

**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)**

04 April 2023

Honourable Speaker of the Legislature, Mme Rosemary Molapo;

Honourable Deputy Speaker, Tate Tshitereke Matibe;

Honourable Members of the Legislature;

Members of the Executive Council;

Chief Whip of the Ruling Party;

Chairpersons of various Portfolio Committees;

Esteemed Members of the Provincial House of Traditional Leaders;

Leaders of all Political Parties;

Members of the Media;

Distinguished Ladies and Gentlemen:

It is always my delight to address this august house, especially after the State of the Province Address in February 2023 and the subsequent debates and budget speech.

We have successfully passed that period, and we are therefore obliged by legislation to move towards the implementation of all the commitments we have made, as the Office of the Premier.

Madam Speaker

It is therefore in this context that today we are here for the presentation of the Vote 1 Budget, that is, for the Office of the Premier.

This is a legislative budgetary support requirement used to translate the programmes of government into visible deliverables.

Our trajectory for the people of Limpopo has always been guided by our appreciation that our people desire social development, economic growth, the creation of jobs and the reduction of unemployment, poverty and inequality.

All these are Constitutional obligations as enshrined in the Freedom Charter. Accordingly, Chapter 2 of the Constitution of the Republic of South Africa, the Bill of Rights, mandates us to cherish basic human rights.

It is on this important note that we have singled out the National Economic Reconstruction and Recovery Plan and the Limpopo Socio-Economic Recovery Plan as our blueprints towards fulfilling the promise of the Constitution.

We promised our people equality before the law, social security, water provisioning, quality health care and education, job opportunities, safety and security, to name but a few.

Like a Baobab tree that provides shelter and a fountain of wisdom, the ANC government is on record as having promised the people a better life for all.

Madam Speaker

The main function of the Office of the Premier is to provide leadership, coordination and support to the provincial administration.

In order to achieve that there are three (3) organised programmes in the office, namely:

- Corporate Management;
- Institutional Development and Support and;
- Planning, Coordination, Monitoring and Evaluation.

Honourable Members

Programme 1 which is **Corporate Management**, is tasked with ensuring effective and efficient utilisation of allocated resources.

I am pleased to report that the Office of the Premier continues to lead by example when it comes to financial management.

It is with profound honour and privilege that I present yet again, a Clean Audit opinion for the financial year 2022-2023.

My special thanks goes to the Director General, Mr. Nape Nchabeleng, the Top Management Team, and the entire staff complement of the Office of the Premier.

I thank them for the excellent performance and quality audit outcomes. I am indeed proud of the team. It is in this context that I want to reiterate my message to the team: We must ensure sustenance of the clean audit opinion. In the same vein, assist other provincial departments and entities which are still struggling to reach your level.

Regarding our resolution on spending allocated budgets, I am pleased to report that during the reporting period, the office has managed to spend over **99.5%** of its allocated budget.

In addition, our Annual Financial Statements were rated to be in line with established accounting standards.

Regarding payments of suppliers and service providers within the prescribed 30 days period, we are reporting that 100% of

suppliers and service providers were paid within the prescribed period.

Last year, we made a commitment that we will ensure that all the Provincial departments adhere to the policy of payment within 30 days.

It is therefore pleasing to report that the recent provincial expenditure report points to a significant improvement in this regard.

Honourable Members

One of the core mandate placed upon the Office of the Premier is the issue of employment equity targets. Currently, women representation at OTP stands at 58 per cent of the total staff complement.

At senior management level, women continue to dominate at 48 per cent. The representation of people living with disabilities in the office is at 3.15 per cent. This is above the 2% target as stipulated in the employment equity legislation.

On reduction of vacancy rate, we are currently at 11.6 per cent, which is in compliance with prerequisite standards set by the Department of Public Service and Administration.

Honourable Speaker

Regarding Military Veterans, we are reporting that we have recorded enormous progress on their welfare and sustenance.

In the 2022-2023 financial year, the province has adopted a Programme of Action for Military Veterans.

In terms of this programme, the Office of the Premier has already delegated officials to focus on the coordination, facilitation, monitoring, and evaluation of the military veterans' programmes.

These officials are supported by representatives of the Military Veterans Association. They are currently servicing the military veterans' sector in the province in line with the consensus document and the provincial programme of action.

To date, a Preferential Procurement Strategy to economically empower the sector has been developed.

Currently, military veterans are eligible to access 3% of total procurement spend of government goods and services, which is an increase from the 1 per cent originally allocated.

On provision of health services to the sector, the office has assisted over 100 military veterans in need of care. In addition,

600 beneficiaries and their families have been assisted on education related matters.

We have also assisted over 400 military veterans to update their credentials on the national database.

We need to localize this programme by establishing help desk in district and local municipalities to ensure military veterans don't travel far to access services.

In the same spirit, the Office of the Premier continue to host the Military Veterans secretariat at its head offices, the Mowaneng Building in Polokwane.

Madam Speaker

Programme 2 is **Institutional Development Support**. Through this programme we focus our attention on support to the foot soldiers of government, who are the work force.

Public servants are the central driving forces, managers of public resources, and government's front desk representatives.

I am pleased to report that to date all the departments have filled the positions of the Heads of Departments (HODs), except for the Department of Health and Department of Economic Development, Environment and Tourism.

On that note, we are currently busy with the recruitment process to fill those two vacancies. Last year, we made a commitment to fill the HODs position for the Department of Transport and Community Safety and CoGHSTA. I am pleased to report that two HODs have been duly appointed for both the departments.

It is in the same spirit, bearing in mind that we are going into a transition from the Sixth to the Seventh Administration, that I am appealing for stability in the HODs and CFOs positions. For me, this is a critical condition to ensure that there is a smooth transition into the seventh term of administration.

Honourable Members

Last year we made a commitment to review the role of public entities. Hence we established an Inter-Ministerial Task Team on reconfiguration of these entities. I happy to report that EXCO has adopted the Reconfiguration Report and its recommendations.

The affected departments and entities are expected to speed up implementation of those EXCO directives with regard to reconfiguration by November 2023.

Regarding Service Delivery Agreements I signed with Members of the Executive Council, the process of assessment is

continuing seamlessly. However, I must indicate that there is still scope for improvement.

Honourable Speaker

Last year, we said that the new emerging economies and the context of the Fourth Industrial Revolution, should propel us moving forward.

The Limpopo e-Government Strategy Implementation Plan, still remains our vehicle towards the digital transformation of the provincial administration.

To date, progress regarding the plan is visible. We have noted with pride the significant improvement regarding the way departments are implementing their Information Communications Technology plans.

The five-year Limpopo eGovernment Strategy Implementation Plan has laid a solid architectural foundation for implementing eGovernment. In the main, the plan is focusing on services to citizens, businesses, and government employees, as well as information sharing with other government agencies.

For the financial year 2023-2024, the Office of the Premier will focus on supporting provincial departments to improve on their ICT infrastructure.

This will lead to the development and implementation of plans to upgrade the infrastructure to be appropriate for the modern economy.

Madam Speaker

Last year, we reported that we are reviewing the Limpopo Human Capital Investment Strategy. The time line we have set was the first quarter of the 2022-2023 financial year.

The progress to date is that the Provincial Executive Council has adopted the 2020–2030 Limpopo Human Capital and Investment Strategy.

The strategy will ensure that the Limpopo Administration could marshal resources from all sectors including the SETAs, to develop skills for the provincial economy.

The effective and efficient implementation of the strategy will culminate in the attainment of the following priorities:

- Strengthening the public education system;
- Improving the skills of the provincial economy through TVETs and Universities.
- Building a capable workforce.
- Forming strategic partnerships to drive skills development in the growth points;

- Focusing on higher education, training, research and innovation, and aligning bursary awards with the required skills in the provincial economy;
- Promoting entrepreneurship.

It is against this background that we are pleased to report that the Limpopo Human Resource Development Council is fully functional. It held its last meeting last month.

The plans for 2023/2024 financial year include that the SMS Capacity Building Programme that will focus on developing skills. The programme will be implemented in line with the imperatives to professionalise the public sector.

Madam Speaker,

Young people are mostly affected by the triple challenge of unemployment, poverty and inequality. So far, we have heightened our grip in repositioning the youth development plan at the centre of government agenda.

It is on this important note that I am pleased to report that, a total of 10 265 beneficiaries, primarily youth, have been supported through the SETAs.

Close to R410 million was invested for the support during the financial year 2022-2023. We are also pleased that over 100 young people who were placed on internship and learnership programmes have since been absorbed permanently in the job market.

Be that as it may, the provincial government will continue with programs such as apprenticeship development, 4IR skills development, learnership and internship, work integrated learning and SMME development.

These are future projects aimed at empowerment of youth. In addition to that, we will also form strategic partnerships to drive skills development in the Special Economic Zones and growth points.

It is on this important note that I wish to praise Limpopo Provincial Government and the National Youth Development Agency for the successful launch of the Youth Development Fund programme last month.

The 10-million-rand funding available to young people will go a long way in assisting them to establish, sustain or grow their businesses.

We are encouraging youth to apply in large numbers so that they can improve their living conditions and create jobs.

We are therefore calling upon other public institutions and the private sector, to emulate this good example and unleash bankable projects geared towards youth development.

Madam Speaker,

As government, we have made significant progress about implementing programmes aimed at improving the quality of life for the vulnerable sectors of our society.

This important sector comprises youth, children, older persons, and people living with disabilities.

We have implemented policies to ensure that the sector continues to enjoy the protection of the law against abuse.

We have improved access to education, health care and economic development opportunities to ensure that we reverse the marginalization and social exclusion of most people in this sector.

It is in this context that we would like to commend the Office of the Premier, the Department of Agriculture and Rural Development, the Department of Public Works, Roads and Infrastructure and the Department of Transport and Community Safety, for complying with 2% employment equity targets at all levels.

We are encouraging other departments to heighten their efforts and optimise opportunities for the sector. We are pleased to report that to date, over 600 women owned companies were capacitated on strategies to access 25% of all our provincial procurement spend in line with Limpopo Preferential Procurement Strategy.

The mainstreaming of programmes for the designated groups requires that the province develops and implement appropriate strategies that are considerate of provincial peculiarities.

The province is at an advanced stage of finalising the Women Empowerment and Gender Equality Strategy, the Limpopo Disability Rights and Empowerment Strategies, as well as intensifying the implementation of the adopted Youth Development Strategy.

The implementation is currently going on and the plan is expected to be finalised before the end of the 2023-2024 financial year.

Honourable Speaker,

Regarding the fight against corruption, evidence is available to prove that we have acted against the VBS scandal, the Covid-

19 PPE malfeasance and other sporadic cases. This is because we honour our commitment to fight against corruption.

During the State of the Province Address two months ago, we went on at length regarding this matter. However, I could sense that there are still some people somewhere, who still think that we are not doing enough against corruption.

That is why I am making a clarion call to anyone with information regarding alleged corruption, to report it to me so that I can act accordingly.

Alternatively, information regarding allegation of corruption can be reported to our law enforcement agencies. On our part as government, we have always been clear that we do not tolerate corruption.

Honourable Members

Programme 3 is **Planning Coordination, Monitoring & Evaluation**. The programme's flagship project is the Limpopo Development Plan (LDP).

The LDP is a framework specifically tailored as a blueprint for development across all spheres of government. The LDP provides a basis to address socio-economic challenges to fight the triple challenge of unemployment, poverty, and inequality.

On education outcomes, in particular matric pass rate, we are pleased to report that Limpopo is the second most improved province in the country, with regard to the 2022 Grade 12 results.

We are also counted among the best in terms of production of quality results. The province has achieved 72,1 per cent pass in 2022 Grade 12 examinations, which is an improvement of 5,8 per cent from the previous academic year.

However, we recognise that this performance is below our LDP target of 80 per cent. As a mitigating factor, we will continue with our interventions efforts aimed at improving the matric results in Limpopo.

In the same spirit, we are pleased to report that the Early Childhood Development transfer programme has matured.

This decision as you all know, was taken in order to improve the foundation phase of our education system.

Honourable Members

On water provisioning, last year we made a commitment to accelerate the implementation of the Limpopo Integrated Water Master Plan.

During the State of the Province Address, we clearly articulated that majority of the major projects for water resource

development are being implemented by the Department of Water and Sanitation.

These projects include the raising of the Tzaneen Dam wall, Olifants River Water Resources Development, Musina-Makhado SEZ bulk water supply and Nandoni Water Treatment Works.

We all know by now that municipalities who are responsible for reticulation require the bulk resource to complete supply of water to communities.

We have since reported about the successful meetings we held with the Minister of Water and Sanitation Department, Mr Senzo Mchunu.

It is in this context that, we will continue engagements with the department so that we follow-up on progress which is been made regarding the water provision in Limpopo.

Madam Speaker

We have continuously said that government alone cannot deal with all the challenges that our country is faced with. We therefore call for public private partnership as a solution towards growing the economy and infrastructure development.

That is the reason why the work of the Premier's Economic Growth Advisory Council (PEGAC) and the Impact Catalyst

initiatives is very critical. I am pleased to report that our last PEGAC engagement was held two weeks ago, with much focus on how to harness economic development initiatives in the province.

Through their technical and financial support to the LDP, the work of the Impact Catalyst initiative has gained momentum as well.

They support catalytic projects across the province. It is in this context that we will continue praising the southern limb mining houses, who have contributed R127 million for the construction of state of the art Steelbridge at Ga-Malekana village, next to the R555 road.

On the same note, we urge other private sector investors to come on board and partner with government to resolve the socio-economic challenges on our province.

Honourable Members

The District Development Model in Limpopo is taking shape. To date, all the District Municipalities in Limpopo have finalised their Districts Development Plans.

Our clarion call remains that all departments must ensure that there is effective implementation of these plans. As Limpopo,

we are implementing the One Government, One District, One Plan and One Budget approach.

In addition, it was on this important note that we reported during the State of the Province Address that, all our government departments, including municipalities should partner with our Traditional Leaders on issues of local economic development and growth.

We are pleased to report that, already, the Office of the Premier has held a successful workshop with Traditional Leadership on broader socioeconomic developmental issues.

Madam Speaker,

Our country is currently faced with the detrimental effects of energy crisis. Load shedding as implemented by Eskom has impacted negatively on livelihoods and the growth of the economy.

We all know that economic growth and industrialisation cannot succeed without the provision of sustainable electricity. Unfortunately, if the energy crisis persists, our LDP targets are at risk of not being met.

To this effect, please allow me to report about the Provincial Renewable Strategy as alluded to in this August House last year.

Limpopo is endowed with abundant renewable energy resources, the significant ones being solar energy, biomass, hydropower, geothermal, as well as potential for hydrogen fuel.

The province is therefore well positioned to pursue alternative or sustainable energy sources to ensure energy security for future generations.

It is against this backdrop that the Office of the Premier will be developing the Renewable Energy Strategy and Implementation Plan during the 2023/24 financial year.

The strategy will lay a foundation for clean renewable energy led economic development and just energy transition. More information about this plan will be made available when the details are finalised.

Madam Speaker

It is my honour to table before this august house, the 2023-2024 Budget Vote for the Office of the Premier for appropriation:

I THANK YOU!

INKOMU!

KEA LEBOGA!

NDAA!

DANKIE!

(BUDGET TABLE 2023/24)

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

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate
	2019/20	2020/21	2021/22			
1. Administration	167 926	146 823	142 856	147 534	150 593	150 593
2. Institutional Development	151 891	144 951	149 006	169 975	181 788	181 788
3. Policy & Governance	106 689	90 746	91 192	99 992	110 419	110 419
Total payments and estimates	426 506	382 520	383 054	417 501	442 800	442 800

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate
	2019/20	2020/21	2021/22			
Current payments	418 745	371 945	368 656	411 431	422 360	422 360
Compensation of employees	312 615	295 196	291 836	326 271	306 271	306 271
Goods and services	106 130	76 749	76 820	85 160	116 089	116 089
Interest and rent on land	–	–	–	–	–	–
Transfers and subsidies to:	3 547	7 112	11 015	3 970	15 623	15 623
Provinces and municipalities	24	29	20	49	52	52
Departmental agencies and accounts	12	10	9	30	5 030	5 030
Higher education institutions	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–
Households	3 511	7 073	10 986	3 891	10 541	10 541
Payments for capital assets	4 214	3 365	3 365	2 100	4 817	4 817
Buildings and other fixed structures	–	–	–	–	–	–
Machinery and equipment	4 214	3 365	3 339	2 100	4 817	4 817
Heritage Assets	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–
Software and other intangible assets	–	–	26	–	–	–
Payments for financial assets	–	98	18	–	–	–
Total economic classification	426 506	382 520	383 054	417 501	442 800	442 800

Earmarked Funds

PROJECT	2023/24	2024/25
	R'000	R'000
SHARED ICT DISASTER RECOVERY	1,760	1,839
ICT - ELECTRONIC CONTENT MANAGEMENT (ECM)	3,460	6,751
ICT - ECM DIGITAL SIGNATURE	3,200	3,344
ICT - SHARED E-MAIL SYSTEM	7,616	12,661
PROVINCIAL ICT VULNERABILITY ASSESSMENT	3,000	
PROVINCIAL ENERGY STRATEGY	1,500	
PROVINCIAL ICT INFRASTRUCTURE ASSESSMENT AUDIT	3,000	
TOTAL	23,536	24,595