

Premier Phumulo Masualle: Eastern Cape State of the Province Address 2015

20 Feb 2015

Honourable Speaker and Deputy Speaker; Ministers and Deputy Ministers;

Members of the Executive Council;

Members of the National Council of Provinces Members of the Provincial Legislature and Parliament
Speakers from our sister Legislatures;

Leadership of the ANC, Alliance and other Political Parties; Veterans of our struggle for national
liberation and their families;

liKumkani zethu zonke nooNdlunkulu abakhoyo apha; Executive Mayors, Mayors, Speakers and
Councillors;

USihlalo Wendlu Yeenkosi neeNkosi ezikhoyo phakathi kwethu; Judge President and Members of the
Judiciary;

Leaders of Chapter 9 Institutions;

Commissioners of the Eastern Cape Planning Commission; Vice Chancellors of our Tertiary
Institutions;

Provincial Commissioner of SAPS, Senior Officers and Heads of Security Services;

His Excellency Ambassador Carlos Fernandez de Cossio and his delegation;

Members of the Diplomatic and Consular Corps; Leaders of the religious fraternity, business, and civil
society;

Acting Director-General, senior government officials Heads of State-owned Enterprises;

Comrades, Ladies and Gentlemen

Honourable Speaker, honourable representatives of our people, citizens of our beautiful province, on
behalf of the Government of the Eastern Cape, I wish to thank you most sincerely for affording me
this opportunity to address this exalted House on the state of our province. Indeed as I begin, allow
me to first greet the masses of our people, who are joining us today through the live coverage
graciously provided by Umhlobo Wenene FM, the DSTV Parliamentary Channel, as well as the
Community Radio Station Hub.

We also extend our greetings to our people who are gathered in the following venues:

- Dangwana Community Hall, Mount Frere, Alfred Nzo DM
- Chris Hani Community Hall, Jamestown, Joe Gqabi DM

- Dordrecht Town Hall, Dordrecht, Chris Hani DM
- Kwa-Nonzame Town Hall, Middleburg, Chris Hani DM
- Kwa-Nxopho Community Hall, Peddie, Amathole DM
- Kwa-Majali Hall, Peelton, BCMM
- Hellenvale Resources Centre, Hellenvale, NMBMM
- Masizakhe Hall, Addo, Sarah Baartman DM
- Eluxolweni Hall, Port St Johns, OR Tambo DM

Honourable Speaker, honourable Members, fellow compatriots, 20 years after the democratic breakthrough of 1994, and 25 years after the release of Nelson Mandela, green grass continues to sprout on the scorched earth of the legacy of three centuries of colonial oppression and the mayhem of apartheid. Today we are making a steady advance towards the country of our dreams. Sixty years after the declaration of the Congress of the People at Kliptown in 1955, that “the people shall govern”, we are gathered here today, representing the masses of our people, to take stock of the progress we have made in creating a people-centred society, and to move our province forward.

Honourable Members, the National Development Plan elaborates on the developmental priorities for the country in the next 15 years. Our own Provincial Development Plan, tabled on the 3rd of February 2015 in this House, details a development path that is unique to the Eastern Cape. In the previous State of the Province Address, we outlined the strategic priorities that are aligned to the National Development Plan (NDP) and to the Provincial Development Plan (PDP). Accordingly, today we are reporting progress against those priorities and at the same time we are presenting our plans to advance implementation in the coming year.

At the beginning of this term, we set very clear principles to guide the execution of our responsibilities to realise the provincial developmental goals. We committed ourselves to strengthen levels of accountability, partnerships and sense of urgency. In taking this commitment forward, we signed delivery agreements for the year and reviewed performance agreements of heads of departments in order to instill a culture of execution and discipline of getting things done.

Honourable Speaker, we continue the term with the global and national economic outlook still remaining sluggish. The Eurozone – which remains one of the country’s and province’s main trading blocs – continues on a low growth trajectory, while China’s phenomenal growth has also started to slow down.

One of the consequences of the post-2009 period of protracted low growth has been the decreased state revenue, and we have now entered a period of fiscal consolidation. This will ensure that we do not expose Government to onerous levels of debt. As the province, we have also received reduced fiscal transfers from National Treasury as a consequence of our slow population growth. This will require us to do more with less, and manage our resources more efficiently.

It will also require us to enter into new creative partnerships with other spheres of government, state-owned entities, and the private sector, for mobilisation of development resources. We are also looking at new mechanisms for revenue generation. The MEC for Finance will outline these in the Budget Speech as well as his policy speech.

Honourable Speaker, in 1955 we declared that “the Doors of Learning and Culture Shall be Opened!” Accordingly, with respect to our priority on **promoting quality education and skills development**, steady progress is being made. As part of our quest to improve access to education and to afford the poor with quality education, we have increased the number of no fee schools to more than 90%. As part of our focus on improving learner attainment, the number of registered early childhood development (ECD) centres in the province increased from 1 324 in the previous financial year, to 1 460 in this financial year. In the same period, 4 484 out of 4 557 targeted schools now have a Grade R class, while the number of children registered in Grade R increased to 152 873 in 2014. In 2015 we will focus exclusively on the professional development of ECD practitioners with a view to increase the number of practitioners obtaining the ECD Level 6 qualification to more than 3 500 by 2018.

In improving school infrastructure, this year alone, 7 school hostels have been renovated, with the remaining 8 hostels targeted for 2015. We also completed renovating 30 schools that were affected by disasters, with another 28 being planned to commence in the 2015/16 financial year.

Furthermore, 60 schools were provided with water and sanitation facilities. Over 150 schools have been prioritised for water, sanitation and fencing over the 2015 medium-term expenditure framework (MTEF).

In our bid to eliminate mud schools, we have completed the construction of 97 schools over the last 3 years, and 134 new schools have been planned for the new MTEF, with 20 new schools planned for 2015/16 financial year. Over 5 500 schools now have access to ICT connectivity and are linked to the South African School Administration Management System, and e-Administration to promote paperless schools.

Whereas in 2009 only 83% of Learner and Teacher Support Material (LTSM) was delivered on time, this year more than 90% had been delivered before the official opening of schools in January. As we move forward, we will sustain this momentum in order to ensure that LTSM shortages are addressed.

Honourable Speaker, the school nutrition programme continues to be an indispensable weapon in the fight against poverty. As we speak, 1 746 477 learners are benefitting from the school nutrition programme. Madam Speaker I do want to emphasise that this is a service provided by government to feed our children at school so that they pay more attention to their lessons. Parents, teachers and service providers who abuse this service by stealing the food and by corrupting its procurement directly contribute to the suffering of our children.

We are paying particular attention on the issue of school leadership and management development. To this end, through a partnership programme with the Education, Training and Development Practitioners Sector Education and Training Authority (SETA) and PricewaterhouseCoopers, 143 out of a total of 150 Principals from underperforming schools, who were registered with the University of KwaZulu-Natal, graduated. We also acknowledge and appreciate contributions by other partners in the sector.

Honourable Speaker, the people-centred society we set out to build from 1994 also demanded that we reduce the burden on our children, of having to travel long distances to school. We are therefore continuing with the scholar transport programme. As we speak, scholar transport beneficiaries increased from 54 000 in 2013 to 57 176 in 2014. We are also constantly reviewing the programme not only to achieve the most efficient and cost effective manner of its delivery but to also ensure coverage of all deserving learners. I do wish to make this abundantly clear though, that scholar transport is a public good, which is meant for deserving learners.

It must not be used as a money making scheme where unscrupulous elements collude to rip off the state. We are currently beefing up our policy to improve the governance of the scholar transport programme.

Fellow compatriots, the measured progress we are making is also borne out by the steady rise in the number of learners passing their matric certificate. Of particular significance is the continued increase in the number of learners attaining Bachelor passes. This impressive trend makes the Eastern Cape to be one of the top contributors to quality education in the country.

We also note the progress in the five districts that performed above the national average, with Cradock being the top performing district in the province. Madame Speaker, notwithstanding the slight improvement in the 2014 matric results, we cannot be content with the below average performance in most of our schools. This must change and we call upon all districts to pull all stops to ensure better learner attainment. This is crucial in shaping a bright future for our children.

Honourable Speaker, with each step we take, we are moving our province forward. Once again I would like to acknowledge and express our appreciation for the efforts of our matric learners in the 2014 National Senior Certificate examinations. In the National Top Achiever Awards announced by the Minister of Basic Education on 5 January 2015, four out of nine awards went to learners from the Eastern Cape for top honours in Mathematics and Physical Science. These are: Jahin Rohin from Selborne College in East London, Ressouw Layle from Muir College in Uitenhage, and Luvo Luziphohle from St James Senior Secondary in Cofimvaba.

Honourable Speaker, we appreciate the intervention of the Department of Higher Education in improving infrastructure in the previously disadvantaged institutions. We are particularly pleased to note the plans for the revitalisation and establishment of four further education and training (FET) campuses at Aliwal North, Sterkspruit, Graaff Reinet, and Ngqungqushe in Lusikisiki.

Honourable Speaker, we are making good progress in our march towards **achieving an improved health profile of the province**. We are determined to ensure that in our lifetime, the objective of the Freedom Charter, of establishing a preventive health scheme that is run by the state, as well as of providing free medical care and hospitalization to all, with special care for mothers and young children, is realised.

Consequently, as part of our quest to provide health infrastructure, we are happy to report that many projects have already been completed. These include the work on sections of Dora Nginza and Frere Hospitals. A number of projects are also at various stages of construction at St Patrick's in Mbizana, St Elizabeth in Lusikisiki, Khotsong in Matatiele, Mthatha General, Sipetu in Ntabankulu, and Frontier in Queenstown.

In fact, with respect to the NHI, our focus currently is on revamping two hospitals, namely Bambisana at Lusikisiki and Zithulele at Elliotdale. Similarly, five new clinics will be constructed, and forty consulting rooms will be added to existing clinics.

Furthermore, the Nelson Mandela Academic Hospital will be expanded into a Central Hospital attached to the Walter Sisulu School of Medicine. We are now in a process of engaging the Alfred Nzo District in preparation for the implementation of the NHI in that area.

In 2015/16 we are going to complete the 530 bed flagship project at Cecilia Makiwane hospital, at a cost of R935 million. The Frontier Hospital's casualty unit, paediatrics and outpatients department, costing R245 million will also be finalised. A further 17 clinics will be completed at a cost of R332.2 million, most of which are in the National Health Insurance pilot district of OR Tambo district.

Honourable Speaker, we are also focusing on the provision of adequate and well-trained healthcare professionals, including the training of 1 558 nurses. More than R189 million will be spent on the training of 2 344 healthcare professionals in the province.

In 2015/16, we will continue to provide training opportunities for healthcare professionals locally and through collaborations with the Cuban government.

Similarly, a total of 309 health professionals qualified at the end of 2014, including 26 pharmacists, 83 medical doctors and 24 radiographers.

Honourable Speaker, we are making a significant impact in the reduction and treatment of tuberculosis (TB) and HIV & AIDS infections. In collaboration with the Eastern Cape AIDS Council the province has made strides in scaling up access to antiretroviral treatment contributing to improved life expectancy in the province. In order to improve adherence to treatment, 75% of clients are now on Fixed Dose Combination. Access to antiretrovirals (ART) has also yielded positive results in reducing the number of HIV exposed babies who are born positive.

Similarly, the TB cure rate has improved by 0.2%, with 1 800 multi-drug-resistant (MDR) and extensively drug-resistant (XDR) clients being treated in designated facilities. We must continue to encourage and support those on TB treatment to adhere to their treatment regimen. Furthermore, by allowing all clinics to order straight from the depots, we have drastically improved drug availability.

Honourable Speaker, we are emerging from a legacy of severe neglect of our rural areas. However, through our priority on **stimulating rural development, land reform and food security**, we are resolute in reversing this legacy, and in making rural areas to become viable and sustainable communities. In keeping with the vision of the Freedom Charter, we are committed to ensuring that land is redistributed and shared equitably amongst those who work it, in order to banish famine and land hunger.

Honourable Speaker the Eastern Cape, through its agriculture and agri-based industry, has great potential to be the country's food basket. During this term we are going to devise measures and strategies to tap on this potential to ensure the contribution of agriculture in improving the province's economy particularly the rural economy.

Not far from here at the Coega Industrial Development Zone (IDZ), an R86 million agro-processing multi-user facility is booming. This facility will enable small, micro and medium enterprises to expand their value addition activities in the Eastern Cape. Prospective investors involved in the processing of coffee, cereals, protein and energy supplements have shown a keen interest in the facility.

These winds of change sweeping across our province will ensure that famine and hunger are banished. It will ensure that our province is able to lift marginalised households out of poverty.

Forging ahead, we should ensure that there is enhanced integration in the value chain and linkages to the deep water container Port of Ngqurha for handling of global exports such as the frozen pineapples from places like Ngqushwa destined for the Japanese market.

We are implementing our Rural Development Strategy, and to this end, our target to cultivate 300 000 hectares by 2019 is on track. Over 17 503 hectares of land were ploughed in this year alone. This is against the 12 888 hectares of land which were ploughed over the past three years. As we speak, over 12 395 households benefited from food security and nutrition initiatives such as Siyazondla, Letsima and homestead food gardens across the province. In the 2015/16 financial year 42 500 hectares will be cultivated.

We are also going to improve investment in agriculture by developing more rural infrastructure in order to support the expansion of production and employment; small-scale farming and rural development. Key in this regard will be the building of infrastructure for processing agricultural products, including abattoirs, dairy infrastructure, aquaculture incubation schemes and rural tourism infrastructure.

We will also support the initiatives announced by the President in his State of the Nation Address regarding the establishment of agri-parks, cooperatives and clusters in the poorest district municipalities to transform rural economies.

Madam Speaker, since the establishment of the Eastern Cape Rural Development Agency, the province has launched two rural enterprise development hubs at Mqanduli and Ncorha to the tune R45 million each.

The hubs already have 1 500 and 900 tons of mealies in storage respectively. In the 2015/16 financial year two additional hubs will be established at Ludeke in Mbizana and at Mt. Arthur in Lady Frere.

The Provincial government is working on a sustainable plan to revitalise Magwa and Majola tea estates given the economic potential of the two entities. During the term we will also focus on diversifying the economic value add of the two estates through tourism promotion initiatives, amongst others.

This, Honourable Speaker, is in line with our determination to promote the Eastern Cape as a tourism destination. To this end, we are providing training to tourism SMMEs on areas such as financial management, digital marketing and product quality.

Furthermore, as part of rural roads infrastructure development programme, we are also going to target the improvement of roads to tourism establishments in the province prioritising the roads to Baviaanskloof, Hole-in-the-Wall, Dwesa-Cwebe and Coffee Bay.

We recently opened the Tsolo Agricultural Research and Development Institute which is currently focusing on the training of animal health technicians. Other disciplines will be introduced in the medium term. The current intake of students will contribute towards enhancing the required expertise and participation of women in this sector. The active participation of women in agriculture is crucial in order for us to breed more of the likes of Ms Nokwanele Mzamo, from Kirkwood.

At this point I wish to join the President in congratulating Ms Mzamo, the winner of the 2014 Agriculture Top Female Entrepreneur Award.

Honourable Speaker, we have an abiding objective to **transform the economy to create jobs and sustainable livelihoods**. We have to do this against an economic outlook characterised by, amongst other things, an economy that records one of the highest unemployment rates in the country, which currently stands at 30.8 per cent, while youth unemployment stands at 50 per cent.

We are rising to the task of creating sustainable jobs for our people. A total of 24 737 jobs, against a target of 13 234, have been created through economic agencies such as the Eastern Cape Development Corporation, the East London IDZ, and the Coega Development Corporation. We are targeting 14 investments with the value of R2,237 billion in the two IDZs.

As part of promoting the province as an investment destination of choice, we are developing an Investment Promotion Strategy aimed at creating an enabling environment for a vibrant economic growth in the province.

The following job creation targets have been set for the 2015/16 financial year: Eastern Cape Development Corporation (ECDC) 7 000, Coega 8 797 and East London IDZ 5 500. In the coming year, jobs will be created in manufacturing, logistics, alternative energy, agro processing and services. We will also offer export support to businesses through ECDC.

Through the Community Works Programme, a total of 35 222 work opportunities were created. Similarly, through the Expanded Public Works Programme (EPWP), a total of 155 235 job opportunities have been created against the planned 92 521.

Approximately 64% of the EPWP jobs benefited women; 39% benefited the youth and 1% benefited persons with disabilities. A total of 4 184 youths, out of a target of 3 678, have been trained through the Advanced Professional Trade and Competency Programme. (APTCoD) and the National Rural Youth Service Corps (NARYSEC) programmes.

In 2015/2016, we are targeting to create 129 597 EPWP job opportunities and 37 000 through the Community Works Programme. In an effort to further enhance job creation we will support 280 SMMEs and 70 cooperatives. This will ensure active participation of previously disadvantaged sectors in the economy.

Honourable Speaker, the implementation of the Strategic Integrated Projects in the province, is progressing well. The upgrades of the Mthatha Airport runway and apron are complete. We are now working to finalise work on the Mthatha Airport terminal building. The completion date for this project is May 2015.

The Mzimvubu Multipurpose Development Project is also progressing well. This project entails development of a multi- purpose dam to supply water for new irrigation development, hydropower generation and domestic water requirements in the Mzimvubu River Catchment.

A project management office based in Mthatha is being set up. This will help to increase the project's momentum.

The proclamation of the Wild Coast Special Economic Zone (SEZ) has also been identified as a key focus area in the coming financial year and a pre-feasibility study for the Wild Coast SEZ has been approved.

Honourable Speaker, as part of unleashing the potential of the ocean economy, the President launched Operation Phakisa in 2014. This initiative is aimed at tapping on the potential of the 800km

coastline of the Eastern Cape. The East London Port has been identified for boat building and ship repair. Coega was also identified for over flows from Saldanha Bay with respect to oil rig repairs. Five Aquaculture Development Zones (ADZs) were also identified in the province, namely Qolorha, EL IDZ, Hamburg, Coega IDZ, and Port Elizabeth Port.

Through the Department of Rural Development and Agrarian Reform, the province will also expand these ADZs to cover freshwater aquaculture in our rivers and dams to benefit our rural communities. Furthermore, the province will be opening the first Maritime High Schools at George Randall and Ngwenyathi in East London in 2016.

In preparation for this initiative, the departments of Transport and Education will be sending 10 educators and one official to Belgium for a refresher course from 23 March to 3 April 2015. The HRD Council will also convene a maritime skills summit in March 2015 to adopt a Provincial Maritime Skills Plan in order to support the initiatives in the ocean economy.

With respect to rural roads infrastructure delivery, we are going to spend over R1,3 billion on construction, maintenance and repairs to a number of our roads, including the one to Sipetu Hospital, the road to Madwaleni Hospital, the road from Mzamba to Magusheni, and the road to Sabalele, Nkantolo road, the road to Isilimela Hospital, and the road from Qolorha to Centane.

Through the South African National Roads Agency (SANRAL), during the 2015/16 financial year, we will be implementing 33 projects totaling R2,255 billion. The scope of works includes periodic maintenance, special maintenance, strengthening and rehabilitation, as well as improvements and upgrades. Key projects in this regard include the following roads: Grahamstown to Fish River Pass; Port Alfred to Fish River; Riet River to Tarka Bridge; Tsojana to Qumanco; Qumanco to Ngcobo; and All Saints to Bhaziya. Furthermore, the designs for the Mthentu and Msikaba which are part of the N2 Wild Coast are now complete.

Over and above these projects SANRAL is implementing on- going projects valued at R1,7 billion as part of broadening the road network.

With respect to electricity provision, we are expanding the transmission and distribution network to address historical imbalances, provide access to electricity for all and to support economic development. The Department of Energy has allocated R722,7 million to the Eastern Cape for 37 550 Eskom connections. In addition to this, municipalities have been allocated R284,7 million for 15 544 connections.

Furthermore, we intend to install 4 355 solar connections in Mbhashe, 1 180 in Ngcobo and 4 000 in Matatiele.

We are aware that electricity supply constraints and price increases comes on the back of existing cost pressures and market demand challenges facing industry in the province. Accordingly, we are going to establish a rapid response team to engage with the industry on the mitigation of the negative impact of outages. The team will further facilitate exploration of alternative energy options. We should however, realise that a significant part of the solution to our energy challenges lies in the hands of all of us here in the Eastern Cape.

We call upon all the energy users to manage consumption of energy during these trying times.

As we work with industry to minimise the negative impact of the electricity constraints on production, we will continue to work with the Department of Trade and Industry to provide a more comprehensive package of incentives and support to local industry to ensure its sustained competitiveness. Already the support that is now being provided to the clothing and textiles sector has slowed down the spate of retrenchments in the sector.

Honourable Speaker, we have made significant progress in positioning the province to become one of South Africa's energy hubs. The Jeffrey's Bay Wind Farm, which is the biggest in Sub-Saharan Africa, started generating electricity in mid-2014, and is expected to supply enough clean, renewable energy to meet the needs of over 100 000 households in the province. Furthermore, well over 45% of the total project value of the Renewable Energy Facilities in the Eastern Cape has been allocated for local procurement, and the intention in this regard is to stimulate the development of localised industries and the green economy.

Honourable Speaker, the discovery of shale gas reserves in the Karoo Basin, offers us an opportunity to further grow our economy, and to create much needed jobs for our people. The ground-breaking scientific research currently underway in partnership with the Nelson Mandela Metropolitan University, will be finalised by December 2015. This research will map out a detailed technical understanding of the potential shale gas resource and possible environmental risks associated with its extraction. It will further enable the provincial government to plan for optimal socio-economic and environmentally responsible outcomes.

With respect to the provision of water infrastructure in the province, through the Regional Bulk Infrastructure Grant, a total of R1 billion was allocated for 2014/15 covering 14 projects under construction.

More than R3,4 billion is allocated over the period between 2015/16 and 2017/18. As a result, a number of bulk water supply schemes are due for completion during this calendar year. These include the Greater Mbizana Bulk Supply Project at Mbizana, costing R1,1 billion, the Mncwasa Bulk Water Supply costing more than R295 million, and the Xhora Bulk Water Supply at Mbhashe costing more than R660 million.

Honourable Speaker, the Freedom Charter also declared that citizens would be able “to bring up their families in comfort and security.” Accordingly, with this vision in mind, we are forging ahead with **intensifying the fight against crime and corruption.**

Noting the significant contribution of substance abuse to crime, we have enhanced our campaigns to fight this social ill. As a result 352 illegal taverns and shebeens were closed by both SAPS and Eastern Cape Liquor Board. We have also, as part of strengthening social protection, established a multi- disciplinary substance abuse State Treatment Centre in Port Elizabeth, which is targeting children between 13-18 years. Certainly, the need for better regulation of sale and consumption of liquor cannot be overemphasised. To this end, the Executive Council has approved a Liquor Bill which will shortly be published in the Government Gazette and publicised in the media.

Honourable Speaker, the fight against crime requires an integrated approach. This will entail establishing more street and village committees as well as community safety forums at municipality level. Furthermore, through community mobilisation and awareness building programmes we are going to intensify rural safety, focusing in particular on violence against women and children, substance abuse, and on stock theft.

We are taking every step possible to ensure that the Eastern Cape is a safe province, and to this end, we have intensified crime prevention operations in targeted ‘hot spots’ which include Nelson Mandela Metro, Lusikisiki, East London, and Mthatha.

Honourable Speaker, our forebears envisioned a future, in which ‘There Shall be Houses, Security and Comfort!’ Accordingly, one of the tasks in this fifth term of democracy, is the provision of **integrated human settlements and building cohesive communities.** Already in this year 8 966 houses have been completed, and a further 3 973 houses are nearing completion.

The call for a sense of urgency in delivering services to our people is starting to bear fruits. Having efficiently delivered the targeted housing units, the province has been allocated an additional R200 m to build even more units during this year. Furthermore, through the R1,9 billion conditional grant for 2015/2016, we will reduce the housing backlog by over 13 700 quality homes.

In line with the pronouncement made by the President to address the needs of the military veterans the province is piloting with 200 housing units in the Lukhanji Municipality.

As part of facilitating better interface between the state and citizens, we are continuing with our programme of building Multi-Purpose Community Centres throughout the province to improve access to government services. To this end, the Multi- Purpose Community Centre in Ndlambe municipality has been completed and handed over. Five other centres in the Nelson Mandela Metro, Mbizana, Ngcobo and Cofimvaba are under construction.

Honourable Speaker, the Constitution, reflecting the vision of the Freedom Charter, reiterates that this country belongs to all who live in it, united in diversity.

In this regard, we are working to ensure social cohesion, especially through the promotion of our diverse cultural heritage, national symbols and sport. The province is currently working with the National Heritage Council to ensure that the Mandela National Liberation Heritage Route is declared as the world heritage site by UNESCO. We have also signed an MoU with the National Heritage Council (NHC) to research the heritage potential and unique features of the province including its legends.

This research will inform government approach to interventions required to promote heritage and tourism infrastructure in the province. It will also assist in reinforcing the Home of Legends campaign that is meant to brand and market the province.

We will also strengthen our support to signature events like Isingqi Cultural Festival, Grahamstown National Arts Festival, Buyelekhaya Music Festival as well as hosting mega international events. All the schools in the province must ensure that the South African Flag is hoisted and national symbols are taught to children from Grade R in order to instill sense of patriotism and national duty.

Honourable Speaker, let me acknowledge and congratulate the following sports achievers who recently made us proud: Sportswoman of the Year for persons with disabilities (Emma Roach, swimming); Sportsman of the Year for persons with disabilities (Unathi Mvakwendlu, football); Sportswoman of the Year, (Sinazo Nobeke, rugby) and Sportsman of the Year, (Zolani Tete,

Professional Boxing). We continue to draw inspiration from the consistent victories registered by our senior citizens in the Golden Games championships.

Honourable Speaker, we are also focusing our attention on **strengthening the developmental state and good governance**, in keeping with the vision of the Freedom Charter, that “All people shall be entitled to take part in the administration of the country.” This is echoed in the Provincial Development Plan that envisages a province with capable, conscientious and accountable institutions that are primarily engaged in sustainable partnerships for provincial development with social actors and broader citizenry.

By the end of 2014/15 we will have finalised the review of the Inter-governmental Relations Framework to ensure effective participation of all the social actors in the planning, resourcing and implementation of government programmes. One of the key features of the Framework is adopting a bottom-up approach to planning and service delivery. This approach is firmly anchored at ward level.

As part of strengthening engagements with our young people we are going to convene a Youth Dialogue at the beginning of the 2015/16 financial year. The Dialogue is aimed at adopting the Provincial Youth Development Strategy which outlines clear interventions to address challenges faced by young people.

Furthermore, in response to the call in the PDP to build strategic partnerships for development, the provincial government will continue to work very closely with the NGO sector around community development and citizen empowerment. Government will also strengthen partnerships with the religious sector and traditional leaders around moral regeneration programme, social conscientisation and restoration of the family as a basic unit of society. We acknowledge the role played by the religious sector in strengthening the moral fibre of our society. Their contribution in improving the education outcomes through their various initiatives is appreciated and encouraged.

Similarly, following our engagement with the disability sector in 2014, the Executive Council will hold a dialogue to find solutions to challenges facing the sector before the end of March 2015. Building on the initiatives in the departments of Social Development and Health in improving access for people with disabilities, provincial departments and municipalities are encouraged to step up the pace in implementing the transformation programmes that will ensure inclusivity. These must result in the attainment of employment equity targets for people with disabilities in the public service, participation of people with disabilities in the economy and general empowerment of the sector.

Honourable Speaker, as part of building partnerships for the development of our province, towards the end of 2014, we engaged the Chamber of Mines, which we all know draws about 29% of its workforce from the Eastern Cape. We are going to continue with these engagements starting with a strategic conversation with the mining houses by the end of March 2015. These engagements are aimed at defining the role of the mining sector in the socio-economic development of the Eastern Cape. In the same vein, the engagements held with the Diaspora in 2014 will be given more impetus this year.

Honourable Speaker, we wish to express our appreciation for the role played by traditional leaders in the province. Indeed our relations are moving from strength to strength. The collaboration between government and the sector has seen the reduction of unnecessary deaths of initiates in the past season.

We shall continue to work with the traditional leadership on moral regeneration, mobilisation of communities to promote agricultural production, food security and self-reliance as well as promoting development in the rural communities.

Through the Departments of Education and Cooperative Governance and Traditional Affairs, we shall also ensure that Jongilizwe Traditional Leadership Academy in Tsolo expands its programmes to empower traditional leaders to fulfill their roles in society.

Honourable Speaker, critical to building a developmental state is a capable human resource. We will continue with the Leadership and Management Development programme, including women development programmes.

We are continuing with the implementation of the Provincial Public Sector Transformation Strategy. Going forward we will pay more attention to leveraging the information and communication technologies (ICT) to enhance delivery and access to services.

In pursuit of the proclamation by the President to roll out the broadband connectivity throughout the country, the Executive Council will arrange a session with the National Minister of Telecommunications and Postal Services to devise means of accelerating the roll-out of the broadband connectivity in the province.

Honourable Speaker, the implementation of the policy prohibiting officials from trading with the state is on course and is being monitored closely. To intensify the fight against corruption and fraud; and to

ensure speedy finalisation of corruption cases, we have signed an MoU with the Special Investigating Unit (SIU) to investigate a number of outstanding corruption and fraud cases in the public service.

As part of improving financial management and governance, audit outcomes have improved from the previous financial year, with three departments receiving clean audits, and others moving from qualified to unqualified, or disclaimer to qualified. All of our public entities, except for two, attained unqualified audit outcomes. This is good progress. However, we will not be complacent until we achieve unqualified audits in all departments, municipalities and public entities.

Honourable Speaker, as the provincial government we have a responsibility to support local government to ensure its functionality and viability. Our focus continues to be on the need to build and improve leadership and management capability of local government.

Going forward we will focus on the implementation of the “back to basics’ campaign in municipalities.

We want to ensure that our municipalities prioritise and put people first. They must pay undivided attention to creating conditions for decent living by consistently delivering municipal services to the right quality and standard.

Their conduct must be characterised by good governance, transparency and accountability. They must at all times ensure sound financial management, and they must build and maintain sound institutional and administrative capabilities.

An amount of R130 million has also been allocated for Section 139 interventions at Makana, Inkwanca and King Sabata Dalindyebo (KSD) to address institutional capacity, improvement of systems, improvement of audit outcomes, payment of Eskom debt and infrastructure projects.

In addition, the KSD municipality will continue to be supported through the Presidential KSD revitalisation programme. The cumulative investment in this programme has reached R7 billion comprising of R3,7 billion worth of completed projects and R3,5 billion currently ongoing projects. The main thrust of the programme is to focus on key catalytic programmes aimed at speeding up socio-economic development in the municipality.

Forty water and sanitation multi-year contracts, to the tune of R1,5 billion have been awarded and expenditure to date is R650 million. This project will prioritise 999 villages in KSD which previously had no access to water services.

As I have alluded earlier, the Provincial Development Plan (PDP) has been finalised. The Plan envisions empowered citizenry in a thriving province. We call upon all stakeholders to partner with the provincial government to realise the objectives of this Plan.

To facilitate the implementation of the PDP the following plans will be in place by end of 2015: a provincial spatial development plan, provincial infrastructure master plan, and an integrated human settlements master plan.

Madam Speaker, let us also take this opportunity to wish one of our champions of traditional music, Mr Saba Mbixane, iZawu-Zawu a speedy recovery.

Let us also take a moment to honour all our dearly departed fellow citizens, compatriots and comrades who have made sterling contributions in various walks of life in support of our agenda for development. While we may not be able to mention all of them here, we recall with fond memories in particular the following:

- Rev Mcebisi Xundu
- Mam' uEpainette Mbeki
- Mam' uGertrude Tambo
- Yolanda Guma
- Khaya Beza
- Castro Salman
- Mam' uMazimele Tshisiwe Ngozi
- Mam'uThembeka Nkamba-Van Wyk

I am also pleased to report that all the remains of the people who perished in Nigeria, when the Synagogue Church of All Nations in Lagos collapsed on the 12th of September 2014, have been returned to their families for burial.

Ngokomlomo wembongi yesizwe, ongasekhoyo uS.E.K. Mqhayi, sonke singabantu beli Phondo, saleka umsundulu xa sisithi:

“Kuf'omnye kade mini kwakhiw' omnye; Kukhonza mnye kade' ze kuphil' abanye; Ngala mazwi sithi, thuthuzelekani”,

Honourable Speaker, in the coming days, and throughout the year, as part of stakeholder engagements, we are going to afford our people an opportunity to interact with us on every aspect of the programme I have elaborated today. We believe that the change we seek can be realised only when we work together. Each and every one of us, as members of this chain of unity, must pull their equal share of strength to move the province forward. As the poet William Ernest Henley puts it in his poem, 'Invictus':

It matters not how strait the gate, How charged with punishments the scroll,
I am the master of my fate, I am the captain of my soul.

We too in the Eastern Cape are Captains of our Souls. We too in the Eastern Cape are Masters of our fate.

I thank you

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