

Address
MEC for Finance and Leader of Government Business, Nomusa Dube-Ncube
Post Budget Business Breakfast
Golden Horse Casino, Pietermaritzburg

Programme Director- Ms Melanie Venessa
His Worship, the Mayor of UMgungundlovu Cllr Mzi Zuma;
His Worship, the Mayor of Umsunduzi Cllr Thebola
Other mayors present;
Councillors;
Members of Chambers;
Emerging Entrepreneurs representing SMMEs and CO-operatives
Captains of industry;
Our Esteemed Panel;
Members of the Media,
Ladies and gentlemen

Good Morning

Introduction – “Unity In Action” The Theme of My Address

Ladies and gentlemen, as I was preparing last night and deciding on an appropriate focus for my address, I decided to remain with a theme that I have consistently raised as a point of departure in many other events I have had to address lately.

This point of departure in essence is that “Through Unity in Action we can bring prosperity to KwaZulu-Natal”.

This theme is equally relevant, whether we are talking about improving the education outcomes in our Province, or accelerating the provision of essential services to our communities, or talking about deepening social cohesion in our Province, or as the case is in the address this morning, namely to bring Prosperity to KwaZulu-Natal through allocation of our Pro Poor Budget.

Programme Director, it is particularly important for us to realise that for us not only to survive in challenging times, but to strive for greater excellence and prosperity in the face of adversity, we have no option but to ensure that we stand together through Unity in Action and not only in speech.

It is therefore critical for us to remain driven by a strong sense of purpose, focused on a plan of action to achieve a common vision, with clear goals and objectives, without being distracted by prophets of doom.

After all, the future is in our hands and if we do not deliver a future of prosperity, no one else will do it for us. Failure is not an option and the consequences of failure are in any way to ghastly to contemplate.

It is for this reason that I would like to focus my address here this morning on those issues I believe we need to address to ensure that we remain United in our Action.

I emphasise the word remain because I believe that we have already casted a strong foundation in this Province for government and business to work together to achieve this common vision we have for our Province. This very Post Business Breakfast is testament to the manner in which the relationship between government and business has been formalised.

The Pietermaritzburg Chamber, together with the relationships we have established with other institutions representing organised business, has enabled us to develop and nurture this relationship to a point where we are already greatly unified in our actions.

The task at hand now is to ensure that we work relentlessly to ensure that we remain unified.

Revenue Collection – basis of our Budget “Unity in Action”

Programme Director, as I turn my focus to the Budget, I wish to state that we value your contribution towards the revenue of this government.

It is important to emphasize that without revenue collected from big business, emerging entrepreneurs and all taxpayers, government will not be in a position to deliver services.

It is therefore appropriate that when we talk about the R143, 3 billion Provincial Government Budget, we also acknowledge your contribution towards the state coffers.

If you do a proper analysis of our budget, you will notice that the province’s total budget allocation from National Treasury is R139.6 billion.

After having added from our provincial revenue, we ended up with R143, 3 billion which we have deployed to areas such as education, health, social welfare and infrastructure development.

Ladies and Gentlemen, I really do not intend to repeat the Budget Speech, but let me highlight activities of provincial government departments in relation to budget allocation.

Firstly, we are encouraged by the fact that the new leadership, leading all municipalities under UMGungundlovu district is energetic.

As government we will continue to support the partnership between elected leaders in the municipality and representatives of business structures.

As we are going through this challenging period in our history, we need to combine our energies and share resources where necessary. If we do that we will collectively own both the successes and failures.

For instance, Stats SA released the results of the Quarterly Labour Force Survey.

According to the report, the unemployment rate among the Black African (39,1%) population group remains higher than the national average and other population groups, and Black African women are the most vulnerable with an unemployment rate of 42,4% – which is 4,2 percentage points higher than the national average.

The report states that irrespective of gender, the Black African and Coloured population groups remain vulnerable in the labour market and young people are at risk, with youth aged 15-24 years and 25-34 years sitting at 66,5% and 43,5% unemployment respectively.

Ladies and Gentlemen, undoubtedly it is only “Through Unity in Action” that we can deal decisively with these figures.

We must agree that our collective efforts, be it in the field of economic development, be it in the development of infrastructure, be it in the field of social development, of governance or of safety and security, we all have to be focused on ensuring that we create employment and reduce poverty.

Office of the Premier’s Office – “Unity in Action”

Programme Director, let me start with the allocation to the Office of the Premier.

The current term of Government in the whole country is about intensifying efforts at improving the socio-economic conditions of the majority of our people and providing good governance that delivers on our people’s heartfelt and pressing needs.

The budget allocation to the Office of the Premier is basically dedicated to pursuing activities such as the one indicated above. But most importantly to strengthen coordination, monitoring, support and evaluation of Provincial Government Programmes, providing leadership as well as coordination and facilitation of transversal programmes.

With regard to Co-operative Governance, the Office of the Premier will continue to promote and strengthen intergovernmental relations between spheres of government through participation in forums such as the President's Co-ordinating Council, Premier's Co-ordinating Forum. KZN Growth Coalition, HIV and Councils etc. These forums will be used for the co-ordination of plans and alignment of programmes to improve service delivery.

Department of Economic Development, Tourism and Environmental Affairs - “Unity in Action”

Programme Director, the Provincial Government has singled out the Radical Economic Transformation as a programme that should be used intensively to fast-tracking the entry of previously marginalized communities into the mainstream economy.

We have unreservedly allocated a budget in support of RASET, Operation Vula and the Black Industrialist Programme . These are key drivers for the transformation of our economy to be more inclusive.

We are accelerating the implementation of the KZN Localization Framework. Our main focus is to create a demand for local products which are produced by emerging entrepreneurs throughout the corners of this province.

Whilst government has been promoting the procurement of products and services from local entrepreneurs as part of ensuring inclusive economic growth, COVID-19 pandemic has renewed our drive.

We have also taken a decision to use public procurement as an instrument to uplift the majority of our people especially women, youth and people with disability. We have identified products and services that should be provided by previously disadvantaged groups such SMMEs and co-operatives.

We must partner to promote the “Buy Local Campaign.” Our position as Treasury is that we must use government’s spending power to procure from local entrepreneurs – encourage communities to buy local – and ultimately ensure that local entrepreneurs are able to export to other countries.

In assessing the comparative and competitive advantages, as well as the nature and structure of the KZN economy, it has become evident that the lead sectors are industrial development and manufacturing, finance, real estate and business services, infrastructure development and construction, transport storage and communications, tourism, mining and beneficiation as well as wholesale and retail trade.

These sectors are critical to the achievement of our economic growth goals. The diversified nature of the KZN economy is one of its key strengths and has enabled resilience in response to economic volatility.

The department and its entities has adopted a business support, retention, and expansion programme, which is fully integrated into the Radical Economic Transformation Programme and focuses on:

1. Supporting businesses that are weak but that have sound foundations and can become viable through accessing existing short-term industrial policy support

programmes to contain further job losses and protect important production capabilities;

2. Supporting new businesses to emerge through a dedicated programme of support to new or young businesses as they are more vulnerable than larger older established businesses to shocks and harsh economic conditions; and
3. Supporting existing businesses need to expand by creating an environment that is conducive to new investment.

Human Settlement and Public Works “Unity in Action”

Honoured Guests, we have ensured the radical transformation of the housing landscape in the province with a greater focus on ensuring decent houses for our people.

We have also allocated a budget for relief packages especially when there are natural disasters. Severe weather patterns accompanied by heavy storms destroyed houses and left hundreds of families destitute on the 22nd and 30th December 2021 in Umgungudlovu District. We thank the leadership for the swift response during times of distress.

We do want to partner with the private sector to provide houses to the needy communities. I am sure you can use your corporate social investment initiatives to achieve that.

Department of Health - “Unity in Action”

As the provincial government we are determined to work towards improving our healthcare system in order to increase life expectancy.

It is important to acknowledge that the burden of disease that is affecting South Africa has its epicentre in this province. Similarly, to improve the overall health outcomes in South Africa, KwaZulu-Natal must first improve.

We have allocated budget for the construction, renovations and maintenance of public health infrastructure.

More work has been done to improve the quality of health services, reducing patient waiting time and ambulance response time.

Department of Education - “Unity in Action”

Programme Director, our view is that education is the foundation upon which the future of our province will be built. Therefore we have allocate more resources for the construction of new schools and for maintenance.

Through Cabinet Sukuma Sakhe, all MECs including the Premier, always undertake regular visits to schools to assess their performance. We often meet with learners, teachers, organized labour, school principals and school governing bodies.

We want to reach a point where we all agree that education of our children is sacrosanct and thus nothing should be allowed to get between learners and quality education.

We invite you as the business community to invest in school infrastructure such as classrooms, libraries, laboratories and information communication and technology infrastructure in order to produce learners who are capable of driving socio-economic development throughout the corners of this province.

Department of Social Development - “Unity in Action”

Programme Director, at this stage, I want to admit that the proliferation of drugs and an increasing number of young drug addicts is a serious threat to social stability. While the Department of Social Development has introduced a number of interventions - there is a need for partnerships.

Importantly, we have to acknowledge that most crime occurs in underdeveloped and poor areas where unemployment is high. These includes poorly serviced neighbourhood without any recreational and other social facilities.

It is the high level of hopelessness in such localities that result in high levels of frustration. The fact is such desperation results in recklessness, criminal and anti-social conduct and loss of respect for life and property.

Department of Co-operative Governance and Traditional Affairs - “Unity in Action”

Honoured Guests, we acknowledge that the capacity of Local Governance is essential for all of government to render effective and efficient services to our communities. We have therefore allocated more resources to COGTA.

The budget will be used to strengthen our Intergovernmental Relations Structures to ensure better alignment between national, provincial and local government programmes and projects.

We are also committed towards facilitate the drafting of District Growth and Development Plans to ensure the alignment of plans at all spheres of government, as well as to provide a district context for the drafting of the sixth generation municipal Integrated Development Plans (IDPs).

We are also focusing on improving the effectiveness of municipal governance and in particular technical and financial management to improve service delivery and audit outcomes.

It is true that some KZN municipalities have failed to live up to their mandate, and have failed to handle the public purse with integrity, having had to be placed under administration. We want to make a firm undertaking that we cannot in all honesty allow that situation to continue.

During meetings of the provincial executive council – we have agreed that we will receive ongoing reports on the performance of municipalities. We will not hesitate, like we have done in the past, to intervene if there are serious challenges

As government we are determined to build on the work of this government in creating a partnership with the institution of traditional leaders. We want to ensure that Amakhosi are consulted when spheres of government, especially municipalities, plan development.

Agriculture and Rural Development – “Unity in Action”

Programme Director - we have also agreed as the provincial executive council that deracialization and the redistribution of wealth in the agricultural sector will receive priority.

This is extremely important considering the fact that this province has a total of 6.5 million hectares of land for farming purposes of which 82% is suitable for extensive livestock production and 18% is arable land.

We are focusing on how best to utilise this land to produce vegetables, fruit and meat products for consumption and for exports to other countries. We want co-operatives to produce agricultural products in order benefit the entire community especially in rural areas.

When the ANC-government in this province announced the establishment of Rural Development Department, it was agreed that we need to channel new development opportunities to these relatively deprived and sometimes remote rural areas.

As government, working with the institution of traditional leadership, we will open access to land for development and to support rural communities to become active partners in the development of their land.

Transport, Community Safety & Liaison

Programme Director, we continue with the construction of roads but due to budget limitations, there still remains a backlog.

Over thousands of kilometres of major high quality roads have been constructed to link rural towns such as Nongoma, Hlabisa, Osizweni and other areas. Access to public facilities such as schools, clinics and other social amenities has been prioritised.

Many pedestrian bridges will be constructed to save children from drowning on their way to and from school and save their teachers the indignity of having to undress in order to cross the river every time they go to work in the village school. The labour intensive approach has become the mainstay of the road construction programme, employing thousands of Zibambele contractors and others through the Expanded Public Works Programme.

More attention will be focused on the road maintenance aspect to deal with the vexed subject of pot holes. This may prove a difficult balance due to the repetitive storm damage that has seriously destroyed the road infrastructure, including bridges and causeways for which huge resources had already been invested. Budgeting for these unforeseen disasters tends to erode on the resources reserved to further expand the road network and refurbish our roads that are on average older than twenty years.

Conclusion

I wish to conclude by highlighting our focus on law and order in the province.

We have seen the mushrooming of groupings with some that are raising genuine issues and others that are hell-bent on creating mayhem.

We promise tough action against forums that are demanding that its members be given tenders without following due processes.

We have welcomed the arrests of some members of the forum who were carrying out threats to council employees and sub-contractors that rendered services such as provision of electricity, water and waste removal.

Today, we want to send a strong message today that the culture of impunity will not be tolerated. As government we have called on our law enforcement agencies to maintain law and order across the province.

Ends