

NORTH WEST PROVINCIAL LEGISLATURE



**REPORT OF THE 15 YEAR REVIEW NORTH WEST PROVINCE
THE PORTFOLIO COMMITTEE ON PUBLIC SAFETY AND
PROVINCIAL AFFAIRS.**

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1. GOVERNANCE AND ADMINISTRATION CLUSTER PERFORMANCES

Government is one of several stakeholders, and although its role in planning and leadership should not be underplayed, it is accepted that the private sector should play the dominant role in exploiting economic and financial opportunities through the application of free market principles.

Since 1994 Government, has played a more dynamic and proactive role to promote the South African vision and achieve the growth and development goals by 2014. Attention is lately given to initiatives to strengthen the role and functions of Government as a developmental state. The Governance and Administration Cluster led by the Department of Local Government and Housing and representative of the Office of the Premier and the Department of Finance initially formulated eight objectives as follows.

- **To Refine Administrative Practices for a Developmental State**
- **To Promote Human Resource Development**
- **To Improve Governance, Leadership and Management**
- **To Promote Inter-Governmental and Macro Organization**
- **To Achieve Policy Implementation**
- **To Promote Evidence-Based Decision Making**
- **To Respond to the challenges of the Second Economy and Improve Inclusion of all Population Groups**
- **To Facilitate Local Government Transformation**

These objectives have undergone a robust review process at both the national and provincial level and as a result were streamlined into three main goals in 2005/06. Because provinces do not have a separate Judicial Cluster as at National level the National objective to reduce crime and promote security was added as objective

- Planning, Implementation, Monitoring and Evaluation
- Macro Organization of the State
- Capacity to build a Developmental State
- Reduction of Crime and promote Anti-Corruption and Security.

1.1. Planning, Programming, Budgeting and Monitoring

Service Excellence in government requires the establishment of a culture of integrated planning and delivery, establishing the correct policy and regulatory environment for implementation, structures with clear mandates and capacity to perform, a fiscal process and capacity of integrating plans into programmes projects and operational budgets, a climate that is conducive for investments and job creation as well as the actual delivery of efficient and effective services.

1.1.1. Planning:

The provincial government adopted:

- A planning and delivery cycle that integrates planning across all three government spheres in a 5-Year Medium Term Strategic Framework (MTSF) cycle from one election period to another;
- A process of integrating the National Strategic Planning directives into a Provincial Growth and Development Strategy (PGDS).
- All Departments are responding to the National and Provincial strategies with the formulation of 5-Year Departmental Strategic Plans;
- An Annual Legislative process of tabling
- A provincial 3-Year Medium Term Expenditure Framework (MTEF); and
- Departmental 3-Year Revolving Strategies and Annual Performance Plan in response to budget provisions

All other strategic, programme and project planning in government are derived from these basic departure points to be effective and efficient. This includes:

- Human Resource (HR) Plans, Organization Development (OD) plans;
- Infrastructure Development Improvement Plans (IDIP); Service Delivery Improvement Plans (SDIP); Workplace Skills Plans (WSP);
- Performance Management Development System (PMDS) plans; Asset Management Plans;
- Employment Equity Plans (EEP) Plans; and

All provincial departments and municipalities have adapted well to the cycle and have been producing their Three-Year revolving Strategies (Every year the previous year is dropped and planning for another year within the initial 5-Year strategy for the 2004/09 term of Office) and Annual Performance Plans (APP's) on a regular basis, and on time to the provincial Legislature. It is accepted that the quality of these plans and their alignment with the PGDS should improve when government adopts a longer planning horizon of up to 25 year in future.

1.1.2. Programme and Project Planning

Towards the end of 2001 the provincial government adopted programme and project management as a culture and way forward, to improve integrated service delivery. This entailed that all new service delivery should be packaged in programme and project proposals with very clear outputs to be realized over fixed time frames, with a specific budget and dedicated responsibilities of “who” should do “what”, “when”, “where”, “why” and “how”. A Management Information System was also developed and implemented to monitor progress from a base line onwards and against planning benchmarks. It was agreed in 2005 that for purposes of longer term stability and sustainability, a proportional balance between competing demands for development, maintenance, skills development and research project should be promoted.

As a result many departments began to submit programme and project plans to qualify for the normative and conditional budget allocations. During this period actual expenditure performances improved to 95% but some deficiencies in the ability to plan and implement projects were still evident.

In 2007 the Executive Council adopted the roll-out of the Infrastructure Development Improvement Programme (IDIP) as a complete service delivery planning and management model and “Toolkit” in the province, and directed that all future service delivery planning should be in accordance with these procedures, time frames and templates. These directives set a firm basis for service delivery, project planning and management in the province.

Consensus was reached that the Provincial Treasury has been assigned the primary responsibility to implement the IDIP Model and ‘Toolkit’ in the province, and that they need to assume the responsibility to see to it that the provisions of the DORA and MTEF expenditure is fully implemented and that there is compliance with the contents and formats of the IDIP “Toolkit”, planning and reporting lines and time frames.

It was similarly agreed that the overall coordination, guidance and monitoring role and functions of the Office of the Premier should be acknowledged, and that all departments should accept responsibility to respond to requests from the Office of the Premier to produce information and reports and explain compliance to provincial policy leadership and strategies/plans.

1.1.3. Fiscal Planning and Budgeting.

The equitable division of national revenue between the three spheres of government is based on the functions assigned to each sphere and revenue sources to fund these. It determines the broad allocation of such resources between the respective responsibilities of the spheres.

Provinces are expected to present a balanced budget that may not exceed its revenue estimates. Although provinces have the discretion over the allocation of their own revenue and the equitable share allocation, it is generally found that committed expenditures and national treasury prescripts reduce the discretionary powers of the Provincial Executive.

It is observed that:

- Total revenue for the province has generally kept above the inflation rate with the projected total revenue in 2008/09 R2.1million above the inflation projected 1995/95 figure.
- This is however primarily as a result of increased conditional grant allocations from national government and not from increased discretionary funding to provinces.
- The equitable share allocation to the province kept closely linked with the inflation rate and is projected to be R 1,2 million (9.0%) greater than the projected 1995/96 position.
- This position resulted even when a number of additional functions have been added to the responsibilities of provinces;
- The exploitation of own revenue resources are considerably below the inflation projection and require urgent attention.

During 1996/97, Treasury introduced a planning-programming-budget process that gives all public institutions the opportunity to develop strategic plans with measurable goals and objectives targeted for 5 years in advance and a Medium Term Expenditure Framework setting out the financial implications of these plans in a rolling three-year plan. With the introduction of the PGDS strategy and related targets it became increasingly apparent that planning processes must align with provincial strategies, standards and development targets.

An investigation into actual and targeted budget allocations to meet PGDS goals and objectives show tremendous challenges in economic planning and delivery that require future attention. As illustrated in the next table, the bulk of this shortfall should be from external sources.

1.1.4. Monitoring and Evaluation

When it was realized in 1997 that the demand for provincial perspectives is seemingly endless and demanding, a start was made with the production of an annual North West Barometer. This is essentially an internal database and information store, from where a variety of provincial reports and documents can be prepared. The First North West Barometer was produced in 1998 and since then a North West Barometer Report was produced bi-annually.

With the assistance of the DBSA, a project management information system (NWProMIS) was launched in 2002 with the aim to give departments and programme/project managers' direct access to a consolidated project registration system in government. In 2004, Government implemented the National and Provincial Programmes of Action (POA) and introduced a system of quarterly performance reporting through the cluster system to provincial and national decision makers with an edited electronic version on the internet for public access.

A PGDS Monitor report was introduced in 2006 to monitor the performances and achievements of the PGDS from its base year in 2004, and benchmarked against annual PGDS targets of eventually halving poverty and unemployment by 2014.

In 2007 the government-wide monitoring and evaluation (GWM&E) was introduced to promote public management reforms and to integrate and consolidate these reforms across and within all spheres of government. This system is supported by the National Treasury Framework for managing programme performance information and statistics that gives a quarterly overview of financial and non-financial performances by departments in terms of the Strategic plans and Annual Performance Plans presented at the Legislature together with the MTEF. Statistics South Africa also introduced its South African Quality Assurance Framework (SASQUAF) in 2007.

The above initiatives began a process of monitoring and evaluation as a relatively new discipline in the public sector, with the aim to establish M & E units, promote a “Best Practice” model in all provinces, avoid duplication and promote consistency in reporting. Although steady progress is reported, it is evident that this discipline is still in its infancy and that much needs to be done to establish quality information gathering and dissemination systems that may respond to the need to improve the quality of decisions and improve service delivery.

1.2. Macro Organization of the State

The provincial Government was instrumental in promoting cooperative governance and international relations as described in section 8 above.

Other deliverables registered since 1994 are:

- **The Cluster system**, in operation since 2002 is fully institutionalized and forms the basic structure configuration for all provincial service delivery. Progress with policy implementation is regularly reported through the submission of quarterly Programme of Action (POA) reports, as well as a bi-annual submission of report cards to the Presidency. Close synergy and coherence have been established between national policy directives and provincial programs.
- The “**Batho Pele**” initiative introduced in 1996 was reactivated with a revitalization programme and in renewed pledges by government to place people first in all service delivery. The Service Standards Project was implemented in 2006. This is now a Key Performance Area (KPA) in performance agreements of all Heads of Departments and all departments are annually reviewing performances registered, and formulate Service delivery improvement plans (SDIP’s) in areas where shortcomings have been identified.
- The **Premiers Excellence Awards** in the province were launched in close co-operation with Price Waterhouse Coopers and Standard Bank in 2004 and have been successful in showcasing provincial service excellence to all sectors.

- **Gender** focal persons are deployed in all departments and the 16 days of activism (against Women and Child Abuse) campaigns are held on annual basis.
- A Provincial **Disability** Forum was launched in 2005 and currently almost all departments had managed to appoint disability focal persons.
- A Provincial **Anti-corruption structure** has been established and is in operation.
- The 2014 vision to establish 1 **Multi Purpose Community Centers** (Thusong Centre) per municipal area has produced 10 centers to date.
- **Community Development Workers** (CDW's) were trained in various disciplines such as bookkeeping, budgeting, organizational management and 289 CDW's were placed at various municipalities in the province.
- In all 4 District Municipality **Intergovernmental Forums** have been established and are fully operational. These Forums are scheduled to meet at least three times per annum. These Forums are designed to contribute optimally towards greater coordination and integration with the National Planning Cycle.

1.3. Capacity to build a Developmental State

The initial focus from 1994 to 1998 was on restructuring and transformation of the public service, to amalgamate the separate public institutions that existed before 1994 for the different population groups, into one public service that is representative of the population that it serves.

Looking back, it is evident that government contributed more than its fair share in influencing growth and development into the desired direction:

- Almost every single facet of sustainable development was taken into reconsideration in a multitude of "Green" and "White" papers, policy statements and reviews;
- There are few pieces of legislation that are not scrutinized and reworded to suit the aims and objectives of government better;
- Many new structures pertaining to all spheres of governance were established to assist the previously disadvantaged and marginalized sections of the population;

- Frameworks and systems were introduced to focus government funding and energies into new investment streams and localities;
- Transformation and restructuring took place to bring government closer to the people and make the public sector more representative of the community it serves;
- Special funding arrangements were designed and implemented to focus funds into special directions; and
- Government became an active partner in promoting physical growth and development and in taking the other partners in development (labour, business and civil society) along.

The process of building effectiveness and efficiency in delivery was prioritised from 1997/8 onwards. The provincial government structure was also reviewed from time to time to better serve the people. The following is observed:

- The number of Public servants decreased from 66 971 during the 1995/96 financial-year to 63 969 during the 2000/01 financial-year. Total employment increased again to approximately 64 117 in 2004/05 and 64 172 in 2008/09.
- The vacancy rate of around 30% is a concern and a challenge for all rural provinces .
- The racial composition of the public service has remained stable with approximately 89% Black since 1995 and shows a good correlation with the race composition of the province.
- Females dominate the Public Service with 57.5% without taking teaching staff into consideration;
- The proportion of public servants older than 40 Years has increased from 50% to 57% in 2008;
- The proportion of public servants with experience levels of more than 10 years have improved from 37% to 49%;
- Public Servants with salary levels at middle management level and higher (Levels 8 and above) improved from 4.8% to 9.4%
- Senior managers at levels 13 and above more than doubled from 0.3% to 0.6%;

- The proportion of females, especially middle management, could however still improve;
- Personnel remuneration as proportion of the budget increased from 44% in 1996/97 to 56.1% in 2008/09; and
- The unit cost per employee increased from an average R 113, 380 in 2004/05 to an estimated R 148, 280 in 2008/09, an increase of 30,8% over 4 years.

It is concluded from the above that the present public service compliment in the North West is older and substantially more experienced, and better equipped for their task than in 1995. The Department Public Service and Administration (DPSA) has introduced several performance management development initiatives to improve the calibre of public servants. The province responded to these challenges in the following ways:

- Since 1994, a total of 3983 bursaries at a total cost of R122 million have been offered through the Office of the Premier;
- The provincial Workplace skills development programme has taken on a new dimension since 2004/05, when provinces were challenged to register 1000 unemployed youth per annum in an internship programme within government departments.;
- Within a period of 4 years a total number of 145,000 training opportunities at a total cost estimate of R 609 million were offered to public servants. During this period, government increased its budget with more than 167% and public servants also benefitted with 50 075 training opportunities;
- The Office of the Premier led the initiative to coordinate and facilitate training programmes, conduct site visits and host Skills Development Facilitators Forum meetings;
- The province is also actively participating in training on projects offered through the National Skills Fund.

1.4. Reduction of Crime and the promotion of Anticorruption and Security

General crime trends applicable to South Africa as a whole are also evident in the North West, but at a considerably reduced level. The incidence of crime in the province has increased between 1994/95 and 2006/07, thus motivating the high priority given to crime prevention by government. Approximately 8% of the total police force (SAPS) in 2001 was stationed in the North West. This constituted a total of 135 659 employees in approximately 92 police stations. There were 429 citizens to one officer in the province in 2000, better than the national ratio of 408 citizens to one officer. Positive signals of reduced crime has been registered with murder (-13.4%), burglary at business premises (-21%), theft of vehicles (-18%) and stock theft (-33%) and commercial crime (-10,4%). Although the trends are positive and crime is generally reduced, complacency should not be entertained. However, serious crimes that increased by more than 10% over the reporting period since 1994, with rape (+27%), indecent assault (+188%), robbery (+126%), the neglect and ill treatment of children (+218%) and drug related crimes (+184%). It is evident that the more vulnerable people of the community have increasingly become the target of serious crimes. Since 1995, several anti-corruption initiatives and measures have been undertaken within government that relate to institutional redesign, systems (such as a single information system), risk areas and the efficiency of handling corruption cases. A “Hot line” to report misconduct and /or corruption was instituted in 1997, but is not as yet producing the desired outcomes.

Since 2004 the following new initiatives were launched to reactivate an anti corruption campaign and establish a culture of integrity and high moral values in the public service:

- The Directorate responsible for Forensic and Anti-Corruption was transferred from the Department of Finance to the Office of the Premier, to coordinate security, all anti-corruption related matters and oversee forensic matters in the province. The Department of Finance still performs a key role to conduct internal awareness campaigns against fraud and corruption in compliance to the National Cabinet approved Minimum Anti-Corruption Capacity Requirements Framework;

- A link between crime fighting institutions such as SAPS, Crime Intelligence and anti-corruption was created with the establishment of the Provincial Forensic Management Committee, which comprises of Treasury, Auditor General, Director General, SAPS Commercial Unit, Chief State Law Advisor, Director Security & Anti-Corruption, as well as the Forensic Unit. The primary purpose of this Committee is to ensure that all cases and/or allegations of corruption are investigated in a coordinated manner;
- Training of departmental officials on Minimum Anti-Corruption Capacity was organized and SAMDI facilitated this program in 2007;
- As part of the Moral Regeneration programme, the province launched the Ethical Leadership Project in October 2007, through which ethical values and consciousness is inculcated among those who are tasked with leadership responsibilities;
- The Multi-sector Anti-Corruption Forum, representing Government, Business and Civil Society that was established on 1 October 2007, is responsible for the awareness programs that encourage ordinary people to report corruption, and all reported cases when received, are tabled for discussion and decision before the Provincial Forensic Management Committee;
- A National Anti-corruption strategy that resulted in a provincial awareness workshop in 2006/07 and the implementation of a Local Government Anti-Corruption Strategy was launched to also assist municipalities;
- Measures to subject all new employees to pre-screening requirement have been investigated, and procedures adopted for implementation in 2008/09; and
- The International Anti-Corruption Day was commemorated for the first time in 2007 and is now scheduled to become an annual event on the provincial calendar.

PERFORMANCE SCORECARD

According to a surveys conducted by the Human Science Research Council (HSRC) in March 1998,1999 and 2000 (*Public Opinion on National Issues*) the North West was one of the most positively rated provinces regarding provincial governance. During 1998, North West had the highest percentage of satisfied people regarding the provincial governance. This figure stayed the same for the following year. The next table gives the level of satisfaction with governance from 1998 to 2000. It is interesting to note the change in level of satisfaction over this period.

HISTORIC LEVELS OF SATISFACTION WITH GOVERNANCE IN THE NORTH WEST 1998 TO 2000

DESCRIPTION	DISSATISFIED	DISSATISFIED	DISSATISFIED	SATISFIED	SATISFIED	SATISFIED
	1998	1999	2000	1998	1999	2000
General political situation	39	29	29	46	51	51
Local Situation	38	40	40	48	46	46
Provincial Situation	34	33	33	50	50	50

There has been a marked increase in satisfaction with governance at all levels since 1998, with a corresponding decrease in levels of dissatisfaction. On the whole, one can infer that the people within North West were generally satisfied with the level of governance on local, provincial and national levels up to 2000. Ipsos Markinor introduced a biannual Government Performance Barometer study since May 2001 and recently released their latest report for the period up to Nov 2008 on Thursday 5 February 2009.

Some of the key findings resulting from this study are:

- For the first time since the Government Performance Barometer was conducted nationally in the mid-90s, more adult South Africans felt that the country is going in the wrong direction (42%) than in the right direction (38%).
- Satisfaction with the performance of the national government is on a steady decline since the previous election, with a decrease of 5% between November 2007 and November 2008.

- To add context to this rating of the national government, eligible voters were asked to rate the government in terms of 23 policy and service delivery areas.
- Two years ago (at the beginning of 2007), it was reported that there were 5 “red lights”(performance scores lower than 50%); 16 “orange lights” (performance scores of between 51%-74%) and 2 “green lights” (performance scores of 75% and above).
- At the beginning of 2008 there were 11 red lights and 12 orange lights, but no green lights.
- By the end of 2008, eligible voters indicated 12 red lights, 10 orange lights and 1 green light returned.
- Thus, the survey showed that South Africans are becoming rather concerned about all 23 governance and service delivery areas listed in the poll with the exception of welfare payment distribution. The results indicated that the government received the poorest ratings in terms of combating the brain drain, controlling the cost of living and inflation and creating jobs. These are all sensitive issues among the public in the light of the current worldwide economic downturn.
- When it comes to the satisfaction ratings of the provincial governments, the North West score improved from 60% in May 2007 and reached a satisfaction rating of 70% in November 2007 but then began to drop dramatically to 55% in May 2008 and 51% in November 2008.
- The same trend is evident in the satisfaction rating for Premier E Molewa that reached a satisfaction rating of 74% in November 2007, the second highest rating of all Provincial Premiers, but then dropped to 47% in November 2008.

It is evident from the above, that satisfaction levels with government performances has dropped from the high levels of satisfaction experienced up to 2001. This rating is however still around 50% and show the very high expectation from government by the people.

In January 2009, an Expert Panel constituted of Theo Venter (Coordinator), Prof Siphon Seepe, Prof Annette Combrink, Prof. Andre Duvenhage and Dr Iraj Abedian was requested to perform an assessment of performances in the province from 2004/05 to 2008/09. The Panel concluded that the adoption of the PGDS was the most important political-strategic contribution during this term of office. It seems that, generally speaking, the province improved on its economic growth performance since 2004 and that the implementation of the PGDS was responsible for this turnaround. Implementation, however, was less successful in terms of creating employment, benefitting the poor and bridging the gap between rich and poor. The delay in the commencement of the Mafikeng industrial zone did not only affect the labour force that would be involved with the building, but other sectors as well. The Manufacturing sector lost the opportunity to gain from the industrial zone.

Source: Expert Panel constituted of Theo Venter (Coordinator), Prof Siphon Seepe, Prof Annette Combrink, Prof. Andre Duvenhage and Dr Iraj Abedian in January 2009

This assessment was motivated as follows:

- **Good Governance:** The challenges on governance level are enormous, but not fundamentally different from those in other provinces in SA. In general terms the province does not have the capacity and means to fulfill the objectives as set out by the PGDS and related strategic plans;
- **Community Development:** The province compares favorably with two provinces with a stronger rural orientation (Eastern Cape and Limpopo) and not so favorably with more urbanised provinces (Gauteng and Western Cape). This can be described as middle of the road compared to (for example) the Free State Province. In many ways the overall picture reflected the state of the national economy and politics – making the NWP a micro-cosmos of the bigger picture with an average overall performance.
- **Provision of Basic services:** Generally speaking there was an improvement in the provision of basic services. Access to free basic services has contributed to an improved quality of life for residents especially in the large (urban areas) towns.

- **Poverty Relief:** Measured against the national figures and in comparison to, for example, the Free State situation and taking into consideration the rural nature of the province the figures indicate “business as usual” . To the credit of the province, the figures were relatively stable in this period but this is however far removed from the Millennium Development Goal to half poverty and unemployment by 2014.
- **Rural Development and Land Reform:** Although in line with land reform patterns and experiences in other provinces like the Free State, Mpumalanga and Limpopo the situation is by no means healthy.
- **Social Grants:** A dramatic increase in the payment of social grants is evident. This is positive, due to the high levels of poverty in the province. This is, however, also a dangerous pattern making people more dependent on the state/province for their livelihood. In terms of policy objectives and related outcomes the tendency/pattern is evaluated in a positive way.
- **Education Performances:** Despite improvements on a number of levels the education system is facing major challenges. Although in a better position (compared to other provinces like Limpopo, Eastern Cape and Mpumalanga) the situation is by no means healthy. This reflects a more fundamental education crisis and related challenges within the South African context.
- **Health Care:** In comparison to other provinces (Eastern Cape, Kwazulu Natal, Limpopo, Mpumalanga) and SADC countries the health scenario is probably not that bad. However, a rising HIV/Aids figure, a drop in life expectancy and less than half of the public hospital beds available (in comparison to 1996) – the situation does not seem so “healthy”. Success in the fields of primary healthcare training programmes for nurses and an improving immunization figure help to create a better picture.

SUMMARY AND WAY FORWARD

The overall observation is that the province improved on its economic growth and development performances since 2004 and that implementation of the PGDS has played a major role in this turn-around. Unfortunately this improvement is not having the spill-over effect into employment and greater independence, and the ability to execute choices by the poor. All indications are that the gap between rich and poor is ever increasing, and although government has stepped in decisively with social grants and improved access to basic services, this is not a sustainable proposition over the longer term. One of the key policies of the RDP that the State as a developmental state must intervene and bring about sustainable economic growth and development is not as yet fully met. Poverty dynamics and the quality of life of the provincial population have shown positive improvements since 1996, although the trend remained largely unchanged during the last four years. Increased access to safe water and sanitation, electricity, and shelter is one of the greatest contributions by government since 1994. Access to free basic services has also contributed to an improved quality of life for residents especially in the large (urban areas) towns. A steady and deliberate increase in the payment of social grants is also evident. These trends are positive, due to the high levels of poverty in the province but could easily become a major threat of increased dependency on the state/province.

The province is facing new challenges of backlogs in service delivery that have spilled over into a proportionally high growth in the number of households, in informal settlements and rural villages demanding services. The backlog of basic service delivery would require substantial investments, leadership and sound project management activities to eradicate this before the 2014 target. The provincial performance against the targets set for the delivery of education, health and social net infrastructure should also improve in future if the 2014 targets are to be achieved. It is increasingly evident that asset management is an increasing demand on funding for maintenance and replacements that cannot presently be accommodated in provincial and local government funding arrangements with National government. Important strides have been made in

establishing a sound foundation for co-operative governance in the province. It is essential that the development agenda of the entire country should be underpinned by the need for a strong governance system that provides both ‘an enabling environment’ and an ‘interventionist approach’ in both the public and private sector domains, so as to realize eventual improvement in the quality of life of the people. Government is facing service delivery challenges at provincial and local government level that are primarily of a systemic nature. These systemic challenges must receive priority attention together with continued effort to improve the funding and skills/competency base at these spheres.

The province remains caught in the so-called “Poverty Trap” that can only be escaped through focused, consistent, integrated and consolidated interventions from all strategic partners over a long period in the province.

Factors such as infrastructure, health, security, skilled labour, and education are imperative for economic growth, as underdeveloped infrastructure limits access to markets, inadequate health and primary education systems have a detrimental effect on health and skill levels of the labour force, poor security affects costs of doing business and leads to brain drain, while the shortage of skilled labour, and lack of flexibility on the labour market negatively affect business environment. Inadequate development of these systems hinders the productivity growth and thus competitiveness of the economy.

The importance of access to skilled labour and security for maintaining sound business environment is emphasized by the fact that South Africa dropped five positions in 2006 compared to 2005, due to the worsening conditions of the national business environment in the country. The message that is clear, is that the province cannot afford to have its primary agriculture and mining products exploited by people and organizations outside the borders of south Africa. The province has begun a process of reviewing the orientation of the overarching economic and social development strategy to accommodate emerging global trends of economic decline, mining sector decline; the rising input costs and inflation as well as aggressive global market competition. The provincial perspective and emphasis on rural and agriculture development and how the many rural villages should be developed in context of the National Spatial Development Framework (NSDF)

and district spatial master plans provide the basis of the next phase of planning for the new MTSF. At its recent November 2008 Planning Lekgotla the province reviewed its strategic position and adopted the following “Provincial Top Ten” Programmes within the context of PGDS goals and objectives:

- **FIFA WORLD CUP**
- **PROVINCIAL INFRASTRUCTURE DELIVERY AND ASSET MANAGEMENT PROGRAMME** (IDIP With departments of Education, Health , Public Works, Transport, Agriculture & Traditional leaders)
- **LOCAL GOVERNMENT 5-YEAR IMPLEMENTATION**
- **PROVINCIAL POVERTY ERADICATION STRATEGY** (incorporating “War Room on poverty”campaign)
- **GREATER MAFIKENG GROWTH AND DEVELOPMENT** (Anchor is Mafikeng Industrial Development Zone (MIDZ))
- **EXPANDED PUBLIC WORKS AND NATIONAL YOUTH PROGRAMME** (for job creation and skills development)
- **WESTERN FRONTIER CATTLE AND GREATER TAUNG DEVELOPMENT** (Water provision for livestock to be included)
- **INTERDEPARTMENTAL WORKPLACE SKILLS PROGRAMME** (Focus on learner ships and internships for critical and scarce skills)
- **STRENGTHENING THE STATE** (in respect of ICT, Monitoring & Evaluation, Policy, Planning, Programme/Project Management, Research and Knowledge management)
- **INDUSTRIAL DEVELOPMENT AND PROCUREMENT POLICY** development and implementation with focus on SMME & LED development

These priorities have been integrated with the PGDS goals and objectives in the next figure.

From the Ipsos Markinor study in November 2008 (Press release on 5 February 2009), a table was produced of what eligible voters consider to be the most important issues or problems facing this country and what the new government, which will be elected in 2009, should address.

This outcome is summarized in the next table.

IPSOS MARKINOR OUTCOME ON WHAT VOTERS WANT FROM GOVERNMENT AFTER 2009 ELECTIONS: November 2008

Question: What do you consider to be the most important issues or problems facing South Africa?	% regarding this issue as important / a problem	% regarding the issue as the most important issue /problemUnemployment / job creation
Unemployment/job creation	88	41
Crime / criminal activity	64	17
Poverty	64	14
HIV/AIDS	43	6
Development - providing infrastructure: water, electricity, roads, housing	37	10
Health in general (excluding HIV/AIDS): hospitals, clinics	29	2
Corruption / government officials not honest	26	4
Education / educational standards/ equality in education	25	3

Land / landlessness / land claims	14	1
Brain drain / losing trained or skilled people	10	0.3
Getting ready for 2010 Soccer World Cup	8	0.3
Other	6	1.4

It is evident from the above that strategic planning can never be static and that future planning should also be flexible to keep on adjusting to new perspectives and knowledge that develops over time. It is proposed that the 2025 plan and vision should incorporate the following initiatives:

- Economic growth and employment.
- Crime protection and anti-corruption.
- An Anti-poverty plan that places the poor on a journey from survival and dependency on the one extreme to independent and dignified people with full-time employment and human beings and ability of choice.
- Appropriate Health Care and HIV and AIDS interventions
- Rural development and sustainable land reform and agricultural production.
- Entrepreneurial development
- Skills development and training that contributes to the demands of the labour market
- Strengthening the service delivery culture and maturity of government
- integrated planning, programming, budgeting and delivery of quality services that are results based
- Strengthening the capacity of the State to deliver good governance;
- More equitable distribution of wealth between rich and poor

- Full Integration of national, provincial and local government planning and implementation
- Exploitation of competitive and locality advantages and optimal participation in
- The building of a society with high moral and ethical standards and strong family values;
- Sustainable environmental protection and reconstruction

Although fundamental goals of halving poverty and unemployment by 2014 may not be affected in the short term, the intention is to introduce a new vision 2015 with a series of 5-year strategic plans and expenditure frameworks and annual performance plans as one integrated framework. The implementation of these plans into a Results Based Management model of programme, project and activity planning and management is essential for success.

COMMITTEE RECOMMENDATIONS

- The Committee notes the report
- Government to build capacity on planning and monitoring system.
- Government be able to review and align economic PGDS set targets for economic growth.



Hon. LP Pelele

Chairperson: Public Safety and Provincial Affairs