

CHAPTER ONE: Introduction and Overview of the Free State Province

1.1. INTRODUCTION

The Free State Growth and Development Strategy (FSGDS) is a nine-year strategy (i.e. 2005 - 2014), which aims to achieve the objectives of Vision 2014.

The FSGDS is the outcome of broad consultation with all role players and research conducted by various experts under the Premier's Advisory Council (PEAC). The consultations were in the form of consultative sessions with all provincial departments and stakeholders. The process started in October 2004 with the adoption of the resolution to develop the FSGDS. Consultative meetings that were held with all provincial stakeholders, following the Provincial Executive Council (PEC) resolution to develop a PGDS, yielded a positive response to support the development of an FSGDS.

The following role players are hereby thanked and their contribution towards making the FSGDS a success acknowledged:

- Organised business
- Organised labour
- Organised youth
- Organised community structures

The FSGDS represents the culmination of summits and workshops between government and civil society, as well as the private sector. Research conducted under the directive of the PEAC provided the PGDS study team with cutting edge research and information relating to development issues and concerns in the Free State.

The PGDS compilation process was conducted under the auspices of the Policy Coordination, Monitoring & Evaluation Unit in the Office of the Premier.

Three development clusters were formed in line with five identified growth and development priorities, namely, (1) Economic Growth, Development and Employment; (2) Justice and Crime Prevention; (3) Social and Human Development; and (4) Efficient Governance and Administration.

The rationale for and benefits of a PGDS can be summarised as follows:

- A PGDS helps to make effective use of scarce resources within the province by searching for more cost effective and sustainable solutions, whilst addressing the real causes of development challenges instead of the symptoms;
- It facilitates the speedy delivery of government programmes and plans;
- It should identify opportunities for investment and gives an environment of certainty and predictability, which is critical to private sector investment.
- It promotes intergovernmental co-ordination by facilitating a system of communication and coordination between local, provincial and national spheres of government;
- A PGDS facilitates the implementation of the people's contract within the provincial platform;
- It is the single planning instrument that articulates the development agenda and provides a strategic direction of the Provincial Executive Council;
- It provides a common vision and acts as the basis for common action amongst all stakeholders, both inside and outside government in the province;
- It provides a framework for budgets, implementation and performance management; and
- It provides a framework for provincial spatial development.

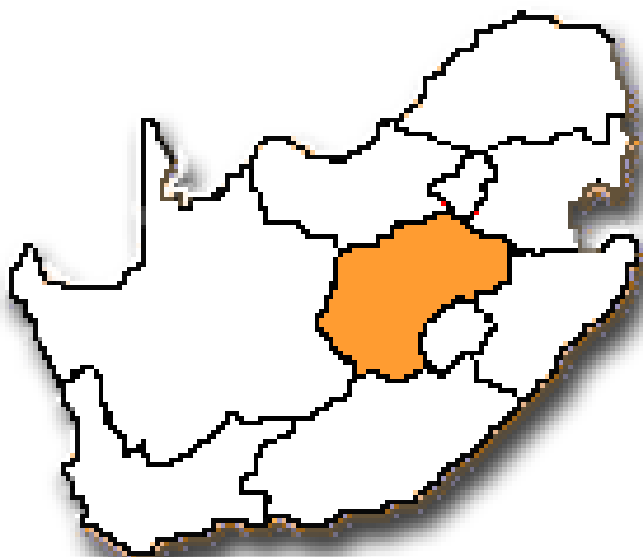
The benefits above are strengthened by aligning the FSGDS with the national policies and legislation, such as the Constitution of South Africa, National Spatial Development Perspective, Intergovernmental Relations Bill, Integrated Development Plans of Local and District Municipalities, Programme of Action, State of the Province Address, Cabinet Lekgotla Statement of January 2005,

ANC Manifesto and Resolutions, January 8th Statement of 2005, and several other policies not listed above. Broadly, a PGDS ensures harmonisation and alignment of all planning within a province.

1.2. OVERVIEW OF AND CHALLENGES FACING THE PROVINCE

1.2.1. Geography

The Free State Province is one of nine provinces in South Africa and is centrally located in terms of the geographic distribution of South Africa. The Free State represents 10.6% of the total land area of South Africa (Census 2001). The Free State is a province of wide horizons and blue skies, with farmland, mountains, goldfields and widely dispersed towns. It is peaceful, with a high quality of life, good infrastructure and a low crime rate.



The province covers an area of 129 464 km², and had a population of 2.7 million in 2001, representing a 2.8% growth from 1996. The Free State population was 6.03% of the national population in 2001 (Census 2001).

Five main areas can be distinguished:

1. The **Xhariep District** – dry with extensive farming, mainly sheep and small platteland towns. The district comprises open grasslands. The southern border is the Orange River, which was called the Gariep by the indigenous Khoikhoi people. The Gariep dam is one of the major tourist attractions, as it offers a variety of accommodation and leisure facilities, which are mainly centred around water sports.



Xhariep



Free State Province

2. The **Motheo District**, with the large population of Bloemfontein, servicing most of central South Africa, plus Botshabelo and Thaba Nchu. The district mainly comprises open grass field, with mountains in the easternmost parts. The main urban centre is Bloemfontein (now in Mangaung Local Municipality), which is also known as the “city of roses”. The city is the trade and administrative hub of the province, and boasts a university, the provincial government, large military facilities and the High Court of South Africa. The city also has a rich history that includes the founding of the ANC in 1912, and the founding of the National Party in 1914. The annual Macufe Festival is a cultural eisteddfod that includes music, dancing, and drama. To the east of Mangaung lie Botshabelo and Thaba’Nchu. Botshabelo, which means “place of refuge”, is after Soweto, the second largest township in South Africa. Thaba’Nchu was established in 1873 and formed part of the former Bophuthatswana.



3. The **Thabo Mofutsanyana District** has beautiful hills and fruit farming. This district forms the eastern part of the province, and borders the Kingdom of Lesotho and Kwa-Zulu Natal. The district includes Qwaqwa, which is one of the former Bantustans. The district is one of the most important tourist destinations in the Free State, mainly because of the spectacular scenic beauty of the Drakensberg and Maluti mountain ranges. The most famous attraction is the Golden Gate Highland National Park, which is well known for its spectacular sandstone formations. Other attractions include trout fishing, the annual cherry festival at Ficksburg, water sports at the Sterkfontein dam, the Basuto cultural village in Qwaqwa, and Bushmen rock paintings near Fouriesburg.



4. **The Northern Free State District.** This district is an important agricultural production area, particularly for maize, and is known as the grain basket of South Africa. The Vaal Dam is the main source of water for Gauteng, and offers a wide profile of sport and leisure facilities. The district also has other attractions such as the Vredefort Dome, which is the third largest meteorite site in the world (200km in diameter), and various San paintings. The most important towns are Sasolburg and Kroonstad. Sasolburg has significant strategic importance for South Africa, as it is the location of large chemical and synthetic fuel plants (i.e. the Sasol plant). Kroonstad is an important agricultural and administrative centre in the district.



Northern Free State



Free State Province

5. The **Lejweleputswa District**, is the major contributor to the Free State Gross Geographic Product (GGP), and is also an important agricultural area. The district is predominantly known for the Free State Goldfields, which forms part of the larger Witwatersrand basin. The first gold was discovered in the early 1940s. Welkom was specifically designed for the gold mining community, and is one of very few cities in the world that was designed to completion before any development took place. Development of the city started in 1947, and the first gold in the area was produced in 1951. By 1992, the goldfield had produced 7 360t of gold from some 20 mines. As such, the economy of the area is built around the gold mining industry, followed by maize production. Bothaville is considered one of the most important maize centres in South Africa, and also forms part of the Free State Maize Route. The annual NAMPO Harvest Farm and Festival attracts more than 20 000 visitors and is the second largest private agricultural show centre in the world.



Lejweleputswa



Free State Province

Seventy one percent of the population, about 2 million people, live in urban settlements. The Free State inherited two ex-Bantustans, i.e. Qwaqwa, a densely populated semi-rural area in the foothills of the Drakensberg mountains and Thaba Nchu (formerly part of Bophutatswana), with the apartheid-created settlement of Botshabelo as a dormitory town for Bloemfontein. Qwaqwa and Botshabelo have major problems in that they have artificially high populations in areas of low employment.

1.2.2. Landscape, Climate and Rainfall

The FS is situated on the flat boundless plains in the heart of SA. It borders six of the other provinces, the exception being the Northern province and Western Cape. To the east it has an international boundary with Lesotho, nestling in the hollow of its beanlike shape, and the escarpment separates it from the Eastern Cape and Kwa-Zulu–Natal. The Orange and Vaal Rivers form the southern, western and most of the northern boundary and the last section of the North-Eastern boundary is formed by the Klip River.

The western part of the province consists of plains, with pans as an important hydrological feature. The eastern part is mountainous. The Maluti range along the border is connected to the Drakensberg on the border with Kwa-Zulu–Natal. The FS is almost treeless, consisting mainly of grasslands with some Karoo vegetation in the south.

The soil is rich and climate good, allowing a thriving agricultural industry. The Free State is a summer-rainfall region and is extremely cold during the winter months, especially towards the eastern mountainous regions where temperatures can drop as low as $-9,5^{\circ}\text{C}$. The western and southern areas are semi-desert. The mean annual rainfall is 532mm.

1.2.3. Economy

The economy of the Free State Province generates slightly less towards the domestic economy than the relative size of the provincial population. This would suggest that the provincial economy is currently “underperforming”.

This is confirmed by the fact that the province used to generate a higher contribution towards the domestic economy relative to its population. As an indication, the Free State contributed 9% in 1980, which then decreased to 6% in 1990 and 5% in 2002. A closer inspection of the economy shows that this decrease in the relative contribution can to a larger extent be attributed to a negative growth in mining at an average rate of -4% p.a. for the period 1980 to 1991. The sector used to be the mainstay of the provincial economy.

It needs to be taken into account that the Free State is not surrounded by a prosperous economic environment of big businesses and industries as compared to some other provinces with huge infrastructural and economic activities.

1.2.4. Health

The incidence of HIV & AIDS is the second highest in the country. Women attending antenatal clinics being HIV positive, have risen from 27% in 2001 to 30.1% in 2004. Rates of TB are also high.

The 352 Primary Health Care Clinics in the Free State attended to 6,113,107 patients in 2004. For a population of 2.7 million people, the utilisation rate is 2.22 visits per annum. The national target for the PHC utilisation rate is 2.3. There are 31 hospitals and they treated 209895 inpatients and 500036 outpatients for 2004. The average length of stay for patients in a District Hospital is 4.24 days, for Regional Hospitals 5.4 days and for the Academic Hospitals 4.8 days. The national target for the average length of stay is 4.2 days for District Hospitals, 4.8 days for Regional Hospitals, and 6.8 days for Academic Hospitals.

Mortality

In the Free State there were 37071 recorded deaths during 2004. The number one cause being unspecified pneumonia (9.6%), followed by other ill-defined causes of death (8.5%). Pulmonary tuberculosis (5.5%) is the third commonest cause of death, and diarrhoea and gastroenteritis (4.3%) the fourth commonest causes. HIV and AIDS related illnesses account for the

major proportion of deaths in the Free State. Other common underlying causes of death are diseases of lifestyle, poverty and accidents/deaths due to violence.

The Free State infant mortality is 63/1000 population under 1 year. The present state of affairs for the whole South Africa is around 40/1000 population under 1 year. This means that the Free State is well above the total for the country. HIV and AIDS related illnesses are also responsible for a large proportion of the deaths.

Morbidity

The prevalence of HIV in the Free State is 30.1% according to the 2003 HIV/Antenatal Survey. The Free State is the third-most-affected province after KZN (37.5%) and Mpumalanga (32.6%). The prevalence went up in 2003 from 28.8% in 2002. What is encouraging is that the rate of the infection per year is declining, giving the impression that the infection rate is stabilising. The prevalence of HIV in South Africa also increased from 26.5% in 2002 to 27.9% in 2003.

The number of notified tuberculosis patients has increased from 13083 in 2000 to 18352 in 2004. This increase is attributable mostly to HIV and AIDS that suppress the immunity leading to the reactivation of tuberculosis.

The most prevalent chronic conditions seen at primary health care clinics during 2004 were hypertension, which accounted for 1,091,244 visits, followed by diabetes mellitus (163,699 visits), epilepsy (121,227 visits) and asthma (107,118 visits).

1.2.5. Education

The pass rate in the Free State for the senior certificate dramatically improved from 52.5% in 2000 to 79% in 2004. The national average in 2004 was 70.7%., . The pass rate for maths and science was as follows:

Maths Higher Grade : 77.92%
Maths Standard Grade: 60.97%

Physical Science Higher Grade: 56.65%
Physical Science Standard Grade: 64.84%

In 2004, the Free State Province had an exemption rate of 22.2%, which is 3.5% above the national average of 18.7% (Department of Education)

1.2.6. Infrastructure

The Free State is relatively well serviced with infrastructure. It has the main N1 (Gauteng-Cape), N3 (Gauteng-Kwazulu/Natal) and N8 (Bloemfontein-Maseru) passing through it, as well as the main railway lines from East London and the Cape to Gauteng. Currently 41% of all roads in the province are in a fairly to very good condition and 59% are in a poor condition (FSDP progress report 2004). It is the third most well-off province in the country in terms of access to safe water (95.7%), sanitation (90.88%), electricity (74.36%), and telephones (35.3%), although with regard to the latter two, it lags far behind the Western Cape and Gauteng (Census 2001).

Overall, the picture is of a province in need of an accelerating economic growth rate to meet the demand for employment, while having a good infrastructure, and a sound economic base with opportunities in tourism, agro-processing and mining. Socially, the province is stable and peaceful, and institutionally there has been a steady advance in effectiveness and efficiency of the provincial administration.

1.3. DEFINITION

The FS Provincial Growth and Development Strategy is the fundamental policy framework for the Free State Provincial Government. As a policy framework it sets the tone and pace for growth and development in the province. The PGDS addresses the key and most fundamental issues of development, spanning the social, economic and political environment, and its development is based on the following:

- National policies and strategies
- Provincial strategies

- Local Government plans (i.e. IDPs) and strategies

The need to ensure integrated planning, which will enable development to be delivered in the province in an efficient and co-ordinated manner, has been reconfirmed both on a national and provincial level. The province, in pursuit of the above, specifically recognises the need to develop a management framework, tying in provincial planning with national policies, as well as with planning and implementation programmes at both departmental and municipal levels.

Various initiatives, emphasising the need for co-ordinating the development initiatives both on a planning, as well as on a project implementation level, have been embarked upon in the past. In the same light, various strategic documents were prepared to guide development and the determination of priorities and objectives. The Provincial Growth and Development Strategy (PGDS) is considered a strategic document in as far as it ties provincial policies with national policies, while it spells out strategies on a sectoral level, which should serve as guidelines to departments and their initiatives.

The PGDS is the overall strategic framework for the provincial government. It is the embodiment of the broad strategic policy goals and objectives of the province in line with national policy objectives. It constantly takes into account annual provincial priorities and sets broad targets in terms of provincial economic growth and development, service delivery and public service transformation. Sector policies and strategic plans are the practical expressions of the PGDS, together with macro-level provincial strategies.

1.4. OBJECTIVES OF THE PGDS

The overarching goal of the PGDS is to align the provincial policies with the national policies and to guide development in terms of effective and efficient management and governance to achieve growth and development. The implementation of the PGDS will be linked to a monitoring system that is related to Key Performance Indicators (KPI).

1.5. GROWTH AND DEVELOPMENT PRIORITIES

Four priority areas of intervention have been identified by the province. These priority areas are primarily based on the social, economic and developmental needs of the province, namely;

- Economic Development and Employment Creation;
- Social and Human Development;
- Justice and Crime Prevention;
- Efficient Administration and Good Governance.

The priority areas establish a common basis and broad guidelines for the future development of the province. They also show a high degree of resemblance with the national growth and development strategic pillars and the Free State policy clusters.

1.6. ALIGNMENT AND INTEGRATION

The PGDS builds on the policies that have shaped the actions and success of the government. The basic vision of an economy, which meets the basic needs of people in a more equitable manner, goes back to the Freedom Charter of 1955. This was refined and developed in the contemporary context in Ready to Govern (1992) and the Reconstruction and Development Programme (RDP) in 1994. In 1996 Growth, Employment and Redistribution (GEAR) was formulated. According to GEAR, every province has to formulate a Provincial Growth and Development Strategy, which will set the tone for development in the province.

The PGDS needs to be vertically aligned with the growth and development strategies of the national government. The National Spatial Development Perspective (NSDF) and the National Medium Term Strategies provide guidelines to ensure that PGDS plans are in line with national growth and development strategies as reflected in the National Strategic Vision.

Service delivery is continuously shifting from the provincial government to the local government. This poses a serious challenge for local and district municipalities to coordinate their plans with the provincial and national government. The PGDS spells out the broad objectives and priority areas within which service delivery and transformation should take place.

In view of the above, the broad goals of the PGDS have to be translated into clearly defined programmes that could be translated into departmental or municipal plans. The PGDS should therefore be a guiding principle when government departments and municipalities (local and district) lay out their budget allocations, key growth and development priorities at the beginning of each year.

1.7. REVIEW OF THE FREE STATE DEVELOPMENT PLAN

The Free State Development Plan (FSDP) was commissioned by the Free State Provincial Government to address economic and socio-economic concerns in the province. The FSDP aimed to align development efforts in a strategic manner and to improve coordination among various role players. The Plan had five key priority areas, namely:

1. Enhancing economic development and job creation.
2. Providing and facilitating the sustainable development of infrastructure.
3. Investing in the development of the people of the province.
4. Ensuring a safe and secure environment.
5. Good co-operative governance with the sustainable use of resources and the environment.

We have gone a long way in addressing some of the most pressing development challenges through the implementation of the FSDP. It is however important that we keep track of current and planned developments on an international, national and local level. Hence, we embarked on the process of drafting the FSGDS.

1.7.1. Input by the Human Science Research Council (HSRC) on the FSDP Review

HSRC was tasked to review the FSDP, with a view of improving on future provincial strategies/plans. Critical aspects that emerged from the HSRC review are the following: (1) consultation with the private sector and civil society organisations was minimal and ad hoc; (2) the consultation process was largely internal to the Provincial Government. The consultative process was basically aimed at coordinating government departments and bringing departmental strategies together into an overarching plan informed by government strategies; (3) the consultation process was done in a short space of time, which hampered the effectiveness thereof.

The lessons learnt from the HSRC Review study and the experience gained, were taken into consideration with the drafting of the FSGDS.

1.8. INFERENCE

This chapter introduced the FSGDS and provided a broad overview of the Free State Province in terms of its geography and socio-economic conditions. The chapter instilled the reader with insight into the rationale for this PGDS and evaluated the previous FSDP. This PGDS aims to build on the strengths and add progressive value through the lessons learned from the FSDP study process.