

**BUDGET SPEECH OF THE OFFICE OF THE PREMIER
DELIVERED BY THE PREMIER OF LIMPOPO MR CHUPU
STANLY MATHABATHA AT THE LIMPOPO PROVINCIAL
LEGISLATURE, LEBOWAKGOMO (VOTE 1)**

16 March 2017

Madam Speaker

Deputy Speaker of Limpopo Provincial Legislature;

Members of the Executive Council;

Chief Whip of the Ruling Party;

Chairpersons of various Portfolio Committees;

Esteemed Members of the House;

Distinguished guests;

Ladies and gentlemen;

In a week's time, the nation will converge at the King Williams Town in the Eastern Cape to commemorate the 1960 Sharpeville Massacre and celebrate the Human Rights Day.

This year' celebrations will take place under the theme, **“The Year of OR Tambo: Unity in Action in Advancing Human Rights”**

As part of these celebrations, President Jacob Zuma, will officially handover the memorial grave site of Steve Bantu Biko to the Biko family. What a befitting honour and tribute to that outstanding revolutionary who championed the course of freedom for black people and humanity in its entirety. May his Soul rest in peace!

The Human Rights Day also provides us with a unique platform to reflect on the progress made over the past 23 years of democracy in restoring the human dignity of the Black people in general and the Africans in particular.

Our freedom and democracy have obviously brought an important spotlight on the category of human rights, commonly called the socio-economic rights. These are the right to education, right to housing, right to decent standard of living and the right to basic healthcare.

As the custodian of the democratic constitution, the ANC government has and must continue to commit more resources towards programmes that seek to promote and ensure access to these important basic rights.

In this regard, an efficient and effective management and utilization of the state at our disposal is a non-negotiable imperative.

We must, unapologetically, fight wastage and fight corruption in the use of public resources. Any wastage of public resources and corruption deny our people their inherent and constitutional rights.

Related to this, is the tendency to under-spend the allocated resources. As we have said during the State of the Province Address, we cannot tolerate under-expenditure whilst some of our people are still awaiting provision of basic services such as water, sanitation, electricity and proper road infrastructure.

Our people have fought for these rights, and no one must be allowed to ride roughshod over them. These rights are the cornerstone of our constitutional democracy and must therefore be protected at all times.

Madam Speaker;

In order to carry out its constitutional mandate, the Office of the Premier has three functional Programmes. These programmes are **Administration**, **Institutional Support** and **Policy and Governance**.

The main function of **Programme 1**, which is Administration, is to provide the necessary administrative support to the Premier,

the Executive Council and the Director General in fulfilling their legislative mandate as well as the promotion of good governance.

In order to address the challenge of youth unemployment, shortage of skills and lack of experience amongst graduates, the Office of the Premier provides Internship opportunities for the youth in various fields of the Public Service.

In 2015/2016 financial year, the Office appointed 23 Graduate Interns. All of them will complete the programme by March 31st 2017. I have got no doubt that their 12 month-long exposure to the real working environment has positioned them to compete better in the job market.

In the next financial year, 2017/18, the Office of the Premier will appoint another group of 23 young people as Interns. They are starting on 1st of next month, April.

Madam Speaker;

In line with the Skills Development Act, the Office of the Premier continues to enhance the skills and competency of its employees by providing them with continuous in-service training. The Work Place Skills Programmes are being implemented profitably and they are mainly based on the needs identified through the regular skills audit initiatives.

It is also worth mentioning that the Office has granted 67 new bursaries to employees in the 2017/2018 financial year. This is an increase of over 90% compared to the 39 employees who were granted such bursaries in the 2016/2017 financial year.

The total number of active bursaries granted is 106. We are confident that these bursaries will go a long way towards enabling the Office of the Premier to deliver on its constitutional and legislative mandates.

Madam Speaker;

In terms of employment equity imperative, the Office of the Premier has a total of 451 employees. 61 of these employees are at SMS level, that is, between level 13 and 16. Of these 61, 37 of them are males whilst 24 are females.

390 employees are between level 1 and 12. 170 of them are males whilst 220 are females.

Despite an insignificant improvement at SMS level, overall, the Office of the Premier is doing well in terms of employment of women.

I have therefore instructed the Director General to ensure we reach our target at SMS level by the end of this year.

Madam Speaker and Honourable Members;

Programme 2 has been established to ensure that the Provincial Administration is able to deliver on its constitutional mandate. This Programme ensures that policies, processes and systems that enable the Provincial Administration to deliver are, indeed, in place.

As we have said during the State of the Province Address last month, we are in the process of developing a comprehensive Limpopo Youth Development Strategy for Limpopo. The Strategy will serve as a master blue-print on issues such as, youth health, education, social cohesion and the participation of young people in the mainstream economy of the country.

Our guiding philosophy is that young people must be assisted through policy and practical means to realise their full potential.

In the same spirit, the government will continue to support programmes and initiatives that are geared towards the socio-economic upliftment of women and persons living with disabilities. They too must play a meaningful role in the reconstruction and development of our country.

We must also announce that we have partnered with Institutions of Higher Learning to explore the possibility of promoting continuous professional development of SMS members. Underpinning this partnership is the production of a

highly competent civil servant who is responsive and sensitive to the needs and aspirations of our people.

We also said during the same State of the Province Address that we are putting systems in place to ensure that the Provincial Government is able to efficiently and effectively discharge its responsibilities.

The recent appointment of the Director General for the provincial administration and HODs of Departments is a significant step in that direction.

The outstanding appointment of the HOD for the Department of Sport, Arts and Culture will be finalized by the end this month.

Equally important and worth mentioning in this House, is the fact that of the 5 HODs recently appointed, 3 are females.

Madam Speaker;

The Presidential and the Premier's anti-corruption hotlines remain vital instruments in the continued efforts to fight against corruption and related social ills that afflict humanity today.

Limpopo has seen an increase in the number of cases reported through the Presidential Hotline. Nevertheless we are proud that by December last year, we had managed to resolve no less than 99.55% of all the cases in our provincial departments.

In the same period, we managed to resolve 99.72% of all cases from municipalities.

In terms of the Premier's Hotline, we managed to resolve 96.63% of cases from provincial departments and 94.16% from municipalities.

Madam Speaker and honourable Members;

The focus of **Programme 3**, which is Policy and Governance, is to enable the Office of the Premier, to implement the mandate of integrated planning and coordination of the provincial government.

In this regard, attention is given to such critical areas as Inter-Governmental Relations, Provincial Policy Management, Special Programmes and Policy and Governance.

As a measure of improving accountability, decision-making and the effectiveness of government policies and programmes, the Office of the Premier has begun with process of evaluating the impact of some key programmes of government.

In this financial year we are focusing on:

- *Child Foster Care Programme in Limpopo Province by the **Department of Social Development***
- *Enterprise Development Programme by **LEDET***

- *Supply Chain Management Procurement Strategy in the **Provincial Treasury, and;***
- *National Youth Services (NYS) in Limpopo Province by the **Department of Public Works, Roads & infrastructure.***

Two programmes whose impact on the lives of our people will be evaluated in the next financial include:

- *Overloading control measures on the road infrastructure network of Limpopo Province by the **Department of Transport, and;***
- *Models of laundry services that are being implemented in the public health facilities /hospitals of Limpopo Province by the **Department of Health***

Madam Speaker;

The implementation of the Turn-Around Strategies for the Departments of Education and Health will be closely monitored to ensure that the challenges faced by these two departments are addressed. More importantly, we will ensure that the allocated resources are utilized for the intended purposes in an effective and efficient manner.

In the same vein, I directed the Director General and HOD for Provincial Treasury to closely monitor all the 13 Provincial Departments, 27 Municipalities and Public Entities in Limpopo to ensure that all the issues raised by oversight bodies,

including the Auditor General and Provincial Treasury, are addressed.

Through the Premier's Inter-Governmental Forums, all municipalities will be assisted to ensure that, notwithstanding the financial limited resources, their service delivery mandates are realized.

Madam Speaker;

Limpopo remains a destination of choice for many potential investors from all over the world. The Province's competitive advantage in mining, agriculture and tourism puts it in a vantage position to attract more foreign direct investment.

It is in this context that the relationship that the Province has established, and continues to establish with the neighboring SADC countries such as Namibia, Mozambique and Zimbabwe, should be enhanced. This will also add more impetus towards our economic regional integration efforts.

The same applies to the relationships we have with provinces in countries like Cuba, Brazil, India, China, France, Italy, Spain and Russia.

The Premier will, therefore, in this financial year and beyond, lead the process of strengthening the existing economic relations, exploring new and possible areas of cooperation, generating more investment, and above all, creating the

requisite number of jobs during this radical phase of our transition.

Madam Speaker;

During the drafting of the Spatial Planning Land Use Management Act (SPLUMA), it emerged that there are distinct provincial matters that may be better regulated at provincial level through specific provincial laws.

It is in this context that the Province embarked on an initiative in 2016/17 to address Limpopo Province's specific matters on SPLUMA. At this point, a Research report and Policy on SPLUMA in Limpopo Province has been concluded and approved by EXCO.

The policy emphasizes the need for an inclusive approach in land development processes that will guide the content of the Act. The Act will be finalised and introduced to all stakeholders in the financial year 2017/18.

Also worth mentioning is the fact that the Limpopo Spatial Development Framework was revised and adopted in May 2016. This will ensure that all urban and rural land use and development in the province are integrated and sustainable, in line with SPLUMA principles.

Madam Speaker;

We reported during the presentation of our 2016/17 budget vote that we were working on the finalization of the Limpopo Water Master Plan.

This Master Plan is finalized and we have since established a technical working committee for its implementation.

In the same vein, it is worth mentioning in this House that we have begun with the processes of developing the Limpopo Integrated Infrastructure Master Plan. This Plan, as I have said during the State of the Province Address, will outline the infrastructure development and delivery agenda of the Province. It will be finalized in the next financial year, 2017/18.

Madam Speaker;

In an effort to develop the capacity of the human resource in the provincial administration, we have revitalized the Limpopo Human Resource Development Forum. The other stakeholders that we have since brought on board include the regional departments and SETAs.

In this regard, I would like to specifically thank various SETAs that are working with us and contributing to skills development in the Province.

Madam Speaker and Honourable Members;

As at the end of February 2017, the Office of the Premier had spent 87% of its allocated budget of R379,766 million, compared to 86% spent on the final budget of R350, 606 million at the same time in the previous financial year.

The Office is allocated a budget of R395,789 million for the 2017/18 financial year. The Medium Term estimates are R414,480 million for 2018/19 financial year and R438,520 million for 2019/10 financial year.

It is, therefore, my honour and privilege to table before this esteemed House, the 2017/18 budget vote for the Office of the Premier for appropriation:

Table 1.2(a) : Summary of payments and estimates by programme: Office Of The Premier

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016/17	Revised estimate	Medium-term estimates		
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20
1. Administration	121 812	127 463	129 208	145 793	145 893	145 893	150 425	163 209	173 370
2. Institutional Support	126 365	132 417	127 791	139 518	138 276	138 276	149 333	151 367	159 724
3. Policy & Governance	77 118	80 982	83 675	90 975	95 597	95 597	96 031	99 904	105 426
Total payments and estimates	325 295	340 862	340 674	376 286	379 766	379 766	395 789	414 480	438 520

Table 1.2(b) : Summary of provincial payments and estimates by economic classification: Office Of The Premier

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016M7	Revised estimate	Medium-term estimates		
	2013M4	2014M5	2015M6				2017M8	2018M9	2019/20
Current payments	303 524	322 826	329 842	367 698	371 264	371 264	389 366	408 246	431 977
Compensation of employees	210 904	234 577	241 984	271 524	271 524	271 524	284 098	300 576	318 009
Goods and services	92 620	88 249	87 858	96 174	99 740	99 740	105 268	107 670	113 968
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	9 705	13 556	7 170	4 380	2 895	2 895	2 312	1 823	1 832
Provinces and municipalities	816	595	20	39	39	39	41	45	46
Departmental agencies and accounts	692	680	16	804	19	19	23	22	24
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	8 197	12 281	7 134	3 537	2 837	2 837	2 248	1 756	1 762
Payments for capital assets	11 811	3 989	2 555	4 208	5 607	5 607	4 111	4 411	4 711
Buildings and other fixed structures	-	405	-	-	-	-	-	-	-
Machinery and equipment	11 653	3 584	2 555	4 208	5 607	5 607	4 111	4 411	4 711
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	158	-	-	-	-	-	-	-	-
Payments for financial assets	255	491	1 107	-	-	-	-	-	-
Total economic classification	325 295	340 862	340 674	376 286	379 766	379 766	395 789	414 480	438 520

Table 1.3(a) : Summary of payments and estimates by sub-programme: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016M7	Revised estimate	Medium-term estimates		
	2013M4	2014M5	2015M6				2017M8	2018M9	2019/20
1. Premier Support	18 080	15 461	15 147	15 830	16 330	16 330	16 963	18 475	19 498
2. Executive Council Support	5 828	7 088	7 895	9 429	10 393	10 393	8 241	8 667	9 144
3. Director General Support	14 168	14 553	18 284	20 625	21 993	21 993	24 111	25 402	26 819
4. Financial Management	75 080	79 865	78 039	89 393	87 591	87 591	90 278	99 948	106 606
5. Programme Support Administration	8 656	10 496	9 843	10 516	9 586	9 586	10 832	10 717	11 303
Total payments and estimates	121 812	127 463	129 208	145 793	145 893	145 893	150 425	163 209	173 370

Table 1.3(b) : Summary of payments and estimates by economic classification: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016M7	Revised estimate	Medium-term estimates		
	2013M4	2014M5	2015M6				2017M8	2018M9	2019M0
Current payments	113 789	122 367	124 585	143 517	143 707	143 707	147 938	160 516	170 472
Compensation of employees	78 171	85 696	89 382	106 060	101 980	101 980	104 414	113 819	121 015
Goods and services	35 618	36 671	35 203	37 457	41 727	41 727	43 524	46 697	49 457
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1 760	1 894	2 014	108	108	108	176	182	187
Provinces and municipalities	816	595	20	39	39	39	41	45	46
Departmental agencies and accounts	55	7	16	19	19	19	23	22	24
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	889	1 292	1 978	50	50	50	112	115	117
Payments for capital assets	6 008	2 711	1 502	2 168	2 078	2 078	2 311	2 511	2 711
Buildings and other fixed structures	-	405	-	-	-	-	-	-	-
Machinery and equipment	6 008	2 306	1 502	2 168	2 078	2 078	2 311	2 511	2 711
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	255	491	1 107	-	-	-	-	-	-
Total economic classification	121 812	127 463	129 208	145 793	145 893	145 893	150 425	163 209	173 370

Table 1.4(a) : Summary of payments and estimates by sub-programme: Institutional Support

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016M7	Revised estimate	Medium-term estimates		
	2013M4	2014M5	2015M6				2017M8	2018M9	2019M0
1. Strategic Human Resource	54 808	64 275	61 844	66 120	64 088	64 088	66 449	68 468	72 198
2. Information Communication Technology	28 803	23 362	23 717	28 385	29 125	29 125	32 548	30 899	32 644
3. Legal Services	14 138	16 020	14 349	15 411	15 761	15 761	17 116	17 657	18 626
4. Communication Services	18 975	19 005	18 928	19 611	18 311	18 311	21 772	22 174	23 422
5. Programm Support Institutional Development	9 641	9 755	8 953	9 991	10 991	10 991	11 448	12 169	12 834
Total payments and estimates	126 365	132 417	127 791	139 518	138 276	138 276	149 333	151 367	159 724

Table 1.4(b) : Summary of payments and estimates by economic classification: Institutional Support

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016M7	Revised estimate	Medium-term estimates		
	2013M4	2014M5	2015M6				2017M8	2018M9	2019I20
Current payments	113 432	120 316	122 016	133 406	132 160	132 160	145 659	148 089	156 343
Compensation of employees	76 835	86 162	87 105	96 404	96 004	96 004	103 179	105 751	111 547
Goods and services	36 597	34 154	34 911	37 002	36 156	36 156	42 480	42 338	44 796
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	7 130	10 823	4 722	4 072	2 587	2 587	1 874	1 378	1 381
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	637	673	-	785	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	6 493	10 150	4 722	3 287	2 587	2 587	1 874	1 378	1 381
Payments for capital assets	5 803	1 278	1 053	2 040	3 529	3 529	1 800	1 900	2 000
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	5 645	1 278	1 053	2 040	3 529	3 529	1 800	1 900	2 000
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	158	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	126 365	132 417	127 791	139 518	138 276	138 276	149 333	151 367	159 724

Table 1.5(a) : Summary of payments and estimates by sub-programme: Policy & Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016M7	Revised estimate	Medium-term estimates		
	2013M4	2014M5	2015M6				2017M8	2018M9	2019I20
1. Intergovernmental Relations	12 186	12 918	13 522	14 657	14 857	14 857	14 889	16 491	17 412
2. Provincial Policy Management	36 536	38 022	41 192	45 778	50 544	50 544	49 176	49 802	52 549
3. Programm Support Policy & Governance	9 708	12 266	12 073	12 697	12 873	12 873	13 617	14 225	15 002
4. Special Programmes	18 688	17 776	16 888	17 843	17 323	17 323	18 349	19 386	20 463
Total payments and estimates	77 118	80 982	83 675	90 975	95 597	95 597	96 031	99 904	105 426

Table 1.5(b) : Summary of payments and estimates by economic classification: Policy & Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016M7	Revised estimate	Medium-term estimates		
	2013M4	2014M5	2015M6				2017M8	2018M9	2019M0
Current payments	76 303	80 143	83 241	90 775	95 397	95 397	95 769	99 641	105 162
Compensation of employees	55 898	62 719	65 497	69 060	73 540	73 540	76 505	81 006	85 447
Goods and services	20 405	17 424	17 744	21 715	21 857	21 857	19 284	18 635	19 715
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	815	839	434	200	200	200	262	263	264
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	815	839	434	200	200	200	262	263	264
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	77 118	80 982	83 675	90 975	95 597	95 597	96 031	99 904	105 426

Table 1.8: Specification of receipts: Office Of The Premier

R thousand	Outcome			Main appropriation	Adjusted appropriation 2016M7	Revised estimate	Medium-term estimates		
	2013M4	2014M5	2015M6				2017M8	2018M9	2019M0
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sales of goods and services other than capital assets	322	320	323	460	353	353	365	386	407
Sale of goods and services produced by department (excluding capital assets)	322	320	323	460	345	345	365	386	407
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	322	320	323	460	345	345	365	386	407
Of which									
Parking	242	138	130	251	145	145	150	160	170
Commission on insurance	135	177	176	185	180	180	190	200	210
Tender documents	21	-	13	24	20	20	25	26	27
Other (Specify)	-	-	-	-	-	-	-	-	-
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	8	8	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	225	2	20	8	8	11	12	13
Interest	-	225	2	20	8	8	11	12	13
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sales of capital assets	556	56	65	-	603	603	121	133	147
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	556	56	65	-	603	603	121	133	147
Transactions in financial assets and liabilities	491	468	1 444	275	275	275	280	290	300
Total departmental receipts	1 369	1 069	1 834	755	1 239	1 239	777	821	867

I Thank You