural identity is one we must tackle head on to find solutions for our divided existence. It is when we come to the defence of others' language and culture that they will come to the defence of those that they see as different. It will however not work if the process is unidirectional. But there is much hope that this is not an impossible task. We must make it one of the major items on our national agenda.

Mr Speaker and Honourable Members;

As we look to the future, we shall not deviate from commitments to social spending as it is a national imperative. But we shall have to interrogate each area of this spending to ensure effective and efficient utilisation of resources and maximise savings.

From lessons learned, we will reprioritise and if necessary consider rationalisation of departments to enable us to channel resources to areas that stimulate job creation and economic development. Partnership with the private sector will be vigorously explored.

Our bursary programme is being streamlined to facilitate the development of the most critically needed skills for the government and the province. The private sector will be encouraged to make human resources development a priority.

The empowerment of the disadvantaged groups for meaningful participation in the economy must remain a priority but strategies to ensure successful implementation must be sought.

The fight against HIV/Aids cannot be neglected; it must be intensified.

Zero tolerance of crime and corruption is an imperative if we are to succeed. We shall join forces whose goal is the elimination of these in our society.

We know that what we aim for is possible. We are confident that we can do it and we shall let nothing stand in our way to achieve our goals - and a better life for all.

As we continue on our road to registration of voters and prepare for elections, it is incumbent on all of us to ensure that this democratic process we fought for is not derailed.

We have succeeded before at great odds to begin the building of a new South Africa. The present demands it of us that we continue the building and the future expects it of us.

We dare not fail the future.

I thank you.