

POLICY AND BUDGET SPEECH 2010/11 FOR THE MPUMALANGA PROVINCIAL LEGISLATURE PRESENTED BY THE SPEAKER, HONOURABLE SIPHO WILLIAM LUBISI

Tuesday, 18 May 2010, 14H15,
Mpumalanga Provincial Legislature Chamber;

Madam Chairperson of Committees;
Honourable Members of the Provincial Legislature;
Leaders of political parties;
Chairperson of SALGA Mpumalanga,
Mayors, Speakers and leaders in our system of local government;
Chairperson of the House of Traditional Leaders and our honoured traditional leaders;
Heads of the provincial state organs supporting our constitutional democracy;
Director-General, Heads of Department and other leaders of the public service;
People of South Africa and the Province in particular;
Distinguished guests, friends and comrades;
Ladies and Gentlemen.

Allow me on this occasion of the second budget speech of the fourth Legislature of Mpumalanga, to extend my sincere gratitude to all the Honourable Members of the Legislature for the job well done during the first session of the fourth Legislature of Mpumalanga.

Ten years ago on the 17 March 2000, I stood before this House and presented a policy and budget speech for the Mpumalanga Legislature and I said:

“At the dawn of the African Century, we are facing a number of challenges. Our daily planning, work and interaction with others should revolve around only one thing, namely to ensure that this is an African Century. In order to achieve our goal we have to work together as a team, and not only concentrate on our successes but certainly also on our shortcomings.

As we are all facing in the same direction, with the same vision and same challenges, let us strive to continue to sustain this democracy that has been born

in South Africa. The challenge that all of us have as citizens of South Africa is to continuously seek ways and means to deepen our democracy.

We have to be prepared to go the extra mile and work tirelessly in the course of sustaining our democracy and achieving the African Renaissance. Let us be proactive in everything we do! Let us not waste one moment! There is no time like the present.”

Madam Chairperson of Committees, indeed as I stand before this House ten years later, I want to reiterate that the conditions we were confronting ten years ago are similar to what we have today.

Allow me to take you back a while.

It was during that period where as the Legislature, we were coming out of the era of malpractices, poor governance systems and a bad public image. It was at that time when we were given the task and responsibility to come up with a turnaround strategy that will rebuild the organisation and bring back public confidence into the Legislature.

That time, Madam Chairperson of Committees, presented us with an opportunity to rebuild the public confidence and show that the governing party cares and is prepared to fight fraud and corruption at all costs.

It was during this time that we intervened by enacting the Mpumalanga Legislature Services Act which was later repealed in 2008.

Madam Chairperson of Committees,

Today as we are gathered here ten years later, we are faced with more or less similar conditions. We have now delinked from the Public Service and have repealed the old legislation and enacted the new legislation which was promulgated and assented to by the Premier in 2008.

We have moved some miles with the implementation thereof including the adoption of administration policies aligned to the delinking process and reviewed the organisational structure. I will be more detailed at a later stage.

Madam Chairperson of Committees, as we ponder and present our vision going forward, allow me to borrow from the words of the great black bard (African American) who was also a great freedom fighter of yesterday, James Weldon Johnson in his poem: *Lift Every Voice and Sing*:

Stony the road we trod,
Bitter the chastening rod
Felt in the days
When hope unborn had died.

Yet with a steady beat,
Have not our weary feet
Come to the place
For which our fathers sighed.

We have come over the way

That with tears hath been watered.
We have come treading our paths
Through the blood of the slaughtered,

Out from the gloomy past,
Till now we stand at last

Where the bright gleam
Of our bright star is cast.

Indeed stony the road we trod, bitter the chastening rod felt in the days when hope unborn had died. As we traverse towards the new decade the road is stony and yet out from the gloomy past, till now, we stand at last where the bright star is cast.

Former President Nelson Mandela in his speech on the day of his release twenty years ago in Cape Town, on the 11 Feb 1990 said "I stand here before you not as a prophet but as a humble servant of you, the people. Your tireless and heroic

sacrifices have made it possible for me to be here today. I therefore place the remaining years of my life in your hands."

Today I stand here before you as a humble public representative of you, the people, to deliver the progress made thus far and the challenges that lie ahead "though stony the road we trod and bitter the chastening rod felt in the days".

Madam Chairperson of Committees,

On oversight,

Section 133(2) of the Constitution says that Members of the Executive Council are accountable collectively and individually to the Legislature for the exercise of their powers and performance of their functions.

Section 133(3) (b) says, also, Members of the Executive Council of a province must provide the Legislature with full and regular reports concerning matters under their control.

Furthermore, Section 114(2) of the Constitution empowers the Legislature to provide mechanism for ensuring that all provincial executive organs of state in the province are accountable to it. It also empowers the Legislature to maintain oversight of the exercise of provincial executive authority in the province, including the implementation of legislation.

Section 55 and 65 respectively compels the Executing Authority and Accounting Officer to submit and table both the Annual Budget and Annual Reports to the Legislature for accounting purposes.

The Legislature in addressing the above mandate from the Constitution has managed to develop an Oversight Model. The model has been finalised and the key areas of the model have been implemented such as the improved oversight on the executive through the increased Parliamentary outreach programme, budget process, increased site visits, annual & quarterly reporting and also audit reporting.

We have engaged our colleagues from the NCOP to assist us in ensuring that we oversight the national departments on matters of provincial importance. A meeting

has taken place with our permanent delegates to deal with the smooth oversight mechanism and also to improve the way in which we liaise with the public.

On Law Making, we have promised to process the passing of the Financial Management of Mpumalanga Provincial Legislature Bill, 2009. The Bill was passed by this august House and even though it had some minor technicalities with regard to interpretation, we have managed to address those and we are confident that the Premier will assent to it soon.

We managed to process the planned four bills targeted for the previous financial year which were: Mpumalanga Appropriation Bill, 2009; Mpumalanga Adjustment Appropriation Bill, 2009; Financial Management of the Mpumalanga Provincial Legislature Bill, 2009; and the Mpumalanga Gaming Amendment Bill, 2009. The Mpumalanga Youth Commission Repeal Bill, 2009 was submitted to the Speaker for tabling however due to technical challenges, it was turned back or withdrawn.

On Public Participation and Involvement, Madam Chairperson of Committees, allow me to indicate to this House that the Public Participation Model has been developed and finalised. Our plan was to implement this model at the beginning of the current financial year, but due to some challenges we were unable to do so but we still believe that we will be able to implement it during the second quarter of the current financial year.

We have managed to hold sessions of our sectoral parliaments (Youth, Women's, and Senior Citizens). It is our commitment that with time, we will be able to engage with other sectors of our society.

Beside the three core functions, two (2) State of the Province Addresses (SOPA) were planned for the previous financial year, given the fact that it was the first year of the Fourth Legislature. The first address took place in June 2009 and the second one was held in February 2010. Both events were a success even though the economic recession had an effect on the budget and Provincial Treasury was engaged with success in this regard.

On international Study Tour, two (2) international study tours were undertaken by the Honourable Members, one to Kenya and another one to France. These study tours were aimed at capacitating members and ensuring that they share experiences with their

sister state legislatures and parliaments across the world. The Legislature has benefited from the study tours because today Members are implementing some aspects of best practices, they learnt during these study tours.

On support to Members and their welfare, Madam Chairperson of Committees, we are in the process of finalising the new organogram which will give impetus to the output of researchers, committee coordinators, public participation officers and the support to the Office of the Speaker.

We are currently reviewing both the Members Facility Handbook and the Standing Rules and Orders.

The *Members Facility Handbook* has been significantly improved and these improvements will require more financial resources over the Medium Term period. The new *Rules and Orders* will give a new breath of fresh air to the House and improve the way we conduct our business as the Legislature. We anticipate adopting both of them (Members Facility Handbook and the Rules and Orders) this year.

On Research support, Madam Chairperson of Committees, we are currently engaged with academic and other research institutions to forge working relationships that will empower our Members to actively make meaningful contributions to the course of their work. Even though the process has not yet reached the desired level, we are confident that during the course of this year we would have concluded this initiative. We are going to employ more researchers and also assist our researchers to gain more capacity and knowledge, through training.

On the Review of the Delinking process. The Legislature achieved qualitative advances during the delinking process. The challenges identified whilst implementing the project served as lessons for the future. The implementation was met with scepticism and bitter feelings from both Management and Employees.

The review highlighted the following:

- Discrepancies on the job evaluation and grading process,
- Non recognition of long service,

- Disparities on the pay and remuneration policy and the PEROMNES System, and
- Inconsistency on the implementation of the Employee Performance Management and Development System (EPMDS)

The above scepticism required a change management strategy and plan coupled with team building sessions. In this regard, I have instructed the Secretary to the Legislature to come up with a change management strategy as well as a team building session for both management and all our staff members. This exercise must be concluded before September 2010.

We have also agreed with both the Management and the Union that the Employees Performance Management and Development System (EPMDS) will have to be implemented and implemented properly. All managers and staff will be retrained on the EPDMS

The role played by Speaker in this process has assisted in exposing the gaps that we have overlooked during the implementation of the delinking process. In the end we all agreed that there is no perfect solution to any transition, and therefore, a dispute settlement was reached aimed at addressing all the issues raised during the delinking process.

Madam Chairperson of Committees, as we improve our leadership and management capabilities, we will take lessons from such experiences. The previous two years experience on the delinking of the Legislature from the public service and the continuing assertion of the Legislature's autonomy in a way of concrete expression of the constitutional principle of separation of powers between the Executive, the Judiciary and the Legislature, is a lesson worth documenting for generations to come.

That is why we are saying, even though the report has not yet been implemented in its totality, it is our firm view that the stony road and the gloomy past has made us to stand at last where the bright star is cast.

Madam Chairperson of Committees,

On the collective bargaining: During the previous financial year we reached an agreement through our collective bargaining forum on the salary increments to be adjusted on a sliding scale ranging from 8, 5 % at the highest level to 13% for the lowest level. These percentage increments were arrived at after negotiations with the Unions, and the funding thereof was accommodated from the Legislature baseline budget.

I wish to put it to all employees of the Mpumalanga Provincial Legislature both Management and staff that we need to vigorously improve our performance levels especially our support to Members.

It must be known that there is no room for mediocrity. In this regard, I have instructed the management team to ensure that a fully fledged Employee Performance Management and Development System be put in place from the 1st April 2010.

The above should include the review of performance agreements for all staff including the Accounting Officer and senior managers.

Madam Chairperson of Committees,

As we resume our responsibilities for the new financial year 2010/2011, we have taken into consideration all the successes, challenges and opportunities of the previous financial year.

James Weldon Johnson was correct when he said:

“Stony the road we trod,
Bitter the chastening rod
Felt in the days
When hope unborn had died.

...Out from the gloomy past,
Till now we stand at last

**Where the bright gleam
Of our bright star is cast.**

The current legislature environment projects the very situation which James Weldon Johnson presented years ago. The delinking project lessons and the road towards the new financial year are stony as I stand here before you, not as a prophet but as your humble servant.

Indeed your tireless and heroic sacrifices have made it possible for me to be here today and I therefore place the budget and programmes for the Legislature in your hands.

All of these are with a determined conviction that out from the gloomy past, till now, we stand at last, where the bright gleam of our bright star is cast.

THE NEW BRIGHT GLEAM

Allow me Madam Chairperson of Committees to illustrate the 2010/2011 financial year with our theme: ***“WORKING TOGETHER TO INTENSIFY OVERSIGHT TO FOSTER SERVICE DELIVERY TO THE PEOPLE AND A BETTER LIFE FOR ALL”***

Law making

Madam Chairperson of Committees, eight days ago on the 10 May 2010, we celebrated the fourteenth anniversary of our Constitution, we cannot but recall and salute the contributions of all sectors of the South African society and millions across the world to the great victory of the cause of freedom and democracy in our country.

The anniversary of the adoption of our Constitution also provided an opportunity for us to assess the progress we have made and the problems we have experienced, as we worked to build the non-racial, non-sexiest, democratic society and prosperous South Africa as visualised in our Constitution.

When we adopted the supreme law of the land in 1996 having traversed a long road stained with the blood of many South Africans, both black and white, we were consciously aware of what James Weldon Johnson said in his poem.

It was a long stony road that would have seemed forbidding to the faint hearted, and appeared to the pessimists to have no possible end, except the constant repetition of a mirage that presented itself as the final destination.

Yet, to many of whom justice was not negotiable, the challenges we had to confront on the difficult march to freedom, including the desperate resistance of the forces of apartheid, only served to increase their determination and persevere until victory was certain.

A century ago in April 1906, Pixley ka Isaka Seme articulated inspiring words at Columbia University in New York, which are surely relevant today. And this is what he said:

"The brighter day is rising upon Africa. Yes, the regeneration of Africa belongs to this new and powerful period. The African people... possess a common fundamental sentiment which is everywhere manifest, crystallising itself into one common controlling idea. The regeneration of Africa means that a new and unique civilisation is soon to be added to the world."

Today as we march on with vigour and determination in law making, we are inspired because indeed the brighter day is rising upon all of us. We are committed to ensure that during this current year we improve on the manner in which we process our bills and also improve on the number of the bills to be processed by the House.

Furthermore, Madam Chairperson of Committees, we have 80 pieces of legislation passed since 1994 by this House. It is therefore our collective responsibility to account on the effectiveness and applicability of such pieces of legislation to the current environment of global warming, economic recession, joblessness, perceived poor service delivery, fraud and corruption, poor financial management and lack of good governance ethos.

During the current year we will commission a research to assess the impact of the laws passed by this House since the dawn of democracy in 1994. The research should enable us to identify gaps on the effectiveness of the legislations and improve on them. This research will also provide us with the baseline of the oversight model as we implement it. In so doing, we will be reaffirming what Pixley Ka Seme said at the Columbia University in New York: “*The brighter day is rising upon Africa*”.

Oversight

Madam Chairperson of Committees, during the previous financial year, we committed ourselves to develop an oversight model and that it should come into effect by December 2009. We have not achieved that goal and we have set ourselves the end of the first quarter of the financial year as a timeline for the implementation of the new model.

We have this year set ourselves a target of 425 meetings of both portfolio and select committees.

Our Oversight visits and *inspections in loco* to service delivery points will be increased to ensure that government departments indeed deliver to the promises pronounced during the 22 April 2009 elections and also ensuring that a better quality of life for our people in the province is realised. These oversight visits and *inspections in loco* have proven to be a major success in obtaining first-hand information on the actual delivery to our people.

The structure and context of our oversight visits and *inspections in loco* has ensured that elements relating to efficiency, value for money and quality service delivery are monitored and adhered to, on a regular basis. SCOPA has proven to be effective in the utilisation of such instrument during the first session of the fourth Legislature of Mpumalanga.

The key focus will be on the five priority areas as expressed in the election manifesto of the governing party, the ANC, which are:

- creation of decent work and sustainable livelihoods;
- education;
- health;
- rural development, food security and land reform and lastly;
- the fight against crime and corruption.

In this regard, we have allocated *Three million Three Hundred and Nineteen Thousand Rand* for effective oversight.

Committees Work

The Legislature will continue to strengthen the work of Portfolio Committees through the provision of skilled Committee Coordinators, Researchers. In addition, the Legislature will forge strategic partnerships with research institutions that provide research services appropriate to its working environment.

The Office of the Speaker will be beefed-up to establish and increase administrative capacity to enable the office to exercise and perform its political, management and strategic leadership.

We have allocated enough resources to address these challenges during the current financial year. Noting that we have made the same commitment in the previous year, we have now finalised the consultation process on the organisational structure and these matters will take precedence when implementing the organisational structure.

Madam Chairperson of Committees,

Public Participation, Education and Involvement

Over the past year, in the province, we have witnessed the anger of our masses directed to our government over issues of service delivery and lack of public involvement, participation and education. Although not condoned, we have drawn lessons from such experiences noting that the lack of public involvement and

participation can create perceptions which are unfounded and unsubstantiated which end up with the destruction of public amenities.

Our existing mechanisms of public involvement and public education such as sectoral parliaments, workshops, information material distribution, the use of electronic media, petitions, road shows etc will continue to be a driving force in our strategy. Over the past years they have proven to be effective if executed correctly. We are also looking at piloting the Legislature District Offices or Legislature Democracy Offices to strengthen public participation.

We will improve our strategy and ensure that public institutions, non-profit organisations and CBOs contribute towards public involvement and public participation.

Our petitions system has to be improved to ensure that it reaches our people in the deep rural corners of our province. Understanding their level of literacy, we need to spend more time engaging them and involve them so that we are able to determine the level of their satisfaction with the service we have delivered so far.

Without the rural masses our public involvement, education and petitions will be weak and our democracy will be weak as they form part of the cornerstone of our democracy. The majority of our voters are from rural areas therefore it is important to ensure that they express their views on the level of government performance on service delivery and our governance system.

We have allocated **Three Million Rand** for our public involvement, education and public participation activities.

Member's Affairs

Honourable Chairperson of Committees, our commitment of empowering the Members with the necessary organisational tools has contributed positively in ensuring the efficiency and effectiveness of members in executing their duties.

The main purpose of the proposed Members' Facilities/Affairs Section is to provide dedicated support to Members as our primary stakeholders, to provide a strategic

insight into the running of the Members' affairs through development of policies, improving the administration and enhancement of Members' facilities in order to ensure that they are best equipped to exercise their constitutional mandate and responsibilities.

As part of the European Union (EU) programme in collaboration with South African Legislative Sector and Public Administration Leadership and Management Academy (PALAMA), on capacity building, Members of this august House are currently receiving training on an **Introductory Programme. Upon completion of the introductory phase, Members shall be enrolled on a Postgraduate Certificate Programme on Governance and Leadership.**

In this regard we wish to congratulate all honourable Members who are participating in the capacity building programme. It is my firm belief that your sacrifice shall bring lifelong returns in your careers beyond your membership of this august house at the same time, I wish to encourage those who have not yet participated to take full advantage of this unique opportunity.

Madam Chairperson of Committees, an amount of **Fourty Four million Four Hundred and Fifty Nine Thousand Rand has been allocated** to enable Members to do their work more effectively and efficiently, and the allocation is distributed as follows:

- Constituency Allowances and Caucus Funding: R16,8 million.
- Training and Development for members: R4 million.
- Member's Salaries: R19,7 million.
- Members Benefits and Allowances: R4 million.

International Relations and Co-operations

International Study Tour

Madam Chairperson of Committees, two study tours will be undertaken during the current financial year to equip Members with valuable insight and understanding of legislative processes and they will be learning best practices from other state legislatures and share information with other legislatures and countries. It will also empower them to conduct oversight more effectively and efficiently.

We have committed Three Million Rand for Members to undertake two international study tours, one per cluster again this year.

Commonwealth Parliamentary Association (CPA) Conferences 2010

Internationally

Madam Chairperson of Committees and Honourable Members, the *CPA International Conference* will be held in Kenya this year. As a sub-branch, we will continue with our strategic role in advancing the country's role of being a strategic partner in building a better continent and a better world by participating in this conference. The resolutions of our Africa Region Conferences will be the basis of our mandate during our participation at international level.

Africa Region

Madam Chairperson of Committees, the decision by the Regional Executive Committee of the Commonwealth Parliamentary Association (CPA) – Africa Region, to accord the South African sub-national branch of Mpumalanga Provincial Legislature, the honour of hosting the 41st CPA Africa Regional Conference was indeed a blessing.

The President of the Republic of South Africa will officially open the conference in his capacity as the Vice Patron of the CPA. Mpumalanga Province will be hosting the conference on behalf of the country from the 21 – 31 July 2010 in Mbombela, immediately after the FIFA World Cup Tournament. This has been done to ensure that we maximise the utilisation of the systems that are in place for the World Cup and preparations for this conference are at an advanced stage.

There are 56 CPA Branches that will be participating during the conference, i.e. 19 countries:–Botswana, Cameroon, The Gambia, Ghana, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Nigerian and 29 Sub-National Branches, Seychelles, Sierra Leone, South African and 9 Sub National Branches, Swaziland, Tanzania and 1 Sub National Branch (Zanzibar), Uganda, and Zambia.

We have engaged with all stakeholders to ensure that we deliver a conference of international standard with an African flair. We therefore, urge all government

departments and parastatals to take an active part in the conference by availing resources and expertise for its success. We have sourced the services of a professional event management company who will co-ordinate and source sponsorship for the conference.

The South Africa's foreign policy is by and large interpreted as the externalisation of its domestic policy i.e. building a better South Africa, a better Africa and a better world. Multilateral and global engagement, like the CPA 41st Africa Region conference, involves a complexity of issues with strong political overtones, yet all of these contribute to the economic growth and development of our province and the country.

The ideals that buttress South Africa's foreign policy include, among others, democracy, human rights, human dignity, non-racialism, non-sexism and prosperity to all. "*Progress and Challenges of Democratisation in Africa*" is an appropriate theme for the 41st CPA Africa Region conference as it accord delegates to take stock of progress or lack thereof in the advancement of an African agenda during this 21st century.

These political, social and economic imperatives make up the setting and context within which the organisation of the event will be carried out. We are therefore required to strike a fine balancing act as we collectively galvanise our efforts for the successful hosting of the CPA conference.

It accords delegates an opportunity to take stock of progress or lack thereof in the advancement of an African agenda during this, the 21st century. These political, social and economic imperatives make up the setting and context within which the organisation of the event will be carried out.

I believe that we will rise to the occasion and meet the expectations of our honoured CPA guests from the length and breadth of Africa. We want to take this opportunity to wish all the participating people and structures, success as they prepare for the 41st CPA Africa Region Conference.

We have made available an amount of *Twelve Million Four Hundred Thousand Rand* for the conference. Should any unforeseen eventualities occur, we will continue to engage the Provincial Treasury to assist us to successfully host this conference.

Association of Public Accounts Committees (APAC)

The chairperson of APAC-SA and his executive committee have once more proven that Public Accounts Committees are a pillar of strength at this era of our democracy. Through his leadership we have officially launched the Municipal Public Accounts Committees (MPACs) in Mpumalanga on the 09th of April this year.

The establishment of the MPACs will strengthen the oversight capacity on Local Government performance. The Legislature through its committees will oversee that financial performance of municipalities improves and resources allocated for service delivery are utilised for such purposes in real terms.

We have made available more resources for such oversight within the allocation of SCOPA.

LEGISLATIVE SECTOR DEVELOPMENTS AND THEIR IMPLICATIONS

The Mpumalanga Provincial Legislature is making a significant contribution in the development of the legislative sector through its participation in the Speaker's Forum of South Africa (SFSA), the South African Legislatures Secretaries Association (SALSA) and different forums of the sector.

Our involvement and participation in the collective sector environment will see us growing and advancing with the rest of our sister legislatures, and we will definitely benefit from the availability of the collective financial and knowledge resources presented to us by the European Commission.

As reported by my predecessor during his budget and policy speech about the existence of a draft Memorandum of Understanding (MOU), the Speakers have signed the MOU in March this year, and would be expected of our Rules Committee to study the document in order to adjust our internal Rules and Orders accordingly.

In the spirit of a collective response to the existing deficiencies experienced by the different legislatures in their individual capacities, the sector has identified and adopted eight (08) strategic measures of intervention. They are:

1. To deepen public participation and representation in the legislative sector through:-

The development of the public participation manual containing minimum standards and norms for the sector to comply with.

With regards to petitions, the sector has undertaken to ensure the availability of standard petitions format that will ensure an increase of usage of mother tongue in public engagements. This will increase public access and easier participation to the national dialogue in the social cohesion and national unity in the country.

2. The sector, being mindful of the opportunity existing in the establishment of provincial social networks, undertook to develop and implement a framework for cooperation with institutions supporting democracy in order to increase the benefit on existing knowledge and foster coherent effort in public education and delivery of services.

Our records with regards to mainstreaming of gender and disability, remains poor and requires urgent attention. The sector has adopted a strategic plan to develop and implement a national gender and disability framework to guide institutions in the legislative sector with their gender and disability policy commitments. We need to review standing rules in line with the new sector framework.

3. Effective oversight to hold the executive accountable through vigorous oversight. The legislature has established its own oversight model and will present it to the sector for further engagement in the finalisation of the national framework. This will improve sector and national legislative sector institutions.
4. Review and develop sector cooperative governance framework to enhance the establishment of cooperative governance blue print for all the institutions of the sector, by reviewing the research paradigm supporting the institutions and specifically committees in their oversight function.
5. Ensure sound financial management: develop and implement Financial Management of Provincial Legislatures Act and Treasury regulations while developing capacity requirement of the office of the Speaker as Treasury.

For the sector to comply with accounting norms and standards there is a need for the legislative institutions to source and implement Enterprise Resource Planning and introduce the manual and guidelines on sector financial management practice and procedures.

6. Building human resources capacity by developing and implementing a sector human resource development strategy and implementation plan for staff and management. It will also be used for the development and implementation of a capacity building programme for MP's and MPL's.
7. Provide effective systems and technology. The development of sector master system framework will include the architecture, governance plan, support systems disaster recovery plan and ICT infrastructure requirement.

It will also include the review and development of an automated digital system for legislative process using appropriate equipment such as video conferencing facility.

8. Ensure effective communication and coordination through the development and implementation of a sector communication strategy, sector profiling and language strategy and policy.

Institutional Management and Leadership

Madam Chairperson of Committees and Honourable Members,

The Mpumalanga Provincial Legislature has made remarkable progress in asserting its autonomy, efficiency and effectiveness. It has also recorded qualitative gains and knowledge in the process of de-linking from the public service and reaffirmed the principle of the separation of powers between the executive, judiciary and the Legislature.

The fourth Legislature of Mpumalanga has posed new challenges for our institutional management and leadership. Four key political priorities to be implemented during this five year term of office are:

- Intensified oversight;
- Enhancing public participation;

- Building institutional capacity; and
- Legacy project on Nation Building.

These political priorities have found expression in the five year strategic plan of the Legislature. Building on the work that was started in 2009/10, the Treasury function within the Office of the Speaker will be fully operational to exercise the relevant provisions of section 18 of the PFMA, serving as a liaison between the Legislature and the national and the provincial treasuries, and performing supervisory and controlling functions to the Legislature as contemplated in section 3(2)(b) of the PFMA.

The financial legislative framework applicable to Parliament and Provincial Legislatures will assist the Legislature in migrating into an exciting epoch of financial management order specific for the legislative sector.

Financial Management of Provincial Legislature Act (FMPLA).

Madam Chairperson of Committees,

The coming year will be characterised by full steam implementation of the Financial Management of Provincial Legislature Act (FMPLA). This Act will perform a similar function as the PFMA and further migrate the Legislature financial reporting from modified cash basis to accrual basis of accounting. The movement from modified cash to accrual basis of accounting has some challenges in so far as accounting systems are concerned.

In this regard, we are currently engaging all stakeholders including the Provincial Treasury to ensure that we have a smooth transition in this regard without interrupting the business of the Legislature.

At the Legislative sector level, it is expected that the sector should migrate to accrual basis of accounting as from 2011/12 financial year. Also, a decision has been taken at sector level to undertake an accounting skills assessment and training intervention, funded by European Union, in preparation for conversion to accrual accounting.

Planning Framework and Monitoring

Honourable Members, the current Framework for Strategic Plans and Annual Performance Plans from the National Treasury applies to national and provincial legislatures including public entities. The South Africa legislative sector has currently no template or guide for the development of both Strategic Plan and Annual Performance Plan. However, as the Legislature, we recognised the usefulness of the Framework from National Treasury as a “good practice guide document”, we have therefore decided to use it during the development and compilation of our current Strategic Plan and Annual Performance Plan.

However, I have considered the fact that in terms of section 116 of the Constitution, the Legislature “may determine and control its internal arrangements, proceedings and procedures”. I have therefore asked the administration to develop a Legislature specific framework and template for developing Strategic Plans and Annual Performance Plans which will be presented for approval by this august House by the end of this financial year.

I am also of the view that there should be a common understanding and approach by the Executive regarding the development of the Strategic Plans and Annual Performance Plans. This will ensure that these accountability documents are developed, discussed and finalised in a way that promotes co-operation, transparency and accountability and also that they provide uniform norms and standards for monitoring and evaluation purposes.

Enterprise Resource Planning (ERP)

Honourable Members, we have started with the process of the roll-out of the Enterprise Resource Planning (ERP). Since the beginning of the current financial year, 2010/11, the roll out of the Enterprise Resource Planning (ERP) system have progressed well with the sourcing of a service provider and it is planned that the current government transversal systems will be running parallel with the ERP system until the end of the financial year.

This immense change process has required a concrete groundwork in the form of assessment study and consultation with the affected stakeholders for its success.

We have set aside resources for the rollout of the integrated Enterprise Resource Planning (ERP) system to replace PERSAL, BAS and LOGIS.

We have set aside and committed **Ten Million Five Hundred Thousand Rand** for this purpose from the previous financial year's budget. Although the budget is inadequate, we have solicited a service provider for the implementation of the system and an indication has been that we will require an additional **Fourth One Million Rand** for the system over the MTEF 2010/11 and 2011/12.

The Provincial Treasury has been engaged in this regard and we are convinced that this project will be completed on time.

Information Communication Technology

A procurement process to appoint a service provider to develop a Business Continuity Plan (BCP) and an IT Disaster Recovery Plan (DRP) is under way. It is envisaged that by the beginning of the next financial year these plans shall have been finalised. We have allocated **Three Million Rand** for these two projects.

Communications

Madam Chairperson of Committees, in order to streamline operations, the Communication Unit will be unbundled out of Parliamentary Operations, into Corporate Services and Public Participation Unit will be incorporated in Committees & NCOP Section under Parliamentary Operations. This will ensure that Parliamentary Operations retains its status as a core support to Members of the Legislature.

As my predecessor alluded to during the previous policy and budget speech last year that the Legislature is the knowledge and information institution and that it is important to communicate with the public on the kind of information we process through the various forms of media channels.

We will strengthen the communications unit to ensure that we communicate with the public on regular basis by using all the available channels such as newsbrief,

website, leaflets and media statements. The inadequate capacity of the unit to communicate effectively has been noted and we are currently addressing it.

We have made available *Four Million rand* for communication purposes this current financial year.

Internal Auditing

The process of bringing in-house the outsourced Internal Audit function (IA) will be finalised and a Chief Risk Officer and a Chief Audit Officer will be appointed during the financial year to ensure skills transfer before the expiry of the existing KPMG service contract.

Organisational Structure Review

Madam Chairperson of Committees, during our strategic planning sessions in preparation for the 2010/11 financial year, we have identified gaps in our organisational structure. Amongst the gaps was the need to capacitate the Office of the Speaker and Parliamentary Committees with more skilled personnel.

We sourced the services of reputable external experts to conduct a job evaluation and grading of the proposed organisational structure changes. To this far, the indication is that we will need additional funding from Provincial Treasury over the MTEF period to augment the available budget.

When we resume the second quarter of the financial year, thirteen days from today, we will resume with the recruitment processes for the prioritised funded vacant posts.

On Legacy Projects

Madam Chairperson of Committees,

We all know that this institution called “The Legislature” is a people’s parliament and our actions and pronouncements are supposed to be a living testimony to our people. As public representatives we have an obligation of presenting a lasting legacy for generations to come.

To this end, we are currently engaging various stakeholders to take an active part on the contextualisation and implementation of our legacy projects which are; Nation Building, Voter Education, War on Poverty and lastly, Human Rights.

Summary of Budget Allocation

Madam Chairperson of Committees, the allocations in the current budget will be inadequate for all the programmes and projects that are currently in place which we cannot postpone for any longer.

The Budget Vote of the Mpumalanga Provincial Legislature Vote 02 for the 2010/11 is as follows: **The appropriation amounts to R169,6 million.**

This is divided into 6 programmes. Chairperson of Committees, I will give a synopsis of these as the comprehensive details about them are available in the Appropriation Bill.

We have reviewed the budget programme and the organisational structure to reflect the core mandate and to achieve institutional efficiencies

Programme 1: Leadership and Governance.

The purpose of this programme is to provide political leadership to ensure effective and efficient functioning of the Legislature in fulfilling its legislative and constitutional mandate.

Within the Leadership and Governance programme is R16, 8 million allocated for transfer to the political parties represented in the Legislature. This constitutes an increase of 32, 3% from R12, 6 million of 2009/10 financial year.

Of the total allocation, 53, 4% goes to the remuneration of Members and compensation of the employees of the Legislature.

The budget allocation for Programme 1 for the financial year 2010/11 amounts to R56. 5million.

Programme 2: Parliamentary Committees

The purpose of this programme is to provide professional, management and administrative support services to the Committees of the Legislature.

The 2010/11 budget allocation for Programme 2 amounts to R3.3 million.

Programme 3: Strategic Management

The purpose of this programme is to provide strategic leadership, management and administrative support to ensure effective and efficient functioning of the Legislature in achieving its vision and fulfilling its constitutional mandate.

The 2010/11 budget allocation for Programme 3 amounts to R11.3 million.

Programme 4: Parliamentary Operations

The purpose of this programme is to provide professional, management and administrative support to the House and Committees in Law Making, Public Participation and Involvement and Oversight to ensure that the Legislature is able to fulfil its constitutional mandate.

The 2010/11 budget allocation for Programme 4 amounts to R41.3 million.

Programme 5: Financial Governance

The purpose of this programme is to provide financial support to the Legislature and its Committees through effective financial management, supply chain and audit function for improved fulfilment of the constitutional mandate of the Legislature.

The 2010/11 budget allocation for Programme 5 amounts to R22.9 million.

Programme 6: Corporate Services

The purpose of this programme is to provide support to the Legislature in relation to Human Capital Management, Information Communication Technology, Communications and institutional support to ensure institutional efficiency and effectiveness and the achievement of the constitutional mandate.

The 2010/11 budget allocation for Programme 6 amounts to R34 million.

Given these priorities expressed by the fourth Legislature of Mpumalanga, the current budget is under-funded by approximately *Ten Million Rand*. We are requesting the Provincial Treasury to assist us with this shortfall. If it cannot be done now during the appropriation, it must definitely be done later in the year during the Adjustment Appropriation.

Madam Chairperson of Committees,

As we present this budget for approval, we would like to once again express our sincere appreciation to the House and the Ad Hoc Committee for their robust questioning of our plans and support.

We would like to express our appreciation to my predecessors for the solid foundation they have laid and the Secretary to the Legislature, Management Team and Staff for their unconditional support to me as I resume the leadership and responsibilities of being the Speaker to the Legislature.

I also extend my sincere appreciation to my wife and the family for their invaluable support provided to me all my life as a servant of the people in the province.

To all the Members of this House, let us continue *working together to intensify oversight to foster service delivery to our people for a better life for all*.

IN CONCLUSION

Madam Chairperson of Committees,

I must confess, my friends, the road ahead will not always be smooth. There will still be rocky places of frustration and meandering points of bewilderment. There will be inevitable setbacks here and there. There will be those moments when the buoyancy of hope will be transformed into the fatigue of despair.

Our dreams will sometimes be shattered and our delicate hopes blasted. Difficult and painful as it is, we must walk on to the days ahead with a brave faith in the

future. And as we continue our charted course, we may gain consolation in the words so nobly left by that great black bard who was also a great freedom fighter of yesterday, James Weldon Johnson.

Let this affirmation be our strength. It will give us the courage to face the uncertainties of the future. It will give our tired feet new strength as we continue our forward stride toward a better life. When our days become dreary with low hovering clouds of despair, and when our nights become darker than a thousand midnights, let us remember that out from the gloomy past, till now we stand at last, where the bright gleam of our bright star is cast.

Former President Nelson Mandela in his Inaugural Speech in 1994 said- “We have triumphed in the effort to implant hope in the breasts of the millions of our people. We entered into a covenant that we shall build the society in which all South Africans both black and white will be able to walk tall, without any fear in their hearts, assured of their inalienable right to human dignity – a rainbow nation at peace with itself and the world”

I have learned that courage is not the absence of fear, but the triumph over it. The brave man is not he who does not feel afraid, but he who conquers that fear.

I thank you.