

Honourable Speaker and Deputy Speaker

Honourable Members of the Legislature

Members of the Executive Council

Executive Mayors and Councillors present here today

Ubukhosi obukhona lapha phakathi kwethu

The Director General of the Province Dr Nonhlanhla Mkhize,

HODs and Municipal Managers

Representatives from various organisations

Our Special Guests – the people of Emalahleni municipalities

Comrades and compatriots

Manene namaNenekazi

Ladies and Gentlemen

Sanibonani

Good Morning, Lotshani

## ***Introduction***

1. Honourable Speaker, the month of March every year reminds us of the ***importance of Human Rights*** and 2015 is no different. We celebrate this period of the year by ***remembering and honouring all those who fought and died***, some were left without limbs, while others disappeared without a trace and their remains never found.
2. These are ***heroes and heroines*** who lay down their lives, fighting to restore our human dignity, so that all of us, ***black and white can live side by side*** without any fear of repression or persecution.

3. Madam Speaker, on Tuesday this week, Honourable Members debated the State of the Province Address which I had delivered, on behalf of government, on Friday the 27th of February 2015.
4. The essence of this debate was an attempt to **assess the performance of government** as to how far it has gone in addressing issues which will assist us to restore our human dignity since the dawn of democracy and move Mpumalanga and South Africa forward.
5. Madam Speaker, let me take this opportunity to express my sincere gratitude to all Honourable Members who took part in this debate. Their input both those who were supportive and those that were critical of my State of the Province Address will go a long way in assisting us as government in identifying areas where we are doing well, to accelerate our efforts and where there is a need for improvement.

### **Energy Supply**

6. Madam Speaker, last Tuesday I alluded to say that **load shedding** was "good problem". I will repeat my comments and perhaps clarify them to those who may have forgotten about **our history**. We come from the past where **millions of our people** were subjected to inhuman and undignified treatment, **experienced load shedding 24 hours a day, seven days a week and 365 days a year**.

7. These were black people that were forced to spend hours of their valuable time collecting wood and water from the forests and the rivers.
8. Those who lived in urban areas were forced to use paraffin and or coal stoves and thereby exposed themselves to pollution while performing the simplest tasks such as cooking to feed their families. It is the very same black people Madam Speaker, who had to study under a candle light and go to bed very early because they did not have electricity.
9. They could not watch television as a result and had very limited knowledge of how other people of the world experienced life. Since 1994, the ANC led government has changed that. We have accelerated provision of electricity to millions of our people in urban towns and rural villages in a very short space of time.
10. This has led to a situation where **demand outstrips supply**. The White Apartheid regime did not worry itself about black people getting connected to the power grid. **Power stations were built** to supply electricity to the **white minority** population and the big industries.
11. Our plans to supply each and every citizen of Mpumalanga with electricity are on track. Everyday more and more of our people are switching on for the first time in their lives and our government will continue to provide them with electricity.

12. If that means we should all **share this electricity** through two hours or four hours of load shedding, we will do so until the situation of power supply by Eskom returns to normal.
13. We shall never stop providing our people with their **basic human right to have electricity** in their houses. It is easier for some sections of our population that have been enjoying this basic human right for decades under the apartheid rule to complain when they are called upon to sacrifice and share with their other fellow South Africans. We should be a united nation not only when the lights are on but also when they are off.

### **Extended Public Works Programme (EPWP)**

14. Madam Speaker, similar negative comments were uttered against our **expanded public works programme** where we provide the most **vulnerable members of our society, mostly women**, with short and medium term employment. Not all EPWP jobs are short term. Some of them have been going on for five years, and more of our people who would have gone to bed without food in their stomachs, are grateful for the opportunity the ANC led government is providing to them.
15. We will **continue to implement EPWP** whilst exploring other means of getting our people capacitated through cooperatives and small businesses.

16. Having worked together in EPWP projects, it becomes easier to mobilize our people who are mostly **rural women, to graduate** from this kind of employment to a **cooperative kind of self-employment.**

17. Until such time that we as the ANC led government find another innovative way of alleviating poverty, we will continue with EPWP, improve the system to cater for semi- skilled and skilled work and champion the fight against poverty, unemployment and inequality. **EPWP is here to stay.**

### **Mpumalanga Economic Growth Agency (MEGA)**

18. Madam Speaker, whilst we acknowledge that **MEGA** has had a **difficult period in the past**, we can without any shred of doubt say that MEGA is **being restructured.** A strong team is being assembled and MEGA has a very strong and capable leadership.

19. Madam Speaker, **MEGA has succeeded in packaging and delivering the first phase of the International Fresh Produce Market.** We want to strengthen MEGA's asset book, invite other Developmental Financial Institutions like **IDC** and others to partner with them in packaging funding and managing some of our infrastructure projects.

20. **MEGA** is the only institution in the province that **has the legal requirement to raise funds**, invite investors, partner with them and propel economic growth in the province. We will therefore never ever allow MEGA to fail.

### **Local Economic Development and IDPS**

21. Madam Speaker, we will be the first to acknowledge that the **Local Economic Development (LEDs)** strategies of our municipalities as well as their **Integrated Development Plans (IDPs)** have not always yielded the desired outputs. This has always been a cause for concern.

22. We have since tasked our treasury and the Department of Economic Development to assist **municipalities with socio economic profiling of their communities**. This has assisted municipalities to know which areas of economic development they should focus on and which ones are not viable.

23. **Municipalities** are now **aware of their competitive advantage**. For example, here in Emalahleni Local Municipality, **mining and steel are the leading industries** and therefore the municipality should focus on mining and steel related opportunities because this is where they have a better chance of succeeding.

24. Goven Mbeki Local Municipality would focus on **petro chemical industries** because they have a competitive advantage in this area. The Department of Economic Development and Tourism is currently assisting these municipalities to **identify and package bankable projects** which can be made available to private investors.

25. Some of these projects will be funded from own budgets. Our government has also taken a very bold step of inviting the **private sector to participate** and form part of the **LED forums**. This will in no doubt, capacitate those municipalities who may have been struggling with identifying investment opportunities, to be able to package them accordingly and obtain the necessary funding. Private sector has the requisite experience.

### **High Altitude Centre**

26. Madam Speaker, let me remind this house that the high **altitude training centre** that we are proposing for **Emakhazeni** is a project that was meant to have been done **in partnership** with the **Portuguese Government**. When the **economic crisis of 2008** and **2009** hit the world, Portugal was the worst affected country together with Greece, Ireland and Spain.

27. As a result the **Government of Portugal withdrew** from the project and we were forced to re-package it and seek out new investors. Had the financial crisis of 2008 not happened, this project would have been completed.

## **Water provisioning**

28. Madam Speaker, we have always maintained that **bore holes are not a long term solution** to our water problems. Bore holes are like a stop gap providing **short to medium term solutions** whilst we mobilize resources to install bulk infrastructure and water pipes to our people. We therefore cannot let our people live without water, the most basic need, whilst waiting for the infrastructure to be installed.

29. We will continue to install bore holes as a short term measure whilst working hard in providing permanent solutions. May I hasten to add that some people here in South Africa and elsewhere in the world prefer borehole water than that which is treated before consumption.

## **Education**

30. Madam Speaker, let me assure Honourable Members of this house, that their concern over student drop out is also my concern. In my State of the Province Address, **(paragraph 172 and 173)**, I indicated that the government was putting in place a **tracking system** that will enable us to **trace each learner's journey through their schooling career**.

31. We will also **commission research** that may assist us in identifying the **root causes** of the **dropout rate**, though we have no doubt in our minds that some of these causes are entrenched in the landscape of poverty.
32. Honourable Member Maunye, on the question of **storm damaged schools** in the Bushbuckridge Municipality, our government **in consultation with the affected communities** have decided not to repair these schools but **rebuild** them. The Department of Public Works, Roads and Transport is currently working on new plans and also costing these plans so that we can make a provision for new classrooms in our future budgets. As an **interim measure**, the department has provided these schools with **mobile classrooms**.
33. Madam Speaker, in our efforts of improving the plight of children living in farming areas, I visited eight **farm schools** around Middleburg on Wednesday this week.
34. What I experienced in my visit has left me convinced that the decision that our government took of **closing down dysfunctional farm schools** to build **state of the art boarding facilities** was a **well informed decision**. To this effect, I have asked the Department of Education to start with the plans of building a school with boarding facilities to cater for these farm schools around the Middleburg area.

## Creation of Employment

35. Madam Speaker, ***unemployment is in the minds of all South Africans*** and indeed all citizens of Mpumalanga. A debate would have been inconclusive if this issue was not raised. We have come to the conclusion that not every citizen of this province will get employment and as a result we are opening up opportunities for ***people to become self-employed***.

36. Our ***partnerships with the mining sector*** for 2015/2016 driven through the ***mining sector forum***, will focus on ***skills development*** through the ***skills hub***, establish ***Industrial Parks*** and ***revitalize township economy***. We will also intensify our work on cooperatives both in the agricultural sector and the manufacturing sector. Our ***partnership with Eskom*** has already started to produce tangible results in areas like DR JS MOROKA municipality.

## Agriculture

37. Madam Speaker, much has been said about the impact of our ***Masibuyele Emasimini*** and ***Masibuyele Esibayeni programmes***. Let me share with you one of our many success stories. Mr Skhosana of ward 29, Haartebeeslaaghte, is a farmer who received support through both our programmes and has moved from being a small farmer to a stage where we can call him a commercial farmer.

38. Our government supported Mr Skhosana with **30 pregnant cows in 2013** and today he has a strong herd of **400 cattle**. In this season, Mr. Skhosana has planted **420 hectares of maize and dry beans**. His farm supplies **Steers fast food restaurants** with fresh meat.

39. Madam Speaker, if this is not a success story of Masibuyele emasini and Masibuyele esibayeni programmes, than I may not have a clear understanding of what success means.

### ***State of the Emalahleni Local Municipality***

40. Emalahleni Local Municipality is having administrative, institutional & financial challenges. This can be attributed to historical systemic administrative and managerial failures which have cumulatively led to a situation where the municipal is unable to deliver services to communities in an efficient, effective and accountable manner.

41. In line with our vision 2030 of the National Development Plan, outcome 9 implores us to deliver an accountable, effective and efficient local government system. We invoked, correctly so, Section 139 of the Constitution and put the municipality under administration in order to stabilise the municipality and develop a comprehensive service delivery programme plan.

42. On implementing Section 139, we were neither naive nor expecting all the challenges facing the municipality to have been resolved. We were and remain acutely aware of the systemic structural challenges that require a short - medium - long term intervention plan.

43. Our short term plan has worked in that we have managed to stabilise the municipality and ensure basic services are provided to the community albeit with supply interruptions.

44. As we bring the intervention to a close at the end of March 2015, we are retaining a municipal support plan designed to comprehensively and sustainably deliver basic services to all our communities in eMalahleni Municipality.

45. This comprehensive plan comprises of among others, the following key focus areas and deliverables:

- i. **Upgrading** the existing **Water Treatment Works** and build a **New Water Purification Plant** in order to increase the capacity of potable water supply to reticulate our communities which were previously unserved. Five Waste Water Treatment Plants at **Klipspruit, Ferrobank, Naauwpoort, Riverview and Phola** are already being attended to through Rand Water.

- ii. We have also provided R82m towards to municipality to accelerate this work so as to ensure water and sanitation interventions are a success.
- iii. **Refurbishment and replacement** of Bulk Mains and reticulation pipes to distribute water to communities who are without water in a more stable way.
- iv. **Construction of new Storage and Service Reservoirs** to ensure adequate water for 24hr water distribution to all our communities.
- v. Comprehensive **War - on - leaks Programme** to reduce unacceptably high water and revenue losses in order to ensure our people receive water without interruptions. Further, the programme will ensure the municipality can improve its revenue collection and be able to invest on further Operations & Maintenance programmes for sustainable service delivery to all.
- vi. We have already refurbished the water treatment plant's chemical dosing system and constructed two filters to address effectively the water quality of the potable water. We are currently supported by **Rand Water** with **training and equipping municipal technical staff** to operate and manage the system effectively in the interest of all our people in eMalahleni.

46. We are indeed on par, Siyaqhuba Madam Speaker!

## **Rehabilitation of Road Infrastructure**

47. Madam Speaker, the Province set up a **Municipal Support Programme**, to assist municipalities with road maintenance from 2013/14. Before the setting up of the programme, the Department would assist on an ad hoc basis when called upon to help.

48. **Emalahleni** was one of **four priority Municipalities** that were identified and were assisted with **pothole patching** and **related road repairs**. Sections of the following streets were repaired; OR Tambo Street, Mandela Street, Sturdee Street, Hlalanikahle Main Road, and Moses Kotane Street.

49. The Province has completed the **rehabilitation of 3 projects in eMalahleni Municipality** since the start of the coal road repair/rehabilitation programme in 2011;

- These are Roads P182/1 between P120/1 van Dyksdrift and R35,
- P120/1 from eMalahleni to D914,
- P52/3 between Kriel and Ogies,
- and P29/1.

50. Another **2 coal haul road rehabilitation projects**

- Road D686 from Leeuwfontein past Kendal Power Station to N12 and
- Road P29/1 between Ogies and Kendal, are currently under construction

51. The Coal Haulage Road Rehabilitation Programme also undertakes **reseal and pothole patching** on various roads in the Municipality.

- Some of the roads worked on are D2769 between P141/1 Junction and Greenside Colliery,
- P141/1 between P29/1 Junction (near Tweefontein Colliery) and D691.

52. We will continue to rehabilitate these roads to facilitate the smooth running of coal haulage in the area.

### ***The Two Economies***

53. Madam Speaker, we live in a province and indeed in a country of contrasts. It is very important for us to locate both the State of the Province Address as well as the debate in its proper context. South Africa is a country of two worlds. One could, as former President Mbeki eloquently put it, South Africa is a **country of two economies and two nations**.

54. On one hand you have a nation that due to our historical past and by mere definition of the word, Apartheid, is **relatively prosperous** regardless of gender or geographic area. It has resources readily available to it, it has access to a developed economy and has networks in the corporate world.

55. It is very mobile, can move from one province to another and from one country to another. This movement makes it easy to find jobs and business opportunities. This nation has skills and therefore can migrate to anywhere in the world. It is a largely white population with a few black spots.

56. On the other hand you have the **second economy**, whose nation is the biggest in terms of the population, it is **very poor**, has very **limited skills** with worst affected being young people and women in all areas but more so in rural areas.

57. This nation lives under a grossly underdeveloped economy. Living conditions are very poor, it has insufficient resources and has for a period of more than 300 years been suffering from colonial and Apartheid white domination. This nation and its economy are black.

58. You don't have to go very far to see what I am referring to. Right here where we are is the centre of the second economy populated by the black people. Hardly two kilometres away you will find the first economy with all the support, and the infrastructure that is required to succeed.

59. Due to our recent history, even if you were to say here are the opportunities and they are opened for all irrespective of colour or creed, those who come from the second economy will find it very difficult to exercise their rights to this equal opportunity because they do not have the requisite skills.

Financial institutions are very quick to shun them because they have no guarantees or security.

60. Madam Speaker, unless those who belong to the first economy and indeed this economy has now some black spots or you could say some tiny sprinkles of black spots, unless they are prepared to go all out of their way and assist the government in uplifting the poor, it will be very difficult for us to talk about nation building. We cannot turn a blind eye when we see the levels of inequality growing every day and hope that things will improved by some miracles.

61. Madam Speaker, the 1990 unification of Germany was achieved only because the rich people of West Germany were prepared to go all out and uplift their poor East Germany counterpart. It is well documented that West Germany had to transfer 500 billion dollars to East Germany so that they could deal with issues of inequality, unemployment and poverty.

62. Madam Speaker, over and above this, a Seven (7) and half per cent income tax was levied on all Germans and this tax was appropriately called the solidarity tax.

63. The question that we all need to answer is are we prepared to do what the West Germans did, sacrifice their hard earned wealth in order to pull up their fellow human beings and place them at a level that makes them feel that their human dignity has been restored.

64. What needs to happen before we all realize that government alone cannot afford, through limited and constrained budgets to provide for all these millions South Africans who are poor.

65. Madam Speaker, the debate about distribution of wealth is just too important an issue that we can leave it with the so called experts. It is an issue that affects all of us and the concrete, physical reality of inequality is visible to the naked eye.

66. It does not matter whether you are a peasant or a master, a shop steward at the factory floor or a factory owner, we all have something to say about this issue and the sooner we realize that this situation is unsustainable, the better. South Africa is one of the most unequal societies in the world.

67. Madam Speaker, from time to time we hear comments about the unintended negative consequences of the social net that the ANC led government provides to the vulnerable members of our society. A study conducted by The Institute of Race relations recently provides very interesting findings. It shows that state programmes are already having a marked effect on improving the basic living conditions of the poorest segment of our society.

68. These segments which is measured through the Living Standards Measures from 1 to 10, one being the poorest and 10 being the richest, that poverty levels among those who are level 1 to 4 has been reduced from 52,6 per cent down to 24,4 per cent.

The study credits government social net provided through child grant, disability grant and old age grant as well social spending on issues like houses, water electricity and sanitation for this significant drop in poverty levels of our vulnerable people.

69. Madam Speaker, according to this study South Africa spends at least R10 000 per person on social services. The Author of the study also says that the long term solution to the problems of poverty and inequality lies vastly in improving our education and training systems , creating jobs and in ensuring rapid and sustainable economic growth.

70. The Author of this study concludes by saying I quote "The challenge will be to ensure that we successfully implement the National Development Plan." If we can do so, the author continues, "we will be able to make continuing progress in reducing poverty and inequality and thus achieving the vision of our Constitution."

71. Madam Speaker, the Author of this study which confirms that the ANC government is on the right track by shielding and defending those who are defenceless and provide them with grants, is non other than the former President of the last white government, the nobel peace prize winner President FW De Klerk.

72. Madam Speaker, late last year, I decided to pay a visit to communities that live around the mines right here where we are today Emalahleni. I was not invited by anyone. The purpose of my visit was to gain first hand experience of how our people who live very close to these mines and power stations go about their daily activities.

73. Madam Speaker, I was not prepared for what I observed. I could not believe the level of extreme abject poverty living side by side with enormous wealth. The worst area was Masakhane next to Dhuva power station. I found communities living in squalor conditions without basic amenities like water, sanitation and electricity. It was very much like walking into a pre 1994 South Africa.

74. Our government has already identified land where we will be building houses for these communities. I have also decided to engage the mines and through the **Mining Forum**, we will identify projects that can be done to improve the lives of our communities who live around these mines. These projects will include skills development, cooperatives that can supply these mines and Industrial Parks closer to these mines. The main focus will our Youth.

## **Conclusion**

75. Let me also take this opportunity once more, to **thank the Legislature for taking its activities to the people on the ground**. One of the principles of the Freedom Charter is that 'The people shall govern'.

76. By bringing the legislature to the people Madam Speaker, you have fulfilled one of the main **tenants of our democracy**, that of **public participation**. May I also extend my **appreciation to the people of Emalahleni** who have come in droves to be part of this august occasion and to have personal experience of how issues that directly affect their daily lives are being dealt with.

77. I hope that Honourable Members of this house have left an **indelible impression** on our people. That they can be comforted that the **government** which is entrusted with the responsibility of handling their affairs, is indeed **competent** to do so.

78. Madam Speaker, our journey is riddled with massive obstacles. From **tremendous racial divisiveness, towards the creation of a non-racist, non-sexist prosperous rainbow nation**.

79. We are a province and a nation that is striving for unity in diversity, striving to rise above bigotry of racism towards a free society.

80. We are a province hard at work to achieve our goals of a society free from **poverty**, free from **diseases**, free from **inequalities** and free from high levels of **unemployment**. We know that working together we can achieve this.

81. Our journey is not just an ideal, but a goal that we will never rest until we have achieved it. It is the **long walk** that all of us, **white and black**, need to **undertake together hand in hand** knowing very well that there will be challenges. Some big and others small, yet there will also be victorious moments. We must celebrate these victories together, but we should also face challenges together.

82. I thank You.