



**MEC DAWID ROOI**

# BUDGET SPEECH 2015/2016

  
**EXPANDED PUBLIC WORKS PROGRAMME**  
Creating opportunities towards human fulfilment  
NC. GOEGAP NATURE RESERVE



**the dr&pw**

Department:  
Roads and Public Works  
NORTHERN CAPE PROVINCE  
REPUBLIC OF SOUTH AFRICA



## Budget Speech of the MEC of Roads and Public Works Honourable Dawid Rooi

Honourable Speaker and Deputy Speaker of the Northern Cape Provincial Legislature

Honourable Premier of this great Province Mme Sylvia Lucas

Members of the Executive Council

Members of the Provincial Legislature

Our esteemed District and Municipal Mayors

Our Traditional and Religious Leaders

Veterans of the Liberation Struggle

The people of the Northern Cape

Distinguished guest

Members of the media

Ladies and Gentlemen

Fellow South African

Ndiyanibulisa nonke

Molweni, dumelang, goeie more, good morning.

The year 2015 is the **Year of the Freedom Charter and Unity in Action to Advance Economic Freedom**. It is the year of going the extra mile in building a united, democratic, non-racial, non-sexist and a prosperous South Africa. I am proud to witness 21 Years of Freedom and Democracy in our country.

On the 60th anniversary of the Freedom Charter, the Department of Roads and Public Works is proud to render services to the people that contribute to nation building, poverty alleviation, building a social capital, youth development and simultaneously develop a well-integrated infrastructure network in the Northern Cape Province. In alignment with the principles contained in the Freedom Charter our plight have been to change lives, improve the quality of living, bring forth change and to move rural communities to a higher social and economic trajectory.



On this day I reflect back, on South Africa's colonial history of oppression and slavery, that gave rise to the *Dompas* and *Dopstelsel*, robbing people from their human rights and stripping away their dignity. We still remember the bombings, assassinations, abductions, interrogations, torture and imprisonment of our people who took a stand to fight and liberate themselves from the atrocities perpetuated to them by the oppressor. The apartheid government under the leadership of the National Party became a symbol of death. The testimony of Dr Wouter Basson (a South African cardiologist and former head of the country's secret chemical and biological warfare project) clearly gave evidence to the existence of cruelty of an oppressive system. Allow me to call the demon by its name: "Apartheid", you have come and gone, never, but never shall we allow ourselves to be oppressed, misused and demoralised by a fellow human being." We have overcome the apartheid system and all its manifestations, and we buried the Pass laws, Group Areas and Bantu Education Act.

Steve Bantu Biko in his book *I write what I like*, writes: (Open quote) *"If South Africa is to be a land where black and white live together in harmony without fear of a group exploitation, it is only when these two opposites have interplayed and produced a viable synthesis of ideas and a modus vivendi (meaning a working agreement between opposite parties). We can never wage any struggle without offering a strong counterpoint to the white races that permeate our society so effectively."* (Close quote)

In remembrance of our past, let us not become similar to the oppressing former National Party Government, by attacking foreign nationals. Let us continue to pray for uniformity as we sing: *Nkosi Sikelel' iAfrika*, that God may bless the sons and daughters of this continent.

As a leader in the post-1994 dispensation, I quote the well-known statement of our late Ntate *Nelson Mandela*: (Open quote) *"If there are dreams about a beautiful South-Africa, there are also roads that lead to their goal. Two of these roads could be named Goodness and Forgiveness"* (Close quote)

Currently the second phase of our struggle is towards economic freedom and to see radical change in the economy of South Africa.

Commemorating the second decade of living in a free and democratic society, it is crucial to acknowledge the sacrifices and contributions made by our own stalwarts. We are glad to recently rebury the remains of Nat Nakasa, John Beaver “JB” Marks and Moses Kotane, giving them a dignified burial which marks a new chapter in South Africa’s struggle.

Honourable Speaker, during President Jacob Zuma’s State of the Nation Address (SoNA) in Parliament, Cape Town, on Thursday, 12 February 2015 he introduced a nine-point plan to ignite economic growth and create jobs, namely:

1. Resolving the energy challenge.
2. Revitalising agriculture and the agro-processing value chain.
3. Advancing beneficiation or adding value to the mineral wealth.
4. More effective implementation of a higher impact Industrial Policy Action Plan.
5. Encouraging private sector investment.
6. Moderating workplace conflict.
7. Unlocking the potential of small, medium and micro enterprises (SMME’s), cooperatives, township and rural enterprises.
8. State reform and boosting the role of state-owned companies, information and communications technology infrastructure or broadband roll-out, water, sanitation and transport infrastructure.
9. Operation Phakisa, which is aimed at growing the ocean economy and other sectors.

In the light of the above-mentioned nine-point plan, the Department of Roads and Public Works has been actively involved in terms of creating a Public Private Partnership (PPP) with especially the mining industry to unlock investments for the maintenance of our provincial roads and the training of unemployed youth to become qualified Artisans.



The Department is committed through the Construction Industry Development Board (cidb)-contractor development initiatives, to bring opportunities to local and upcoming contractors and provide business opportunities for black owned companies.

Transport is vital to the well-functioning of economic activities and a key to ensuring social well-being and cohesion of communities. The Department's ultimate goal is to create a well-established and integrated infrastructure network, which supports all road users.

Honourable members, I am proud to announce on this occasion that the department adopted a new vision statement. Our new vision will be: *"Trendsetters in infrastructure delivery to change the economic landscape of the province."* Our renewed focus is supporting the belief that we are capable of changing the infrastructure network in the province; which will positively impact on the economy of the province. On this achievement, and still as 'Trendsetters,' I have to chant: Forward Roads and Public Works, forward!

The political mandate of the Department is to establish capacity in the state to do long-term planning, drawing where necessary on expertise that exists in the wider society. The continuous need exists to promote local procurement by directing the state to progressively procure at least 75% of the planned goods and services locally. The focus is to accelerate the roll-out of the massive economic and social infrastructure programmes.

The Department is committed to empower, educate and create work opportunities for youth through job placement and internship schemes. We aim to consolidate the Expanded Public Works Programme, to contribute towards the national target of six million work opportunities by 2019. We are tasked with the responsibility to promote decent work opportunities and to strengthen measures to fast track employment equity.

Honourable Speaker, 2014/15 has been a very challenging and difficult fiscal year. Regardless, we managed our budget in a manner that allowed us to deliver on most of the agreed outputs. The total expenditure for year under review was R 1,3 billion against the appropriated budget of R 1,3 billion. Severe budget constraints were experienced due to the pressure of JTG communities demanding new roads.

Honourable Members, the central objective and mission of government's developmental agenda, outlined in the Medium Term Strategic Framework (MTSF, 2014–2019), is to set the country on a higher and sustainable trajectory of economic growth by the end of the mandate period (2019) of the current government. To achieve this, it is more important than ever to invest in infrastructure development that will keep the economy moving and provide much needed employment. Such infrastructure development requires integrated planning taking into account the projected infrastructure demands and economic growth.

We were also able to complete several infrastructure projects with varying complexity which means that more people now have access to roads, education and health facilities. Through the efforts that we have dedicated in the monitoring of the infrastructure projects, we are happy with massive improvements on the quality of workmanship that is beginning to take shape.

Through effective resource and project management, I can without equivocation, share the following achievements with this esteemed house:

- The successful implementation of Rooting out the Dust Programme such as:
  - Sol Plaatje Cleaning project
  - Rooifontein Access Road
  - Greenpoint Stormwater channel
- The Department successfully completed the flood damage repair projects in: Blouputs, Gariep-Grootdrink, Swartkop-Groblershoop, Perdeneiland, Southern Farms, Olifantshoek-Groblershoop, Petrusville-West, Richmond, De Aar East and Hopetown.



## **ROADS INFRASTRUCTURE**

Honourable Speaker, as a department we are relieved by the commencement of the massive Presidential Infrastructure Programme (SIP). We have submitted a detailed report to the Department of Transport and the Office of the Premier indicating what the impact would be on the province with the projected financial implications.

SIP 11 entails the Agri-logistics and rural infrastructure: This includes the following departmental roads projects:

- The Rusfontein-Laxey
- N14 towards Dithakong in the John Toalo Gaetsewe District
- Hondeklip Bay to Garies Road
- Alexander Bay to Kuboes

SIP 16 entails the SKA and Meerkat Development: This includes the following departmental roads projects:

- Carnarvon to the SKA-site
- Sutherland to Calvinia

Additionally Asbestos rehabilitation and refurbishment projects to the value of R12 million was identified for the Pixley ka Seme and John Taolo Gaetsewe Districts.

Honourable speaker, the Provincial road network is a core component of our infrastructure. Roads are special in the sense that they precede and facilitate development in any geographical area, while other types of infrastructure generally follow development initiatives.

That being said, infrastructure is worthless if it does not elevate the economic status and well-being of the people whom it serves and must be centered on human capital development.

The Department of Roads and Public Works has an essential role to fulfil in the vast Northern Cape, as the huge geographical surface poses a tremendous challenge: the enormous task of connecting places would mean more and more roads.

As stated by the Honourable Premier Sylvia Lucas in her 2015 State of the Province Address (SoPA): *(I quote) "The Department of Roads and Public Works has made significant strides in addressing the daunting challenges presented by inadequate roads as well as the lack of maintenance of infrastructure and public facilities. The past five years a total of R 2.8 billion was invested on infrastructure development in the Northern Cape."* (Close quote)

The department has spent 100% of its roads maintenance grant on regravelling and resealing. The overall condition of provincial paved roads has improved from 58% in 2012, to 69% in 2014 which is only 6% less than the ultimate goal.

The abovementioned results of the current reseal programme, proves that the Department has been hard at work, improving the conditions of our roads, taking seriously the lives and safety of all our road-users and tourists visiting this province. This enormous contribution will seriously reduce the amount of litigations between the road-users and the Department.

The progress regarding the following flood damage repair projects is on-going:

- Roads in the Neilerdrift - Kakamas area MR857: 80% complete
- Britstown area: 16% complete
- Prieska-North and East area: 98% complete
- Strydenburg area: Repair and reseal: 33% complete
- Victoria West - Wagenaarskraal: 97% complete
- Loxton - Wagenaarskraal: 99% complete
- Richmond MR604: 76% complete

### **Joe Morolong, Wyk 10 to Laxey and N14 to Bothitong**

The construction of much demanded roads in the Joe Morolong Municipal area brings hope to the unemployed and those having to travel the dusty roads through various villages to reach the town of Mothibistad.





The construction of these roads takes place in partnership with Sishen Iron Ore Community Development Trust (SIOC-cdt). After the introduction of the contractors to the community by the Hon. Premier Sylvia Lucas on the 12<sup>th</sup> September 2014, the Department of Roads and Public Works is proud to announce that the construction of these roads are according to schedule.

- The Rusfontein-Laxey is 41% complete and 52 work opportunities has been created.
- N14 towards Dithakong is 35% complete and 14 work opportunities has been created.

The project lost a number of days due to disruption by the community at the start of the project. Phase 2 of the project will commence during this year.

### **Hotazel-Tsineng – Ga-Sese**

The BHP Billiton mine contributed 50% of the cost to upgrade the Hotazel-Tsineng to Ga-Sese Road. The Department is ready to commence with Phase 3 which amounts to R 38 million. Phase 1 and Phase 2 of the project is complete with Phase 3, between Tsineng and Ga-Sese, still under construction and it is 81% complete. Working progressively, Phase 4 is currently in the tender stage.

### **\*Garies tot Hondeklipbaai Pad**

Die **Garies tot Hondeklipbaai Pad** projek kos sowat R 58 miljoen vir Fase 1. Die pad verbind Hondeklipbaai met die N7 naby Garies. Die konstruksiewerk vir Fase 1 het begin tydens November 2013. Die projek is 99% voltooi, met terrein skoonmaak en afrondingswerk wat nog uitstaande is, en 75 werksgeleenthede is tot dusver geskep. Fase 2 is huidiglik op tender.

### **\*Loeriesfontein tot by Nieuwoudtville Pad**

Die projek behels die herseël van die pad tussen Loeriesfontein en Nieuwoudtville. Die projekwaarde is R 83 miljoen en die projek is 100% voltooi.

### **\*Phillipstown tot by Hanover Pad**

Die projek behels die herseël van die pad tussen Phillipstown tot by Hanover. Die projekwaarde is R 73 miljoen en die projek is 100% voltooi.

### **\*O'kiep – Concordia Huishouding-Projek**

Meeste van Okiep en Concordia se inwoners maak van massavervoer, soos taxi's en busse, gebruik om na hul hoofdorp, Springbok te reis. As gevolg van die massa vervoer wat passasiers gewoonlik langs die skouer van die pad oplaai, ontstaan kantbreuke, wat vererger met die verloop van tyd. 'n Totaal van 100 werksgeleenthede sal geskep word, vir plaaslike mense afkomstig vanuit armoedige huishoudings waarvan 50% vroue en jeugdiges sal wees.

### **\*Instandhouding en herstel van brûe**

Agbare Speaker, herstelwerk aan brûe in die Pixely ka Seme en die Namakwa Distrikte sal verbeterde padveiligheid van ons padgebruikers verseker.

### **Upgrading of Roads for 2015/16 financial year**

It is clear that the establishment and maintenance of roads within this province contributes to the economy. Furthermore, I am convinced upgraded roads will not only mean happier road users, it is also synonymous to reduced accidents, and less damaged vehicles and reduced liability claims. I am sure road users will support and applaud this.

This project means:

- bringing forth change,
- improving the quality of people's driving or
- to some even a work opportunity.

The upgrading of roads across the entire province, amounting to a total of R 73 million, will include the following projects:

- Hondeklip Bay: Phase 2
- Hotazel – Tsineng: Phase 4
- JTG SIOC-cdt Roads
- Asbestos Roads

## Maintenance and repairs

A total of R 810 million will be invested for the maintenance and repairs in the province, this will include:

- Shoulder construction and road reserves
- Light rehabilitation
- Contractor Development
- Household Contractor maintenance
- Reseals and Fog spray
- Roads furniture (Road signs, guardrails etc.)
- Bridge Maintenance and Eradication of potholes
- Routine and preventative maintenance, and
- Floods Damage Repairs

## Pothole Strategy

The implementation of the potholes-patching strategy as a response to aging roads network, remains on course. Simultaneously it presents opportunities of economic empowerment for the youth. A R10 million-budget has been set aside.

### **Sol Plaatje pothole repair project – Lungis' indlela** *(If translated it means 'Repair of the road')*

The Department makes use of the fast and effective pothole repair method, by making use of the Jetpatcher. All five self-contained units use the latest technology, thus rendering very successful results.

## **PROPERTY MANAGEMENT**

Honourable Speaker, as the custodian of all immovable assets in the Province, the mandate of the Department is to manage the Provincial immovable assets throughout its lifecycle.

To address this, the Department will submit a memorandum to the Executive Council requesting approval for the implementation of User Charges for the use of provincial government property. This proposal will pave the way for the ring-fencing of budgets for the maintenance of provincial buildings and to cover for rates and taxes for new infrastructure development.

As a recommendation, the Department is considering disposing houses which are vacant/not occupied in order to create revenue and lessen the strain on the rates and taxes budget.

### **Rates and Taxes**

When rates and taxes devolved to a provincial function, it was done with an insufficient budget. This allocation was never sufficient to match the number of immovable assets owned by the Province and continues to accrue interest on unpaid accounts. The challenge increases as the Provincial Immoveable Assets Portfolio continues to grow; and the Province acquires more assets through construction, transfers and donations. In reality the Province is only paying rates and taxes for approximately 700 properties of the 2,134 on the Immoveable Asset Register. The amount allocated for 2015/16 amounts to R 51,578 million against the outstanding debt of R125 million owed to Municipalities across the Province.

The misconception amongst many exist that Roads and Public Works only pays rates and taxes for their own buildings. I would like to place the matter into perspective; we pay rates and taxes for all departments from clinics, hospitals and every government office space.

Furthermore, as a provincial department we have identified that there is a need for municipalities to develop an accurate verification system to control all rates and taxes.



### **Immovable Asset Register**

Honourable Members, the Department is responsible for the planning, acquisition, management and disposal of state immovable properties vested in the provincial government. Consequently, the Immovable Asset Register is key to the custodian role which the Department plays in relation to the planning and management of state immovable assets. Currently there are 1,943 land parcels recorded in the immovable asset register.

### **Vesting**

A total of 1,464 properties were identified to be vested and 745 properties have been vested provincially to date. A total of 719 properties have been identified for investigation and vesting, which may result in a further increase the number of land parcels currently recorded in the immovable assets.

### **Leasing**

There are currently 225 leases in the Northern Cape Provincial Government. Properties are leased to private individuals (i.e. the housing portfolio), organisations such as Non-Governmental Organisations and Non-Profit Organisations. This portfolio includes residential houses, prestige houses as well as vacant buildings such as old schools and hospitals.

The Department also manages 110 commercial leases from other user departments. We are in the process of reconciling the lease register which is an on-going process with user departments.

## **PUBLIC WORKS**

Honourable Speaker, we have enhanced our role as an implementing agent of the provincial infrastructure delivery agenda. In this regard, the Department has adopted the Infrastructure Delivery Management System (IDMS) which is aimed at improving planning, budgeting, procurement, delivery, maintenance, operation, monitoring and evaluation of built infrastructure projects. We are confident that this tool and other reforms in infrastructure governance will improve the infrastructure building value chain. Participation of client Departments in the procurement process has enhanced the turnaround time in the awarding of contracts and payment of service providers.

The Department of Roads and Public Works constructs the following projects on behalf of client departments:

## **DEPARTMENT OF HEALTH**

A total of 9 infrastructure projects were implemented during the 2014/15 financial year, including multi-year projects.

### **New Mental Health Facility**

The construction of this 310-bed health facility continues to give us challenges due to the slow progress made by the contractor. The hospital was scheduled to be complete by the end of May 2015, but due to slow progress it is projected to be complete late January 2016, which is six months beyond the revised program.

Honourable Speaker, the Department submitted this project to a process of investigation through the law enforcement agencies, i.e. Special Investigating Unit (SIU) and the National Intelligence Agency (NIA) of South Africa. Our request have been for these independent agencies to investigate the entire project since the awarding of the first contract, the cancellation of contracts, the involvement of all role players, up until the current contractor's operations. The findings of this investigation will be made known to the public.



I request the media to be clear on their facts when they communicate to the public and not to sensationalise, especially matters relating to this project. The company Inyatsi Construction was bought by Motaengil South Africa. The Competition Board approved the merging, and Motaengil South Africa took over the contract hence the same workers are currently on site.

### **New De Aar Hospital**

The New De Aar Hospital project comprises of a construction of a 158-bed hospital: 95 main hospital beds, 63 beds for the TB-unit. Construction of the Main Hospital is 70% complete and five of the six construction phases are complete. To date a total of 570 work opportunities were created.

### **\*Klinieke**

Agbare Speaker, die opgradering van die Fraserburg en Sutherland klinieke is 100% voltooi en die gesamentlike koste van die projek is R 6.2 miljoen, en 'n total van 29 werksgeleenthede is geskep.

### **Galeshewe Day Hospital**

The Construction at the Galeshewe Day Hospital and the upgrading of internal roads, the guardhouse, perimeter fence and replacement of manhole covers is 100% complete and a total of 41 work opportunities were created. The complete cost of the project amounted to R14.3 million.

### **Upgrading /Conversions Programme**

Three projects were identified for this programme for the Department of Health.

## DEPARTMENT OF EDUCATION

A total number of 47 infrastructure projects were identified for the 2014/2015 financial year. The progress is as follows:

- 16 Ablution Blocks to the value of R 21 million
- 5 Administration Blocks to the value of R 9.7 million
- 7 Classroom Blocks to the value of R 12.6 million
- 17 Early Childhood Development (ECD) Classrooms to the value of R 38.9 million
- 2 Major Additions to Schools to the value of R 20 million

## DEPARTMENT OF SPORTS, ARTS AND CULTURE

Two projects were identified for the 2014/2016 financial year:

- **Northern Cape Theatre**  
The budget of the project amounts to R23.7 million, currently the project is 85% complete and a total of 35 work opportunities were created.
- **Churchill Library**  
The budget of this project amounts to R11 million, currently the project is 45% complete and a total of 21 work opportunities were created.

## DEPARTMENT OF SOCIAL DEVELOPMENT

Two projects were identified for the 2014/2015 financial year for the Department of Social Development. The progress is as follows:

- **A New Substance Abuse In-Patient Facility:** This entails the construction of a 60-bed facility including a Detox Centre.
- **De Aar Secure Centre:** The project entails the conversion for additional accommodation. The earthworks are 10% complete. A new contractor is being appointed.





## DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT AND LAND REFORM

Only 1 project was identified for the 2014/15 financial year for the Department of Agriculture, Rural Development and Land reform. The project entails the conversion of an existing facility into Vet Offices. It is currently in procurement stage.

## OUTLOOK FOR 2015/16

### DEPARTMENT OF HEALTH

A total of 9 Infrastructure projects were identified for the Department of Health for the 2015/2016 financial year.

- **Old Kuruman Hospital**

This project entails the construction of a guardhouse and fencing. The budget for the project amounts to R 7 million and the project is in tender phase.

- **Springbok Hospital**

The project entails the upgrading of the Pharmacy. The budget for the project amounts to R 22.5 million and the project is in pre-planning phase.

- **Upgrading of 3 Existing Clinics**

The facilities still to be identified, but the budget for the project amounts to R 3.5 million and the project is in pre-planning phase.

- **The Old Gordonia Hospital**

The project entails the conversion of the existing health facility into a Satellite Campus for the Nursing College and Student Accommodation. The budget for the project is R 60 million and the project is in tender phase.

- **Electrical upgrades**

A new request from the Department of Health on the electrical upgrades has been received. The project entails the Installation of 30 New Generators at various hospitals and clinics. The budget for the project amounts to R 26 million and the project is in tender phase.

The Honourable President Jacob Zuma during his State of the Nation Address stated: *“We urge all individuals, households, industries, and government departments to save electricity in order to reduce the need for load shedding. The Department of Public Works has been instructed to ensure that all government-owned buildings are energy efficient.”*

At the backdrop of our recent re-current experience of load shedding, I can without equivocation state that the Department is taking this national instruction very serious, and have engaged The National Department of Public Works, as to implement energy efficient methods in identified public buildings. The Going-Green concept include saving energy (changing the lighting fitting and Air Conditioning systems) and reducing on water usage.

### **NORTHERN CAPE FLEET MANAGEMENT AND TRADING ENTITY**

Honourable Members will recall that the Province took a decision to centralise the management of the provincial government fleet to improve coordination and reduce costs. The system is in operation and is contributing positively towards an improved management of fleet. The outstanding aspect of this process is the acquisition of a billing system to enable us to recover costs from client departments.

The Fleet Management Trading Entity (NCFMTE) is currently having a white fleet size at 752 vehicles and a yellow fleet sized at 1 190. We continue to implement monitoring mechanisms in order to curb misuse and abuse of vehicles.

The Fleet Entity have been in close liaison with all client departments and established a system to follow up on individuals who have misused and abused government vehicles. Allow me to highlight two scenarios where government is acting against those abusing government assets:

At the Department of Roads and Public Works an incident of major fuel fraud to the value of R 670 500 occurred. The case was investigated by the Fleet Entity and given over to Labour Relations. The public servant was charged internally and when the hearing took place, the public servant resigned within 24 hours. Criminal charges were also made at the South African Police Services and the accused was arrested.



On another occasion a member of the public reported that a state vehicle was seen at a nightclub in Kimberley. The case was investigated by the Fleet Entity and the information was handed over to Labour Relations. The public servant of the Department of Cooperative Governance, Housing and Traditional Affairs was charged for vehicle abuse.

Honourable Speaker, I am calling upon all Members of the Executive Council to take interest and to act against the abuse of vehicles in their respective departments.

### **White Fleet**

The Fleet Entity bought 118 new vehicles for the past financial year at a cost of R38 million. These vehicles were purchased as replacement vehicles. The main aim is to ensure that departments maintain a relatively new and reliable fleet, thus reducing the risk of accidents. For the 2015/16 financial year the Fleet Entity projects to spend at least R 30 million on purchasing new vehicles.

### **Yellow Fleet**

The Fleet Entity inherited an ageing plant, characterised by high breakdowns and standing time. Consequently these breakdowns have a negative impact on the operations of the Roads Directorate, thus hindering them to meet the road maintenance targets as highlighted in the Annual Performance Plan (APP). The Fleet Entity attempted to improve this situation by investing more than R100 million over the past three years, through the purchasing of new plant. The old plant was disposed through a public auction, and the acquired funds will be invested in the purchase of new plant.

## **EXPANDED PUBLIC WORKS PROGRAMME (EPWP)**

Honourable Members, the National Development Plan (NDP) and the New Growth Path (NGP) frameworks position EPWP as a key programme to contribute towards achieving government's goals of reducing unemployment and addressing gaps in the social protection system of the country.

For the current financial year the province created 11,049 work opportunities which is 635 of the target of 17,597.

For the financial year 2015/16, the targets are: provincial departments 16,509 and municipalities and 5,121 work opportunities. The targets for the designated groups are 55% women, 40% youth and 2% people with disabilities.

The province is faced with a challenge of under reporting or non-reporting by some of the stakeholders. This has led to the province not being able to achieve its set targets as well as the decrease of incentive grant received. It is from this background that as a province we need to turn the corner and come up with strategies to achieve the targets.

Phase 3 of the Expanded Public Works Programme (EPWP) commenced on the 1<sup>st</sup> April 2014 and will end on the 31<sup>st</sup> March 2019. During this phase all provincial departments are expected to create 85 000 work opportunities. This figure also includes the work opportunities to be created by the Municipalities within our province. All 32 municipalities in our province received the incentive grant for the 2014/2015 financial year. Despite this, the challenge of under reporting continues to exist and the current EPWP-IRS reporting system remains a serious challenge.

For the 2015/16 financial year the Provincial Departments are expected to create 16 509 work opportunities and the Municipalities within the province are expected to create 5 903 work opportunities through the Implementation of EPWP.





## Rooting Out the Dust

The programme is in with back to basics and is targeting towns for eradication of the dusty environment in all the municipalities in the Northern Cape Province. The Programme entails targeting towns for eradication of the dusty environment in all the municipalities in the Northern Cape Province.

Rooting out the Dust is the Department's intervention programme, initiated during 2009, aimed at assisting the province to create additional work opportunities through Labour Intensive Methods. The Programme entails targeting towns to eradicate dusty environments across all Northern Cape municipalities. For the year under review 17 projects were undertaken, which created 2 300 work opportunities.

For the 2015/2016 financial year the program we anticipate to create a total of 880 work opportunities from 20 projects, to continue targeting the following initiatives:

- Poverty Alleviation Projects
- Rooting out the Dust Programmes
- Youth Service Programmes
- Emerging Contractor Development Programmes

Rooting Out the Dust is Department's special program aimed at assisting the Province to create additional work opportunities through labour intensive projects such as the manufacturing of Kerb stones and paving blocks, paving of access roads, repair and cleaning of drainage structures, road site maintenance, cleaning and vegetation control and school refurbishment programs, etc.

## Greenpoint Stormwater Channel

The construction of the Greenpoint Stormwater Channel entails the upgrading and re-alignment of approximately 2.5 km storm-water channel in a settlement just outside Kimberley. A budget of R 7.5 million was allocated during the 2012/13 financial year through Operation Khotso Pula Nala. During the 2014/15 financial year, as a second phase, the Department allocated a further R 6 million under the Rooting out the Dust program to complete this project. To date a total of 95 work opportunities have been created.

### **Brickmaking Projects**

The brickmaking project is operational and it started to produce bricks that are used on the Rooting out the Dust projects. After the establishment of the Brickmaking projects in Fraserburg and Garies another machine was bought for Mothibistad in the John Taolo Gaetsewe District.

### **Rooifontein Paving Project**

On 10 April 2015, I launched a paving project, in one of the cleanest towns in the Northern Cape Province. The rural Namqua-town of Rooifontein receives its water through the digging of boreholes. For these residents the Telkom public-phone is the only form of external communication with the outside world.

The Rooifontein paving project started on 4 November 2013 and was 100% complete on 31 March 2015. This project benefitted 54 workers, of which 50% were women. Allow me to once again applaud the EPWP-workers: "It seriously is the most beautiful paving work I have ever seen."

### **Paving of internal streets in Valspan**

The paving of the internal streets of Valspan in the Phokwane Municipal Area, was funded through the incentive grant of the 2014/2015 financial year. The project includes 2.8 km of paved roads but only 1.1 km was completed with a budget of R 964 000. A total of 30 work opportunities were created.

### **NATIONAL YOUTH SERVICE**

Guided by the National Development Plan's vision of developing skills and empowering our people in order for them to make a meaningful contribution towards the socio- economic development of our country, the department has entered into partnerships with large private companies.

**\*NYS - Ambagsopleiding**

Agbare Speaker, tydens my begrotingsrede verlede jaar het ek aangekondig dat die gemeenskap van Fonteintjie net 13 kilometer buite Springbok, sal baat vind by die bou van 'n gemeenskapsaal, deur hul eie plaaslike werklose jongmense.

Dit is inderdaad verblydend om terugvoering te gee dat dié projek Augustus verlede jaar afgeskop het, en huidig is 26 werksgeleenthede geskep. Die begroting van die projek is sowat R1.4 miljoen en vandag is die saal alreeds dak-hoogte en ek moedig enigiemand aan om hierdie projek te besoek. Kyk en sien self, hoe ongekwalifiseerde jeugdige (7) en vroue (5) 'n gemeenskapsaal bou en gelyktydig 'n ambag bekom. Die ANC-regering poog om deur onkonvensionele maniere veranderinge in mense en gemeenskappe se lewe teweë te bring.

**Phakamile Mabija Artisanship Program**

Honourable Speaker, in alignment with the requirements of the National Development Plan (NDP), the Department committed itself to contribute to the creation of professional artisans, and to eradicate unemployment amongst the Northern Cape Province's youth, through the implementation of the Phakamile Mabija Artisanship program.

Phase 2 of the program started in August 2013 and 32 learners are now placed at De Beers Training Academy in Kimberley and this phase is expected to be complete during 2016. Phase 1 and 2 of the programme is complete and the apprentices commenced Phase 3 (workplace training) on the 1<sup>st</sup> May 2014 for a period of 16 months at various host companies and mines.

We have also secured on-job-training opportunities with the following NC-based companies for workplace training:

1. B&C Engineering
2. Sishen Mine (Sivos Training Centre)
3. AfriSam (ULCO Mine)
4. Kimberley Mine

The De Beers Technical Training Campus acts as the current training provider, and their contribution is to fund a total of 10 apprentices and all future differently abled apprentices, which the department will enrol in the Phakamile Mabija Artisanhip program.

The third intake of learners, amounting to a total of 20 unemployed youth commenced their training on the 12<sup>th</sup> January 2015, which includes:

- 4 Fitter and Turners,
- 2 Boilermakers,
- 10 Electricians,
- 3 Diesel Mechanics and
- 1 Millwright.

They have undergone their induction in terms of the contract, layout of the programme and National Youth Service (NYS) Code of Conduct. The Department is looking forward to the graduation ceremony of 27 apprentices which will be held during 2016.

In addition, during February 2015 a total of 20 beneficiaries of the Namaqua District were trained in First Aid, Level 1 and 2 as well as Fire-Fighting. Over a period of 5 days, 12 youth and 8 adults were trained regarding the:

- Different classes of fire and general fire safety tips,
- Extinguishing methods,
- Inspection and maintenance,
- Evacuation procedures, etc.

The Department is proud to announce that all learners passed and received a First Aid and Fire Fighting Certificate, equivalent to a NQF Level 2 Certificate, which is valid for 3 years.





### Emerging Contractor Development Program

Honourable Speaker, since the introduction of the Construction Industry Development Board (cidb), there has been a yearly increase in the number of registered contractors as well as improvement in their grading status. The capital investment on infrastructure also provides the necessary environment for developing emerging contractors.

In this province we still don't have a historical disadvantaged contractor on Level 8 and higher, while we are having 95% of contractors on Grade 1, consequently most of the work is awarded to contractors outside the province. A large number of emerging enterprises also depends on the infrastructure sector for skills and business development. The Department have set aside R 50 million for Contractor Development.

### Governance

Honourable Speaker, we announced at Standing Committee on Public Accounts (SCOPA) that we received an unqualified audit opinion for the 2013/14 financial year in comparison with the Disclaimer of the previous year. It does not mean that everything is in order, hence we need to address the other issues that was raised by the Auditor General (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. 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.

## Scarce Skills Retention

The Department also embarked on growth and development programs for members of the public. In order to counter brain-drain and as a retention strategy of technical and professional skills, the Department awarded 14 full-time bursaries to youth within the Northern Cape Province.

Eight of them completed their student internship successfully during the years of 2013/2014 and are currently employed as per the following details:

- Five have been appointed on contract as candidate Roads technicians
- One have been appointed contract as candidate Quantity Surveyor.
- Two accepted appointment offers outside the department.

## Organogram

The Department identified the need to expand on its operations with specific reference to creating fully fledged District Offices which is a mirror image of the Head Office function and will ensure better services to client Departments and the communities of the Northern Cape. The creation of the District structures also ensure the devolvement of decision making and delegation, which ultimately leads to the Department functioning more effectively.

The approved organisational structure was approved by the Executive Authority in April 2014 and consists of 1 072 posts where the old organisational structure comprised 676 posts. Since the inception of the approved organisational structure 244 vacant funded posts have been advertised and are in the process of being filled. From the above, the following roads maintenance and technical posts have been filled to date:

- 42 Road Workers
- 3 Roads Foremen,
- 1 Roads Senior Foreman and
- 1 Deputy Director: Public Works and EPWP

## **BUDGET**

Honourable Speaker, please allow me to present the budget of the Department for 2015/16 financial year. The 2015/16 budget has seen an increase of R 140 million or 10% as compared to the adjusted appropriation budget of R 1,2 billion in 2014/15 to R 1,3 billion for 2015/16 financial year.

Provincial Roads Maintenance Grant of R 822 million. The purpose of the grant is to supplement provincial roads investments and support preventative maintenance on provincial road networks; and to ensure provinces implement and maintain road asset management systems.

EPWP Integrated Grant for Provinces at R 3, 493 million. The purpose of the grant is to incentivise the creation of work opportunities within the province.

Honourable members, since the introduction of the Infrastructure Grant the percentage equitable share vs total budget has annually decrease. The conditional grant was 48% of the total budget during 2008/09 and increased to 61% for the year 2015/16.

### **Programme**

### **Allocation**

Administration (10% of the total budget)	R 132 million
Public Works (9% of the total budget)	R 130 million
Road Infrastructure (75% of the total budget)	R1,016 million
Community Based Programme (6% of the total budget)	<u>R 77 million</u>
<b>Total Budget Allocation</b>	<b>R1,355 billion</b>

## **IN CONCLUSION**

Honourable Speaker, I would like to conclude by stating, that as leaders we are the product of those who raised us, those surrounding and those supporting us. The people of the Northern Cape Province trust this provincial department to:

- To promote and support good governance in the department
- Provide, manage and maintain the provincial property portfolio according to the needs identified of client departments
- Provide and maintain integrated road infrastructure that is safe and functional to support social and economic development
- Alleviate poverty and create work opportunities.

I once again commit this Department. Roads and Public Works will continue to serve the previously marginalised communities, hence rural development and social development is a secondary indirect function of this department.

The successful construction of the much demanded JTG-roads is proof of this department's commitment to communities. I thank those coming from the surrounding communities, Samsokolo, Laxey, Heiso, and Dithakong, for allowing the contractors to do their work. Without the necessary collaboration from communities and government will not be able to render services and obtain its aims and objectives as highlighted in its Annual Performance Plans. Roads and Public Works acknowledge the value of working in synergy with communities and its embedded leadership structures.

We are known to have a collaborative working relationship with municipalities and the mines. The strengthening of our relationship with external stakeholders can only contribute to our process of infrastructure development.

I would like to give recognition to all those who enable the successful operation of the Department. Honourable Premier Sylvia Lucas and my colleagues in the Executive Council, thank you for your on-going support and advice, your strategic direction, and commitment to the mandate and objectives of this government.

Members of the Legislature and especially those of the Standing Committee, I thank you for your support and advice in assisting us in meeting our targets to upgrade and develop infrastructure for the benefit of all Northern Cape citizens.

I would like to acknowledge the time, effort and leadership which HOD Kholekile Nogwili has given to this department. Thank you to the Senior Management team, who always strives to take the organisation to a higher standard of excellence.

\*Aan al die padwerkers, baie dankie vir jul nederige, maar tog uitstekende dienslewering. Sonskyn, wind of reën, jul getrouheid om te verseker dat alle padgebruikers beter en veiliger paie gebruik, word hoogs waardeer. Baie van die padwekers het jare lange diens en ondervinding. My versoek is dat vir hierdie finansiële jaar vaardighede vanaf senior padwerkers na jong opkomende padwerkers oorgedra word.

To all our external stakeholders, parastatals and partners in the private sector thank you for joining hands with government to fight poverty, unemployment and inequality. Your partnership contributes to economic development, business and network expansion and is essential for building a social capital and creating social cohesion.

Thanks to my Ministerial-team and my VIP-protectors. Furthermore, I want to extend my and the Department's full support to Mrs Margaret Henyekane, who works in my office, and recently lost her two sons, Richard and Joseph Henyekane, in a period of four months. These two young men were the pride of the nation. They carried the National Flag through their involvement in soccer.

\*Aan my vrou en kinders, hartlik dank vir julle volgehoue ondersteuning. My bevestiging vandag is dat die spreekwoord: *“Agter elke suksesvolle man is daar ‘n suksesvolle vrou”* waar is. Dankie vir geduld en ondersteuning van my vissie om die ANC-regering en die Noord-Kaapse mense heelhartig te dien. Sonder God en my familie is my sukses tot op hede nie moontlik nie.

Ke a leboga!

Ndiyabulela!

Thank you!

Baie dankie!