

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

***29 March 2022***

Madam Speaker and Deputy Speaker;

Members of the Executive Council;

Chief Whip of the Ruling Party;

Chairpersons of various Portfolio Committees;

Esteemed Members of the House;

Members of the media;

Distinguished ladies and gentlemen:

About a month ago, I stood in this hallowed chamber and in front of the people of Limpopo to outline the plans of our government for the year ahead. I did this through our cherished tradition of the State of the Province Address, (SOPA).

As we all know, the State of the Province Address is an important platform through which we outline progress on government commitments made in the previous years.

We also use this platform to highlight challenges and to commit ourselves to solving such challenges afflicting our Province.

As part of our tradition, SOPA is also used to outline government's plans and programs for the year ahead and beyond. These are the plans and programs designed to propel us to a desired destination of a better life for all.

As this ANC government, we tailor our plans and programs to drive and direct our Province to the promise of our constitution, the promise of equity and equality, the promise of social security, the promise of dignity and indeed, the promise of prosperity.

We craft our plans and programs guided by the knowledge that our people desire social development, economic growth, the creation of jobs and the reduction of unemployment, inequality and poverty.

In this regard, we are forever conscious and alive to the fact that the people of Limpopo require and deserve reliable access to water.

Our people require and deserve to enjoy access to decent sanitation facilities; they desire and deserve a guaranteed meal on the table, every single day – above all, our plans are designed to respond to the persisting challenge of crime and general insecurity.

## **Madam Speaker**

The bold plans and programs as announced during the very State of the Province Address, require budgetary support in order to translate them into tangible projects with meaningful impact on the lives of our people.

Today's exercise is therefore aimed at giving impetus to this program of action as government.

The Office of the Premier is therefore required to provide leadership and support to the rest of the Provincial Administration.

It is the responsibility of the Office of the Premier to coordinate the functions of the provincial administration and departments. This is done to ensure an effective implementation of the plans and programs of government.

The Office of the Premier is therefore an engine that drives the entire Provincial Administration. The budget we are presenting here today serves as a fuel that powers this engine for optimal performance.

## **Madam Speaker**

The Office of the Premier is organised into three programmes which helps to ensure that the Office is able to respond effectively to this legislative mandate.

These programmes are Corporate Management, Institutional Development & Support, and Planning Coordination, Monitoring & Evaluation.

These programmes enable the Office of the Premier to:

- coordinate the preparation and initiation of provincial legislation;
- coordinate the functions of the provincial administration and its departments;
- manage performance of the provincial administration, monitor and evaluate service delivery and governance;
- develop and oversee the implementation of policy and planning, and most importantly;
- Strengthen the inter-governmental and international relations.

### **Honourable Members**

The main function of **Programme 1** which is **Corporate Management** 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 Corporate Governance.

### **Madam Speaker**

Effective and efficient utilisation of allocated resources is directly linked to our ability to take services to the people. When it comes to financial management, the Office of the Premier has to lead by example.

In the same vein, proper financial management supports service delivery and sustains the confidence of the people in their government.

I am therefore happy to state that the Office of the Premier continues to lead by example when it comes to the management of allocated resource.

In this regard, I am proud to report that the Office of the Premier has received yet another Clean Audit opinion from the Auditor General. For us, this is what leading by example means.

I want to specifically acknowledge all the men and women in the Office of the Premier who worked so hard to ensure this clean outcome. I want to commend our Senior Management Service for steering the ship in the right direction.

Nevertheless, the Office will not be complacent and relax because of this clean audit outcome, but will instead work even harder to sustain the momentum.

In the same vein, we have a responsibility, in line with our leadership and coordinating function, to make sure that all departments and entities of government follow suit.

### **Madam Speaker**

There can be no doubt that, the inability to spend allocated resources is one of the factors that impedes service delivery. It is for this reason that the Office of the Premier has been leading in ensuring that allocated budget is spent.

In the past Financial Year alone, the Office had managed to spend over **97%** of its allocated budget. I am able to add that our Annual Financial Statements were in line with established accounting standards.

I can also report to this House that the office of the Premier is doing exceptionally well when it comes to the mandate to pay our suppliers and service providers within the prescribed 30 days period.

As a matter of fact, during the period under review, 100% of our suppliers and service providers were paid within the prescribed period.

Members would agree that paying service providers on time is vital for the financial health of small, medium and micro enterprises.

The sustainability of these SMMEs is highly dependent on us paying their invoices as and when they become due and payable.

It is for this reason that we are concerned about a number of other departments which are not doing well with regard to this area of payment within 30 days.

We will therefore be working with the Provincial Treasury to ensure that all of our Departments do pay invoices within a 30 days period. This is a non-negotiable imperative and must be done.

### **Honourable Members**

With regard to our employment equity targets, the Office of the Premier is working hard to ensure the affirmation of those who were previously marginalised, especially women and people living with disabilities.

With regard to the representation of women in our Office, I am able to report that women make up 57% of the total staff complement of the Office of the Premier.

At management level, women continue to dominate at 51%.

We are working to improve the representation of women at Senior Management level from the current 46% to 50% or more.

The overall representation of people living with disabilities in the Office of the Premier is at 3.6%. This is above the 2% target as stipulated in the employment equity legislation.

We are also working to decrease the vacancy rate in the Office. We are currently at 9% vacancy rate, however, the Office is still within the guidelines from the Department of Public Service and Administration which indicate that the vacancy rate should not exceed 10%.

### **Madam Speaker**

As I have said during the State of the Province Address, we need to recognise the role played by military veterans in our struggle for freedom and democracy.

The Inter-Ministerial Task Team which I have established to deal with the plight and welfare of our Military Veterans is already at work.

Thus far, we have facilitated assistance of 447 military veterans enquiries regarding housing, education support, data base verification and Social Relief of Distress.

The comprehensive Military Veterans Implementation Plan will be finalized in the first quarter of 2022/23 Financial Year.



We further commit ourselves to establish Military Veterans helpdesk in each department in the province during the First Quarter of the same financial year. We implore on our municipalities to do the same.

At the moment, the Office of the Premier is hosting the Military Veterans secretariat as part of measures to assist the veterans in the administration of their own affairs.

### **Madam Speaker and Honourable Members**

The function of **Programme 2**, which is **Institutional Development Support**, is to provide efficient and effective institutional support services to the rest of the Provincial Government.

This Programme is primarily concerned with the capacity and capability in the Provincial Administration.

As the Office, we appreciate the importance of public servants as the central driving force that should enable improved governance, better management of resources, and the ability to get the entire government and stakeholders to work together.

This will ensure that we achieve the goals we set out in the Limpopo Development Plan.

There is a close relationship between the performance of an organisation and the skills capabilities of the men and women who are at the helm of such an organisation.

This is equally true with governments, including the Office of the Premier.

Almost all the positions of the heads of departments, HODs, have been filled with men and women with the requisite skills and experience. The Office of the Premier has been very proactive in filling HOD positions as when they become vacant.

To date we have commenced with the recruitment process for the remaining two HOD vacancies for the Department of Transport & Community Safety and CoGHSTA.

With regard to positions for Chief Financial Officers, I am able to state that, all, except one, department, have full time appointed CFOs.

### **Honourable Members**

Last we committed to review the capacity of all the provincial public entities with a view to ensure that they fulfil their developmental mandates. Development literature confirms that public entities play a strategic role in the economic development of any country.

This assertion is equally applicable to Limpopo. However, our recent experience indicate that the role of public entities should be reviewed regularly.

It is against this background that we have established an Inter-Ministerial Task Team on reconfiguration of these entities.

I happy to indicate that the review process is at an advanced stage, and will be concluded in the first quarter of 2022/2023 Financial Year.

I did announce in this august House that as part oversight on Provincial Administration, that I will enter into service delivery agreements with the MECs. We have since entered into these service delivery agreements and the process of regular assessment is continuing.

### **Honourable Members**

As a province, we recognise that information and knowledge supported through advanced Information and Communication Technologies is fundamental for the achievement of the developmental goals.

This is particularly the case in the new emerging economies and in the context of the Fourth Industrial Revolution.

The approved 5-year Limpopo e-Government Strategy Implementation Plan therefore lays a solid foundation for the digital transformation of the provincial administration.

This provides an approach for an effective government-wide sharing of information and knowledge electronically.

In realisation of the government's commitment to bridge the digital divide, especially in rural communities, the Office has coordinated the establishment of the Limpopo Broadband Forum.

In the next three years, the Forum will coordinate the implementation of SA Connect Project to connect government sites, Schools, Health Facilities, Thusong Service Centres and traditional authority offices.

With the schools in the province benefitting from this infrastructure, it will be possible to maximize the use of digital technologies to enhance teaching and learning. This will place our children at the centre of the digital revolution.

### **Madam Speaker**

We are at an advance stage with the review of the Limpopo Human Capital Investment Strategy. This process, including the adoption by the Executive Council, will be concluded in the first quarter of the next Financial Year.

The purpose is to support the skills needs of the provincial economy and the labour market trends, with specific emphasis on agriculture, mining, tourism and manufacturing.

The focussed attention will in the main be on, Musina-Makhado Special Economic Zone (SEZ), as well as other Provincial Growth Points such as Polokwane, Lephalale and Fetakgomo - Tubatse.

We are also delighted that the Limpopo Human Resource Development Council has been resuscitated and it is chaired by the Premier. We have also reconfigured the Limpopo Skills Development Forum which is chaired by the Director General.

We therefore appreciate the active participation of SETAs, TVETs, and universities, in these forums. We also commit ourselves to strengthening our partnership in developing appropriate skills relevant for our economy and the Fourth Industrial Revolution.

Whilst the Province has adopted its Youth Development Strategy, our youth development machinery is not yet running optimally. It is in this context that I have directed the Director General to put systems in place to ensure the full implementation of the Strategy.

## **Madam Speaker**

As we said during the State of the Province Address, the fight against crime and corruption is one of the critical priorities of this government.

This is simply because, more than anything else, crime and corruption undermine society's ability to operate fairly and efficiently, including the government's ability to deliver on its mandate.

We have accordingly resuscitated and reconvened the Limpopo Anti-Corruption Forum. This Forum comprises of business, labour and faith-based organizations. This is part of the many components of our anti-crime and corruption arsenal.

In the same spirit, we are finalizing consultations on the development of Limpopo Anti-corruption Strategy which will be a blueprint and a tool to help us prevent and expose corruption in all its manifestations.

The Office of the Premier has established a vetting field unit which will heighten the grip in our fight to corruption. This unit, in partnership with the SSA, will help to reduce the backlog on vetting of senior management and supply chain management officers.

We have commissioned a number of forensic investigations, both in the province and municipalities as part of our effort to fight corruption and maleficence. In this regard, I have directed the DG to follow up on the implementation of the findings and recommendations.

In the same vein Speaker, please allow me to clarify recent media reports that says as the Premier, I have done nothing to implement the recommendations of the VBS Report by Adv. Terry Motau and the remedial actions by the Public Protector, since 2018.

Besides the fact that nowhere in the report is either the Premier or Member of the Executive Council for COGHSTA is implicated in wrongdoing, for any person to insinuate that nothing has been done would amount to gross negligence.

Just to remind those who might have forgotten, the following actions were taken since then:

" Immediately after Adv. Terry Motau's report was made public in 2018, I have directed the provincial Treasury to commission a Forensic Audit into the matter. As a result of such audit, majority of Municipal Managers and CFOs who were implicated were disciplined for their role in the VBS matter.

In addition, seven (7) Mayors were since relieved from their duties. If these actions do not amount to concrete expression of our resolve to fight against corruption, then I need to be advised further.

\* Further more, we referred our forensic report to the HAWKS, who continue to affect arrests for further prosecution. Therefore, for any person to say that it has been years of inaction, that to me is a game of political point scoring laced with half-truths.

\* Lastly, besides clearly pronouncing publicly against the VBS investments, municipal Councils, besides being autonomous in terms of the law, were since directed to report to the Public Protector on the implementation of the remedial actions.

Standing in this august house, I have no doubt that as the provincial government, we have done what is humanly possible to deal decisively with the VBS scandal.

### **Honourable Members**

Programme 3 which is **Planning Coordination, Monitoring & Evaluation** is responsible for governance, transversal policy and planning coordination.



This Programme has led the processes for the review and adoption of the Limpopo Development Plan. As you would know, the LDP is designed to guide development across all spheres of government, including the private sector and civil society during this 6th Term of Administration.

The main thrust of the LDP is to address persistent socio-economic challenges evident in the increasing levels of unemployment, deepening poverty, and inequality. The plan thus introduces measures to strengthen integrated planning and delivery towards reconstructing and growing the economy.

In this regard, the Office of the Premier has been positioned to coordinate strategic catalytic interventions and provides support in ensuring alignment of the departmental strategic plans and municipal IDPs.

Honourable Members would remember that towards the end of the 5th Term of Administration, the province regressed in terms of education outcomes in particular matric pass rate and water provisioning.

As a measure of reversing this down ward spiral in our performance in education, we have recently convened the Provincial Education Summit to deliberate on the necessary interventions. I am happy to announce that the Summit has agreed on the holistic intervention plan.

This plan was unanimously endorsed by all key stakeholders including organised labour and learner organisations. I wish to call on all members of society to actively participate in the implementation of this adopted plan.

As I have committed last year, we have since finalised the transfer of Early Childhood Development function from the Department of Social Development to the Department of Education. We have got no doubt that this will help focus more attention on improving the foundation phase of our education system.

### **Honourable Members**

In terms of improvement in the provision of water to our communities, the Office of the Premier will accelerate the implementation of the Limpopo Integrated Water Master Plan.

We have since established Water Infrastructure Working Group with the objective of ensuring water provision is available for economic and social development needs throughout the province.

### **Madam Speaker**

We are a government that values partnership with the private sector.

We have thus established Public Private Partnerships through Premier's Economic Growth Advisory Council (PEGAC) and the Impact Catalyst initiatives.

PEGAC is comprised of experts from industry sectors such as mining houses, agriculture, ICT, and Institutions of Higher Learning, and offer advisory services to the Premier on the implementation of the LDP. Whilst the Impact Catalyst is comprised of Anglo American, Exxaro, the World Vision, CSIR and Zutari.

The Impact Catalyst initiative is providing technical and financial support for the implementation of the LDP.

Their contribution includes supporting catalytic projects in all districts, namely: the SEZs program with specific reference to Agro-processing projects, Community Primary Health Care project in Mogalakwena,

Mooihoek Game Farming, Geospatial Value Chain analysis, Tourism projects as well as projects that embrace the Fourth Industrial Revolution imperatives.

### **Honourable Members**

We have embraced the District Development Model to respond to a challenge which President Ramaphosa referred to as a "pattern of operating in silos".

We agree with the President that this challenge has led to ***lack of coherence in planning and implementation and has made monitoring and oversight of government's programme difficult.***

We have therefore incorporated the District Development Model imperatives in the development of our LDP.

So far, all districts have finalised their **District Development Plans**. We therefore urge all departments and municipalities to ensure effective implementation of these plans.

### **Madam Speaker**

The provision of reliable and sustainable energy is a necessary condition for economic development and industrialisation. However the country has been experiencing a crisis with regard to energy provision.

Our observation is that we will not be able to achieve the LDP targets on economic growth and poverty eradication unless we address this energy crisis.

I have therefore directed the Director General to urgently assemble a team of officials to develop a Provincial Renewable Strategy.

## CONCLUSION

**Madam Speaker** - It is my honour to table before this esteemed House, the 2022/23 budget vote for the Office of the Premier for appropriation:

I THANK YOU!

INKOMU!

KEA LEBOGA!

NDA!

### (BUDGET SPEECH 2022/23)

Table 1.2(a) and 1.2(b) below provides summary of programme and economic classification

**Table 2.1 : Summary of payments and estimates by programme: Office Of The Premier**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	2022/23
	2018/19	2019/20	2020/21				
1. Administration	163 430	167 926	146 823	130 660	145 264	145 264	147
2. Institutional Development	155 870	151 891	144 951	186 874	162 157	162 157	169
3. Policy & Governance	99 099	106 689	90 746	87 515	91 654	91 654	99
<b>Total payments and estimates</b>	<b>418 399</b>	<b>426 506</b>	<b>382 520</b>	<b>405 049</b>	<b>399 075</b>	<b>399 075</b>	<b>417</b>

**Table 2.2 : Summary of provincial payments and estimates by economic classification: Office Of The Premier**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	2022/23
	2018/19	2019/20	2020/21				
<b>Current payments</b>	<b>410 979</b>	<b>418 745</b>	<b>371 945</b>	<b>400 241</b>	<b>387 255</b>	<b>387 255</b>	<b>411</b>
Compensation of employees	301 263	312 615	295 196	289 533	297 011	297 011	326
Goods and services	109 716	106 130	76 749	110 708	90 232	90 232	85
Interest and rent on land	-	-	-	-	12	12	
<b>Transfers and subsidies to:</b>	<b>1 450</b>	<b>3 547</b>	<b>7 112</b>	<b>2 429</b>	<b>6 951</b>	<b>6 951</b>	<b>3</b>
Provinces and municipalities	20	24	29	49	49	49	
Departmental agencies and accounts	10	12	10	30	30	30	
Higher education institutions	-	-	-	-	-	-	
Foreign governments and international organisations	-	-	-	-	-	-	
Public corporations and private enterprises	-	-	-	-	-	-	
Non-profit institutions	-	-	-	-	-	-	
Households	1 420	3 511	7 073	2 350	6 872	6 872	3
<b>Payments for capital assets</b>	<b>5 613</b>	<b>4 214</b>	<b>3 365</b>	<b>2 379</b>	<b>4 869</b>	<b>4 869</b>	<b>2</b>
Buildings and other fixed structures	-	-	-	-	-	-	
Machinery and equipment	5 613	4 214	3 365	2 379	4 869	4 869	2
Heritage Assets	-	-	-	-	-	-	
Specialised military assets	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	
Land and sub-soil assets	-	-	-	-	-	-	
Software and other intangible assets	-	-	-	-	-	-	
<b>Payments for financial assets</b>	<b>357</b>	<b>-</b>	<b>98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>418 399</b>	<b>426 506</b>	<b>382 520</b>	<b>405 049</b>	<b>399 075</b>	<b>399 075</b>	<b>417</b>

### Earmarked Funds

<b>PROJECT</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
IT - DATALINES - SHARED DR	1 350	1 360	1 370
IT - ECM	6 216	6 460	6 846
IT - DIGITAL SIGNATURE	3 000	3 200	3 300
IT - SHARED E-MAIL	12 000	12 516	13 079
COVID - 19 PROVINCIAL COMMUNICATION	6 000		
IT GIS PROJECT	1 500		
FOREIGN MISSIONS	2 000		
ICT EQUIPMENT (LAPTOPS & PRINTERS)	1 500		
<b>TOTAL</b>	<b>33</b> <b>566</b>	<b>23</b> <b>536</b>	<b>24</b> <b>595</b>