

**TABLING REMARKS  
APPROPRIATION BILL PRESENTATION 2009  
MEC SEISO MOHAI**

Acting Speaker

The Honourable Premier, Mr. Ace Magashule

Chairperson of the Portfolio Committee, Honourable Neels Van Royen

Honourable Members of the house

Comrades and Friends

My Predecessor, the Honourable Mr. PHI Makgoe tabled the Appropriation Bill here in the Legislature on the 27<sup>th</sup> of February 2009 in terms of section 119 of the Constitution. This Bill as tabled by Hon. Makgoe was a product of extensive consultation both within and outside government in an attempt to realign it with the evolving strategic priorities of government as elaborated in various policy instruments.

Accordingly, detailed and thorough work has been undertaken by the new Provincial Administration in order to give effect to the Election Manifesto of the ruling party, the African National Congress. We should indicate that at the National level, the Election Manifesto of the African National Congress was translated into a Government-wide Medium Term Strategic Framework (MTSF) with ten strategic priorities. The MTSF's 10 Strategic Priorities and the President's State of the Nation Address guided the Provincial EXCO Lekgotla and the Extended Provincial Lekgotla in order to develop and refine the Provincial Priorities. These Provincial Priorities formed the basis of the Premier's State of the Province Address.

As the Provincial Treasury, we facilitated intensive engagements of the Treasury Committee with the various Provincial Departments, working through their Clusters, in order to reprioritize the Bill as tabled on the 27 February 2009. Our approach in this regard was premised on the policy processes and context as outlined above.

As we seek to better the lives of our people for the better, we must always be guided by the noble imperative of measuring our success only on the basis of the impact we make in changing their conditions. In this regard we are inspired by the teachings of Amilca Cabral, an African revolutionary thinker of note in the 20<sup>th</sup> century, when he said:

*"We must always bear in mind that the people are not fighting for ideas, for the things in one's head. They are fighting to win material benefits, to live better and in peace, to see their lives go forward, to guarantee the future of their children."*

In this regard, the process of reprioritization of government strategic priorities should be understood within the context of our desire and commitment to bring material changes in the conditions of the lives of our people.

Honourable Acting Speaker, Honourable Members, departmental expenditure proposals contained in the revived Appropriation Bill have been reprioritised in order to cater for the following programme spending priorities:

- Maintaining high levels of public investment in infrastructure through expanding and building rail networks, public transport, roads, public health and education infrastructure including housing construction;
- Intensifying our public sector employment programmes by increasing employment in areas where there is a clear need to do so especially in the police, education and health sectors;
- Implementing the second phase of the Expanded Public Works Programme in areas such as health services, construction, maintenance and environmental protection projects;
- Scaling up social interventions to address the job challenges and ensuring social protection.

Honourable Acting Speaker, there are Departments whose functions were not affected in the reprioritization that was undertaken. These Departments' original spending proposals were in line with the Election Manifesto and the MTSF priorities of the ruling party. These Departments are Education, Health and Social Development.

Honourable Acting Speaker, the total reprioritized funds from the tabled budget amounts to **R432.618 million** of which, **R220.765 million** is allocated to the Economic and Infrastructure Cluster, whilst **R156.853 million** relates to Governance, Administration, and Security. Communication and International Cooperative Cluster and lastly an amount of **R55.000 million** is reprioritized towards Social Protection and Community Development Cluster.

The Priorities for the **Department of Health** remain while the Security Services transfer to the Department of Police, Roads and Safety and the Bursaries functions transfer to the Department of Education.

The core priorities of the Department of Health remain unfettered and are:

- Addressing the shortfall in Occupation Specific Dispensation (OSD) for nurses,
- Reducing infant and child mortality,
- Addressing tuberculoses (XDR and MDR), and
- Increasing General health capacity.

The **Department of Education** retains its entire allocation. Minor changes to the allocation are transfers of functions entailing Security Services which move to the Department of Police, Roads and Transport and the assumption by the Department of all functions relating to bursaries for non-employees and for employees.

The remaining programme focus of the department of Education is upon:

- Extension of the No Fee School Policy to quintile 3 schools;
- Learner Teacher Support Materials,
- Expansion of the teachers to reduce the teacher to learner ratio in quintile 1 schools; and
- Provision of inclusive education to accommodate learners with disabilities in mainstream and special schools.

**Social Development** remains a critical instrument in these turbulent economic and financial times. The priority areas for Social Development remain as follows:

- The extension of the Early Childhood Development and these funds will mainly be utilized to upgrade the Early Childhood Development subsidies to an acceptable level as per the national norms and standards.

- The implementation of the Occupation Specific Dispensation for Welfare Services.
- The development of Monitoring and Evaluation capacity for Welfare Services, and
- The expansion of Home and Community Based Care and expansion of services to children in conflict with the law.

Regarding the **Department for Economic Development, Tourism and Environmental Affairs**, the following programmes receive funding priority through reprioritization of the earlier tabled Appropriation Bill to the amount of **R49.4 million** in order to support:

- Supporting the Small Business Development,
- The establishment of 3 co-operatives pilot projects,
- Office Park Developments,
- Maluti Tourism Development,
- The establishment of a Regional Hub for Software Development, and
- The Xhariep Transfrontier Development.

The **Department of Public Works and Rural Development** has been established. A reprioritized funding allocation of **R28,1 million** is devoted to support rural development including the establishment of the new function within the Department of Public Works and Rural Development. The establishment of agri-village projects, in Thabo Mofutsanyana, Roadside, Thaba Nchu and Bethany will benefit out of this funding reprioritization.

The **Department of Agriculture** has reprioritised **R14, 7million** in order to support the Xhariep District, the appointment of Agricultural Scientists, and agro-processing plants.

### **Sports, Arts, Culture and Recreation**

Mr Speaker, in the past before the dawn of the new democratic dispensation we in the liberation movement were criticized for politicizing sports, arts,

culture and recreation. It was and it continues to be our vision that sports, arts, culture and recreation are critical instruments for nation building. In this regard, the Department of Sports, Arts, Culture and Recreation receives a combined reprioritised allocation of **R50 m**.

This amount gives effect to the 32 Schools Competition as part of the 2010 FIFA World Cup Tournament, the Phakisa NASCAR, PACOFS, Promotion of National Symbols, Sports Councils and Federations and MACUFE events.

### **Cooperative Governance, Traditional Affairs and human Settlements**

Honourable Acting Speaker, we welcome the shift in the current government's effort to reconfigure our approach to human settlement that break ranks with the old approach of housing people without taking the totality of the needs for decent human settlement.

Of the total amount of **R1.020 billion** allocated for Human Settlements, an allocation for the revitalization and rebuilding of old houses that are collapsing in Batho, Ngwathe and Matjhabeng will be made. Hon Speaker, we are glad to announce that the Provincial government has also adopted an aggressive policy for upgrading the current two roomed houses into four roomed houses, and the relevant MEC will provide further details in this regard.

Local government constitutes a critical sphere in our evolving system of co-operative governance. Without synergy, coordination and support by other spheres of government to local government, our vision of local government as a site of delivery is doomed. In this regard more resources are allocated to fulfill this critical task. This task is linked to our ongoing effort of mainstreaming our traditional authority as an integral part of our system of governance. We have therefore allocated an amount of **R285.557** million for Co-operative Governance and Traditional Affairs.

The Department of Human Settlement has reprioritized allocations that are funded through the Conditional Grant Allocation for Integrated Housing and

Human Settlement Development to cater for various policy priorities. The details will be contained in the Budget Vote of the Department.

### **Police, Roads and Transport**

**R148, 5 million** is reprioritised with the Department of Police, roads and Transport to cater for the construction of the Bloemspruit Police Station, crime fighting CCTV cameras at strategic points, the Harrismith Logistics Hub, BRT revitalisation, Rail Revitalisation, the Yellow Fleet and roads infrastructure construction and maintenance through labour intensive methods.

### **Provincial Treasury**

The Provincial Treasury has been allocated an amount of **R11 million** to strengthen its capacity of monitoring and support to other departments to ensure prudent financial management systems.

A turnaround plan is in place and management support has been sourced to augment the capacity of the Provincial Treasury.

### **Department of the Premier**

The role of the Department of Premier has been strengthened by the changing context of policy development, coordination, monitoring and implementation. The imperative for a shift from medium to long term planning capacity in government as outlined in the President's State of the Nation Address has necessitated a reconfiguration of the Premier's Office in both qualitative and quantitative terms.

The Planning, Performance monitoring and evaluation will now reside in this Office and to this end an amount of **R20 million** is allocated to this Office with additional **R10 million** for undertaking a comprehensive skills audit for Provincial and Local Government.

### **Free State Legislature**

The accumulated experience of 15 years of our democratic governance has taught us many exciting lessons. Key amongst them is that we can not blindly follow all traditions and conventions of Westminster system of Parliament.

A developmental state presupposes a conscious reconfiguration of all branches of our government including legislatures, and in this regard, in our effort to transform our Legislature into a voice of our people we should develop the capacity of the Legislature to strengthen its oversight role. Additional funding of **R25 million** is made available towards the funding of the Legislature.

### **In Conclusion**

Honourable Acting Speaker, the revived Appropriation Bill includes a Schedule which is an Explanatory Memorandum on the Appropriation Bill, B1-2009. This Schedule, called the Explanatory Memorandum, provides a translation key that links the current vote structure to the new Provincial Government Structure in order to rename the existing Votes, and shifting funds between Votes and within Votes between main divisions.

The work we have presented before this august house is a culmination of the long tedious process of planning and reprioritization. It is a work in progress, a great beginning in search of a shared vision to give effect to the aspirations of our people and require stringent measures of compliance. Some of the measures and choices we have made will be tested against practice and therefore an ongoing review will be a necessity. This is particularly so in the light of uncertainties thrown by the current turbulent global markets.

As I conclude allow me to express my profound gratitude, firstly to my predecessor, honourable HPI Makgoe for laying firm foundation upon which the tabling of this bill is built. Also thank the Premier for his leadership and support in the deliberations of the entire process of reprioritization. To my colleagues in the executive, the officials and the CEO of Treasury, let me also

say, thank you; without your support I could not have moved to where I am at the moment.