

OPENING ADDRESS TO THE LIMPOPO BUDGET LEKGOTLA BY THE ACTING  
PREMIER OF LIMPOPO HONOURABLE JERRY NDOU HELD AT THE RANCH  
HOTEL, POLOKWANE.

09 NOVEMBER 2016.

Program director;  
Members of the Executive Council;  
Chairperson & Deputy Chairperson of the House of Traditional Leaders;  
Acting Director General, Ntate Nape Nchabeleng;  
Heads of State-Owned Enterprises;  
Heads of our Provincial Departments;  
Chief Financial Officers;  
Ladies and Gentlemen:

Good morning!

Let me start-off by joining the Programme Director in welcoming all of you to this very important Provincial Budget Lekgotla.

This 2016 edition of our Budget Lekgotla is taking place under the theme that says; responsive fiscal policy: harmonising resource allocation and planning.

The first facet of this theme speaks to the importance of a prudent fiscal policy that is able to respond to our developmental objectives.

That is a fiscal policy that is able to assist in ending poverty, addressing the question of unemployment and bridging the ballooning gap of inequality.

Since 1994, there has never been a question about quality of fiscal policies; the issue has always been about our fidelity to this policies.

The second facet of our theme speaks of the importance of the relationship between proper planning and resource allocation.

As politicians, we always warn that your strategic planning meetings should never be reduced to talk-shows – this is because resource allocation always follows the work that you would have done in those strategic planning meetings.

If your planning is not up to scratch, it would mean that resource allocation will be misdirected.

Programme Director

I can say without any fear of contradicting him that this theme speaks to the essence of our gathering here today.

We need to ensure that our prudent fiscal policy is supplemented by planning based resource allocation.

We are called upon to ensure that our budgetary processes are aligned and are able to

speak to the urgency of ensuring better delivery of services to our people. We should do this in the spirit of excellence and nothing else.

This is the overall importance of our meeting today.

This Budget Lekgotla is taking place within the context of the hostility of the global economic climate.

Impressing on this hostile global economic environment, Minister Pravin Gordhan recently had this to say:

“The world economics and politics are in a state of flux, marked by high levels of uncertainty. Anaemic growth and investment, in tandem with a widening trust deficit between ordinary people and elites, have brought global inequality into sharper focus. The National Development Plan, our roadmap to rid South Africa of poverty and fight inequality, targets growth of 5.4 per cent but the real GDP growth has slowed markedly, and the economy is now expected to record growth of just 0.5 per cent this year”.

Having defined this unfriendly global economic environment, we still are expected to implement the manifesto priorities of the ruling party without fail.

This means that we must learn to navigate this hostile terrain like true soldiers who are called to battle.

The MEC for Treasury would remind us of the art of learning to do more with less.

Ours is to never forget that all that we do in government, including how we budget and utilize our budget, should be aimed at assisting us to realize the objectives of; developing our rural communities, through agrarian and land reform, Our budgetary processes should assist us to expand the productive capacity of the economy and to create of jobs for our people, We should use the limited resources at our disposal to ensure that we expand our health care infrastructure and provide primary health care services to all our people, The legitimate expectation from our people is that we should use these resources prudently to ensure the provision of adequate human settlement to the needy, With these limited resources, we should prioritize the provision of water to our communities; expand education and training opportunities to our youth and fighting crime and corruption.

This is obviously not a simple task; hence none of us can afford to take the business of this Lekgotla for granted.

Programme Director;

When resources are finally allocated, the immediate subsequent duty is to ensure that such resources are utilized only for intended purpose.

This is not a very difficult thing to do. In this country we have sufficient legislative and policy framework to guide public expenditure.

You would agree with me that the PFMA is one of the finest pieces of financial management legislation ever enacted.

The PFMA promotes the objective of good financial management in order to maximize service delivery through the effective and efficient use of our limited resources.

It is clear from these objectives that there is simply no room for wasteful expenditure, unauthorized expenditure, fraud and related financial irregularities when dealing with public resources.

The law requires that we act in a prudent, cost effective and efficient manner. This must be visible even in our budgeting process.

We should not be seen allocating more resources in areas that are remotely connected to the urgency of taking services to our people.

When resources are finally allocated we must not abdicate our monitoring responsibility to ensure that these resources, limited as they are, are used for an intended purpose. We must, and will definitely act very swiftly and harshly against those who divert these resources for ulterior purposes or self-benefit.

Every single cent must be spent as allocated and in a cost effective manner, as the constitution demands.

We can only succeed in pushing back the frontiers of poverty if we utilize public resources in a prudent manner.

In conclusion, I wish to take this opportunity to wish this important Provincial Budget Lekgotla success.

Lets get out of here with a renewed zeal to do better for our people.

I thank you!