



public works,
roads & transport

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA



POLICY AND BUDGET SPEECH 2018/19



Thursday, 31 May 2018 | 10h00
Mpumalanga Provincial Legislature Chamber
City of Mbombela



"Together Moving Mpumalanga Forward"





Ms Sasekani Manzini (MPL)
MEC: Public Works, Roads and Transport

DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT

POLICY AND BUDGET SPEECH 2018/2019: VOTE 8

PRESENTED BY HON SJ MANZINI

ON THE OCCASION OF THE SITTING OF THE PROVINCIAL LEGISLATURE

ON THE 31 MAY 2018

Madam Speaker and Deputy Speaker

All Presiding Officers

Honourable Premier

Members of the Executive Council

Deputy Minister of Transport, Ms Sindisiwe Chikunga

Esteemed Honourable Members of this August House

Leadership of the African National Congress led by Acting Chairperson,

Cde Mandla Ndlovu

Leadership of the ANC Women's League and Youth League

Leadership of House of Traditional Leaders

Leadership of Labour and Business

Leadership of Civil Society

Management of the Department and all officials of the Department

Members of the Media

Ladies and Gentlemen

1. It gives me great pleasure and privilege to once more stand before this august house and to the people of Mpumalanga; to present the progress made in the singular and common cause of improving the lives of our fellow country people, many of which are yet to taste the fruits of freedom and democracy. I make this presentation with all humility and civility, conscious of the fact that many of our people in the province, yearn for, but are yet to taste a Better Life.
2. As we note this humble and remarkable progress, our hearts and souls are still troubled for we know that there are still people who struggle to access social amenities, that there are many villages, towns and townships where our fellow country people still cannot access their homes.
3. We know that even as we create many jobs through the implementation of our social infrastructure investment; that this progress becomes minuscule in the sea of poverty and unemployment that has befallen our beloved country. Hence, the humble call by President Cyril Ramaphosa, “Thuma mina, send me”. It is out of the understanding of the huge backlog, and the historical pledge of the Freedom Charter, that we are humbled to be amongst the ones to be sent on this historic but noble journey. A journey that is measured by incremental change in people’s lives.
4. So like the soldiers of uMkhonto weSizwe and the youth of South Africa in the 1980’s, who sang without fear the song “Uyababona bayoyika, Thuma Mina Oliver Tambo Thuma Mina...” I stand here in this chamber to say the same words and submit myself as a servant of the people.
5. It is in this context that we are sincerely comforted when one more family is able to have a meal, when one more mother is able to buy her children uniform, all as a result of having had work opportunity in our infrastructure investment as we change the landscape of our province.
6. Hon Members, Despite all these many challenges, and we submit with great humility that the pace has been rather slow as many people are yet to be reached; nonetheless Hon Members, **A lot of progress is being made.**

SOCIAL ENTERPRISE DEVELOPMENT PROGRAMME

7. In the previous financial year, we had a net infrastructure investment of **R4.058 billion**. This investment created more than **8 000** work opportunities to many needy families. **R90, 1 million** was accounted for the value of materials that had been sourced towards realisation of the **Social Enterprise Development Programme**.
8. What it means is that we are making progress in deracializing economic wealth. Many contractors used are from historically disadvantaged groups. The work they do as we contract them to build our infrastructure does not only provide them with practical experience, but it goes a long way in building sustainable enterprises. It is our hope that when they are sustainable, they are likely to create the much needed sustainable work opportunities.
9. In our small way of giving practical meaning to radical socioeconomic transformation; 87% of the value of contracts awarded went to Historically Disadvantaged Individuals, 52% of the value went to Women Owned Enterprises. In this regard, I will continue to monitor and ensure that the percentage minimum threshold is not only met, but surpassed. Young people must also assist their government by becoming sustainable enterprises, becoming patriotic business people who fully appreciate the historical conjuncture our country find itself; and our collective responsibility in making our country work.
10. We will intensify all efforts aimed at widening economic participation by previously disadvantaged groups as we continue with our social infrastructure investment, to change the landscape of our province. We launched the **Social Enterprise Development Programme** as our radical means to disrupt the market share of big and dominant players in the construction industry. This programme represents our ideals of bringing about inclusive and equitable economic opportunities to many communities in our province.

PUBLIC WORKS INFRASTRUCTURE

11. Hon Members, since the 2008 painful economic downturn, whose effects continue to be felt across the globe to date, Infrastructure has been an important economic catalyst. Our sustained social infrastructure investment is a necessary treasure for future generations.

12. The Department of Public Works, Roads and Transport is responsible for the provision and management of a balanced and equitable provincial government building infrastructure portfolio. The Department acts as an implementing agent on behalf of other provincial departments and therefore has the responsibility of planning and managing the delivery processes of infrastructure and its related services.
13. **In this regard**, we completed **208 of the 241** built capital infrastructure projects, **171** of these are for the Department of Education, **20** for the Department of Health, **four (4)** for the Department of Social Development and **13** for the Department of Culture, Sports and Recreation in 2017/18 financial year.
14. This means we are making progress in bringing about meaningful and practical expression of many rights contained in the Bill of Rights. The Bill of Rights is a sacrosanct expression of what we stand for and the society we seek to build.
15. Understood this way, infrastructure is a basic need which provides firm basis for our people to attain all rights; right to Health is realised as we build clinics and hospitals, right to Education is realised as we build schools and improve sanitation; right to information is realised as we build libraries and right to social security is realised as we build social development offices closer to where our people live.
16. Our endeavour as a Department is to be able to arrive at a point where we complete all projects within scope and budget. We continue to learn and draw valuable lessons along the way. We are relentlessly working on all internal and external factors which continue to hinge our efforts to achieve 100% completion of all projects.
17. For the 2018/19 financial year, we will be implementing **245 projects** for clients departments. Of these **18** are for the Department of Health, **208** Department of the Education, **15** for the Department Culture Sport and Recreation, **three (3)** for the Department of social development, the last being the **Legislature village**.
18. This huge investment will ultimately translate into work opportunities for people in the areas where these projects will be implemented.

TRANSPORT INFRASTRUCTURE

- 19*.** Hon Speaker, we have also made progress on the road infrastructure side. We want to promote accessibility, safe and affordable movement of people, goods and services, which is sustainable, integrated and environmentally sensitive that supports and facilitates social empowerment and economic growth.
- 20.** Our province has a road network of **13 837km** of which **5 494km** are surfaced or tarred and the rest of **8 343km** are gravel roads. While we have this huge backlog, we are also faced with a twin challenge of aging infrastructure which requires regular maintenance. The demand for better roads remains high and this requires the Department to find a balance between planning, design, construction and maintenance. It makes sense that **44%** of the department's budget goes to this area of work.
- 21.** Notwithstanding the harsh economic climate, in the 2017/18 financial year, **Eleven(11)** road designs were completed, **13** kilometres of gravel roads were upgraded to surfaced roads, **279 500** square meters of surfaced roads were rehabilitated and over **1, 1 million** square meters of surfaced roads were resealed.
- 22.** A further **673 kilometres** of gravel roads were regavelled, with over **36 000 kilometres** of gravel roads bladed and **275 000** square meters patched. Re-Gravelling has proven to be a key intervention Hon. Members, for in many instances, all what our people want is just to be able to have trafficable roads with better access to social amenities.
- 23.** Hon Members, The upgrading of road D236 to Umjindi trust in Barberton is in progress. The construction of road D4383 between Justicia and Lilydale as well as road D3969 between Kildare and Justicia & Lilydale is also in progress.
- 24.** Hon Members, the upgrading of these roads, amongst others means that for the first time ever in the lives of the people of Merry Pebble, people of Hoxani, Marite, Umjindi trust, Marapyane, Moroe and Dikgwale, Ga-Motibidi and Rainbow, Hluvukani, Welverdiend the people of Daggakraal and many others in the province will have a tarred running into their villages

25. On the other hand, as we have to build new roads, we also have to maintain the existing stock. This is quite a delicate but necessary balance. Maintenance is a necessary intervention on the road. We have short term to long term maintenance. In the short term, it is patching potholes, cleaning drainage system, and grass cutting along the road. In my previous Policy and Budget Speech, I alluded to a programme of giving attention to potholes in our provincial network called Sidudula Ama-Potholes. We will be intensifying this programme in this financial year.
26. In the 2018/19 financial year we will be rebuilding the following roads; a road between Dwaarslop and Thulamahashe in Bushbuckridge Local Municipality, a road in Matsulu B in Mbombela, Acornhoek to Hluvukani, Delmas to Gauteng Border (Devon) and many coal haulage roads in the Highveld.
27. **Hon Members,** Natural disasters and climate change are new phenomenon which threatens our fiscus. To bear testimony, amongst many projects we are implementing, many include repairs to flood damages caused by 2014 huge rainfall which swept away a lot in our stock.
28. We are also seeing sinkholes developing cutting away our roads. Two giant sinkholes have developed on two separate roads in the Victor Khanye Local Municipality. The effects of these on our planning and resources can never be downplayed, especially in the context that we can never budget for these natural disasters.
29. We have heard the voices coming from not only our communities, but the business sector as well about the impact of bad roads to business. Although we have allowed a culture of talking pass each other as people, we do need to make attempts to talk to each other about challenges facing all sectors of society. Our doors remain open to organised big business to work with us to find common solutions on many infrastructure needs of our people as a whole.
30. It is out of this commitment that we have seven **(7)** tourism road projects planned for 2018/19; four **(4)** are at the design stage while the other three **(3)** are on the construction stage.

31. Hon Members, we would like to bring to the attention of this house the progress on the work being done on the R537- Moloto Road. This is a multi-year project expected not only to make the road bigger and safer but also radically change the socio-economic conditions of our people along the corridor.
32. During the presentation of the Department of Transport budget vote on 18 May 2018, Minister Blade Nzimande announced that **R3 billion** have been set aside to upgrade the Mpumalanga and Limpopo sections of the Moloto Road.
33. It is estimated that twelve thousand five hundred (**12 500**) work opportunities will be created over the five year period of the project. The Minister further announced that within the next twelve months, government will take the final decision regarding the planned rail component of the corridor.
34. Hon Speaker, through the IRMA programme, children of Avontuur Trust attending Maqhawuzela Combined School and Mkolishi Secondary School at Tjakastad in Chief Albert Luthuli, now spend less than an hour travelling to and from school. In the past, learners in this village had to miss classes during the rainy season when the river is flooded because there was no bridge. This is the case in other areas where we have completed this very important access infrastructure (footbridges) in rural communities.

MUNICIPAL SUPPORT

35. Hon Members, over and above these interventions, we are increasingly called upon by many of our municipalities who themselves are in great distress to assist with grading of access roads to social amenities such as schools, clinics, parks and grave yards. This intervention has lessened the great burden on distressed municipalities, but more importantly assisted many communities to have better mobility.
36. We will continue to support local municipalities through the Programme. In this regard we have set aside an amount of **R63 million** which is an increase from **R53 million** allocated in the previous financial year.

CAPACITY OF THE STATE

- 37. Hon Speaker,** The Department will continue to streamline its operations and look for more effective approaches to build a capable organisation. An organisation capable of achieving 100% expenditure on the allocated budget, 100% on set performance plans and obtain a Clean Audit. This we seek to do, not as a compliance matter, but as a firm commitment to do our part in this **national trajectory** of improving the lives of many ordinary people in our country.
- 38.** Much of what we can do depend on our employees' commitment to use their expertise to advance our collective cause of bringing services to our people, thereby restoring their human dignity, so that they too, can lay claim to the fruits of freedom.
- 39.** Cognisant of the fact that many of the emerging enterprises desperately depend on our ability to effect payments on their invoices within **30 days**, we are humbled to report that we were able to achieve **99.9%** payment of invoices within 30 days. We will not be satisfied with that missing 0.1%, as one invoice not paid could lead to a closure of business and loss of jobs. To this end, The Provincial Government has directed departments, municipalities and agencies to effect payment within 10 days. We are in full support of this radical initiative, and we will strive to achieve it if not surpass it.

YOUTH, WOMEN EMPOWERMENT AND SKILLS DEVELOPMENT

- 40.** Hon Speaker and Members, as part of our contribution to the national skills revolution, which is aimed at providing much needed skills development to many of our people who continue to be economically excluded as a result; we have provided artisan skills in plumbing, electrical, boiler making, welding and so forth to more than **350** young people who will be exiting the programme in July this year. The exit of these learners will pave a way for a further enrolment of another **350** young people in the 2018/19 financial year.
- 41.** Through our flagship Sakh'abakhi programme, we provided training and project support to **55** learner contractors in our province. This in turn created an additional **257** work opportunities through projects that were allocated to these contractors. We will only enrol more young people on this important programme upon the completion of the current crop.

42. Hon Members, there is consensus across socio-political divide that the most pressing national issue confronting our young emerging nation is youth unemployment in our country. We should therefore be enjoined together to find enduring solutions.
43. In this relentless effort of dealing with distressing youth unemployment, we were able to afford **120** young people internship opportunities and provided **70** young people with Learnership training. We will enrol a further **100** interns and **70** learners in the 2018/19 financial year. In addition, The Department enrolled 15 candidates in the Young Professionals Program for the minimum contract period of 3 years. These candidates have tertiary qualifications in various disciplines of the built environment such as Construction Management, Quantity Surveying, Engineering and Architecture.
44. The contracts are renewable in line with requirements of the build environment professional councils and on satisfactory performance by the candidates. The Department is assisting them towards attaining their professional qualification and registration. We are pleased to report that three (3) out of these have successfully completed their qualification for registration.
45. Hon Speaker and Members, on Tuesday I hosted the Cuban Embassy with a delegation from the Republic of Cuba. They were in our province to check on the progress made in the implementation of the Cuban Technical Advisor (CTA) Programme. In December 2016, we received three (3) technical advisors who are trained in the fields of Mechanical, Civil Engineering and Architecture. They are part of the 45 engineers deployed across the Country as part of the Cuban-South Africa Bilateral relations.
46. Chief amongst many interventions they are here for is technical capacity building, mentoring, coaching and guidance for our technical staff. In their short stay in our province, we are already beginning to reap the fruits. We now have twenty (**20**) of our professionals being trained and in the process we made a net savings of **R9.1 Million** as the result of this intervention.

47. A skills transfer plan has been developed and it is evaluated on regular basis. One of the programme beneficiaries, a young person, Mr Pride Nkuna, indicated that the programme has exposed him to participate and perform duties in the different phases of the project. In his own words he said “Having the CTA is so helpful because we get more experience, knowledge and exposure. They show us things that we were never taught at university”. Indeed honourable members, through these humble interventions, step by step, today is better than yesterday and tomorrow will be better than today.
48. On behalf of the Department and the province at large we want to pass our sincere gratitude to the people of Cuba for their continued solidarity.
49. It is a fact that Cuba did not only assist us to fight against the apartheid system and its might, but after 1994, Cuba was one of the first countries to offer material and human resource support. This is testimonial to the fact that relations and solidarity between South Africa and Cuba were established long before our democracy.
50. Today as I present this speech, we are joined by the three (3) compatriots from Cuba, and I cheerfully request this house through your permission Hon Speaker to allow them to take a bow.

TRANSPORT OPERATIONS

51. Hon Speaker, we are finding it hard to escape criticism that as we stand here to deliver plans, that we are self-seeking, beating our own drums and even dancing to our own music. Far from truth, we are here to demonstrate the progress, yes as slow as it seems especially in the face of so much backlog, but progress that we should collectively embrace and celebrate for it provides hope that, at some point, we will reach all our people.
52. When we show many government interventions such as our continued subsidy of over **400 000** commuters in **154** commuter routes in our province where we spent **over half a billion (R602 million)** in the previous financial year, we do so out of humility for we fully appreciate the real impact of these interventions to many poor struggling families. In addition **60 000** children will continue to benefit from the scholar transport which is aimed at assisting children walking over **5** kilometres to school.

53. The Department will also continue to engage with the taxi industry to ensure that there is sustained peace and stability. This is a very important mode of transport for many of our people. As the only distinctively black industry, it is in our interest that the industry succeeds.

EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

54. Hon Speaker and Members, we have already alluded to the fact that there is consensus across socio-political spectrum that the most urgent task facing our young nation is huge unemployment, poverty and resultant inequality. This triple challenge of our time requires concerted effort across political divide and by all social actors. Youth Unemployment can no longer be used as a political matter as it is a national concern.
55. All efforts geared towards creation of work opportunities must be welcomed and embraced by all and sundry. We should not demean any effort aimed at creating work opportunities. It is in this context that we welcome the progress being made in creating work opportunities through the Expanded Public Works Programme.
56. The figures obtained from the National Department of Public Works indicate that over **39 000** work opportunities were created. All participating sectors are encouraged to make use of labour intensive methods in the delivery of infrastructure or services. What is more pleasing to us is that we are seeing an increased uptake of women, youth and people with disabilities. It is these vulnerable groups that we seek to provide some form of social security.

THE BUDGET

57. Hon Speaker and Members we submit a total budget of **Four billion nine hundred and eighty seven million and two thousand Rands (R 4 987 002)** to this August house and implore the esteemed house for its approval. As Hon Members would observe, this budget represents a marginal growth from the previous budget of **Four billion, seven hundred and seventy seven million, one hundred and thirty five thousand Rands (R 4, 777,135,000)** as adjusted.

- 58.** The budget represents a firm commitment on the side of government to do all it can, working together with the people, to bring about change, a change which will take us into Better Life for All. On our part, we commit to ensure prudent management of the budget, to ensure that every cent allocated goes towards improving the lives of ordinary people in our province.

1. Administration

R 251, 805,000

(Two hundred and fifty-one million, eight hundred and five thousand)

2. Public Works Infrastructure

R 875, 429, 000

(Eight hundred and seventy five million four hundred and twenty nine thousand rands)

3. Transport Infrastructure

R 2, 494, 627,000

(Two billion four hundred and ninety four million, six hundred and twenty seven thousand rands)

4. Transport Operations

R 1, 290, 712,000

(One billion, two hundred and ninety Million, seven hundred and twelve thousand rands)

5. Community Based Programmes

R 74, 429,000

(Seventy four thousand, four hundred and twenty nine thousand rands)

TOTAL**R 4 987 002,000**

(Four billion, nine hundred and eighty seven million and two thousand rands)

59. Hon Members, ladies and gentlemen we have presented to this august house the progress and plans for which we implore you to approve. In a year when we celebrate the Centenary of our struggle icons; Nelson Mandela and Albertinah Sisulu, the best honour is for all of us to recommit to the founding values and ideals upon which our forbearers had thought we shall build a new nation.
60. Their values are of selflessness, of service, of love and compassion to our people, values of negating all which seek to divide us as people, to continuously resist a temptation to find easy answers to complex problems facing our young nation.
61. It is in their collective memory that we shall refuse to give up on the dream of a new nation, a nation based on shared common vision and common prosperity. With one brick laid, one kilometre tarred, one school built, one clinic built, one library built, one work opportunity created, slowly but surely we are building strong foundation amidst great challenges of our time.
62. Our forbearers have left us a treasure as people. A treasure to fully comprehend and understand that our people are central part of our struggle for national progress. Nothing can be done or should be done without them.
63. Our people should continuously be mobilised to become active agents of change, we should be able to generate self-worth and self-respect amongst our people so that they understand that together, working side by side, can make meaningful progress towards **A Better Life For All**.
64. On this note, allow me to express my sincerest appreciation for the support from my colleagues in the Executive Council led by Former Premier DD Mabuza and now led by Mbokodo-Premier R Mtsweni. We are enriched by your valuable counsel.

65. I also take the opportunity to express my sincere and heartfelt appreciation for the insightful support of the Portfolio Committee led by Hon GC Shabalala. Your oversight role always leaves us wiser.
66. Without our hard working and dedicated team in the Department led by Imbokodo - Mam Sindisiwe Xulu all this work will not have been possible. We express our sincere appreciation for the work they are doing in the service of our people. In the same breath I would like to thank the former Head of Department for the sound laid he left in this department.
68. Last but not least, I take this opportunity to express my sincere appreciation for the support and care of my beloved family. Their valued understanding keeps us going, for they have come to accept that they shall share us with the rest of our people.
69. I conclude with a quote from Sthwalandwe Tata Nelson Mandela when he said; ***“Our human compassion binds us the one to the other - not in pity or patronizingly, but as human beings who have learnt how to turn our common suffering into hope for the future.”***

***I Thank you
Nakhensa
Kea Leboga
Siyabonga***



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