

PROVINCE OF KWAZULU-NATAL
STATE OF THE PROVINCE ADDRESS

Dr Z.L. Mkhize

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Bayede, Hlanga Lomhlabathi
Madam Speaker,
Colleagues in the Executive,
Deputy Speaker,
Honourable Members of the Legislature,
Members of the Diplomatic Corps
Business leaders,
Distinguished guests,
Ladies and Gentlemen

Fellow citizens

Let me start by acknowledging all our honoured guests in this House and those listeners and viewers who are part of this programme through the media.

I wish to thank Isilo for opening our Legislature last week and the good message carried in his address. In particular I wish to convey the compliments from Isilo Samabandla to the former Premiers for the role they played in laying the foundation for a stable government in the province.

In particular we commend the pioneering work done by the First Premier Dr FT Mdlalose and His Excellency President JG Zuma in initiating peace in this province. Siyabonga

No words of gratitude will suffice to thank the people of KwaZulu-Natal and the whole country for the successful, peaceful, free and fair elections that brought about this current government.

South Africa is respected throughout the world for its stable democracy that is an inspiration to many within and outside our African continent.

As leaders of all parties and the Government of KwaZulu-Natal in this Legislature, we thank all the voters who voted for our different parties in the exercise of their democratic right and freedom of choice. We accept each other as the credible and collective voice of our people in the Province.

In particular we thank our people for voting overwhelmingly for the African National Congress to lead this government. We are humbled by the show of confidence. We are also aware of the huge expectations that the high voter turnout represents.

Even more humbling is the mood of optimism that we detected during the election campaign, but especially after the elections. The high hopes are unmistakable amongst all our people. Contrary to feelings of gloom and doom that global recessions normally bring, this time there is a HOPE FOR A BETTER FUTURE.

The Chinese have a saying that 'a journey of a thousand miles begins with the first step.'

We are here today to invite the people of KwaZulu-Natal to join us in taking the first step of a long and arduous journey to create a better future for our country and all future generations.

It is a hard journey, but it is full of hope and optimism. Let us work together to create that HOPE FOR A BETTER FUTURE.

South Africa has officially slipped into recession for the first time in 17 years. The sectors which are hardest hit are mining and manufacturing.

The manufacturing sector is the largest in KwaZulu-Natal in terms of contribution to GDP (21%) and employment; hence the largest numbers of jobs lost are in KwaZulu-Natal (117 000 in the first quarter of 2009), followed by Gauteng and other provinces.

This figure does not include the migratory factor of people who return from other provinces as soon as they lose jobs –i.e. the full impact may not have been fully calculated yet.

As a newly elected government, we have come to terms with the challenges that the global economic downturn has brought with it, including its manifestation in our economy.

In addition to the above, this province has a serious constraint caused by a huge over-expenditure that has to be serviced for the next three years - further impacting on the limited resources available.

The manner in which we manage matters of government will take into account this reality. We are not the only nation in the world that has to adjust to the harshness of the latest impact of our global economic challenges.

We are therefore being called upon to help our people to survive through this rough storm that all mankind in different parts of the globe has to navigate. We therefore need to examine ourselves and reach deep into our collective inner strength to survive.

If we search deep enough and tap into the love, goodwill, patience and resilience of our people, I am certain that South Africans have it within themselves to emerge a better country despite the current global economic crisis.

We commit ourselves to the furtherance of all ten strategic priorities that were announced by the President of the Republic, the Honourable Jacob Zuma, as the collective programme of government. These programmes will be intertwined in the departmental programmes and plans for execution in the next year and the five years in office. The national strategic priorities are as follows:

- Speeding up growth and transforming the economy
- Social and economic infrastructure
- Rural development linked to land reform
- Skills and human resources
- Improving the nation's health profile
- Fight against crime and corruption
- Cohesive, sustainable communities
- International co-operation
- Sustainable resource management
- Democratic developmental State

All government service delivery programmes and interventions in the building of our economy will be premised on the underlying desire to fight and eradicate poverty, and working together with our people to create a HOPE FOR A BETTER FUTURE.

Poverty is the single most serious threat to our democracy and the future of our country and continent.

Poverty is a major contributor to deaths due to preventable diseases. It creates a vicious cycle of hunger and poverty across different generations. It contributes to social instability such as crime and moral decay, and compounds the impact of under-development. This government will focus on the elimination of all the root

causes of poverty and under-development, and we invite each and every citizen to join us in a journey to create an equitable and prosperous country.

We commit our government to do its utmost to ensure the achievement of the Millennium Development Goal of halving poverty by 2014.

Our people must be made part and parcel of all efforts by government to create a better life for all our people – working together with all the people of our province we are bound to succeed.

We wish to highlight the issues that were part of our electoral mandate to focus the collective deployment of all available resources and mobilise our people towards the attainment of priorities which will have a catalytic effect towards achieving our strategic goals.

- RURAL DEVELOPMENT / AGRARIAN REFORM
- CREATING DECENT WORK AND ECONOMIC GROWTH
- FIGHTING CRIME
- EDUCATION
- HEALTH
- NATION - BUILDING AND GOOD GOVERNANCE

RURAL DEVELOPMENT AND AGRARIAN REFORM

Food security is a challenge for many households as a result of poverty and deprivation.

Specifically to KZN in 1999, 48% of children experienced hunger while 20% of all children were at risk of experiencing hunger.

This has been complicated by an HIV prevalence rate of 36.5%. In 2005 there were approximately 3.4-million orphans in South Africa, of which one quarter or 26% were resident in KwaZulu-Natal.

The major cause of ill-health and death in the developing world is hunger and poverty together with associated lack of access to safe, clean water; poor health and education, and poor public participation in matters affecting their daily lives.

This is the situation we are elected to turn around, through rural development and agrarian and land reform programme.

We have resolved to focus on agriculture as the platform from which we will launch our campaign to fight poverty and build our economy.

Only an agrarian revolution will help turn the situation of our province for the better. We wish to stimulate increased investments into the agricultural sector and increase its contribution to the Gross Domestic Product above the current level of 4.7% to double digits.

Our strategy is all-encompassing, from ensuring household food security, creation of revenue especially for rural communities and boosting our export potential utilizing the catalytic Dube Trade Port which will open in April 2010. Agriculture will be a major driver of our rural development strategy.

Through an integrated programme involving departments in all spheres of government, we will focus on subsistence farmers in urban and rural settings; create programmes for commercial agricultural operations involving larger areas of communal land; attend to State land on lease, farms acquired through land restitution; emerging farmers from disadvantaged communities and the creation of partnerships with successful commercial farmers.

For subsistence farmers, the State shall provide capacity-building, extension services and advice, supply seeds and fertilizers, and assist in fencing.

To ensure viability, communities will be mobilised into secondary co-operatives at the level of traditional community areas, local or district municipal level to channel the support that government will offer.

The emphasis will be on communities doing things for themselves.

We need to outlaw the culture of dependence and entitlement and government doing something for the people. That approach is a recipe for failure and abuse of resources. Let us build a culture of government doing something with the people.

Food Security

It is estimated that 35% of the population of KwaZulu-Natal is food insecure and this is exacerbated by the escalating food prices. There are 3.5-million people in KwaZulu-Natal who are in need of an intervention to enhance their food security.

This means that government will target the vulnerable communities first, and encourage those who are less vulnerable to get moving themselves.

An inter-departmental Task Team on FOOD SECURITY has been assembled and an integrated plan has been drawn.

To start this project, we will be launching a ONE HOME ONE GARDEN campaign to mark our focus on food security.

Government has data indicating the levels of deprivation to the ward level.

This data will be used to target the orphans, child-headed households, and those headed by the elderly, widows, the disabled, the sickly and those in distress.

Food parcels will be used only as a temporary measure while more sustainable forms of support are sought. People will be assisted to get birth certificates and Identity Documents and to enroll them into agricultural co-operatives and create home gardens. We will assist them with seeds and further direct them to skills-development programmes, etc.

The impact of the intervention will be monitored, measured and reported to the Office of the Premier. To create awareness on environmental issues, the campaign will be later extended to become ONE HOME ONE GARDEN ONE TREE.

Through this campaign we urge all the people of KwaZulu-Natal to create a garden in every home. The responsibility of fighting hunger does not rest on the government alone—in fact it is the responsibility for all South Africans if it has a chance to succeed. We invite all the citizens to join us in the campaign which is not directed to poor communities alone.

For us, this is a nation-building campaign in which everyone should participate as a way to strengthen our democracy. It is a campaign to build communities and to build our spirit of self-reliance. For those with more means, it is an opportunity to reach out and help those who are in need, and support another person who is in a more unfortunate situation than you are.

We intend to launch the ONE HOME ONE GARDEN campaign on the 18th of July, the Mandela Day announced by President Zuma in the State of the Nation Address. This campaign must help to remind us that Madiba and our leaders fought and led the struggle against apartheid.

The success of that struggle depended on all South Africans participating. It was a struggle for equality and a better life. It was a struggle against poverty and hunger. That struggle is not over for the majority of our people. For them to win that struggle, everyone must be prepared to contribute.

This time we are not asking for sacrifice such as facing jail and detention. No. We ask each one of you to create a garden to feed one person who is hungry. That will change the future of many children. Let us give them that hope for a better future.

To ensure sustainability, the co-operatives will be energized, given capacity and assisted to access government and other markets. For an example, from now on,

all health institutions will procure from the small-scale producers and co-operatives as part of an empowerment programme of government.

Partnership to support small-scale farmers

On the base of the revived co-operative movement, the government will re-launch the mechanisation programme to supply tractors and other agricultural implements to help. Large tenders for ploughing and planting administered by the department will be eliminated.

All tractors released by the government in the past will be brought under the control of local co-operatives after a thorough audit. Co-operatives will be assisted through credit schemes to grow their operations using financial development institutions (FDI's) such as Ithala, to ensure sustainability.

We will work together with national government to reduce the obstacles in the land restitution process and create vehicles to manage the land transfer process to avoid the productive capacity of the land declining in the interim.

Many emerging farmers have suffered setbacks and abandoned their agricultural operations while others have been plunged into debt as a result of lack of farming experience, no market access, lack of operational capital and technical expertise. This has resulted in the collapse of many farming operations.

The strategy will encompass the rehabilitation of many such farms. Some are negatively affected by the inordinate delays in the land restitution process. This is also true for many frustrated farmers who are willing sellers but are discouraged by these delays from continuously investing in their farms. This has affected the general performance of the agricultural sector in the province.

Our provincial government has been informed by the Land Bank about more than 35 farms in which operations have collapsed, resulting in a need for repossession last year. An integrated strategy has been devised to resuscitate these farms in partnership with the government and financial institutions.

The strategy envisages capacity-building, remodeling of the financial support and giving farmers a second opportunity after a thorough analysis of the factors that caused the collapse of operations.

This will require the participation of experienced farmers in the creation of a special purpose vehicle that will help support and mentor emerging farmers to manage the farms and allow a period of time for emerging farmers to develop experience.

We implore commercial farmers to work with government to widen market access (nationally and internationally) to accommodate the emerging farmers and

integrate subsistence and emerging farmers in the second economy into the first agricultural economy.

The agricultural unions must partner with government to monitor the performance of all farms in their areas and make suggestions on how government can support this sector.

This is a call particularly to the white farmers to continue to support the land and agrarian reform programme and use their experience to strengthen the agricultural sector by assisting emerging, mainly black, farmers.

Their contribution in the success of this effort will build our nation, strengthen democracy and create a better South Africa for all our children and generations to come. Working together with the farming community we can get lessons that may help the whole country to deal effectively with the land reform challenges.

Government will engage with the forestry and sugarcane industries to see what support may be necessary. Similar engagements in the past enabled government to support many farmers whose operations were severely affected by an extraordinary increase in the price of fertilizer beyond the levels of affordability by ordinary farmers.

Academic and research institutions must work closely with government to provide the expertise, information and capacity for the strategy to succeed.

The departments of Agriculture, Environmental Affairs and Rural Development and Economic Development are working on strategies to strengthen the meat industry, especially beef, poultry and goat farming to maximize on our potential, especially assisting subsistence farmers.

The revival of Nguni cattle and goat farming has huge potential to turn the derelict land of acacias and other thorn trees into thriving farming operations for household sources of protein and commercial markets. Government will finalise its policy to supply seed stock to needy and deserving communities.

Other work is underway to support the declining dairy farming industry, similarly affected by land restitution to find solutions that will see the participation of subsistence farmers in this industry and integrate emerging farmers in the mainstream industry.

We will encourage farmers to be open-minded and see the advantages of security and nation-building that will be associated with the programmes that support and integrate subsistence and emerging farmers.

From this platform, we intend to build on the agricultural corridors identified in our Provincial Spatial Economic Development Strategy to identify high-value crops

such as cut flowers, high-value vegetables and fruits for export via the Dube Trade Port.

The potential for this is so wide that we intend to attract private sector investors while there is space for subsistence farmers to participate in line with the concept of ONE PRODUCT ONE VILLAGE.

In the face of such global economic challenges, we must not miss the opportunity to revive agriculture, ensure food security and build a strong nation of self-reliant and sustainable communities. KwaZulu-Natal must embrace agriculture to create job opportunities, produce enough for all its citizens and work together to ensure that no child should go to bed on an empty stomach.

At the back of the above strategy, we intend to support rural development through planning to create the infrastructure necessary to unlock the potential for the rural economy to thrive. Service delivery must similarly enable all our people in the rural areas to be developed to drive the process of renewal. There is strong liaison with the National Minister of Rural Development. We have identified the municipal areas of Msinga and Nkandla as the entry point for this departmental effort.

The Premier and all MEC's will be assigned to become champions in each of the eleven districts, personally interacting with communities and regularly reporting to cabinet on progress in the implementation of this strategy, in addition to reports generated by officials.

I have directed that everything must be in place for the programmes to hit the ground at the start of the rain season in September this year. Imbila yeswela umsila ngokuyalezela.

CREATING DECENT WORK & ECONOMIC GROWTH

The global economic situation has adversely affected our provincial economy, resulting in job losses in many sectors. The KZN regional economy is in recession following a contraction by -6.7% in the 1st quarter from -2.9% in the 4th quarter of 2008.

Sectors which recorded positive growth during the 1st quarter were construction (6%), personal (3%) and government services (4%). This growth is significantly less than the previous record for the same sectors. No one has accurately predicted the duration of the downward slide and the beginning of the upward swing.

Our first task as the Provincial Government is to work with industries and the labour movement to save more jobs lost through retrenchments. In this regard, government will convene a JOB AND ECONOMIC RECOVERY SUMMIT involving the major players in industry, especially automotive, clothing and textile, manufacturing, construction and other sectors more adversely affected.

This summit must be held before the end of August to devise a road map towards our economic recovery. A major area of focus will be saving jobs. Government is pursuing other strategies to support affected industries and will discuss details in the Summit. This process must also result in the formation of an advisory body which would be a provincial version of NEDLAC.

There is now a need to devise strategies for stimulating the first economy to increase investments and create more jobs. Our interventions must seek to integrate the second economy to help the small business sector, especially the informal sector, to survive as this is the sector that has borne the brunt of the recession.

The response of our national government to the global economic meltdown was focused on injecting more resources in sustaining growth in the absence of increased inflows of private sector investments. Hence large investments have been made in the building of infrastructure.

Our province has its fair share of these investments, such as in the refurbishment of the Durban and Richards Bay Ports, the Ngula Eskom power station in the Drakensberg, the King Shaka International Airport, several road upgrades and provincial capital projects that have been publicized in the past.

The hosting of the FIFA Soccer World Cup in 2010 has assisted our country to provide further impetus to investment, especially in the construction of stadia and accelerating skills development programmes in support of sectors of our economy that this world event is set to boost.

It is clear that the construction sector will continue to create more jobs in the short and medium term. Our challenge is to align our skills development programmes to ensure that our people acquire the necessary skills to take advantage of these developments. In the long term, a major degree of re-skilling will be necessary as the construction phase begins to wane.

The catalytic role of our King Shaka International Airport and Dube Trade Port in unlocking the potential of our economy has never been more evident. The fact that these projects are progressing fast and will open in April next year, spurs us to move rapidly forward to complete the other pieces of our KZN economic jigsaw.

I have elaborated on our plans to re-invigorate the agricultural sector of our economy. The government is considering a motivation for a dedicated authority which will co-ordinate development around the Dube Trade Port and King Shaka International Airport.

Chaired by the Premier, incorporating the MEC's for Economic Development and Tourism, Local Government and Traditional Affairs, Agriculture Environmental Affairs and Rural Development as well as mayors and officials of the adjacent municipalities and private sector players in the vicinity, this structure will co-ordinate future and current plans.

Forward-looking planning in this region will mainly maximize growth in agriculture/agri-processing and tourism which will attract investors in real estate development. This development provides us with the window of opportunity to capture the interest of the international market to invest in the Dube Trade Port Region, thus securing growth and employment.

We are currently working with the national Departments of Transport, Trade and Industry to find alternative utilization for the current Durban International Airport site once decommissioned, which will have a catalytic effect on the economy of the province.

Part of the tasks of the Provincial Planning Commission will be to identify strategically located sites for carefully selected and targeted investment in real estate development, industrial development and location of tourist and recreational facilities. We are convinced that KwaZulu-Natal has a strong potential for accelerated growth in specific sectors, even during this era of global economic decline. One such a sector is tourism.

Government has recognized the potential of tourism to create thousands of jobs in the first and second economy. Tourism's capacity to employ women and youth as well as other vulnerable members of society can contribute greatly to socio-economic development.

South Africa is ranked 30th in the list of top destinations. It has been reported by the World Tourism Organization that successful destinations stand to reap the economic benefits in terms of growth, investments and jobs.

Tourism constitutes about 8% of the provincial GDP and the economic impact of tourism for 2008 was in the order of R22-billion, employing 144 000 people in KwaZulu-Natal.

This province is the leading domestic tourism market destination with 32% of the market share and is the third destination for international visitors totalling 1.4 million tourists.

There will be close to 1.6-billion international tourist arrivals worldwide by 2020, spending over \$2-trillion per year.

We will work tirelessly to turn our province to be a destination of choice for international visitors.

We are targeting the Gulf and Eastern economies (such as China and India) to maximize on tourism and boosting our agricultural export potential to turn our economy for the better. We will be hosting a meeting with ambassadors from these countries in the near future to strengthen our relations and take forward the provisions of our bi-national agreements that have opened the possibilities for our region.

We intend to strengthen our trade relations with a number of African states, especially in the SADC region. Strong relations have been built with the neighbouring states which share border contact with KZN.

Strategies to support sectors that have been prioritized by government such as the Arts and Crafts, Clothing and Textile, ICT, Transport and Logistics, etc will be highlighted by the line function MEC.

To create more jobs and counteract the impact of retrenchments, the development of SMME's and co-operatives will be accelerated. More attention will be placed on capacity building and creation of entrepreneurial culture. The development of this sector will continue to receive government support especially in ensuring market access, utilizing government procurement, regular and timely payment to SMME's for services rendered. We cannot allow incompetence of government officials to continue being implicated in the collapse of small business doing business with government.

The Broad-Based Black Economic Empowerment strategy will be implemented to support the broadening of participation in the first economy ventures by larger numbers of marginalized communities and rectify the distortion of the past wherein such deals only benefited a chosen few.

The creation of the Ombudsman will be finalised to deal with fronting, exploitation and all the other challenges of empowerment experienced by emerging businesses.

Government will stimulate and support the rapid growth of the co-operatives to create a vibrant Co-operative Movement that will spearhead the new struggle for economic emancipation by the emerging and aspirant entrepreneurs and disadvantaged communities. More intensive training, capacity-building, support, access to micro-finance and markets will be prioritized. The State-sponsored International Co-operative Conference will be made an annual affair to expose

our co-operatives to experience from different parts of our continent and the world. The growth of secondary co-operatives along specific sectors will be accelerated.

A deliberate decision has been taken to invest in social infrastructure to stimulate the economy and create jobs especially through Expanded Public Works Projects whilst delivering the basic services, such as roads, water and houses.

Government has embarked on a programme to speed up access and open economic opportunities through the construction of roads and bridges, especially in rural areas.

While the government has huge backlogs in terms of human settlements, it is important to highlight the fact that the government has prioritized the programme of Slums Clearance.

This means that a concerted effort will be placed on offering our people access to decent accommodation; while assisting to spread government housing programmes to rural settlements.

The challenge of scattered settlements in our rural villages must be discussed as a challenge in the cost of delivering services between homesteads located far apart.

The other challenge is that of providing for low income housing and schemes for people in the middle income range excluded by government subsidy; promoting owner builders with or without the assistance of financial institutions. There is such a huge outcry in this area across all communities that the MEC has been asked to give attention to it. In this regard we are looking at various options including rental and social housing projects. In addition we are looking at various innovative approaches to housing construction that will explore the use of a variety of (SABS) approved building materials. In all housing projects and programmes we encourage private sector involvement in the form of private-public partnerships.

Importantly, we are also determined to eliminate wastage and enhance service delivery by rooting out fraudulent and corrupt practices in the procurement process.

Working together in the private and public sector we can make KwaZulu-Natal the leading economy in South Africa. Let us work together to build a HOPE FOR A BETTER FUTURE.

EDUCATION

Education has been identified as one critical priority in the new term, all in the context of the fight against poverty and delivering a better life for all our people.

Backlogs are huge. Based on the 2007 National Education Infrastructure Management System data, the province is short of 10 898 ordinary classrooms, 11 525 specialist classrooms, 4000 Grade R classrooms, 3 348 computer rooms, 3 315 media centres, 14 000 school administration offices, and 30 028 toilets.

It is evident that the massive amounts of resources necessary to adequately address the backlogs are not possible to mobilise within the next five years. Given current budget trends over the MTEF, 8750 classrooms, 15 000 toilets, and 30 schools are planned for the next five years. Construction of 15 schools will begin this year.

Additional new classrooms, toilets and administration blocks will be built. All remaining unfenced schools will be fenced during this financial year.

Given the harsh economic realities faced by government, new and creative funding models must be sought to address these challenges in the quickest possible time. We invite the private sector and civil society to make whatever contribution they can to assist.

All learners attending schools ranked as quintile 1 and 2 are exempt from paying school fees. This year an additional 610 000 children in quintile 3 schools will be exempt from paying school fees, meaning that 1.7-million children are now exempt from paying school fees in our province. Poverty cannot be allowed to deprive any South African child from getting an education.

In an effort to improve the quality of learning and teaching, the province has progressively improved the learner: educator ratio from 36:1 in 2004 to 31:1 this year. This is the second best learner: educator ratio in the country after the Free State.

We are determined to continue improving the quality of education and improve the matriculation and especially mathematics pass rates in the next five years.

For the province to make any meaningful strides in the fields of engineering, science and technology, it has to increase the output of learners who take Maths and Science and go on to study at institutions of higher learning. The training of teachers in Maths and Science has to be fast-tracked to address the dearth of qualified Maths and Science teachers in our schools, particularly in rural areas, where we continue to see under- and unqualified teachers in these gateway subjects. Our Government has embarked on formal and informal programmes to improve the subject content knowledge of the teachers of gateway subjects,

through offering bursaries for teachers whilst sourcing qualified foreign educators to fill the vacant posts.

Our newly established Moses Kotane Institute will actively play a role in boosting access to Mathematics and Science, both for teachers and students whose background education was disadvantaged in this regard.

According to the General Household Survey 2007, the net enrolment ratio in grades 1 to 9 is an impressive 98% and 79% in grades 10-12. While the enrolment up to grade 9 is almost universal, the department must investigate the causes for the decline in grade 10 to 12 and seek solutions.

The funds for recapitalisation of FET Colleges were spent on upgrading the infrastructure, developing the human resources capacity, developing information and technology systems, improving the equipment and purchasing of learning and teaching support material. This has prepared us to respond to the shortage of critical skills needed by the economy.

The Departments of Education and Economic Development and Tourism have now been directed to ensure that resources are spent in alignment with the priority skills necessary to strengthen the targeted sectors of the economy. Emphasis will be placed on initiatives that will create skills that will ensure immediate suitability for the job market; especially in tourism, agriculture, ICT, construction, etc.

Already a special three-year project is underway to skill 10 000 youths, including in simpler skills such as security, car washing, bricklaying etc, all with a view to ensure ability to engage in the economy. A separate initiative of training 10 000 youths in ICT linked with the Confederation of Indian Industries and National Institute of Information Technology (NIIT) of India is progressing well.

In the next five years in support of the agrarian revolution in the province, the Department of Education will recapitalise 7 agricultural schools and give greater emphasis to increasing enrolment at agricultural schools as part of a national project, making training of agriculture accessible in remote rural areas.

Our flagship literacy programme Masifundisane, has been performing beyond our expectations. Over the next five years we hope to reach another 500 000 illiterate adults in the province in addition to the 440 000 reached in the past three years.

Of the 2.7-million children attending schools in the province, 1.7-million primary and secondary school pupils are provided with meals daily through the National School Nutrition Programme (NSNP).

It will be evident from the above that education has to be elevated as a priority for which the entire community must be mobilised to ensure that the future of our children is secured and to strengthen our fight against poverty.

We call upon community leaders, parents, teachers and learners to work together to bring back the culture of learning and teaching. Teachers must always be in class, on time, teaching and refrain from unsavoury relations with learners entrusted under their care.

Parents must take keen interest in the daily progress of their children's education.

Learners must always be in school, in class, learning; respecting teachers and parents at all times, abiding by the rules of the schools and doing their homework.

No child should be seen loitering on the streets during school hours. Remember the saying: YOUR CHILD IS MY CHILD AND MY CHILD IS YOUR CHILD.

We ask teachers' trade unions to respect the right of the children to learn and find alternative ways to resolve their issues. Their right to industrial action is acknowledged and respected. Together with departmental officials they must ensure that everything is done to manage bargaining issues to keep them out of the way to protect normal schooling. Nothing must get in the way of our children's education - otherwise we are all gambling with the future of our country!

We call on communities to support the School Governing Bodies. Local leaders in community must participate in the campaign to create a learning environment for our children.

We call on communities in general to join government as we embark on a campaign for a better education for our children. It is a campaign to remove drugs and criminals off our schools and to stop violent attacks in schools. This campaign must help our youth to avoid contracting HIV and Aids and reduce teenage pregnancy at schools. It must also teach our youth love and compassion to support those affected already, and create a caring environment for orphans and other vulnerable groupings.

This campaign must restore our national pride in our children; teach them the values of ubuntu, democracy, human rights and responsibilities to make them leaders for the coming generations.

Government will embark on a programme to teach our children to respect the flag, the anthem and national symbols that define us as a South African nation, unique in the world.

We are in the process of repealing the current KwaZulu-Natal Youth Commission Act, 2005 (Act No 7 of 2005), on the basis that the National Youth Development Agency (NYDA) is now responsible for co-ordinating and championing issues of youth development from one consolidated centre.

Working together with communities and civil society at large, we can build a better future for our children and our country.

PREVENTION OF CRIME AND CORRUPTION

The fight against crime cannot be seen as a task involving only government. As provincial government we fully support all the strategies and measures announced by his Excellency President Zuma on the fight against crime and corruption.

KwaZulu-Natal will be at the forefront of this fight and will give all the support necessary to create an environment where the police are able effectively to investigate and effect arrests without any hindrance.

We call upon civil society to give the same support. Crime occurs in our communities and it is vital that as society we must be integrally involved in the campaign to create safer neighbourhoods.

The Crime Prevention and Justice Cluster shall be strengthened to ensure efficient co-ordination of activities of the provincial representatives of the police, State Security, the Directorate of Public Prosecution, Correctional Services and all law enforcement agencies

Our volunteer campaign will be strengthened.

We call for the strengthening of civil society participation in this campaign: churches against crime, business against crime, street committees and neighbourhood watch groups to work together with government to fight crime. A specific programme will be devised to help rural communities to eradicate stock theft.

The Crime Prevention Volunteer Programme will be reinforced and expanded. We must reduce crime ahead of the 2010 FIFA SOCCER WORLD CUP and forever thereafter.

We believe there has to be a strong focus on the elimination of conditions in which crime thrives. In this regard we have created an inter-departmental team that will deal with the attention that must be given to the reduction of impact of social ills and strengthen our programmes of youth and women empowerment.

This program will involve inter-departmental collaboration to create a Volunteer Corps of youth whose vibrancy and energy will help drive a programme to change behaviour and mobilise the youth into a force to build our society.

The programme will target vulnerable youth, youth in conflict with the law, militarized youth and ex-combatants, unemployed, retrenched, unskilled and youth out of prisons. Orphans, abused children, witnesses and survivors of violent trauma or suicide will be focused upon as will be the widows and children from poor families.

There is need not to see these matters as completely isolated and separate as they are all manifestations of both poverty and a breakdown of societal fibre.

Government will find a way to streamline our interventions to have impact on those in greatest distress, using our programmes of empowerment of youth and women. Sports and Recreation will be used to encourage healthy lifestyles and to occupy the youth in the fight against drugs and criminality. The programme will encompass peer education to fight against such challenges as teenage pregnancy, sexual conduct that results in the rapid spread of HIV and Aids and sexually transmitted diseases, as well as high school drop-out rates.

Our Skills Development Strategies and Economic Empowerment programmes must be made to prevent the perpetuation of these challenges and help in the reconstruction of society.

An integrated plan has been developed. 4000 youth volunteers will be recruited to drive this campaign starting from the areas targeted on available data.

Out of this campaign we hope to achieve the following:

- Creation of awareness on human rights, prevention of domestic violence, reduction in rape, child molestation, etc
- Change of behaviour resulting in the reduction of crime, drug abuse, spread of HIV and sexually transmitted diseases, teenage pregnancies and school drop-out rates
- Increasing participation of youth and women in skills development and economic empowerment programmes of government
- Increasing numbers of youth and women accessing government offices for assistance and improved response from government officials to community and individual needs

Madam Speaker, on the issue of crime, I would like to extend my condolences to the families of councilors who died in what appeared to be political motivated violence in Greytown and Nongoma. We cannot afford the reemergence of

political violence and I call upon all parties and all citizens of the province to work together to eradicate this scourge once and for all.

HEALTH

The health of the nation has been identified as a priority, particularly because of the deteriorating health outcomes, largely as a result of increasing burden of disease creating a strain on the health services.

The over-expenditure in this department has complicated the management of a sector that would in any case have needed more investment.

To ensure the turn-around of this department, a few basic steps need to be taken. The revitalization of the health institutions is fundamental. Whilst the department will continue with the usual programme of revitalization, I have asked that they explore the use of private/public partnerships in line with the statement made by the President in the State of the Nation Address. The department must continue working together with the National Department to resolve the remuneration packages of the medical practitioners and other health workers.

Under the current financial constraints, the revitalization of our institutions may be accelerated by private/public partnership arrangements and is a prerequisite for further reforms such as the proposed National Health Insurance.

May I pause here to express our appreciation to all health workers and acknowledge their commitment and dedication to service in the face of a massively increased burden. I am confident that issues of their remuneration will be resolved as the government is determined to do so.

Over the past few years we have seen deterioration in health indicators, contrary to the expected trend towards meeting the targets of the Millennium Development Goals.

Infant, child and maternal mortality rates and morbidity continued to increase. The spread of HIV and Aids and the co-infection with tuberculosis has been largely responsible for the deterioration of health outcomes.

We are determined to reverse the situation and work towards the MDG targets:

- Halving the infant, child and maternal mortality rates by 2014;
- Ensuring effective implementation of the comprehensive plan for fighting HIV/ Aids and associated infections;
- Increasing the availability of anti-retroviral treatment to 80% by 2014;
- Reduction of new HIV infections by 50% by 2014;
- a TB cure rate of 85% by 2014; and
- Reducing new levels of TB by 50% by 2014.

Government has embarked on a campaign for CREATING HEALTHIER AND SUSTAINABLE COMMUNITIES.

We have directed that the MEC for Health leads military style interventions to reverse the rising tide of tuberculosis, treating ALL people known to have TB, ensuring strict adherence to treatment in an integrated approach. To this end, we have formed an inter-departmental task team of officials who will lead an integrated plan at community level working with communities to reverse the rate of infection of the twin epidemics of TB and HIV.

TB can be cured even in the presence of HIV infection, but without strong management the combination has a devastating effect on patients. We have data down to the local ward level, indicating multiple deprivations of poverty, hunger and under-development which exacerbate the progression of TB to become multiple drug and extremely resistant forms. The campaign will be launched in Nkandla (Qhudeni), Msinga (Ngome) and Inanda INK in eThekweni in July.

The campaign requires mobilization of grassroots cadres, community health workers, extension officers, community volunteers as well as local community leadership, supported by various government departments. That campaign will be launched in conjunction with the FOOD SECURITY CAMPAIGN.

For the success of this campaign, grassroots community mobilisation is essential to link food security, basic services and other forms of rural development. This campaign will also be adapted for peri-urban settlements where extremely high levels of poverty co-exist with high levels of affluence.

For the success of the campaign, primary health care has to be strengthened, especially health promotion and education, prevention and availability of medication.

We invite communities and civil society at large to participate in these programmes to ensure their success.

NATION BUILDING AND GOOD GOVERNANCE

We will support the strengthening of co-operative government and build relationships and partnerships with municipal leaders. Through various forums for co-operation and co-ordination such as the Premier's Co-ordinating Forums, municipalities will be assisted to deliver services more effectively and efficiently. The state of the municipal finances will be given priority attention to ensure early intervention before serious breaches in financial management occur. Challenges of poor delivery capacity in municipalities will receive the necessary attention.

Madam Speaker

I want to commend traditional leaders for their successful election of the new district and provincial houses. These houses are an important aspect in the consolidation of our democracy.

Traditional leaders will be engaged to become part of the programmes of this government.

Already Isilo Samabandla has committed the Royal Household, including oNdlunkulu, to be available to support programmes of service delivery.

We are in the process of re-organizing the Royal Household to resolve management issues associated with it, which in the past attracted undesirable negative publicity. We will ensure that the Office of the Monarchy is used positively as an ambassador to promote good relations and investments in our province, highlighting its unique features of our history and heritage.

Financial audit outcomes will be monitored to maintain the record already set by my predecessor. Prudent financial management will be the order of the day. Strict monitoring of finances will be ensured to avoid departments overspending and assist the province to ensure the repayment of the previous over-expenditure as scheduled. No departments will be allowed to overspend.

Our provincial government communication will be streamlined, integrated and co-ordinated in order for us to derive optimal value for every cent we spend on advertising and marketing. We believe that by buying media space and airtime in bulk for instance, we shall save the taxpayer millions of rands through discounts and special rates. We seek to communicate more, not less, with the people of KwaZulu Natal. However, this government will do so prudently, professionally and as a team working together.

For the government to be effective, several forums of civil society will be necessary to create partnership with government. Government will create a forum for civil society to monitor service delivery. This forum will feed into the office of the OMBUDSMAN that will be created in the Office of the Premier to investigate lapses in service delivery.

This Ombudsman Office will also co-ordinate similar offices that are located in other departments. This will ensure that the Batho Pele and the Citizens Charter documents, as well as others which define the ethos of service delivery, become alive. No rude and discourteous civil servant will be tolerated. We wish to create a culture of service to the public.

We commit government to good governance and clean administration that will fight and eradicate corruption. Programmes are in place to prevent fraud and to take the necessary action in cases of wrong-doing. The illegal involvement of government officials in government tenders as recently reported in the media will be investigated.

Treasury has been directed to investigate the extent to which companies owned by government officials are involved in tenders in different government departments. The image of corrupt officials serving the public but fraudulently siphoning funds from government is not acceptable. We will deal with this matter decisively. A Fraud and Corruption Forum will be revived to fast-track investigations involving this cancer in our society. It includes several departments, the Directorate of Public Prosecution and the police.

In the State of the Nation address President Zuma emphasized the importance of nation building and reviving Madiba's spirit of unifying our people. We will ensure that the government is accessible to many sections of our community and continue the programmes of government coming to the people. To emphasise our cultural diversity as the strength of our democracy, government will promote and support different cultural groups in minority communities.

From this year, celebration of Heritage Day will be organized with the advice of a variety of stakeholders. We need a day to showcase the diversity of our cultures while we simultaneously show our unity as One People and One Nation. A forum inclusive of stakeholders from minority communities will participate in the celebration. This forum will also assist to table matters of concern to minority communities to government. The King Shaka Day will always be celebrated on the weekend nearest to the 24th September every year.

Government will promote peace, mutual respect amongst leaders and people. We need to banish the spirit of hostility amongst different party supporters, making them understand that different opinions strengthen rather than weaken democracy. The message must reach all our people that the future we desire for all our children starts today.

Therefore the spirit of trust and goodwill that our people demonstrated in casting their votes in large numbers is the strength on which we must build the foundations of a caring and compassionate society, characterized by love, respect and friendship amongst all our people. This is the spirit of a free and democratic country.

The efficiency and capacity of KwaZulu-Natal to handle international events has been well documented. It is however fitting for us to convey our congratulations to eThekweni for successfully hosting the IPL series within one month's notice

without any hitches whatsoever. This was proof beyond any shadow of doubt that this province is ready to host the 2010 FIFA SOCCER WORLD CUP.

Amongst the many advantages of the World Cup must be a feeling of achievement as we welcome the thousands of international guests to South Africa. The current excitement as a result of the Confederation Cup is already indicative of the mood and happiness that is expected in 2010. KwaZulu-Natal, although not hosting, is caught up in the national spirit and Public Viewing Areas are drawing capacity crowds across the province – a taste of things to come.

Sport is recognized as an important tool for nation building and for enforcing social cohesion and economic empowerment.

I am pleased to confirm that all preparations, including the construction of the Moses Mabhida Stadium, are progressing very well indeed. More information will be available to the public as soon as our provincial mass publicity programme intensifies. KwaZulu-Natal is a hospitable province that is targeted by holidaymakers and those seeking to establish their holiday homes on our shores. We need to promote a strong spirit of love and friendship amongst all our people.

The programme I have outlined will be implemented by the civil servants. I wish to pay tribute to all those that have the responsibility of turning our vision into implementable programmes. I thank them for their loyalty and dedication. It is not necessary for me to repeat the warning from the President that we expect efficiency, and that discourteous and indolent officials will work themselves out of the service.

We have, however, been impressed with the extent to which Heads of Department have embraced the need for a new approach to governance and a new image.

Of you members of the administration, we ask for two things: HONESTY and HARD WORK. This will make each officer on duty always remember that their action has either a positive or negative impact on the lives of poor people they are employed to serve.

Finally, I wish to share a quote by Stephen Covey:

“There is one thing that is common to every individual, relationship, team, family, organization, nation, economy, and civilization throughout the world – one thing which, if removed, will destroy the most powerful government, the most successful business, the most thriving economy, the most influential leadership, the greatest friendship, the strongest character, the deepest love.

On the other hand, if developed and leveraged, that one thing has the potential to create unparalleled success and prosperity in every dimension of life. Yet, it is

the least understood, most neglected, and most underestimated possibility of our time. That thing is trust.

I am also convinced that in every situation, nothing is as fast as the speed of trust. And contrary to popular belief, trust is something you can do something about. In fact, you can get good at creating it.”

We have given you 100% of our trust and so have our people.

We invite all our people to work together with government to create a HOPE FOR A BETTER FUTURE.

In conclusion, my heartfelt gratitude to the team in the Office of the Premier led by Mr Roger Govender; Head of Ministry Dr Warwick Dorning and Head of Provincial Communication Mr Cyril Madlala for the support in our preparations; the Heads of Department and senior officials in the preparation of the speech and the new government programme.

Next, are my colleagues in the Provincial Executive Council and my party, the African National Congress, for the confidence they have shown in me as we commence this term of government united as never before.

I wish to thank my wife Dr May Mashego, my children Naledi, Linda and Dedani for the support.

I wish to thank Isilo for the support he has given me over many years in the past.

Thank you