

**ADDRESS BY GAUTENG PREMIER DAVID MAKHURA, ON
THE OCCASION OF THE TABLING OF THE 2014/15
ANNUAL REPORT OF THE OFFICE OF THE PREMIER.
GAUTENG PROVINCIAL LEGISLATURE.**

4 September 2015

Deputy Speaker, Honourable Dikgang Moiloa;

The Chief Whip, Honourable Brian Hlongwa;

Members of the Executive Council;

Honourable Members;

Ladies and Gentlemen:

I am, once more, honoured to stand before this House, as a servant of the people of Gauteng, to table the 2014/2015 Annual Report of the Office of the Premier.

This Annual Report is one of the key mechanism through which the Fifth Administration is able to account to the people of Gauteng on its

work of driving and directing the implementation of the Ten-Pillar programme for radical Transformation, Modernisation and Re-industrialization of the Gauteng City Region, hereinafter referred to as the TMR.

The TMR has now received overwhelming endorsement from different sectors of the population - trade unions, business, faith-based sector, youth, women, cultural and sporting bodies - as their own roadmap to build Gauteng into a seamlessly integrated, socially cohesive, economically inclusive and globally competitive City Region.

Both national government and esteemed academic observers have given positive reviews to our plan to position Gauteng as a leading economy that is underpinned by smart, innovation-driven, knowledge-based, green and blue industries.

This financial year has seen significant effort to focus the whole of government on rolling out the ten pillars and priorities of the TMR into departmental five-year strategic plans and annual performance

plans. We have also been reviewing and enhancing the capacity of various key delivery departments and agencies to execute the TMR priorities.

We have also undertaken critical outbound missions to different countries to exchange experiences and seek to cement bilateral relations that are based on the key social and economic sectors identified in the TMR. All overseas trips and international engagements are now based strictly on TMR priorities and GCR development corridors. We are more purposeful and deliberate in the conduct of international relations strategy that supports the TMR.

Honourable Deputy Speaker, allow me to quote from a report released a few days ago by the McKinsey Global Institute, titled: *South Africa's Big Five: Bold Priorities for Inclusive Growth*.

The report had this to say about the South African economy, of which we as Gauteng is the engine and industrial hub:

“It has been just over two decades since South Africa’s transition from apartheid to democracy captured the world’s imagination and brought Nelson Mandela to power as President. Since then, the country’s GDP has almost doubled in real terms, millions have emerged from poverty, and an ambitious infrastructure development programme has widened access to water, sanitation, electricity, and transport.

The signs of economic progress are most evident in South Africa’s major cities, which are hubs of development and innovation. Many of the country’s largest companies have become successful global players, and key industries from agriculture to financial services to telecommunications have achieved impressive growth as part of Africa’s economic renaissance.”

Consistent with its balanced nature, the Report goes on to highlight some of the critical problems currently facing our economy. These include a slowing economic growth rate as well as high levels of unemployment, especially youth unemployment.

According to the report; “Accelerating growth and job creation are critical imperatives for South Africa—and the good news is that this goal is attainable. The country has a number of strengths on which to build, including a highly rated business environment, a strong legal and governance framework, excellent transport links, robust investment, and competitive firms. All of these factors position South Africa to boost long-term growth, raise employment, and create a vibrant, inclusive, globally competitive economy for the 21st century.”

Also profound is that the report identifies five sectors or opportunities that can help reignite our country’s economic prospects. These sectors are advanced manufacturing, infrastructure, natural gas, service exports, and the agricultural value chain.

Honourable Members, I have taken the liberty to quote extensively from the McKinsey report to make the point that despite some wild

prophesies of doom coming from some among us, the economic challenges we face are not insurmountable.

As the report puts it “The good news is that this goal (of accelerated economic growth and job creation) is attainable.” - as a country we have a number of strengths on which to build.

We are particularly encouraged that four of the five sectors identified by the report as critical for us to re-ignite our country’s economic prospects are already key focus areas of our programme for radical Transformation, Modernisation and Re-industrialisation, the TMR.

Once again, these sectors are advanced manufacturing, infrastructure development, the services sector as well as the agricultural value chain (agro-processing particularly important for our province).

To us these developments further validate the reality that we are indeed on the right track and that the goals we have set for ourselves

are within reach. These developments also point out that this is not the moment to allow despondency and despair to take root.

Honourable Deputy Speaker, we have also held a successful Infrastructure Investment Conference focusing on attracting private sector investment, both domestic and international, into the Gauteng City Region Economy; strengthen and codify the emerging partnerships and collaboration between government and the private sector; raise capital for infrastructure development projects; position the Gauteng City Region as a competitive investment destination; profile key Gauteng City Region infrastructure projects and to position the Transformation, Modernisation and Re-industrialisation agenda as a game changer for the Gauteng City Region;

We are pleased to announce that we emerged from the conference with sense of commitment from government and more importantly from the private sector on partnering and collaborating on infrastructure development projects. We have agreed that we now

meet on annual basis to assess the impact of the identified and agreed upon infrastructure projects in the Gauteng City Region.

Honourable Deputy Speaker, the Office of the Premier sits at the apex of our coordinated efforts as the Gauteng City Region to implement the TMR.

As we know the TMR, remains our road map to the kind of Gauteng we seek to build; a seamlessly integrated, socially cohesive, economically inclusive City Region; a leading economy on the African Continent with smart, innovation-driven, knowledge-based and sustainable industries; with an accountable, responsive, transparent and clean government as well as an active citizenry.

We reiterate that the TMR is our own contribution to the goals of the National Development Plan, Vision 2030. It is also our response to addressing the structural problems facing our economy. It is our bold intervention to unlock inclusive economic growth, create jobs, reduce

poverty and inequality as well as promote accelerated social transformation in our province.

We are delighted therefore to report to this House that one of our major achievements during the review period, the TMR priorities continue to find expression in our Medium Term Strategic Framework, in our Medium Term Expenditure Framework and the Performance Agreements I have signed with every Member of the Executive Council.

We are indeed succeeding in re-engineering our government processes to support the implementation of the TMR. To this end, the Executive Council has adopted a solid and comprehensive Governance and Administration Roadmap that will turn around the performance of all departments and agencies of government in the GCR in order to build an activist, accountable, responsive and clean government. We shall share the Roadmap with the House at the earliest opportunity.

In addition we have among others adopted key strategies that are aimed at realising and executing the TMR, these include;

Township Economy Revitalisation Strategy;

Anti-corruption Strategy;

Accelerated Social Strategy;

Gauteng City Region Energy Mix Strategy;

Gauteng City Region Youth Development Strategy;

International Relations Strategy;

Procurement Strategy In Support of the Township Economy Revitalisation;

E-Governance Strategy And Roll-out Strategy;

We are in the process of finalizing the Gauteng Infrastructure Master Plan and new Spatial Development Framework that is based on the TMR. During the month of October, we bring together key stakeholders to discuss and finalise our new Spatial Development Framework which seeks to effect a decisive spatial transformation of the GCR.

Honourable Deputy Speaker, one of the key factors that have shaped our progress during the review period is an effective performance monitoring and evaluation. Performance monitoring and evaluation is important in ensuring a culture of accountability and excellence.

To us, this is a significant development which signals our determination to fundamentally change how government works; and to alter how our people interact with government and experience governance.

Honourable Members, I want to assure that we are cracking the whip where there is no delivery! There is no place to hide for corrupt and lazy officials in the Fifth Administration. We are building a culture of execution within government! Ours is a government that is about building and sustaining centres of service delivery excellence.

Specifically, our approach is that of moving away from the normal and ineffective office bound and PowerPoint management style. We

are a government at work; that is on the ground and responding to and resolving the challenges facing communities.

We are doing all of this because we are building and entrenching the discipline of getting things done in society and especially among all those deployed in government, including Members of the Executive Council and civil servants.

It is against this background that we have established the Ntirhisano Service Delivery War Room. At the heart of the War Room, is to ensure alignment of strategy with the reality on the ground, and more importantly to ensure the achievement of results.

The established of the War Room is also based on our commitment to building an activist government; that is responsive; a government that engages on a continuous basis and resolves challenges facing communities.

We are delighted to report that during the review period, we have provided responses to 80% of issues brought to our attention through the Hotline within 72 hours and that 90% of issues raised through the Hotline have been resolved.

As part of our commitment to promoting participatory governance, during the review period, we conducted 27 community outreach and engagement activities throughout the Province. This number is going to increase substantially as we have already started upscaling the Ntirhisano Cabinet Roadshow programme. We want to ensure that by the end of the 2014/15 financial year, we have visited most of the communities in our province, especially where there are serious complaints and weaknesses of service delivery and incomplete infrastructure projects.

The success and impact of the Ntirhisano Service Delivery War Room has already received independent acknowledgement and acclaim from Municipal IQ Monitor. In its report of July 2015, the independent

organization that monitors service delivery protests has the following to say about Gauteng:

“It is evident that Gauteng, although still the most conflict-ridden province in 2015, has decreased in the province relative to the past ten and half years...with this kind of experience, the outcomes of Gauteng Premier David Makhura's war room - to address grievances of protesting communities before they spiral into violence - deserves keen attention, especially with the preliminary signs that levels of violent protest may be receding.”

Honourable Members, we are pleased to see that our work in building a more responsive, proactive and activist government is receiving the attention and acclaim of independent research institutions.

We are improving the capacity of the developmental state to serve the people better and more effectively. This is a state that will continue to play a developmental and transformative role, has the capacity to lead and direct development, build collaborations and partnerships with society and the private sector.

Linked to this is the work we are doing to form partnerships with institutions of higher learning and research institute to enhance the skills levels of our senior managers and ensure that our government makes decisions based on evidence.

Last week we launched an Executive Development Programme in partnership with the Gordon's Institute of Business Sciences and the American Chamber of Business in South Africa to equip some of our senior civil servants with high level skills required for them to further improve the delivery of services to our people. GIBS is also in partnership with the Gauteng City Region Academy to increase the capacity of our civil servants.

Honourable Members, over the review period, we have transformed our governance and monitoring framework from being focused on departmental work to focusing rather on cluster work.

We did this to ensure co-ordinated, integrated and holistic planning and implementation. The three clusters that now form our governance and monitoring framework are the economic, social as well as the governance and planning clusters.

Going forward, we will continue to strengthen the work of clusters and GCR institutions as key drivers of our planning and implementation of the TMR priorities in all the five development corridors.

Honourable Deputy Speaker, we are pleased that in the year under review, we were able to sustain improvements in governance and in the critical area of financial management.

We are particularly encouraged that nineteen of our departments and agencies, including the Office of the Premier, achieved clean audits. There is only one department that has received a qualified audit and an agency that have received a disclaimer.

The progress to move more departments and agencies out of qualified outcomes to unqualified audits without any matters, is an indication that we are well on track towards achieving our goal of establishing credible financial control systems and ultimately realising 100 percent clean audits.

The Office of the Premier will, together with Gauteng Provincial Treasury, continue to work with all those departments and agencies who may still be experiencing problems with regards to financial management.

I have made it clear to all MECs, HODs and CEOs that poor audit outcomes are not acceptable in the government I have the honor to lead. There shall be consequences. We are already intervening in those departments where the Auditor General has raised issues of concern.

Like we said before, we will act where there is no commitment to execute in an effective and efficient manner. Let us build a province which is a centre of excellence in governance and public affairs.

Honourable Members, in order to ensure that key provincial deliverables are funded and monitored properly, during the period under review we have ensured alignment of our intergovernmental Programme of Action to the TMR priorities.

We have also completed the review of the organisational structure and have submitted the reviewed structure to the Minister of Public Service and Administration for concurrence. We await approval from the Minister so that we have full capacity to execute the TMR.

The review of the structure includes a proposal to review the current form and structure of the Gauteng Planning Division. This is to ensure its institutionalisation and to provide it with the required capacity to focus more sharply on long term planning for the whole of the

Gauteng City Region. To this end, we want to establish the GCR-wide Planning Authority.

The Integrity Management office has been established and key staff within the office are being appointed. This office forms a critical part of our interventions to fight corruption and to build a clean government.

Honourable Members, the Office of the Premier continues to champion the interests of the youth, women, people with disability and all other vulnerable groups in our society.

During the review period we have formed partnerships and undertaken programmes to support the development of all those who are vulnerable in our society. Going forward we will upscale our interventions to support these groups.

I take this opportunity to thank the Director General, Ms Phindile Baleni, my Advisors, senior management and staff in the Office of the

Premier for their hard work in ensuring that the Office of the Premier remains the political and administrative nerve centre of the Gauteng City Region.

Let me conclude by quoting the words of eternal wisdom from that great statesman of the Indian subcontinent, Jawarhalal Nehru:

“The ambition of the greatest men of our generation has been to wipe every tear from every eye. That may be beyond us, but as long as there are tears and suffering, so long our work will not be over...We have achieved our political freedom but our revolution is not yet complete and is still in progress, for political freedom without the assurance of the right to live and to pursue happiness, which economic progress alone can bring, can never satisfy a people”.

This is precisely where South Africa is today. This is the precise reason why we have adopted the radical programme for Transformation, Modernisation and Re-industrialization in our province.

Madame Deputy Speaker and Honourable Members, we dare not fail.

Thank you.