

**STATE OF THE PROVINCE ADDRESS BY GAUTENG PREMIER DAVID MAKHURA, DELIVERED AT GREEN HILLS STADIUM, RAND-WEST CITY, WEST RAND DISTRICT MUNICIPALITY.**

**20 FEBRUARY 2017**

Madame Speaker and Deputy Speaker  
Members of the Executive Council;  
Chief Whip of the governing party  
Leader of the Official Opposition and other parties in our Legislature;  
Members of the Provincial Legislature and NCOP Delegates;  
Esteemed Members of the Judiciary;  
Distinguished Members of the Diplomatic Community;  
Stalwarts and Veterans of the Liberation Struggle;  
President of the United Cities and Local Government;  
Provincial Leadership of SALGA Gauteng;  
Executive Mayors of Gauteng Municipalities;  
Our co-hosts, Executive Mayors of the District and the Rand-West City;  
Leaders of Civil Society and Faith-Based Organisations;  
Captains of Industry and Trade Union Representatives;  
Provincial Commissioner and Heads of Law Enforcement Agencies;  
The Auditor General of South Africa;  
Eminent Group of Social Cohesion Champions;  
The people of Gauteng:

Please join me in acknowledging the presence of members of the Family Committee representing the bereaved families of the Life Esidimeni tragedy in which more than a hundred mental health patients lost their lives.

Madame Speaker, we have been working very closely with the Family Committee as we implement the remedial action outlined by the Health Ombud, Professor Malegapuru Makgoba, in his report released on 1 February 2017.

On Saturday 18<sup>th</sup> February, we held a Healing Ceremony at the Freedom Park, at the request of the bereaved and affected families. At the Healing Ceremony families made an impassioned plea that as we mourn the tragic death of the mental health patients and take decisive corrective action, politicians and political parties must be advised not to use this tragedy as a political football because this prolongs their pain and anguish. I hereby appeal to this House to honour the wishes of the families. This is my humble appeal.

As we implement the recommendations of the Health Ombud Report, every step we take will be guided by the wishes of the families and the advice of the panel of sixty experts appointed by the Minister of Health, Dr Aaron Motsoaledi. The pace at which we move in implementing all the recommendations of the Health Ombud is determined strictly by the wishes of the families and the advice and opinions of experts. We are also collaborating with civil society in this process.

As the Premier of this province, I have publicly stated my deep regret and profuse apology for the tragic death of so many of our vulnerable citizens who were under the care of the Gauteng Department of Health.

I want to reiterate the commitment I made to the families on Saturday: I will spend the remainder of my term over the next two years, to ensure that there is restorative justice and healing for the families and take every executive action possible to restore confidence in our public health system.

I would like to state categorically that the decision to transfer Life Esidimeni mental health patients to NGOs was not made in consultation with the Provincial Executive Council. The Executive Council and I would have never approved a plan to outsource mental health, a primary responsibility of the state to care for the vulnerable in society, to NGOs. What is even worse is the fact that such NGOs didn't meet appropriate standards and legal prescripts.

The Provincial Department of Health had repeatedly reported that, as a result of the new hospitals and community health centres, they had enough beds in public health facilities that could accommodate public patients from private health facilities such as Selby Hospital and Life Esidimeni centres.

As the Provincial Executive Council, we do not interfere in the appointment or retention of service providers by various departments, in strict observance of the laws of our land. We dare not be found on the wrong side of the law.

I have always emphasised to all MECs and HODs that reviewing contracts with any service provider must never compromise service delivery, especially the most vulnerable groups which depend entirely on the state for the well-being. Cost considerations can never override the imperative of the quality of care.

It is common cause that the ill-fated transfer of patients to the NGOs compromised the wellbeing of mental health patients. At the very least, the Department should have placed all patients in public health facilities or retained the services of private facilities in case there was no sufficient space in the public sector.

As the Head of Government, I am deeply aggrieved by the extent to which those responsible for this tragic and ill-fated transfer of patients to unlawfully operating NGOs, have tried to hide the facts from me, the Minister of Health and the Health Ombud.

Together with the Minister of Health and the newly-appointed health MEC, Dr Gwen Ramokgopa, we are taking swift action to implement all the recommendations of the Health Ombud, the most urgent which is to relocate the mental health patients to appropriate facilities. We will provide regular updates to the Legislature, the Health Ombud and the public on the progress.

We are also working very closely with the families to deal with all the issues in the Health Ombud Report. On Saturday, we hosted a Healing Ceremony for the affected families and this was a heart-rending moment for all of us. We will erect Memorial Stones at the Freedom Park in honour of all those who passed on.

Learning from this tragic death of mental health patients, I have decided to institute a wide-ranging inspection and condition assessment of all centres that care for the most vulnerable - the elderly, people with disabilities and children - whether they are operated by the public sector, private sector, NGOs or non-profit-organisations.

It is our responsibility as the state to care for the weak. Every institution that provides services to the most vulnerable must meet appropriate standards. We cannot wait for another tragedy before we take wide-ranging action. The Life Esidimeni tragedy must spur us into action over the next two years to restore the dignity and human rights of mental health patients and all vulnerable groups in our communities. I am determined to lead this mission over the next two years of my term of office as the Premier of this province. I will appoint the Premier's Mental Health Advisory Panel to assist in this mission so that never again should a tragedy like this ever happen in our province.

Madame Speaker, allow me to now give an account to the people of our province and their public representatives, of progress and challenges regarding our efforts in building a province in which everybody lives in dignity, including the historically disadvantaged individuals and the most vulnerable groups.

This mid-term State of the Province Address is about discerning the main trends and trajectory of the successes and shortcomings of the ANC-led fifth administration in Gauteng, which I have the honour to lead. A more detailed evidenced-based Mid-Term Report will be released publicly before the end of March.

As we are meeting in the West Rand District, one of the five development corridors of our Provincial Economic Development Plan, it is fitting and proper to reflect on the work we are doing to revitalise the economy of this region and accelerate social transformation and social cohesion.

Madame Speaker, the municipalities and people of this region refuse to be left behind or left out of every development plan and progress in the transformation, modernisation and re-industrialisation of Gauteng. They are proudly part and parcel of the Gauteng City Region.

Honourable Members, please join me in congratulating the West Rand for moving from number two in 2015 to become the best performing district in our province during the 2016 Grade 12 examinations. This is a sign that things are changing in this region and the future can only be bright, with good educational outcomes.

In my inaugural State of the Province Address, I made a commitment that the provincial government will do much more work to revitalise the economies of the West Rand and Sedibeng and integrate these two districts into the metropolitan economy of the Gauteng City Region. This can be achieved through massive infrastructure development.

I am pleased to report that a lot of progress is being made in this region through partnerships between the provincial government, municipalities and the private sector. There are very promising projects currently underway with regard to township industrial hubs, agri-parks, human settlements, roads, renewable energy and social infrastructure.

Some of the specific projects include the following:

- **Human settlements:** 6500 houses are under construction in Westonaria Borwa, 9000 houses in Kokosi Ext 6 & 7, 1000 houses in Mohlakeng Ext 11. The Suiferfontein mega project that will provide up to 40 000 units is finally being launched by MEC Mashatile and I in June, under the auspices of the West Rand. In addition, five private sector-led mega human settlements projects will start in April. Further progress will be announced on the new Lanseria new city development.
- **Roads and Logistics:** Upgrading of the N14 highway that links the Western Corridor and the Northern Corridor is completed.
- **Tourism:** Expansion of infrastructure at the Maropeng Cradle of Humankind World Heritage Site was completed to accommodate the increase in tourism numbers after the discovery of Homo naledi. We are expecting many more scientific discoveries to be announced by team of paleo-scientists this year and next year and this will increase the flow of local and foreign visitors to Maropeng.
- The feasibility of a logistics hub on N12 between Rand-West and Merafong has been completed and work will begin in 2017.
- **Agriculture and agro-processing:** We are supporting 178 small holder farmers through our farmer support and development initiatives.
- Establishment of the Westonaria hydroponic Agri-park (with the latest technology in farming); Merafong Flora Agri-park was completed and is now producing high quality products, including tomato, cucumber and green pepper; investment in Isigayo Milling Plant in Randfontein.
- **Industrialisation and re-industrialisation:** Revitalisation of Industrial Parks in Khutsong, Mohlakeng (with ekasi Lab for youth start-up companies) and Chamdor.
- Establishment of a bicycle manufacturing or assembling factory in Mohlakeng and the Busmark plant in Randfontein which manufactures and assembles buses for the BRT systems in metros, employing more than 2000 people.

All these public and private sector projects have injected a new lease of life for the economy of the West Rand District. The implementation of the plan adopted at the West Rand Economic Summit held on 2 February this year will fact-track the transformation of this district into a more sustainable and inclusive space that is an integral part of a thriving and socially cohesive Gauteng. The plan prioritises agriculture and agro-processing, mining and mineral beneficiation, capital equipment and machinery, tourism, retail and the township economy.

Madame Speaker, please join me in acknowledging the presence of members of the Mohlakeng Youth Movement, young people who are running a legendary education project, Mohlakeng Underground Library, from a shack in the township. Theirs is one of the most inspiring and breath-taking stories of post-apartheid South Africa.

These young people started a library in a shack after a community library was burnt down during a community protest in 2015. They now collect books and teach township kids the value of reading and books. They assist kids with homework and train them in other cultural activities.

The Executive Mayor of Rand West, Councillor Elias Khumalo and I have agreed that we will work together with these young people in partnership to build a new library in Mohlakeng. The municipality has already allocated land for this purpose and MEC Faith Mazibuko is already considering the budgetary provision for this. The new library should be in full operation by the end of our term in June 2019.

Honourable Members, I would like to share with you one final success story of the West Rand. Please join me in acknowledging the presence, in our midst, of Mr Patuxolo “Pat” Nodada, a cutting edge Black Industrialist. He is the MD and owner of Busmark, a company that manufactures buses using advanced technology right here in Randfontein.

### **Progress on the economy, infrastructure and jobs**

Madame Speaker, allow me to now report on the progress regarding economic transformation in order to achieve employment, empowerment, inclusive growth and shared prosperity.

Although the global and domestic economy have been characterised by a sluggish growth over the past two years, it is heartening to say that our provincial economy has remained resilient, as the economic and industrial hub of South Africa and the SADC region.

Gauteng has recorded the largest nett gain in new jobs created since the 2008 global financial crisis. Between 2010 and end of 2016, our provincial economy created more than 700 000 new jobs. Since the start of the fifth administration in 2014, bi-annual employment has reached 317 000, thus breaking the ceiling of 300 000.

Taking into account the dynamic of job losses in sectors such as manufacturing and mining as well as the gruelling reality that 42% of all migrants come into Gauteng), our employment gains are significant but not sufficient to turn the tide of unemployment.

We know full well that in order to significantly decrease unemployment, we need to double this number and reach at least 600 000 new jobs over a two-year period from 2017 till 2019.

The rapid implementation of the new Provincial Economic Development Plan which has been embraced by all stakeholders will be the priority focus of Team Gauteng in partnership with municipalities and social partners.

We are engaging in an amazing work of direct interaction with business leaders at firm-level and through what we call industry action labs to unlock the employment and empowerment potential of key sectors in our province.

Together with industry leaders and municipalities, we are identifying and addressing local impediments that hinder the growth in employment, empowerment and exports. We are doing this work in partnership with the economists from the University of Johannesburg and the Gordon Institute of Business Sciences (GIBS), which is part of the University of Pretoria.

In addition, we are doing work to enhance the contribution of innovation, research and development in partnership with the CSIR, University of the Witwatersrand and the Vaal University of Technology through the Gauteng Innovation Hub.

We have a Memorandum of Understanding with all Gauteng-based universities and research institutes to work together in ensuring that they contribute to our drive to make Gauteng the leader in innovation, research, development and knowledge-based economy. The new future-oriented economy is taking shape. We will be significant participants in the fourth Industrial Revolution.

Madame Speaker, we have intensified our work regarding economic diplomacy as part of the Gauteng City Region as a preferred destination for investment and tourism. We are focusing on increasing trade and investment flows with major economies in Africa, BRIC, Asia-Pacific, Europe and the Americas.

We are also working in partnership with transnational and domestic business chambers that are based in our province. We have a more targeted and purposeful approach to international visits and trade missions.

Gauteng's ability to attract FDI is unparalleled. Between 2014 and 2016, our provincial economy attracted R66 billion worth of FDI inflows. The Gauteng Investment Centre, our "one-stop shop", and the team at the Gauteng Growth and Development Agency is doing well in making Gauteng a preferred investment destination.

With regards to tourism, Gauteng receives the largest number of foreign tourists (41.4%) of the total. Gauteng has the highest number of bed-nights and revenue generated, compared to other provinces, within the international tourist markets. We also receive the majority of African land-based tourists. The Gauteng Tourism Authority is doing a great job in promoting our province as a hub for business tourism.

With regard to the revitalisation and mainstreaming of the township economy, the Gauteng Provincial Government has increased its spending on the township economy from R600 million in 2014 to R6 billion in 2016.

This represents 22% of the 30% target we have set for 2019. We are emboldened that we can reach 40% by the end of our term. The number of township enterprises benefitting from public procurement policy has increased three fold from 800 in 2014 to more than 2 800 by January 2017.

We have also continued to invest in economic infrastructure in the townships, including the refurbishment of industrial parks and providing broadband connectivity, establishment of ekasi labs for technology start-ups as well as training and skills development for township enterprises and SMMEs.

Madame Speaker, let me take this opportunity to announce that immediately after my State of the Province Address, we will be opening the Mohlakeng ekasi lab for youth techpreneurs, one of the new initiatives we are setting up for our youth in every corridor.

One of the instruments that government has to use is to deracialise the economy and bring historically disadvantaged groups into the mainstream of the economy is public procurement policy.

The Gauteng Provincial Government has reached a critical point wherein 91% of our procurement budget of R 46 billion over the MTEF is directed to empower black people, women, youth and people with disabilities. Of the 12 000 companies that conduct business with our provincial administration, 10 000 of them are HDIs, including township enterprises.

The question for us is no longer whether we can use public procurement to push forward radical economic transformation. The key question we are now asking is how many of these businesses we are empowering will be sustainable outside of government tenders. This is the question we must confront as we give content and character to radical economic transformation. We would like to encourage all big businesses to support township enterprises.

Having achieved all of the above, we are now moving towards the “second wave” of empowerment which will ensure that black businesses and township enterprises that we are currently empowering become more sustainable by participating in the other sectors of the economy.

Some of the radical measures we are undertaking in partnership with key industry leaders include the following:

- Assisting and encouraging black firms and township enterprises to get involved in localisation and manufacturing initiatives so that they can produce goods locally and sell them to domestic and foreign markets.
- Setting conditions for big companies doing business with government to sub-contract at least 30% of the main contract to qualifying black firms and township enterprises in a manner that ensures their meaningful participation.
- Strengthening our supplier development programme to ensure that new and emerging black firms benefit from major contacts in the private sector in terms of skills and technology transfer.
- Supporting new alternative stock exchange initiatives to expand access to capital by historically disadvantaged groups. These include the newly licenced Stock Exchanges and cooperative banking institutions.
- Working with industry leaders in every major sector of our economy to unlock employment and empowerment opportunities for all the citizens, so that no one is left out.

Honourable Members, I would like to share with you trends emerging in the Gauteng infrastructure investment initiatives.

We all agree that building of new and maintenance of existing infrastructure is the lifeblood of our social and economic transformation agenda. Infrastructure investment is one of the most positive mega trends of this fifth administration.

Between 2013 and 2016 our infrastructure investment amounted to R30 billion, translating into an average annual growth rate of 20.7% – the fastest growth rate in the country. Evidence emerging from a commissioned study conducted by KPMG regarding public infrastructure investment has found that:

- 92 000 direct jobs were added into the Gauteng economy through infrastructure spend.
- Infrastructure spend raised R 15 billion to support household incomes.
- On average for every R 1 spent on infrastructure, adds 92 cents to the Gauteng economy.
- Infrastructure spend increased government revenue by R 6 billion.
- Infrastructure spend resulted in additional economic activity worth R26 billion.

This suggests that without government-led infrastructure investment at national, provincial and local level, our national economy could have been in recession, with serious consequences for families and businesses alike.

From the point of economic transformation, our infrastructure spend also played a decisive role in pushing forward in an uncompromising manner, the empowerment of historically disadvantaged individuals and black firms. In construction and professional services, we are spending up to 91% of the budget on HDIs.

The principal challenge is that most of the HDI groups tend to rely on sourcing capacity such as materials, skills and finance from established white businesses or importers, thus transferring the empowerment away from themselves.

As we rollout the R42 billion infrastructure budget over the next three years, we need to ensure that there is a decisive shift to true empowerment of black firms so that they become more sustainable and more transformative so that they can contribute to industrialisation and local manufacturing initiatives.

Our infrastructure investment must support the priority economic sectors and help to redress spatial imbalances in the five corridors to spread the benefits of re-industrialisation, employment and empowerment equitably across Gauteng.

I would like to take this opportunity to urge all municipalities to continue working together to deliver the state of the art infrastructure to the City Region so that we can create jobs and improve the quality of lives of all our residents.

As leaders representing all citizens, let us act in the public interest by resisting the temptation to assert authority by stopping projects that benefit the citizens and the economy of our City Region. This compromises the quality of life of citizens and the overall competitiveness of our province.

Let us work together regardless of which party runs which sphere of government, to rollout infrastructure projects that are beneficial to all our citizens. These projects include public transport, Broadband and free Wifi, water and sanitation, mega human settlements and new industrial nodes.

We are closely with Executive Mayor Solly Msimang to ensure that Tshwane plays its rightful role as the Capital City and we must jointly promote the growth of the automotive industry, aerospace and defence, agro-processing and agribusiness, innovation, research and development. Together, we must ensure that the Rosslyn Auto City, Hammanskraal BPO and the Centurion Aerospace are implemented.

We are also working well with Executive Mayor Mzwandile Masina to ensure that the Aerotropolis is implemented as quickly as possible so that we can revitalise the manufacturing capacity of Ekurhuleni.

We are in agreement with Executive Mayor Herman Mashaba that the renewal of the Joburg inner-city has to be undertaken urgently in partnership with the province, the city and the private sector.

Similarly, we are working with the Executive mayors of the Districts and local municipalities in the Sedibeng on the regeneration of their regional economies and the building of new mega human settlements and post-apartheid cities.

The people of our province expect a great deal of political maturity and cooperation from their provincial and municipal governors. We certainly embrace the fact that our province is governed by different political parties at provincial and local level. However, we must not allow diversity of parties to hinder rapid implementation of programmes and projects which objectively benefit the Gauteng residents.

Over the next two years, let us work together to fast-track the rollout infrastructure projects that have long been underway with regard to planning and implementation:

- Public Transport and logistics
- Mega Human Settlements
- Renewable Energy and other energy projects
- ICT and Broadband
- Government precincts to provide integrated service delivery
- Water and Sanitation
- Health infrastructure, especially community-based centres to strengthen primary health care, especially mental health facilities
- New schools to meet growing demand
- Libraries and recreational facilities
- Social development facilities

Today, I don't want to go into too much detail regarding specific projects that will be announced by respective MECs later in the week.

However, there are a few that I would like to highlight on human settlements mega projects, public transport, energy and Broadband.

Firstly, among the interventions we are planning is to ensure that there is sufficient land available for social and economic development in order to effect radical economic and spatial transformation of our urban landscape. Accordingly, we implement constitutional measures such as expropriation of land so that we can locate new developments not in the periphery but in the urban core of our province. Gone are the days when blacks must be settled far away from economic opportunities and social amenities.

Secondly, the long awaited construction of mega human settlements and new cities will commence this year. There are 31 new mega human settlements that are both public and private sector partnerships that will start in April in different corridors. This will mobilise and unlock huge public and private investment at a level unprecedented in our post-apartheid history. MEC Mashatile will give more details when he speaks later this week.

As we implement our new Mega Human Settlements programme, we are also doing work in the renewal of old townships and converting hostels into family units and integrating them into communities.

Thirdly, we are mobilising resources for public transport infrastructure in ways that will ensure that we don't commit the same mistakes done with the e-tolls. We can't build roads and only later inform citizens that they must pay. In fact, there will no e-tolls on our new roads.

I must admit publicly, as I did last year, that all the efforts we have made through the Advisory Panel have not led to the resolution of concerns of Gauteng motorists regarding affordability. We have tried our best. The ultimate solution can only come from national level. We will continue to engage in order to represent the interests of our residents.

Madame Speaker, our partnership with the taxi industry is bearing fruit. We acknowledge the pioneering role of the industry in advancing genuine black economic empowerment, even during the dark days of apartheid.

I would like to commend the leadership of taxi associations in our province for signing the Memorandum of Understanding to work with us towards the good of the industry and most importantly the good of the commuter.

We are committed to ensuring that the taxi industry is empowered. This includes participation in the BRTs, the expansion of the Gautrain and meaningful participation in the industry supply and value chains.

Madame Speaker, I am pleased to announce that we have completed the feasibility study on the expansion of the Gautrain and its full integration into the broader modern public transport system of our province. The new areas that will be covered will include Mamelodi in Tshwane, Boksburg in Ekurhuleni, Randburg-Laseria in Johannesburg, Mogale City and Syferfontein in the West Rand and Roodepoort/Jabulani.

This expansion will primarily be done on a public-private partnership basis, in phases that will take a period of two decades to complete.

Other areas will be covered by the modernisation of rail infrastructure currently underway by PRASA in major parts of Sedibeng, Ekurhuleni, Tshwane, West rand and Joburg, which will ultimately be linked to the Gautrain rail network.

MEC Ismail Vadi will give more details about this rail network revolution that will fundamentally transform the spatial and economic landscape of Gauteng.

Honourable Members, I would also like to report that the implementation of Rooftop Solar PV Project which I announced in 2015, will start in 16 health facilities this year and schools will be the next. This project will help us ensure the provision of clean energy to public facilities while at the same time saving money on the huge utility bills that are currently crippling our health and educational budgets due to billing problems and the absence of a culture of saving energy and water.

Since 2014, we have rolled out more than 1 500 kilometres of network fibre, connected 8 core sites and more than 800 access sites to the Gauteng Broadband Network. By March this year, we will connect more than 1000 sites in line with our target of 3000 sites by 2020.

More detailed announcements will be made by the relevant MECs later this week with regard to social and economic infrastructure projects that will be delivered over the next two years.

Let me once more call on the Executive Mayors, to partner with us in ensuring that we roll out broadband infrastructure to every community in our province so that no one is left out. As servants of the people, we should resist the temptation to discontinue wi-fi projects simply because they were started by previous administrations. Whatever changes we want to introduce, let us ensure that citizens continue to enjoy the benefits of free wi-fi, especially the youth who need access to internet connectivity, which must be supported through public funding like all utilities such as water and energy.

Madame Speaker, in to order ensure that all our economic and infrastructure plans are implemented with rigor and the required discipline of execution, I have decided to appoint the Premier's Economic Advisory Panel made up of the following economic experts, entrepreneurs and labour representatives:

Mr Jabu Moleketi (Chairperson), Dr Sizeka Rensburg, Ms Chichi Maponya, Mr Lumkile Mondji, Mr Dumisani Dakile, Ms Trudy Makhanya, Dr Thandi Ndlovu, Ms Pamela Mondliwa,

Mr Ravi Naidoo, Professor Fiona Tregenna, Dr Paul Jourdan, Mr Pepi Silinga, Mr Davis Cook and Ms Tebogo Nkosi.

The panel will advise the Premier and the Gauteng Provincial Government on implementing strategies to realise our objectives of increasing employment, empowerment, exports and inclusive growth in line with the vision set out in the National Development Plan and our Provincial Economic Plan.

### **Progress on youth empowerment and economic participation**

Madame Speaker, let me now report on the work we are doing to empower the youth of Gauteng so that they can become their own liberators, like the generation of the 1940s, led by Mziwakhe Anton Lembede.

In 2014 we launched Tshepo 500 000, a flagship programme focusing on creating opportunities for young people to enter the labour market and access skills and entrepreneurial development.

Youth unemployment is the most acute and primary economic problem of our time. Although the scale varies, no economy is free from this problem. Currently, there are 2.7 million young people of working age who are neither in education nor in employment, while around 3 million young people are in the public and private education system, including higher education and TVET colleges.

Many of these young people end up getting involved in social ills such as drug and substance abuse as well as crime. They deserve a second chance in life.

Tshepo 500 000 was launched to enhance the employability of the youth and ignite the spirit of entrepreneurship among young people in order to rescue them people from self-destructive lifestyle of drug abuse, violence and crime.

Over the past two years, we have touched the lives of more than 350 000 young people who benefitted from the four pillars of this programme:

- **Facilitating the placement of young people into permanent jobs:** more than 90 000 permanent jobs in private and public sector institutions have been facilitated.
- **Training and skills development:** more than 145 000 young people have been trained in skills that are in high demand in the labour market.
- **Entrepreneurship development and business development support for the youth:** more than 15 000 young people are now accredited entrepreneurs and are receiving support from our procurement processes and supplier development programmes of our partner organisations in the private sector and state-owned enterprises.
- **Transitional employment:** more than 110 000 young people have participated in public employment schemes and other short-term employment opportunities.

The major lesson we have learnt since the launch of Tshepo 500 000 in December 2014, is that to deal with the chronic global problem of youth unemployment successfully, we must embark on unconventional approaches and build sector-specific partnerships.

We are certain that working with our partners – Harambee Youth Employment Accelerator and various private sector companies – we will reach 500 000 young people by 2019 as demonstrated by the progress we have made so far.

Given the magnitude of the problem of youth unemployment and the positive response we are getting from private sector partners; we are confident that we will be able to change the lives of more than 1 million young people by 2019.

Over the next two years, we will be implementing the following youth empowerment partnerships:

- Our partnership with Microsoft will provide 1 million young people with training opportunities in digital skills.
- Our partnership with the Massive Open Online Varsity (MOOV) will enable 80 000 young people to access free, high quality on line university education.
- Our partnership with the Business Process Outsourcing Sector will facilitate the creation of 20 000 digital jobs for young people over the next three years.
- Our partnership with Buddibox and the National Youth Development Agency will provide 10 000 ownership and entrepreneurial opportunities in the cooperative wholesale and retail sector.
- Our partnership with Coca Cola will provide employment and new entrepreneurship opportunities for young people about 30 000 new retail outlets mainly in the townships.
- Through the National Youth Service, we will increase the number of opportunities for young people in the EPWP and community works programme to 300 000.
- We are launching Gauteng@Work targeting especially young people who will be contracted by government and also sub-contracted by companies doing business with government to do infrastructure maintenance and other work in public facilities.
- Our partnership with SAP will train unemployed graduates in ICT skills that are in high demand and support 10 000 school learners in Science, Technology, Economics and Mathematics.
- We will finalise discussions with the logistics, fast moving consumer goods (FMCG), retail, real estate, food and beverages, defence and aerospace and automotive - on opening training, employment and entrepreneurship opportunities for the youth.

In addition, the provincial government has adopted a policy that 50% of all people employed in our infrastructure projects are young people.

Madame Speaker, more than statistics, these numbers represent real young people who were positively impacted by the Tshepo 500 000 programme. I would like to thank all businesses that have raised their hands to be counted in the urgent task of opening economic opportunities for the youth. I am humbled and grateful to many business leaders of business who want to be our partners in HOPE.

I call on all businesses, civil society and municipalities to join us in this crusade to give the youth a chance to prove themselves.

In our Ntirhisano engagement with young people, they have made it clear that they don't want hand-outs. They don't want patronage. They want to be empowered so that they can take charge of their own destiny and become their own liberators. They want opportunities to be opened so that they can seize them with both hands.

### **Accelerating Social Transformation and Promoting Social Cohesion**

Madame Speaker, investing in quality public education is the most decisive and sustainable way through which we can empower our youth. Turning around the performance of our public schools and ensuring that learners from schools in townships and villages do well is in itself a decisive act of radical social and economic transformation.

In Gauteng, we can proudly report that, increasingly, townships are becoming centres of academic and educational excellence and redress. We have narrowed the performance gap between fee-paying (most township schools) and non-fee paying schools from 27% in 2011 to 11% in 2016, which is a mark of addressing equity in the entire system.

Seven out of ten learners who start Grade 1 and are now able to reach Grade 12, which is major improvement in the through-put rate to reduce the number of those who fall by the wayside.

Although our province dropped from top two to number three in the Grade 12 results, we increased from 84.2% in 2015 to 85.1% in 2016. Most importantly, Gauteng contributed a remarkable 23% of all Bachelor passes in the country and 22% of all distinctions.

Another important trend is that the quality of our performance is spread evenly in all the districts, with no district recording a pass rate of less than 80%. This means we are closing geographic disparities across the province.

Our township schools have recorded the largest increases in matric passes for 2016. For instance, the Johannesburg Central district which includes Soweto was the most improved region registering 83.61% pass rate, significantly higher than the previous year's 77.1%.

We have also reduced the number of schools that performed below 40% from 14 in 2014 to 2 in 2016. We are intervening to turn around the situation in the two schools that performed below 40%.

A more independent indicator of the improvements is the fact that Gauteng performed better than all other provinces and some countries on the continent in Maths and Science in the recent Trends in International Mathematics and Science Study (TIMSS).

One of success stories of the improvement in township schools is that girl learners are taking their rightful place among the top performing learners of our province by dominating as the top performers with distinctions. Systematic support for girl learners is beginning to yield positive results.

Currently 300 000 girl learners in Gauteng are receiving dignity packs. The Executive Council has decided that 1 million girl learners should be provided with dignity packs by 2019.

We are also well on track with our programme of modernising schools through ICT. Since the launch of the programme in 2015 we have prioritised the no-fee paying schools to improve education outcomes.

The ICT rollout benefitted over 64 000 Grade 12 Learners in 377 no-fee paying schools converting over 1800 classrooms into smart classrooms. Over 9000 Educators have been issued with laptops.

To respond to the pressures on our public education system, brought about by high levels of in-migration into Gauteng, we are strengthening our programme to build school infrastructure.

The people of Gauteng, we have a huge challenge with regard to the number of new learners who arrive in our schools every year due to in-migration. This year, 19 000 additional learners arrived in January. Most of these learners have been placed.

While we have no control over learner in-migration, I want to assure parents that we will prioritise the learners who are currently in our schools.

Since 2014, we have built forty-three new schools, including new ICT-enabled classrooms in existing schools. In the next two years, we will build thirty-four new schools, 1 200 laboratories and more than 470 school libraries.

Madame Speaker, there are parents who are also concerned that the online registration process has made it difficult for them to know whether their children will have space in the schools close to where they live.

MEC Panyaza Lesufi has already publicly apologised for the inconvenience. We will ensure that we obviate all the problems for the next academic year.

Accordingly, I have directed MEC Panyaza Lesufi to bring a plan to the next Provincial Executive Council in March in order to avoid similar problems in preparation for the 2017 registration process.

We have heard your concerns and we are taking action to address them.

Honourable members, in ensuring that all deserving learners are able to access higher education, and as part of developing the skilled human resources required by our modern economy, we have invested more than R800 million in bursaries for higher education. Our target is to reach R1 billion by 2019.

Over the next three years an additional amount of R 16 million, out of the sale of the Premier's official residence, has been set aside to fund the cost of tertiary education of 40 academically deserving students.

Madame Speaker, in the light of the Life Esidimeni tragedy, we have decided that we need a fresh look at the public healthcare system in the province.

We know that whatever good work done by tens of thousands of dedicated professionals and public healthcare workers has suffered a huge blow due to the horrific and inhuman treatment meted out to mental health patients.

We have a responsibility to work with all health officials and healthcare workers to win back public confidence. We can't afford platitudes and claim that the system is working when it has failed the most vulnerable members of our society.

I have directed the Health MEC, Dr Gwen Ramokgopa, to put in place priorities on how we are going to inspire all the good men and women in our public health system to rise to occasion and provide quality healthcare in accordance with the oath they took when they qualified as professionals. Further announcements will be made by MEC Ramokgopa in the course of this week.

Honourable Members, we are doing very well with regards to social development. We increased the number of graduates from our 'welfare to work' programme from more than 4 000 in 2016 to 10 500 this year. These are young women who were depending on child support grants as the only source of income. Now they have been equipped with skills and have decent employment. Our earlier target was to reach 11 000 young women in 2019. The pilot of the past two years had demonstrated the efficacy of the programme. We have decided to upscale to 20 000.

Although the number of people living below the poverty line has decreased from 32% in 2004 to 16% in 2016, we still have a long way to go. Close to 20% of the population of our province don't have enough food to live on every day. This is a serious problem that puts the life of many citizens at risk.

In order to tackle urban poverty and hunger, since 2014 through the food banks we have provided food relief to more than 300 000 beneficiaries, in more than 101 000 households.

Honourable Members, drugs and substance abuse continue to ravage our society. They rob our young people a chance of a brighter future.

Working together with our partners in the social movement against drugs, we will in the next two years strengthen the fight against drug and substance abuse.

Since 2014, initiatives such as the Ke-Moja drug prevention programme have benefitted more than one million drug and substance abusers.

Madame Speaker, we are committed to working with and supporting people with disabilities. Our target is to achieve way above the 2% employment and empowerment target. Over the two years, we have remained at 1.6%.

We remain concerned about the plight of the girl learner in Gauteng. Indications are that they are now being deliberately targeted by older men putting them at risk of contracting HIV. We are worried that the rate of HIV infections among young women is rising. This puts the future of these young women and girl children at great risk.

In the next two years we will be embarking on a massive HIV awareness and prevention programme focusing on schools, in partnership with civil society.

In my inaugural SOPA in 2014, I made a commitment to mainstream military veterans into existing socio-economic and governance programmes.

We must do this in honour and in recognition of all those who rendered military service in our country. Gauteng is home to more than 7 000 military veterans.

In next two years we will make the following specific interventions targeting military veterans:

- Provision of appropriate housing.
- Subsidised public transport.
- Opening access to public health facilities across the province, instead of referring all military veterans to 1 Military Hospital in Tshwane.
- Provision of bursaries for dependents of military veterans.
- Opening economic opportunities for Military Veterans as one of the target groups.
- Strengthen the Military Veterans Affairs desk in the Office of the Premier so that it can coordinate all government programmes directed at improving the well-being of military veterans in Gauteng.

Madam Speaker, with regard to sport, arts and culture, Gauteng remains the Home of Champions. We are the mecca of competitive sport in Africa. Gauteng is also the creative pulse of our country and the fountain of the creative industries.

Allow me to take this opportunity, once more, to pay our respects to our cultural and sporting icons that have passed on – Gugu Zulu; Mduduzi “Mandoza” Tshabalala, Sifiso Ncwane, Mme Thandi Klassen, Lundi Tyamara and Joost van der Westhuizen. Mama Thandi Klassen and Captain Joost van der Westhuizen.

Our successes in building Gauteng to be a Home of Champions and the home of the creative industries is a result of strong partnerships that we have built with our stakeholders.

In the 2016 SOPA, we committed to engaging with the sporting fraternity with a view to further cement relations through a shared vision and common programme.

Towards this goals we have now solicited the support and partnership of SASCOC, Soweto Marathon Trust, Lucas Radebe Foundation, SAFA Gauteng, Netball Gauteng, Gauteng Aquatics, Athletics, Rugby and Sports for people with disabilities.

In order to strengthen schools sport in accordance with our commitment in the 2016 SOPA, we have supported 45 townships, farm and rural schools with sporting attire and equipment. This year a further 350 schools will be supported.

We take this opportunity to congratulate Ntando Mahlangu, a Paralympian Bronze Medallist, who is also a recipient of the Gauteng Sports Awards. Ntando's achievements are a true indication of school sport's ability to identify and nurture talent amongst the youth.

In partnership with municipalities and the private sector, we hosted a number of major international sporting events. These include:

- The BMW SA Open Golf Tournament, the Joburg Open and the 2016 Tshwane Open; as well as
- The Under 17 Future Champions.

Through our partnership with the Lucas Radebe Foundation and associates, we hosted two ground breaking Gauteng Champion of Champions football initiatives, popularly known as the T20 and Rugby 7's of football.

Madame Speaker, the creative industries are estimated to contribute more than R3.3 billion to the Gauteng economy. More than 182 000 people are employed in this sector.

It is for this reason that we have identified this sector as one of the key drivers of our economy in our new Economic Development Plan.

Promoting social cohesion and contributing to nation building remains one of our key priorities as we build an economically and socially inclusive Gauteng City Region.

We know too well that the task of building a nation requires that we work together across race, class gender and political affiliation. It requires partnerships.

As this year has been declared by President Zuma as the year in which our country should celebrate the extra-ordinary leadership and vision of Oliver Tambo, our work on Social Cohesion is dedicated to this colossal icon of our liberation struggle.

"It is our responsibility to break down the barriers of division and create a country where there will neither be Whites nor Blacks, just South Africans, free and united in diversity", so said Oliver Tambo.

As part of promoting social cohesion and nation building, in March 2016 I appointed a Panel of Social Cohesion Champions, chaired by Justice Yvonne Mokgoro, deputised by Professor Mary Metcalfe, to work in partnership with civil society to address problems of racism and xenophobia.

Their specific mandate includes:

- Facilitating open and frank conversations on racism and xenophobia among various sectors of the population in Gauteng.

- Proposing a set of comprehensive interventions - policy, institutional, structural, spatial, social and economic - to facilitate social cohesion and greater integration of communities across Gauteng.
- Recommending a provincial plan of action to combat racism and xenophobia in Gauteng.

We applaud the Social Cohesion Champions for the work they have done with pupils and parents at the Pretoria Girls High School in response to protests, allegedly related to racism, at the school last year. We are encouraged that these issues have now been put to rest.

The Social Cohesion Champions are also working with the African Diaspora Forum following the torching of homes in Rosettenville where there has been incidences of crime, violence, xenophobia and vigilantism and protest action directed at migrants in Tshwane and Ekurhuleni townships.

I have always been clear that everyone is welcome in Gauteng. Gauteng is a home for all. We are South Africa's most cosmopolitan and Afropolitan province. I have personally participated in marches and said very clearly that I am against xenophobia.

Honourable Members, I would like to call on all leaders to handle the matter of migrants with a great deal of sensitivity and care. In any country, migrants and refugees are very vulnerable people.

We must never try to stigmatise or criminalise all migrants and foreign nationals because this will have devastating consequences that will lead to the death of innocent people. The whole world is grappling with this issue right now and let us deal with this matter in way that will not fan the flames of xenophobic violence.

Honourable members, we remain committed to building a safer Gauteng for all. Once again, this will require partnerships across sectors.

The trajectory on crime remains negative. From Sophiatown to Soshanguve, Kagiso to Katlehong, Khutsong to Evaton, Elodrado Park to Rosettenville, Olievenhoutbosch to Tembisa, our communities are terrorised by gangsters, drug lords and rapists. Murder and robbery remains excruciatingly high. Violence against women, children and members of the LGBTI community remains out of control

At community level, Take Charge Campaign has made a positive impact. Over the past two years, this campaign has reached more than 200 000 people across the province. In the spirit of building partnerships, we call on every household to be part of this campaign.

However, our police men and women are not coping. They are not getting the leadership they require from the top management, due mainly to incessant in-fighting among the leaders of our law enforcement agencies.

We have now adopted a comprehensive Gauteng City Region Policing Plan through which we seek to turn the tide on crime in our province.

The leadership of the SAPS and Law Enforcement Officers will be held accountable to delivering concrete results on performance targets at station and cluster level. We want them to bring back visible policing.

We want them to bring back specialised units.

I want every station, cluster and indeed the Provincial Commissioner to report every eight weeks about crime reduction targets. We want to see real progress in closure of drug dens and the arrest and prosecution of drug lords.

I want to see serious decline in crimes perpetrated against the most vulnerable in our communities such as women, children, the elderly and the LGBTI community.

Finally, we want collaboration and partnership, not competition, between SAPS, Metro Police and the entire criminal justice so that we root out criminals in our communities. I will take no excuses from the Provincial Commissioner and the senior police management in our province. I want to see the police everywhere, every hour every day.

### **Building an accountable, responsive, compassionate and clean government**

Madam Speaker, in order to realise our programme for transformation, modernisation and reindustrialisation we will require a capable developmental state led by men and women who serve with dedication, honour and integrity.

We remain seized with the task of building an accountable, transparent government underpinned by a state machinery that is responsive, caring, efficient and effective.

Our work is bearing fruit. For instance, our audit outcomes have consistently been improving. The 2015/16 financial year marked the best audit outcomes in 14 years. All our departments and entities got unqualified audit reports - 60% of which were outright clean audits.

The introduction of the Open Tender System has helped to enhance probity, transparency and integrity of the public procurement system. It is also contributing to restoring public confidence in government decision making as well as in promoting fairness and certainty.

All over the world, public procurement or tender processes are prone to corruption unless there are pro-active and extraordinary measures to deter and prevent this from happening. In our country, many surveys and public debates have put corruption as one of the major concerns of our citizens.

The Open Tender System is now being implemented across all Gauteng Provincial Government departments. This has helped in ensuring that service providers are appointed transparently.

Since the introduction of the Open Tender System, we have not had any disputes, litigation or objections to our tender processes! Indeed, Open Tender System is working well and contributing to empowerment.

We are reducing the time it takes to pay our service providers. Eleven out of fourteen departments are paying an average 93 % of their invoices within 30 days, and 79% within 15 days. This is a marked improvement from the previous financial year. However, all these efforts come naught when Departments with big budgets fail to pay service providers within 30 days.

Although there are some improvements since last year, the Departments of Education, Infrastructure Development and Health, still fail to pay service providers on time due to accruals. This has a negative effect on the sustainability of SMMEs and black businesses.

The Provincial Treasury is working with these three departments to ensure that they reach at least 90% compliance with the 30-day payment requirement before they can even think of 15-day payment.

MEC Creecy will announce further measures during her Budget Speech next month.

To promote the culture of excellence in service delivery, we would like to report that, the Gauteng Treasury HOD Ms Nomfundo Tshabalala, was acknowledged as the best Provincial Head of Department in the Republic in the 2016 Batho Pele Awards.

At the same Awards, the Gauteng Treasury won two silvers and a gold at the Batho Pele Awards for the Best Provincial Department and Most Ethical and Professional Department.

The Gauteng Department of Education won the 2016 Centre for Public Service Innovation Ministerial Award for successfully deploying ICT in education.

We congratulate the Department of Roads and Transport on receiving the African Union's Public Service Innovation Award on their Revenue Collection System (REMS).

We continue to act against maladministration, incompetence and corruption. Since 2014, we have instituted disciplinary proceedings against 125 officials who were found guilty of financial misconduct, including HODs. To date, two HODs have been dismissed for serious acts of misconducts.

To further strengthen integrity, promote clean governance and administration, we have now approved anti-corruption and integrity guidelines. These include the appointment of a civil society-led Integrity Promotion and Anti-Corruption Advisory Committee.

Madame Speaker, consistent with our ongoing commitment to building a responsive and caring government, in 2014 we introduced the Ntirhisano Rapid Response System and Service Delivery War Room.

Ntirhisano is about government working with communities to resolve ongoing day to day and service delivery challenges. Its implementation has gone a long way towards closing the gap between government, communities and citizens.

There are good stories by citizens themselves on how Ntirhisano has assisted to resolve problems associated with lack of compassion among our civil servants, especially when they deal with the most vulnerable in our communities such as mental health patients, the elderly, people with disability and children.

Accordingly, we have decided that Ntirhisano Service delivery teams will also pay periodic unannounced visits to all facilities that provide services to the most vulnerable in our communities – children, older persons, people with disabilities and mental health patients. These visits will include private sector and non-governmental organisations.

We will do this in order to ensure that early interventions are made where citizens are receiving substandard services from illegally operating facilities. Ntirhisano will now pay special attention to the most vulnerable in our communities.

Madame Speaker, I would like to call on all municipalities, especially the Executive Mayors, to embrace the need for collaboration and partnership between the provincial government and municipalities.

We must rise above party political differences and partisanship in order to serve all the people as their servants. There can be no delivery to the people if we are embroiled in the rhetoric about winning the next election at all cost. Let us rather serve the people together at all cost.

In December 2016, all municipalities embraced the strategic priorities and economic sectors identified for each of the five development corridors of the Gauteng City Region.

Let us work together to build an inclusive economy, safe and cohesive communities and good infrastructure that benefits all the residents of Gauteng.

Let us make politics more constructive, transformative and impactful on the lives of ordinary citizens. Politics must never be about pomp and ceremony and the attendant rush to appear in the news.

Transformative politics must be about utilizing our budgets to radically transform lives and build sustainable livelihoods. It must be about the values of service and loyalty to the citizens. This is a call to return to value-based politics without which there can be no honour.

Let us engage in the kind of politics that empower the youth to realise their dreams through access to better educational and entrepreneurship opportunities so that they can live independent and meaningful lives as productive and conscientious citizens.

We need the kind of politics that empower women to break the shackles of patriarchy by empowering them to playful their full role in the economy and society as equal citizens.

Politics must be about building an economy that creates more jobs and includes blacks, women, people with disability and youth.

Yes, we need a compassionate politics that protects the most vulnerable in society such as mental health patients and take steps to ensure that never gain should so many people die out of total neglect, arrogant treatment and lack of care and compassion by us in government.

I talk of the kind of politics that promotes social cohesion among all people regardless of their nationality, religion, origin, gender, sexual orientation, class and race.

Politics must be about an accountable, responsive and clean government. We are not getting clean audits in order to please the Auditor General. We must do so because it is good leadership to manage public finances well and account for every Rand we collect from tax payers and rates payers.

Politics must be about making a difference in the lives of others. Many of our public representatives have dedicated their lives to doing something that is very difficult for family life: politics. And yet someone must do it if our communities, our country and our continent is to move forward and make progress.

Honourable Members, I don't know what type of politics you subscribe to. Mine is a different type of politics: a politics that respects evidence, enjoys a good argument and acknowledges sound reasoning even from the opponent (s). I can't subscribe to a politics that glorify insults, chaos and anarchy.

I subscribe to the politics of optimism and hope even in the face of adversity and tragedy. I can't subscribe to politics of doom and gloom; politics of the impending apocalypse wherein politicians make a career out of preaching that South Africa is about to collapse. If I didn't believe in the power and agency of citizens to drive radical social and economic transformation, I wouldn't be here.

Madame Speaker, let me conclude by thanking all those who continue to dream and work hard to ensure that we build a society where all people can live meaningful lives, in peace and harmony.

I would like to thank my wife Mpho and my entire family for giving me support as I strive to serve people of Gauteng with honour and distinction. My father, my sister, my father-in-law as well as my mother-in-law have joined us today because they too have been deeply touched and troubled by the loos of life of Life Esidimeni patients.

I also thank Team Gauteng City Region, MECs and Executive Mayors, for their commitment, collaboration and loyal service to the people of our City Region.

I would like to thank the Director General, my Special Advisors and all the staff in the Office of the Premier for their hard work and support.

I would like to thank members of this legislature for their robust feedback and criticism so that we can constantly improve the work we do to meet the needs and expectation of our citizens.

Thank you all.

God Bless Africa.