



the premier

Department of
the Premier
FREE STATE PROVINCE

2005 STATE OF THE PROVINCE ADDRESS BY PREMIER F.B. MARSHOFF

[18 February 2005]

Mr Speaker and Madam Deputy Speaker,
hon Members of the Executive Council,
hon Members of the Provincial Legislature,
leaders of political parties,
Judge President Malherbe,
Marena le Dikgosi (Traditional Leaders),
leaders of the business community and civil society,
Mayors and Councillors present,
our distinguished guest, Dr Nilo Tomaz Diaz Fundora, President of the Matanzas Province of the Republic of Cuba,
Your Excellencies, Ambassadors and High Commissioners,
Heads of Department and all civil servants, distinguished guests, comrades and friends,
people of the Free State.

We, the people of the Free State, are indeed a very fortunate people.

Hon Speaker, on this occasion we gather on the 50th anniversary of the Freedom Charter, a charter that served as a beacon of hope for all freedom loving people throughout the world.

We are further strengthened by the declaration of the Freedom Charter which states that – and I quote:

There shall be peace and friendship! South Africa shall be a fully independent state, which respects the rights and sovereignty of nations. Peace and friendship amongst all our people shall be secured by upholding equal rights for all.

We are privileged to have the President of the Matanzas Province of Cuba, Dr Nilo Tomaz Diaz Fundora as well as the Cuban Ambassador to South African as our guests today. We are indeed grateful that you found it possible to join us at the opening of the Provincial Legislature, all the way from Cuba. As the Abaluyia of Kenya say,

If you want to understand somebody, you go with him on a journey.

This encapsulates the extent to which we have travelled together in determining our common destinies.

This gives effect to the commitment we made during our visit to your country in October 2004, where we acknowledged that:

Our relationship has developed over the years in the bitter and difficult trenches of struggle. The nature of the relationship between our people and countries is

therefore of brothers and sisters in pursuance of a greater good for humanity across the world.

The signing of the twinning agreement between our provinces is a key milestone in the further strengthening of both the bonds of friendship and the bilateral relations that have existed for almost a decade.

Mr Speaker, we pay tribute to all the heroes and heroines across the length and breadth of the Province who were courageous to lay down their lives to ensure that:

The People shall govern and all shall enjoy equal human rights.

As is customary, the Legislature has once again afforded us an opportunity to outline to the people of the Free State the Government's economic and social state of the Province.

Our objectives as a provincial Government are to facilitate growth in the local economy, and thus stimulate the creation of jobs and ensure skills development.

On assumption of office in 2004, we outlined a programme of action for Government, which spelt out the commitments we set for ourselves in order to meet the challenges of growing our economy, creating jobs and building partnerships as a caring Government in order to consolidate a People's Contract.

Let us now take this opportunity to reflect on what we have been able to achieve, to do an assessment of ongoing activities and to chart a way forward.

In his State of the Nation Address on 11 February 2005, President T M Mbeki made a comprehensive assessment of the Government programme of action. He further highlighted targets that were achieved as well as challenges still facing Government.

In last year's State of the Province Address, we outlined a programme of action which highlighted the ten key working areas of the Provincial Government. I will therefore provide an account on the extent to which the Provincial Government has delivered on its commitments. I will also reflect on the challenges that lie ahead.

We made a commitment to the people that we would identify and train Community Development Workers (CDWs) who would be at the forefront of the Batho Pele campaign of service delivery, in ways similar to the volunteers that gave birth to the Freedom Charter.

To date, 95 CDWs have been registered and they will commence with learnership programmes at the end of this month. A further 225 CDWs will be appointed and registered not later than the end of March 2005. We will concede that we have not moved with the necessary speed and urgency in engaging this very important core of workers. I am, however, pleased that there is a commitment from all public servants that this process will occupy an important part of Government's contact with the people.

For many who may not be aware of the programme, the CDWs will supplement Government efforts to provide information on services to communities, to strengthen ward committees and to deal with a prevailing sense of alienation and exclusion experienced by our communities. We will, in due course - before the end of this financial year - provide further details on the roll-out of the CDWs' implementation plan for the Province.

In keeping with our commitment of protecting the vulnerable groups, especially women and children, 21 victim support rooms have been established in police stations and they are fully functional. Abused women are provided with immediate counselling by professionals and with overnight accommodation whenever the need arises.

During 2004 alone, 6600 protection orders were issued from the Tshepong Victim Support Centre. We also rendered direct services to 1106 sexually and physically abused children. These services included overnight accommodation, foster placements, counselling and support etc.

Government, through the Department of Public Safety, Security and Liaison (DPSSL) and the SAPS will, among others, embarked on a campaign to popularise the Service Charter for Victims of Crime within the Province. Furthermore, the DPSSL will monitor the implementation of the Charter by the SAPS.

As part of our continued commitment to the protection of vulnerable groups in our Province and in line with the ethos of a caring Government, we will endeavour to protect the dignity and the rights of the victims of violent crimes. We will also, within the criminal justice system, enhance the principles of restorative justice through the rehabilitation and re-integration of offenders in society.

To this extent we have strengthened and capacitated services rendered at the eleven existing shelters throughout the Province to achieve the objectives referred to above.

Hon Speaker, I would like to turn to education now. We have committed ourselves to various challenges confronted by especially learners in disadvantaged rural communities. The learner transport programme was first launched in the Thabo Mofutsanyane district and is now operational throughout the Province. In addition, five hostels accommodating 925 learners are currently operational and an additional one will be opened in Winburg during this year (2005), which will accommodate an additional 80 learners. This is in line with our commitment that no child will be denied an opportunity quality education.

This gives expression to the commitment we made as the ANC during this 50th anniversary of the Freedom Charter that:

The doors of learning and culture shall be opened to all.

This forms the foundation of our continued commitment to investing in the people of our Province.

The school nutrition programme currently feeds approximately 287 000 learners throughout the Province and this programme will be expanded to furnish 33 051 orphans with food parcels to take home. Feeding of learners will continue in 2005/2006.

In January 2005, we launched a programme to provide food parcels to orphans to take home as part of our responsibility as a caring Government providing support to vulnerable learners. In addition, we have trained 1090 foster and adoptive parents during the last year and 6559 children benefited from placement through this programme.

At national level, a process has started to amend the South African Schools Act, the National Norms and Standards for School Funding and the Exemption Regulations to allow for non-fee

paying schools. This process will only be finalised for possible implementation with effect from 1 January 2006.

We have, however, decided to fund the two poorest quintiles with R516.00 per learner, which is above the adequacy rate of R475.00 set by the National Department of Education. The principals of schools in these quintiles will be requested not to levy additional school fees. Forty percent of learners, that is 275 350 learners in our Province, will thus be funded above the national adequacy level as from 2005.

Although we have succeeded in implementing the commitments already made, Government is considering a review of the school fees policy with the intention of providing a subsidy per learner in the poorest areas in support of poverty stricken families.

We will continue to improve access to quality health at all levels of care. We will continue to strengthen and expand the comprehensive care treatment and management plan on HIV and Aids in all five districts. The provincial health promotion strategy will be implemented further to deal with both communicable diseases and lifestyle diseases.

Voluntary Confidential Counselling & Testing (VCCT) has been rolled out to 95% of sites – a total of 242 sites of which 235 are medical sites in health facilities and seven are non medical sites. Three hundred and fifty nine volunteers are involved in the provision of VCCT services catering for a total of 38 583 beneficiaries.

Home-based care (HBC) has been implemented in 76 (95%) of the 80 towns in the Province. A total of eight step-down facilities have been established and are functioning very, very well. One thousand four hundred and thirty six volunteers are involved in the provision of HBC services. Twenty five thousand seven hundred and forty four beneficiaries are on the HBC programme as well as in our step down facilities.

All municipalities have approved credit control and indigent support policies. Eighteen municipalities are implementing credit control measures and these municipalities are implementing indigent policies to provide relief and access to free basic services (FBS) to poor members of the community. The contact between public representatives and citizens is central to effective service delivery and accountability to communities. We will return to this matter later.

The Government of the Free State continues to show unwavering commitment to rooting out corrupt practices in Government. So far, nine departments have finalised their strategies and the remaining two will be finalising theirs by the end of March 2005.

To this effect, we will hold a Provincial Anti-Corruption Summit in May 2005 to address the weaknesses opening the system to manipulation and exploitation. The resolutions that will emanate from this summit will further inform Government's response to fraud and corruption.

Furthermore, the Policy Co-ordination, Monitoring and Evaluation Unit has been established in the Department of the Premier in line with the commitment that we made to the people of the Free State. The key role of the Policy Unit is to advise on and monitor the implementation of Government policies and programmes. To this extent, the Policy Unit has worked tirelessly to monitor and evaluate the extent to which Government has improved in the delivery of services to the majority of the people of the Free State. The Policy Unit must continue with its sterling work and must set the benchmark which will be used to hold Government accountable for commitments made to the people we serve.

Mr Speaker, the success of every society depends mainly on the quality of its leadership and the extent to which it can promote sustainable economic growth and development.

In our previous State of the Province Address we identified areas of intervention that would enable us to stimulate economic growth and development:

These include:

- Restructuring of the Free State Development Corporation,
- Establishment of the Tourism Authority,
- Formulation of the Free State Growth and Development Strategy,
- Implementation of the Urban Renewal Plan,
- Petro-Chemical down-streaming as well as
- Gold jewellery manufacturing.

It is our view that we have not responded with the urgency required on these matters.

We recommit ourselves to the goal that all outstanding economic sector commitments will, without fail, be concluded by May 2005.

The economic growth and development of our Province is intrinsically linked to skills development. Twenty five thousand adults were enrolled in Further Education and Training (FET) institutions and 707 youths were enrolled in learnership programmes. Fifteen thousand three hundred and sixty three learners enrolled at our Adult Basic Education and Training centres.

These enrolment statistics show that we can definitely make a difference by providing the skills required by the economy and building capacity to encourage self-employment. I would like to urge our youth to make use of these training opportunities in order to gain skills and work experience in order for them to access jobs.

It gives me great pleasure to announce to this House that, as part of building partnerships and strengthening the People's Contract, we have reached agreement with an IT (Information Technology) service provider to embark on a partnership that will see 6000 learners undergoing IT training this year. This is indeed an achievement for us, because we have identified IT as one of the scarce skills in our Province and I encourage our young people to make use of this opportunity. Soon we will be advertising and short-listing candidates so that we can give you this opportunity to boost your career.

Hon Speaker, the Swahili of East Africa have an apt expression about the current violent demonstrations in some of our municipalities when they say – and I want to quote this:

I pointed out the stars and the moon and all you saw, was the tip of my finger.

This describes the ingratitude of some for Government's efforts to invest in social infrastructure and service delivery in our municipalities.

The Provincial Government has noted with concern the destruction of property, disruption of schools as well as a total disregard for law and order in the various municipalities in the Province.

Whilst we acknowledge that all our citizens have the right to express their views, ours is a constitutional democracy that provides a platform through which each of us can express ourselves.

Whilst acknowledging the challenges facing local Government regarding service delivery, we do not condone this conduct. In line with our stated commitment to improve the lives of our people we will continue to work in partnership with all our communities in the Free State so as to create jobs, grow the economy and alleviate poverty.

We have made considerable progress in the delivery of services to date. Notwithstanding the progress made, a backlog in service delivery exists in many of our municipalities and we are graceful enough to acknowledge that there is a need for us to further increase the pace at which we are going to deal with these backlogs.

Local Government, hon Members, poses the biggest challenge for service delivery in the Province. It is the single area where the greatest risk is to be found as a result of inadequate municipal capacity for delivery.

In his State of the Nation Address, President Thabo Mbeki emphasised the need to:

...improve the management, organisational and technical capacities of Government so that it meets its objectives.

We are acutely aware that some of the grievances by our communities are genuine and based, among others, on the inability of our senior municipal public servants to deliver.

The Provincial Government will implement an intervention strategy, Project Consolidate, a programme that is aimed at finding new, creative and practical ways of supporting and working with local Government.

To emphasise our commitment to service delivery at local Government level, we will be undertaking the following measures to ensure that Project Consolidate is a success:

- (a) A provincial working group has been established which will oversee the implementation of Project Consolidate and the Municipal Infrastructural Grant (MIG). The Premier of the Province and the MECs of Local Government and Housing, Social Development and Public Works, Roads and Transport lead this advisory group.
- (b) The provincial launch of Project Consolidate will take place before the end of March 2005.

However, this does not mean that we have not yet started with the implementation of programmes.

The success of the project depends on the consultation we will undertake with all twelve municipalities affected. Therefore a cluster of MECs and senior civil servants will undertake service delivery *imbizos* in all 13 identified municipalities between March and April 2005.

Hon Speaker, as an indication that we have full appreciation for what our municipalities are experiencing at the moment, I want to drink a sip of water to toast municipalities and their success - and this is water from an ordinary tap and not a bottle.

- (c) The Department of the Premier will hold *imbizos* with the private sector, civil society, the NGO sector, parastatals, donor agencies and stakeholders to solicit their support and commitment to the success of Project Consolidate. This consultative *imbizo* will be part of the provincial roll-out process of Project Consolidate.
- (d) The Provincial Executive Council will ensure that the existing monitoring and evaluation systems are strengthened in order to implement continuous evaluation of the performance and impact of Project Consolidate on our communities.

Hon Members, People of the Free State, as part of the vision of the Freedom Charter of people-centred development, there is a need to ensure that ward committees are strengthened and supported in the Province.

So far, we have established 295 (100%) municipal wards in the Province which are functional at various levels. However, a lot still needs to be done to make them effective organs of people's power.

The relationship between all spheres of Government is essential for effective delivery of services. The Inter-Governmental Relations Bill, which was approved by Cabinet in November 2004, will provide seamless co-ordination between all spheres of Government.

We are hoping that once it has been enacted, our Province will be able to ensure that we implement it as quickly as possible.

However, we also know that the recently established Premier's Co-ordinating Council (PCC) will play a critical role in identifying priorities which will enable us to accelerate service delivery.

The development of infrastructure is a priority for our Government, not only to address the past but also to create jobs through labour-intensive methods and by lowering the input cost of doing business in the Province which will attract investors and create sustainable jobs.

The imperative of infrastructure development compels us to initiate the development of a comprehensive Provincial Integrated Infrastructure Plan that will cover such developmental issues as roads, transport, schools, housing, water, sanitation and other infrastructural imperatives necessary to grow and develop the provincial economy.

The strategic geographic location of our Province compels us to robustly upgrade and maintain our road infrastructure with the purpose of engendering economic growth and development.

A large slice of our budget goes to construction and we will therefore take advantage of the Construction Industry Charter to transform the industry in our Province, focusing on the inclusion and empowerment of historically disadvantaged people, including women and children and the disabled.

Broad-based BEE, SMME and skills development will feature prominently as we develop our infrastructure. Therefore all government departments will annually report on the extent to which we are fulfilling these imperatives.

The pressures of service delivery touch each and every government department, agency and institution. Although a great deal has been achieved over recent years, much work still needs

to be done, as can be seen by the renewed commitments and progress made by Government, ranging from water, roads and houses to electricity.

We will allocate R146 million for roads and R68 million for works to implement new infrastructure projects as well as rehabilitate and maintain existing infrastructure in line with the Expanded Public Works Programme.

Having launched the Expanded Public Works Programme in September last year, and the implementation of projects thus unfolding, we are confident that more jobs will be created and that there will be a transfer of skills in collaboration with further education and training colleges, higher education institutions, the Free State Development and Training Institute and the SETAs.

We have reduced the number of platoon schools from 35 to 21 and the remaining 21 platoon schools will be eliminated by the 2007/2008 financial year. This will also form part of our Expanded Public Works Programme.

For the year 2005/2006, R25 million has been allocated for the construction, upgrading and maintenance of buildings including twelve new libraries in our Province. This is much needed social infrastructure, because throughout the Province, wherever you go, the cry of our young people has always been, "We do not have access to libraries, we do not have access to literature, we do not have access to books". Therefore we are making a commitment that R25 million has been set aside for the upgrade and maintenance as well as the building of twelve new libraries.

The Free State Sport Science Institute costing R11 million was launched on 5 November 2004. This is the first of its kind in the country and already I can guarantee you, hon Speaker and Members, that the Institute is greatly in demand. Everybody wants to take ownership of it now and we as Free Staters have said that this is ours and whoever wants to utilise it, will have to utilise it through the Free State Provincial Government and the Department of Sports, Arts, Culture, Science and Technology that has so aptly championed this facility in our Province.

The Municipal Infrastructure Grant allocation for 2005/2006 amounting to R349 million will be utilised to accelerate infrastructure delivery in the Province to render basic services. This amount will be allocated directly to district and local municipalities.

Among others, this investment in infrastructure will stimulate local economic development and job creation in the various communities across our Province. With the assistance of the FDC the Province will be embarking on the development of a logistical hub pilot project in Harrismith. This Public Private Partnership investment will bring about a capital injection of R400 million and with the multiplier effect, a net effect on the economy of more or less R1.6 billion over five years, and the creation of 3 000 new jobs in construction, warehousing, tourism and housing sectors.

To this effect the FDC is awarding a feasibility study tender of R500 000 this year and has budgeted an initial R10 million for the project. The rest of the investment is coming from private investors. This partnership bears testimony to the belief that Government cannot function in isolation to other stakeholders in society.

The infrastructure investment in the area in the form of factory space and utilities of R100 million will be significantly improved in the next two years. Local investors have also signed

memoranda of understanding with the FDC to join hands with our Government in creating jobs and growing the economy.

Given the envelope of infrastructure spent, we will be making sure that we address BEE for women, the youth and the disabled so that they will be able to access the opportunities that accrue by way of contracts from this accelerated spending.

It is our duty as the Free State to ensure that this Province positions and markets itself as an ideal investment destination within South Africa. This calls for, *inter alia*, the urgent finalisation of the Free State Provincial Growth and Development Strategy as well as the Provincial Spatial Development Framework. The success with the implementation of the new Free State Growth and Development Strategy will depend largely on buy-in from development stakeholders. Hence, we are engaging stakeholders such as business, labour, youth and the community, ensuring that implementation extends beyond Government resources and serves to mobilise off-budget resources (state-owned enterprises, private sector NGOs and CBOs).

Thus, it also serves to inform the actions of a range of stakeholders, so that they have a broader role than merely establishing a one-on-one relationship with budgets. They should also serve to inspire and guide the self-action of communities and residents by presenting a clear vision for the Province as well as long, medium and short-term development priorities and objectives.

One of the most critical elements of the strategy is the need to overcome the existence of two economies in our country and in the Free State specifically. The Growth and Development Strategy will serve as the ultimate guide for the development of the Province over the next decade. A series of provincial summits will form part of the process of interacting with stakeholders for the development of strategies that will inform our provincial growth and development strategy. We plan to launch the Growth and Development Strategy in April 2005.

Since this strategy represents the Free State Government's approach in addressing the socio-economic challenges and also sets out future plans for the development of the provincial economy, the Economic, Employment and Investment Cluster will be conducting an extensive study on the growth potential of towns in the Province, which will be finalised by end of this financial year.

The aim of the study is:

- To determine where Government should direct its investment and development initiatives to ensure sustainable and maximum impact and
- To determine what kinds of spatial forms and arrangements are more conducive to the achievement of our objectives of democratic nation-building and social and economic inclusion.

The main challenge in the petrochemical sector for the Free State Province is to attract investments that will contribute to the expansion of the down-streaming in the petrochemical sector. Experts have been consulted regarding the idea of using a chemical incubator in order to grow this sector. The intention is that this incubator will focus on grooming the SMMEs in the petrochemical industry with emphasis on speciality chemicals.

The Economic, Employment and Investment Cluster of the Executive Council will be responsible for the establishment of the incubator towards the end of November 2005.

Last year we announced that the Free State Province would focus on the agro-industry, one of the key drivers of our provincial economy. Since then, we have consulted with a large number of stakeholders with the aim of identifying high impact projects. Biodiesel, ethanol and ethno-botanicals are some of the projects currently being investigated. A Provincial Steering Committee consisting of experts has been established under the leadership of the Department of Agriculture to fast-track this process and to ensure that our farmers - especially our emerging farmers and not forgetting our commercial farmers – all benefit from this initiative of the Provincial Government.

The critical issue of effective monitoring and evaluation has become central to Government's focus on implementation in the past year. We have established monitoring and evaluation systems aimed at improving delivery of basic Government services to the people of the Free State. To this end, we will be developing a Social Accounting Matrix, which will serve as a tool to determine the impact of our programmes as well as to prioritise the resources allocation to maximise the outcomes that we have predetermined.

To achieve all of the commitments that Government has made, we need a dedicated cadreship of civil servants who are able to implement the belief of Batho Pele. At our recent Executive Council *Iekgotla* we committed the Provincial Government to accelerating the promotion of our slogan: We belong, we care, we serve.

Accordingly, MECs, Heads of Departments as well as Senior Managers will make unannounced visits to all service delivery centres to make sure that we deliver the best service to our people at all times.

As a Provincial Government, we are committed to the development of skills and investing in our people. Arising from various consultations within Government, the Provincial Government will hold a Senior Management Conference with the aim of developing a shared common understanding of the challenges that face us in creating jobs, growing the economy and affirming our commitment to the Batho Pele principles.

In conclusion, we commit ourselves, as a Provincial Government, to working with communities and our social partners in forging a People's Contract for a Better Free State Province. It is only when we have been able to do this that we can truly say:

One does not cook one's nobility and eat it, it is wealth that counts.

These, hon Members, are the challenges that we have to face as the people and as a Province:

- the creation of wealth;
- the social upliftment of our people; and
- the commitment of this Provincial Government to all the communities in the Free State.

It is only when we are able to do this that we would truly be able to say that, in this year, as we are celebrating the 50th anniversary of the Freedom Charter, we are able to give expression to the hopes of our people and the trust that they have put in us. In the fulfilment of those aspirations, they have elected us and have put us in these positions to lead them. As the ANC, we dare not fail them.

Hon Speaker, we belong and we care and we service the people of the Free State. I want this to be our mantra during this year. Whatever we do and whatever we embark upon, we

must continue to serve the people of the Free State - however difficult it might be and however cumbersome the burden might become at times.

I also want to say that we, the people of the Free State, the true revolutionaries of our own revolution and our own freedom, as well as the people that have enabled us to enjoy this freedom and this democracy today, are in charge of our destiny. No one else can determine where we are going. We are in control and we should remain in control and we should provide leadership to our people.

Our people must never lose hope. Our people must never think that we have lost our way. It is possible if we send the message to our people that we are here, not to lead them but to work with them, not to tell them what to do, but to jointly roll up our sleeves and to do what needs to be done. It is only when we can do that that we will be able to give to the people of the Free State what they expect from us.

They do not want freedom. They have already achieved their freedom. What they want from us is our commitment that we will continue to provide them with what they have sacrificed for all those years. They must enjoy the wealth of this country. They must enjoy the mineral wealth of this Province. They must enjoy the fruit of their labour.

If we can do that, I can truly and honestly say that the men and women of this Province, the young people, the children and all sectors of our society will truly feel that this ANC-led government will never ever desert them.

Hon Speaker, I also want to take this opportunity to thank all the people, all the civil servants, all those who have made it possible - at all levels of Government - for us to do what the people of the Free State have requested from us – to lead them and to provide them of services.

Of course, we are the servants of the people and I want to say to all of you: thank you very much for the support that you have given this Provincial Government. Thank you very much for the support that you continue to give to the Executive Council of the Free State. I would like to say to the Members of the Executive Council that without you, we would not have been in a position to be where we are today.

To the Members, all of you sitting here, you are indeed great people. To all of you I want to say that we are serving the people of the Free State in its entirety. It does not matter whether you are a farmer or a captain of industry. Great people have come out of our Province and we will continue to produce greatness from this Province. We can only do it if we reach out to each other, take hands and continue to work together as the people of the Province.

Hon Speaker, I have said what I wanted to say to the people of the Free State. The only thing that is left for us now is to roll up our sleeves and get down to the business of working for the people that have elected us to serve them.