

**REMARKS BY THE KWAZULU-NATAL FINANCE MEC MS NP NKONYENI ON
THE OCCASION OF THE CHARTERED INSTITUTE OF GOVERNMENT
FINANCE, AUDIT & RISK OFFICERS 2023 ANNUAL LOCAL GOVERNMENT
INTERN SUMMIT**

COASTLANDS HOTEL, UMHLANGA

04 MAY 2023

Programme Director;

KZN Chartered Institute of Government Finance, Audit & Risk Officers Chairperson,
Mr S Zakwe;

KZN South African Local Government Association Chairperson, Cllr T Ntuli;

National South African Local Government Association Chairperson, Kutlwano
Chaba;

eThekwini Metro, Sandile Buthelezi;

Ray Nkonyeni Chief Financial Officer, Ms A Zuma;

The Ethics Institute, Fatima Rawat;

Esteemed delegates;

Stakeholders present;

All protocol observed;

Good morning;

I am delighted to be here today with our future leaders and to share some useful insights that may guide you in your journey to become professional financial assets for the province of KwaZulu-Natal.

There is no doubt in my mind that we need an injection of young talented accountants and auditors in the local sphere of government if we want to see a sustainable change in the financial status in municipalities in our province. The local sphere of government is possibly the most important sphere of government as they are at the coalface of

services delivery. We therefore, have to focus on interventions that will see a much needed change in how we manage our finances.

Before I move further with my address, let me take you back to the words by the Former President of the ANC Oliver Reginald Tambo when he said;

"A country, a movement, a person that does not value its youth & children doesn't deserve its future."

These words are even more relevant today as we are gathered here to nurture our young talent. You will remember that last month, in the month of April, South Africa as a country commemorated 30 years since the passing of Tambo. We might be living in a different time and context than that which he said these words under, but the meaning and the significance of his words are still very much relevant in the present day.

I have no doubt in my mind that this is a meeting of compatriots who are seized with the task of growing boundaries of freedom and human fulfillment.

In this regard, we are heartened that this gathering is being convened during the month of May, a month recognised as Workers Month. This is the month where South Africans celebrate the achievements by workers while also reflecting on some of the challenges that still exist today. Challenges like the high unemployment rate, gender inequality, discrimination and increased levels of psychological, physical and sexual abuse experienced by workers. These challenges mostly affect the interns in the work place simply because they are young, expected to do the impossible in order to prove that they are worthy of being absorbed as permanent employees.

Let me share the current status of our municipalities to demonstrate why we need to ensure that we develop this talent and most importantly retain you, our young interns, within the local sphere of government.

In the last financial year, the Auditor General indicated that in the latest municipal audits the audit opinion movements have regressed in more than 10 of the 54 municipalities in the province. Only 4 Municipalities received unqualified audit reports with no findings (i.e. clean audits), 37 received Unqualified audit opinions with findings, 11 qualified audit opinions and 2 disclaimers. The key findings were

- Financial management controls remain weak resulting in poor quality of financial statements submitted for audit;
- Lack of financial management disciplines and continued reliance on the audit process;
- Finance units not adequately capacitated through upskilling of staff and filling of vacancies and as a result an excessive use of consultants;
- Poor financial health;

As you can see, whilst we have seen some improvements in the audit outcomes of certain municipalities for the province there is serious need for further support and capacity if we want to turn the situation around and ensure that services are delivered to our people.

In countries such as China, it is considered an honour to serve in the public sector and we need to reignite the passion in South Africans, especially our youth, to want to be a part of the change that is required and to give back to their communities by serving as public officials.

As we speak, South Africa and our province of KwaZulu-Natal in particular is faced with a serious crisis of high rate of youth unemployment. It has always been said that having so much young people not doing anything is a recipe for disaster.

As the KwaZulu-Natal Provincial Government we have set a target for each department to open up opportunities to our young people by providing internship programmes each Financial Year. Under these programmes young people are introduced into the working environment. What is special about these opportunities is that young people are also provided with skills development workshops to enhance their skills and also to better equip them as their careers take off.

In your two years' internship programme you will be exposed to the various fields within the office of the Chief Financial officers which include Supply Chain Management, Financial accounting, Budgeting, asset management and other critical aspects to equip you to either specialise in one of these areas or to aim to become a Chief Financial Officer of a municipality in time.

Critical to the success of an internship programme is the quality of supervision and mentorship as well as the structure of the programme in terms of exposing you to as many areas as possible within the finance field. As interns you must seize this opportunity to learn as much as you can in the two year programme. Put your heart, mind and soul into even your smallest acts and do not be embarrassed by your failures, but learn from them and start again.

I must at this juncture thank National Treasury sincerely for the support they have provided not only in funding this Internship programme through the Municipal Finance Grant for the past ten years but also through providing the necessary support to ensure that the programme is a success.

In order to qualify for the programme interns are expected to have a degree in finance or the equivalent thereof with accounting as a major. I would strongly encourage those who are able, to further their studies with post graduate qualifications in order to specialise in a specific field as we need experts.

Programme Director, I would like to mention that during the 2023/24 Provincial Treasury Budget we announced that our department retained many of its interns and South African Institute of Chartered Accountants (SAICA) students in entry level positions and these play a critical role in providing a pool of talented financial management skills for the Provincial public service.

The Provincial Treasury is an accredited SAICA Training Office that provides a three-year training programme, accepting graduates that were recipients of the Thuthuka Education Upliftment Fund who, upon completion, will be eligible for registration as Chartered Accountants (CAs). The programme was initiated in an attempt to address the scarcity of black CAs in the Province with the intention of improving the financial management talent pool available for the public sector. After successful completion of the training contract, participants are then offered entry into the Management Development Programme which runs for a further 5 years. In the previous financial year, there were 2 trainees that qualified as CAs. Provincial Treasury was the first training institution in the country to implement the new CA 2025 Electronic Assessment Tool.

Furthermore, Programme Director, a total of 57 positions are currently at various stages of the recruitment process and this should be finalised by the end of this month. We are proud to also share that, the Premier has granted approval to fill a further 29 vacancies, which will be concluded by the end of August 2023.

As Provincial Treasury we have set aside an amount of R10 million and these funds will be utilised for the employment of 70 interns in the construction discipline to undertake condition assessments of government facilities in partnership with the Department of Public Works. The draft MOU has been prepared and the programme will commence in the first quarter of the new year. The programme is envisaged to provide 12 months' working experience and aims to open opportunities for young graduates to hopefully find permanent employment thereafter.

As I conclude Programme Director, while we note that challenges still persist, government is on the fight against the high unemployment rate.

Let me also congratulate all the interns for being accepted from thousands of applications into the programme – this shows that already you have demonstrated that you have something special to offer and you should not take this opportunity for granted but rather use this as your stepping stone to your future career.

You need to appreciate the fact that sadly there are a large number of unemployed youth in this country and therefore, when presented with an opportunity such as this internship programme, you need to be the best you can be at all times.

Now that you are in these positions you need to fight against being a victim of abuse and in your fight, government will always be beside you.

With all that has been said, the ball is in your court as an intern.

Zibambeni ziqine. Uhulumeni useniphile amathuba, fundani, nisebenze ngokuzimisela ukuze nizoba nekusasa eliqhakazile.

Ngiyabonga!