

BUDGET VOTE SPEECH

**DELIVERED BY THE MEC ROADS AND PUBLIC WORKS, MS. BFP MAKATONG (MPL), TO
THE NORTHERN CAPE PROVINCIAL LEGISLATURE**

21 JUNE 2022

Honourable Speaker

Honourable Deputy Speaker

Honourable Premier

Traditional Leaders present

Honourable Members of the Provincial Executive Council

Honourable Members of the Provincial Legislature

Executive Mayors, Municipal Mayors and Councillors

The Director-General

Heads of Departments

Members of the Media

Distinguished Guests

Bagaetsho Dumelang

Honourable Speaker, it is my distinct pleasure to present to this house the budget vote for the 2022/2023 Financial Year. I am tabling this budget speech five days after the country has just celebrated the National Youth Day, under the theme **“Promoting sustainable livelihood and resilience of young people for a better tomorrow.”** South Africa is fortunate to have a youthful nation; however the recent unemployment statistics pertaining to young people is a cause for concern. To attract more young people into the economy, government has under the President’s Youth Employment Intervention initiated various youth development and empowerment initiatives to support young people.

It ranges from formal education and training, learnerships and internships as well as support for Youth Entrepreneurship. The Department of Roads and Public Works’ initiatives provide the necessary support for young people to take on these challenges.

Since the 1994 democratic breakthrough, significant progress has been made in expanding access to employment, empowerment and other economic opportunities. Social protection has also expanded, and the number of people with access to basic services has increased. Despite

these advances, the legacy of colonialism and apartheid remains deeply entrenched in the economy. Far too many South Africans are without jobs and far too many are experiencing service delivery backlogs. Low rates of economic growth over the past decade have made it harder to reduce inequality, but growth in itself will not diminish inequality therefore we will have to intensify effective, sustainable interventions to change the underlying structure of the economy.

According to Statistics SA, the South African gross domestic product (GDP) expanded by 1,9% in the first quarter of 2022, representing a second consecutive quarter of upward growth. The size of the economy is now at pre-pandemic levels, with real GDP slightly higher than what it was before the COVID-19 pandemic. Despite the growth indicators, the construction sector showed a negative growth in the first quarter and this being its fourth contraction consecutively. This irrespective of an increase of activities related to infrastructure especially non-residential buildings. In addition to this, Honourable Members, the construction input price indices (CIPI) reflect, that the civil engineering material increased by 2,9% and the total construction material prices has increased by 1,8% month-on-month, which may have a forthcoming negative impact on the construction industry.

Honourable Speaker, infrastructure development will enable us to restore the past injustices and achieve social and economic transformation. Government has committed to using infrastructure projects to drive the post COVID 19 economic recovery. We are now in the economic recovery and reconstruction phase as announced by the President.

The Premier's marching orders are clear, when he indicated that Infrastructure Investment will unlock job opportunities and ultimately improve the lives of the people. Despite the Country's economic standing, the fundamental need for infrastructure remains.

Honourable Speaker, allow me to quote the words of a known Philosopher, Heraclitus, "There is nothing permanent except change." He thought that change is the fundamental essence of the universe. Furthermore, the recent catastrophic floods that devastated lives in parts of the Ethekwini Municipal area and the Eastern Cape Province further bear testimony to the changing climate patterns as we have known them. For instance, the Northern Cape, too, was badly affected by cyclone Eloise last year, which saw the destruction of roads and buildings especially in the John Taolo Gaetsewe area.

We need to remain vigilant and pro-active to the changing times as stated by Heraclitus “No man steps in the same river twice”. This requires us as the infrastructure custodian to plan for the changing times together with geo-scientists.

We need to review our readiness on how to mitigate Climate Change risks with the current geo-infrastructure in place. There is need to put in place an infrastructure disaster management plan enhanced by built geo-technology which will support modernisation.

As part of responding to the current infrastructure and spatial developmental impediments, the department will continue to give effect to the Provincial Spatial Development Framework (PSDF) through our capital infrastructure plans.

There is progress towards the remodelling of the Department of Roads and Public Works, in that consultation with Labour has been done and we are currently working on a plan to ensure that there is office space for personnel that will be transferred and seconded to DRPW.

The process of the macro-organization and restructuring of the departments and entities is at an advanced stage, which also includes the establishment of the state-owned construction company.

Honourable Speaker, this department mainly contributes towards two Drivers in the Provincial Growth and Development Plan (PGDP) vision 2040, i.e. Driver 1 (Economic transformation, growth and development) and Driver 4; i.e. (Effective and efficient governance).

Honourable Speaker, to give effect to the province’s vision statement, of building a Modern, Growing and Successful province, the department will put more focus on adopting sustainable green building methods. We will be implementing contemporary alternative construction methods which will stimulate the green energy solutions. In the designs for new public buildings, the Department is striving to keep up with technology development. We are introducing the installation of energy efficiency systems to reduce the utilisation of electricity without affecting the quality of the services. Initiatives introduced include:

- solar power installation for lighting;

- installation of heatpumps;
- installation of solar glazed glass windows in compliance with the new National Building Regulations;
- the geothermal heating and cooling system including the use of ice banks in our big hospitals.

All new projects have LED lighting systems, and for alternative energy installation of standby generators to ensure continuous electrical supply to facilities during load shedding. Closely associated with these initiatives to support modernisation, there are various interventions in place in digitization, new technologies as alternative methods for road infrastructure, training for up-skilling of internal staff and learnerships.

The DDM plan of the Department of Roads and Public Works includes various areas of empowerment, including procurement of goods and services on at least 30% sub-contracting through implementation of infrastructure projects, training and development of women and youth, in various construction incubation and skills development programs in all districts. This we achieved through collaboration with Municipalities.

The department successfully raised financial and other resources to stimulate the construction sector, through its infrastructure Value Chain. The department achieved 100% on procurement of goods and services through the 30% sub-contracting. We have also exceeded the targets for work opportunities, skills and training development initiatives for the 2021/22 financial year.

We will continue to work with municipalities, in assisting them to deal with service delivery backlogs especially related to pothole repairs. In fulfillment of this objective, the department has implemented a Pothole Eradication Programme and Rooting out the Dust (ROD) projects to improve road safety. All ROD projects are identified from the municipal IDP's and the interventions includes amongst others; pothole patching, grass cutting, blading of internal streets, etc.

The Department of Roads and Public Works is the custodian of all provincial immovable assets including transport infrastructure in the province. The department will continue to ensure that the delivery of socio-economic infrastructure and maintenance is accelerated, in order to meet the needs and expectations of the citizens.

The Department of Roads and Public Works serves as the cornerstone for infrastructure development and support to our user departments and our focus for this year is to ensure we deliver good quality public infrastructure which will have a direct response to good public services, like health, schools and libraries, etc.

We have made good strides in relation to other transformation and economic inclusion imperatives as all districts benefitted, and this, was achieved through the leverage of the private sector.

In our quest to the realisation of the province's transformation agenda, for this financial year, the department plans to release forty (40) government owned land parcels towards spatial transformation.

Deliberate initiatives in the property management portfolio are being undertaken to transform the skewed ownership realities of the Government's leasing portfolio. The Department has 33 % of leases contracted with BBBEE owners and is in the process of introducing more property developers. For the first time ever, we have three (3) Black female property owners participating in the leasing portfolio and contracted with the department on longer leases.

The department will soon establish a platform to coordinate the Northern Cape Property Owners Association including aspirants in the sector, to develop a collective approach to the empowerment plans. We are working tirelessly to break the monopoly in this industry. Although we are moving slowly, we are making inroads. The department will soon advertise the Expression of Interest and encourage new participants to register on our Register of Landlords for new leases for office accommodation.

The department is in the process of utilizing different disposal strategies, with a bias towards the previously disadvantaged groups.

These strategies will include:

- Exchange and or donations to other organs of the state (National Department of Public Works and Infrastructure, Municipalities, Entities)

- Donations/ Long leases below market (to Non-Governmental Organisation (NGOs), Non-Profitable Organisation (NPOs), Faith Based Organisation (FBOs)
- Disposal at market rate (First Right of Refusal and Auction)

As part of the Transformation agenda, twenty-one (21) land parcels are in the process of being disposed through the redistribution process in partnership with National Department of Public Works and Infrastructure and Department of Rural Development and Land Reform. The Department is also planning to dispose a total of seventy (70) residential houses. Six (6) houses have been disposed already, twenty-eight (28) are in the process of disposal and the remainder will be disposed through different disposal strategies including a public auction in phase 3.

Honourable Speaker, during the 2021/2022 financial year, the Department completed eight (8) capital projects, and 103 planned and unplanned maintenance projects, on behalf of our User Departments. 20 capital projects are still in construction.

Honourable Speaker, for 2022/2023, the Department plans to implement 33 Capital infrastructure projects, which will include multi-year projects on behalf of our user departments. These will be for the:

- Department of Education (17 projects including cluster projects);
- Department of Health (7 projects including cluster projects);
- Department of Sport Arts and Culture (7 projects);
- Department of Social Development (2 projects).

Jobs created in these projects will contribute towards the achievement of the Provincial EPWP infrastructure target of 8 305.

In accordance with the Government Immovable Asset Management Act (GIAMA), condition assessments have to be conducted every 5 years. The province last undertook this project in the 2013/14 Financial Year, and has been unable to do so due to budgetary constraints. I am pleased to announce that the department is planning to start this project in this financial year, in order to determine the condition of our buildings and to develop credible maintenance plans. Some of the user departments assisted in the previous cycle and they are once again encouraged to set-aside a budget for assessment of their facilities in this cycle, thereby

assisting the Department of Roads and Public Works to achieve the target of completing this process.

This project will assist the Department to identify obsolete properties that have reached their lifespan and are not utilized by any department and to dispose it in line with our disposal strategy and in line with our empowerment imperatives.

In order to implement the outcomes of the condition assessment and also for some maintenance projects, the Public Works Sector is engaging with the Department of Justice and Correctional Services with the view of utilising inmates that have acquired artisanal skills within the system. This additional resource will assist a great deal to reduce the costs and over-reliance on tenders.

In addition, the Department is in discussions with the Department of Health, who have expressed an interest to establish small maintenance teams for day-to-day maintenance in their health facilities, where we will utilize artisans that have gone through our departmental artisan programs.

The same energy will be put in the development of a Maintenance Strategy with the bias towards development and empowerment of Women, Youth and people living with disabilities.

The Department in collaboration with the Northern Cape Provincial Legislature, is at an advanced stage to conclude a Housing Policy, to provide residential accommodation for members of the Provincial Legislature.

In line with the above and as a long term solution, the department was instructed through an Exco resolution to look at different funding options for constructing the residential precinct for Members of the Legislature. The following options were proposed:

Option A: Own Funding: i.e. to secure funding from Provincial Treasury to implement the project or;

Option B: Public Private Partnership: i.e. to approach the private sector for a proposal to partner with the province to deliver the infrastructure at once.

To date architectural design and costing of the new planned residential precinct for Members of the Legislature. The residential precinct will be built in Rhodes Avenue in Kimberley. Phase 1 of the project which entails the construction of the perimeter wall, will start in this financial year, thereafter construction of the residential precinct will commence in incremental phases.

The Department will increase its efforts to build technical capacity and implementation of professional development programmes in preparation for the remodelling process. This will also help our technical resources to continue to be in line with contemporary developments in the industry.

The payment of rates and taxes on our provincial immovable assets portfolio remains a challenge. Challenges faced by the department in this regard include:

- Insufficient Budget Allocation resulting in some properties falling into arrears
- Incorrect Billing Systems by Municipalities (e.g. Billing of Rates and Municipal services as one account)
- Incorrect accounts (Billed for properties not registered in the name of the Province)
- Inconsistencies of accounts with Municipal Rates Policies, tariffs and schedules resulting in objections)
- Department not receiving invoices on which to pay
- Sudden huge increases in tariffs (not budgeted for)

The Department is billed on 1,323 of the 1,949 on the immovable asset register. These are located in the different districts as follows:

- Z. F Mgcawu District = 279
- Frances Baard District = 288
- John Taolo Gaetsewe District = 89
- Namaqua District = 307
- Pixley Ka Seme District = 360

The remainder of 626 properties are located on municipal, tribal and national (Department of Public Works and Infrastructure) land.

The budget spent for 2022/23 financial year amounts to R 96 million against the outstanding debt of R668 million owed to municipalities across the Province. The Department continues to spend 100% of the allocation every year.

Honourable Speaker, implementation of roads infrastructure is in line with the MTSF Priority to provide increased access to affordable and reliable transport infrastructure in the Northern Cape Province. The provincial government is the authority of 3 591 kms of surfaced roads and 23 573 kms of gravel roads. The paved road network Visual Condition Index (VCI) improved since 2012, the improvement is as follows:

- very good: improved from 3% to 16%,
- good: from 24% to 47%,
- very poor: reduced from 4% to 0% and
- poor: reduced from 29% to 6%.

Preventative maintenance remains the most important and cost-effective measure to maintain paved roads under constrained funding levels.

Honourable Speaker, the R31 was affected by the floods caused by the Eloise Cyclone and excessive rains until April 2022. The severity of the floods, continuous rain and heavy trucks exacerbated the poor condition of the roads. The sections affected are areas around Koopmansfontein and Platfontein which resulted into the road closure and delays for motorists because they had to detour to Windsorton towards Barkley-West. The other sections affected are from Hopetown, Orania, Petrusville, Hopetown to Hanover. The funds to rehabilitate these roads are insufficient hence the Department has requested the transfer of these roads to the South African National Roads Agency Limited (SANRAL). However, the Department will continue to maintain the manganese route before the transfer to SANRAL is affected.

Honourable Speaker, we will continue to enhance and take advantage of our existing social compacts especially where the mines and public resources are harnessed to create an enabling environment and safer road infrastructure in the John Taolo Gaetsewe District where we experience an increase of mining activity.

The following roads infrastructure projects were completed in 2021.

Repairs to the following flood damaged roads:

- 44 kms of Belmont in Frances Baard District

- 53 kms Ulco to Boetsap in Frances Baard District
- 107 kms of spot re-gravelling on connecting roads in Victoria west in Pixley ka Seme
- 7 kms in Stillerus to Dithakong
- 39 kms in Gasehunelo Wyk 3,4 in JTG
- 60 kms of re-gravelling between Middelpoort to R27
- Upgrading of 18kms Sutherland to Middelpoort in Namaqua District. This road was constructed using engineering technology where gravel layers were modified and sealed to create a less expensive surfaced road for low traffic roads. The advantage of this method of construction is that the low volume roads can be upgraded with less expensive technology than the construction of expensive roads used by heavy vehicles.

The department has already designed the following roads to be upgraded to surface:

- 57 kms of Klipfontein to Hondeklip Bay,
- 54 kms of Alexander Bay to Kuboes and
- 97 kms of Poffader to Onseepkans.

Currently the following designs are underway, 50 kms between Laxey and Heuningvlei and 25 kms between Dithakong and the North-West Border.

Honourable Speaker, the following roads infrastructure projects will be implemented during the 2022/23 financial year and over the MTEF period respectively:

Upgrading Projects

- 15 kms between Padstow and Laxey
- 20 kms between Faserburg and Williston
- 18 kms between Sutherland and Middelpoort
- 12 kms in Dithakong
- 4,9 kms on Deurham Village D328 (Funded by the JTG Developmental Trust)

Rehabilitation Projects

The rehabilitation of a section of the road between Kathu and Hotazel. The project aims to improve the condition and safety of the road and is currently under construction.

Reseal projects

Widening and reseal of R31 between Koopmansfontein and Middelpos.

Regravelling projects in:

John Taolo Gaetsewe District

- 37 kms between Samsokolo and Loopeng
- 10 kms in Gasehunelo, Wyk 7, 8 and 9
- 20 kms in Witsand between Upington to N14
- 20 kms between Madibeng and Concordia
- 20 kms between Madibeng and Botswana border
- 20 kms between Laxey and Perth

Pixley ka Seme

- 15 kms of MR617 around Carnarvon
- 15 kms of DR2441 around Vanwyksvlei

Frances Baard

- 14 kms spot regravelling on DR3123 Mokala National Park
- 14 kms spot regravelling on MR911 Vaal Gamagara
- 15 kms DR3388 between Ulco and Boetsap

Namakwa

- 15 kms Kamieskroon to Leliefontein
- 20 kms between Nourivier and Kamieskroon
- 20 kms between Looeriesfontein and Brandvlei
- 20 kms Komaggas between Soebatsfontein
- 20 kms between Alexander Bay and Kuboes
- 20 kms between Calvinia and Ceres Karoo

ZF Mgcau District

- 20 kms of DR3304 in Witsand area.
- 30 kms of MR957 between Polai to Geisemap.
- 20kms of between Simonpan and De Stoele.
- 30 kms of DR3284 between Blouputs and Vallel.

The Department is aiming to re-gravel 300kms of gravel roads across the province. However, based on the flood damage assessments conducted, the Department still has a backlog in damages on gravel and surfaced roads. The backlog amounts to more than R400 million in order to restore roads to the standard they were before the flood damages.

Road Safety Projects

- Safety projects that will address road signs and pothole eradication
- Continuation of flood damage repairs
- Continuation of road markings and vegetation control

Honourable Speaker, the department, through its support to municipalities in addressing service delivery backlogs, has in place the Rooting Out the Dust (ROD) Programmes which, amongst others, focus on, inter alia, pothole patching, paving and vegetation control. These interventions are identified in consultation with the Integrated Development Plans (IDP's) of municipalities. The supervision and other support are conducted by the rapid response technical committee which is comprised of internal civil engineers and technicians.

Honourable Speaker, the department was allocated R40 million from the economic recovery stimulus as part of creating more jobs and developing skills through EPWP programmes. The department is in the process of developing an EPWP exit strategy for implementation in 2022/23 financial year to create sustainable work opportunities.

There are processes in place and work will be done in consultation with social compacts to derive maximum scientific information. The department started with the research proposal through consultations conducted with sector departments in relation to policy development process. This strategy will be implemented once a provincial policy is tabled and approved through the provincial executive council.

Honourable Speaker, the Expanded Public Works Programme (EPWP) remains one of the department's key economic drivers in line with tackling the triple challenges of poverty, inequality and unemployment through creation of more decent and sustainable jobs. Since the commencement of the 2019-2024 MTSF period, the economic cluster recorded 18 199 (87%) work opportunities for the 2021/2022 financial year against the target of 20 910.

As a Department we recorded 7228 work opportunities against the target of 6742 which is an over achievement of 6%.

Honourable Speaker, we remain vigilant in our quest to transform the economy. The Department will continue to respond to the empowerment of designated groups, but not limited to Small Micro and Medium Enterprises (SMME's) through the implementation of procurement of goods and services in line with the Public Finance Management Act (PFMA) to ensure economic inclusion. We, furthermore, put a strategy in place to improve on empowerment imperatives for designated groups but not limited to SMME's through the 30% sub-contracting on procurement of goods and services.

The Department of Roads and Public Works implemented more skills development initiatives during 2021/22 financial year than originally planned despite the delays in the implementation of these skills programmes as a result of COVID-19 restrictions. The delays were mainly caused by the Skills CETA's verification processes.

Honourable Speaker, in our quest to advance the vision of our province, the department implemented 695 Innovation and Empowerment programmes against a target of 502 and this contributed to an over-achievement of 38%. Some of these programmes also involve new fields of technology and digitisation, and they are in the form of Learnerships and Artisan programmes. The Artisan Apprenticeship Programmes are implemented through the Department of Roads and Public Works as part of building a capable skilled state. For us to achieve this and as part of growing the province, we have Memorandums of Understanding (MOU's) in place with institutions of higher learning for training and placement interventions.

Artisan Programmes

The 3-year Artisan Apprenticeship Programme in Engineering and Construction trades which commenced during 2019 is still in its incubation and phases 1 to 3 has been completed during 2021/22 financial year. The original intake for these programmes amounted to 124 candidates (40 % male and 60 % female) of which 30 completed in prior years. During the 2021/22 financial year, the program rolled over with 94 participants (52 female and 42 male) who will complete their trade test in the 2022/23 financial year. The programme was funded by the Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA) to the value of R 6,5 million for the development of Engineering trades i.e. 20

Diesel Mechanics, 10 Refrigeration Mechanics, 10 Riggers. As part of the programme's exit strategy, the artisans have been placed at our district offices, private companies, and mining houses for their practical training:

- Diesel Mechanics artisans are placed at the Artisan Training Institute (Pty) Ltd
- Rigger artisans are conducting workplace training at various mines since January 2022
- Refrigeration repair apprentices commenced with workplace training during October 2021

Phakamile Mabija Apprenticeship Programme

Honourable Speaker, the department launched the Phakamile Mabija Apprenticeship programme with a single focus on female youth. This programme is a three year programme which commenced in 2018 with 24 female youth enrolled. To date, 21 learners successfully completed in the 2021/22 financial year in the trades of millwright, boilermaking, fitting and turning, electrical and diesel mechanic.

Honourable Speaker, as this budget vote speech is delivered during Youth Month, I have here, in the gallery, with me some of the twenty-one beneficiaries.

Learnership Programmes

Renewable energy initiatives:

During 2020/21 financial year, the department enrolled 131 learners (72 female and 59 male) over a 12-months programme in electrical engineering and renewable energy, but due to COVID-19, the programme was halted and was rolled over into 2021/22 financial year. This is regarded as our flagship skills development programme according to the Fourth Industrial Revolution (4IR) and the learners will complete in the 2022/23 financial year.

Business Analysis:

During October 2021/22 financial year, the department enrolled 15 learners (12 female and 3 male) over a 12-months programme in a business analysis learnership programme in the Frances Baard District. The learners will complete in October 2022.

Short Skills Development Programme

Honourable Speaker, the Department of Roads and Public Works is currently in the process of implementing a 3-month Short Skills Programme for 1000 unemployed youth learners. The

Construction Education and Training Authority (CETA) are our funding partners for this programme. R15 million was awarded to support the 1000 learners. These learners will upon completion of this programme obtain accreditation certification. The implementation was planned to take place in two phases.

- Phase 1: of the 400 learners, 380 successfully completed.
- Phase 2: is for the remaining 600 learners and they include (40 % Male and 60 % Female Youth).

The students who have successfully completed the short courses, progress into a learnership and ultimately an apprenticeship. While we await necessary approvals, the students will be deployed into our ROD/Roads maintenance projects in the associated district where they reside. This will serve to provide them with practical experience and complement under-staffed capacity.

In addition to this, we have commenced with various new flagship Skills Development programmes in Road Maintenance over a 12-month period which was implemented in Prieska, Building and Construction in Pampierstad, ICT System Support NQF Level 5 in Upington and Kimberley with a total of 89 youth of which 53% (47) are female and 47% (42) are male. We can report that all the learners have successfully completed these programmes and the department is currently busy to execute an exit strategy to assist these learners either through further learning, employment creation and business development to enhance their skills to make them employable.

Honourable Speaker, the Northern Cape Fleet Management Trading Entity is responsible for the provision of fleet services and vehicles for both the white fleet that is used by all provincial departments, and yellow fleet that is used predominantly in the roads construction industry. One auction was held during the last financial year. The proceeds of the auction will be used to replace white and yellow fleet. The Office of the Premier is busy with restructuring of all provincial entities into a mega entity. Northern Cape Fleet Management Trading Entity is participating in this restructuring process.

Honourable Speaker, the province has recently had an induction of the Provincial Growth & Investment Council (PGIC) with the aim of ensuring collaboration between government, private sector, academia, labour and civil society, in pursuit of a social compact which will put the

province on a people-driven developmental trajectory based on infrastructure investment and economic growth.

I would further like to thank the following stakeholders in the:

- Agriculture sector
- Mining industry
- SETA's
- Professional Councils for the built environment
- Institutions of Higher Learning

Governance

Honourable Speaker, we announced at SCOPA that we received an unqualified audit opinion for the 2020/21 financial year for the third consecutive year. It does not mean that everything is in order hence we need to address the other issues that was raised by the AG pertaining to internal control and performance monitoring.

The Department has made great strides to comply with the directive to pay all invoices within 30 days of receipt by achieving 98%. The submission of invoices has been centralised to the Finance Section in order to improve the payment value chain. However, we must acknowledge that there are still challenges relating to payment of invoices for work done on behalf of client departments.

The department is still sitting with a challenge of irregular expenditure that increased drastically after the Auditor-General declared our term contract to be non-compliant. We have put certain measures in place to deal with this, of which the first is consequence management, training of staff, reviewed the Supply Chain Management (SCM) Policies and the terms of reference of the Financial Misconduct Committee in order to start applying consequence management.

BUDGET

Honourable Members, the budget allocation for the 2022/23 financial year amounts to R1.820 billion with the total equitable share showing an average growth of 0 per cent year on year over the 2022 MTEF. The Provincial Roads Maintenance Grant amounts to R1.065 billion showing a decrease of 16 per cent in 2022/23 from R1.267 billion in 2021/22 if compare with the original budget but then further increase with 5 per cent for 2023/24. This decrease has an impact on

the performance of the department and is made worse taking into consideration the flood damages that we experienced during the previous financial year.

The Department further received earmarked funding amounting to R20 million for the Sol Plaatje Cleaning Project and an additional amount of R40 million was received as part of its economic recovery programme for EPWP programmes.

This decrease has an impact on the performance of the department and is made worse taking into consideration the flood damages that we experienced during the previous financial year

The compensation budget which represents 17% of the total budget allocation of the department was cut from R385 million to R305 million since 2020/21 financial year. Despite this the Department is looking at ways to fill some of the critical posts as funding becomes available. The Department continues to build its human resource through short skill training programmes and providing bursaries for part time studies to ensure staff acquire the necessary skills and knowledge especially in the technical field. The plan to conduct a full scale and scientific skills audit is still underway.

Programme Allocation

Administration (10% of the total budget)	R 182 million
Public Works (10% of the total budget)	R 180 million
Road Infrastructure (71% of the total budget)	R1,293 billion
Community Based Programme (9% of the total budget)	<u>R 162 million</u>
Total Budget Allocation	<u>R1,820 billion</u>

Honourable Speaker and members of this house, I want to thank the Premier, Dr. Zamani Saul for his leadership and support, my colleagues in the oversight bodies and the Executive Council. I also wish to extend my gratitude to the ruling party, the African National Congress, for the faith they have in me, to execute the mandate of this portfolio. I thank the Acting Head of the Department, staff in my office, the Management team for their continued dedication and professional support. Thank you to my family for their unwavering support. I also wish to extend my appreciation to communities and road users for their co-operation throughout the maintenance programmes of the Department and therefore, Honourable Speaker, I table this Budget Vote for consideration.

I thank you