

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

25 February 2016

1. Recognition of Dignitaries

His Majesty - Hlanga Lomhlabathi
Madam Speaker
Deputy Speaker
Honourable Members of the Provincial Executive
Honourable Members of the Legislature
Former Premier Frank Mdlalose
Mayors and Councillors of Local Government
Deputy Judge President of the KZN Division, Mr Justice Mnguni
Amakhosi and Members of Traditional Councils present
Acting Director-General
Social partners in business, Inter-faith and broader civil society
Members of the Diplomatic Corps
Distinguished Guests,
Ladies and Gentlemen,
Sanibonani!

2. Introduction and scene setting statements

We are honoured and humbled to get this opportunity to address you on the state of our province. The challenges we are facing as a country and as a province as outlined by the President of the Republic, His Excellency Jacob Zuma during his State of the Nation Address and how we intend dealing with them as articulated by the Minister of Finance, Pravin Gordhan yesterday, are by their very nature all humbling.

KwaZulu-Natal, like all other Provinces and the whole country, has no doubt that the combination of economic downturn in our country, severe drought and high unemployment have connived to create a very difficult situation for us indeed.

In February we trust. This is a month that lifted our spirits as a nation beyond any imagination in 1990. The announcement that Tata Madiba would be released and banned political organisations would be unbanned sounded unbelievable, as announced on 2nd February in the National Assembly. When the 11th of February 1990 indeed came, it was true inspiration to see Tata Nelson Mandela walking tall out of prison.

He touched the powerless and the powerful through his compassion and values of humanity. We invoke his spirit not out of convenience but because of its moral authority and its inspirational power, which must continue to guide our nation even in the most of difficult times.

Budget cuts and implications thereof limit government's ability to deliver the way we would under normal circumstances. I have always taken as common course that "Indlala ibanga ulaka", nothing else, I now know that budget cuts also have the same effect among us as the Executive.

In the last two weeks we have received news of lightning disaster related deaths which took place in Harding and Mhlabuyalingana resulting in the death of 12 people in our Province. We also note with great concern the deaths that have taken place on our roads especially Ruth First Highway in Durban where cyclists were killed by a motor vehicle a few weeks ago.

The taxi incident at Reunion Railway Station near uMlazi also which saw the death of 3 (three) children of which two were siblings is disheartening indeed. Children are the future and as society we need to care and protect them at all times.

We have also received news of storms in some parts of the province which have caused serious damage to property. To the families, relatives and friends of those who parted we say 'Akwehlanga lungehli'.

In crafting the State of the Province Address, we invited the public to make their suggestions. We used the mainstream media and social media to enable the people of this province to tell their government what it should do to improve their lives.

We heard your calls and listened to your suggestions. The following excerpts called us to more action!

- **Nhlanhla Khumalo**: uMongameli uthi "Umnotho Wezwe Ulele Kwezolimo"...ake siqinise kakhulu kumkhankaso wokuthi akubuyelwe emasimini kulinywe hlezi nobubha obusikhungethe bungehla kakohulu. Akaqinise kakhulu u Macingwane kwezolimo.
- **Ants Jean-Louis**: Coloureds need jobs and housing in KZN...Upgrade schools in our black townships.... upgrade Wentworth soccer grounds and living conditions.... introduce different sporting codes into Black, Coloureds and Indian schools and townships.
- **Jerome Mfanufikile Dlamini**: Macingwane, ake kukhulunywe kuphinde kusukunywe ngentuthuko emakhaya. KwaVulamehlo kuWard 9 awukho ugesi namanzi.

We wish to assure these fellow compatriots of our commitment to them and we will look at these matters and many more. Here in this address we will remind you of undertakings we made last year, give you progress we have made on them and outline priorities for the future.

Madam Speaker, after careful consideration on an appropriate theme for 2016 State of the Province Address, we felt ***“KwaZulu-Natal - A Growing, Developing and Caring Province Firmly Focussed On Vision 2030!”*** captures the spirit of our people and their determination for a better a life.

CURRENT ECONOMIC AND FISCAL SITUATION

We wish to make few observations on the current economic and fiscal situation. We are extremely concerned about sluggish international, national and provincial slow growth trends. The global growth was estimated at 3.1% in 2015 with a projected growth at 3.4% in 2016 and 3.6% in 2017.

Risks to the global outlook remain tilted towards the downside informed amongst others by:

- A generalized slowdown in emerging market economies;
- China’s economic slowdown;
- Lower commodity prices; and
- The gradual exit from extraordinarily accommodative monetary policy (brakes on quantitative easing) in the United States.

If these key challenges are not successfully managed, global growth could be derailed. Most countries in sub-Saharan Africa will see a gradual pickup in growth, but lower commodity prices will retard this growth.

The Budget Speech of Minister Gordhan indicated clearly that the domestic economy is under severe pressure as a result of subdued global economic performance. The International Monetary Fund (IMF) has reduced SA’s economic growth outlook for this year from 1.3% to 0.7%, the lowest forecast on record so far. As such, the combination of factors like high debt service costs, high costs of compensation of employees and contracting tax base, places a severe strain on the fiscus. The emerging consensus is that unless we reduce public spending, we will have trouble in many fronts and at different levels.

This situation has understandably impacted negatively on government revenue streams and the fiscal situation of the state, where we are now have to absorb substantial budget cuts. This will obviously have a significant impact on our ability as a Province to achieve our growth targets, which were set in 2011 on an assumption of an annual growth rate of 5%.

KwaZulu-Natal is due for cuts totalling over R1 billion in the first year of MTEF. For us as the Executive Council, this meant holding several meetings and at times

strenuous negotiations on these directives to cut, in order to find solutions that will not negatively impact on service delivery. Cuts further compound the situation for economic departments, which in reality require more funding for job creation initiatives. This calls for teamwork amongst ourselves in the leadership, amongst officials in various departments and between government and our stakeholders.

Our message to the people of KwaZulu-Natal today is that we must be full of hope and use this opportunity to gather strength physically and mentally to propel ourselves further with much vigour, and WE CAN...

3. Building on the progress we have made thus far

Madam Speaker, the 2016 State of the Province Address is the second one to be delivered in this Five-year cycle in the implementation of the **National Development Plan (NDP) and our own Provincial Growth and Development Plan (PGDP)**. As announced in the 2015 State of the Province Address, we have now shifted our focus to the 2015 to 2020 period, or the second quarter of the 20 Year Plan.

As we do so we are mindful of the fact that as much as we have our eyes set on longer terms goals and objectives, we also have to account for what we have been able to deliver in the past year; as well as to ensure that we achieve particular predetermined outcomes within the next financial year.

In looking back at what we have achieved, against what it was that we committed to do in the 2015 State of the Province Address, we observe that we have indeed moved our Province forward and that we have remained well on track to 2030 and beyond.

Both the NDP and the PGDP, spell out our long term plan. Year on year our plans must reflect the long-term vision. We want to reaffirm that we have a stable framework.

In highlighting our achievements last year, I would like to recognise upfront the efforts made not only by government, but also that of our partners in this process, namely business, labour and civil society. The KZN Economic Council has been a very successful institution to draw all of us together around the various social accords and has united us in our quest to work towards a shared vision.

As an effort to ensure continued planning, we have started the review of our Provincial Growth and Development Strategy with the intention of retaining a 20 year planning horizon and therefore extending our planning timelines to four five-year

quarters between now and 2035. We are on track to present this to the Provincial Executive Council Lekgotla scheduled for August this year.

This revised Strategy is informed by three very critical documents for the Province, namely:

- the **Revised KZN Situational Analysis** as an objective assessment of exactly where the Province finds itself within the local and global context in 2016;
- the **2015 Citizen Satisfaction Survey**, which gives a clear indication of the perceptions of our citizens on services they receive from government, as well as what they regard as their highest priorities to be attend to; and
- the **PDGP Implementation Report** where we measure our performance against the targets we had set in 2011, and a clear indication of areas requiring special attention.

The **KZN Situational Analysis** of the Province, takes into account the current situation in the Province in relation to: **physical environment, demographic landscape, social landscape, human resource development environment, economic landscape, infrastructure landscape, and governance and policy landscape**. There are clear indications that we need to take certain issues into account in our immediate and future plans.

The **Citizen Satisfaction Survey** was undertaken in 2015 as a collaboration between the KwaZulu-Natal Provincial Government and Statistics South Africa. This survey was a perception survey done in a very representative sample of 22 000 households across the length and breadth of our Province.

This survey indicated that although 64% of the KZN population was satisfied and somewhat satisfied with the services it received from Provincial Government, 36% were not satisfied. This survey also clearly pointed out what KZN citizens regarded as key priorities they want Provincial Government to attend to. At the top of this list is the need for increased employment opportunities, followed closely by a need for accelerated housing delivery. A third clear priority is pointing to the need to attend to matters related to crime and corruption and to bolster actions aimed at curbing social ills related to substance abuse and violence against women and children.

The citizens of this Province indicated that they were happy with the level of health and education services, largely as a result of the levels of access to these services. There is however an expectation that the quality of these services are to improve.

There also seems to be a high level of satisfaction about the fact that access to piped water had improved from 76% in 2002 to 87% in 2014 and over the same period

access to sanitation improved from 51% to 76% and access to electricity for cooking increased from 69% to 82%.

Progress we are reporting here today is therefore once again verified information via the Structures we have put in place to implement and continuously refine our PGDP, and we are also confident to make the commitments we will make in this address, reassured in the knowledge that there are structures and systems in place to deliver on these commitments in a coordinated and integrated manner. We are also committed to further strengthen and support these structures to promote unity in action amongst all our development partners and to reinforce our relations.

As Government, we have reviewed our own strategies and plans. All Provincial Departments and Public Entities have now adjusted their 2015 - 2020 Five Year Strategic Plans and Annual Plans for the 2016/17 Financial Year are substantially completed. We are therefore ready to start the new financial year on 1 April 2016, well prepared with programmes and projects to propel us on our trajectory to 2030.

We are motivated about the fact that in our Province we have:

- **Further increased employment by 6%** from the 2 419 000 we reported on in 2015 to 2 558 000 in quarter 3 of 2015 as reported by the Quarterly Labour Force Survey. This has been achieved despite a lower than anticipated economic growth rate and the prevailing drought in the Province. The results for the 4th Quarter of 2015 will be released today and we will keep a watchful eye on any new trends that may emerge from these survey results;
- Followed through on the implementation of the outcomes achieved from **Operation Phakisa or Ocean Lab**, as well as the **Poverty Eradication Lab** and the **Lab on the Development of Makhathini plantations**. These processes have all resulted in focused action plans which are now being implemented and are starting to deliver tangible outcomes which I will elaborate on a little later;
- With the proclamations of the Regulations on the establishment of Special Economic Zones (SEZs), the **Dube Trade Port (DTP) and Richards Bay Industrial Development Zones (IDZs)**, are now designated as the first SEZs in our Province. The significance of this step cannot be underestimated as this finally provides opportunities for large national and international investors to pursue the very favourable incentives to promote in particular our export capabilities. Both these SEZs are key to the success of initiatives related to the Oceans Economy and the KZN Aerotropolis Strategy.

- We have seen good progress in the rollout of the Eskom electrification **programme** in KwaZulu-Natal with 60 000 connections having been made in the last year. This linked to the fact that load shedding has been halted, which improved access to and reliability of electricity connections. We are however mindful that there is still much to be done in this regard.
- The **overall infrastructure spend** in the Province across the budget votes of the 14 provincial departments has now reached the R12 billion mark. The added advantage is that this expenditure is now being coordinated through the newly developed decision matrix emanating from the KZN Infrastructure Master Plan aimed at improving integration and alignment of key infrastructure development projects within all spheres of government. We are however going to have to increase our focus on matters related to the operation and maintenance of our infrastructure to ensure that we get full value and optimal employment opportunities out of these massive capital investments.
- As promised in the previous address we have now made significant progress with the implementation of the **Inkululeko Programme** in KwaZulu-Natal. More than R1, 2 billion was invested in Ndumo by government to ensure that we add meaning to word Freedom for the majority of people of Umkhanyakude. Following on from the success of Ndumo, we are now moving on to Cwaka in Msinga, where we launched Inkulukelo 2 on the 2nd of February 2016, We are also investing billions of rands as part of efforts aimed at driving rural development and attracting more investments into these areas that were previously neglected.
- We have made good progress on a range of **slums clearance projects** in the sense that the following 4 slums clearance projects are now 100% completed, namely, Louisiana in Hibiscuss Coast, Trennence Park in eThekwini, Franklin in Greater Kokstad and Gingindlovu Slums in Umlalazi. A further 30 projects are in construction, of which 10 are nearing completion such as Vryheid Ext. 16 Phase 1, Umlazi-Uganda, the Lamontville Ministerial Project, Old & New Dunbar, as well as Umlazi B10.
- Although the establishment of **Agri-Villages** in the Province has not fully progressed to the extent that we had anticipated, good progress has none the less been made. We have developed a deep understanding of the underlying causes of social tensions amongst land claimants, traditional leadership, commercial and subsistence farmers and have made good progress to lay a sound foundation for more tangible results in the next year.

We are now more convinced than ever that these Agri-Villages are essential if we want to succeed in providing better services to rural communities and protecting valuable agricultural land at the same time.

4. There is no place for complacency and there is much more to do

While we are happy with progress in the areas indicated above, we must point out serious challenges that require our attention. We are unfortunately still faced with a situation where:

- **Levels of poverty, unemployment and inequality** still remains unacceptably high and persistent. The **social landscape** indicates that great strides have been made with the reduction of headcount poverty but the KwaZulu-Natal still remains the third poorest province in South Africa. This is in terms of headcount poverty and inequality as measured in terms of the gini-coefficient was still in the rise from 0'61 in 2009 to 0'64 in 2011.
- The **Grade 12 pass rate** declined for the second year in a row and is now at 60.7% after the Province had achieved a pass rate of close to 80% in 2013. As much as we remain steadfast in our resolve to provide quality education with quality outcomes, we are also committed to ensure that we improve our pass rate without compromising quality standards.
- The rate of **HIV/AIDS Infections** are still far too high even though we have dramatically improved access to treatment. This, coupled with a stubborn high **maternal mortality rate and TB incidence** are still areas we have to improve on in our aim to meaningfully improve the quality of life of our citizens.
- **Land as a means to achieve access to economic freedom** is well recognised, but progress in the resolution of land reform and restitution programmes have been slow. It is important to acknowledge the fact that this government has made strides in ensuring access to land for our people.

The original objective that underpinned land reform was that the land returned to our people would become a catalyst in changing their lives for the better.

We acknowledge the fact that limited budgets for land reform programmes have resulted in a slow pace which has created a perception that there is no commitment on the part of government.

Apart from these limitations, we have personally observed a number of challenges which by and large are very subjective and should be dealt with urgently in order to ensure access to land for the majority of our people without any delay.

The first challenge is that, the land that has been returned, get leased back to the white farmers and sometimes it is sold outright. This is sin number one.

The second challenge is that efforts aimed at speeding up land reform are stalled by quarrels and disputes arising after the land has been returned, this often is sin number two.

This has given rise to two major problems for the government. One is the perception that government is corrupt. The other one is real corruption that may have taken root affecting many people who would have benefited and their lives changed for the better. This problem needs to be tackled head-on because any corrupt activity that is man and woman made can be removed. The affected people themselves must tackle this particular challenge. They must just have a resolve to reject any form corruption that negates their own interests.

To a lesser extent land reform programme is affected by post settlement conflicts involving trustees and Amakhosi. While many people believe that this is a real problem – my own view is that it is a manufactured problem. In the main this argument is based on the fact that many claimants would start off with no land. They would then decide to exercise their rights and acquire land as soon as land is made available, they then manufacture problems. There is no reason why trustees and Amakhosi cannot co-exists in a settled land. It's a matter that we must address through our heads than our hearts.

- The **pace of delivering housing** and specifically integrated human settlements has not been as fast as we wish. We understand that this process is being affected by a range of inhibiting factors, such as available infrastructure, access to land, the state of spatial planning and reduced budgets. I believe that the time has come to pursue alternative delivery models to achieve greater participation and contributions from beneficiaries.

- The Province of KwaZulu-Natal is still lagging well behind in the contribution to energy to the National Grid, in particular to **renewable energy** from its abundance of biomass reserves available within the sugar, paper, pulp and timber industry. The inability to improve the regulatory framework which is hindering the unlocking of the full potential of these bio resources has been a source of frustration, but we remain committed to pursue this cause.
- We are definitely not happy about the persistently **high rate of crime, violence and corruption** in our Province. Crime such as murders, attempted murders and aggravated assault are increasing to levels last seen in 2010/2011. Murders, attempted murders and other crime related to transport-related disputes, intergroup conflict and community protests have also shown an upward trend. Burglaries at non-residential and residential premises as well as Robbery at Residential Premises have shown small decreases, whereas business robberies are increasing. The high levels of stock theft and Rape also remain a concern.
- As measured by **2015 audit outcomes**, we are not pleased with the fact that only two departments received clean audits, whilst four departments received qualified audits. We have called on our Provincial Treasury to provide guided support to these departments to ensure an improved audit outcomes from here on.

5. Vision and high level focus areas for the next five years

Madam Speaker, as we have already stated in our opening remarks, we remain on track to deliver on our Vision 2030. We are therefore determined to be **“A prosperous Province, with healthy secure and skilled people, acting as a gateway to Africa and the World”**. We have a clear plan of action expressed in our Provincial Growth and Development Plan setting clear targets of what it is that we have to achieve to ensure that we realise this Vision.

We reconfirm our commitment to the Key National Priorities namely:

- Creation of more jobs, decent work and sustainable livelihoods for inclusive growth;
- Rural development, land reform and food security;
- Improved quality basic education;
- A long and healthy life for all South Africans;
- Fighting crime and corruption; and in particular

- The implementation of the 9 Point plan to grow our economy.

These National Priorities, and for that matter all 14 Outcomes of the NDP remain the foundation of our PGDP. Focussing on the issue of radical economic transformation, we have to align with the National 9 Point Plan.

**Priority Intervention 1:
Revitalisation of the agriculture and agro-processing value chain (APAP)**

Honourable Members, the Revitalisation of the agriculture and agro-processing value chain, remains a critical component of our economy to unlock growth and expand employment opportunity. It is for this reason that we are currently implementing a **KZN Agrarian Transformation Strategy**, which will contribute to rural economic development, increased production, job creation and market access for farmers mainly in rural areas through their integration into global value chain.

In our programme for the development of commercial farmers (i.e. new entrant, small scale and land reform farmers), we have 3 483 beneficiaries. The agricultural sector including forestry and livestock farming, saw an increase in employment, which rose to 134 000 from 110 000 at end of September 2015.

We have 122 Communal Estates that have been registered as legal entities and have transferred 163 tractors with implements to Communal Estates. In the last financial year, the Department was able to plant 7 380 ha of maize, 1 418 ha of beans, 575 ha of soya beans and 200 ha of cotton. In addition, 139, 6 ha of groundnuts, 6 ha of chicory were also planted.

Groenvlei at Emadlangeni has been identified as Agri-village and will be prioritised for implementation in the new 2016/17 financial year. A feasibility study is underway for the development of this area. The District Agri-Park Operation Task Teams as well as District Agri-Parks Management Committees have been established to facilitate the participation of all relevant stakeholders including farmers.

Some of the initiatives in this direction are an indication of our potential to develop rural industries, viz, the Marula factory at Manguzi and abattoirs in rural areas.

**Priority Intervention 2:
More effective implementation of a higher impact Industrial Policy Action Plan**

The Richards Bay Industrial Development Zone (RBIDZ) remains an engine for job creation and a catalyst for foreign direct investment. We are satisfied with interests generated around this IDZ thus far. This facility has already attracted investments of over R6, 8 billion including a R4, 5 billion Titanium plant.

Key milestones include: -

- R2 billion biomass plant,
- R300m pipe manufacturing plant,
- R16m paint manufacturing enterprise,
- R20m logistic services

Manufacturing sector is the backbone of the economy of the province. The reality is that this sector has huge demand on electricity. It is for these reasons that we are using RBIDZ to pioneer an energy production hub. Currently, about 20 hectares of land have been identified at the Bayside to host gas-to-power operations in an effort to yield diversified energy generation capacity from renewable sources. More than 1800 jobs will be created during construction.

<p>Priority Intervention 3: Advancing beneficiation (adding value to our mineral wealth)</p>
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The mining sector remains critical component of the provincial economy, with great potential for beneficiation along the mineral value chain. In 2013, mining contributed R9, 3 billion to the provincial Gross Domestic Product (GDP), which represents about 1.9% of the Provincial economy.

In August 2015, we convened a small-scale mining Imbizo to look specifically into regulatory support mechanism, access to funding, and technical support mechanisms for small-scale mining. We have since developed a KZN Mineral Beneficiation Strategy, which is aimed at driving the minerals sector in KwaZulu-Natal towards a more profitable, socially accountable and environmentally sustainable future.

We are currently conducting an analysis of the contribution of coal and phosphate in terms of their socio-economic development, risks and opportunities. As a Province, we will be pursuing **Waste Material Recovery Industry** as a source for beneficiated building materials.

The Department of Economic Development, Tourism and Environmental Affairs, has conducted a coal discards study that identified all existing coal mines and coal discards in the province. These discards have been classified according to their

economic value, environmental impact and logistical or ease of access to the discards.

In taking the process forward, we will hold stakeholder engagements in the near future around this Mineral Beneficiation Strategy and focus specifically on at least 5 key commodity value chains, namely Aluminium, Coal, Iron and Steel, Phosphates and Mineral Sands.

**Priority Intervention 4:
Unlocking the potential of SMMEs, cooperatives, township and rural enterprises**

The presentation of the State of the Province Address last year coincided with the 60th Anniversary of the Freedom Charter.

It is widely accepted that progress has been made in achieving some of the tenets of the Freedom Charter except two clauses - these being the **economy and the land**.

It is for this reason that on the 7th February 2016, a Cooperatives Summit was convened to discuss issues in the sector. We view co-operatives as vital element in our efforts to eradicate poverty and de-racialise the economy. The Co-operatives Programme has two very specific objectives, namely to provide food security and to create economic activity at a very basic community level.

Ordinary people continue to testify that following the introduction of this programme, they have been able to support their families. As of 2015 over 2,000 Cooperatives had received funding from Ithala and a few had made own savings and were operational without any funding from Ithala. More than R169, 6 million in loan capital had been approved to fund Cooperatives, contributing to the creation of more than 7,130 jobs.

Our long-term goal as government is to ensure that our Cooperatives are competitive and operate on equal footing with co-operatives in developed countries. It is for this reason that we are investing in training and mentorship. When we started this term of office in 2014, EDTEA set aside R25, 6 million for training.

To date, more than 127 students have been enrolled for a diploma in the management of co-operatives and 9 students enrolled in Bachelor Commerce through a partnership with the University of Zululand.

In another partnership with Mangosuthu University of Technology (MUT), in 2015 we implemented an Incubation programme on chemicals with. We are encouraged by such partnerships.

More than 56 graduate students who have completed a diploma in the management of cooperatives have been employed under the internship program by the EDTEA, and are placed with cooperatives to providing administrative and management support.

Plans are advanced to get cooperatives involved in the production of commodities that can be branded and marketed, for both domestic and international market. The department of economic development is providing technical expertise in the production and branding of various chemicals products such as soaps, oils and perfumes.

In addition, the KZN Small Business Development Agency together with Ithala, provide holistic financial and non-financial support services to the co-operative sector.

We have taken a decision to establish the Provincial Association of Traders to handle bulk-buying and warehousing for the co-operatives and SMMEs. We have identified buildings that are owned by Ithala across the province to be used as warehouses. This is to create direct access to suppliers and reduce costs of goods. It further makes them accessible within local municipalities from where they operate.

An SMME Academy is to be established to provide the necessary skill desperately needed by SMMEs both in the formal and informal economy.

Honourable Members, as government we do acknowledge that shopping malls have contributed to economic development in recent years.

While we agree that anchor tenants are key drivers of traffic to malls in general – we need to ensure that emerging entrepreneurs especially in the townships and in small towns are not marginalized.

It is for this reason that EDTEA, through the Revitalisation of Township and Rural Enterprises, is currently finalising the Framework Document that will inform and influence Mall Tenancy in the townships and rural areas. We are determined to create an environment that is conducive to broader economic participation.

<p>Priority Intervention 5: Growing the oceans economy</p>

Madam Speaker, the launch of Operation Phakisa in the province by President Zuma a few years ago ushered in a new era for the country. The interests that has been generated in the maritime industry is overwhelming.

It is becoming abundantly clear that this sector has potential to be an engine for sustainable economic growth and a game changer for the province in a number of secondary areas.

We have profiled and stratified specific marine based opportunities that can be implementable to realise the inherent potential of the vast ocean economy by being embedded in the Operation Phakisa. Opportunities comprise of port optimisation in sectors such as containerisation, oil and gas, ship and rig repair, boat building and aquaculture.

We have also realized that the low levels of investments in skills development in this sector means that the maritime sector's contribution towards the country's GDP will remain relatively small in comparison with other sectors of the economy.

Our answer therefore is the establishment of the KZN Maritime Institute. We can confirm to this house that a feasibility study to assess the most suitable model of the institute has been completed.

We want the institute to focus on the production of enough skilled workforce that will ensure a sustained growth of this sector. The world fleet of over 50,000 employs about 1, 4 million seafarers this opposed to South Africa which employ about 1,500.

Madam Speaker, we also do not want the doors to this sector to remain closed for small businesses. That is why we will hold a Fisheries Indaba soon to engage widely on opportunities in the sector. A feasibility study on catfish farming is to commence before August this year.

We have negotiated a lease agreement with the EMacambini Traditional Authority for Sofoco Fish Farm as identified in Operation Phakisa. This will benefit local communities and also open new opportunities in aquaculture for rural small-scale farmers and cooperatives.

<p>Priority Intervention 6: Resolving the energy challenge</p>

Madam Speaker, we are cognisant of the fact that the manufacturing sector is a very

important part of the economy of the province. However, the reality is that the manufacturing sector has a huge demand on electricity. We have already indicated efforts towards diversified energy generation.

Last year we convened the Energy Indaba having recognized the electricity supply sector as a major player in the province's energy economy.

Its importance lies both in improving the quality of life for the previously disadvantaged majority as well as supporting large-scale industrial development. This lack of access to efficient modern energy has significant impact on socio-economic development.

We are determined to ensure that energy infrastructure programmes are extended to rural areas. More than 24 000 households will be electrified following an injection of about R600 million into our electrification programme from the Integrated National Electrification Programme.

The key milestones include:

- Key bulk energy stations such as Ndumo Substation and Manguza Network Normalization have been completed by Eskom. Government spent R125 million and R15 million on both stations with 15 000 households in Jozini set to be connected. About 2000 household in Umhlabuyalingana will also be connected.
- Other bulk energy projects that have just been completed in the year 2015/2016 include Nongoma Sub-Station with a budget of R35 million.
- Jozini Town Network upgrade with a budget of R15 million
- Eshowe Sub-station upgrade with a budget of about R32 million)

<p>Priority Intervention 7: Managing work place conflict</p>

In hard economic times like the ones we are facing, we must all work together to minimise workplace labour conflict that impact negatively on productivity. All of us must work together to resolve any emergent disputes and place together pull our country to prosperity. We remain concerned by any prevalence of labour conflict that leads to work stoppages.

We confirm our commitment to working together with labour in ensuring that our Province moves forward. We call on both organised labour and organised business to work together in finding solutions and to enter into a social compact that places the

future of our country first. Together we can support delivery and progress in meeting our 9-Point Plan.

**Priority Intervention 8:
Scaling up private sector participation**

We have made major strides in attracting **significant private sector investment projects since** the last State of the Province Address. Our province is the second contributor to the country's GDP and it thus follows that when the economy chugs to a halt, its effects would be most felt in our province given our strategic positioning in the country's economic matrix.

In moving forward to breathe life to this pledge we have made to work together as a collective, we take our cue from the saying that no one can whistle a symphony on his own; it takes the whole orchestra to do so. We have created structures like KZN Economic Council and we work with the KZN Growth Coalition and have taken a number of concrete decisions recently to improve the investment climate in the province. There are a number of investment projects in the pipeline that would create a number of economic opportunities. Some interesting ones are:

- **HBM and SA Health Project** - This is a condom manufacturing project to supply the local market and export to the rest of the continent, and is a partnership between a local company and a USA headquartered company. The value of this investment will be R65million and create 200 potential jobs.
- **Manufacture of Ethanol from Sugar Project** - The project promoter, Silvapen (South African/Brazilian Company) intends to establish an ethanol manufacturing plant near Jozini on the Makhatini Flats to the value of R1.2 billion and potential of 1000 jobs.

**Priority Intervention 9:
Cross-cutters related to ICT, Transport infrastructure, Science and Technology and Water**

Connectivity in the Province continues to pose a serious challenge in terms of backlogs. However, we are pleased to report that efforts to connect every public health facilities, schools, government offices are bearing fruits.

In 2015 we set a target of 15 000km of Broadband Fibre Optic roll out in the Province. We have completed a total of 14 683 km of fibre that is being rolled out to some schools, post offices, hospitals and clinics. We have further identified and prioritised 5 towns for free Wi-Fi rollout namely, Durban, PMB, Richards Bay, Port

Shepstone and Newcastle.

Over the last year we have built required strategic infrastructure and transport logistics necessary for a competitive modern economy; and provision of electricity and expansion of access has been improved.

The King Shaka International Airport is growing as a strategic air transportation hub. In the last year, we have opened direct international flights to and from King Shaka International Airport by Turkish Airlines, Ethiopian Airlines and Qatari Airlines. This transforms our economy and add much needed revenue to the GDP of the country.

Developing and protecting our human capital

Education, training and developing skills to meet growth demand

Madam Speaker, it pleases us to report that the number of learners in **Grade R** have increased to 250 000 in 2016. This is an indication of our commitment towards ensuring the acquisition of knowledge during early stages of development.

We are making a conscious effort to strengthen the entire schooling system as we understand without quality education, there can be no socio-economic development in this province.

We have taken the position that good quality education has to be relevant to the needs of the economy, and it should be judged by the extent to which it makes an individual self-sufficient and able to maintain sustainable livelihoods on leaving school, irrespective of the level attained.

This province faces a major challenge in producing the required number of skills needed by the various sectors of our economy to sustain and indeed improve our current growth rates.

We are encouraging the uptake of subjects in accounting, mathematics, science and technology amongst young people. We are encouraged by statistics, which show that our maths and science enrolments are high compared to other Provinces.

As 30 percent of total school children are in KwaZulu-Natal, we are thus mindful of the responsibility we have to this nation in making education system to function efficiently and produce expected quality results.

Madam Speaker, recently we convened the Premier's Education Indaba as part of efforts aimed at dealing with a drop in the National Senior Certificate results. We emerged from this gathering with a clear plan on how to turn around the situation.

We are emphasizing the importance of developing teachers as facilitators of knowledge acquisition. We are singling out school principals as leaders who must lead with integrity and show a sense of urgency.

We are calling upon the entire schooling community, organized labour, teachers, school governing bodies to work towards the creation of a stable schooling environment.

HUMAN RESOURCE DEVELOPMENT - strategic skills development projects targeting graduates, TVET learners and unemployed youth

In terms of the NDP, Outcome 12 and DPSA Directives on learnerships and Internships, the Public Sector has to undertake initiatives to facilitate youth skills development by turning every public service workplace into a training space.

Currently the Provincial Departments has used funds from their 1% skills levy to accommodate **1237** graduates on the **Public Sector Internship Programme** at a cost of **R74 029 344.36** and with SETA funding of **R1.2 million**

The Department of Higher Education launched its Work Integrated Learning Programme for the purpose of encouraging employers to take on TVET students for the workplace portion of their studies. We have **255** TVET learners that were placed in Provincial Departments funded by the SERVICES SETA and PSETA to the cost of **R14.6 million**.

In terms of learnerships and apprenticeships in the fields of Manufacturing, engineering and construction in trades such as Electricians, Fitter Machinist, Diesel Fitters, Millwrights, Fitters and Turners, Petrol Mechanics, Diesel Mechanics, Spray Painters, Auto Body Repairers, Tool, Jig and Die Makers, Boilermakers and Welders, Bricklaying, Carpentry, Plumbing and Painting - we are supporting **680** learners to the cost of **R61 million**. We are thankful to the National Skills Fund and MERSETA for their financial support. We are also thankful to the **35** private sector companies who are accommodating 200 of our apprentices.

Municipal Infrastructure Support Agency in partnership with the KZN Academy in the Office of the Premier, we recruited and placed **86** young learners from TVET Colleges in 8 municipalities to gain workplace experience in technical skills for them to do their experiential learning, obtain their qualifications, undergo trade test and

become qualified artisans. This was funded directly by MISA.

These projects sees this Government supporting 2642 youth at a cost of R 172 million on Strategic Skills Development Projects.

On making the Public Service a Career of Choice, we successfully hosted a Public Service Careers Exhibition wherein 4 500 in- and-out school youth from Ugu, Umgungundhlovu and Harry Gwala were exposed to scarce and critical skills as well as career opportunities in the Public Service.

We will soon be launching a second project that will accommodate **100** apprentices and **850** unemployed youth on short technical skills programmes in manufacturing and engineering. The total cost of the project will be **R22 million** funded by the MERSETA. Part of the 850 young people will be drawn from the 5 Municipalities with the highest level of poverty being targeted by the Skills Pillar in the Poverty Eradication Master Plan.

Our Youth Chief Directorate has ensured that government is responding to the challenges facing needy students through proper co-ordination of bursary program. To date, about **R 316 million** has been committed by different provincial government departments this year for needy students across the province.

5467 students have benefited from bursaries awarded by provincial departments and municipalities in 2016.

We have through our engagement with NSFAS, been advised that we have 15 636 Government employees in KZN who studied through NSFAS and still owing. This means that from this Province, NFSAS is owed R400 million. The Office of the Premier will lead efforts of mobilising those civil servants who are owing to pay back the money.

During the 2015 State of the Province Address, we reported about the prospects of Project Sukuma which is a joint training initiative between the KZN Department of Health, South African Military Health Services, KZN Department of Education and the Office of the Premier, to train our Youth to serve in the emergency medical service including maritime, medical, diving and rescue service within our Province

We are pleased to report that the first intake of project Sukuma has started with their training at the Lephalale in Limpopo Province on the 11th December 2015, they will be trained for the military driving and maintenance course. Negotiations are in advance stage with Transnet to transfer two buildings at Mayors in Pietermaritzburg to host this program.

Human and Community Development

Honourable Members, our strategic goal of Human and Community Development shows upward progress, however, the socio-economic challenges remain a barrier to the wellbeing of our people and deep inequality.

Over the last year, 552 Phila Mntwana Centres were established to promote and improve monthly growth monitoring; education and provision of oral rehydration; support for breastfeeding; and identification of children with incomplete immunisation schedules.

Integration with PHC re-engineering and OSS has again been prioritised to reach more children at household level. To reduce morbidity and mortality from cervical cancer, a total of 162 000 women were screened for cervical cancer and 136 415 Grade 4 girls received the Human papillomavirus (HPV) vaccination.

In our continued fight against HIV and AIDS, we registered a milestone of over 1 million patients on Anti-Retroviral Treatment. Our province has turned the corner and runs the biggest treatment programme the world has seen.

The successes have been seen in the implementation of the prevention of mother-to-child transmission, which now stands at 1,3 %, making the goal of an AIDS free generation by 2030 a reality.

We want to express our appreciation as the provincial government to our partners who have worked with us over the years to turn around the situation.

We want to single out the Global Fund which has provided financial support for the programme which focuses on prevention and it is targeted at young women.

This programme has yielded positive results that are beyond our expectation. We are grateful that the Global Fund has pledged R440 million for this programme over three years starting in April this year. Our main target is young girls.

In addition, this province has benefited from the partnership involving the U.S. President's Emergency Plan for AIDS Relief (PEPFAR), Bill & Melinda Gates Foundation and the Nike Foundation. This partnership involves a new initiative aimed at reducing new HIV infections among adolescent girls and young women in selected high HIV-burden countries.

This new initiative is called DREAMS, reflecting PEPFAR's vision that girls should be Determined, Resilient, Empowered, AIDS-Free, Mentored and Safe. This initiative will be implemented at UMgungundlovu, Ethekewini and Mkhanyakude municipalities.

UNAIDS has also supported the province by seconding a senior official as a

technical advisor who is attached to the Provincial Council on Aids Secretariat.

BroadReach Health has also supported our programme by seconding 2 senior officials to support the monitoring of HIV response and also Operation Sukuma Sakhe. They are also supporting the response by developing an IT system which will assist in the reporting at Local District and provincial AIDS council level. We value the partnership with all various donor agencies and the private sector.

Good Governance

We are pleased to note:

- that the **vacancy rate** in our Provincial Departments was below 9% and within the national norm of 10%;
- An area of great concern is with regard to the state of our workforce in government. It is not reflective of the demographics of the provincial population. Women and people with disabilities are still under-represented particularly at senior management level. Departments are thus directed to set their targets in line with their Employment Equity gap, using targeted advertising to fill any of their vacant funded posts.

A significant **improvement in the municipal audit outcomes** for 2014/2015. A total of twenty two (22) Clean Audits; thirty seven (37) Unqualified Audits; nine (9) Qualifications and one (1) Disclaimer opinion. We have asked the MEC for Cooperative Governance and Traditional Affairs to present to the Executive Council a report on what is happening in Umkhanyakude.

We are pleased with the performance of our municipalities as they continue on an upward trend to register positive audit outcomes. This demonstrates that progress is being made in building a capable state with qualified individual in right positions.

Even though we have recorded such progress, it is important to report that since our last State of the Nation Address, 5 municipalities had to be placed under section 139 Municipal Intervention. These were Imbabazane, Indaka, Abaqulusi, Mtubatuba and Umkhanyakude. We remain extremely concerned with Umkhanyakude, the only municipality to receive a disclaimer.

The Province is preparing for **local government** elections, which we hope will proceed smoothly. We observe that we have now achieved commendable levels of tolerance even during the height of campaigns in the Province. We can still do better in improving levels of tolerance and produce free and fair elections.

We have to improve the quality of life of our people, and deal with factors that play a role in **promoting crime and violence** in our Province. These include the availability of illegal firearms, the availability of a market for stolen goods, substance abuse, cross-border mobility, community apathy and a lack of trust in the criminal justice system. It is therefore important to significantly improve the implementation of legislation relating to firearms control and second-hand goods and substance abuse. Effective visible policing and crime detection are essential to combating crime.

Develop Strategic Infrastructure

As a Province with a clear Vision of being a Gateway between Africa and the World, it speaks for itself that infrastructure development will always be one of our highest priorities. We have therefore prioritised the development of a Provincial Infrastructure Master Plan as announced in the 2015 State of the Province Address.

We are pleased to report that extensive progress has been made, and that we are now in a much stronger position to coordinate and integrate infrastructure planning and development across government in KwaZulu-Natal. We are also encouraged by the levels of cooperation we have received from all infrastructure development agencies in this process. It however remains work in progress and we are a track of continuous improvement and refinement.

The main focus on infrastructure development is to ensure that we support and facilitate processes in respect of the 18 Strategic Integrated Projects, commonly referred to as SIPs as identified in the National Infrastructure Master Plan. We are obviously not able to elaborate on each of these SIPs and their application to KwaZulu-Natal.

SIP 1 is about unlocking the mineral wealth of the inland Provinces of Limpopo and Mpumalanga. Its significance for KwaZulu-Natal lies in the fact that these resources are to be exported via the Richards Bay Harbour and therefore requires improving this rail connection, as well as the expansion of the Port of Richards Bay. These expansions will at the same time be aimed at improving facilities to support the development of the Richards Bay SEZ. In this regard we have engaged Transnet on improving the container handling facilities in Richards Bay and the prospect of relocating decommissioned container handling equipment from the Port of Durban to Richards Bay.

SIP 2 is arguably the largest and most complicated of all SIPs and is aimed at expanding and developing the Durban, Free State, Gauteng Logistics and Industrial Corridor. The intent here is mainly to improve the efficiencies of moving goods and services into, out of and through this corridor in a manner that will attract investment and create jobs not only in the infrastructure development, but in the related industrial development expansions.

There are many other strategic infrastructure projects that are underway and include:

- **Durban Dube Trade Port Aerotropolis** is a 250ha industrial/logistics park with business offices and commercial floor area that can accommodate 10 000 units. There has been substantial interest from private sector investors to develop in this area, which was largely supported by the establishment of Samsung in this park in the previous financial year. A further R640 million private sector investment has already been committed and we are close to conclude a further investment of R180m for the Trade Zone.
- On the issue of **Road Developments** we are happy with the role played by SANRAL in our Province including in building roads and bridges. Whenever it is necessary we will engage SANRAL on an ongoing basis. We have seen an investment of R7.1 Billion Rand from SANRAL in improving, maintaining and expanding the National Road Network in KZN.
- Our **Provincial Department of Transport** has been very active in the current financial year and they have completed 68.8km new gravel roads and upgraded a further 59.4 km of gravel roads in the Province. All of this is to improve access to rural areas and we are committed build 240km new gravel roads and to upgrade 70km of gravel to surfaced road in the next year. This is in addition to the extensive maintenance programme being rolled out throughout the Province.
- In respect of **water infrastructure** we are obviously focussing on increasing water storage capacity through engaging the Department of Water and Sanitation on the dam building programmes in the Province. With the current impact of the drought in the Province, there is increased pressure and focus on making progress with particularly the Hazelmere and Smithfield Dams. We are pleased to announce that there has been more than satisfactory progress made with the larger water schemes, such as Greater Mthonjaneni Phase 2, the Lower Tugela Scheme as well as the Western & Northern aqueducts in eThekweni. We are spending a total of R872 million via the Municipal Infrastructure Grant on water projects in KZN in the current financial year.

Madam Speaker we would like to assure the people of KwaZulu-Natal that we have a firm grip on all infrastructure development in this province and that we are monitoring progress on these projects now on a quarterly basis through a dedicated Infrastructure Management Team Chaired by myself.

As part of social infrastructure, **human settlements** is a very important government service. As opposed to housing dispensation in the old dispensation. The demand for housing is spread across the province and the situation is exacerbated by poverty and unemployment. We are proud of the level of service delivery with regard to human settlement. We are aware that currently, there is a high demand of housing and it provides much needed job opportunities and business at all levels of contractors in the built industry. There is a need to pursue the debate on improved service delivery models both nationally and in the Province. We commend all efforts by Department of Human Settlements and municipalities to deliver to the people.

Environmental sustainability

Honourable Members, we continue to push on goal of ensuring that development is sustainable, that global greenhouse gas emissions are reduced and that social-ecological capacity is created to be able to adapt to climate change. In this regard, we are mindful that climate change impacts have wreaked havoc in this current year with excessive drought levels being experienced.

As we had committed in the previous SOPA to develop a Climate Change Response Measure, we are pleased that two sector adaptation plans out of the five targeted for 2019, have been completed. We have made progress by setting up of the District climate change committees and development of Adaptation strategy framework document.

In December 2015, we participated at the COP 21 in Paris with an objective of developing beneficial bilateral relations with countries from the developed world. Our objective is to build relations that will facilitate financial as well as knowledge support. Among other key achievements have been to profile Richards Bay IDZ as a renewable energy production hub that will attract investment in gas to power, biomass, solar and other renewable energy opportunities.

Our focus in 2016/17 will be on completing the Carbon Footprint to ensure that there is tracking and reduction of carbon emissions as enjoined by the COP 21 resolutions, outcome 10 and our provincial growth strategy. The entity is also completing a study on investigating the harvesting of rain water to improve water provisioning at

protected area levels and reduce utility costs.

Acknowledging the role of ecological infrastructure/natural resources towards mitigating the excessive impact of climate change (i.e. drought, major flood leading to loss of human life, etc), we intend to develop a flagship programme on coordinating provincial efforts towards building a climate change resilient province.

We will place more efforts on awareness, research, and programme implementation that is geared towards investment in critical ecological infrastructure to support the growing economy. The result of this significant initiative will also contribute towards securing water resource areas, improving the management of catchment areas to prevent excessive soil erosion towards dams.

A Provincial Indaba is planned for 2016 to establish the extent of gullying and soil erosion in the midst of drought that is engulfing the Province. Further to this Indaba, at the COP21 Climate Change negotiations in Paris, we undertook to host the Climate Change Summit on Africa in Durban later in the year. At our recent Lekgotla, we resolved to host the Environmental Indaba.

KZN A CARING PROVINCE

Madam Speaker, as a caring government we are making progress in addressing the plight and advancing the rights of widows in this province. We have approached the national government to look into the impact of taxation, inheritance and the administration of deceased estates on the lives of widows.

We have come to realise that the South African system of taxation does not appear to be gender neutral, but in many cases, results in prejudice and hardship. It is apparent that urgent policy and legislative interventions are required.

These measures fall within the functional area of exclusive national competence and must be addressed by the national sphere of government. We have, therefore, requested the Minister of Finance to consider appropriate interventions in the short term to ensure that the obligation of gender mainstreaming be extended to the tax regime of our country and that the immediate prejudice and hardship is mitigated.

In the longer term, an in-depth gender analysis and reform of tax legislation must be undertaken. To this end, we respectfully request that the South African Law Reform Commission be tasked with undertaking research with a view to the ultimate reform of South African tax and related legislation. The envisaged brief of the South African Law Reform Commission may extend beyond the terms of reference of the Davis Commission on Tax Reform.

In the interim, we have made the following suggestions to the Minister of Finance for his consideration –

- the possible implementation of a special rebate under section 6 of the Income Tax Act which could alleviate the tax burden of a household with a single earning widow (or widower) as the sole breadwinner of that household (in respect of insurance policies deemed to be property in the estate of a deceased spouse and subject to estate duty);
- the possible extension or widening of the exemptions under section 3(3) of the Estate Duty Act either in the form of increasing the deductions or widening the exemption to not only include marriages registered under ante nuptial contract (so as not to discriminate against customary marriages); and
- the possible reduction in the overall VAT rate or, at least, the zero rating of basic foodstuffs could, possibly, be extended to include baby formula and also clothing for babies and children.

We are positive that the national government will look into this matter and provide a long lasting solution.

We have also brought to the fore the plight of the elderly who had illegal deductions from their pension grants. This matter is receiving further attention as it is apparent that its prevalence is not only confined to our Province.

As part of the preservation of our heritage, we will be unveiling the statue of one of our struggle stalwarts Dorothy Nyembe.

We have also unveiled a programme aimed at supporting the military veterans. It is our considered view as government that we need to honour those who laid down their lives for a free and democratic government.

Commitment to partnership

Madam Speaker, over the past 21 years of our democracy this province has developed a positive image in the eyes of potential trade partners and international investors. We attribute this to the good leadership in politics, government and the private sector.

We are indeed grateful for the support that has been extended to the executive council since the beginning of this term office. Building a winning province is the responsibility of all of us. Therefore, we must cooperate with one another today and tomorrow.

The health of a nation is measured by the extent to which government creates synergies and partnerships. We are committed as the provincial government to strengthening co-operation with leadership of this province across all sectors of society.

We undertake to act in concert with a number of other bodies in the communities, that is, mayors, councillors, traditional leaders, izinduna, and religious leaders, etc.

These structures must be mobilized to create an environment that will provide for the development of the entire community – which is a crucial tool which can eliminate any form of social instability.

And indeed, if we are able to create this environment, we will be able to promote the respect of human lives and the respect of individual property.

Community involvement means that anybody's life is as important as your own.

This culture promotes love, a sense of belonging, generosity, caring and compassion. It creates an environment where anybody's property is safe under anybody's watch.

That is really what we wanted freedom to bring along – not the rampant and violent criminality that we are experiencing. Therefore we must stand up and say our road towards freedom cannot be complete until we stand together and eradicate crime.

We are continuously looking for strengthening our relationship with our social partners. KZN Growth Coalition convened and sponsored on 9 and 10 February 2016

We also appreciate the work done by our Provincial Planning Commission and the various Councils that we have established to advise us and to harness our relationship, such as the HIV/AIDS Council, the HRD Council, the Climate Change Council, the BBBEE Council, to name but a few, are functional.

Sports and Recreation

On a very exciting note, KZN continues to be a preferred destination of international sporting events. The announcement that KZN and Durban in particular will host the 2022 Commonwealth presents this province with endless possibilities.

At this stage, I want to congratulate all participants of the Dusi Canoe Marathon. This is an enduring and exciting canoe marathon which has grown in leaps and bounds. I want to single out the following participants:-

1st position

- Andy Brackett
- Lance Kieme

2nd Position

- Hank McGregor
- Jasper Mocke

3rd Position

- Sbonelo Khwela
- Banetse Nkhoesa

4th Position

- Shaun Reunstein

Thulani Mbanjwa

Conclusion

Madam Speaker, let me take this opportunity to once more express my appreciation to His Majesty for the opening of our Legislature two days ago and for his presence today.

We appreciate the work that you do for the people of KwaZulu-Natal and South Africa. Your presence is always a sense of warmth and comfort to all of us, black and white.

While we are happy that His Majesty has been in the throne for the past 45 years, we hope the Almighty will still grant you another 45 years on this important work for the nation. Sikufisela unwele Olude Hlanga Lomhlabathi!

We will be working with His Majesty on a number of programmes in the coming months in fostering social cohesion.

I wish to thank all the people of KwaZulu-Natal for their support and for listening to this address, which I hope will stimulate discussion about what each citizen will do to help us build a better future together.

To the Members of this House I am eternally indebted to you for always giving us support. All I have presented represents the work to be executed by civil servants who have pledged loyalty to our province, I thank them all.

A special word of gratitude goes to the Members of the Executive Council for their hardwork and dedication in serving our people.

I appreciate the dedication of the Acting Director General Mr Frikkie Brooks and all categories of staff in the Office of the Premier and KZN government.

For their unwavering support and being the pillar of strength I wish to thank my wife Thembeke, my kids and the rest of the family.

I thank you all.