

SECOND POLITICAL REPORT TO THE GAUTENG PROVINCIAL LEGISLATURE BY THE PREMIER OF GAUTENG, DAVID MAKHURA

4 DECEMBER 2015

Madame Speaker, Honourable Ntombi Mekgwe;
Deputy Speaker, Honourable Dikgang Uhuru Moiloa;
Former President of the Republic of South Africa, Honourable Kgalema Motlanthe
Members of the Executive Council;
Chief Whip of the Legislature, Honourable Brian Hlongwa;
Honourable Members of this House;
Director General, Special Advisors and Senior Officials of Government;
Comrades and Compatriots;
People of Gauteng:

Once more, it is a great honour for me to be afforded an opportunity to present our second Political Report to the Gauteng Provincial Legislature as the ANC-led fifth Provincial Administration in the Gauteng City Region (GCR).

Honourable members, tomorrow will mark exactly two years since the passing of President Nelson Mandela, the founding father of our democracy, a great son of Africa and a global icon for peace, justice, equality, freedom and nation-building.

Today, let me start by paying tribute to Nelson Mandela, a great African statesman, a fearless freedom fighter, a passionate revolutionary and a selfless servant of the people.

Tata Madiba will live eternally in our hearts as a leader who dedicated his life unsparingly and devoted his energy to the most sacred and most sublime of all causes: the liberation of humanity from all forms of discrimination, oppression and exploitation.

Through his unwavering fidelity to the cause of the people and his total intolerance to injustice wherever it exists, he has secured himself a special place in the hearts of millions of freedom-loving people across the world - young and old, black and white, rich and poor.

In the *Long Walk to Freedom*, Madiba said the progress we have made away from apartheid to democracy doesn't mean we have achieved our goal:

"I have walked that road to freedom. I have tried not to falter; I have made the missteps along the way. But I have discovered the secret that after climbing a great hill, one only finds that there are many more hills to climb. I have taken a moment to rest, to steal a view of the glorious vistas that surround me, to look back on the distance I have come. But I can rest only for a moment, for with freedom comes responsibilities, and I dare not linger, for my long walk is not yet ended".

Madame Speaker, as we meet in this House on the eve of the second anniversary of the passing of Nelson Mandela, we do so as free men and women; we are here as the representatives of the people of Gauteng elected in free and fair elections in May 2014.

We know from our own suffering and sacrifices that freedom was not free. We also know from Madiba's teachings that our journey to a country of our dreams is still long and arduous; we also know that to be free is not merely to cast off one's chains, but to live in a way that respects and enhances the freedom of others; and learning from him we know that with freedom comes responsibility.

Precisely because we understand the consequences of living in a free and democratic society, we accept criticism and dissent as a matter of course. We respect the views of our opponents and know that they too, are entitled to freedom of speech and freedom of expression. We must be tolerant of democratic dissent.

However, we must challenge any type of criticism that masks ideological illusions as facts. As Deng Xiaoping would say, we must always seek "truth from facts". The legacy of Nelson Mandela and the tremendous progress South Africa has made from apartheid to democracy cannot be destroyed by naysayers and doomsayers.

Through reasonable argument and intelligent debate, we must stand up and defend the legacy of Nelson Mandela. Those who have no idea of the sacrifices made and the suffering endured by millions of South Africans during the struggle for freedom and democracy, are quick to rubbish the legacy of Nelson Mandela and his generation.

Those who were in the trenches know that Nelson Mandela was not a peace-time hero. He was a fearless freedom fighter and warrior who called for peace when war would have left our country in ruins. He was a man of impeccable integrity, deep conviction and strong compassion for the people. He would have never lied to them or misled them.

We know Nelson Mandela well. Through his own actions, Nelson Mandela inspired us to join the struggle in our youth and to make sacrifices in the service of the people of our country, whom we so love that we were prepared to die, if need be.

Those of us who had the opportunity to crisscross the country with him during the transition to democracy, know that the attack on Mandela's legacy is both childish, opportunistic and populist. There is no gainsaying the fact that our country was steered away from the precipice of civil war that could have resulted in the common ruin of the contending forces and protagonists. It was Nelson Mandela and his generation who called for peace and tolerance.

Madame Speaker, I therefore call upon Members of this House and the people of Gauteng to join us in defending the legacy of our father, icon and eternal comrade, Tata Madiba. I call on all of you to join the Mandela Remembrance Walk on 12 December 2015, at the Union Building, in Tshwane.

Madame Speaker, let me now turn to the Political Report which I dedicate to the spirit of Nelson Mandela. In line with our utmost commitment to serve the people of Gauteng with passion, integrity and honesty, the year 2015 has been a very busy and productive is drawing to an end.

As the soldiers and foot soldiers of Nelson Mandela, we have been hard at work to make Gauteng province work better. There is no gainsaying the fact that our province is driving the most positive change in the implementation of the National Development Plan and the 2014-19 Medium Term Strategic Framework.

Madame Speaker, I hereby report to this august House that we have concluded the planning stage of the ANC-led fifth administration and we have entered the implementation and execution phase. We are beginning to master the art of execution. We are firmly in charge of state craft and governance in order to drive radical socio-economic transformation.

Honourable members, what will the meaning of state craft be without a dialectical relationship between policy-making and policy implementation, between planning and execution and indeed between theory and practice? What does governance mean without a dynamic interface and engagement between the governors and the governed?

The past eighteen months of the fifth administration have been about developing our provincial roadmap to implement the NDP - the Transformation, Modernisation and Re-industrialisation (TMR) programme – into a coherent plan of action that has support from all spheres of government, civil society and the private sector.

Madame Speaker, not only have we been unpacking the TMR into sectoral, cluster and departmental strategies and annual performance plans and targets, we have also been hard at work to focus the entire machinery of government on is focused on:

- Locating the TMR and GCR as the centre-piece of all our government work in partnerships with business and civil society;
- building implementation capacity and execution capabilities;
- getting the civil servants to internalise activism, urgency and responsiveness; and
- cultivating a culture of excellence, accountability and clean governance among our public servants;

Madam Speaker, we have successfully made the Gauteng City Region perspective and TMR programme the mainstay of governance in our province. Increasingly, national, provincial and local government leaders and senior officials are working within the framework of the GCR and TMR programme.

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 Transformation 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 ICT Strategy;

We are in the process of finalising the Gauteng Infrastructure Master Plan and revised Spatial Development Framework based on the TMR.

Madam Speaker, to understand what we are doing, I would like to quote the Minister in the Presidency responsible for Performance Monitoring and Evaluation, Honourable Jeff Radebe had the following to say about the alignment of the TMR to the NDP:

“When studying Premier Makhura’s SOPA, delivered in February 2015, it is heartening to note the remarkable synergies between the priorities of Gauteng Province and those embodied in the MTSF 2014-2019. The vision articulated by the Premier of transforming, modernising and re-industrialising Gauteng as a leading economy on the African continent resonates very well with all the chapters of the NDP 2030 and the MTSF 2014-2019. The 10 pillars on which this vision is anchored are also consistent with measures outlined in the MTSF 2014-2019 to achieve radical socio-economic transformation.”

Madam Speaker, the past eighteen months have also been about improving capacity to implement and building execution capabilities. We are beginning to master the art of execution. This report will highlight some of the positive results and indications that departments and municipalities are paying attention to the implementation of the priorities outlined in the June 2014 and February 2015 State of the Province Addresses.

In the October Extended Exco Lekgotla, we decided to focus on specific issues that require sustained collaboration and joint implementation:

- Shaping a common spatial vision anchored on five development corridors: towards a new urban system that is underpinned by spatial justice, sustainability, efficiency and integration as well as a differentiated, diversified and inclusive economy. There may be conceptual issues about the notion of five development corridors but the idea is sound.
- Investing massively in catalytic infrastructure to facilitate spatial transformation across the five development corridors of the GCR - public transport, energy, water, sanitation, broadband and open green spaces.
- Pursuing green, blue and smart re-industrialisation and building new economic nodes to promote balanced development in line with the comparative advantage of development corridor.
- Revitalising and mainstreaming of the township economy and development of SMMEs and cooperatives through active industrial incentives and transformative procurement policy that promote the growth of township-based manufacturing and services.

- Reviewing the by-laws and regulations that govern trading in order to make it for small businesses and township enterprises to thrive in line with the Township Economy Strategy;
- Accelerating social transformation by improving the quality of education, healthcare, community safety and food security in a manner that promotes economic inclusion, social cohesion and nation-building.
- Intervening through different programmes to address the explosive situation of youth unemployment and marginalization.
- Building a capable, responsive, accountable, clean and activist government machinery through interventions such as Ntirhisano programme and Service Delivery War Room, Administration Roadmap, Integrity Management Units and Open Tender system.
- Developing a coherent and coordinated approach to international trade, investment and cooperation in line with the comparative advantages and unique strengths of each development corridor.

One of the distinguishing features of this administration is that of being an activist government. This has been evident over the last few months through the Ntirhisano Outreach programme and Service Delivery War Room, which have assisted us to reach out to our communities in an unprecedented manner.

The past eighteen months have also been about conversations with communities. We have visited more than thirty communities through Ntirhisano community outreach programme. Some of these communities told us there has never been a government public meeting in their area.

This we believe will be a distinguishing feature of this administration. We have also said there will be consequences for poor execution of our mandate and not meeting the targets we have set.

The commitments we made are based on the fact that we have a responsibility to govern with urgency as we respond to the pressing triple challenges of poverty, unemployment and inequality in society.

The establishment 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.

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 organisation 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 hard work in building a more responsive, proactive and activist government is receiving the attention and acclaim of independent research institutions.

Certainly, Ntirhisano has given all of us - MECs, Mayors, MMCs and government officials - better insights into what is going on in our communities and what communities think about our new plans and work.

When we engage with communities we come across different and voices. We do come across those who say government is working. There are also agitated voices who attack the failures of government in public meetings. We will not ignore the cries of our communities such as those of senior citizens who complained that they will die waiting for their houses, having been on the waiting lists since 1996.

During Ntirhisano, we have also come across the voices of young people who are involved in many local social and economic initiatives who call for a helping hand from government.

They say to us; *"We don't want handouts. We want a hand-up"* We have heard the cries of township businesspeople whose hopes have been raised by the clarion call for the township economy revitalisation. We have in the same vain also heard the voices and cries of women who raised concerns that the criminal justice is not helping and protecting them as far as gender-based violence.

We wish to assure the people of Gauteng that we are going to act and act with urgency in responding to their cries and in addressing their plight. We will continue to transform government to better respond to their needs. We will lead with confidence and determination.

Let me now pay attention to important indications of what is happening in the Gauteng economy. It is well known that our economy is the biggest in the continent.

Madam Speaker, the notion and perspective of building Gauteng into a GCR is now being recognised by various international institutions and think tanks. On 30 November a joint project of the Brookings Institute and JPMorgan Chase as part of the Global Cities Initiative, launched a report titled; *"South Africa's Global Gateway: Profiling the Gauteng City Region's International Competitiveness and Connections"*.

The project provides a framework to examine the competitive position of the GCR in the global economy and offers information and insights to help inform us as leaders of the GCR on how we can sustain the region's prosperity.

Allow me to quote from the report:

“The Gauteng City-Region has considerable competitive strengths. Building on strategies already underway at the municipal and provincial levels, the city-region can bolster this position by leveraging its distinct niche in services to cement its status as the trade and investment gateway to Africa, expanding technology commercialisation, boosting employability through enhanced connections between the worlds of school and work, and organising public, private, and civic leaders around a shared vision for growth and competitiveness. By taking purposeful action now, the Gauteng City-Region’s public, private, and civic institutions can build a globally competitive economy that works for all”.

The report goes further to say the following:

“A competitive region is one in which firms can compete successfully in the global economy while supporting high and rising living standards for local households. Globally competitive trade sectors, innovation ecosystem, and skilled labor are the key drivers of overall productivity, employment creation, and income growth. These drivers are supported by enablers: well-connected, spatially efficient infrastructure and a reliable governance structure and business environment. The Gauteng City Region contains notable strengths and significant opportunities to better deploy these five factors to increase its global competitiveness.”

Madam Speaker, the JPMorgan Chase report is the latest to confirm the correctness of the path with regard to the GCR and TMR priorities. The Executive Council is refining our Economic Plan to ensure that we pay systematic attention to the five competitive areas – trade, innovation, talent, infrastructure and governance.

The JPMorgan Report comes against the backdrop of the release of the McKinsey Global Institute Report titled, *“South Africa’s Big Five Bold Priorities for Inclusive Growth”*. This report suggests that we create a globally competitive hub of advanced manufacturing; we raise infrastructure productivity; harness natural gas for a reliable power supply; increase service exports and raise growth along the agricultural value chain. And I would like to quote from this report;

“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 McKinsey Global Institute 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 time to quote extensively from the JPMorgan Chase and McKinsey Global Institute Reports to make the point that despite the challenges we face regarding slow economic growth, our province has enormous opportunities and inherent capabilities to become the key driver of both the NDP and the “Africa Rising” narrative through focusing on our own competitive advantage.

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.

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.

Honourable Speaker, it is our view that both the Brookings Institute and JPMorgan Chase report as well as the McKinsey Global Institute report reaffirm the correctness of the decision we took to build Gauteng as a Globally Competitive City Region and to implement the TMR.

Infrastructure is central to the competitiveness and growth of our economy. It is for this reason that, in July the Gauteng City Region held a successful Infrastructure Investment Conference that attracted major public and private sector interest, both domestic and global players.

I am pleased to report that we emerged from the conference with a firm commitment and framework for public-private partnerships on infrastructure development projects. During the 2016 State of the Province Address, we will be in a position to announce those projects that are being undertaken on the basis of the agreements reached at the conference.

As the ANC-led fifth administration we had the privilege to engage with this work prior to its release. Similarly like the reports I have mentioned earlier, the authors identify manufacturing as an important sector in growing and developing the economy. In particular, for the GCR we must focus on growing the automotive and pharmaceutical industries.

Fellow compatriots, as part of our ongoing efforts to reindustrialise Gauteng, we are hard at work to grow the manufacturing sector and to make it more globally competitive. We believe a competitive manufacturing sector is a necessary pre-condition for sustainable job creation, economic growth and skills development. Manufacturing catalyzes greater sophistication in the economy. It reduces reliance on expensive imports and holds the key to re-igniting the economic potential of our province and our country.

Honourable Members, these reports have given impetus to our programme of transformation, modernisation and reindustrialisation. In essence they have given us the necessary assurance and conviction that we are on the correct path.

The reports also confirm the extreme importance of building transformative partnerships, in particular between the state and government, the state and the private sector as well as the state and society in general.

I am pleased to report that through public advocacy and policy interventions, positive change is taking place in the townships. There are many positive developments with regard to other interventions that seek to stimulate employment creation and economic growth of the SMMEs, township enterprises and cooperatives.

As a follow up to the Township Economy Summit held in September 2014, we launched the “Qondis’ishishini lakho - O kae Molao” Campaign to help bring township businesses into the mainstream of the economy, through registration and formalisation of more than 10,000 businesses throughout the province.

We are also intervening to establish a range of township businesses to expand township-based production. This includes community bakeries, mobile abattoirs and enterprises to manufacture goods such as plastics, paper towels and furniture. Within the health sector, cooperatives are manufacturing linen and providing food and other products and services.

While the scale of production needs to be further expanded, these enterprises are providing sustainable livelihoods for more and more people who have in the past been excluded from the mainstream economy.

To provide further support to township businesses and access to economic opportunities closer to where people live, we have identified government-owned properties and have begun to lease out suitably located properties for commercial purposes.

Progress has also been made in expanding access to markets within our township hubs. This includes vehicle maintenance and repairs at these hubs.

To enable more entrepreneurs to benefit from efforts to strengthen the township economy, we have provided financial and non-financial support to over 1000 SMMEs and cooperatives in the first six months of 2015/16 alone. Close to 500 new SMMEs and informal business have been trained or benefitted from other forms of support.

In addition, township-based tourism enterprises are benefitting from the development and promotion of 55 township tourism nodes.

In line with our commitment to better leverage public procurement towards our radical transformation goals, by the end of October this year, over R800 million was spent on procurement from township-based enterprises.

Over 90 townships have benefitted in this regard, with top beneficiaries being Alexandra, Daveyton, Hammanskraal, Katlehong, Mabopane, Reiger Park, Soshanguve, Soweto and Tembisa.

Over 3600 township enterprises have been registered and stand to benefit going forward. We expect government procurement from township enterprises to increase significantly as more of our township enterprises are formalised and comply with new procurement regulations to better accommodate township businesses.

With regard to helping young people to gain access to the labour market and entrepreneurial opportunities, we are upscaling our flagship programme, Tshepo 500 000, to give hope to our youth through skills development, facilitating sustainable employment and assisting with the setting up of start-up youth businesses.

We have now registered 30,000 unemployed young people and helped 20,000 of them to find sustainable employment. We have also facilitated the establishment of over 300 youth-owned township enterprises.

A further 9000 young people are benefitting from skills training and workplace career pathing support and experiential learning. Over 80,000 young people have benefitted from EPWP programmes, which have benefitted over 200,000 people.

To stimulate inclusive, employment creating growth, we have initiated programmes focused on key economic sectors as well as strategies to ensure more equitable regional economic development, particularly in the West Rand and Sedibeng. Focused attention is being paid to unlocking the agriculture value chain, manufacturing, ICT sector, tourism, the green economy and strengthening intra-African trade and investment.

Linked to this, we have made important strides in developing a plan to improve energy security in the province. This includes increasing municipal generation capacity as well as alternative energy sources such as solar energy, waste to energy and improved energy efficiency.

Following on the success of Gautrain, including evidence of its positive impact on economic growth and employment, we are currently pursuing a number of other transport mega projects, including the Aerotropolis centred around the OR Tambo International Airport and the second leg of the Gautrain. The recent Aerotropolis

Investment Conference was a major success which will catalyse our plan to rebuild Ekurhuleni's advanced manufacturing capacity.

We are proud indicate the important progress made in the development of BRTs by our metros and will continue to work with municipalities to ensure their seamless integration within the GCR-wide, inter-modal transport network. The work we are doing with the taxi industry regarding the modernisation and integration of this industry into our modern public transport infrastructure will go a long way in finding a sustainable solution to the problems in this sector

Gauteng continues to be a key contributor to South Africa and Africa's economy - 35.1 of SA's GDP; 42% to national industrial output; 63% to total exports and 40% to national employment; contributing between 8 to 10% of Africa's GDP.

It is not an accident or a coincidence that most Ambassadors, High Commissioners and their Foreign Business Chambers are seeking to work closely with Gauteng province. The size of our economy and its Gateway strategic position in the economy in the continent is crucial.

This year, we undertook international missions linked to our social and economic objectives. We sent a delegation of Social Cluster MECs to Cuba and Brazil to go look at best practices with regard to public healthcare, education, heritage, sports, human settlements, crime fighting and urban management. They came back with valuable lessons.

I had the opportunity to lead the Economic Cluster on outbound missions to several countries with which we have significant trade relations - Turkey, India, Singapore, Portugal and Italy.

We have also been engaging with organised business and professional groups representing American, German, British, Turkish, Italian, Portuguese and Indian companies based in Gauteng.

In taking forward the implementation of our strategy on increasing trade and strengthening intra-African trade in the continent, we have met with African Ambassadors to discuss our Africa strategy in line with the tenth pillar of the TMR; taking a lead in Africa's Industrialisation.

We are pleased with the outcomes of the engagements. Most importantly, we are working with the Department of International Relations and Cooperation and the Dean of the African Diplomatic Corps, we will strengthen trade, cultural and economic relations between the GCR and the rest of the continent.

We have also adopted a more coherent international cooperation, trade and investment strategy that will ensure synergy and better outcomes in all our foreign visits as the GCR. Our strategy focuses on promoting trade with key and compatible economies in Africa, BRIC countries, Europe, Asia, North and South America. Our international work is now evidence-based and more purposeful to achieve the priorities of the GCR and TMR.

Madam Speaker, this year in September at the United Nations General Assembly, nations of the world adopted the Sustainable Development Goals (SDGs), setting the agenda for global sustainable development for the next fifteen years.

We have agreed that the GCR needs a coherent and progressive interpretation and implementation of the SDGs, which must be integrated into the TMR and city development strategies. The SDGs must also be internalised by our political and administrative leadership across all spheres of government.

For this to happen, we have already set up a GCR SDGs Steering Committee led by the Executive Mayor of the West Rand District Municipality, Mayor Mpho Nawa, to pioneer the work of aligning the TMR with the SDGs, as we have already done with the NDP.

The latest development indicators for 2014 released by the Presidency indicate that average income per capita for 20% of Gauteng's poorest citizens rose from R1446 in 2008/09 to R2179 in 2010/11. They also show that Gauteng has the lowest number of households living in poverty at 22,9% in 2011, down from 33,4% in 2006.

The poverty gap, indicating the depth or severity of poverty, has also declined from 11.3 in 2006 to 8.1 in 2011, the lowest in the country. Gauteng also has highest adult literacy rate in the country at 90%.

However the development indicators also paint a disturbing picture with regards to levels of inequality in our province. Our Gini- coefficient shows an upward trend since 2000 and stood above 0,60 in 2010.

It is for this reason that at our last Extended Executive Council Lekgotla of October appointed team focus on interventions to deal with inequality in the GCR. This team is led by Executive Mayor of Johannesburg, Councilor Parks Tau to deal with this question of inequality. It will submit its report in February 2016.

Honourable Members, we continue to make significant progress in ensuring accelerated social transformation through the implementation of the GCR Accelerated Social Transformation Strategy, to further enhance the human development effort and social cohesion, through the expansion of social infrastructure and the provision of accessible and quality health care, education, safety and other social services.

Yesterday, we celebrated International Day of Persons with Disabilities. We used this day to reaffirm the fact that we are building a society in which people with disability enjoy equal rights with all other South Africans. We also used the occasion to review the progress being made in improving the well-being of disabled persons in our province.

I am glad to report that the Deputy Minister of Social Development, Honourable Hendrietta Bogopane-Zulu, confirmed that Gauteng is now the number one province with regard to empowerment and mainstreaming of people with disability. According to the Deputy Minister, our province was the lowest ranking with regard to employment equity in 2013 achieving only 0.7% out of a target of 2%. By October

2015, Gauteng is the best performing province achieving 1.6% employment. We shall surpass the 2% during the term of this administration. We also surpassed the 30% target on allocating houses to people with disability and are now at 38%.

We are also addressing multiple challenges to improve access to education, healthcare, economic opportunities and appropriate infrastructure. Through our interventions on the township economy, we have registered more than 1200 enterprises owned by people with disability and these are now benefitting from our procurement policy.

As part of building social cohesion in education, we now have 1,2 million learners in our province benefiting from no fee schools and we continue to provide school nutrition, free scholar transport and school uniforms to those in need. We have stepped up school safety and school health interventions and have taken steps to address racism in schools wherever it rears its ugly head.

We are expanding access to quality early childhood development and over 140,000 learners are enrolled in Grade R. To further equip our learners for a successful future, we have expanded our e-learning programme and the development of smart schools.

Investing in education and improving the performance of all schools will continue to be the number one priority of the ANC-led administration.

We have put a great deal of effort in supporting the Grade 12 learners and we expect the Class of 2015 to make us proud. Gauteng is the number one province on providing outstanding results in Grade 12. We wish our learners and teachers well.

We are also investing in skills through bursaries for higher education and Technical and Vocational Education and Training (TVET) colleges worth R218 million. Although this does not address all the needs of our youth who yearn for an opportunity to acquire a skill or a qualification, it does go a long way to complement National Student Financial Aid Scheme (NSFAS). The question of access to higher education and cost thereof is fundamental matter for the development of our youth and the country at large.

Having been a student leader who campaigned against financial and academic exclusions, I support the campaign for free higher education up to a basic degree. This call was made in 1995.

However, violence and the destruction of property must be condemned in strongest terms. Further, students must write their exams. To do otherwise is counterproductive.

Gauteng continues to be the leader in the public education and the shining example of the transformative shift to e-learning. We are a laboratory of Operation Phakisa on ICT in Education.

As you are aware, we have been in the forefront of the e-learning revolution through what our MEC for Education has dubbed the “paperless classroom” and the “school of the future”.

There are many important lessons learnt and challenges identified in the process:

- On the positive side, many good signs of the benefits of ICT-enabled education are beginning to emerge: school attendance by both teachers and learners has improved where it was problematic and there is greater interest and excitement; teachers and learners come earlier and stay longer at school; dropout rate is declining and some learners are returning to schools; lots of self-training by teachers and self-teaching through access to web-based materials such as e-textbooks and e-novels; learners are reporting that the tablets and connectivity helps them with access to best sources of information available globally, without the pain of going through libraries;
- Challenges: general infrastructure development in schools, connectivity, teacher training, security and the cost of the rollout are some of the major challenges.

However, there is no turning back on e-learning revolution. We can only expand the opportunities of e-learning to benefit all learners in our country, especially those in rural and township schools.

For the first time, we are informed by our learners that many wake up looking forward to go to school. The morale is high among the teachers involved in this initiative.

Madame Speaker, allow me to take this opportunity and congratulate Wits University for its outstanding work of research in paleo-sciences. The university is a global leader in this field and it makes us very happy as South Africans. The discovery of *Homo naledi* and the public announcement in September is one of the Global Newsmakers of 2015. The entire world was captivated and focused on our country. I commend Professor Lee Berger and his team and look forward to more ground-breaking research in the coming years.

This discovery has had profound impact on Maropeng World Heritage Site. Visitor numbers shot tripled in the month when *Homo naledi* was on display. As part of promoting tourism in the Western Corridor, we have decided that we have to expand the infrastructure of Maropeng and improve public transport to the site over the next three years.

Gauteng is home to South Africa’s top five universities that enjoy global ranking. These universities have significant capabilities that should be harnessed to build an innovation ecosystem and a knowledge-based economy in line with the GCR vision.

Madame Speaker, despite growing demand for health services, we are improving health outcomes, including reducing mortality, through focusing on inter alia, strengthening primary health care, health systems and management, health services

modernization, promotion of healthy lifestyles, improving health infrastructure and addressing understaffing in the professional occupations.

We now have over 400 ward-based primary health care outreach teams. We have also performed well in relation to performance against national core standards and ideal clinics, with 177 primary health care facilities enrolled as ideal clinics and improvements in indicators such as reduced waiting times and the availability of vital and essential medicines and interventions to reduce the burden of disease, including the prevention of new HIV, STI and TB infections.

Interventions to improve maternal, infant and child health are proceeding well, including reproductive health and good progress has been made on the modernization of health information systems, including the digitization of medical records.

Honourable Members, the naysayers and doomsayers would like us to believe that our healthcare institutions are collapsing out of the incompetence of managers and arrogance of public healthcare workers.

I am convinced that these naysayers and doomsayers have never spent a night as patients in any of our public hospitals such as Bertha Gxowa, where I was admitted last month. I found a hospital that is clean, efficient and managed well. I met several teams of dedicated doctors, nurses and general workers who are working very hard serving patients with passion and professional commitment. I also had occasion to talk to other patients who expressed satisfaction with the quality of healthcare provided by Bertha Gxowa hospital.

Two days ago, I visited St. John's Eye Hospital in the Chris Hani Baragwanath Hospital Complex to see a family member. I had the honour to talk to patients in the hospital and was humbled by positive stories told to me by patients who are very happy about the service provided by doctors, nurses and general staff who take care of them.

The story of these two hospitals needs to be told. This is the story of public hospitals whose managers and staff members are working hard to provide excellent public healthcare to millions of South Africans. They keep the hospitals so clean and provide compassionate care to their patients. Why is this story never told by those members of this House who only talk when there is something negative?

It is not all gloom and doom out there! We have good stories to tell. There is evidence that Batho Pele ethos can take root in our public institutions. All it takes is good leadership, dedicated and passionate professionals and committed workers to turn our public institutions around and put the people first.

We are inspired by the example of these two hospitals and will visit more public institutions through our unannounced service delivery inspections. The aim is to ensure that we have more centres of excellence in every sector of the public service.

Let me now turn attention to an area of great concern to the people of Gauteng. With regard to building safe and secure communities, we are not succeeding. We must

tell our people the truth, nothing but the truth. Gauteng residents face an escalation of violent crime. The spate of police killings sent shock waves among ordinary people and further demoralised many dedicated law enforcement officers.

The Department of Community safety is doing a lot but without better leadership from the SA Police Services and greater coordination between the criminal justice system and anti-crime efforts, we will not win the war against crime.

As I have said during the 2015 SOPA, in-fighting continues to sidetrack the leadership of the SAPS from the main task of fighting crime. This is matter that we will not keep quiet about until SAPS is better organised and better led to focus on keeping our communities safe.

The promotion of community safety and social crime prevention is helping to turn mitigate the situation. GCR-wide campaigns are being driven undertaken to deal with the scourge of substance abuse and crimes against women and children. As part of the 16 days of activism campaign, we will further intensify these programmes.

To reduce urban poverty and hunger, we have introduced a range of interventions, with a focus on the poorest wards in the province. These include the expansion of food gardens, urban agriculture, the welfare to work programme and improving access to income generating programmes.

Madame Speaker, Ntirhisano has confirmed access to housing is one the number issues facing most residents of Gauteng. The strategic shift to mega human settlements has received overwhelming support from communities. We are working closely with the Housing Development Agency to ensure that we can deliver on our targets and mega human settlements projects. We must intervene where there are weaknesses.

Honourable Members, decisive spatial transformation is one of the ten pillars of the TMR. To promote more equitable spatial transformation, we convened the Gauteng City Region spatial planning summit to further consult on the Gauteng Spatial Development Framework. Gauteng now has a shared spatial vision, a dream that has been elusive for several decades. This will see the further development of Gauteng's five development corridors and enable planning towards a more equitable spatial form.

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 one agency that has received a disclaimer. We have changed the leadership of the G-Fleet in order to demonstrate how serious we are with performance.

Together with the MEC for Finance, we have met all MECs, HODs and CEOs whose audit outcomes were not good and not acceptable in the government I have the honor to lead. There shall be consequences.

The Director General in the Office of the Premier and Gauteng Provincial Treasury team are working with all those departments and agencies who may still be experiencing problems with regards to financial management.

Honourable Members, you are also aware that I have intervened in the Department of Sports, Arts, Culture and Recreation to address internal administrative weaknesses that have come to my attention. I have also put the Head of Department on precautionary suspension pending a disciplinary process, on account of serious allegations that emanated from the office of the Auditor General. I have also asked both the Integrity Commissioner of the Gauteng Legislature and MEC Barbara Creecy to investigate allegations made by NEHAWU, against MEC Bopape. I will be able to take further action based on the outcomes of the two investigations.

The adoption of the Governance and Administration Roadmap will go a long way in building a culture of integrity, accountability and performance in the public service.

There is evidence that we are cracking the problem of not paying service providers on time. The majority of departments are now paying 92% of their suppliers within 30 days. This is also crucial in building sustainable black businesses, SMMEs, township enterprises and cooperatives in the province. The use of ICT and the digitisation of invoicing has brought in new efficiencies in the system.

The integrity management framework and integrity management units are already being rolled out in different departments and this will deter fraud and corruption, enhance disclosure of interests and ensure that public servants don't do business with government.

We have been taking disciplinary action against people found guilty of financial misconduct. Our determined effort has led to an increase in the number of officials exposed and disciplined, including an HOD whose singularly responsible for a case involving R48 million out of the R67 million mentioned by the Public Service Commission. All affected departments have been instructed to take steps to report the cases to the police and recover the money lost.

The open tender system has been one of the most important innovation of the ANC-led Fifth Administration in Gauteng. It has attracted considerable public attention and widespread acclaim. It is now being extended to departments that have big budgets. This project has also attracted huge interest from National Treasury and all provinces.

Madame Speaker, we are very serious about fighting the scourge of corruption. As I said at the Anti-Corruption Summit held in November 2014, corruption is a crime against the poor and it must be fought with every arsenal at our disposal. Gauteng will definitely become a corruption-free zone under the ANC-led provincial government.

Honourable members, several departments in our province have received recognition and acknowledgement from national government as top performers among their peers, thereby showing that a culture excellence, execution and accountability is possible to achieve in a short space of time.

Gauteng Department of Infrastructure Development has received the highest number of awards at the 2015 EPWP excellence awards – six awards, followed by KZN with three awards. The e-maintenance system is one of the major innovations of our province. We are the leader among our peers in this regard.

The HRD Unit of the Gauteng Department of Infrastructure Development was awarded the 2015 Best Institutional HRD Unit in our country.

Gauteng Department of Roads and Transport's Motor Vehicle Registration Unit was awarded the first prize at the Centre for Public Service Innovation for the Revenue Information Management System (RIMS); Nhlakanipho Nduli Best Employee in Transport and Best Male Manager in Transport; while the Southern African Institute of Government Auditors award at the Annual Report symbolising pursuit of excellence and transparency in reporting.

Gauteng Provincial Treasury won a third prize at the 2015 Centre for Public Service Innovation Awards for introducing an online payroll certification application which has eliminated delays caused by the manual system as well as ghost workers.

In the previous terms, Gauteng was plagued by underspending on infrastructure budgets. However, last year all departments spend a total of 99% on their infrastructure budget.

The introduction of the Infrastructure Delivery Management System (IDMS) is an innovation that has gone a long way in improving our performance of infrastructure delivery.

Madame Speaker, we are detailing these awards and reporting about emerging centres of excellence in this ANC-led fifth administration in Gauteng so that the people of our province can see the evidence that the ANC is serious about building a competent, responsive, accountable, activist and clean government.

There is evidence to show that we are making progress in dealing decisively with systemic issues of underspending, poor performance, fraud and corruption and misconduct.

Those whose job is to oppose this government may try to use their friends in the media to paint a picture that we are riddled with and crippled by incompetent and corrupt politicians and officials. It is their job to pull us down.

However, more independent reports and peer reviews show that Gauteng is one of the well run provinces in our country. Our performance in the AG's audit outcomes has been lauded by the Auditor General of South Africa in his recent report to Parliament.

The performance of our Service Delivery War Room and its impact in service delivery protests has been lauded by the Municipal IQ.

The performance of various departments of our province is envied by their peers in other provinces.

The naysayers and doomsayers whose job it is to make look bad when we are doing so well to place Gauteng on the national and global map of a well-run and innovative province, have a tough job in their hands.

We shall not allow them to seek truth from lies. We seek truth from facts and the facts speak for themselves.

Under this leadership of the ANC, Gauteng is a province that is pointing the way in introducing innovative and smart ways to deal with bureaucratic lethargy, corruption and incompetence and build a modern, responsive, activist and clean administration.

Let me conclude with words of gratitude and wish several categories of people well.

Firstly, I would like to convey my deepest gratitude to the people of Gauteng for continuing to show confidence in us as we strive to serve them better. I want to assure you, the people, that we are getting better in responding to their needs and concerns which you have raised in all platforms, including in the Ntirhisano public meetings, through the media and during protests. We have heard you. We shall be back to report progress in communities we have visited in the New Year.

Secondly, I would like to thank Members of the Executive Council, the Director General and HODs, my Special Advisors, all staff in the Office of the Premier for their continued loyal support and diligent work.

Thirdly, I would like to thank Members of the Opposition parties for doing their job of opposing us even when there is really nothing to oppose.

There are many in the Opposition benches whose advice and criticism I value greatly. Unfortunately, they have a tough job: to oppose not to build. That is the paradox of democracy: some must build, others must demolish. If you choose to criticize us ideologically, we have the capacity to respond ideologically. But if you seek truth from facts, the evidence that the ship is turning and doing so fast is on our side. We are getting better.

Lastly, I also like to thank the Chief Whip and the ANC Caucus for staying the course and defending the TMR and the legacy of Nelson Mandela.

Next year we will even be much better in execution and implementation. No more plans. Wait until you hear the State of the Province Address. Next year is about implementation.

In conclusion, I wish all Honourable Members and the people of the Gauteng City Region a Peaceful Festive Season, a Merry Christmas and A Happy New Year.

I thank you.