

SOPA

STATE OF THE PROVINCE ADDRESS

BY THE HONOURABLE

MR TW MCHUNU

PREMIER OF THE PROVINCE OF KWAZULU-NATAL

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"through unity in action we can move KZN to a prosperous future"

STATE OF THE PROVINCE ADDRESS DELIVERED BY THE HONOURABLE PREMIER OF KWAZULU-NATAL, MR TW MCHUNU



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PREMIER OF THE PROVINCE
OF KWAZULU-NATAL

1. RECOGNITION OF DIGNITARIES

- His Majesty - Hlanga Lomhlabathi
- Queen Mothers
- Ondlunkulu Besilo
- Abantwana Basendlunkulu
- First Lady of the Republic of South Africa, Mrs T Madiba-Zuma
- Members of the NCOP present
- Former Premiers – Dr F T Mdlalose & Dr Z L Mkhize and Spouse
- Madam Speaker and Deputy Speaker of the KZN Legislature
- Honourable Mr Justice M Madondo, Deputy Judge President - KZN Division
- Honourable Minister of Police, Mr N Nhleko
- Honourable Deputy Minister of Transport, Ms S Chikunga
- Honourable Members of the Legislature
- Leader of Government Business, Sihle Zikalala
- Honourable Members of the Provincial Executive
- Members of the Diplomatic Corps present
- Chairperson of the House of Traditional Leaders, Inkosi P H D Chiliza and Umama we Sizwe saseMadungeni
- Members of the Executive Committee of the Provincial House of Traditional Leaders
- Mayors and Councillors of Local Government
- Acting Director-General, Ms P D Khumalo
- Acting Provincial Police Commissioner, Major General Langa
- Provincial Commissioner Correctional Services, Mr Mnikelwa Nxele
- Advisors to the Premier
- Heads of Provincial Departments present
- Members of the Provincial Planning Commission present
- Business representatives present
- Labour representatives present
- Academics present
- Religious leaders present
- Struggle Stalwart's Families present
- All other social partners and broader civil society present
- Distinguished Guests
- Ladies and Gentlemen
- Listeners and viewers at home
- Sanibonani! Good day! Namaste! A Salaam Wailikum!



2. INTRODUCTION AND SCENE SETTING STATEMENTS

Sixty three years ago, peaceful and freedom loving people of South Africa met in Kliptown to create a vision for a post-apartheid free and democratic South Africa. They called it the FREEDOM CHARTER. It declared as follows:

“We, the People of South Africa, declare for all our country and the world to know:

that South Africa belongs to all who live in it, black and white, and that no government can justly claim authority unless it is based on the will of all the people;

- that our people have been robbed of their birth right to land, liberty and peace by a form of government founded on injustice and inequality;
- that our country will never be prosperous or free until all our people live in brotherhood, enjoying equal rights and opportunities;
- that only a democratic state, based on the will of all the people, can secure to all their birth right without distinction of colour, race, sex or belief.”

March is filled with never ending poignant stories of sacrifice, courage and triumph over adversity. It is the month associated with bravery and the fight for human rights.

As we present the State of the Province Address, we pause and salute the sons and daughters who sacrificed their lives in order to liberate the people of this country from the jaws of apartheid.

The democratic government renamed Sharpeville Massacre day, Human Rights Day, in memory of thousands of people who died fighting against injustices.

Today, we want to remember the pathfinders of our freedom and democracy whose selflessness made it possible to defeat apartheid which was described as a crime against humanity.

Accordingly, as a democratic government, based on the will of the people, we renew, on this historic month, our pledge to build a prosperous province, working with leaders of society and the community at large. We renew our pledge knowing that for millions of our people, today is better than yesterday and tomorrow will bring more joy than today.

We are conscious of the fact that as neighboring villages get clean water, electricity, clinics and proper roads, other people wait patiently for these services. As many people move from informal to formal houses, we want to assure those who are waiting that their turn will surely come as day follows the night.

We are determined to move with speed to achieve higher rates of economic growth that would result in job creation and reduction of unemployment. Weighing heavily on our shoulders is the fact that there are thousands of people who still live in abject poverty.

As public representatives, elected through a popular vote, our conscience tells us that our freedom and democracy will remain without the real substance unless there is real improvement in the lives of ordinary members of society.

Honourable Members, when we started this term of office in 2014, we knew that our freedom would not be complete while millions continued to live in poverty.

On this day we rededicate ourselves to the defense of the human rights which are guaranteed in our constitution, the basic law of our land. When we talk about being loyal to the Constitution of the Republic and its people it is when we are able to use government as an instrument to transform the lives of the people.

Madam Speaker, we understand that ours is a government founded on the will of the people. It is the people who must taste the fruits of democracy which former President of the governing party Oliver Reginald Tambo fought for.

The President of the Republic of South Africa His Excellency J.G Zuma reminded us during the State of the Nation Address that O.R Tambo would have turned 100 years this year.

We thank President OR Tambo for being the beacon of light to guide South Africans. He will continue to play this role for many years after he departed because of the special place he occupies in our hearts.

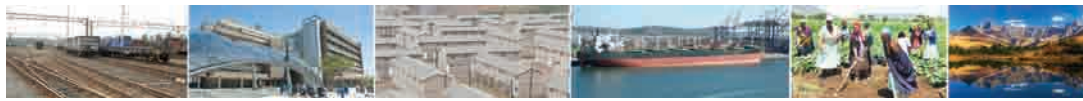
KwaZulu-Natal Provincial Government through the Department of Arts and Culture, the Office of the Premier and municipalities will accordingly rollout out a series of events aimed at celebrating the contribution of OR towards the dismantling of apartheid.

Whilst our main focus will be on drawing inspiration from the teachings of OR, these events will be packaged to unite our people to celebrate the dawn of the new democratic dispensation. We will partner with leaders of society across all sectors of our communities in order to ensure maximum impact.

South Africa is on the throes of building a new nation united in diversity. This is the fruition of his struggles and his dreams. If OR was alive today he would urge all of us to pursue the course of the greatest unity in order to change the lives of our people. He would caution us to keep our minds when all else are losing theirs.

He would empathize with the suffering masses and will be in the trenches with the lowliest among us as to him all lives are equal. Most importantly he would require of us to be steadfast on principle and to display integrity, discipline and unity.

In one of his speeches OR said: "It is our responsibility to break down barriers of division and create a country where there will be neither Whites nor Blacks, just South Africans, free and united in diversity."



Madam Speaker, as guided by OR, a political colossus and a prophet of peace, our theme for the 2017 State of the Province Address is clearly focused on the unity of our people. We want to communicate a strong message that the people of KwaZulu-Natal are one big family united in diversity.

It is this diversity of our South African nation that makes us a unique country in its pursuit of the ideals of non-racialism, non-sexism, unity, democracy, equality and human rights based on the Constitution.

These are the ideals of other great leaders such as Dr John Langalibalele Dube, Mahatma Gandhi, Inkosi Albert Mvumbi Luthuli and Nelson Mandela. Drawing from exemplary leadership of these great leaders this government will continue to create an environment that gives all South Africans, irrespective of race or colour, the opportunity to contribute towards the building of a prosperous province.

As different communities we must have common concerns and aspirations about the future of our country and our province. We all should share a passion for the creation of an integrated non-racial society enjoying freedom, living in a safe and prosperous province. We must all pull together to make ours the most stable and prosperous province.

Madam Speaker and Honourable Members, as elected public representatives we must be exemplary and show unity at all times. We must not disappoint the nation with regards to our conduct inside and outside the legislature.

The pride of our respective political parties and of personal ambition must not obscure the focus on promoting unity amongst our people. Unity refers to working together, cooperatively for a common purpose. Unity requires discipline, mutual respect, openness and trust. Unity is about agreeing to a joint programme of action and working together to ensure its successful implementation.

Equally, unity is not about agreeing on any issue without debate and gullibly swallowing information without analysis and questioning. Unity is about exercising tolerance to divergent views and accommodating different suggestions and not forcing undigested ideas for implementation without comprehension.

Unity is not blind loyalty to follow without ascertaining yourself about the correctness of the direction to which you are led. Unity is about being principled not to oppose for the sake of opposing; not to reject logical reasoning because of personal attitudes that have no bearing to the subject matter under discussion. Contradicting the tabled proposal is not disunity where the aim is to explore alternative strategies to achieve the agreed objective.

Madam Speaker, at this stage, we want to salute His Majesty. We thank you Hlanga Lomhlabathi for being our father.

Over the years you have been a source of inspiration. We thank you Silo Samabandla for your wisdom in resolving the matter concerning Izinduna and their involvement in programmes of community development. We reconfirm our commitment to working with traditional leadership in order to create a winning nation and a prosperous province.

Isilo has continued to interact with various leaders and sectors to seek support for the provincial government programmes amongst the business, church and different other stakeholders in our society.

Your message that government should ensure that ordinary members of society should be an integral part of the fight for the eradication of poverty rings very loud.

Hlanga Lomhlabathi ngokukhulu ukuhlonipha nokuzithoba, sifisa ukukwazisa ukuthi umfanekiso weSilo ILembe ususemaphethelweni. Kuyothi uma kuphela lenyanga ka March umfanekiso uyobe usuphelile bese silungiselela ukuyowubeka e-King Shaka International Airport.

Kodwa esikukhulekelayo nesikufisayo ukuthi iSilo SamaBandla uma sithola ithuba sihambe nathi siyophonsa ihlo ukuze siqinisekise ukuthi lomfanekiso usezingeni elamukelekile. Siyakhuleka Hlanga Lomhlabathi. Siyazi ukuthi umsebenzi wesizwe ukuxine kakhulu.

THEME FOR SOPA

Madam Speaker, I am sure that all present here today will understand that delivering a State of the Province Address is always an exhilarating, yet daunting task.

Exhilarating in the sense that this is a wonderful opportunity to reflect on the progress we have made since the 2016 State of the Province Address, as well as to outline the key priorities we will be focussing on in the year ahead.

The daunting nature of this task stems from the fact that, as we make pronouncements on the key policy directives we intend to embark on moving forward, we do so with a deep understanding that the successful implementation and realisation of these policy statements are not in our hands only. We understand all too well that we do not have full control of the trajectory this address will embark on today.

A State of the Province Address is exactly as stated, it is an indication of the current status of the Province as we all know it and as we all witness it today. It is not only status assessment of provincial government, but it is an assessment of the results of our collective resolve and actions to building a better province and a better future for us all.

I therefore stand before you today in humility, declaring that we, on our own, cannot guarantee this better future. I, however, also know that together through the dedicated, intensive and collective effort of all sectors of society, be it government, business, labour or civil society, we can take this Province to where we believe it should be.

Madame Speaker, it is for this reason that we have chosen the theme of the 2017 State of the Province Address to be –

**“Through Unity in Action,
we can move KZN to a prosperous future”**



Esteemed members of this House, you will realise as we deliver the 2017 State of the Province Address that we have opted for an approach that fully embraces the growth and development trajectory that we embarked on when we adopted, endorsed and embraced the objectives of both the national Development Plan and the Provincial Growth and Development Strategy in 2011.

Our approach is to look critically at what it is that we had set out to achieve in previous State of the Province Addresses and to acknowledge the gains we have made, but at the same time to be open and frank about areas where we have not achieved or have failed. The focus must therefore be refinement and recalibration of our plans, based on the evidence of our performance.

3. CHALLENGES WE HAVE HAD TO FACE SINCE FEBRUARY 2016

It has, by no means, been a period of moonshine and roses since the delivery of the last State of the Province Address. We have had to carefully manage a range of challenges which posed serious risks for the growth and development prospects of KwaZulu-Natal. For the purposes of this Address, we will only highlight a few.

3.1 INTERNATIONAL GEOPOLITICAL UNCERTAINTIES

Madam Speaker, we present the State of the Province Address amid international uncertainty caused by geo-political developments.

We are cognisant of the fact that over the years, the economy of this province, has been integrated with economies of the world making us vulnerable to external shocks.

Economists and commentators are uncertain about the long term impact caused by Britain's exit from the European Union. South Africa as UK's largest Africa's trading partner will surely face the brunt of Brexit, should it happen to have negative consequences.

When UK finally leaves the European Union, trade and investment ties will have to be renegotiated leaving a period of heightened uncertainty.

One thing we are certain about, is that potential weaker trade and investment ties with traditional overseas markets, mean less job creation and increased unemployment.

The election of Mr Donald Trump as the President of the United States of America continues to dominate the news, with analysts, commentators and ordinary members of society giving different interpretations. The reported teleconference between President Zuma and President Trump last month could be signalling the beginning of a new era of political and economic relations.

We are encouraged by the fact that the two presidents are reported to have committed themselves to strengthening bilateral relations between the two countries. Critically, the support expressed by President Trump towards our efforts, aimed at ensuring peace and stability on the continent, will go a long way towards cementing our peace-making role in Africa.

Our participation in BRICS continues to yield positive results for this province as continuing inward investments from companies in the bloc have surpassed our expectations. For this move, we thank and applaud the courage and insightfulness of President Zuma who led us into the membership of the BRICS bloc. We are directing this investment into all corners of the province.

We do recognise that this is a matter governed by National diplomatic policy and we will be guided by this policy as we seek to take advantage of bilateral relations initiated by the national government led by President Zuma. We are indeed keen to engage with international investors from accross the globe, that can assist us in growing a shared economy and create jobs.

3.2 PERSISTENT LOW LEVELS OF ECONOMIC GROWTH

The global economic outlook has remained subdued over the last year and the South African and KwaZulu-Natal economies reflected the same sentiments, to the extent that the KZN contribution to GDP contracted by 0.16% in the 3rd quarter of 2016. During the same period the manufacturing sector, as a key labour creating sector in the KZN economy, contracted by 3.1%.

Matters are further compounded by the fact that the outlook for the coming financial year is not much better. It is anticipated that the KZN Economy will grow in 2017 by 1.8%, which is slightly above the national average forecast of 1.6%.

Sluggish economic growth undoubtedly has wide ranging knock-on effects in our Province. One of the most severe impacts has been on the ability of the provincial economy to, not only sustain and retain existing jobs in the province, but also to grow the job market and reduce unemployment. Unfortunately we have to report that the unemployment rate in KZN regressed to a high of 23.7%, in the 3rd quarter of 2016 which is slightly below the national unemployment rate of 27.1%

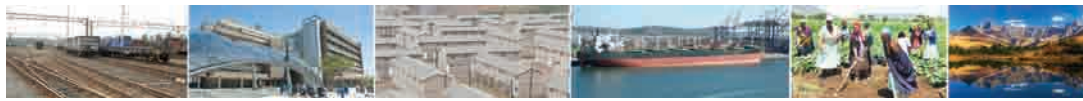
This situation obviously poses a serious risk to socio economic stability and the ability of government and business to meet growing demands from communities. Investment confidence is down and it is becoming increasingly difficult to market development and investment opportunities in the province.

Government is expected to step up its poverty relief programmes and to ensure that indigent programmes provide for a growing share of the population, this against a backdrop of a shrinking budget.



3.3 CONTINUED DROUGHT

Madam Speaker, it is important to point out that as a result of the existing lingering drought a Provincial State of Disaster was first declared in October 2014 and subsequently again on 11 November 2015. This situation has since deteriorated even further and it is clear that drastic further measures will have to be taken to avert serious damage and even loss of life.



Even though the province has recently received good rainfall, we all understand that we are approaching the end of our rain season and most of our major dam levels still remain low. According to the Department of Water and Sanitation the current average levels of our dams in KZN is still 13% below what it was in the corresponding period last year. It is for this reason that the Joint Operations Centre for the Umgeni System has remained active and a 15% restriction is retained.

As can be expected, this disaster situation has had a devastating impact, not only on our economy and commercial demand for water, but also on human access to potable drinking water, drinking water for livestock and game farms, crop production and food security, as well as the state of the environment in general.

This has also contributed to a 6.3% reduction in the number of households directly involved in agriculture over the period 2011 to 2016 and has thus further contributed to increased urbanisation in KZN.

We must acknowledge the substantial effort and disaster interventions from the National, Provincial and Local spheres of government to deal with this crisis situation. This has made it possible to drill more boreholes in critical hotspots, install mobile packaged plants in areas most severely affected, the acquisition of more water tankers to augment distribution, as well as the establishment of off-channel water storage to augment raw water supply.

Over and above the R503 million spent in the 15/16 financial year the Department of Water and Sanitation has reprioritised a further R700 million in the 16/17 financial year for drought interventions.

Although we are proud of what has been done to mitigate our risks related to this drought thus far, we believe that we still have to do much more. It is noted that despite mass mobilisation and awareness campaigns, we are still not achieving our water saving targets. Too many people in our province still do not appear to understand the severity of the situation and are not responding positively to calls to adhere to water restriction measures.

Siyacela yonke imiphakathi ukuthi isebenzisane nohulumeni ukuze songe amanzi. Imiyalelo yokuthi kufanele sinciphise ukusetshenziswa kwamanzi ekhishwa ngomasipala kufanele siyilalele ngoba izosiza thina ekugcineni.

Based on the latest assessment of the drought situation in our Province, we had no alternative but to extend the current drought declaration on a month to month basis to allow us to provide extraordinary support to communities affected by this disaster and to minimise the risks related to this disaster.

As devastating as this drought has been, it has also been a learning curve. Our disaster management teams, ably led by our Department of Cooperative Governance and Traditional Affairs (COGTA), are far more responsive today than ever before and our planners have become more proactive and forward-looking in the way they discharge their duties.

We have also seen this capacity in action when we were anticipating the impact of Tropical Cyclone Dineo. Fortunately we did not have to mobilise our disaster management teams for this purpose, but it is good to know that we were well prepared to deal with flood risks in the midst of this drought.

4. HIGHLIGHTS OF PROGRESS WE HAVE MADE IN THE LAST YEAR

As we celebrate the gains we have made in taking our Province and Country forward, we wish to acknowledge the contributions made, not only by government, but also the contributions made by business, labour and civil society, as key partners in this process.

4.1 ADOPTION OF THE 2016 PGDS and 2016/17 PGDP

In the 2016 State of the Province Address we committed to undertake the first five yearly review of our Provincial Growth and Development Strategy (PGDS) adopted subsequently and fully aligned to the National Development Plan (NDP) in 2011.

We are therefore pleased to report today that we have fully honoured this commitment and that the 2016 Version of the PGDS was adopted in November 2016.

The revision of the PGDS was based predominantly on an analysis of our performance and the extent to which the targets we had set for 2015 had been met, and I will elaborate on specific areas of achievement and underachievement later on in this Address.

We furthermore undertook a detailed situational analysis of the Province to establish new risks and opportunities, and factored in the results of the 2015 KZN Citizen Satisfaction Survey, as well as the 2016 Community Survey, both undertaken by STATS SA.

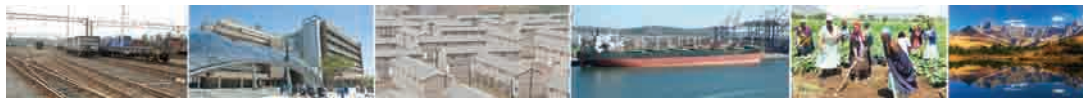
We can now proudly say that the 2016 Version of the PGDS has reconfirmed our commitment to the NDP. We have at the same time extended and slightly adjusted our Vision to 2035, which now is to be “A prosperous Province, with a healthy, secure and skilled population, living in dignity and harmony, and acting as a gateway to Africa and the World.”

Madam Speaker, the adjustment to this Vision was initiated by the input we received from our civil society partners, who were of the view that the previous Vision did not adequately reflect the desire we have to create a stable and dignified living environment for our people, where we can all live together in harmony. This has emphasised again issues of social cohesion and nation building, which I will attend to in more detail later.

Honourable members of this House, we are very mindful of the fact that paper is patient and that having a strategy is by no means an assurance of success. It is for this reason that we have been at pains to ensure that we focus on measures to translate strategy to very specific interventions.

We have clear targets set for 2020, 2025, 2030 and 2035, and that all of this is supported by a range of Catalytic Projects with short term deliverables.

Madam Speaker, all of this has been achieved in the drafting of the 2016/17 Version of our Growth and Development Plan, which was presented and adopted at the Provincial Executive Council Lekgotla held two weeks ago.



This is the plan that now informs resource allocation in government, business, labour and civil society.

We wish to recognise the role and contribution of the Provincial Planning Commission in providing strong strategic leadership, as well as technical input into this strategy process.

We are indeed grateful and proud to have a structure such as our Provincial Planning Commission to assist us in keeping a firm eye on our long term vision and goals, assisting all development partners to work together better through our Action Work Groups, as well as to assist us in monitoring and evaluation of the progress we make. Please keep up your good work.

4.2 AUGUST 2016 LOCAL GOVERNMENT ELECTIONS

Madam Speaker, at the time of the previous State of the Province Address we were all planning for peaceful, smooth, free and fair local government elections in our Province. We are pleased to report today in this Address that this objective was largely met. We are, with the exception of the situation in one or two municipalities, very pleased with the transition of leadership in the local government sphere in our Province.

We are also pleased to report that we, as a province have provided extensive support to our municipalities through the COGTA coordinated Back 2 Basics Programme, both in the period leading up to the elections, as well as in the period immediately after the elections. This intensive programme led by MEC Nomsa Dube-Ncube has certainly supported and guided our municipalities to what can be described as a smooth transition into the fourth term of Local Government in our Province.

It is interesting to note the following statistics on the composition and demographics of our new municipal councillors in KwaZulu-Natal;

- 67% of all councillors in the Province are new and by implication only 33% of councillors retained a position. This obviously has a direct bearing on skills development and capacity building requirements;
- 36 % of councillors are female, while 23% of mayors and 49% of deputy mayors are female; Gender equity is therefore still not achieved, but some progress has been made;
- 21% of councillors were, at the date of elections, in the age bracket of 35 or younger, while 75% of all councillors were between the age of 36 and 65, with only 4% of councillors older than 65;
- The youngest councillor was 20 years old and the oldest was 79 years old;

It is clear that there is a new generation of councillors to lead local government into the fourth term on local governance in our Country and Province.

As much as we are pleased with the progress we have made in respect of the Local Government Elections, we must indicate that we also have serious concerns about the fact that we have shown signs of regression, in particular related to the upsurge of incidents of politically motivated killings in the lead up to these elections.

We all remember the dark days we come from and I am sure we will all rally around a drive to prevent us from sliding back to those days.

Asifunde ukubekezelelana kwezepolitiki siyeke ukuba yihlazo lomhlaba ngokuthi njalo uma kuza ukhetho sizobulalana.

4.3 MANAGEMENT OF THE EDUCATION CHALLENGES

Without creating the impression that we have now overcome all our education challenges in KZN, we must recognise and acknowledge the progress that has been made since the last State of the Province Address.

We must however celebrate the fact that access to our primary and secondary schooling has reached near universal enrolment. Participation rate for children aged 4 and 5 (Grade R) in early childhood development has now reached more than 70%. Currently there are about 1689 early childhood development centres funded by government with 93 290 children subsidized.

Madam Speaker, at this stage allow me to pay tribute to the Class of 2016 for the excellent matric results. We are generally pleased with the increase in the NSC pass rate from 60% to 69.5%. This was an increase of almost 10%, bringing us very close to the 70% target.

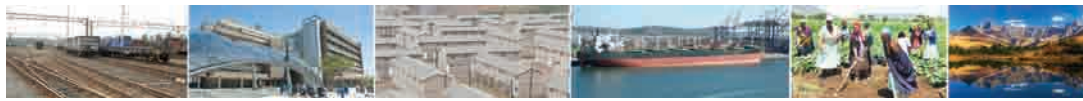
We congratulate MEC Khethomthandayo Dlungwana and his department, principals, teachers, learners, organized labour and other stakeholders for working together for the sake of the education of our children.

We will continue to mobilize communities to be part of education through Operation Sukuma Sakhe and the Turn Around Programme of the Department of Education. We want grassroots cadres, community workers, volunteers, religious leaders, traditional leaders, community leaders and the members of the public to join education forums in the townships, villages and suburbs to elevate education to a societal issue.

We also emphasize the role of parents and the family in the process of teaching and learning. The family, parents in particular, are an important stakeholder in ensuring that homework is done, and that the child attends school diligently in the first place. The importance of this facet of education can never be exaggerated.

Critically, learners must be protected against any form of domestic violence including any exposure to socially unstable environment. We also want to emphasize that communities need to understand that schools belong to them more than they do to government.

It is therefore up to communities to protect the resources that we, as government, pour into schools. The safety and security of teachers, schoolchildren, and property are also the responsibility of communities.



As government we acknowledge the need to continuously improve the learner/teacher ratio. Many schools, especially in townships and rural areas, are overcrowded and still have unacceptably high learner/teacher ratios, which puts a strain on educators thereby having a negative effect on teaching and learning.

As government we have committed to facilitate teacher development and support. We will continue in our endeavour to improve the standard and quality of the learning experience by harnessing the best tools and personnel available in order to improve the standards of those who are the coalface of the delivery of quality education, the teachers.

Madam Speaker, our main focus moving forward is to ensure that our education system creates a supply of quality science and technology human resources from the school system, for the provincial and national economy. A modern economy demands human resources that are numerically and scientifically literate, technology fluent and skilled at problem solving.

4.4 HOSTING OF INTERNATIONAL CONFERENCES

In line with the economic and tourism objectives of our Province, based on our competitive and comparative advantages, we have targeted the conferencing sector as a priority sector in KZN. We are all aware of the major international conferences that have been hosted successfully in KZN.

We are indeed now recognised as a formidable contender in the bidding process, to secure hosting rights for a wide range of international events

In the last year, our Province was able to further entrench this preferred international conference destination status. Since the last State of the Province Address we have amongst others, successfully hosted the:

- 2016 International HIV/AIDS Conference;
- The World Leisure Congress;
- International Society of City and Regional Planners (ISOCARP) Summit
- 5th African Internet Governance Forum;
- World Federation of Trade Unions Congress;
- The General Assembly of the International Association for the Prevention of Blindness; and
- The World Hospital Congress.

The hosting of these conferences did not only profile our Province and for that matter our country as a leader within the African context, but it also contributed substantially to economic growth in our Province. It is estimated that the hosting of these conferences injects approximately R 3 billion into the KZN Economy. We are indeed pleased with the work of our Convention Bureau within the KZN Tourism Authority which has secured more than 50 significant business events and conferences over the last 5 years.

We are now looking forward to the hosting of the World Economic Forum, the AfriWater Conference, as well as the World News Media Congress in our province, later this year.

5. THERE IS MUCH MORE TO BE DONE

Honourable members of the house, we hold a firm view that the purpose of a State of the Province address is not to only dwell on achievements or positive reports, but to also be open and blunt about our failures and those matters posing a threat to the progress we have made.

Since the first quarter of this government, we have been applying our minds to what we believe are the most strategic issues are that we have to address if we are serious about taking this Province forward.

We must stress that these concerns are already attended to, through the Provincial Growth and Development Strategy, and we are therefore not deviating from the agreed programme of action of the Province as expressed in the PGDP, but we are pleading for the prioritisation of the following matters:

5.1 MOBILISATION WITH MOTIVE TO DESTABILISE

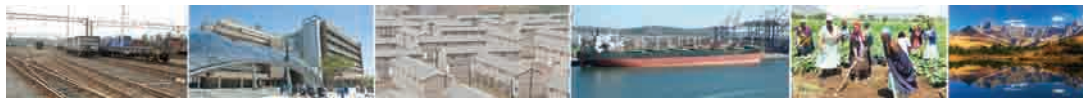
It is cause for deep concern that we are witnessing sinister attempts from various quarters to undermine the stability we have managed to bring about in our Province. We are indeed not naïve and do understand that there will always be opposing views and beliefs, and the nature of our democracy is such that we respect diversity in any form.

We can however not tolerate attempts to destabilise and derail legitimate processes aimed at improving the quality of lives of our people and promoting the greater public good. We have observed an escalation in attempts, or shall I rather refer to them as ambitions, aimed at promoting parochial and selfish interests to the detriment of the legitimate rights of the majority.

Madam Speaker, allow me to refer in this regard to the situation we witnessed in the campaign against education fees, which almost crippled our tertiary education programmes last year. In this regard, we wish to state categorically that we fully understand and sympathise with the plight of poor students, who find it impossible to meet rising education costs.

It is for this reason that we have explored all possible options to provide access to financial support to deserving students through bursary schemes. In addition to the national student financial support programmes, we as the Province of KwaZulu-Natal have awarded more than R1, 5 billion worth of bursaries to needy students. We have appointed Over the past three years more than 5000 interns who have worked for various provincial government departments costing government more than R100 million.

Our belief is that some of the drivers of the fees must fall campaign were not at all interested in the facts of the situation, did not recognise the strides that have been made to provide free education to eligible students. It was clear from the onset that there were a range of ulterior motives behind a legitimate campaign. We are pleased to report however that the KwaZulu-Natal Provincial Government provided strong leadership in assisting tertiary institutions, the National Department of Higher Education and students to negotiate an amicable and legal approach to resolve issues in the campuses.



We are pleased to see that the start of the current academic year has been rather somewhat stable and we sincerely hope that our students will be able to focus on the task at hand, namely to get themselves qualified to assist us in growing the economy and getting themselves employed or being entrepreneurs.

Madam Speaker, we remain concerned about the continuing political related murders and taxi violence, murders in hostels and faction fights in traditional communities. We are all aware of the huge amounts of sorrow, grief, loss, displacements and several other horrors this violence has brought to the citizens of this province.

These conflict situations have already claimed far too many lives in our Province and have caused serious instability in our communities and businesses alike. In the last year, 33 lives were lost due to taxi conflicts and 7 in hostel conflicts. We are however pleased to report that intensive interventions in the hostels are starting to yield results, and conditions at the Glebelands, KwaMashu A and Dalton hostels are currently stable but still tense.

We are pleased that one of the killers in the Esidakeni community in Ladysmith was sentenced to six life sentences. We congratulate MEC for Community Safety and Liaison Mxolisi Kaunda, the investigating officers responsible for this case, other law enforcement agencies for this achievement. We also want to appreciate the work of the prosecuting team and the entire judiciary. More so, we commend the co operation between the communities and police for this success.

Our position has always been very clear – that where there are problems, let's all engage and find solutions. Intimidation and violence will not resolve differences, instead it deepens divisions and complicates the situation.

We undertake to maintain a firmer hand on lawlessness and ensure that those who break the law land in prison. In addition, public protests associated with the destruction of property and intimidation of innocent members of the public will be dealt with harshly.

We are invoking the essential issue of rights and responsibilities of people who live in a free and democratic dispensation.

We condemn in the strongest terms the disruption of service delivery, intimidation and interruption of construction by those who demand to be given tenders.

We must remember that the peace process that led to the end of inter-party political violence paved the way for government to accelerate economic development in this province. We must jealousy guard against anything that threatens our peace in this province, as it is the catalyst for socio-economic development.

At this stage I wish to announce that the Commission of Inquiry into Political Related Killings continues with its work. The Chairperson of the Commission Adv Moerane will announce venues for the public sittings.

It should be noted Madam Speaker that this Commission of Enquiry will significantly augment the peace-building work of the Multi-Party Political Intervention Committee.

Our approach to ensuring that we return stability to our Province, will involve the launch of Operation Thulamsindo through Project Lethukuthula as a grassroots community based mobilisation strategy. This strategy acknowledges the role of each individual, each organisation or grouping, each community, each leader, each government department in ensuring that an environment is created to promote peace and stability.

5.2 SOCIAL COHESION AND MORAL REGENERATION AS IMPERATIVES FOR NATION BUILDING

The issue of identity remains core to a society that is united. This then understandably raises the question as to what is our identity as a South African Nation and as KwaZulu-Natalians. We can never be united if we remain divided along lines of race, colour, language, religion, or any other belief. We can only be united if we are able to rally around a common set of values and moral standards, which transcends our own individual cultural and historic backgrounds.

We are by no means promoting a situation where any culture or belief should feel threatened. To the contrary, we believe that as a Country and Province, our strength lies in diversity and the manner we can compliment one another to a point where the whole is substantially more than the individual sum of its individual parts.

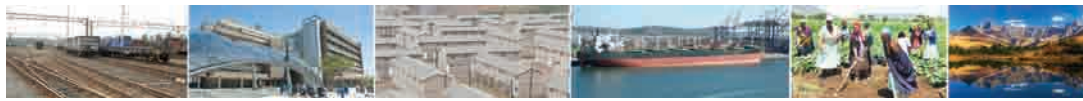
We must acknowledge that this is an area where we have not performed well at all. There have been sporadic incidents, where the unity and sense of purpose of our Nation has been strong, where we were able to display the cohesion we so desperately strive for. Moments we could all say, we were proud to be South African such as the peaceful first democratic elections in 1994, the 1995 Rugby World Cup, the 2010 Football World Cup, are just some of the events that managed to excite us as a collective.

There have unfortunately been other incidents which we should be disgusted and ashamed of. Recent events at the State of the Nation Address, the behaviour of football fans last month in Pretoria, the intolerance against people living with albinism and the manner in which some of our communities treated foreign nationals, are a few examples of where we could not hold our chins up in dignity and pride.

We are particularly concerned about the latest outbreak of intolerance against African Migrants. We strongly uphold the view that South Africa belongs to all of us who live here and our brothers and sisters from Africa can never be deemed as foreign in South Africa and by implication not in KZN.

What concerns us more is that this is a very slippery slope and that we have to ensure that this behaviour of intolerance does not become entrenched as the new norm in our society.

Madam Speaker, we undertake to rollout an integrated twin-programme of social cohesion and moral regeneration, which will focus on the reconstruction of the soul, healing the wounds and rebuilding community fibre. In our assessment, we have realized that the silo approach involving different government departments is ineffective. The central co-ordination of activities and sharing of resources will ensure maximum impact on the ground.



Our moral regeneration programme will involve the mobilization of civil society, in the form of religious and traditional teachings, which are all intended to create a better human being and a humane society. We believe in the strong role for religious and traditional leaders as custodians of our religion, culture and traditions.

Together we will promote good human values and spread the message of peace, first peace within ones-self, then of course peace that should be shared amongst all in the community.

In order to build a compassionate society we need to ensure that when we are sitting in our homes we are not grinding hatred and anger but are generating thoughts that are pure and we spread sentiments of love.

This starts with peace loving and cohesive families which becomes the glue to cohesive communities and a nation. We can therefore never underestimate the role of a stable home and family as probably the most effective counter to many of the unacceptable behaviour we see around us, as well as most of the social ills we have come to witness with disgust.

We all need to work together, as partners, to deal with the whole aspect of building the spirituality of all our people in the neighborhood such, that at the end of it, anyone who visits must always remember the smiles and the warmth of the local people.

Critically, we will form moral regeneration movements that will restore our national pride in our children; teach them the values of ubuntu, integrity and responsibilities to make them leaders for the coming generations.

Madam Speaker, as part of a build up to Freedom Day we will host a Social Cohesion Summit involving civil society, academics and other stakeholders. This will be an all-inclusive gathering led by the Department of Arts and Culture, Social Development and supported by the Office of the Premier.

The summit will focus amongst other things on debates on how best can we celebrate our heroes -black, white, colored and Indian - who fought against apartheid. We will ask difficult questions and hopefully find answers about the issue of our identity and who we really are. From this gathering, an integrated social cohesion strategy will be developed to guide our programmes on social cohesion. We realise that we need a cohesive strategy that can move us to better unity and moral action.

Madam Speaker and Honourable Members, since we ushered in democracy, government has been replacing old names of some public institutions with new names. It is an exercise which has been undertaken at national and provincial levels and is led by our Department of Arts and Culture, with MEC Bongi Sithole-Moloi providing guidance.

In replacing old names with new ones, we always seek to honour those who laid down their lives to further the cause of liberating the people of this country from the jaws of apartheid. The MEC for Human Settlements and Public Works Ravi Pillay has confirmed that Public Works Office will be renamed after O.R Tambo.

Madam Speaker, the renaming project has also been extended to public health institutions and their facilities. After having considered a proposal from the community in the King Cetshwayo District, we are following a thorough consultation process with the public and other stakeholders. We are grateful to announce that His Majesty has granted approval for the Lower Mfolozi Memorial Hospital to be renamed as Queen Nandi Memorial Hospital. This is in honour of Queen Nandi uMama weSilo iLembe eleqa amanye amalemba ngokukhalipha.

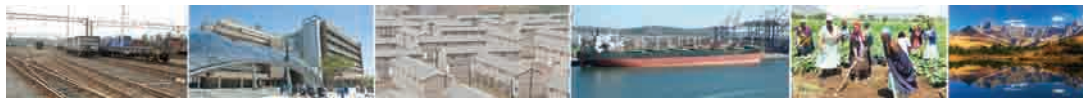
The Queen Nandi Memorial Hospital has been equipped with a state of the art neonatal unit with 92 beds. It now boasts a 16-bed Neonatal ICU and 16 High Care beds and 24 pre-term high care beds, 20 special beds and 16 Kangaroo Care beds.

In South Africa we now have hospitals named after great heroes such as King Dinuzulu, Cecilia Makiwane, Inkosi Albert Luthuli, Chris Hani, Yusuf Dadoo, Helen Joseph, Lilian Ngoyi, Nelson Mandela, Steve Biko, Charlotte Maxeke and Goerge Mukhari amongst others. These are great sons and daughters of our soil who selflessly struggled for a free and democratic society. Self-discipline, endurance and selflessness distinguished these leaders from the rest.

At King Dinuzulu Hospital, there is a section named after Fatima Meer who was dedicated and a pioneer of this freedom and democracy. Such qualities have particular relevance for health workers as you struggle to bring essential health services to all our people. That is what our constitution pledges - and that was what these heroes and heroines envisaged for South Africa.

5.3 CRIME AND CORRUPTION





Crime and violence remain a key concern and citizens have clearly indicated that they are not feeling safe and business have raised concerns about risks and losses in this regard.

The symbiotic relationship between crime and violence on the one hand and socio-economic conditions on the other, is proving to be a serious predicament. It is understood that the rate of crime and violence must be reduced to improve the socio-economic conditions our communities live in, but we also understand that poor prevailing socio-economic conditions is a major contributor to rising incidents of crime and violence.

This situation is further aggravated by widespread social ills, such as substance abuse, gender based violence and teenage pregnancies, in particular, creating a downward spiral of moral decay and increased criminality. We are therefore compelled to apply a multi-pronged approach to ensure that we can arrest this situation and turn it around to levels we all feel comfortable with.

It is for this reason that we are particularly concerned with trends noted in the release of the latest crime statistics, which points to an increase in the number of contact crimes and murders in particular, as well as business robberies.

A sub-culture of violence and criminality has developed and vulnerable groups including women, children, the elderly and the disabled are increasingly its most powerless victims. Road safety and traffic accident fatalities have become a serious concern with the loss of productive citizens and the negative economic consequences.

Madam Speaker, the proliferation of young drug addicts, now known as Amaphara, in our society is a serious threat to social stability. We have often stated that crime is fuelled by the nature of life that our young people live in and by the nature of the environment within which we conduct our daily activities.

Some of those who get involved in crime are people who never received any sense of love and warmth when they were brought up. They grew up in an environment where there is alcohol abuse, domestic violence and hatred.

While government, through our Department of Social Development, under the leadership of MEC Weziwe Thusi, will be implementing a number of interventions - there is a need for partnerships. Our children are forced to make the choices earlier on in life, when they are actually very vulnerable. As a result they turn to alcohol, crime and drug trafficking. These are things that require our society to stand together.

We will continue to assist vulnerable children such as abused and orphans, youth in distress, homeless children, those from unstable families and those in conflict with the law. We want to create safety nets to save them from joining the pool from which hardened criminals recruit.

Critically, as a nation we need to boldly assert that we are proud of our province and affirm our united front against social ills and crime.

Business leaders, churches, religious bodies and other community organizations must emphasise moral values in support of family teachings and thereby create a network that promotes an environment where human rights are respected.

Madam Speaker, we want to send a strong message today that the culture of impunity will not be tolerated in this province. When we all celebrated the dawn of democracy we never imagined that we will one day be subjected to rampant and violent crimes.

Crime results in the deprivation of the rights and dignity of citizens and poses a threat to their rightful participation in driving socio-economic development in this province.

Compatriots, it is our view as government that it is often unfair to blame the police for being tolerant of crime when they often get called and become involved long after a crime has been committed, their role therefore becoming re-active. We will be reviving the Council Against Crime to ensure partnership with communities and all relevant role-players to intensify the fight against crime.

5.4 LAND ISSUES

Land issues in our province remain a highly emotive issue and is again an area deserving heightened attention and a more radical approach to meet the desired outcomes. There is a growing recognition that the state will have to play a more direct role, if the Land Reform Programme is to be implemented successfully.

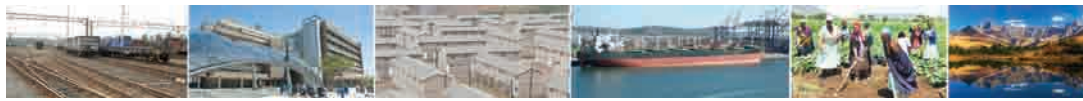
Progress with the Land Restitution Programme has been slow due to a variety of reasons, most significant of which is the constraint of the fiscus and budget available to support land claim projects. The other significant constraint has been long and protracted land disposal and acquisition negotiations, to the detriment of both existing and future land owners. This has also had a serious debilitating effect on the agricultural sector and food security.

We wish to thank President Zuma for his commitments in his latest State of the Nation Address. He clearly indicated that this more direct intervention by the state on matters of Land Reform must not be perceived as a land grab, or for that matter a condonation of land grab processes. The state has had legal and regulatory processes at its disposal which it has not effectively utilised and that is what has to be rectified. The state will now get involved directly in vigorously resolving land issues.

One particular area where quicker progress must be made is the issuing of title deeds to beneficiaries. The Upgrade of Land Tenure Programme has been a stepchild of the Land Reform Programme and yet it presents ideal opportunities for radical economic transformation. Expediting the issuing of certification of formal land tenure, such as title deeds provides land owners with collateral capital which is essential for entering the formal economy.

Delaying the registration of land ownership is tantamount to perpetuating a discriminatory system, where the already marginalised, become further marginalised.

At this stage Madam Speaker, we want to congratulate members of the Mudén Community who are our special guests today. The 50/50 voluntary land share programme which brings together the Mudén community and the farmer in the area will bring about stability in the farming community and ensure certainty.



As government we support such partnerships and through our Agri Village programme we also want to ensure that farmers and farm workers have access to basic services such as electricity, water, houses, schools and clinics.

5.5 CAPACITY AND ABILITY OF THE STATE

Madam Speaker, the Constitution of the Republic of South Africa (1996) envisages a public service that is professional, accountable and development-oriented.

The National Development Plan identifies specific steps that need to be taken to promote the values and principles of public administration contained in the Constitution and build an efficient, effective and development oriented public service as part of a capable and developmental state.

The NDP highlights the need for well-run and effectively coordinated state institutions, with skilled officials who are committed to the public good and capable of delivering consistently, high-quality services, while prioritizing the nation's developmental objectives.

Although significant progress has been made in this regard, we have to acknowledge that we are still facing deep routed challenges and that we are not impressed with the overall state of provincial governance as reported on in the annual audit outcomes, as well as the outcomes of the annual Management Performance Assessment Tool (MPAT) assessment results.

Only one Provincial Department received clean audit in the 2015/16 financial year, while eleven received unqualified audits. This is a clear indication that there is much room for improvement, in improving effective and efficient governance in state institutions. From now, onwards, HODs have been warned by the Provincial Executive Council that there will be punitive actions for any non-compliance with legislation or procedures.

Madam Speaker, as much as we recognise the need for specialist service providers and we do understand that some skills are not easy to insource, we have also noted an over reliance on external service providers and consultants in some departments. We have therefore resolved to keep a careful watch on the appointment and use of consultants, to ensure that we get value for money and where feasible, eliminate it altogether.

Sustained focus is required to improve intergovernmental relations between the various spheres and institutions of government in the Province. The inter-related nature of powers and functions assigned to the respective spheres of government requires a strong basis for integration, coordination and alignment.

We equally recognise the need to review and refine our International Relations Strategy to ensure that we remain aligned to national diplomacy, but that we also remain focussed on international relations that can best assist us to achieve our growth and development objectives.

Madam Speaker, government can only be effective in delivering on the needs of our people if it is served by professional, dedicated and loyal officials who take pride in their work and are committed to eradicate all forms of corruption.

We will deal firmly with fraudulent issuing of tenders and contracts to undeserving companies who advance cash, not proof of quality and capacity to perform as a basis of successful awarding of contracts.

We need the co-operation of the private sector in order to turn around the situation. The private sector must assist by not offering bribes to state employees involved in procurement processes.

Investigations by the Provincial Treasury's Internal Audit unit has resulted in about 106 cases being sent for criminal investigations. About 116 are still being investigated. A total of 57 disciplinary actions were recommended and 73 cases were handed over to the SAPS and the HAWKS. About 10 matters of these are currently before court.

We can also confirm that there are other 28 cases that have been completed by the SAPS, wherein 33 public servants and 5 private persons were convicted. The amount involved was more than R41,9 million and convictions were issued to the tune of R12,9 million. A total of 15 out of the 33 convictions against the public servants were finalized between April and October 2016.

We are sad to acknowledge that there are still officials who are not interested in serving, but who are constantly looking for opportunities to serve themselves.

We have fully implemented the latest amendments to the Public Service Regulations, promulgated specifically to curb fraud and corruption, and we will be ruthless with those officials who do not abide by these rules.

We undertake to strengthen the implementation of I DO RIGHT campaign in the public service to promote ethical standards. We will re-introduce measures in the public service that were once presented by the late Professor Bonganjalo Goba that seeks to ensure that we reverse the prevailing culture in which corruption is viewed as permissible in the public service.

5.6 RADICAL ECONOMIC TRANSFORMATION

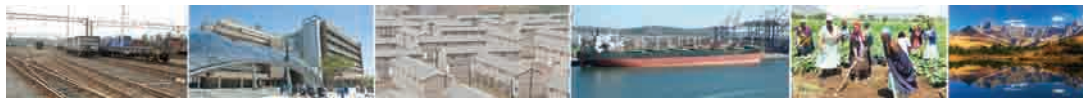
It is by now a well stated fact that freedom without the financial means to enjoy this freedom, is a false and hollow sense of freedom.

Both the 2015 KwaZulu-Natal Citizen Satisfaction Survey and the 2016 Community Survey, both conducted by Stats SA, confirmed that although substantial progress has been made in addressing poverty in our Province, the gains made are not adequate or at a pace to meet the expectations of our communities.

It is therefore imperative to embark upon a process of Radical Economic Transformation as a drive to address the persevering triple challenges of poverty, unemployment and inequality.

The current pattern of employment and of unemployment, points to the fact that the current growth path of KZN is still far from being inclusive. Serious challenges are also being experienced in achieving the objective of enhancing decent employment, especially given the work conditions of those in informal employment.

Significantly, more needs to be done to alter and accelerate economic growth in KZN, so as to boost demand from the labour-intensive sectors, to protect existing employment and to create new quality jobs. This is critical, to ensure that progress that has been made in KZN in reducing poverty, is not rapidly eroded and reversed.



Job creation remains central to achieving our objectives of inclusive growth, radical structural economic transformation, distributing the benefits of growth more widely and consequently reducing dependency on the welfare system by broadening economic participation.

The pattern and pace of economic growth needs to be adjusted and accelerated to achieve this outcome. It continues to require investment and interventions by both the public and private sectors to enable a conducive environment to further stimulate the generation of employment opportunities and inclusive economic growth.

Government needs to be increasingly efficient and innovative, in view of increasingly limited financial and human resources, relative to what is required to achieve its development goals. Thus the imperative of Radical Economic Transformation.

As the Province with the second largest contribution to the National economy, we need to ensure that the call for radical economic transformation does not only remain a slogan, but that it should find practical expression in our government and private sector programmes.

Whilst there are new procurement regulations to be implemented before 01 April 2017, we need to continually interrogate our procurement practices to promote opportunities for local small contractors, SMMES and co-operatives owned by Black African People. We acknowledge that this must not be done at the expense of quality and therefore training and development of SMMEs is a priority.

It is clear therefore that the public procurement system and processes are at the centre of radical economic transformation.

It is against this background that we have embarked upon Operation Vula to formulate a comprehensive business and operational plan for the implementation to open up economic opportunities for mass based social enterprises and cooperatives, led by African people in particular, to benefit from capital intensive state led infrastructure programmes, as well as from the state buying power.

We have therefore called on our Provincial-Treasury to ensure that supply chain management processes, procedures, practices, structures, policies, and decisions are reviewed to advance radical economic transformation in KZN. Treasury under the leadership of MEC Belinda Scott, is in the process of issuing a circular to all government departments and municipalities to amend their supply chain management policies and to make provision for appropriate set asides.



Radical Agrarian Socio-Economic Transformation (RASET)

One of the key focus areas for enhanced and rapid economic transformation is the agricultural sector. As a Province we have therefore embarked upon a Radical Agrarian Socio-Economic Transformation Programme (RASET) to explore opportunities for enhanced transformation in this sector.

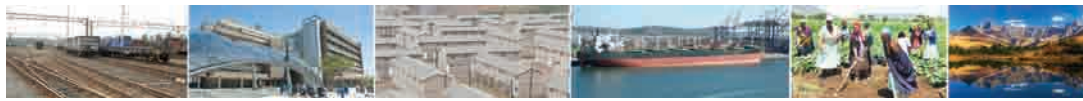
The contribution of agriculture in KZN to economic growth and job creation is however still far below the potential of the sector and it is therefore identified as “a catalyst for growth and food security.” The strategic logic for identifying agriculture as a growth sector is as a result of the ability of agriculture to deliver more jobs per Rand invested than any other productive sector.

The development of emerging farmers in this Province is critical to economic upliftment and the RASET Programme is aimed at improving the value chain of food production and supply for underprivileged farmers and emerging agri-businesses by attending to structural barriers associated within existing value chains.

Departments that are central in RASET include the Economic Development, Tourism and Environmental Affairs, led by MEC Sihle Zikalala (Khuzeni) who is also Leader of Government Business. Edtea’s main focus is the co-ordination and facilitation of access to funding.

We are inviting farmer’s unions, farmer workers unions and other stakeholders to work with the provincial government to ensure an effective implementation of RASET. We will form partnership with existing exporters and South African retailers.

Madam Speaker, we are also pleased to report that great strides have been made in stimulating agriculture in Makhathini Flats. More than R 500 million has already been spent on the Makhathini Flats on projects focused on the refurbishment and extension of irrigation schemes, building an abattoir at Bambanana, developing an amarula jam processing plant and pack house at Manguze, developing rural access roads and upgrading the Foot and Mouth disease Redline Fence. MEC Themba Mthembu will continue to lead all programmes aimed at ensuring that Agriculture becomes the catalysts for socio-economic development.



Other priority sectors targeted for Radical Economic Transformation

In assessing the comparative and competitive advantages, as well as the nature and structure of the KZN economy, it has become evident that the lead sectors are industrial development and manufacturing, finance, real estate and business services, infrastructure development and construction, transport, storage and communications, tourism, mining and beneficiation as well as wholesale and retail trade.

It is obviously not possible to elaborate in detail on all these sectors in this Address, but I do wish to state that they are all critical to the achievement of our economic growth goals. The diversified nature of the KZN economy is one of its key strengths and has enabled its resilience in response to economic volatility.

Honourable Members, there is scope for radical economic transformation throughout all these sectors of our economy. As we work tirelessly, to grow a diverse economy, we will do so with a firm eye on ensuring greater inclusivity. We are keen to see the following sectors contributing to this objective – manufacturing, tourism, automotive, mining, clothing and textile, maritime and township economy.

Madam Speaker, the MEC for Economic Development, Tourism and Environmental Affairs Sihle Zikalala will elaborate more on radical economic transformation in the Budget Vote. However we wish to point out that being a coastal province we have not yet maximised our marine economy and we recognise the potential of this sector to contribute to economic growth and development, not only to KZN, but to the rest of Africa and the world.

Good progress has been made with harbour infrastructure development in the Ports of Durban and Richards Bay. Negotiations for further boat building and repair initiatives in both ports. Capacity building and skills development programmes are being implemented. In addition, feasibility studies have been concluded for aquaculture projects such as the Sofoco fish farm in Amatikulu.

We would like to highlight here that the feasibility study for the establishment of the Richards Bay Industrial Development Zone as an Oil and Gas Hub has commenced and will be completed later this year.

Madam speaker, the greatest impact of the recession here in KZN was the closure of many companies in the clothing and textile sector. Job losses condemned many people into a spiral of poverty with no means of survival. There are many interventions we are making to save jobs and to grow this sector through skills development.

We wish to report that by May this year, the provincial government will sign a new Memorandum of Understanding with African Affairs Division of Shanghai Municipal Foreign Affairs. The previous MoU which dates back to 2007 expired in 2010. We have no doubt that our renewed focus will strengthen KwaZulu-Natal-Shanghai socio-economic relations.

Shanghai, which is home to global's most in-demand fashion talent, has agreed to facilitate exchange programmes focusing on clothing and textile. The new MoU will pave the way for 30 students to study in Shanghai as part of the initial phase of an exchange programme.

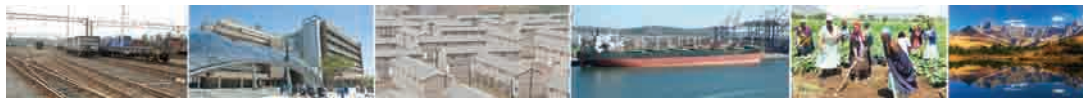
We are excited about great strides being made on a range of major catalytic projects in the Province. These are projects that have shown bright prospects of contributing significantly to the achievement of our Provincial Vision. We have assembled a comprehensive list of these projects but allow me to make reference to the Colenso Smelter Park Project, the Point Waterfront Development and the Cipla biosimilar pharmaceutical manufacturing plant at Dube Trade Port.

Honourable Members, the Township Economy remains a top priority. Sizibophezele singuhulmeni ukuqinisekisa ukuthi osamobhizinisi abahlala emalokishini bathola uxhaso. Siyakhumbula ukuthi amabhizinisi amaningi akhahlamezeka ngezikhathi zodlame kodwa sekuyisikhathi manje sokuthi sivuselele amalokishi abe yizizinda zosomabhizinisi.

Yize sikujabulela ukuba khona kwama Mall emalokishini, kodwa sifuna ukuqinisekisa ukuthi osomabhizinisi abasafufusa abazitholi sebecindezekile. Ikhona imihlaba engaphansi kukahulumeni esemalokishini esifisa ukuyisebenzisa ukuvula izimboni kanye namahhovisi osomabhizinisi abasafufusa emalokishini.

Honourable Members, as a Province, we have adopted a business support, retention and extension programme, which is fully integrated into the Radical Economic Transformation Programme, and which focusses on:

- Supporting businesses that are weak but that have sound foundations and can become viable through accessing existing short-term industrial policy support programmes to contain further job losses and protect important production capabilities;
- Supporting new businesses to emerge through a dedicated programme of support to new or young businesses as they are more vulnerable than larger older established businesses to shocks and harsh economic conditions; and
- Supporting existing businesses, that need to expand, by creating an environment that is conducive to new investment.



The importance of partnership in growing a shared economy

Madam Speaker, as we call on Unity in Action, we are pleased to report that there are already many examples of partnerships which have proven to be extremely successful in our endeavours to grow a shared economy.

A collaboration between Dube Trade Port (DTP), Toyota SA Motors (TSAM) and eThekweni Municipality has resulted in the acquisition of 1000 hectares of land for the establishment of the Automotive Supplier Park.

We are also pleased to report that an agreement has been reached with Tongaat Hullet Sugar for the implementation of an R 52 million sugar cane growing project. This project is aimed at planting 3000ha new cane by cooperatives, freehold and contract farmers over three years in and around Maidstone, Darnall and Felixton.

Through our collaboration with the Growth Coalition and all our Business Chambers in the Province, the scope exists for many more of these success stories as we forge ahead to growing an inclusive economy.

Participation and advocacy of vulnerable groups is advanced by promoting youth, gender and disability advocacy and the advancement of women.

Honourable Members, it is within this context that we recognise our responsibility towards the rights and interests of vulnerable groups in our society such as children, especially orphaned children, pregnant women, elderly people and people who are disabled or differently-abled including people with albinism. Poverty, and its consequences such as malnutrition, homelessness, poor housing and destitution, is a major contributor to this vulnerability. Our drive for socio-economic transformation will be incomplete if it does not stand to also benefit these vulnerable groups.

Working from the premise that if an activity is not measured, it most likely will not be undertaken and improved systematically. It is for this reason that we have established systems to monitor and report on the extent to which the rights of these vulnerable groups are protected and the interest of women is being promoted.

We acknowledged that women are over-represented where poverty, inequality, unemployment and gender based violence is measured. We want to ensure that we fast-track the entry of women and youth into the mainstream economy through women and youth owned businesses.

5.7 THE HEALTH OF KZN POPULATION IS IMPROVED

Madam Speaker, towards the end of last year myself, Dr Sbongiseni Dhlomo, the MEC for Health and Cllr Zandile Gumede, the Mayor of eThekweni Metro were invited to attend the 9th Global Conference on Health Promotion.

Our participation was a result of bilateral relations between Shanghai and KwaZulu-Natal Provincial government. In this regard, it should be noted that more than 140 countries were represented by Health Ministers.

The KwaZulu-Natal Premier was the only premier afforded a special invitation to participate in the conference and was warmly received by the Executive Vice-Mayor of Shanghai Ying Yong and the Director General of the World Health Organisation Margaret Chan.

During the conference, the strengthening of health promotion, health literacy and good governance for health was singled out as crucial in order to accelerate progress on the 2030 Agenda for Sustainable Development. The conference noted that elected public representatives have a defining role to play in delivering all Sustainable Development Goals.

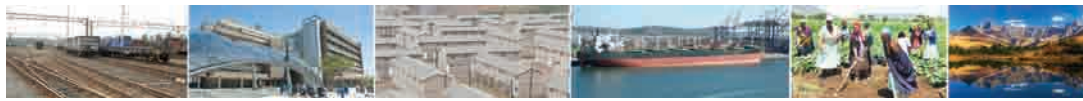
Critically, it was resolved that political leaders have a responsibility to act locally and collectively to make our cities and villages inclusive, safe, resilient, sustainable and healthy. It is true that health is created at the local level in the settings of everyday life, in the neighbourhoods and communities where people of all ages live, love, work, study, and play.

As government we believe that healthcare for all cannot be achieved without local leadership and citizen engagement. We therefore undertake to continue to put the health of each citizen of this province at the centre of our agenda. And we invite leaders of society to work together to turn around the situation.

Critically, various forms of preventable diseases continue to undermine the health and quality of life of many people in KwaZulu-Natal as a result of health illiteracy. There is a close connection between education outcomes and health. Therefore education has a critical role to play in helping us to achieve wellness and healthy lifestyles.

Madam Speaker, the underlying philosophy of our health care system indicates the need for our health efforts to shift increasingly to preventative measures and educating people and our children, especially at the adolescent stage, on basic life-skills and what is required to stay well.

Many people do not have the skills required to obtain, understand and act on health information and services. Nor do they have the ability to make appropriate health decisions on their own. Those who endure the greatest struggles with low health literacy skills are also adults and people with lower levels of education. By investing in the knowledge of individuals on how to stay well, we will effectively create an army to fight poverty and disease.



Our efforts should achieve a reduction in teenage pregnancies and life threatening diseases, especially HIV and AIDS, drug-resistant tuberculosis, and diseases of lifestyle.

We remain concerned about road accidents and an increasing number of people who are admitted into our health facilities with stab and gunshot wounds resulting from drug and alcohol abuse. We need to bear in mind that a sickly population has adverse consequences on productivity and economic growth.

Madam Speaker, accelerating progress on the 2030 Agenda for Sustainable Development also implies that a range of other services should be available to make impact on the health of individuals and communities. These include clean water and decent sanitation, adequate housing, access roads and bridges to social and economic facilities as well as balanced nutrition.

Honourable Members, we are encouraged to see that we are the first province to successfully re-engineer primary healthcare to ensure universal access to our health facilities. We wish to congratulate the MEC Sdongiseni Dhlomo, management, health professionals and all categories of staff for this achievement.

We wish to report that District Specialist Teams have been established in all districts with all Nursing posts filled. This forms part of providing specialist care at community level. The Department of Health has ensured that about 151 ward based outreach teams are operating in 169 deprived wards. In addition, more than 1, 2 million households have been registered by Community Care Givers. We are committed to increase the number of medical doctors in our health care system and therefore to increase the doctor – population ratio.

Given the fact that chronic ill-health is the leading cause of death in South Africa, we are aggressively implementing a Centralized Chronic Medication Dispensing and Distribution Programme.

Currently we have one thousand and eighty one (1081) pickup points for chronic medication collection across the province with about 293 546 patients already registered.

Whilst we celebrate that waiting times have been reduced drastically in our healthcare facilities, we are encouraged by positive messages from ordinary members of society who appreciate quality healthcare. Over the years, the provincial government has increased spending on healthcare infrastructure.

The largest portion of this expenditure has been going to the revitalization and construction of new health facilities **totaling billions** of Rands across the province especially in rural areas. More than 167 PHC clinics have been accredited as Ideal Clinics.

All of these **Honourable Members**, should be viewed within the context of eradicating the inequalities in the provision of healthcare wherein delivery was organized according to apartheid ideologies of racial division. Our key drive is therefore to bring health services closer to our communities.

Madam Speaker, whilst we celebrate our successes in combating HIV and Aids, we are concerned about an increasing number of women and young girls who are becoming positive. Though over the past five years we have recorded a decrease in the positivity rate from 22% to about 13%, we believe that we need to double our efforts. Accordingly, our HIV prevention strategies will be focused on reducing the incidence of HIV in this high risk group.

We will intensify our new approach to counseling and testing from a single HIV focus to a more inclusive and comprehensive service delivery model offered to all patients at their point of entry to our health system. Through this Provider Initiated Counseling and Testing, the province has already tested more than 2 million people (2 098 402). There are indications that we are on course to reach the target of 2, 6 million.

6. COMMITMENT TO ACCOUNTABILITY

Madam Speaker, as in previous State of the Province Addresses, we once again commit ourselves as members of the Executive Council of this Province to be held accountable for delivering on all the programmes and targets in the 2017 State of the Province Address.

We acknowledge and respect the oversight role of this House as set out in the Constitution and in the Oversight Model adopted by the House which aims to strengthen the oversight function.

We take very seriously our duty to report to our communities on progress with implementation of these programmes and plans that are aimed at improving the quality of their lives.

7. COMMITMENT TO PARTNERSHIP

Compatriots and Honourable Members, over the past years, there has been commitment to ensure that the deep scars of violence and the trauma are cleansed and healed once and for all to pave way for open political contest and cooperation, and not be based on past hostilities twenty three years into our new democracy.

We will therefore work hard to create an environment of open debate and healthy disagreement amongst political parties inside and outside the legislature. All the parties in this House are a product of our democracy and are the true representation of the will of our people.

We need to confirm that we all, as colleagues, have the responsibility to deliver a better life for all our people from both the ranks of the ruling party and the opposition benches. We must endeavour to create space for all parties to make the contribution that they were elected for.

We make a call to minority communities to come forward and interact with government and make the contributions that will shape government policies to address issues of their concerns. You will find us to be a government that listens and takes seriously all matters placed for our attention.

We accept that for the good of our province and our country, all communities must come forward and make their contribution, utilizing the experience and expertise available to them to make ours a winning province.



8. CONCLUSION

Madam Speaker, in conclusion, allow me to raise two matters as food for thought moving forward.

DECREASING PROVINCIAL FISCUS

The Province of KwaZulu-Natal has had to absorb severe budget cuts over the last financial year.

The reduction of the KZN allocation of the Provincial Equitable Share from the National fiscus has largely been as a result of slower than anticipated national economic growth, as well as a decline in the Province's share of the national population.

The Provincial Executive Council has grasped this nettle and has put measures in place to ensure that, as extensive budget cuts have had to be made across the board, the impact of service delivery be minimised as far as practically possible.

Municipal budgets have also been affected by the abovementioned factors, and municipal equitable shares also had to be revised. This has obviously exacerbated the pressure on prudent financial management to achieve an equitable balance between delivery of expectations and the ability to deliver.

The province remains focussed on fiscal discipline and we are pleased to say that we are receiving the necessary buy-in from the various departments and public entities. Cost-cutting has become a way of life in this province and any savings realised from this are directed towards service delivery projects for the betterment of the lives of our people.

The Provincial Government of KwaZulu-Natal has by now built up a strong reputation for sound financial management and we wish to assure the citizens of this Province that public finances are in good and safe hands.

Mail & Guardian Assessment of KZN Government

Madam Speaker, it is both with a sense of pride and humility that I wish to report that the South African public voted the KwaZulu-Natal Provincial Government as the "Number One Provincial Government" in the whole of South Africa in the 2016 Top Companies Reputation Index (TCRI) conducted by the Mail & Guardian.

In accordance with the letter written to me by the Mail & Guardian in November 2016, I was requested to convey congratulations to the KZN Executive Council on this achievement, which I duly did at the February 2017 Provincial Executive Council Lekgotla.

I must however today also convey and extend this congratulation to all the hounourable members of this house, our development partners and all the people of this province. Without your support and active contribution, we would not have received this recognition. We do not only plan to work together better, we have evidence here that we are already working together better.

Ladies and gentlemen, this congratulatory letter goes further to list the factors which led to this positive perception response from the public and highlights the impact made by:

- Operation Sukuma Sakhe Campaign, which brings government closer to the people;
- The first Province to set up a Planning Commission and the impact already made by the Provincial growth and Development Strategy;
- The smooth transition from the old to the new Provincial Executive Council;
- The recent results of the Community Survey as released by Stats SA showing progress in service delivery in the province;
- The visibility of leadership through Operation Sukuma Sakhe and ongoing interactions with communities during unrest events.

I sincerely believe that we must all take cognisance of this survey result, not to bask in the glory of this recognition, but to take note of what it is that our people are regarding as our strengths and to ensure that we build on these strengths moving forward. We have now set the bar and it is up to us not only to maintain this standard, but to ensure that we raise this bar continuously, as we have much more to do.

9. WORD OF THANKS

Madam Speaker and Honourable members, drafting the State of the Province Address has been both a pleasurable and demanding task.

I want to express my appreciation to the members of the Provincial Executive Council for their valuable inputs. Collectively, we had to make informed decisions on how to utilize limited resources to meet the needs of the majority of our people.

I also thank the Portfolio Committee members of the Premier's Portfolio Committee for your robust oversight over our work. Sincere thanks to all other committees and members of the Legislature.

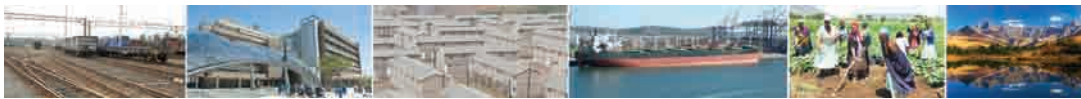
I want to thank the Acting Director General P.D Khumalo, HODs and all categories of staff across all government departments.

The contribution of the people of this province from different racial and cultural backgrounds has been very encouraging. The inputs received through our emails and social platforms is an indication of a determination from the people of this province to work with government, to create a prosperous future.

A special word of gratitude to the leadership and ordinary members of the African National Congress. You have been a pillar of strength and I will forever be grateful for your guidance.

Lastly, but not least, I want to express my appreciation to the Mchunu family for the unwavering support.

I thank you



KWAZULU-NATAL
PROVINCIAL GOVERNMENT

Executive Council



NOTES

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NOTES

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"through unity in action we can move KZN to a prosperous future"



premier

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