



Northern Cape
Provincial Legislature



2017

Budget Speech 2017/18

Presented by Honourable Kenny Mmoiemang – Speaker

The fight for freedom must go on until it is won; until our country is free and happy and peaceful as part of the community of man, we cannot rest,” So said Oliver Reginald Tambo, an anti-apartheid revolutionary who served as President of the African National Congress from 1967. Honourable Members, ladies and gentlemen, this is the year of OR Tambo. We celebrate this gallant icon and aspire to live by his ethos as we strive to selflessly serve the Northern Cape Community.

Honourable Deputy Speaker

Honourable Premier

Honourable Members of the Executive Council

Honourable Members of the Provincial Legislature

Youth Formations during this Youth Month

The Northern Cape House of Traditional Leaders

Chapter Nine Institutions

Veterans League

Comrades and Friends

Members of the Media

Ladies and Gentlemen

All Guests present

I am pleased to present the 2017/18 Budget Vote for the Northern Cape Provincial Legislature.

The Legislature Budget Vote is informed by our Annual Performance Plan guided by, amongst others, the adopted Strategic Plan 2015-2020; the National Development Plan; and the Medium Term Strategic Framework.

As the 5th Legislature, we need to reposition ourselves better in order to successfully respond to the triple challenges of unemployment, poverty and inequality, through intensive oversight, effective public participation and the intensive scrutiny into our lawmaking process and identify and deal with the gaps in our current legislation, as a legislative sector.

This year marks the 20th year of the Constitution of the democratic South Africa; this is but one of the greatest achievements of our National Democratic Revolution towards building a desired national democratic system. Our Constitution has been hailed as the most progressive in the world because of its human rights considerations and its unifying spirit.

Go banna le basadi ba bokgabane, re motlotlo go keteka le go lo rolela dihutshe tebang le maikarabelo ao loneng loa rwesitswe ago diragatsa phitlhelelo e ya molaotheo. Re itumelela gore e ne ele tiro e e boitshegang- mme ga loaka lwa ikgatolosa. Naga e tla dula e ba lebogela maitlamo a bone, botlhale jwa bone le botswerere joo ba bo bontshitseng mo go tlogeleng letlotlo le. Rotlhe rea patelesega go gore re le sireletse le go le tshegetsa go ya goile.

{English translation} We proudly celebrate and salute the men and women who were charged with the responsibility of putting this hallmark together. We appreciate that it was a mammoth task and the country will forever be indebted to their commitment, wisdom and diligence which incarnates nothing other than a prudent legacy that all of us across the breadth and length of the country are duty bound to forever defend and uphold.

It is our constitutional imperative to ensure that the Legislature holds the Executive and Municipalities accountable in executing both the manifesto of the ruling party as well as the action plans of the National Development Plan (NDP). In line with the NDP we are pursuing a development agenda under conditions of extreme poverty and widening inequality.

The task of a developmental state is to create specific institutional structures, consciously articulate political purposes and to harness nationalism and a sense of national cohesion towards economic growth and development.

The achievement of the NDP goals rests on the effectiveness our strategy, one that is operationalised in order to conduct oversight, public participation and law-making.

As the Legislature we draw pride and courage for the achievement of a clean audit in the 2016/17 financial year; alongside the office of the Premier and Provincial Treasury, which are crucial departments in the oversight of service delivery. The attainment of the clean audit outcome for the TROIKA is certainly a tangible indication that as a committed government we are moving in the right direction, and our commitment is to steer all our local government structures in that direction as well. With a number of cost-cutting measures instructed on government spend; we want to ensure that we achieve more with less. Resource constraint cannot be an excuse for non-performance, and this should be the attitude of all three spheres of government.

Honourable Members, the highest calling of revolutionary leadership is about solving people's problems. The day people stop bringing you their problem is the day you have stopped leading them. They have either lost confidence that you can help them or concluded that you simply don't care. Either way, that a failure of revolutionary leadership.

As marxist theorist and anti-war activist Rosa Luxemburg warns: "the more social democracy develops, grows, and becomes stronger, the more the enlightened masses will take their own destinies in its own hands", (close quote).

At times our people will grow impatient about the rate of service delivery, and in the process they may decide to take it to the street, and let us not, like an orchestra conductor turn our backs against them. Every revolution has its sharp edges, ebbs and flows.

It is our ongoing unwavering task to drive and accelerate progress towards the advancement of a national democratic society; to deepen democracy and translate political emancipation into economic inclusion and well-being for all our people. Our primary role in the legislative sector is to indeed ensure that "the people shall govern", as anticipated by the Freedom Charter.

The Northern Cape Provincial Legislature exists in terms of section 104 of the Constitution of the Republic of South Africa, 1996 (the Constitution) which vests the legislative authority of the Northern Cape Province in the Northern Cape Legislature. In addition to the legislative authority the legislature also has a Constitutional mandate of oversight over the Provincial Executive as well as a responsibility to ensure public participation in its processes.

In terms of Oversight the implementation of the Sector Oversight Model (SOM) continued in the 2016/17 financial year, thus enhancing accountability. As a collective the political Leadership and the administration jointly concluded the previous financial year in agreement that the oversight model had to be reconsidered and amended in terms of the realities, capabilities and needs of the institution.

This prompted the review of the Oversight Model in order to scale down on oversight commitments while ensuring that oversight engagements that take place become more meaningful and focused.

The oversight process has already commenced for the 2017/18 financial year and soon Committees will be contracting with departments and entities to ensure that service delivery is improved and focused on priority outcomes as stipulated in the policies of government. The focus of oversight will be on the following government priorities:

- The NDP where oversight analyses will be streamlined considering the following six pillars:
 - Poverty alleviation programmes and the reduction of inequality;
 - Citizen empowerment;
 - Economic development and job creation;
 - Enhancement and building of key capabilities;
 - Building a capable and developmental state; and
 - Fostering of strong leadership throughout society.
- The Provincial Spatial Development Framework.
- The Strategic Integrated Projects (SIPs) where 10 of the 18 projects relate directly to the Northern Cape as a province.
- Infrastructure development.

- Key provincial core functions such as:
 - Education;
 - Health;
 - COGHSTA;
 - Roads and Public works; and
 - Agriculture and Rural Development.

Oversight continues to take place over all 13 votes and their entities. Departments will continue to be called to account on a quarterly basis in terms of their approved Annual Performance Plans and budgets.

Committee meetings will further continue to convene outside the seat of the Legislature. Public Hearings will be held on important issues as well as Section 76 Legislation.

In the 2016/17 financial year Members of the Provincial Legislature contemplated strategies to strengthen political oversight and accountability. In continued pursuit towards strengthening this area and enhancing the efficacy of both Standing and Portfolio Committees, MPLs, with the support of the Secretary and officials in the administration, will continue to pursue strategies for improvement. As a commitment to the core activities and objectives of the institution, the baseline of the committees' budget will be increased substantially in the 2017/18 financial year.

Flowing from previous experiences, attempts were made to implement the following actions to further increase the effectiveness and efficiency of the institution, specifically focusing on oversight and accountability:

- Committees are now operating in clusters instead of silos;
- Office of the Chairperson of Committees have seized the responsibility to identify cross-cutting issues and with the support and input of the research unit, provide guidance on specific oversight issues;
- Coordination of oversight between the National Assembly, National Council of Provinces and NCPL is now improved.

- Going the Office of the Leader of Government Business should start tabling reports in the Legislature on the progress made with regards to the implementation of the NDP with special focus on the following areas:
 - Economic transformation;
 - Social transformation;
 - Building of a capable and developmental state for example; and
 - Peace and security.

In terms of law making the legislative sector has embarked on a program that deals with challenges of assessing the impact of all our legislations passed since 1994. A successful engagement with the “High Level Panel for Assessing the Impact of Legislation”, lead by former President, Mr Kgalemea Motlanthe was also recorded as a significant public participation tool.

The focus of the assessment is on the impact of key policy enacted on four areas the triple challenges of poverty, unemployment and inequality, the creation and equitable distribution of wealth, land reform, restitution, distribution and security of tenure, nation building and social cohesion.

Our province's most demanding social, economic and political challenges could be traced to the triple challenges which has its roots in the legacies of apartheid.

A point to be noted is the number of laws and policies that were passed in response to the challenges however the

Key questions remain:

To what extent is the gap between legislative intent and outcome a result of poor policy design or poor implementation of sound policies?

Have there been important gaps in the overall policy architecture that have left unaddressed key factors underpinning the triple challenge?

What legislative reforms are needed to improve outcomes?

To what extent have inequalities in access to the relevant services (quality health care, skills and education) been expanded and equalized by policy and legislation since 1994?

Have the legislative goals been achieved?

To what extent that it has not, is this consequence of inappropriate legislative design or poor implementation thereof?

What legislative reforms are needed to improve outcomes?

Under land distribution, land restitution and security of tenure and what is Critical here is the extend to which land policies and laws give effect to the land rights in section 25 of the constitution and the extent to which these policies and laws address the legacy of racial inequality in land ownership and tenure security?

Four areas must be noted:

- The slow pace of land reform
- Failure to meet targets for land redistribution
- The lack of coherent policy guiding current laws and policies „reflected in disjointed and contradictory policies that change constantly
- The failure to give to the land rights guaranteed by subsection 25(5)equitable access,25(6)tenure security and 25(7)restitution of the constitution

Honourable Members, we are now confronted with crucial questions:

- In what ways has the implementation of various post - 1994 laws assisted or inhibited land distribution and restitution of land rights?
- Have the laws and policies effectively addressed racial inequality in land holding and tenure security?
- Have these laws decreased poverty and inequality and unemployment?

- Have tenure of security laws stopped evictions and provided people with legally enforceable rights to land?
- Have laws, policies and programmes enabled black farmers to use land productively to improve livelihoods and benefit communities?
- What are the strengths and gaps in current laws and policies and how should legislation addressed them?

The Provincial Legislature will mark the twenty year road towards democratic constitutionalism by hosting a number of celebratory events to commemorate the 20 Year Anniversary of the Constitution and the NCOP. The role of the NCOP is unique and critical, as it provides a mechanism for the achievement of cooperative and democratic governance, which emphasizes consultation, coordination and communication in forging governance partnerships among the national, provincial and local spheres of Government.

In September, as part of heritage month celebrations, the NCPL will host a Lecture Series, with the underlying theme 'Celebrating 20 years of democratic constitutionalism' in partnership with the Sol Plaatje University.

The Legislature's Public Education and Participation function is going back to its roots and the Legislature will strive to improve giving feedback to communities, as this is one of the concerns raised by members of the public, particularly on public participation programmes and sector parliaments. The Legislature also rebranded its website page with a fresh and more appealing presence and we will continue to keep our citizens informed on all developments and programmes.

A Youth Parliament will be hosted tomorrow (30 June 2017), with the intention to gather the youth of the province under one roof to create a platform for dialogue.

One of the commitments to our people is to continue to hold the Executive and government authorities accountable through the Northern Cape Petitions Act, 2009.

This important piece of legislation which came in effect in 2009; stipulates that, the Standing Committee on Constitution Affairs, Petitions and Public Participation, Section 9 (2) may refer a petition or any part thereof with a specific directive or recommendation to a member of the Executive Council, a municipal council, a provincial organ of state, a Chapter 9 Institution, the National Prosecuting Authority or an investigative body or investigative authority which exists in terms of relevant legislation, for its response within a reasonable period.

Hon Deputy Speaker, annually the Legislature strives to honour our fallen heroes and heroines through memorial lectures and face mosaic plaques engraved on the heroes wall. This financial year however due to the structural work currently underway at the Legislature precinct, the memorial lecture on the late John Taolo Gaetsewe is scheduled for next year.

During the 2016/17 financial year, the Legislature has hosted four successful external House Sittings that took place in the ZF Mgcawu District (Rietfontein), in John Taolo Gaetsewe District (Kathu), in the Frances Baard Region (Warrenton) and Pixley Ka Seme District (De Aar). Overall the Legislature held 26 House sittings during 2016/17 financial year.

Five House Sittings outside the Legislature seat is planned for 2017/18. These external sittings have created a tremendous interest amongst the public to observe live proceedings in their own regions and to see political party representatives operating on this democratic platform.

The House adopted amendments to the Standing Rules on 15 March 2016, in compliance with the Financial Management of Parliament and Legislature Act 10 of 2009, to allow for an oversight mechanism over the budget and administration of the Legislature.

Hon. Deputy Speaker, our Legal Services Department will employ a pro-active approach and attempt to perform legal research and provide legal guidance that is of high standard and quality in order to avoid litigation and escalated costs to the Legislature.

The following provincial legislation was passed for the financial year 2016/17 –

- Northern Cape Appropriation Act 1 of 2016;

- Northern Cape Adjustment Appropriation Act 2 of 2016;
- Northern Cape Second Adjustment Appropriation Act 3 of 2016; and
- Northern Cape Second Adjustment Appropriation Amendment Act 4 of 2016.

The following section 76 legislation was forwarded by the NCOP for mandates for the financial year 2016/17:

- Children's Second Amendment Bill [B14B-2015];
- Mineral and Petroleum Resources Development Amendment Bill [B15D-2013];
- Plant Improvement Bill [B8B-2015];
- Plant Breeders' Rights Bill [B11B-2015]; and
- Division of Revenue Bill [B7-2017].

The SOPA 2017 was held under the theme "The Year of Oliver Reginald Tambo: Unity in Action, Together Moving South Africa Forward". Due to solid application of Standing Rules, the prestigious event boasting 1200 guests was spared of disorder which had the potential to disrupt the occasion.

The Legislature has made progress in terms of governance, through moving from an outsourced internal audit function to a co-sourced function, meaning we are beginning to develop internal capacity. The audit committee continued to function and enhance overall governance. Monitoring and Evaluation as well as Risk Management were also strengthened through the establishment of the Risk Management Committee in the year under review.

Hon Deputy Speaker, in implementing the new organisational structure, we will fully implement our Employment Equity plan to foster transformation within the institution.

The EE Plan has been finalised and we will now start with the process of stabilising the institution. We hope to finalise this process by end of September 2017.

The Legislature continues to support the development of its employees in Legislature specific and related fields of study by offering bursaries to employees.

The Legislature in total awarded fifteen (15) bursaries to employees for the 2016/17 academic year. Bursaries awarded for the 2016/17 academic year ranged between *NQF level 5* and *NQF level 8*. In that we have prioritized giving 100% bursaries to the lower NQF levels.

Parliament and Provincial Legislatures under the banner of the Speakers Forum offers training and development opportunities to Members of Parliament and Provincial Legislatures. This year with the Leadership of Secretary to the Legislature, the Sector will also start with the training of employees.

The overall purpose of the programmes is to enhance the performance of Legislatures to execute their constitutional responsibilities through a professional development programme anchored in the core functions of the Legislature and the role and responsibilities of Members and staff whilst providing access to academic opportunities.

Subsequent to the commencement of the 5th Legislative term, all fifteen new Members who registered for the 1st phase of the Members Capacity Building Programme during the 2015/16 academic year successfully completed the Certificate in Advanced Governance and Public Leadership during 2015/16. The graduation ceremony took place on 21 April 2017.

Amidst the hectic programme of the Legislature and other party political related business, Hon Members of the Legislature continue to show sheer commitment and dedication to the Members Capacity Building Programme.

We are also looking at organisational wellness with the primary objective to ensure peaceful and harmonious employer-employee relations. We recognise that there is still room for improved employee relations to ensure less grievances, misconduct cases and disputes at the CCMA and will therefore embark on putting focused initiatives, interventions and strategies in place to further improve on employee relations.

To effect the structural defects project currently running at the Legislature, the Institution has leased three temporary premises for a minimum period of seven months with the option to extend rental by month to month to enable the appointed contractor to carry out construction at the main facility.

The Structural Defects Project (SDP) is still ongoing and progress is certified at between 30-35% with the completion date set on December 2017. The scope of work is being executed within the allocated budget or the construction phase.

Hon. Deputy Speaker the South African Legislative Sector is in the process of introducing legislation for governing the administration in the sector. Just as the Public Service has the Public Administration Act, the sector will introduce the Legislative Sector Bill which also seeks to introduce centralised collective bargaining in the sector.

Hon Members as the Legislature has made inputs on the new regulations on the Funding of Political Parties. Parliament has also established an *ad hoc* committee to deal with Funding of Political Parties in South Africa. As a Legislature we must support this process and participate fully.

The *ad hoc* committee established will enquire into and make recommendations on Funding of Political Parties in South Africa with a view to introducing amending legislation if necessary and, in so doing consider a model of public and private funding for political parties; and the need for, and possible means of, regulating private funding in all its forms as well as investment entities owned by political parties. It is time that political parties in South Africa now reveal their funders.

As the Legislative Sector we are also looking into making amendments to the Financial Management of Parliament and Provincial Legislatures Act of 2009. Since the implementation of this Act we have realised that the act can be improved to assert the Legislative Sector even more. The current act is assisting a lot in entrenching the doctrine of separation of powers.

Hon Deputy Speaker following a presentation by APAC to the Speakers' Forum (SF) in June 2016. A principle decision was taken by the Speakers' Forum for APAC now to reside and report to the Speakers Forum. The Chairperson of the Speakers' Forum would engage with the Auditor General South Africa on the migration of APAC to the South African Legislative Sector.

FINANCIAL OVERVIEW

MEDIUM TERM EXPENDITURE ESTIMATES

The Northern Cape Provincial Legislature's budget provides for total expenditure of **R194.971 million** for the 2017/18 fiscal period. This includes a direct charge against the Provincial Revenue fund of **R25.155 million** to make provision for the remuneration of the Honourable Members of this august house.

Total expenditure decreases to **R188.267 million** in 2018/19, and increases to **R199.186 million** by 2019/20. The decrease in expenditure forecasts for next year is wholly attributable to the fact that this fiscal period includes a once-off allocation of **R16.406 million** for investment in capital assets. This investment is not carried in the base-line of the MTEF.

SUMMARY PER PROGRAMME AND ECONOMIC CLASSIFICATION 2016/17

Programme one, administration which provides the secondary support function to operations of the legislature, receives an allocation of **R77.794 million** for 2017/18, down from R83.861 million in 2016/17. The reduction is due to the fact that capital investment allocation is scheduled according to project plans related to the precinct rehabilitation and the implementation of an Enterprise Resource Planning system (ERP).

Programme two, which is dedicated to enabling MPL's and political parties to do their representative work and interface with their constituencies is allocated an amount of **R45.722 million** for this financial year, down from an adjusted allocation of **R46.310 million** in the previous year. The reduction is resultant from the fact that a once-off outbound political study tour was funded in the previous year.

Programme three, which provides direct support to MPL's and the Legislature in the execution of its Constitutional Mandate receives an allocation of **R46.300 million** for 2016/17, up from **R 43.690 million** in the previous year.

The mandate of Legislature is driven by human capital. Oversight is performed by human intervention. Laws are made through human intervention. At the heart of Public Participation lies human intervention. As a result the legislature's budget provides for expenditure of **R111.935 million** for the compensation of its employees and MPL's.

An amount of **R39.265 million** is made available for goods and services over 2017/18 financial period. Given the wide geographical expanse of our province, the major cost incurred in execution of our mandate relates to travel and subsistence.

An allocation of **R 27.365 million** is earmarked in the budget for transfers and subsidies, 98.5% of which goes to represented political parties. This is a strong expression of our commitment to compliance with Section 116 (2)(c) of the Constitution of the Republic of South Africa, which places an obligation on the Legislature to provide for financial and administrative support to each party represented in the legislature.

An amount of R 16.406 million has been set aside for capital investment projects, which have rolled over from the previous financial year. These projects relate to the implementation of an ERP system as well as the rehabilitation of the Legislature precincts. Both the major capital projects are expected to be completed in this financial year.

Subsequent to the budget being tabled, the Rules committee expressed concern over the level of funding allocated to committees. The justified concern that low funding levels has a potential to negatively oversight is indeed taken seriously by the administration. To this end an agreement has been reached to adjust the funding allocated to committees by **R0.600 million** in this financial year. This funding will be reprioritised from the Security and Records Management unit. The formalisation of this agreement will be included during the adjustment process.

In 2017/18 the Legislature will implement its procured ERP system, SAGE X3 and discontinue the use of BAS and PERSAL. This challenge will require new reporting formats to be agreed with Provincial Treasury for consolidation purposes.

The Northern Cape Provincial Legislature will continue to strive to be the voice of our people and fulfill the aspirations of our people, as an activist Legislature and maintain to the “Home for All” of our people in the Northern Cape province. Vigilant, Always for our People!

Over and above, it is fit to mention that the ANC government has led our Province for the better; we as the people’s representatives will continue to keep our eye on the ball in the interest of the electorate, and fully implement our mandate, that of lawmaking, public participation and oversight.

As Youth month draws to a close, we urge our youth to use all the opportunities afforded to them by our government to acquire the skills to become successful academics, entrepreneurs, industrialists, farmers and professionals in various fields, and achieve the economic freedom that your forebears were unable to achieve.

We salute the youth of 1976 who took on the apartheid state to register their total rejection of the diabolical Bantu Education system at the time. These are the brave young men and women who took to the streets to advance the goals of the broader struggle for liberation and democracy in their country. The youth of today must pick up the baton and aspire to advance youth economic empowerment, as we move towards unshackling the chains of the apartheid legacy.

Go tlhoka tekatekano go go tsweletseng gompijeno go ka nna ga amanngwa le dipholisi tsa bokoloniale le tlhaolele tse di tlhodileng dikgoreletsi gore batho ba rona ba seka ba fitlhelela thuto ya boleng le go tsaya karolo mo mebarakeng ya ditiro. Go tlhoka tekatekano ga nako e e fetileng e tswelela go ka gaelela Ma Afrikaborwa mo bodiding le go dira gore ba iphitlhele ba sa kgone go tsaya karolo ikonoming ya naga.

{English translation} The inequalities that persist today can in large part be attributed to colonial and apartheid policies that created structural impediments for our people to access quality education and the formal labour market participation. The legacy of our past continues to keep the majority of South Africans trapped in poverty and far from the economic mainstream.

Hon Members, in keeping to our promise made during the 2016/17 budget speech of moving towards a 50% paperless institution, I present to you copies of our budget speech on a flash drive. Should any of our community members however wish to have a printed version, you are more than welcome to visit the office of the Speaker.

On a somber note, the Northern Cape Provincial Legislature conveys it's sincere condolences to the Republic of Botswana following the passing of Former President Sir Ketumile Masire, whom will be remembered as one of the key figures in Africa's independence struggle.

We also extend our condolences to the people of Namibia, following the passing of Namibian freedom fighter and anti-apartheid activist Andimba Toivo ya Toivo, who will be remembered for his bravery and determination to wage the struggle for the independence of the Namibian people and fight against the apartheid system in South Africa.

As I conclude, I wish to express my gratitude to the Deputy Speaker for her commitment, Members of the Executive Council led by the Premier, Mme Sylvia Lucas, Members of the Provincial Legislature, the Chairperson and Members of the House of Traditional Leaders, the Chairperson and Management of SALGA, All Chapter nine and ten Institutions, and Non Governmental Organizations.

Special thanks to the Secretary, management and all officials of the Legislature, the team in the Speaker, Deputy Speaker and chairperson of committees offices. I must also express words of appreciation to my family for their continued support and motivation.

It is with great humility that I thank our glorious movement, the African National Congress for entrusting upon us this responsibility of leading this esteemed House. We also take this opportunity to pay homage to the opposition parties in the Legislature for their continued constructive engagements, which has ensured that together we hold the executive and the Legislature accountable.

Ke leboga Mmopi Modimo mothati otlhe ka go re neela botlhale mo go eteleleng
Setheo se pele.

*{English translation} I give thanks to our Creator, God almighty for providing us with the
wisdom to lead and to guide this Institution.*

To the people of our Province:

Re a Leboga

Enkosi

Baie Dankie

Thank you very much