



LIMPOPO

PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA



# Budget speech

## 2014/15

“Together we move South Africa forward”

The heartland of southern Africa - development is about people



LIMPOPO

PROVINCIAL GOVERNMENT  
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**OFFICE OF  
THE PREMIER**

**VISION**

**Good governance, integrated planning,  
sustainable growth and development**

**MISSION**

**Provide innovative and strategic leadership  
and management for service excellence**

**VOTE 1. BUDGET SPEECH OF THE OFFICE OF THE PREMIER DELIVERED BY THE PREMIER OF LIMPOPO MR CHUPU MATHABATHA AT THE LIMPOPO PROVINCIAL LEGISLATURE, LEBOWAKGOMO**

15 JULY 2014

Madam Speaker and Deputy Speaker,

Honourable Members of the Executive Council;

Honourable Chief Whip of the Ruling Party;

Honourable Members of the Opposition

Honourable Chairpersons of Portfolio Committees;

Esteemed Members of the House;

Distinguished guests;

Ladies and gentlemen;

We are three days away from the 18<sup>th</sup> July – the day that has been declared by the United Nation as the International Mandela Day. This declaration is in recognition of the former President's contribution to the culture of peace and freedom for humanity across the globe.

Every year on this day, we are called upon to devote at least 67 minutes of our time to helping others, this as a way of honouring President Mandela's legacy of relentless service to humanity.

President Nelson Mandela has left us an inheritance of racial harmony, promotion and protection of human rights, gender equality and the rights of the children and as well as the upliftment of the poor and underdeveloped communities.

In the words of the Secretary General of the United Nations, Mr Ban Ki-Moon during the Mandela Day declaration at the UN, 'Nelson Mandela showed what is possible for our world, and within each one of us – if we believe, dream and work together. Let us continue each day to be inspired by his lifelong example and his call to never cease working for a better....world'.

During the occasion of his State of the Nation Address, President Jacob Zuma called on all of us to dedicate at least 67 minutes of our time to clean South Africa this year. This is the theme for this Year's Mandela day. We are called upon to clean-up our cities, towns, townships, villages, schools and beautify every part of our country. When our country is clean, our souls and spirits become clean, and therefore we will have a nation with clean conscience.

Madam Speaker;

The presentation of a Budget Vote in this august House is not a mere box-ticking exercise. This task is fundamentally linked to the constitutional values that underpin our Public Administration.

The constitution demands of us to run an administration that is characterized by some of the following principles:

- Efficient, economic and effective usage of resources,
- Transparent administration fostered by providing the public with timely, accessible and accurate information,
- Accountable public administration and Development orientated public administration.

This ANC government has a long established tradition of running an impartial government accountable to the broader community it serves.

Madam Speaker;

The Office of the Premier's core mandate is to coordinate the functions of the Provincial Administration, manage government performance, monitor and evaluate service delivery and foster clean governance in the province.

This is the direction to which we channel our allocated budgetary resources to.

Madam Speaker and Honourable members, the utilization of these resources is guided by the ever-present reality that resources are not unlimited. Over and above this, we also take our guidance from the objectives of the Public Finance Management Act (PFMA) and other related pieces of legislations.

The PFMA promotes the objectives of prudent financial management in order to maximize service delivery through the effective and efficient use of the limited resources.

The key objectives of the PFMA can be summarized as to:

- Modernize the systems of financial management in the public sector,
- Enable public sector managers to manage, but at the same time be held more accountable,
- Ensure timely provisioning of quality information.
- Eliminate wasteful and corrupt usage of public resources and assets.

Madam Speaker;

It is clear from these objectives that there is simply no room for wasteful and fruitless expenditure, unauthorized expenditure, fraud and related financial irregularities when dealing with public resources.

The law requires that we act in a prudent, cost effective and efficient manner; to act contrary is to act against the law. When we act against the law, there should be consequences which befit our actions. In this regard, the election manifesto of the ruling party is very clear. Our resolve remains clear, that any wrong doing should be followed by consequences.

Madam Speaker;

It is my concrete conviction that one of the finest ways to honour President Nelson Mandela, is to utilize the limited resources at our disposal to advance the dream of a better life for all our people.

This is the dream that President Nelson Mandela spent the rest of his life struggling to achieve.

As the Office of the Premier, we appreciate the fact that the pillars to realise this dream are found in the manifesto priorities of the ruling party, the ANC. It is for this reason that in this Financial Year, we will coordinate the functions of the Provincial Administration to ensure:

- The development of our rural communities, through agrarian and land reform,
- The expansion of the productive capacity of the economy to creation of jobs,
- The expansion of health care infrastructure and provisioning of primary health care services,
- The provisioning of adequate human settlement and related basic services
- The provisioning of quality education and training

- The expansion on water infrastructure and sanitation in far-flung areas and rural settlements of our province, and above all
- The fight against crime and corruption.

Madam Speaker;

To operationalise its constitutional and legislative mandate, the Office of the Premier has four functional programmes, and these are:

- Administration
- Institutional development
- Policy and Governance

#### **Programme 1: Administration**

Madam Speaker;

Administration as a Programme in the Office of the Premier is entrusted with the responsibility of providing administrative support to the Premier, Executive Council and the Director General in fulfilling their legislative function and in promoting good corporate governance.

The Programme is further divided into sub-programmes of Premier Support, Executive Management Support Services, Corporate Services and Financial Management.

#### **Programme 2: Institutional Development**

Madam Speaker;

Institutional Development as a programme ensures that policies, processes and systems that enable the provincial Administration to deliver services are in place.

The Programme has the following sub-programmes or areas of work:

- Strategic Human Resources
- Service Delivery Improvement
- Labour Relations and employment Health and wellness Programme

- Legal Services
- Provincial Government Information Office and
- Communication

### **Programme 3: Policy and Governance**

Madam Speaker;

The programme on Policy and Governance in the Office of the Premier enables the office to implement the mandate to coordinate policy and Governance in the province.

As we have said during the State of the Province Address about a month ago, for us to achieve the objectives that we have set for ourselves, we are required to institutionalize long term planning, integration, coordination together with monitoring and evaluation.

Esteemed Members of the House;

We are all alive to the fact that this budget vote is taking place during a very taxing economic climate. Part of the realities of the current economic climate is that we are still recovering from a long period of a global recession.

This situation is aggravated by domestic factors such as the emerging culture of protracted strikes in strategic sectors of our economy such as mining and manufacturing.

The birthmark of this reality is that there is no sufficient tax revenue, either coming from income tax or business tax for the state to fund social programmes.

This reality therefore imposes on us the obligation of learning to do more with little resources. It is against this background that budgeting is unavoidably a calculated balancing act. As a Province we shall in this financial year strive for a better audit outcomes, which we could not obviously achieve for obvious reasons starting from the year 2011.

Madam Speaker;

It is therefore my honour to table before this esteemed House, the 2014/15 budget vote for the Office of the Premier for appropriation by this august house.

The budget for the Office of the Premier is outlined below:

R thousand	Audited	Main appropriation	Medium-term estimates		
	2013/14	2014/15	2015/16	2016/17	2017/18
Programme 1: Administration	121 813	123 812	132 689	138 764	145 702
Programme 2: Institutional Development	126 365	130 623	137 475	145 368	152 636
Programme 3: Policy and Governance	77 117	81 181	85 553	90 785	95 324
<b>Total payments and estimates</b>	<b>325 295</b>	<b>335 616</b>	<b>355 717</b>	<b>374 917</b>	<b>393 663</b>

The budget Sub Programmes are as follows:

**Programme 1: Administration**

R thousand	Audited	Main appropriation	Medium-term estimates		
	2013/14	2014/15	2015/16	2016/17	2017/18
<b>Sub Programme</b>					
Statutory Payment	1 983	1 983	2 091	2 202	2 312
Premier Support	16 096	13 406	14 068	14 801	15 541
Executive Council Support	5 829	6 543	6 869	7 231	7 593
Director General	14 168	14 278	14 991	15 770	16 559
Financial Management	75 081	75 598	81 168	86 428	90 749
Programme Support: Administration	8 656	12 004	13 502	12 332	12 949
<b>Total payments and estimates</b>	<b>121 813</b>	<b>123 812</b>	<b>132 689</b>	<b>138 764</b>	<b>145 702</b>

**Programme 2: Institutional Development**

R thousand	Audited	Main appropriation	Medium-term estimates		
	2013/14	2014/15	2015/16	2016/17	2017/18
<b>Sub Programme</b>					
Strategic Human Resources	54 808	58 808	61 757	64 955	68 203
Information Communication Technology	28 804	23 342	24 822	26 868	28 211
Legal Services	14 139	16 018	16 819	17 699	18 584
Communication Services	18 974	20 657	21 689	22 804	23 944
Program Support Institutional Development	9 640	11 798	12 388	13 042	13 694
<b>Total payments and estimates</b>	<b>126 365</b>	<b>130 623</b>	<b>137 475</b>	<b>145 368</b>	<b>152 636</b>



### Programme 3: Policy and Governance

R thousand	Audited	Main appropriation	Medium-term estimates		
	2013/14	2014/15	2015/16	2016/17	2017/18
<b>Sub Programme</b>					
Intergovernmental Relations	12 187	13 385	14 055	14 781	15 520
Provincial Policy Management	36 536	39 787	42 088	45 075	47 329
Program Support Policy & Governance	9 708	9 134	9 591	10 096	10 601
Special Programmes	18 686	18 875	19 819	20 833	21 875
<b>Total payments and estimates</b>	<b>77 117</b>	<b>81 181</b>	<b>85 553</b>	<b>90 785</b>	<b>95 324</b>

With this budget, honourable speaker, the Office of the Premier is taking the lives of the Limpopo people forward.

I thank you.







**PREMIER'S HOTLINE**

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