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SERVICE DELIVERY

REVIEW

A learning journal for the Public Service

The Year of Action

Municipalities get down to Work

Exit Interview with former DPSA DG

Curriculum Reform

DRC Headcount

REVIEW

Contents

Issues

Municipalities get down to Work 7
Local Government – Everybody's Business 10
Educating the Nation together 15
Curriculum Reform 21
Responding to Skills Challenges through a Transformed Post-school System 29
Still waging War on Economic and Social Exclusions 36
Affordable and Decent Human Settlements 43
Our Land, our National Asset 51
Securing the Nation 58
Changing the Fortunes of People through a Disciplined Military 63
South Africa in the World 70
Tough on Crime, tough on the Causes of Crime 86
Creating a Future for our Environment 91
An Energized South Africa 97
Creating Economic Opportunities 105
The African Public Service Factor in the Aftermath of the Global Economic Crises: an Assessment of Lessons and Opportunities 112
The Strategy Classroom 117
Connecting our People with the World 118
Improving the Frontline Office Environment 129
Arts and Culture for a Non-racial and Non-sexist Society 132

Case studies

A Lesson in Rural Education 24
Headcount 76

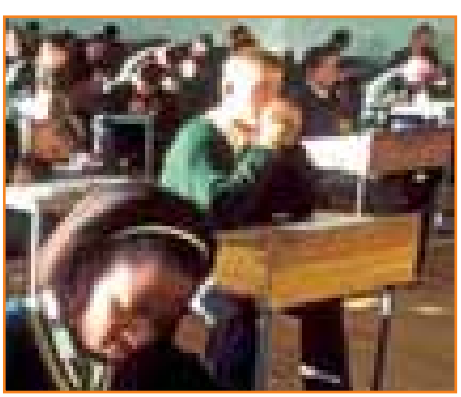
Profile

Exit Interview with former DPSA DG 143

General

From the Editor's Desk 2
Letter from Tshwane 3
News in Brief 138
Book Reviews 146
Letters to the Editor 148

page 11



page 16

page 35

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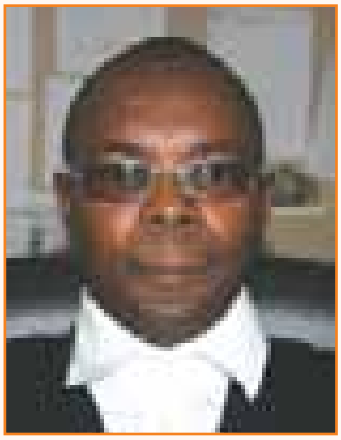
We belong
We care
We serve

Invitation for contributions

The *Service Delivery Review* is largely seen as a tool for sharing experiences and therefore for learning within the Public Service. The journal is a forum for debate and continuous exchange of views. We therefore encourage public servants and beyond, to submit to us responses to articles or any other service delivery issues that they feel trigger debate and require engagement. Responses/letters should not be more than 500 words. The editor reserves the right to edit long responses/letters. Contributions can be sent to mpumi@dpsa.gov.za or Dudley@dpsa.gov.za



Dudley Moloi

We defined the *World Cup*

The year 2010 will forever be etched in the national psyche as the 'year of action'. It has, thus far, in many ways been answering President Jacob Zuma's call to action in his State of the Nation Address early in the year. 2010 is a year of action not so much because of the world soccer spectacle that South Africans hosted. In post-mortems of the 2010 FIFA World Cup project, the successful execution of which confounded outside skeptics and domestic self-doubters alike, questions continue to be asked, rightly so and in all fairness, about the disjuncture between the World Cup highlight and the continuing battle with seemingly mundane domestic service delivery challenges. Why is it that the country's project management expertise in the areas of housing, health, education, water and sanitation continues to be marred by seemingly dismal underperformance?

The answer to these questions is simple. The 2010 FIFA World Cup did not define us, we defined it. It was yet another accomplishment in the continuous resolve of a nation striving to be judged by its deeds rather than to be subjected to pessimistic prejudice from some quarters. In this sense, the 2010 World Cup was a culmination and a continued expression of the nation-building project that began over sixteen years ago. It was part of a battery of undertakings that began with South Africa's first ever non-racial and democratic election in 1994, which continued with and was reconfirmed and restated by the recent 2009 national election.

As is the case with many of our activities, the successful hosting of the World Cup simultaneously brought to the fore pertinent lessons to be learnt for similar future undertakings, especially with regard to the country's development and reconstruction agenda. An important outcome of the lessons we have learnt in the teenage-hood of our nation is the insistence by President Zuma that the ministers sign performance agreements relating to their respective portfolios henceforth. Starting from the top, these performance agreements with ministers are being cascaded down to even the lowest levels of employees in the public service, from directors-general to drivers.

In his briefing at the July 2010 Cabinet Lekgotla, President Zuma described this new way of doing government business as the "outcomes approach" based on the 12 outcomes adopted by the same gathering earlier in the year. The new approach is meant to both focus government service delivery efforts and infuse some vigour in service delivery implementation.

South Africa's fourth democratic election also brought about the reconfiguration of public service portfolios and the establishment of new ones, more critically the National Planning Commission and the Monitoring and Evaluation ministries, which are both located in the Presidency.

This new focus, urgency and vigour is perhaps most succinctly expressed by Brian Ramadiro's comments in the case study, *A lesson in rural education,* when he says teachers (read public servants) are "the most expensive resource" and a critical one at that. Like any expensive tool, the public service must be used circumspectly and optimally, and therein lies the core of President Zuma's year of action call.

Like the public service within which it is located, the *Service Delivery Review (SDR)* is being sharpened for greater focus in terms of its historical mission to contribute to the development of "intellectual capacity to convert government policy into efficacious strategies, and utilize resources allocated to them efficiently," quoting the SDR founding editor, Fred Khumalo. Some 21 editions after its 2002 launch, the editorial team has had to reflect on matters of relevance, editorial quality

and other aspects of production as the SDR nears a decade of publication.

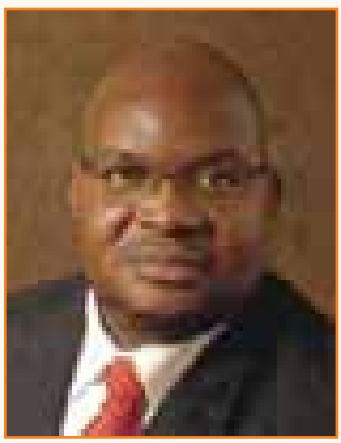
Among the outcomes of this retrospection and introspection is the appointment of an internal (as in public-sector-specific) editor to guide the renewal and reinvigoration of the SDR. The other significant change is the appointment of an Editorial Advisory Group (EAG) to serve as the ears, eyes and brains of the SDR. The EAG is made up of experts in their respective fields, which range from knowledge management to human resources development and public administration. It is hoped that the EAG will make an immense contribution towards unlocking the "knowledge worker" in all of us and in developing a "learning public service for quality service delivery" in accordance with the founding mission statement of the SDR.

Our readers, to whom the labours of the SDR editorial team are hopefully yielding the intended benefits, are also invited to be part of the process of improving the publication by providing feedback, both negative and positive. Therefore, dear readers of the SDR in the Public Service, academia, civil society and from all walks of life, do drop us an e-mail and let us know how we are doing. And quoting Khumalo quoting Edward Said, "'the intellectual is supposed to be heard from, and in practice, ought to be stirring up debate to deepen democracy through service delivery".

Dudley Moloi

Innovation – *strengthening our Capacity to deliver on our Commitments*

– By Masenyani Richard Baloyi, Minister for the Public Service and Administration.



Minister for the Public Service and Administration, Masenyani Richard Baloyi

I want to state that it is our time to account for the past and commit to the future. We take our guidance from President Zuma who stated that "…we want to build an administration that knows where people live, what they think, and which acts fast, efficiently and effectively on the issues they raise. We must keep in touch with our people".

We have been here since 1994, presenting various episodes of the same story of a 'better life for all through accelerated and effective service delivery'. Our message this year is encapsulated in the theme: 'Working differently for an efficient, effective and development-orientated Public Service.'

Our consultations have made it clear that our people expect more from us. They say there's room for improvement in the quality and speed of service delivery. Our people are enraged by the scourge of corruption in the public sector. They

> "... To us, service delivery innovation is a vehicle that searches for ideas to deliver tangible services to our people ..."

* *This article was adapted from the 2010 Budget Vote Speech of the Minister*

expect our public servants to be committed and to change their averagely bad attitude. They urge us to ensure that we maintain the current sound labour relations.

Public sector innovation

We give priority to service delivery innovation. To us, service delivery innovation is a vehicle that searches for ideas to deliver tangible services to our people. The Centre for Public Service Innovation (CPSI) drives this vehicle.

Through partnerships with other departments and state-owned entities, the CPSI represented us well on our journey of and for innovation. One success story worth mentioning is the cooperation with the Department of Education to enhance the productive capacity of blind educators through providing them with data card devices to access teaching materials without the use of Braille.

As we do things differently this year, we commit ourselves to strengthen our capacity to respond to legitimate calls through innovation. To this end, the CPSI will run targeted innovation programmes to support the outcomes of rural development, accelerated service delivery at local government level and human settlements. We will continue to encourage participation in innovation through award ceremonies.

In this regard, the eighth annual Public Sector Innovation Awards ceremony will be held in November 2010. We have already called for entries and all public sector institutions and individuals are encouraged to enter.

Fight against corruption

Our fight against corruption remains a priority. The prevalence of corruption in the Public Service pervades all aspects of government activity and affects citizen-state relations. Therefore, we have introduced policies and legislation to ensure public service integrity and fight corruption.

The removal of this cancer further requires from Government an integrity management intervention that, while focusing on prevention, also incorporates punitive measures that will serve as practical deterrents for both those that get corrupted and those that corrupt. At the root of our success in the fight against corruption lies the elimination of an enabling environment that encourages corruption in the Public Service.

Both our elected and appointed public officials should resist the temptation of using public office for personal material benefit. In this regard, we will introduce a Public Sector Integrity Management Framework during Public Service Week in 2010. The Framework is aimed at strengthening and aligning all measures regulating good governance and probity in the public sector; strengthening the capacity to prevent and combat corruption; ensuring compliance through monitoring and evaluation and ensuring enforcement as a deterrent.

Alongside the introduction of the Framework will be the launch of the compulsory Public Sector Charter, which will consolidate the following as defining a public servant of note:

- Eight attributes of a public servant;
- nine commitments of a public servant to the people of South Africa;
- seven rules of engagement for public servants;
- twelve commitments of a public servant to the Public Service; and
- five ethical principles of a public cadre.

We are also in the process of establishing an Anti-Corruption Unit that will assist departments in resolving complex corruption cases.

Workplace democracy

We remain committed to maintain sound labour relations through collective bargaining and promoting workplace democracy. We know that this is not an easy target to meet, but we are trying our best, and we call on all parties to take a cue from former President Mandela's message when he said: "My government is equally committed to ensure that we use this longer period properly to bring fully into the

(continued on page 2)

decision-making processes organs of civil society. This will include the trade union movement and civic organizations so that, at no time, the Government will become isolated from the people.

"At the same time, steps will be taken to build the capacity of communities to manage their own affairs. Both the public and the private sectors will be encouraged to regard labour as a resource and not a cost. Education and training must, therefore, be looked at very closely to ensure that we empower the workers, raise productivity levels and meet the skills needs of a modern economy."

The Public Administration Leadership and Management Academy (PALAMA) is one participant that will be used to realize this. Working together with all social partners, we held a Public Service Summit in March 2010, during which we settled most of the Occupation Specification Dispensation (OSD) sector implementation resolutions.

From this year onward, our aim will be to ensure that the wage negotiation process and the budget cycle are synchronized. In the past, it was difficult to negotiate when the budget had already been set and this continues to be the case.

Single public service

We are committed to continue to build a public service capable of driving a developmental agenda. On this score, we want to state that a priority transformation issue remains the conclusion of the debate on the creation of a single public service.

We want to state upfront that the *Batho Pele* principle of redress calls on us to do three things concerning this debate. We say bear with us. Secondly, we say that we could not finalize the government process because the extra-parliamentary political process had to be allowed to run its course and, lastly, we commit ourselves to report progress during this financial year.

Capacity building for the Public Service

The training and development of capable leaders and managers will continue to be very crucial to this administration. Therefore, PALAMA will continue with its current programmes, which will be expanded to include programmes on national planning, risk management and innovation.

The Executive Development Programme (EDP), a post-graduate certificate in executive leadership, will be customized for local government leadership and for members of legislatures and Parliament. We are placing PALAMA at a level where the agency ought to be a preparatory school for entry into the Public Service, incubating prospective public servants through in-service development intervention.

Of course, for PALAMA to do what we call for the agency itself has to be transformed and we are committing ourselves to finalizing that during this financial year.

For PALAMA to deliver, we need a favourable environment in the Public Service. Coincidentally, we are developing a position paper on the architecture of the Public Service and we commit ourselves to conclude it by the end of the financial year.

Contract employment system

We took a decision this year to stabilize the situation at public service leadership level by interpreting the provisions of the Public Service Act, to the extent that we now talk of a contract period of five years for Directors-General. What remains is to relate this development to effective service delivery.

As we advance with the debate on the architecture of the system, we will also revisit the issue whether we should not also introduce a contract employment system for Deputy Directors-General, or even the entire senior management service level.

Conclusion

With these programmes and initiatives we seek to transform the state of the public sector. The time has come for us to rise to the occasion and facilitate the speedy delivery of services by strengthening the mechanism and accelerate monitoring and evaluation. ■

Municipalities get down to Work

Representatives from 284 member municipalities of the South African Local Government Association (SALGA) recently held their last assembly on the eve of the much anticipated 2011 local government elections. This article is an edited version of the speech of the Minister of Cooperative Governance and Traditional Affairs (COGTA), Mr Sicelo Shiceka, delivered at the SALGA gathering.

Minister of Cooperative Governance and Traditional Affairs, Sicelo Shiceka

The recent assembly of local government practitioners of the Republic of South Africa took place on the fourth democratically elected Government's completion of just over a year in office. Having taken place at the tail end of 2009, the gathering further marked the tenth anniversary of the first democratic and developmental local government brought about by the 1999 local government elections.

Both the anniversary and the upcoming local government elections in 2011 are testimony of a nation still undergoing a process of transformation. They, furthermore, represent milestones of the kind of democratic dispensation that many of us have sacrificed and fought so hard for and, at times, paid the supreme price for.

> “... Together serving our people with integrity and dedication to speed up service delivery ...”

In this regard, SALGA’s National Members Assembly (NMA) was expected to reflect on the distance travelled over the past ten years of South Africa’s local government dispensation. It had to develop a roadmap for the journey still lying ahead and chart the pathway for the next decade of local governance transformation. The NMA, which functions in a manner similar to that of the national Parliament, can be best described as a councilors parliament engaging in critical policy, legislative and programmatic matters that affect this sphere of government and developing a Programme of Action to ensure success.

Topmost on the list of expected outcomes following the deliberations was a review of the execution of the Local Government Turnaround Strategy by municipalities across the length and breadth of South Africa. This included reviews of all the laws that affect the normal functioning of local government negatively by creating unnecessary bottlenecks and blockages, thus impeding on the speedy delivery of services. Other critical issues for consideration by the assembly related to matters of resourcing and capacitating local government, particularly in the areas of finances and human resources, as well as the following:

- developing a comprehensive response to community protests in their various forms;
- greater focus on improving service delivery and the development and maintenance of infrastructure;
- developing a Green Paper on Cooperative Governance;
- the National Strategic Planning and the Land Use Management Bill; and
- strengthening the role of SALGA as a visible and representative body of municipalities in the country.

As previously indicated, if the year 2009 marked a major milestone in the transformation of the apartheid local government system to a democratic and developmental local government, 2011 local government elections will mark the beginning of yet another phase in the ongoing transformation of the local sphere of governance. It is hoped that by 2014, South Africa will have met the objective of having an electoral system that collapses the electoral timetables and system into a single and unified electoral regime that covers both the local and national spheres of government.

The next few years augur another significant phase in the transformation of local government. Combined with numerous initiatives aimed at ensuring that municipalities get down to work, the unfolding transformation of local government administration will also have a huge bearing on how we conduct our work and performance as individuals.

Like all other ministers, I signed a Performance Agreement (PA) with the President in April this year. This binds the Minister of COGTA – and by implication, the whole COGTA portfolio – to deliver basic services to all South Africans. The Key Performance Areas (KPAs) in terms of the PA cover water and sanitation provision and waste management. It further requires us to create 4.5 million job opportunities and, more specific to the local government sector, to make headway concerning the transformation of the administrative and financial systems of municipalities, which include working on improving our supply chain efficiencies and a revenue collection target of 90 per cent.

It needs to be emphasized again that these outputs are as binding on the COGTA Ministry as they are on each mayor and municipal manager or any other employee once individual performance agreements have been signed. The insistence on PAs, from political heads down to the lower rungs of public administration, is an expression of the 2010 State of the Nation Address call by the President of the Republic of South Africa, Jacob Zuma, that "local government must work" in the year that he declared the year of action.

President Zuma's second State of the Nation Address in February 2010 was in line with the theme of the SALGA assembly, 'Together serving our people with integrity and dedication to speed up service delivery', which should be the rallying call not only for the 283 municipalities, but also for business, labour, NGOs, CBOs and the international community.

It is pleasing to note that all municipalities have developed their turnaround strategies in accordance with the Cabinet decision of 2 December 2009 successfully. The turnaround strategies are linked to Integrated Development Plans. The other significant steps in the ongoing transformation of local government are the decision about a three-year serving term for municipal councillors as of 2011 and the harmonization of the electoral process across the three spheres of government by 2014. This will promote the alignment of planning, budgeting, implementation, monitoring and evaluation of government services greatly. ■

> "... It is pleasing to note that all municipalities have developed their turnaround strategies in accordance with the Cabinet decision of 2 December 2009 successfully ..."

Local Government – *Everybody's Business*

In this article, Mr Sicelo Shiceka, Minister of Cooperative Governance and Traditional Affairs, presents an assessment of the previous year and outlines programmes and projects that will be undertaken in the 2010/11 financial year to contribute to the improvement of the quality of life of South Africans.

Minister of Cooperative Governance and Traditional Affairs, Sicelo Shiceka

> "... Local government is everybody's business. All sectors of our society should join in ensuring that the vision as outlined is attained. A department dealing with traditional affairs has been established and the leadership in terms of the Director-General and Deputy Directors-General started work on 1 July 2010 ..."

We have assessed the state of local government in South Africa with specific focus on service delivery. In particular, we looked at basic services; the reversal of apartheid spatial patterns; financial viability and management; and partnerships between municipalities and organized labour and governance.

Overall, the outcome of this assessment demonstrated and showed that the system of local government is functional, although it is experiencing a lot of distress. When you wake up in the morning, you can expect to access electricity by pressing the light switch and water by turning on the tap; when driving, you will, mostly, find traffic lights to be functional, streets to be clean and waste collected, and roads that are well-maintained, albeit with potholes here and there.

Therefore, I can say broadly that our system is working. The challenges that have been identified are linked to the issue of interparty and intraparty conflicts, which have impacted on local government in different ways. For example, one of the key observations was that intergovernmental fiscal relations are based on outdated approaches wherein the baseline used for the financing of municipalities is not aligned to their income, revenue base and the tasks at hand.

The allocation of financial resources, particularly the equitable share, is based on population statistics. It does not take into consideration specific challenges of backlogs, topography, economic viability, etc. As a result of this distortion, municipalities rely heavily on municipal surcharges, particularly concerning electricity, as their source of income. The revenue so sourced is not ploughed back to maintenance and to broaden access.

I will soon be meeting with the ministers of National Treasury and Energy to look at sustainable revenue streams for municipalities. Many municipalities have qualified and competent personnel. However, in some areas unskilled people are employed in key positions, which results in municipalities being unable to deliver on their mandates.

The system of ward committees is a brilliant system. However, it needs to be enhanced and strengthened to ensure effective implementation. Municipalities are not engaging in a sustainable way with local communities. In fact, issues raised on the ground do not find expression in council meetings and related processes.

** This article was adapted from the 2010 Budget Vote Speech of the Minister*

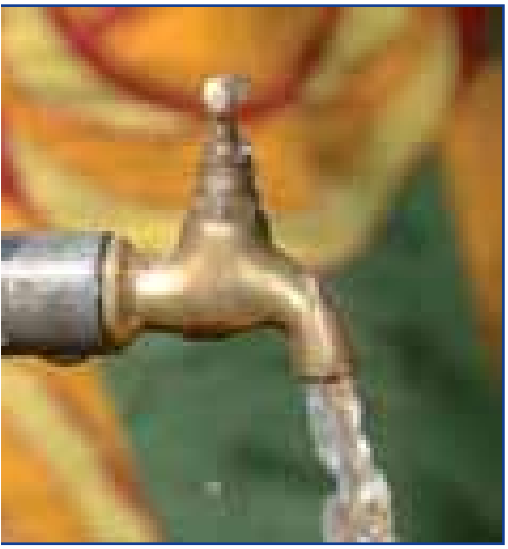
We will be working with National Treasury to review the supply chain management system to ensure that the system is transparent and beyond reproach and that we are able to close any loophole for corrupt practices that might be perpetrated at that level.

One of our critical challenges will be the building of a spirit of camaraderie and trust between the leadership of municipalities and organized labour. The trust between the two parties is at its lowest. The slightest provocation or disagreement results in a strike that has a serious and negative impact on the integrity and image of municipalities in South Africa.

The Department will facilitate processes that will seek to build and strengthen these relations. It is in the interest of the public, the workers and employers that the system of local governance enjoys the confidence of the citizens of this country. Workers are community members before they are workers. Leaders of local government, before they are leaders, are community members. It is paramount that common interest is, at all times, put above petty sectoral interests.

The recent community protests have also presented us with an opportunity to look at our approach to public participation in a different way. Martin Luther King Junior referred to such concerted actions as the language of the unheard.

We have learnt that as government we have not been engaging our communities and allowing them to influence local projects to their benefit. This requires the support of broader civil society and our stakeholders. The role of community structures such as the South African National Civic Organisation (SANCO), ward committees, churches, cooperatives and trade unions is critical in ensuring that we achieve our objectives. The role already played by some of these social formations has been extremely valuable.



The South African Local Government Association (SALGA) has also been identified as a critical role player in the successful implementation of the local government programmes for the relevant fiscal year, especially the Local Government Turnaround Strategy (LGTAS).

In December 2009, Cabinet approved the LGTAS. The Strategy will be the roadmap for local government practitioners for many years to come. Many policies and laws will be based on this Strategy. Therefore, it is imperative that South Africans from all walks of lives should know and understand the LGTAS.

The Strategy has been further distilled into a local government 10-point plan:

- Improve the quantity and quality of basic services for all people in terms of water, sanitation, electricity, waste management, roads and disaster management.
- Enhance the municipal contribution to job creation and sustainable livelihoods through local economic development (LEDs), utilizing cooperatives in every ward.
- Deepen democracy through a refined ward committee system that will be based on the will of the people.
- Create municipalities that have reliable and credible, integrated development plans (IDPs) that are used as a guide for every development, programme and project within that municipality.
- Build and strengthen the administrative, institutional and financial capabilities of municipalities.
- Create a single window of coordination, support, monitoring and intervention to deal with uncoordinated interaction with municipalities by other spheres of government, including unfunded mandates.
- Uproot corruption, nepotism and maladministration in our system of local government.
- Develop a coherent and cohesive system of governance and a more equitable intergovernmental fiscal system.
- Develop and strengthen a politically and administratively stable municipal system.
- Restore the institutional integrity of municipalities.

Allow me to quote Martin Luther King Junior once again. He said: "The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy."

We have agreed that municipalities must be approached on the basis of their own individual and peculiar conditions and circumstances. Therefore, it means that every municipality in South Africa must develop its own municipal-specific turnaround strategies and implementation plans. The one-size-fits-all approach to local government has not worked.

The integrated development plans and budgets of all municipalities have been passed. The 2010/11 municipal budgets must be based on these municipal-specific turnaround strategies. National and provincial government departments and state-owned enterprises are expected to align their projects and programmes to the specific local government turnaround strategies based on the will of the people.

Most provinces and municipalities are on track to meet the established deadlines and timeframes in this regard. We are working very closely with those provinces and municipalities that are lagging behind. To date, a total of 232 municipalities out of 283 (82 per cent) have completed their draft municipal-specific turnaround strategies.

On 5 December 2010, a decade of developmental, democratic local government will come to an end with local government elections scheduled for 2011. We must prepare for 2011, celebrate the achievements to date and ensure that the lessons learnt over the past ten years assist us in improving the next ten years.

The Department will be engaging all political parties to ensure that the quality of the cadres to be deployed as councillors in the next local government elections is based on particular norms and standards. We must ensure that local government, as an important sphere in South Africa, is taken to another level based on the capability of the people who are leading and managing it.

As we engage political parties, we will also seek to reach agreement about continuity and change. At about 67 per cent, the councillors who came into office in 2006 were mostly new. That meant that there was no balance between new blood and experience.

To prevent this from happening again, we intend to revive and strengthen the Local Government Training Academy (LOGOLA) so that new councillors elected in 2011 will be highly capacitated and able to discharge their responsibilities effectively. The Academy will also assist in retraining municipal employees who do not have the required skills.

We will ensure that the six top positions in every municipality are in filled, namely there will be a municipal manager, a chief financial officer, a town engineer, a town planner, a communication manager and human resources manager. Overall, our vision is to have an efficient, effective, accountable and responsive local government system in South Africa with municipalities being the pride of the nation.

As building blocks in the quest to attain the aforementioned vision, we are implementing flagship campaigns, i.e. the Clean Cities and Towns Campaign and Operation Clean Audit 2014. The strategic objectives are to ensure good citizenship with rights going hand-in-hand with responsibilities. This must be implemented by all.

People must live in clean and safe environments where our streets, our neighbourhoods, our townships, villages, rivers and air contribute to improving the quality of life of our people. We are calling on all municipalities and provinces that have not already participated with vigour and verve to come to the party. We will also request the private sector to contribute by working with municipalities through the 'Adopt a Municipality' campaign.

We have quantified the backlogs concerning basic municipal services, which amount to R495 billion. Therefore, the Department will be establishing a special purpose vehicle (SPV), working with provinces and municipalities to deliver on these services.

The Municipal Systems Act, the Municipal Structures Act, the Demarcation Board Act, the Municipal Finance Management Act and other related legislation impacting on local government are being reviewed. The review is aimed at ensuring that the bottlenecks and blockages to speedy and quality service delivery are eliminated. The outcome of these reviews will be presented to this House later in the year for processing.

Local government is everybody's business. All sectors of our society should join in ensuring that the vision as outlined is attained. A department dealing with traditional affairs has been established and the leadership in terms of the Director-General and Deputy Directors-General started work on 1 July 2010.

For the first time in the history of South Africa, indigenous leaders have their own department. This department falls under one leadership, with the national department dealing with elected local leaders. This arrangement demonstrates visionary leadership on the part of the President and is intended to ensure that tensions that have been prevailing among elected and indigenous leaders in different parts of our country will be resolved once and for all. Councillors and indigenous leaders are serving the same constituency. There was and still is no need for conflict and tensions. The success or failure of the new department will, among other things, be judged on this aspect.

In South Africa, the issue of unity in diversity has to be attended to in reality. People must accept and recognize the fact that we have different cultures and different norms, but that we all remain South Africans. In most cases, influential people in society impose their standards to judge others. This has to change. The voices of ordinary people in rural areas and traditional communities must find expression in policy

development and formulation, legislative development, planning, budgeting, implementation, monitoring and evaluation.

The Department is working on a range of policies that, among others, include policy on unity and diversity; *uKuthwala, uKungenwa;* initiation; traditional healing; a traditional leaders protocol; family trees; involvement of the Khoisan people in the system of governance in South Africa; and the remuneration and benefits of traditional leaders based on uniform norms and standards.

We hope that all these policies will culminate in legislative processes before the end of the year following discussions and deliberations with the nation. In addition to the areas outlined above, the Traditional Leaders and Governance Framework Act, the National House of Traditional Leaders Act and the Property Rates Act will be reviewed comprehensively before the end of this year.

We want to commend all our cities and towns for the contributions made in the building of infrastructure and for hosting the 2010 FIFA Soccer World Cup successfully. They made us proud. We demonstrated who we are and what we are capable of as a country. As South Africans, we enjoyed the biggest game in the world and proved to be the best hosts.

> "... Now, it is time for us to agree that South Africa as a nation will not succeed if partnerships are not built and strengthened, particularly at a local level, between whites and blacks, and between rate payers, community organizations, traditional leaders and Government ..."

Now, it is time for us to agree that South Africa as a nation will not succeed if partnerships are not built and strengthened, particularly at a local level, between whites and blacks, and between rate payers, community organizations, traditional leaders and Government.

The national democratic revolution based on the strategic vision of building a non-racial, non-sexist, democratic and prosperous South Africa will only succeed if these measures are implemented at a local level. As a Department, we have prioritized this issue and processes and engagements with relevant stakeholders have already started as part of building unity and social cohesion in our communities.

Conclusion

Our contribution towards building a better Africa and a better world is being implemented with a lot of commitment and dedication. Furthermore, we are also consolidating our relationship with our counterparts in other parts of the world.

In conclusion, we can say without any fear of contradiction that the choir in South Africa is beginning to sing the same melody and singing it very well. We will succeed. ■

Educating the Nation together

Minister of Basic Education, Mrs Angie Motshekga, talks about her Department's programmes for 2010 to ensure that education funds are well spent on delivering quality learning and teaching that will produce clear results.

Minister of Basic Education, Angie Motshekga

We have made huge strides in education since the establishment of our new democracy in terms of ensuring access to education for the majority of our children in South Africa. However, given what we have achieved, we are determined to address those challenges that continue to detract from how far we have come.

We are now focusing on ensuring the delivery of quality learning and teaching in all our schools to make sure that South Africa's learning outcomes will improve. To do this, we must all work together as a nation and all take responsibility to ensure that we achieve our goal.

Education is indeed a societal issue. All of us as members of Parliament, national and provincial officials, principals, teachers, parents, learners and members of communities must make quality education a priority. We need to turn the system around with bold targets and initiatives that are carefully crafted and executed and pay due attention to the already fragile nature of the system and people who work in it.

Government has made education a priority. So should everyone else. Our targets are ambitious and will require a lot from us. Both budgets and priorities are informed by the ruling party's Ten-point Plan and election manifesto commitments. And we will be working closely with the provinces to ensure that there is alignment between strategy and structure.

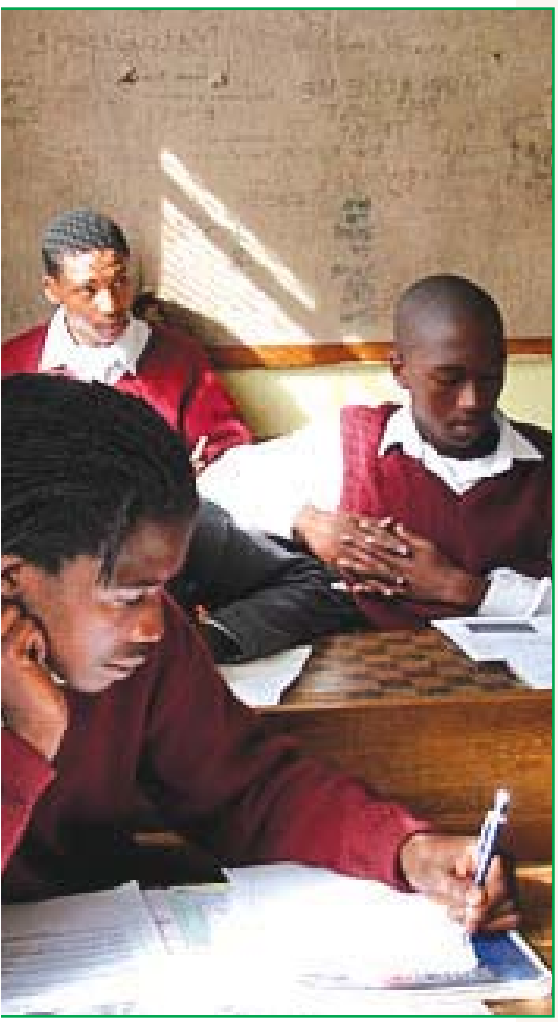
While the provinces play a vital role in the delivery of quality education, the national Department is responsible for policy and monitoring the system. The provinces have a vital role to play as conduits to schools.

I have spoken before of the legislative mandate of the Department of Basic Education that sets out the key responsibilities of the Department to develop and maintain national policies for the basic education sector. It is the responsibility of the national Department to work closely with provincial departments to ensure that provincial budgets and strategies support national policies.

It is, therefore, not the responsibility of the national Department to finance and manage schools directly, but rather the responsibility of the provinces. Together we must meet the responsibilities set out for us in Chapter 3 of the Constitution of the Republic of South Africa. We must cooperate with one another in mutual trust and good faith by fostering friendly relations, assisting and supporting one another,

> "… This year, we shall also introduce a new distribution model of posts to schools. We will use this pro-poor model as a planning tool to determine actual utilization and future demand for teachers with regard to subjects or phases. This model will be adjusted to address changes in the curriculum …"

* *This article was adapted from the 2010 Budget Vote Speech of the Minister*



consulting one another on matters of common interest and coordinating actions and legislation with one another. This is my goal.

However, provinces must deliver on their mandate. We cannot continue to talk about the problems that we face as an excuse for non-delivery. We must instead focus on the solutions.

National Education Evaluation and Development Unit (NEEDU)

The National Education Policy Act (NEPA), 1996, section 8(1), compels the Minister and the national Department of (Basic) Education to monitor and report on the implementation of education policies and progress within the system. The additional funding will help us to strengthen the monitoring and evaluation of our whole education system.

We have investigated the mandate, scope, name, location and *modus operandi* of the proposed structure of the NEEDU and on this basis, have commenced with the establishment of the Unit. In this regard, I will announce the outcome of our recruitment process for the staff that will head and direct its work shortly.

NEEDU will be a professional facility dedicated to monitoring, evaluation and support. It will be a Unit that will evaluate school quality and present regular reports to the nation on such quality. Its role will be to assess and develop strategies for improving the quality of educational outcomes and supporting schools to achieve this.

It will monitor and evaluate performance across the entire system, including the national Department, provinces, districts and schools. It will be there to ensure that learners learn and achieve, teachers teach and departmental officials support schools properly.

An implementation unit

Indeed, we must become solutions orientated. In terms of the NEPA it is the responsibility of the Minister of Basic Education to monitor and evaluate the performance of provinces, districts and schools.

To this end, my Department will, in the near future, establish a delivery support unit to be known as the Implementation Unit. This Unit will be staffed by multi-skilled, highly effective individuals who will be deployed at short notice to find solutions to any obstacles that arise in schools, districts and indeed in provinces. The Unit's primary role will be to fast track delivery and to ensure that every school is able to function optimally, wherever it is.

Annual national assessments

Credible and up-to-date information on how our learners perform is valuable for a number of reasons. Firstly, it helps to identify systemic weaknesses that may impact on the quality of learning and teaching in our schools. Secondly, it makes it possible to track progress towards the measurable learning outcomes and targets that we have set for ourselves. And thirdly, it holds the system accountable to the citizens of South Africa.

About R10 million is available for the 2010/11 financial year for grades three, six and nine assessments. An additional R18 million will be allocated over the MTEF period. We have decided that performance at grades three, six and nine will be improved from the current average attainment level of between 27 and 38 per cent to at least 60 per cent by 2014. Approximately three million of the learner population in basic education are in these grades.

The external assessments will focus on the critical foundational skills of literacy and numeracy that we know are fundamental to all learning. The results will inform many of the decisions that the Department must take regarding tracking and improving the quality of learning and teaching in the system. The annual national assessments (ANAs) are geared towards improving the quality of education. When you improve literacy and numeracy, you are actually impacting on quality.

From 2010, the results of these assessments will be reported to parents. They will not only be informed about a school's literacy and numeracy scores, but also about provincial and national scores. The assessments will be conducted in November so that the results are available at the beginning of the following school year to inform teaching and teacher support programmes. All plans and activities developed for a school will be aligned to address real issues that arise out of the findings of the assessments.

The effectiveness of the ANAs in improving the quality of learning and learner achievement will require commitment from all levels of the education sector. In particular, teachers and principals who will ensure that learners are adequately prepared, and district officials who will support schools to prepare for the assessments and afterwards assist schools through support programmes.

This intervention also will require the full commitment of our national and provincial officials to ensure that the ANAs are introduced properly and are administered smoothly in our schools. The national assessments should be seen as a positive intervention rather than a burden on teachers and officials.

Provision of relevant learning and teaching support materials will be linked to the assessment processes to ensure that teaching and learning do not only benefit from the assessments, but also inform what and how assessments should be structured. Schools will be provided with training manuals outlining how the tests should be administered. Clear communication at all levels of the education sector is vital.

Teachers and human resources development

We acknowledge that our teachers and principals are a priority as far as a quality education system is concerned. We recognize that there is a need for coherence and synergy across the system. We recognize that there are many role players that have a stake in the development of teachers and school leaders, not least the educators themselves who have a key role to play in their own development.

However, the key responsibility for ensuring that teachers are supported to deliver the national curriculum lies with the Department of Basic Education. Therefore, all policies and planning relating to the development of teachers and managers for the schooling system must be coordinated at national level, in partnership with provincial departments, to ensure that these meet their needs.

While provinces have a responsibility to implement and have the funds to do so, the national Department has the responsibility to develop policy and to plan for and monitor provincial delivery. To address supply-side challenges, the Department of Basic Education will, through the development of the human resources management information system (HRMIS), provide credible data on the supply, demand and utilization of educators in the system to inform planning.

We need to ensure that they are properly distributed across

the system and that we have the right teacher with the right qualifications and skills in the right school at the right time.

This year, we shall also introduce a new distribution model of posts to schools. We will use this pro-poor model as a planning tool to determine actual utilization and future demand for teachers with regard to subjects or phases. This model will be adjusted to address changes in the curriculum.

Together, we will move forward to improve teacher subject and pedagogical knowledge to realize the rights of all learners to quality education.

School governance and management

Evidence largely suggests that proper learning requires functional schools, or schools that provide an enabling environment to teachers. Even the best teachers will find it difficult to do a good job if a school does not have a timetable, colleagues arrive late and there are no regular meetings with parents.

At the heart of a functional school lies a good principal. For the period 2010/11 to 2014/15, we are targeting at least 8 000 principals and deputy principals to complete the Advanced Certificate in Education: School Leadership and Management (ACE). In addition, all school leaders from underperforming secondary schools and their feeder primary schools will complete specific, stand-alone ACE modules.

District offices are a vital link between the education departments and schools. Not only are they central to the process of gathering information and diagnosing problems in schools, but they also perform a vital support and intervention function. This includes organizing training for personnel, dealing with funding and resourcing bottlenecks, solving labour relations disputes and many other functions.

They are a priority to ensuring that school principals remain accountable to the provincial department and that accountability lines within the school to the principal and to the school governing body are maintained. Districts are the provincial departments' main interface with schools. The functionality of districts depends on the overall functionality of provincial departments.

Infrastructure

We will continue to focus our efforts on tackling our immense infrastructural challenges. The backlog is estimated at R140 billion. In 2000/01, provincial education departments spent a mere R553 million on payment for capital assets. Currently, the budget for infrastructure is at R5.5 billion and will continue to increase over the medium term to reach R9.4 billion in 2012/13.

However, the current rate of financial allocations means that it would take an estimated 20 years to eliminate our infrastructure 'conditions' and 'space' backlogs.

We, therefore, have to find innovative funding and infrastructure delivery mechanisms to deal with all the backlogs in the shortest possible time. To address these, we are formulating an accelerated school infrastructure improvement programme that seeks to draw explicitly on the construction capacity and momentum created to complete the stadia for the 2010 FIFA Soccer World Cup.

"... We are formulating an accelerated school infrastructure improvement programme that seeks to draw explicitly on the construction capacity and momentum created to complete the stadia for the 2010 FIFA World Cup ..."

The Department of Basic Education is working with the Development Bank of South Africa (DBSA) and National Treasury regarding appropriate financing models and capacity for this accelerated school infrastructure improvement programme. Indeed, the national Department's planned Implementation Unit will be used to identify and deal with infrastructural backlogs.

Schooling 2025, which is currently under development, will make provision for short-term to medium-term initiatives to source alternative resources for school infrastructure development. These resources will be aimed at eliminating the backlog of those schools that fail to meet the basic functionality levels of provision.

While addressing this backlog, the proposed initiative will also strive to upgrade these schools to optimum functionality. There is a sense of frustration in many schools that lack basic facilities such as toilets and classrooms and yet do not know if and when they will benefit from a building project. There is clearly room for improvement in the way funds are targeted and planning information is shared with schools and communities.

> "... There are far more responsible and effective ways of raising issues around education, without destroying property or disrupting schooling. We will never eradicate backlogs or ensure that all schools have adequate facilities if schools continue to be targets of criminal actions by community members ..."

It is envisaged that this short-term to medium-term initiative will be mobilized through the appropriate channels and constitute a provincial and district-based programme to tie in the existing educational administrative structures and systems in the nine provinces. We call on our provincial counterparts to pay particular attention to strengthening capacity to deliver on this vital infrastructural component. We cannot continue with schools under trees, makeshift classrooms and lack of water, sanitation or electricity.

At the same time, while we focus on improving infrastructure, I want to call on all our communities and, in particular, parents and learners to commit themselves to safe guarding school infrastructure and school property. I am disturbed by reports that existing school classrooms are burnt down or school property such as computers, desks, chairs and even doors and windows is stolen.

There are far more responsible and effective ways of raising issues around education, without destroying property or disrupting schooling. We will never eradicate backlogs or ensure that all schools have adequate facilities if schools continue to be targets of criminal actions by community members.

Schools, like churches and libraries, should be treated as sacrosanct. It is necessary for our learners and their parents to take responsibility for their education and to ensure that Government's expenditure is not in vain.

Conclusion

We have an enormous responsibility to ensure that our funds are well spent on the purposes for which they are intended, and that we see results. Our democratic mandate is to deliver on the right to education and this means the right to be literate and numerate when leaving school. We are fully focused on delivering on this mandate. ■

Curriculum Reform

South Africans should be kept informed about the progress of the curriculum review process so that they can begin to take ownership as stakeholders of the education reform process through open and transparent public consultation, writes Minister of Basic Education, Mrs Angie Motshekga.

Minister of Basic Education, Angie Motshekga

Curriculum reform is not something that the education ministry takes lightly. My message from the onset of the curriculum review process has been that we need to work against change fatigue to build confidence and enthusiasm among all our stakeholders.

It is vital that South Africans are kept abreast of the progress of the curriculum review process so that all education stakeholders can take ownership of the process. Public consultation is vital and we stand firm on the principle of an open and transparent process.

We are proceeding deliberately and decisively to effect the broad recommendations of the Ministerial Committee. At the same time, we need to deal quickly and efficiently with curriculum implementation challenges and difficulties that exist.

We have already started the process of identifying problems and have taken the necessary steps to find solutions. We have and will continue to make changes on an ongoing basis where they can be made with minimal disruption.

Changes with implications

The Curriculum Implementation Review Committee confirmed that teachers experience curriculum and administrative overload. We have taken steps to provide short-term relief in this regard.

We have reduced the number of projects for learners and have done away with the need for portfolio files of learner assessments. We have also discontinued the common tasks for assessment (CTAs) for grade nine learners with effect from January 2010. Provinces have already informed their schools about the form of assessment that will replace CTAs in 2010.

Earlier this year, I established three committees comprising highly respected experts led by three able people with the requisite experience and qualifications to enable the smooth implementation of the main recommendations of the 2009 Curriculum Implementation Review Committee.

The task of the main committee is to ensure that the National Curriculum Statement (NCS) is repackaged so that it is more accessible to teachers. Every subject in each grade will have a single, comprehensive and concise curriculum and assessment policy statement that will provide details on what teachers ought to teach and assess on a grade-by-grade and subject-by-subject basis.

> “... The new curriculum and assessment policy statements will repackage the existing curriculum into the general aims of the South African curriculum, the specific aims of each subject, clearly delineated topics to be covered per term and the required number and type of assessments, also per term ...”

Currently, the design features of the NCS learning areas comprise outcomes and assessment standards. Assessment requirements are mapped onto the achievement of outcomes and assessment standards.

The new curriculum and assessment policy statements will repackage the existing curriculum into the general aims of the South African curriculum, the specific aims of each subject, clearly delineated topics to be covered per term and the required number and type of assessments, also per term.

In this way, outcomes will be absorbed into more accessible aims and content and assessment requirements will be spelt out more clearly. Topics and assessments to be covered per term are being aligned to available time allocations per subject.

A Council of Education Ministers (CEM) meeting during which these and other curriculum matters were considered, agreed to call all learning areas and programmes subjects. From 2011, learning areas and programmes will be called subjects across the curriculum from grade R to grade 12.

The CEM has further taken on board the recommendations of the Curriculum Implementation Review Committee to reduce the number of learning areas in the intermediate phase from eight to six. That means that in grades 4 to 6, technology will be combined with science; arts and culture will be combined with life orientation and economic and management sciences will be taught only from grade seven.

A committee I established investigated the implementation implications and confirmed that this can be done without destabilizing the system and that it is indeed in the interests of teaching and learning.

Mindful of the need for teacher orientation and the development of appropriate textbooks and learning and teaching support materials, we will start phasing in the curriculum and assessment policy statements in the foundation phase in 2011. We will phase in other grades in 2012 so that we can make the necessary preparations.

Workbooks

One of the key priorities that I set in my budget vote speech in March this year to achieve our education targets is the development and distribution of adequate learning and teaching materials, particularly to those schools we have identified as part of a broader strategy of improving the learning and teaching of these critical foundational skills.

A crucial pillar of the Department's determination to improve learner performance is the provision of learner workbooks. This project is a result of the injunction by the Presidency to provide resources to teachers and learners to improve learner performance in literacy and numeracy.

To this end, the Department of Basic Education has developed a plan for the development of the workbooks for grades one to six to ensure the development, piloting, printing and distribution of learner workbooks early in 2011.

We will pilot the workbooks in schools in 2010 and they will be available for use in all schools in 2011. The project will provide resource support to 6.5 million learners and approximately 180 000 teachers in nearly 20 000 schools. This will place workbooks in the hands of each and every learner in the system.

The development of the workbooks will be done internally in the Department. The Department will utilize capacity within the system, including the Department of Basic Education and provincial departments of education.

A team of curriculum experts, material developers or translators is developing the workbooks. These individuals have proven experience in the development of learner workbooks, are conversant with resource-based methods and are able to produce high-quality output according to project deadlines.

The 2009 Curriculum Implementation Review Committee recommended the increased and improved use of textbooks, a national catalogue of learning and teaching support materials and greater efficiency in the pricing and procurement of textbooks and learning and teaching support materials.

The third committee I established earlier this year has provided guidance on the procedures through which this can be achieved most effectively. This has been done in consultation with key stakeholders.

Additional recommendations that the CEM approved include the following:

Firstly, the Council approved the recommendation that from

2011, the language chosen by a learner as his or her language of learning and teaching will be taught as a subject, or as a first additional language, from grade 1 and not from grade 2, as is the case currently.

What this means, for instance, is that the teaching of English will occur alongside mother-tongue instruction for those learners who choose English as a language of learning and teaching. English will not replace the mother tongue or home language in the early grades, as some commentators have interpreted the recommendation.

Secondly, the Council agreed to regular, externally set assessments in grades 3, 6 and 9 in literacy (in home language and first additional language) and numeracy or mathematics.

It is agreed on a weighting of continuous assessment and end-of-year examinations as follows:

- Grades R to 3: 100 per cent continuous assessment
- Grades 4 to 6: 75 per cent continuous assessment, 25 per cent end-of-year exam
- Grades 7 to 9: 40 per cent continuous assessment, 60 per cent end-of-year exam
- Grades 10 to 12: 25 per cent continuous assessment, 75 per cent end of-year-exam.

The Council, thirdly, agreed that the symbols or rating scales used to rate learner performance in grades 10 to 12 will, from 2011, be extended to grades R to 9, so that there is consistency across the curriculum.

The Council will consider the recommendations of the National Teacher Development Stakeholder process soon so that we can act to provide the necessary support.

Finally, all policy-related matters arising from the decisions of the CEM will be put out for formal consultation in accordance with our normal statutory and non-statutory procedures.

Since some of the changes have policy implications, we will, in keeping with due process, publish and invite public comment on the decisions taken by the CEM. Effective communication of all these changes is critical.

In addition to our official and formal notification, we have begun a curriculum newsletter and distributed the first issue to all teachers and officials in time for the beginning of the school year in 2010. *Curriculum News* will be produced quarterly. Its purpose is to ensure that all teachers and officials are kept abreast of changes and what to expect in the future.

All the above will allow us to address key challenges concerning curriculum implementation. However, our overarching priority is to bring about a fundamental change in schooling outcomes.

To this end, I will shortly be unveiling a comprehensive turnaround plan for the schooling sector. ***This plan is branded Action Plan 2014: Towards the Realization of Schooling 2025.*** ■

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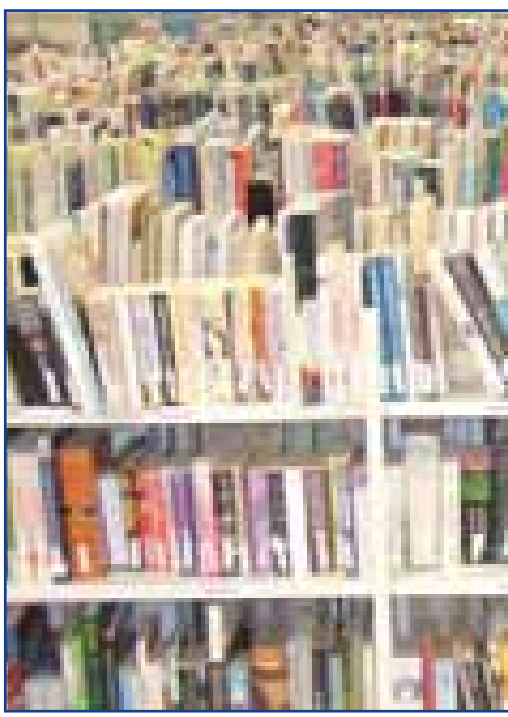
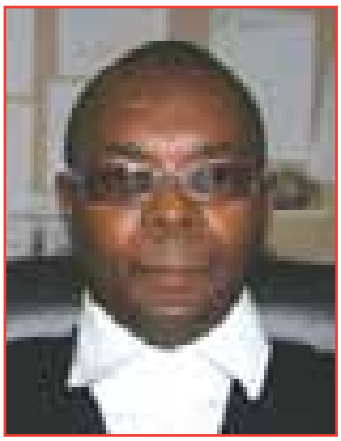




Dudley Moloi

A Lesson in *Rural Education*

Magic Classrooms is an intervention in rural education. The programme is managed under the auspices of the Nelson Mandela Institute for Education and Rural Development, which is located at the University Fort Hare, writes Dudley Moloi.

> *"I have often said that the most profound challenges to South Africa's development and democracy can be found in its rural hinterlands. These areas, systematically and intentionally deprived of the most basic resources under apartheid, continue to lag behind the rest of the country in the post-apartheid era. Foremost among the challenges facing rural South Africa is the task of improving the quality of education. What is often overlooked, however, is the immense, untapped potential of rural communities to take the lead in shaping a better future for themselves."*

Ongami is in his early 20s. He regularly hangs out at a non-descript tavern in the rural town of Bizana in the Eastern Cape. Ongami is a matriculant and currently works for a local fried chicken franchise. His mother is from Tsolo and his father is from this part of the world, Bizana, where he came to five years ago to find himself, or rather his paternal roots, the Madikizela.

Not only can Ongami now recite the Madikizela ancestral praise names; he can also stand his ground in the muddled folklore of the taverns, where, in the haze of alcohol, there is often a fierce cultural nostalgia about the glories that once were.

The Bizana district is home to a South African struggle icon and fervent educationalist, OR Tambo. It is also the birthplace of Winnie Madikizela-Mandela, whose father, Columbus Madikizela, was a teacher and is credited with establishing one of the earliest schools in the district, the Mbongweni Junior Secondary School, in the 1930s.

Nobuntu Mazeka, 35, a mother of five with another child on the way, is a *bona fide* resident of Bizana. She is gregarious and appears to be on a first-name basis with almost everyone, from the sprawling rural town of Bizana to the foothills of its rural outskirts.

A passionate mother, development activist and part-time farmer, Mazeka is on a different educational mission to that of Ongami. She is the Bizana district coordinator for the Nelson Mandela Institute for Education and Rural Development and, as such, involved in the activities of the Magic Classrooms programme. It covers some of the 25 schools and an estimated 3 500 learners in the district.

The programme was launched over two years ago on the occasion of the 90th birthday of its world-famous patron, former President Nelson Mandela, on July 18, 2008. Currently largely based in the Eastern Cape, the overall activities of the Magic Classrooms programme involve the participation of more than 70 individual classes in schools drawn from Qunu, Mqanduli and Bizana, and focus on the foundation phase covering grade R to grade 3.

The programme was initiated in response to the findings of groundbreaking research on rural education, *Emerging Voices: A Report on Education in South African Rural Areas,* published in 2005. *Emerging Voices* was a three-year long undertaking in Limpopo, KwaZulu-Natal and the Eastern Cape. These provinces were chosen because of their large rural communities and because they were the historical locus of the apartheid Bantustans.

The wide-ranging findings of the research project conducted by the Human Sciences Research Council (HSRC) and the Education Policy Consortium, and supported by the Mandela Institute, were summed up by the Institute's chief patron, former President Nelson Mandela, as quoted at the beginning of this case study.

It has been argued forcibly in some quarters that apartheid's legacy in the education arena has been and continues to be equally catastrophic for both schools in townships and schools in rural areas. However, an equally compelling view holds that rural education is defined by the severity of the dearth of infrastructural and academic support and general resourcing, which, in turn, have a knock-on effect on the quality of learning outputs.

"Whichever way you cut it, poverty is the single-most biggest challenge facing rural education, both at school and at home," according to the Institute's Deputy Director, Brian Ramadiro.

The first port of entry for Magic Classrooms interventions is

changing the physical learning environment, especially at the level of the classroom, which is then followed by explorations of new teaching methods.

"Magic Classrooms aims to develop confident learners through reading, listening and thinking, especially by encouraging mother-tongue teaching," says Ramadiro.

It is a herculean task, considering the small-scale intervention by way of Magic Classrooms and the sea of educational need in South Africa's hinterlands. There are, nonetheless, encouraging signs from the schools in which the Institute had invested time, as well as human, financial and other resources over the past two years or so.

Mbongweni Junior Secondary School, the school which Winnie Madikezela-Mandela's father established, is not the glossy image of annual report photographs. What strikes the first-time visitor to the school is its liveliness; not just portrayed by the sonorous noises ensuing from the classrooms as one generation imparts its wisdom to the next, but also by the overwhelming sense of something under construction.

Perhaps it is the noise made by the men knocking a sheet of corrugated iron, the busy women at a make-shift fireplace cooking a meal for pupils or the dog lolling about in the winter sun of the school yard. Or is it perhaps the seemingly boundless movement between school and community?

Between 1987 and now, Mbongweni Junior Secondary School nearly doubled its classrooms from 14 to 24. Much of this was made possible with the help of outside, non-governmental agencies like the Institute, while additional assistance came from surprising quarters, such as the Congress of South African Students (COSAS), which facilitated a donation of R50 000 towards the construction of a computer room.

The community also supported the construction efforts

through the *Ilima* (communal voluntarism) of parents and the community as a whole, while locals were also employed temporarily for specific tasks.

What about the results? Although not picture-perfect, the results are evident in the tiled floors and brightly painted and decorated foundation phase classrooms. Colourful, pint-sized desks and chairs have replaced the antique, wooden desks of old and the learners now have their own designated individual chairs around a table, in contrast to the conventional mini-bus-taxi sitting arrangement, which is a common feature of schooling facilities.

Individual space and sense of ownership are inculcated through the provision of government-issued learner curriculum materials for each learner. These are supplemented by material from the Institute. The kids also use their own 'magic carpets', which are used for story-time or a *siesta.*

"We had no resources and [felt we were] not being valued as teachers," grade 1 teacher, Ruth Damane, comments on the before and after situation. She adds that the "usual overcrowding" and the general derelict condition of the school made for an "unwelcoming environment" for both teachers and learners.

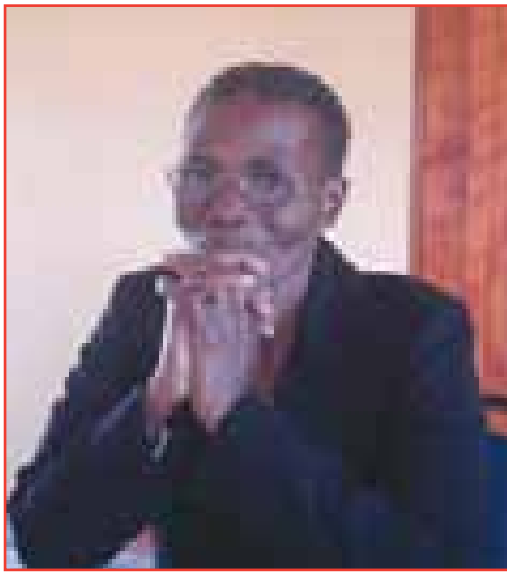
In one of the foundation phase classes, children jostle for the opportunity to read (in isiXhosa and English) for the visitor, now turned virtual school inspector. Seven-year-old star pupil, Anathi Lubhelwana, occupies the spot and performs an animated rendition of a poem written by one of the teachers. It touches on education and other such big issues and is the poem that made little Lubhelwana come up tops in the recent district-wide interschool literary competition.

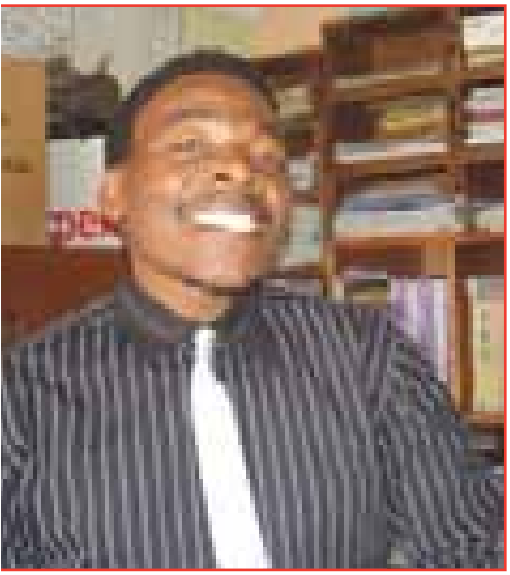
The day-in-the-life of Mbongweni Junior Secondary School plays itself out in a similar fashion at the 595-learner-strong Khumbuza Junior Secondary School, some kilometers away in the district. However, the interview with the school principal, Manota Mtwa, who describes himself as a "son of the soil, born and bred along the coastal areas" of the district, veers more on school management and an interrogation of the "rurality" of rural education.

A major feature of education in rural areas is generally thought of as being defined by geographical remoteness to the metropolis (and the attendant access to resources), a view Mtwa shares. Yet, the principal also firmly believes that, in the final analysis, "resources don't teach". He says "the primary resource is the teacher" who has a critical role to play in "shaping [determining] the use of available resources". Much needed investment in rural education infrastructure, Mtwa concludes, requires simultaneous investment in improving the quality of teachers and creating an enabling environment for their retention.

"Teacher salaries and other conditions of employment account for about 90 per cent of the education budget in the Eastern Cape Province … they [teachers] are the most expensive [albeit an important] resource," argues Ramadiro of the Institute.

According to Ramadiro, the Magic Classrooms programme is, in actual fact, premised on teacher development: "Over and above developing the confidence of learners through reading, listening and thinking, Magic Classrooms is actually a teacher development initiative. It came out of a conversation with teachers that





revolved around the question: What is it that is required to increase the teacher's chances of success in the classroom?"

The Institute, through its links with the University of Fort Fare, provides teacher professional development and support in the form of monthly sessions, which provide both academic and peer-learning opportunities, such as co-teaching in their respective schools.

However, concerns have been raised about the merits of investing in the foundation phase, as is the case with the Magic Classrooms approach. Head of the foundation phase and a teacher at Khumbuza Junior Secondary School, Constance Thembeka Nomda, says she worries that the very high standards set in the lower grades may not be carried through or kept up in post-foundation learning phases because of varying inputs across the school.

The enthusiasm for reading among the little ones, for instance, could be maintained as long as the learners were still in the foundation phase and their enthusiasm was matched equally by the enthusiasm (competency) of teachers towards teaching, despite meager reading material available to both teachers and learners.

Differently put, concerns about foundation phase education (and the Magic Classrooms programme by implication) are, bluntly, about what becomes of the fire and the love of reading inculcated at foundation level when the learners graduate, especially in schools and communities without libraries, for example?

Recent figures published by Social Surveys reconfirmed the high dropout rate at high-school level, which begins around grade 9 and peaks at grade 12. The figures are in stark contrast to the massive enrolment at foundation and primary school level, estimated as high as 90 per cent in most provinces,.

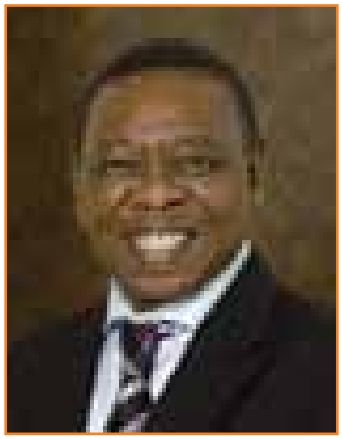
Department of Education educator development officer for the Mbogweni circuit, Xoliswa Jili, says that the rate of attrition or physical disappearance of learners in the education system that initiatives like the Magic Classrooms programme or foundation education in general face is not a challenge unique to post-foundation phase education.

"We are losing kids along the way because something is lacking at intermediary level," according to Jili.

In responding to the concerns about the long-term investment value on the foundation phase expended by the Institute, Ramadiro emphasizes that the long-term goal of the Magic Classrooms programme is to "systemically effect change from bottom up and would over time incorporate the other grades of the rural schooling system".

It is hard, and maybe a bit premature, to gauge the impact of the Magic Classrooms programme in the schools where it operates, let alone expect it to be the panacea to rural education, given the fact that it is just under three years old. The Deputy Director nevertheless remains resolute about the appropriateness of the programme's objective to "create conditions in which we can be almost certain that education will succeed … At the moment, nobody can say with certainty whether our education system is succeeding or not. When a child goes to school, we should be certain that they have learnt something." ■

Responding *to Skills Challenges* through a Transformed *Post-school System*



Minister of Higher Education and Training, Blade Nzimande

Dr Blade Nzimande, Minister of Higher Education and Training, expands on the changes that will be implemented to build an integrated system of education and training that will ensure social and economic development for generations to come.

The new higher education and training landscape represents an important shift towards expanding post-school opportunities. Working together with stakeholders, we are determined to build a solid base for a post-school education and training system that will be the lifeblood of the social and economic development of our country for generations to come.

I wish to acknowledge the leadership of President Zuma in creating these possibilities and the foundation laid by my predecessors. By building on their innovative policies we will strengthen the system. However, some significant and decisive changes are required to build a truly integrated system of education and training with quality and high throughput rates.

* *This article was adapted from the 2010 Budget Vote Speech of the Minister*

The twin challenges of high unemployment and a critical skills shortage must be tackled. The work of this Department is central in the achievement of decent work as well as the realization of other government priorities. While there are no instant solutions, the cycle of poverty and hopelessness must be broken as soon as possible. In every village and town, in every suburb and city centre, there are gifted people with broken dreams and no income, who do not qualify for jobs that must be filled. For this evolving system to contribute meaningfully to the lives of individuals, to the economy and to broader society, we are striving to ensure that all the work of our Department is underscored by addressing five key, interrelated issues, namely class; race; gender; HIV and AIDS; and disability.

I am proud to say that we now have a five-year strategic plan to strengthen the skills and human resources base of our country systematically. We will draw on the knowledge, ability and experience of all stakeholders in the sector. Our point of departure is simple: education and training is a common public good that must not be sold and traded as a commodity, with only those with money and other resources able to afford it. Only by providing equal opportunities for all, irrespective of social background, can we contribute towards building a nation in which everyone has a stake and a common loyalty.

Government's prioritization of education is evident in the budget allocation of 19.9 per cent of the total national budget to education and training. Vote 16 has received R32 144 926 000 of which R8.4 billion is a direct charge against the national revenue fund and goes to our Sector Education and Training Authorities (SETAs) and the National Skills Fund. Universities receive R17.5 billion for the 2010/11 financial year. R3.8 billion is allocated for Further Education and Training (FET) colleges. R2 billion is allocated to our public entities, of which R1.9 billion is allocated to the National Student Financial Aid Scheme (NSFAS). The remainder goes to the South African Qualifications Authority (SAQA) and the Council on Higher Education (CHE). In the next financial year, NSFAS will disburse R2.7 billion in loans and bursaries.

About 98.78 per cent of our budget is allocated for transfer to institutions, our key partners. All our partner institutions are responsible with us for the achievement of our transformation goals. We have with us today partners from universities, colleges, SETAs and other public institutions.

We are under no illusion about the scope of the challenges confronting our education and training system. We have one education system comprising the Department of Basic Education and the Department of Higher Education and

Training (DHET). In her budget vote speech on Tuesday, Minister Motshekga expressed the commitment of the Department of Basic Education to improving the schooling system. We will support her. The post-school system depends on the quality of basic education and its reach to every young person in this country, just as basic education is dependent on DHET provision, for instance concerning quality teacher education, especially the production of foundation phase educators.

Aligning education and training to our overarching human resources development strategy

The programmes of our Department must interface with the range of social and economic development strategies across all spheres of Government. We are creating the necessary synergies with the national industrial policy framework, the industrial policy action plan, the anti-poverty strategy, the rural development strategy and the technology and innovation plan.

The over-arching framework for all our work is the Human Resources Development Strategy for South Africa (HRD-SA) led by the Deputy President and managed by the DHET.

The HRD-SA will improve alignment and ensure that all players in human resources development, from Government to civil society sectors, organized business, labour, professional bodies and research communities reinforce and complement the work of one another. The HRD Council have been launched and represents a momentous advance in driving skills development.

Central to the realization of the goals of the HRD-SA is the alignment of its subordinate strategies. One of these is the National Skills Development Strategy (NSDS), which directs the skills levy. I have extended NSDS2 for a further year and requested the SETAs to align their programmes closely to that of the FET colleges and placement of these students through learnerships and apprenticeships. My Department is submitting a draft NSDS3 framework to the National Skills

Authority (NSA) next month. This will include a skills strategy for rural development, which I am undertaking in partnership with Minister Gugile Nkwinti. The Executive of the NSA is here today, and I thank them for their commitment.

The absence of adequate career guidance and information contributes to high dropout rates in post-schooling career choices. I am pleased to announce that SAQA launched a comprehensive national career advice centre through the medium of a career development helpline at the end of June. This model will be accessible to learners across the system and will require coordinated actions across a range of departments.

> "... Concerning those SETAs that are not performing, decisive action will be taken to remedy the problem. A new SETA landscape will be adopted by the third quarter of this year after consultation with the NSA ..."

We have to assist learners in moving between learning and work. The skills levy funds will be used to incentivize firms to open up structured workplace learning for college students, as well as for university and university of technology students. State-owned enterprises and other large employers have a special role to play in this regard.

Quality is a central concern

The mandate of the three quality assurance councils is central to our goals. The Quality Council for Trades and Occupations (QCTO), which I launched last month, has the mandate to address the quality of the training in and for the workplace, and to ensure that workplace training and knowledge are accredited and certificated, including proper recognition of prior learning. This is a huge victory for the labour movement, which has been championing this for many years. Under the QCTO's umbrella, the National Artisan Moderating Body will be established.

I am pleased to report that the implementation of the new National Qualifications Framework (NQF) Act, implemented on 1 June 2009, is progressing well. I must complement SAQA, the CHE, *Umalusi* and the project team of the QCTO for the positive way in which the new Act has been embraced.

I also want to state that, during this financial year, funding will be set aside to educate the public on the NQF to ensure that the wider public, especially our people living in rural and the poorest communities, fully understand how the NQF benefits them.

Artisan training and SETA transformation as the nerve centre of skills development

I will be taking a special interest in driving artisan training in this financial year. I will work intensively with the initiatives that are underway to strengthen artisan training. We will increase the numbers and the quality of skilled artisans, particularly in priority trades, through a synergy of strengthening FET colleges, the work of the SETAs and business initiatives. A key priority will be to expand access to structured workplace learning and to develop partnerships to address artisan skills scarcity. During this year, I will also address the long-outstanding challenges of trade testing.

Efficient and effective SETAs and the National Skills Fund (NSF)

The SETAs are by far the most widely criticized of our delivery institutions. However, I would like to commend 19 of the 23 SETAs for getting a clean bill of health from the Auditor-General's office and for their concerted efforts that have enabled us to meet many of our NSDS II targets.

During 2009, the SETAs registered 17 228 artisans in training and 109 351 workers completed training in scarce and critical skills through learnerships, apprenticeships and other learning programmes. Targets set in the NSDS were well exceeded and these numbers will rise this year. SETA targets are for 19 288 artisans in training and 145 899 workers completing training in scarce and critical skills through learnerships, apprenticeships and other learning programmes. The SETAs will also place over 13 000 graduates from education and training institutions to gain work experience.

Concerning those SETAs that are not performing, decisive action will be taken to remedy the problem. A new SETA landscape will be adopted by the third quarter of this year after consultation with the NSA.

I believe that the NSF is a critical vehicle to provide urgently needed skills training for the under-employed and unemployed, as well as for the informal sector. I have taken responsibility for this fund and will institute processes to address the concerns raised repeatedly by the Auditor-General and the many frustrated beneficiaries. In the 2009/10 budget year, a total of R1.12 billion was not committed because of a complex transition to my Department. These funds must flow urgently and be utilized for the purposes they were intended for. We will strengthen the capacity of the NSF to monitor and evaluate the impact of the disbursements made and we will address the problem of under-expenditure that has dogged the Fund historically.

Better information

We have come to understand that the university, vocational college and skills sub-systems have been planned with insufficient integration of the holistic needs of the economy. What is needed is knowledge and planning instruments for the system and research-based intelligence for strategic decision making for the post-school system. The DHET will develop an integrated information system, including a comprehensive information base on both public and private institutions and individual learner records, and will develop norms and standards for the collection and sharing of such information.

FET colleges as the mainstay of a publicly driven skills development college infrastructure

In line with the President's announcement during the State of the Nation Address, we are aggressively positioning the vocational college sub-system as the main platform of delivery for skills development training. We must dispel the perception of colleges as a consolation prize to university entrance and make them institutions of choice.

The difficulties experienced in this sector are being confronted in earnest. We convened a round table of all stakeholders in the sub-system on 9 April to address immediate challenges and assess the actions to be taken to support colleges. A comprehensive plan will be completed by August. This will include a clear time-frame for colleges to become an exclusive national competence as soon as is practically possible, addressing governance weaknesses and developing action plans to ensure a smooth start of the 2011 academic year. We aim to ensure that the long-standing negotiations in the Education Labour Relations Council to address the conditions of service of college staff are concluded soon. We are aware of the concerns and issues raised concerning the transfer of state-paid employees to the employ of colleges. I am committed to the agreement reached between Government and the public sector unions at the recent Public Sector Summit. The commitment that we made was to build, through a policy process leading to legislation, a strong public sector system driven with public resources. In the case of colleges this includes publically paid employees. It is our intention to begin consultations immediately to explore re-absorbing college staff.

> "... The adult education and training sector is a key component of our post-school education and training system. One of the most important tasks for the Department this year is to pursue the establishment of a senior certificate specifically geared to the needs of adults ..."

The adult education and training sector is a key component of our post-school education and training system. One of the most important tasks for the Department this year is to pursue the establishment of a senior certificate specifically geared to the needs of adults.

Deepening the transformation of universities

The year 2010 is a defining year for the university sector, with targeted transformational interventions planned for this year. The Department is currently drafting the terms of reference for the appointment of a task team to review the

funding framework of universities in South Africa. The review of the funding framework for universities will also focus on the special situation of historically disadvantaged universities, student fees and infrastructure needs.

A ministerial task team headed by Professor Ihron Rensburg is busy with a study on university student housing and assessing the system's need for additional accommodation, the quality of existing facilities and options for the financing of new student housing. This will go some way in improving throughput rates.

Professor Malegapuru Makgoba assumed the chair of a health sciences review committee, which will result in the expanded production of desperately needed health-care workers. Working together with Minister Aaron Motsoaledi, we expect this committee to complete its work during this year.

It is our intention to ensure that no university council, student representative council (SRC) or university staff member has any financial interest in any university supplier or tender process. I will institute a management review of tender procedures at all universities this year. This ministry will place the fight against corruption across the entire system, including in SETAs and colleges, as one of our key priorities.

The ministry has allocated a total of R3,265 billion in infrastructure funds to universities for the 2010/11 and 2011/12 financial years. These funds will help universities to increase production of graduates in the critical areas of engineering, life and physical sciences, teacher education and health sciences. A total of R686 million of these infrastructure funds will be used to expand and improve student housing.

The state is the major investor in knowledge production and innovation and this capacity is located mainly in our universities. We will interrogate patterns of institutional capacity for research and scholarship. While differentiation within the sector is needed, inequalities must be addressed. Together with the Department of Science and Technology and the sector, we will examine our gross national investment in research and its distribution across sectors and institutions. I

am particularly concerned that the challenges faced by our historically disadvantaged universities should be addressed and this will receive my dedicated attention. In discussions with the affected institutions, models will be developed to address the effectiveness of teaching and learning, the qualifications and research culture of the teaching staff and institutional practices supporting research and scholarship.

For 2010/11, an amount of R431 million has been allocated for teaching development grants to universities. The purpose of the grant is to improve graduate outputs. A further R185 million is allocated for foundation provision. These programmes are critical to achieve equity, access and success, as well as support for students who may need assistance.

A Higher Education Stakeholder Summit in April provided an historic national platform for all those engaged in higher education, including managers, academics, students, workers, business and NGOs, to explore challenges of transformation and the role of higher education in national development. It included discussions of the Soudien report on racism and other forms of discrimination at universities.

Work towards the establishment of universities in Mpumalanga and the Northern Cape will continue this financial year. We are appointing two task teams with representatives from these provinces to explore appropriate university models for their needs and come up with concrete proposals and timelines.

You are aware that the Ministerial Review Committee Report on the NSFAS has been released. We are considering the recommendations of the Committee and will submit firm proposals to Cabinet by the end of August. There will be significant changes to the NSFAS and this will be one of the key priorities of my Department this year. I urge members of the public to study the recommendations of this Report and assist us in shaping the Scheme to better serve our mandate to progressively deliver free education for the poor at undergraduate level.

A Green Paper and Development of African Languages

Perhaps the most far-reaching assignment for the DHET this year is the production of a Green Paper surveying the higher education and training landscape and recommending policy and legislative changes needed to support our strategic objectives. I believe this process will lead to much-needed scrutiny and transformation of the entire sector. I will also be establishing a Ministerial Panel to advise me on the teaching, research and development of African languages at universities as part of the development of these languages in our education and training system and society as a whole. ■

Minister of Social Development, Edna Molewa

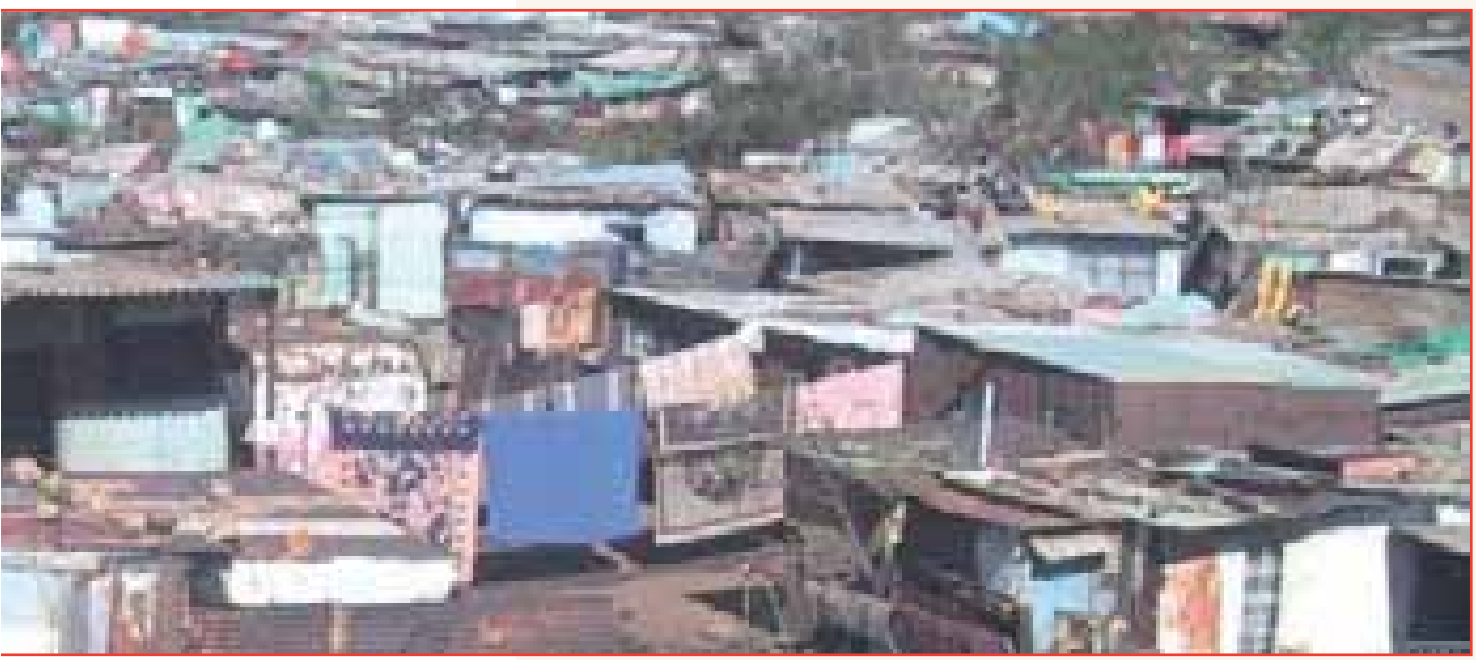
Still *waging War* on *Economic and Social Exclusions*

Against the backdrop of the persistent legacy of apartheid deprivation and in the context of the worst global financial and economic crisis since the 1930s, social development continued to make real and measurable progress in bringing hope to millions of South Africans during the course of the 2009/10 financial year, according to Ms Edna Molewa, Minister of Social Development.

Against the backdrop of the persistent legacy of apartheid deprivation and in the context of the worst global financial and economic crisis since the 1930s, social development continued to make real and measurable progress in bringing hope to millions of South Africans during the course of last year.

Social Development continued to implement its mandate through its three key areas, namely social security, welfare services and integrated development:

- In executing the social security task, we increased access to social assistance, further developed policy proposals for a social insurance system and supported efforts to draft improved regulatory proposals concerning the oversight of private pension funds.
- The scope of our welfare services grew at an unprecedented rate as we again brought support to children at risk; supported many women in achieving their



** This article was adapted from the 2010 Budget Vote Speech of the Minister*

emancipation from oppressive conditions; brought hope and meaning to youth in despair; empowered many people living with disabilities; sustained vulnerable older persons; and many more.

- Among other things, our integrated community development programmes removed the impediments many face in engaging in sustainable livelihoods; significantly increased access to public works programmes that are key to the dignity that comes from being employed; and supported people living with HIV and AIDS to enjoy life more fully.

It is to these challenges that we will continue to devote our attention, to make progress and bring hope, sparing no measure of effort in executing our mandate. *Re bolela se ntle lego tšhoga, gore ditekanyetšo tšeo palamente ye ere abetšego tšona ngwageng wa go feta wa ditšhelete, re e somisitše gabotse.*

Re sa tšwela pele go hlokomela badidi, gomme retlo tšwela pele go dira jwalo ka gobane mošomo o sale o montši, le leeto la rena e sale le le telele. Re ikemišeditše, gomme re le holofetša gore reka se nyefiše go tšwela pele go thuša ba dikobo di magetleng.

We are still waging a war for economic opportunity, social justice and social inclusion, because, to quote Franz Fanon, author of *The Wretched of the Earth:* "The contradictions in our society are explosive."

- Millions of our people eke out a living as they are preoccupied solely with survival. Over 5.2 million South Africans are jobless. For many, when work is available, pay is low and conditions often barely tolerable. Social security such as unemployment insurance, retirement savings or insurance against sickness or death of a wage earner remains elusive. Life for the poor is a condition of permanent insecurity.
- Floods, drought or disease affecting people or livestock can destroy livelihoods. These vulnerabilities are exacerbated by environmental factors such as climate change and global warming.
- Persons with disabilities constitute the most vulnerable section of our society, since disability is linked to poverty; the elderly face abuse, over and over again, and that by members of their own households.

In the midst of such despair, the poor turn on themselves in violent ruptures and social convulsions. Women and children often suffer the brunt of such paroxysms and their ability to make choices is extremely limited. Choices about sexual orientation, resource allocation and reproduction often lead to women being lampooned and lambasted. The youth turn to gangsterism and other conduct of self destruction, such as drug abuse, in their sense of hopelessness.

The combination of malnutrition, illiteracy, disease, underemployment and low income closes off any avenues of escape. It is a picture that I see all too often as Minister of Social Development. And it brings a lump to the throat and tears to the eyes.

Yet, there are those among us who blame the poor for the conditions they find themselves in. They convincingly forget that poverty is systemic. "Give them a rod to fish," they say. Franz Fanon said so poignantly: "The life of our nation is shot through with a certain falseness and hypocrisy, which are all the more tragic because they are so often subconscious rather than deliberate. The soul of the people is putrescent and until that becomes regenerate and clean, no good work can be done."

George Bernard Shaw argued that "progress is impossible without change, and those who cannot change their minds cannot change anything". While building on the progress made, the ANC's 2009 manifesto is about changing gears (or a change in gear, no pun intended). The measures are responsive; real commitments are made; and, as such hope is given for a better tomorrow for the majority of our people.

The manifesto of the ruling party is clear and achievable.

Our programme is based on clear objectives and achievable plans. It proposes the continued democratization of our society based on equality, non-racialism and non-sexism; national unity in diversity, which is the source of our strength; building on the achievements and the experiences since 1994; an equitable, sustainable, and inclusive growth path that will bring decent work and sustainable livelihoods; education; health; safe and secure communities; rural development; and targeted programmes for the youth, women, workers, the rural masses and people with disabilities.

These commitments flow from the tenets of the Freedom Charter of the ANC and they are encoded in the Constitution, the main drafter of which is the ANC. We made these commitments and we promised to deliver.

We heard the President's exhortation to contribute to "a state that responds to the needs and aspirations of the people",

"a state that performs better, faster, harder and smarter". In line with this call, we will make this "a Year of Action" in executing our social development initiatives. We'll make good on the President's promise by the "further expansion of public employment programmes, home community-based care and early childhood development initiatives, and work harder to build a strong developmental state".

I will now provide more detail about some of the salient features of the expenditure programme.

Comprehensive social security

Our envisaged comprehensive social security system has three pillars. These are: social assistance, social insurance and voluntary savings.

The social assistance programme already covers just over 14 million South Africans. True to our manifesto promise, we have extended the child support grant to all children born on or after 31 December 1993. The extension of the child support grant will be phased-in to cover over 2.1 million eligible children under the age of 18 years by 2011/12.

> "... As promised in the manifesto, we equalized old age pension on 1 April. Men of 60 years who meet the means test criteria, became eligible for old age pension ..."

As promised in the manifesto, we equalized old age pension on 1 April. Men of 60 years who meet the means test criteria, became eligible for old age pension.

In a related development and in giving effect to a Polokwane resolution, we have introduced the Social Assistance Amendment Bill in Parliament this year. The Bill seeks to amend the definition of disability and provides for the introduction of a common, harmonized assessment tool to ensure a uniform and objective assessment of disability. The Bill will give effect to Parliament's original intention, namely those that are disabled to the extent that they cannot be gainfully employed as a result of one or the other impairment should qualify for a disability grant.

In excess of R140 million will be available for social relief of distress to provide income support to those who may be left vulnerable as a result of a sudden catastrophe. In the course of the financial year, we will submit the Social Relief Bill to Cabinet. The Bill is aimed at shifting the delivery responsibility of the programme to provinces. This should make our response to people's emergency needs faster and more efficient.

We will respond to President Zuma's appeal to make "government work faster, harder and smarter". The SASSA will embark on a number of innovative service delivery improvements over the MTEF period. Central to these is the improved grant application process, which seeks to resolve challenges relating to the current application process. Our intention is that social grant applicants should be given the outcome of their applications on the day of application.

Leakage in the social assistance programme is an affront: we will uproot fraud, eradicate corruption and spare no effort to bring to justice those who compromise the integrity of the grant system. We have scrutinized hundreds of thousands of dormant bank accounts of beneficiaries to assess their eligibility. We will make an announcement on the outcome of this investigation in due course. Suffice to say that we hope to save hundreds of millions of rand through such efforts.

In response to the Minister of Finance's petition to do more with less, we have assessed the cost of paying social grants. There is a need to change the current model of paying 80 per cent of our social grant recipients through the cash payment contractors system. This method is inefficient, ineffective and not financially sustainable.

Reviewing the payment system is no easy task. The public demands a system that is transparent and that ensures a reduction in the costs to provide such a key service. As government, we are obliged to identify cost-effective and perhaps more developmental means of providing these services.

While we are embarking on all these business process redesign initiatives, we have no intention of forcing social grant recipients to migrate to a payment system that will affect them adversely.

We regret that so many have waited so long for their appeals to be dealt with, especially those applicants in KwaZulu-Natal and the Eastern Cape. We will prioritize their plight.

While social assistance aims to alleviate poverty, the goal of social insurance is to prevent poverty. Regrettably, too many previously employed people in South Africa

> "... Moves are also afoot to set up the Advisory Board on Social Development so that we can harness the support of the business community and other stakeholders on a more regular basis ..."

fall into poverty because we do not have a mandatory retirement system. Millions of workers do not insure against disability and millions of breadwinners do not save to ensure that their surviving dependents have an income in the event of death. Many employed people are also not covered for unemployment insurance and the system for compensation for work-related injuries is fragmented. Consequently, millions of former employees become dependent on the social assistance system.

In addition to the consolidated government document on social security reform, we have developed detailed reform policy proposals that will inform the implementation over the MTEF.

The key social security reforms relate to setting up a mandatory system of social insurance, especially a retirement system, with disability provisions and benefits for surviving dependents in the event of the death of a breadwinner.

The Minister of Finance will provide details on the reform of private pension funds. But I dare say that we will take on the big insurance companies and the bureaucracies to bring down the costs of retirement and healthcare savings, to remove the opacity of products, to improve the governance of funds, to ensure trustees exercise their fiduciary duties, and so on.

A business case to reform the institutional arrangements for social security has also been completed. The aim is to integrate social security policy development to ensure coherence and consolidate service delivery of the various social security benefits to achieve economies of scale and make service provision seamless.

We view our participation in the activities of the International Social Security Association (ISSA) as important, particularly as we embark on the process of developing a comprehensive social security system. We will be hosting the 30th ISSA General Assembly and the World Social Security Forum from 29 November to 4 December 2010. Among the key issues to be discussed during the Conference will be discussions on issues pertinent to our own social security system, such as the extension of social security coverage.

Welfare services

The great Mahatma Ghandi once said: "Recall the face of the poorest and the weakest woman/man whom you may have seen and ask yourself if the step you contemplate is going to be of any use to her/him. Will s/he gain anything from it? Then you will find your doubts in yourself melting away." We can and must bring hope in the midst of the despair around us.

Our pursuit of our welfare services intervention is vast. The interventions are reflected by the programme of legislative initiative we undertook over the years and recently.

Maatskaplike diens intervensies is wyd in omvang. Dit sluit onder andere in kwesbare kinders, die jeug, gestremde persone en oues van dae. Een van die Departement se eerste prioriteite is die implementering van die Kinderwet, 2005 (the Children's Act), soos gewysig, sowel as die Wet op Ouer Persone, 2006 (the Older Persons Act) wat op 1 April 2010 'n aanvang geneem het. Die implementering van dié twee wette sal die grondwetlike regte van kinders en ouer persone in die land, asook ander beleidsdirektiewe en internasionale ooreenkomste. bevorder en realiseer. Daar is hoop en ons, die ANC, maak vooruitgang.

These pieces of legislation are the products of a remarkable partnership between government and civil society and the effective implementation thereof and the achievement of the objectives of the acts will require a continuation of that partnership at all levels.

Worth mentioning is that the reach of our care and support services will be enhanced through a laudable partnership with the German Development Bank to address the plight of child-headed households.

The Child Justice Act also came into effect on 1 April this year. This landmark piece of legislation is designed to provide our country with a twin-track child welfare and justice approach that focuses on prevention, early intervention, diversion from crime and the rehabilitation of children in conflict with the law. The Deputy Minister will provide more specific details on our state of readiness to implement the new provisions; our interventions to support vulnerable children, people with disabilities and older persons; and on the growing phenomena of substance abuse and human trafficking.

Integrated development

My Department will support initiatives to develop, implement and evaluate a set of activation strategies for care givers of children who access the child support grant. This will involve skills development initiatives for potential work opportunities. In this respect, we are in concert with Jeffrey Sachs, who, in his book, *The end of poverty,* argues: "The key to ending extreme poverty is to enable the poorest of the poor to get their foot on the ladder of development." We have tested a poverty alleviation model that seeks to improve the abilities of the poor to be active in the economy. Two flagship projects under this model, namely HEMP and Vondelig Upliftment Craft, have yielded impressive results.

Non-profit organisations (NPOs) have a major role to play in identifying, developing and implementing programmes and projects that will promote genuine social development. In this respect, we have made an additional allocation of R17 million for the MTEF period to strengthen the capacity and efficiency of the NPO registration unit, including the recruitment of additional personnel.

We must channel the energy and enthusiasm of young people in a more constructive manner. To this extent, Government initiated a number of interventions. One worth mentioning one is the Masupatsela Youth Pioneer Programme in collaboration with our Cuban counterparts. Collaborating and replicating the Cuban experience, we want to make the youth active agents of change in communities. So far we have recruited 2 099 young pioneers and 120 mentors, making significant progress with our youth interventions.

The HIV and AIDS epidemic remains an immense challenge. We will, as we must, double our efforts to tackle its further spread and reduce its socio-economic impact. Guided by the national strategic plan for HIV and AIDS and Sexually Transmitted Infections (2007 to 2011) we will work harder to contribute to the national goal of halving new HIV infections, particularly among young people in vulnerable communities, including farm areas. For this purpose, we have increased the allocation to the *Love Life* campaign to complement ongoing interventions.

In the 2009/10 financial year, the NDA funded 77 community projects to the tune of R95 million. These benefitted 7 185 direct beneficiaries, the majority of whom is women, youth and people with disabilities. This year, the Department will allocate R87.2 million to the NDA, primarily to fund the poverty-alleviation initiatives of community-based organizations and cooperatives in poor communities. These initiatives contribute to the national goal of eradicating poverty, creating decent work opportunities, education,

providing food security and rural development.

Over the MTEF period, we shall make conscious efforts to contribute to Government's goal of creating decent work through the Expanded Public Works Programme (EPWP), particularly targeting people with disabilities, women and youth outside the labour market. To this end, we have accelerated our investments in home community-based care and early childhood development. We will also continue our partnership with United Nations Children's Fund (UNICEF) and civil society organizations in the area of early childhood development. It is my belief and that of our Government that education is both a tool of social justice and a fundamental driver of economic development.

A very concrete partnership with the private and non-profit sectors centres on the community food bank initiative. Social Development has supported the establishment of four food banks with a R3.3 million contribution. These are in Cape Town, Johannesburg, Durban and Port Elizabeth. These food banks have provided close on 1.9 million meals on a monthly basis to poor households and created 91 full-time jobs. The Department will continue to support four provinces during the implementation of rural food bank projects in partnership with FoodBank SA. This programme is intended to cover the entire country eventually.

Our poverty reduction strategy coordinated by the Presidency seeks to pool our resources. Similar to the NBI initiative, we have commenced to mobilize the entire donor community to partner with Government in this endeavour. We continue to engage the business sector with a view to harnessing the approximately R4 billion that is spent on corporate social investment programmes per annum. The aim is to 'crowd in' this private sector investment in some of our country's most underserviced municipalities.

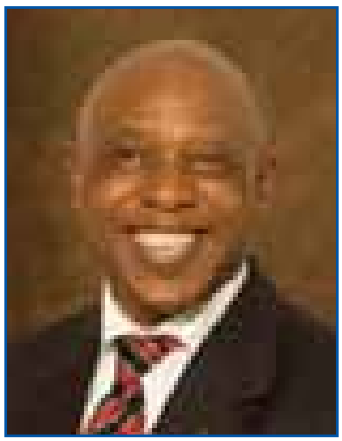
Moves are also afoot to set up the Advisory Board on Social Development so that we can harness the support of the business community and other stakeholders on a more regular basis.

Conclusion

The policy plans and programmes outlined in Budget Vote 18 demonstrate that this Government is responsive to the struggles of our people. We have made progress, and will continue to advance in the battle of bringing hope to more people.

I would like to thank and acknowledge all the organizations and individuals that selflessly give of themselves to contribute to the upliftment and care of others. In particular, I want to thank organizations such as the Gift of the Givers and Tiger Brands that have assisted people in distress at home and in places like Haiti. ■

Affordable and Decent Human Settlements



Minister of Human Settlements, Tokyo Sexwale

The large-scale mobilization of human capital, financial logistics, construction, project management and other resources that characterized preparations for the 2010 Soccer World Cup should be harnassed to turn the country into a large construction site building sustainable human settlements for our people, argues Mr Tokyo Sexwale, Minister of Human Settlements.

26 June marked the 55th anniversary of the adoption of the Freedom Charter, a key founding document of South Africa's democratic Constitution. We celebrated this historic occasion understanding that the Charter remains relevant to the vision of a new South Africa. Its housing clause states without any equivocation: There shall be houses, security and comfort for all. All people shall have the right to live where they choose, to be decently housed and to bring up their families in comfort and security. Slums shall be demolished and new suburbs built where all shall have transport, roads, lighting, playing fields, crèches and social centres. Therein lays the founding philosophy, strategy, vision and practicality of human settlements.

* *This article was adapted from the 2010 Budget Vote Speech of the Minister*

Our country's Constitution resonates with the Charter on the question of housing and human settlements. "Everyone has the right to have access to adequate housing and the state must take reasonable legislative and other measurers, within its available resources, to achieve the progressive realization of this right."

The first Minister of Housing, Comrade Joe Slovo, rallied large and small contractors, labour unions, community organizations and financial institutions in 1994. That resulted in the landmark Botshabelo Accord, which stated: "Government strives for the establishment of viable, socially and economically integrated communities which are situated in areas allowing convenient access to economic opportunities, health, educational and social amenities and within which South Africa's people will have access on a progressive basis to a permanent residential structure with secure tenure, ensuring privacy and providing adequate protection against the elements and potable water, adequate sanitary facilities, including waste disposal and domestic electricity supply."

President Zuma gave further meaning to this in his State of the Nation address last year. He stated: "As part of social infrastructure development we will provide suitably located and affordable housing and decent human settlements. We will proceed from the understanding that human settlement is not just about building houses. It is about transforming our cities and towns and building cohesive, sustainable and caring communities with closer access to work and social amenities, including sports and recreation facilities."

Against this backdrop, our human settlement mission on behalf of Government remains clear: to ensure decent shelter, the most basic need, as a critical part of a better life for all. It is important to highlight our three areas of delivery and intervention, which touch every South African: Firstly, at the uppermost end of the housing market, our responsibility is to ensure an enabling environment through policies and legislation that protect consumers who are building or buying homes at that level. This is primarily achieved through the Home Loans and Mortgage Disclosure Act (HLAMDA), to which we will return later.

Secondly, at the bottom-most end of the market, we provide housing subsidies to the poorest of the poor. That is a critical area, as the bulk of the housing backlog exists there. Again, we will return to this later.

In between these two is 'the gap-market' people who don't qualify for either bank credit or a government subsidy. Their cries have been heard by the President and by Finance

Minister Pravin Gordhan, resulting in the creation of a guarantee fund of R1 billion for a start. These endeavours, beyond providing shelter, contribute to economic growth and job creation while, at the same time, restoring human dignity.

Our holistic approach to human settlements development recognizes that the economic fortunes of South Africans are never static. Someone who lives in a shack in Gugulethu today may occupy an RDP house in Delft tomorrow or, later, reside in Rondebosch.

Current outcomes-based approach

As the Ministry, working within the Cabinet collective, we participated in developing a new outcomes-based approach to defining our targets and to measuring progress. The January 2010 extended Cabinet *Lekgotla* tasked us with implementing what is known as outcome eight, the objective of which is sustainable human settlements and improved quality of household life. To meet that objective, we have prioritized four areas of work between now and 2014. These are

- Accelerated delivery of housing opportunities.
- Access to basic services.
- More efficient land utilization.
- An improved property market.

In the field of housing opportunities, the target is 220 000 units per year between now and 2014. Additionally, we are acquiring 6 250 hectares of well-located state land for human settlements development and an enabling environment is being created for the provision of 600 000 new loans in the affordable housing sector. In addition, 500 000 informal settlement dwellings are being upgraded. We must emphasize that such upgrading does not detract from Government's long-term objective of eradicating slums.

The combined effect is that by 2014 we will have made significant inroads in our mission of ensuring sustainable human settlements and an improved quality of household life.

Irrespective of what skeptics may say, the record of this Government on housing delivery speaks for itself. Since 1994, more than 2.3 million housing units have been made available for nearly 11 million people. The scale of government housing delivery is second only to China and, as the Banking Association of South Africa pointed out when we met this week, "Government's most dramatic intervention in the welfare housing sector has been its national housing subsidy programme. The success of South Africa's housing programme is unparalleled, and we can be proud of our achievements".

This work continues unabated and as things stand today, we have more than 8 000 human settlements projects underway across the country, with preliminary figures translating this into the construction of 219 000 housing units in the past financial year.

At the same, there is a need for realism as we go forward. Despite all these

"... as things stand today, we have more than 8 000 human settlements projects underway across the country, with preliminary figures translating this into the construction of 219 000 housing units in the past financial year ..."

commendable efforts, the housing backlog has grown in leaps and bounds from 1.5 million in 1994 to approximately 2.1 million at present. That means approximately 12 million South Africans are still in need of better shelter. We have, therefore, hardly moved in just breaking the backlog, never mind the numbers associated with population growth.

As a reflection of the increased demand, the number of informal settlements has ballooned to more than 2 700, 70 of which are slums occupied solely by white people. As we found when accompanying the President to one of these settlements in Hermanstad outside Pretoria, poverty cuts across the colour line.

This partly explains the phenomenon of service delivery protests. Such protests in themselves fall within a democratic culture. But let's make this clear: we join Minister Shiceka in condemning the violent behaviour characterizing some of these protests, as well as the destruction of property while we are all working hard to find sustainable solutions.

> "... In crafting our vision, we are mindful that a child born today will be 20 years old by 2030 and will need somewhere to live. We should be planning for the needs of that future adult ..."

Our reality is that we are currently only able to clear the housing backlog at a rate of ten per cent per annum. With the current pace of delivery and the resources at our disposal, and mindful of continued economic and population growth and the rapid pace of urbanization, it could take us decades to break the backlog.

In real terms, as a country, we have hardly moved. *Re fatela morao jwale ka khoho.* Nevertheless, we can never turn our backs on the poor. It is not their fault and poverty should not be used as a political football. The scale of the problem, from a human settlements point of view, has already been brought to the attention of government colleagues in a presentation to the extended Cabinet, which included provincial and local government.

Of significance are human settlements presentations made during the presidential coordinating council (PCC) last month, where ministries, as well as Premiers and members of SALGA, were led by the President in serious debates and focused discussions around service delivery.

In respect of human settlements, it was recognized that the current fiscal allocations were inadequate with the potential unintended consequence that budget allocations did not match our expanded mandate. Also captured in discussion was the fact that, although budgets were important, our work also required thorough coordination with government stakeholders in all three spheres, as well as with the private sector and civil society.

Towards Human Settlements 2030

Questions are being asked about what will continue to propel the South African economy beyond the current infrastructural developments that resulted from the FIFA World Cup. Undoubtedly, the World Cup was a resounding success. South Africa constructed massive highways, iconic stadiums, world-class airports and state-of-the-art technology platforms. The target for human settlements ought to be nothing less than an enhanced vision, driven by energy and passion similar to that accompanying the realization of World Cup 2010 infrastructure, this time round the focus being Human Settlements 2030.

It is important that we think creatively about large-scale human settlements as the 'stadia', 'airports' and 'highways' of our people. To that end, we as South Africans must explore the possibility of marshalling resources in a similar fashion to the way we impressed the world, and correctly so, with preparations for the World Cup. Many South Africans who live in depressed conditions should also be impressed.

The current large-scale mobilization of human, capital, financial, logistical, construction, project management and other resources should not dissipate after the final World Cup whistle. The potential exists for the whole country to be turned into one large construction site as we build sustainable human settlements in various localities.

In this regard, the role of the National Planning Commission, whose responsibility is to develop an overarching national strategic development plan, becomes crucial because our planning tasks as Human Settlements can only succeed within such a framework. To an extent, the same applies to the participation of other departments associated with macro-economic development issues.

In crafting our vision, we are mindful that a child born today will be 20 years old by 2030 and will need somewhere to live. We should be planning for the needs of that future adult.

To succeed, Human Settlements 2030 must be for and by the youth. It is about their future homes, apartments, bachelor flats and so on; it is future rural settlements and urban centres, towns and cities. This also contributes to economic growth and job creation. This should be their campaign.

Housing construction and manufacturing are some of the key drivers of the economy. They stimulate every sector: mining, agriculture, manufacturing, construction, wholesale, retail and finance. There is no successful industrialized nation that has human settlements at the backburner, or that regards it as merely a social welfare item.

In this context, the Department is forging stronger relationships with the financial sector, which plays a central role in providing credit and housing finance and in driving the economy.

> "... We would like to focus on two very positive areas of work: our war on waste and our war on corruption. Cabinet decided collectively that departments should control and cut costs without compromising on service delivery ..."

During recent engagements with the country's major banks, we came away satisfied with the positive outcomes and we can confirm to the House that we agreed to form a joint working team to look into various aspects of housing finance, including how to generate innovative ideas around the R1-bn Government Guarantee Fund referred to earlier.

Those who stand to benefit from such a financial platform include, *inter alia*, nurses, teachers, police, prison warders, government officials, certain categories of management and blue-collar factory and office workers. We emphasized to the institutions that in putting the floor under their operations in this 'gap market' to mitigate risk while also providing an opportunity to beneficiaries, financial prudency should remain paramount in accordance with regulatory requirements. In no way can there be recklessness in lending practices that may lead to flippant calls on the Guarantee Fund.

Similarly, beneficiaries are well-advised to exercise responsibility by adhering to the terms and conditions under which credit is availed. Furthermore, in our discussions with financial institutions, we raised concerns around their compliance concerning HLAMDA, under the prescript of which institutions are required to provide the Minister of Human Settlements with information on lending patterns in their annual financial statements. Such information has to be accurate, timely and comprehensive to allow for its consolidation and analysis by the Department. This enables us to assess the performance of these institutions in providing credit to all South Africans who qualify beyond the 'gap market'.

The Ministry will play an activist role in monitoring the banks' performance in the interests of regulating the property market of homeowners, while taking cognizance of the complexity and sensitive nature of the operations of financial institutions. We also assured financial institutions of our commitment to strengthening our own disclosure office and, to the extent where human settlements are concerned, to examine and, where possible, ease any onerous reporting procedures without diminishing their compliance in respect of the Act.

Significant developments

As we implement our expenditure, it is appropriate that we emphasize several positive developments within Human Settlements that are already contributing towards us achieving the targets set in outcome eight and our vision of Human Settlements 2030. These include the following:

Firstly, the increased rollout of sanitation infrastructure programmes in rural areas. The second week of May was declared Sanitation and Hygiene Week. We must emphasize that sanitation is not only about health and hygiene. It is also about human dignity. People should be able to conduct their sanitary functions in private as opposed to recent reports of scandalous toilets in the veld.

Secondly, significant progress has been made in building the capacity of municipalities through our municipal accreditation process. To date, all six metros and four local municipalities have been assessed to determine their readiness for accreditation. Further assessments will be undertaken to bring the total of prioritized municipalities to 27.

Thirdly, significant gains have been made in strengthening partnerships with the homeless and civil society, including the South African National Civic Organisation (SANCO), building on the success of our social contract plenary in Boksburg last November. This is participatory democracy.

Fourthly, new channels of communication have been opened with the public. Numerous communities were visited to hear first-hand about their conditions. This journey will continue, given our focus on 'follow the money' to know where our expenditure goes.

Similar to the President, we launched our own hotline. A recent report from the Presidency indicates that Human Settlements is a leader when it comes to dealing with referrals − an impressive 86 per cent.

Fifthly, regarding our legislative programme, the overarching legislation on which the development of human settlements is founded, namely the Housing Act, will be subjected to review. Furthermore, the Sectional Titles Schemes Management Bill and the Community Schemes Ombuds Service Bill will be introduced to Parliament this year. Also on the horizon is an *indaba* on alternative technologies to ensure access to the many new ideas and products that the private sector has developed.

Concerning innovation in the Department, a concept document has been developed for a human settlements index to enable us to categorize living conditions in every city, town and village, and that will allow us to track progress in providing basic needs.

In addition, the Department has developed an ICT-based monitoring portal to enable easy online access, in real-time, to data on human settlements projects anywhere in the country with the use of satellite maps and input data collected by provinces.

Phase 1 of the Housing Demand Database has been completed, resulting in an integrated national database. Examples of these technologies are on display outside this chamber today.

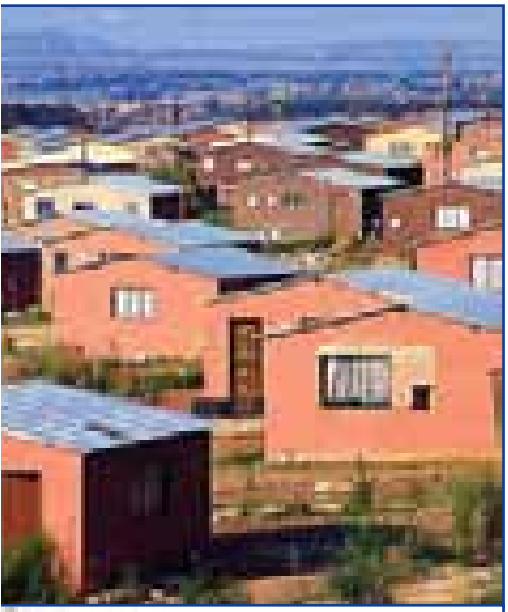
Areas of concern

It would be careless of us not to highlight some fundamental challenges to the delivery of sustainable human settlements. The first relates to what we characterize as 'the legalisation of illegality'. This refers to the negative impact of unintended consequences emanating from certain landmark judicial rulings on the human settlements mandate. In some cases, the rulings have forced the amendment of human settlements policy, with severe and unplanned budgetary consequences.

The most recent far-reaching ruling is the one against the Johannesburg Metropolitan Municipality that ordered the city to pay rent to a private property owner on behalf of illegal occupiers until alternative accommodation could be found. While being dutifully circumspect about the constitutional independence of the Judiciary, the Ministry of Human Settlements is concerned about rulings that could virtually collapse government budgets and plans where unlawful behavior, in this case illegal land and building occupation, is legitimized by a series of court rulings.

Hence, reference to the legalization of illegality. Cabinet has mandated my colleague, Justice Minister Jeff Radebe, to take the lead in resolving this matter in consultation with Human Settlements. This House will need to itemize this discussion.

Of equal concern are bureaucratic blockages that affect every step of the human settlements delivery chain. As part of its outcomes-based approach, Government has resolved that we must make our work simpler, reduce compliance work that adds no value, focus our energies on a few deliverables and do them well. The Human Settlements Ministry cannot agree more.



War on waste and corruption

We would like to focus on two very positive areas of work: our war on waste and our war on corruption. Cabinet decided collectively that departments should control and cut costs without compromising on service delivery.

Preliminary expenditure reports for the 2009/10 financial year indicate that we have saved R53.2 million in operational expenditure. This includes a saving of R20.6 million resulting from cuts to travel and subsistence, R24.4 million from cuts to our advertising budget and R3.3 million from cuts to administrative fees. An additional R31 million was saved from personnel expenditure and R34 million from transfers to our institutions. Finally, as the House is aware, there is an ongoing battle against corruption.

Last November, I appointed a National Audit Task Team headed by the Special Investigations Unit (SIU) and working in partnership with the Auditor-General's office, our national Department and provincial government representatives. The Task Team is hard at work tracking down those responsible for corruption, abuse and malpractices.

Working under the sterling leadership of the head of the SIU, Willie Hofmeyr, the Team has made tremendous progress since its appointment and has almost completed its investigation into abuse of the low-income housing subsidy scheme. 1 570 officials have been arrested to date, of whom 1 189 have been convicted and R38 million has been recovered. This process has also seen five lawyers struck off the roll and more are to follow.

Corruption has become endemic in our society and needs to be rooted out. This much must be clear: we are undeterred in our resolve to eradicate this plague, which is so debilitating to society at large. In this regard, it is noteworthy that Cabinet has created an interministerial task team to address the scourge of corruption at all levels. As the President indicated, no matter who may be involved and no matter how high up they may be, those who are guilty will be held responsible for their actions.

Conclusion

In conclusion, we remain seized with our fundamental mission of rolling out sustainable human settlements. We do not underestimate the enormity of the task involved.

We are encouraged by the commitment and sense of common purpose shown by our human settlements MECs. We are enthused by the fact that our institutions are ready to be at the forefront of the drive to create sustainable human settlements. We remain sincere in our dialogue with the poorest of the poor. We remain convinced that the unfolding strategy around Human Settlements 2030 is the right one and builds on the other achievements in this area over the past 16 years.

This Ministry carries a responsibility to all South Africans that has the right, not just to a home, but also to privacy, security and comfort in their homes within the human settlements in which they live. ■

Our land, *our National Asset*

According to Mr Gugile Nkwinti, Minister of Rural Development and Land Reform, land restoration and the revival of ubuntu *go hand in hand.*

Minister of Rural Development and Land Reform, Gugile Nkwinti

The resolution of the 52nd National Conference of the ANC (December 2007) on agrarian change, land reform and rural development confirmed the ANC's acute awareness of and sensitivity to the centrality of land (the land question) as a fundamental element in the resolution of the race, gender and class contradictions in South Africa. National sovereignty is defined in terms of land. That is why, even without it being enshrined in the country's supreme law, the Constitution, land is a national asset.

That is where the debate about agrarian change, land reform and rural development should, appropriately, begin. Without this fundamental assumption, talk of land reform and food security is superfluous! We must, and will, fundamentally review the current land tenure system during this Medium-term Expenditure Framework (MTEF) period. This we will do through rigorous engagement with all South Africans so that we can emerge with a tenure system that will satisfy the aspirations of all South Africans, irrespective of race, gender and class.

* *This article was adapted from the 2010 Budget Vote Speech of the Minister*

It is, therefore, fitting and appropriate that the strategy of the Department of Rural Development and Land Reform should be 'Agrarian Transformation', interpreted to denote 'a rapid and fundamental change in the relations (systems and patterns of ownership and control) of land, livestock, cropping and community'. The objective of the strategy is 'social cohesion and development'. All anti-colonial struggles are, at the core, about two things, namely repossession of lost land and restoring the centrality of indigenous culture.

To deepen one's appreciation of this statement, one has to look in-depth at colonialist use of land to subdue conquered populations and the use of tribal or ethnic subcultures to submerge the cross-cutting culture, which characterizes all tribal or ethnic groups – *ubuntu,* or human solidarity in the case of Africans. Colonial super-profiling of ethnic or tribal subcultures was deliberately meant to create competition and conflict among them through the divide-and-rule tactic, generally used to deepen subjugation. *Ubuntu,* the over-arching African way of life, is integrally linked to land. Any attempt to restore *ubuntu* without concomitant land restoration would be futile.

Social cohesion is a direct function of the restoration of land and indigenous culture. It is not just about allegiance to national symbols, e.g. the National Anthem and flag, important as they are. Social cohesion is built around a people's culture. In multi-cultural societies it is built around recognition of cultural diversity as strength and using such diversity to build social cohesion. Despite cultural differences, members of communities generally share the same values and taboos and tend to use those

values and taboos to develop hybrid or subcultures that combine to hold people together.

People tend to attend the same churches and schools, play for the same clubs and become members of the same stokvels, societies, trade unions, business organizations, political parties, co-operatives, etc. These institutions create subcultures that bind them together. In rural communities, relationships are much deeper because they tend to be historical and intergenerational. Mutuality is a way of life that evolves organically, nourished and cemented by shared hard and good times. In African societies, these relational virtues are summed up in one word: *ubuntu.* This is the bedrock of African culture. Colonialism and apartheid sought, at all times and by all means, to destroy it. Of all such means, the Natives Land Act, Act No. 27 of 1913, and the migrant labour system are the two that wreaked the most havoc in African rural communities, seriously undermining the virtues of *ubuntu* as people lost their basic expression of *ubuntu* − the ability to give/*izinwe,* which disappeared with the loss of their land. They could no longer produce enough food to feed themselves; they could not keep livestock; they had to survive on meagre wages, which could hardly meet their family needs, let alone being generous and share with neighbours.

Colonialism and apartheid brutalized black people, turning them into hostages to perennial hunger, related diseases, and social strife and disorders. Rural development and land reform must be the catalyst in the ANC government's mission to reverse this situation. It took centuries to inflict it on black people and it is going to take quite a while to address it, but it will be done. Of necessity, that long road starts with the crafting of a new pragmatic, but fundamentally altered land tenure system for the country. Any other option will perpetuate social fragmentation and underdevelopment.

Development and its corollary, underdevelopment as outcomes, are a function of certain political choices and decisions as well as certain administrative actions, processes, procedures and institutions. Defined in this context, development denotes 'social, cultural and economic progress brought about by certain political choices and decisions and realized through certain administrative actions, processes, procedures and institutions'. The key parameters for measuring development, therefore, are social, political, administrative, cultural, institutional and economic. Depending on the type of political choices and decisions and administrative actions, processes, procedures and institutions put in place, there will be progress (development) or stagnation (underdevelopment).

In short, depending on the type of political choices we make and the decisions we take now, the type of administrative actions we take, the processes, procedures and institutions we put in place will either bring about the desired social cohesion and development or will perpetuate the social fragmentation and underdevelopment of colonialism and apartheid.

For the sake of clarity, *development* indicators in this text are 'shared growth and prosperity, full employment, relative income equality and cultural progress' and those for *underdevelopment* are 'poverty, unemployment, inequality and cultural backwardness'. It is submitted here that the two opposing socio-economic pillars, development and underdevelopment, are a function of certain political choices and decisions, as well as certain administrative actions, processes, procedures and institutions; not just any political choice or decision, nor any administrative action, process, procedure or institution. They distinguish one ideological perspective from the other.

Apartheid was an outcome of particular political choices and decisions that were executed through a plethora of oppressive policies and laws, which were carefully crafted to achieve a set outcome. Consider the following passage from one Maurice Evans on the reduction in the Natal land quota for black people in this regard: "Yet, even this will mean an average of 156 acres per head of European population, and 6.8 acres for every native, while the land which will fall within the European areas is infinitely healthier, more fertile and altogether more desirable than either present locations or the areas recommended by the Beaumont Commission".

This was not an isolated case. It was part of the South African story in the systematic denudation and impoverishment of black people. Our effort to bring about the corrective measures necessary to tone down the anger, bitterness and pain of those who were subject to this brutal treatment must be collective. The Truth and Reconciliation Commission has demonstrated the capacity of black South Africans to forgive adequately. But we should not take this goodwill for granted, because it is not inexhaustible. Working together, we must build our collective future on this critical social asset.

Review of 2009/10

- **Conceptualization of the Comprehensive Rural Development Programme (CRDP)**

  In our efforts to make rural development a reality, we have developed the framework for comprehensive rural development. This has been shared with all sector

departments at national and provincial levels. The key thrust of the framework is an integrated programme of rural development, land reform and agrarian change.

- **Piloting CRDP**

  In our quest to create vibrant, equitable and sustainable rural communities, the Department is implementing the CRDP in several wards in the country. Since the launch of the first pilot site by the President of the Republic in Muyexe, Limpopo, the Department has expanded the implementation of the CRDP and is currently working in 21 wards in the country. This work will be rolled out to 160 additional wards by 2014, as stated by the President. We have adopted all the Integrated Sustainable Rural Development Programme (IRSDP) nodes and have incorporated the lessons learnt into the CRDP. As from 1 April 2010, the War on Poverty, which has prioritized 1 128 wards over the MTSF period, has been relocated from the Presidency to the Department.

- **Building institutional capacity**

  During this period, we have also been working on building the institutional capacity of the Department to deliver effectively on this mandate. A new organogram has already been approved by the Minister of Public Service and Administration and National Treasury. The Department is currently in the process of recruiting the required capacity. As promised during my maiden budget vote speech, the post settlement support strategy has been strengthened and properly capacitated with more than 100 employees across the country. Realizing that we cannot do this alone, partnerships have been developed with tertiary and research institutions.

  An overview of the Department's overall performance has been completed and has guided the development of certain short-term and medium-term strategic and operational remedies.

- **The CRDP job creation and skills training model**

  Of importance is that in each area where the CRDP is being implemented, a new vibrancy has been created around working together, involving communities, the three spheres of government and the private sector. This has enabled us to mobilize resources from all sectors of government to enhance delivery. An inclusive CRDP stakeholder participation model has been developed with the Council of Stakeholders functioning as the planning, implementation and monitoring body. Communities themselves have become central to their own development. Through the work undertaken at the CRDP sites, and in conjunction with national, provincial and local governments, we have erected infrastructure such as housing, water, sanitation, agricultural inputs, community halls, multi-purpose centres, fencing, renovation of schools, clinics and much more. We piloted a Job Creation and Skills Training Model simultaneously with the implementation of these different projects.

Challenges in the current service delivery model

I have to acknowledge that the land reform programmes implemented to date have not been sustainable and have not provided the anticipated benefits to the recipients of the programmes. To date, approximately six million hectares of land have been transferred through restitution and redistribution. Much of this land is not productive and has not created any economic benefit for many of the new owners. There has been an over-emphasis on hectares at the expense of development and food security.

This has contributed to declining productivity on farms, a decrease in employment in the agricultural sector and deepening poverty in the countryside. Coupled with this is a 'leak-out' of the redistributed land that results from recipients failing to honour debts with the Land Bank and other commercial banks. The monetary implications to transfer the remaining 19 million hectares of land by 2014 have been calculated at approximately R72 billion if we were to continue to pursue the-willing-buyer-willing-seller model. It is clear that the current land reform environment is the result of institutional weaknesses in overall land management, policy and legislation.

What is to be done?

- **Rural development**

  One of our key responsibilities is the revitalization of small rural towns, since they act as catalysts for development and job creation in the rural and peri-urban areas. This will be achieved by interfacing rural and peri-urban areas through infrastructure development, initiatives to meet basic human needs, enterprise development, agro village industries and credit facilities. Key drivers in this regard will be water services, energy, sanitation, communication systems and human skills.

  The Department will also form an integral part of the local

government turn-around strategy by providing support to municipalities in the compilation of Spatial Development Frameworks.

- **Sustainable land reform**

  The challenges in our current service delivery model and fiscal constraints have compelled us to review our targets and develop alternative approaches relating to the restitution and redistribution programme. The following principles will underpin our new approach towards sustainable land reform:

  – deracialization of the rural economy for shared and sustained growth;
  – democratic and equitable land allocation and use across gender, race and class; and
  – strict production discipline for guaranteed national food security.

- **Food security for all**

  To respond to the challenges of collapsing land reform projects and defunct irrigation schemes in the former homelands, we have introduced a new programme called the Recapitalization and Development Programme. The objectives of this Programme are to increase production, to guarantee food security, to graduate small farmers into commercial farmers and to create employment opportunities within the agricultural sector. The core principles of the Programme are mentorship, co-management and share equity.

  To implement this Programme, we have taken a decision to allocate 25 per cent of our baseline land acquisition budget. This amounts to R900 million for the 2010/11 financial year.

The centrality of public-private partnership in the Recapitalization and Development Programme cannot be over-emphasized. We are encouraged by the fact that organized agriculture has embraced this strategic intervention fully.

- **Job creation and skills training**

  We are driven by the vision to put one job in every rural household. From the CRDP entry point of mobilizing and organizing rural people we build unemployed peoples' skills, particularly the youth, and empower them to do decent work in their own communities.

  Having entered into strategic partnerships with the likes of the Department of Higher Education and Training, the same youth will undergo intensive preparations to run their own enterprises, thus creating sustainable jobs in their own communities. We are focused on transforming job seekers into job givers and ending the cycle of dependency on social grants.

- **Institutions**

  The ANC's 52nd National Conference in 2007 resolved, among other things, that Government should establish an appropriate institution with the resources and authority to drive and coordinate an integrated programme of rural development, land reform and agrarian change.

  The policy and legislation for the envisaged Rural Development Agency is receiving increasing attention and will be finalized by May 2012.

  To address the institutional weaknesses in land management policy and legislation

alluded to earlier, there is a need for a Land Management Institution that will be autonomous, but not independent and that will be characterized by accountability, transparency and professionalism; have the power to subpoena, inquire on own volition or at the instance of interested parties; to verify/validate title deeds; demand declaration of landholdings and grant amnesty and prosecute; and to ensure that state land will not be disposed of, but rather leased.

- **Policy and legislative environment**

1. Green Paper
   I am pleased to announce that over the past few months the Department has been focusing on the development of a Green Paper on Agrarian Transformation, Rural Development and Land Reform, which will articulate and elaborate on some of the measures mentioned above. It is intended to culminate in a new land policy framework and an 'omnibus of legislation' that should consolidate all land-related laws. The Green Paper was presented to Cabinet for consideration and submitted to Parliament.

   In the Green Paper we will propose that for South Africa to achieve equitable access and sustainable land use, the current Land Tenure System must be overhauled. In this regard we propose a Three-Tier Land Tenure System, namely state land under leasehold, private land under freehold with limited extent, and foreign-ownership with precarious tenure linked to productivity and partnership models with South African citizens.

   The above system will be based on a categorization model informed by land use needs at the level of household, smallholder and commercial farming.

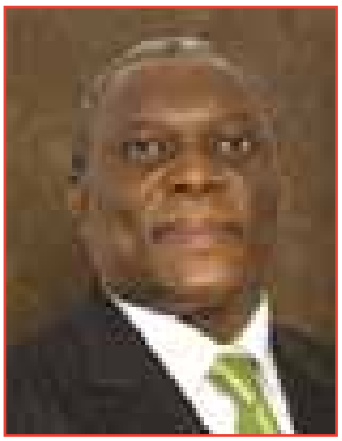
2. Land Tenure Security Bill
   While we are in the process of developing legislation linked to the green paper process, it is imperative that we find immediate mechanisms to respond to the plight of farm workers and farm dwellers, as was enjoined by the President in his State of the Nation Address last year. We will introduce the Land Tenure Security Bill (2010), which will repeal the Extension of Security of Tenure Act, as well as the Labour Tenants Act. Three objectives will guide us, namely protecting the relative rights of farm workers, strengthening the rights of farm dwellers and enhancing food security through sustained production discipline.

> "... The policy and legislation for the envisaged Rural Development Agency is receiving increasing attention and will be finalized by May 2012 ..."

Conclusion

The people of South Africa have entrusted us with the mandate of rural development and land reform. They are entrusting us with their futures! As a responsive and responsible government, we will implement policy that will create a better life for all. We will work together and will achieve these successes together.

The President enjoined us to make this the year of action. We have ensured that the Department is adequately orientated and capacitated to give effect to this; to adhere to the President's call! The time for rural development is now, not tomorrow! This is the time for rural people to experience the desired change that we have all talked about. We are all the agents of that change. ■



Minister of State Security, Siyabonga Cyprian Cwele

Securing the *Nation*

Let us pursue the ideal for which Madiba has fought his entire life, the ideal of a democratic and free society in which all persons live together in harmony and with equal opportunities, calls Dr Siyabonga Cyprian Cwele, Minister of State Security.

2010 is a remarkable year for South Africa. In 2010 we are celebrating 20 years of the release of former President Nelson Mandela. In his State of the Nation Address President Zuma reminded us that the release of Madiba was brought about by the resolute struggles of the South African people.

As we celebrate this icon we draw strength from his February 1990 speech after his release, in which he said: "Today the majority of South Africans, black and white, recognize that apartheid has no future. It has to be ended by your own decisive mass action in order to build peace and security. Our search for peace is a search for strength."

We are also celebrating 55 years of the Freedom Charter. In 1955, another struggle icon, Walter Sisulu, announced that: "The campaign which produced the Freedom Charter was the beginning of our great campaign, of the building from our multi-racial society of a united nation, free from poverty and misery, free from racial strife and antagonism.

** This article was adapted from the 2010 Budget Vote Speech of the Minister*

"It is our hardest campaign which will bring to the broad masses of our people the understanding that they have much more in common than the things which superficially appear to divide them."

We in State Security are in agreement with this foresight and are convinced that there may not be social cohesion until such time as we redress the legacy of apartheid. No divided nation can guarantee its own national security. Our Government is working hard to bridge the racial divide that still exists within our communities. Both the plight of the majority and the concerns of the minority groupings are being attended to.

Therefore, the recent rightwing threat emanating from the death of Mr Eugene Terreblanche cannot be justified. We are working with the Afrikaner community and with the Jewish, Muslim and other religious groupings to build cohesion and strengthen the unity of our nation. In this regard, we applaud the Afrikaner leadership for having retracted the inflammatory statements recently issued in the media after the death of Mr Terreblanche.

Review of the intelligence architecture

Last year, when addressing this House, we committed ourselves to embark on a review of our intelligence services with the aim of developing efficient and effective intelligence structures. The objective of this restructuring was to instill a common vision and improve the quality of our products, training and technical capabilities. In this regard, we hope to transform our community to be a sharper 'eye of the nation'.

I am honoured to report that in September 2009, a single department, the State Security Agency (SSA), was established by a Presidential Proclamation. The command and control of the civilian intelligence community were centralized under the Director-General, Mr Maqetuka, assisted by the Heads of Domestic and External Components, Mr Njenje and Mr Shaik, respectively. Mr Sokupa remains the Coordinator of Intelligence.

These high-level appointments were followed by the appointment of a Deputy Director-General for Corporate Services, Professor Africa, and the Chief Financial Officer. We are currently in the process of filling the critical posts of Chief Information Officer, head of Human Resources and Head of Internal Audit.

Since 1 April 2010, the Director-General of the SSA has been the sole accounting officer of the Agency. We are grateful to the University of Pretoria for seconding Professor Africa to the Agency to lead and manage the massive restructuring task.

In line with our undertaking to complete the re-organization of state security institutions swiftly and without disruptions, our goals for 2010 include the following:

- Tabling of the National State Security Bill to effect the amalgamation of the various intelligence components into a single entity.
- Redeployment of members into new structures and upgrading their skills to ensure that the Agency has adequate human capital to meet the new challenges.
- Integrating technology platforms and playing a more proactive leadership role in developing policy, setting security standards and monitoring compliance.

Border Management Agency (BMA)

Last year, we undertook the development of a framework for the establishment of the BMA. This was completed on 15 December 2009. It will address the security gaps at our ports of entry and along our border line. The objective is to promote free movement of goods and people while preventing illegality. In this regard, the BMA will improve the security of our borders and ports of entry and promote trade within the region.

We have set up an interdepartmental task team at the level of directors-general to conceptualize and develop the BMA. This task team has registered considerable progress. It set up various work streams, namely ports of entry, infrastructure, human resources and budget. We have also concluded the feasibility study required to ensure that the BMA becomes a legal entity in the next three months. We are currently in the process of obtaining approval from the Department of Public Service and Administration and National Treasury.

We have also agreed on the functions of the BMA and its relationship with the South African National Defence Force, which recently accepted responsibility for patrolling and securing our border line.

Meanwhile, we will continue to strengthen the current Border Control Operational Coordination Committee (BCOCC). the SSA will also install the communications link between the BCOCC National Nerve Centre and the key ports of entry.

> “... To realize this important objective, we must, as a nation, develop a common understanding of what constitutes national security, as well as the foundation on which it will be based ...”

Protection of Information Bill

We undertook to resubmit the draft Protection of Information Bill to Parliament to secure the integrity of sensitive state information and criminalize the activities of those engaging in espionage and information peddling. The Bill has been tabled before Parliament and is being considered by the Ad Hoc Committee. Given the importance of the Bill, we urge the Ad Hoc Committee to expedite its processing.

Protection of critical national infrastructure

In 2009, I announced our plan to embark on a project to develop an early warning system to monitor and identify risks to our critical national infrastructure. The National Intelligence Coordinating Committee (NICOC) has concluded the pilot project in the development of such an early warning system. We aim to expand the project to include all state-owned enterprises, including provincial entities.

National security strategy

16 years after the advent of democracy, the White Paper on Intelligence is due for review. In addition, during our last budget vote debate, we undertook to prioritize the finalization of the national security strategy by the end of the term of this Government.

The drafting of the strategy has begun in earnest. The main purpose of the strategy is to build an understanding of and national consciousness around the security challenges we face as a nation. Furthermore, the strategy will provide a long-term framework for managing the security threats facing our country.

To realize this important objective, we must, as a nation, develop a common understanding of what constitutes national security, as well as the foundation on which it will be based.

I would like to emphasize that the strategy requires that we take collective ownership. It will, therefore, be essential to engage with members of the public on this matter. We hope the Joint Standing Committee on Intelligence (JSCI) will take on this challenge once the draft has been tabled.

Key activities for the year

In the spirit of doing things differently, our work will not only be informed by the national intelligence priorities as encapsulated in our national intelligence estimate, but also by the performance agreement I signed with the President on 29 April 2010. This is part of a national effort to build a performance-driven state focusing on measurable outcomes and on priorities.

Some of the priorities for the year include our contribution to the realization of the outcome of ensuring that ‘all people in South Africa are safe and feel safe’. We also have, as another priority, the fight against crime. Government has declared war on crime and has set an objective to reduce crime levels in the country, particularly crime that is violent in nature. In this regard, we will introduce the scoping of the extent and impact of syndicated violent crimes and an annual assessment of strategic crime trends in the national intelligence estimate in our intelligence analysis.

Lastly, we will establish operations against domestic and trans-national crime syndicates. We will employ all the capacities at our disposal, including liaison with other foreign intelligence services to share information. This has proved to be useful because it results in joint operations with neighbouring and fraternal countries. We will provide actionable intelligence to assist in the prosecution or disruption of the activities of the syndicates.

In this financial year, we will also develop a comprehensive counter-terrorism strategy, which will guide our counter-terrorism operations.

Securing 2011 elections

Working together with Cooperative Governance and Traditional Affairs and the Independent Electoral Commission, we within the Security Cluster have begun the preparatory work to provide security assessments and set up systems to ensure that the 2011 local government elections are held in a peaceful atmosphere. Our primary focus will be to eliminate 'no go areas' to ensure that all South Africans participate freely in the elections without any fear of intimidation.

Xenophobia

The intelligence community continues to monitor and assess the manifestation of xenophobia across the country with the aim of averting the possibility of violent attacks on foreign nationals. Our assessment reveals an ongoing tension between local communities and foreign nationals in various hotspots across the country. We will continue to work with local and émigré communities to prevent any inhuman acts in this regard.

Fraud and corruption

Through joint operations and coordination, we will support the fight to root out fraud, theft and corruption within the Cluster in particular and Government in general. Within the SSA, we have instituted investigations in several areas, including the group insurance scheme for members. We will release the report once the investigations have been concluded and we will not hesitate to act against culprits.

The Security Cluster will, furthermore, continue to work with Home Affairs to curb the scourge of identity fraud that has become a threat to our national security, the well-being of our citizens and the integrity of our systems.

We are going to increase our counter-intelligence capacity to assist Government in fighting corruption. We will conduct regular screenings of those entrusted with state resources and we will extend our vetting programmes to the provincial and local government spheres.

A better South Africa and safer Africa and world

The intelligence community will also make an important contribution to the Government's objective of creating a better South Africa and contributing to a better and safer Africa and world.

Our operations will be directed towards supporting our Government in advancing regional, continental and global peace, security and sustainable development. In this

> "... We are going to increase our counter-intelligence capacity to assist Government in fighting corruption. We will conduct regular screenings of those entrusted with state resources and we will extend our vetting programmes to the provincial and local government spheres ..."

regard, we will continue to work within the ambit of the Southern African Development Community (SADC), the African Union and the United Nations to support peace initiatives in the region and on the continent. We will increase our presence on the continent, prioritizing conflict areas and work to stabilize these, particularly the Democratic Republic of Congo (DRC), Sudan, Madagascar, Somalia and Zimbabwe.

We will also continue to lead the work on the conceptualisation and establishment of the SADC Early Warning Centre in Gaborone, Botswana, with the objective of ensuring that the Centre is fully operational by the end of the year.

Illicit mining

Illicit mining has emerged as a multi-faceted national security threat, costing the economy billions of rand in revenue. Illicit mining is, *inter alia,* taking place in the gold, platinum and diamond sectors. For example, the gold sector alone loses an estimated R5.7 billion in annual revenue through these trans-national organized crime syndicates. We should note that the Welkom and Barberton areas have been particularly hard hit by illicit mining activities.

Illicit mining presents us with a range of social challenges, such as the corruption of communities, forced child labour and related criminal activity, including tax evasion, human trafficking, prostitution and gangsterism.

As Government, we are determined to address this threat to our economy and our communities. We appointed an interdepartmental team comprising the SSA, the South African Police Service (SAPS) Crime Intelligence, the National Prosecuting Authority (NPA), the Special Investigations Unit, the Directorate for Priority Crimes Investigation, and the departments of Mineral Resources and Home Affairs to deal with illicit mining and related activities effectively. We are happy to report that this collaboration is yielding positive results.

Consultation mechanism

As you are aware, ours is not a unionized environment for national security reasons. Our members are represented by the Staff Council in the consultation mechanism. We have directed management and the Staff Council to advise us on the best ways of strengthening this mechanism and ensuring that the Staff Council is resourceful and able to advance the interests of members. We are grateful to the Staff Council for its positive engagement and tireless effort in ensuring professionalism in our community.

Civilian intelligence veterans

Our members are intelligence officers for life. Therefore, we value our veterans and believe they should play a vital role in our affairs. We are going to rely on their expertise in training, mentoring and liaison with our communities. In the next months, we will be convening a national consultative meeting with our veterans with the aim of formalizing their interaction with us.

Conclusion

In closing, I wish to recall the Preamble to the Constitution, which enjoins us to the national duty of building cohesion and ensuring equality and prosperity for all. This spirit of togetherness is pertinent if we are to achieve a safer and secure life for all our people.

It is perhaps crucial to borrow from Tshivenda wisdom, *"Mulilo muvhaswa nga vhanzhi u dzima u a konda"*: It is easy to defeat people who do not kindle fire for themselves. Our national security is the fire which we, together with society, are determined to kindle. ■

Changing the Fortunes of People through a *Disciplined Military*

Minister of Defence and Military Veterans, Lindiwe Sisulu

Minister of Defence and Military Veterans, Ms Lindiwe Sisulu, suggests that unavoidable national service may be the route to directing our youth purposefully and instilling in them a meaningful sense of tomorrow.

During his State of the Nation Address, the President gave a graphic analysis of the situation in our country. He indicated that ours is a country with an extremely youthful population, but that we are not investing sufficiently in the future of this mainly young citizenry. The following are some of the disturbing figures that have emerged: there are more than three million young people who are unemployed, presumably with no prospect whatsoever of being absorbed into a labour market that continues to shrink. Furthermore, 50 per cent of the people in the 18 to 24 age group are unemployed.

Having spent a year in this portfolio, I am proposing that the country considers the possibility of, in the next year, implementing a national service programme through which all youth could be absorbed into our training facilities gradually.

* *This article was adapted from the 2010 Budget Vote Speech of the Minister*

What we offer are skills that each would be able to build on. We offer training in a discipline that would create sectors, whether public or private, that are firmly grounded in a purposeful sense of tomorrow. What we offer is education in respect for all individuals and authorities – an element, you will all agree, not to be found in abundance among our youth.

After due consultation with all necessary stakeholders, we intend to introduce a bill that will provide the necessary legal framework for the creation of national service. This will not be compulsory national service, but unavoidable national service.

Our young people are leaving school with no skills and no prospect of being absorbed into the glutted labour market. Any television footage of service delivery protests clearly shows that those at the forefront are mainly our youth with excessive anger and misdirected energy and frustration etched on their faces. As a country, we can ill afford this. Our youth are an asset and we must direct them properly.

History is replete with examples of how turning the youth into a disciplined, purposeful force can change the fortunes of a people. Our own history tells how, by using the age cohort system, Shaka harnessed the power of youth and changed the face of the subcontinent forever. Every culture known to men has a process of coming of age. This includes some initiation into responsible adulthood, where the line is drawn between childish ways and purposeful, responsible adult behaviour. We can provide that to this country – a place where the young and unemployed can find skills, dignity and purpose, because that is what we need to build a future of development and prosperity.

This could be part of our essential education and in partnership with the Ministers of Higher Education and Training and Basic Education, we could create a seamless education system between compulsory basic education, national service, skills training and tertiary education where access to education is not based on class. The benefits to the youth would be enormous, the benefits to society incalculable and for the economy it would mean a solid bedrock that would sustain our development.

Should we find that the idea is one that our country and people would want to support, we expect that it would take the next two years to build the capacity and infrastructure required for the numbers we are faced with.

I emphasize that this will not be compulsory national service. We do not want to repeat the mistakes of the past. On the other hand, we do not want to throw out the baby with the bathwater. In addition, concerns were raised that if we militarize our youth, we may be returning them to society highly trained to kill and a greater danger than before.

We can interrogate this concern and we will hopefully be able to show that this is not the experience in countries with military service; that, to the contrary, the greater danger is people with no purpose and no discipline who come across guns that are so readily available in society.

A disciplined Force

The past year has been an exceedingly eventful one for me and one during which we recorded enormous successes concerning the goals we had set ourselves. In taking stock of our achievements in the last year, I wish to remind you of a promise I made when I appeared before this august House on 3 July 2009. In my maiden address I stated that: "I want to assure Defence Force staff that their conditions of service are a concern. We are acutely aware that the state of readiness of the South African Defence Force (SANDF) depends primarily on the morale of our soldiers." I went further to state that: "We are considering making a request for a separate dispensation for the Department of Defence (DOD) that would allow us to deal creatively with our own needs and the specificities of our own unique security requirements."

The request was made to Cabinet and approved. We have gone a long way towards establishing a separate dispensation for the Defence Force. Cabinet also approved the regulatory mechanism to govern and oversee the dispensation. The

dispensation we have been given has the authority and regulatory mandate of the Public Service Commission. Within this environment we have been able to deal with a number of issues that are uniquely defence related and I believe we now have an environment in which we can deal with our problems and in which we can provide enhanced conditions of service.

Soldiers are not workers. It is precisely because the Defence Force is so different from all other arms of state that we demand that we take extraordinary measures to

> “... This dispensation has also allowed us to restructure and enhance our grievance mechanism, which will be further enhanced by the re-establishment of the Office of the Military Ombud ...”

enforce discipline. Soldiers are responsible for lethal instruments of ultimate force and therefore their conduct had to be stipulated in the Constitution. Our relationship with the state is not that of a worker. It is not governed by an employment agreement, but by a solemn oath. This dispensation is regulated by a Military Commission due to be legislated.

This dispensation has also allowed us to restructure and enhance our grievance mechanism, which will be further enhanced by the re-establishment of the Office of the Military Ombud.

“The Defence Force expects us to put it on a pedestal and accord it a special status.”

We have been accused of wanting to treat the Defence Force as special and different. These accusations are repeated with scorn and with monotonous frequency. At one level it reflects a lingering of the attitude that prevailed when we took over in 1994. We inherited a military state. In our quest to harness the influence of the military, we developed regulations aimed at diminishing the power of the Defence Force. In doing so, we may have gone overboard and risked compromising its strength and capabilities.

The Defence Force is special, we cannot ever deny that. It is special because its members take an oath that commits them to giving their lives in order that you may keep yours. No country or nation worth its salt should expect any less of members of its defence force.

The SANDF is a proud, disciplined force and that is its constitutional prescript. This is precisely why I am still distraught at the thought of some of our soldiers embarking on an illegal march to the Union Buildings on 26 August 2009. We will not allow ill-discipline in our ranks, ever, because it destroys the most fundamental premise of a soldier. We will retain our culture and not allow any to defile our image and the honour of our profession.

Our commitment as the state to our Defence Force is complete and unconditional and will not be decided by ill-disciplined soldiers. The relationship the state has with its soldiers is unique and based on an exceptional amount of trust and responsibility. It requires of the state an enormous investment in all members, both in their conditions of service and their education and training. We have been working on this and over the past year have made significant progress in a number of areas. We still have serious challenges in the Defence Force, most of which result from serious under-funding. If we do not invest in our Defence Force, we are doing ourselves an injustice.

There are few components of the state that have such a high calling, that demands selflessness, bravery in the face of danger, the highest levels of discipline and absolute loyalty to the Constitution.

In peacetime our defence is a force for good. When all else fails, you can count on the Defence Force to provide whatever support is required. When faced with disaster, whether natural or man-made, we can count on the men and women in uniform to provide humanitarian assistance.

Who can forget the rescue mission our forces carried out during the floods in Mozambique in 2000? Who among us can forget the image of a child born in a tree and her miraculous rescue by our special forces? Rosinah is now ten years old and in good health. She is among us here. She has become a symbol of the commitment of and everything the SANDF represents: technical skill and expertise; humanity; bravery; discipline; and empathy for the plight of those less fortunate or those in difficulty. This is what we strive for at all times.

We are continuously working to ensure that our military is infused with all these noble values. This is the culture we insisted on in our new democracy, because this was the culture on which our struggle for freedom was based. We follow the very proud tradition of our military veterans, sons and daughters of Africa who sacrificed their lives for us to be here today, living in peace and harmony. We can only hope that they look at us with pride as a continuation of their work.

Military Veterans

Sadly, however, we have not given our veterans who sacrificed so much for us to be here today the most basic honour they deserve, namely a life of retirement in dignity. I was horrified to learn that the matter of pensions due to them, which would enable them to live out their retirement in some acceptable level of comfort, had not been finalized.

The agreements on their pensions, forged during the negotiation process that ushered in our democracy and endorsed by successive Cabinets, have not been implemented. The basic principle of caring for our veterans has not been adhered to. It should be of great concern to all of us that fifteen years later, we have not honoured our commitment. I have, therefore, taken the unconventional step of calling on all my chiefs to find money from their meager budgets to fulfill this right.

As a consequence, it gives me great pleasure to announce to all our non-statutory force military veterans that we are now able to make adjustments in our budget to ensure we can provide them with pensions they can live on. This came into effect on 15 May 2010 and is implemented incrementally.

This is a major breakthrough on the issue of our military veterans. The Deputy Minister, who is responsible for the new Department of Military Veterans, will deal with the greater part of the work we have put in place.

The Interim National Defence Force Service Commission and Salaries

We wasted no time in establishing the Interim National Defence Force Service Commission last year. It has done sterling work over the past year and we have already implemented three of its proposals.

Firstly, the Interim National Defence Force Service Commission recommended and worked on a draft Bill to enact the permanent National Defence Force Service Commission. We hope the Bill will go through the parliamentary process in the next months. This will give our new dispensation legal standing.

A second recommendation related to the improvement of the basic salaries of members of the SANDF from salary levels 2 to 12. The President, as the

> “... There are few components of the state that have such a high calling, that demands selflessness, bravery in the face of danger, the highest levels of discipline and absolute loyalty to the Constitution ...”

Commander-in-Chief, announced salary increases in December 2009. This directive was implemented immediately, with salary increases ranging from 2 per cent to 65 per cent for all members of the SANDF on salary levels 2 to 12 with effect from 1 December 2009. We have done this as part of our commitment to ensure that members of the SANDF are remunerated at levels that are in line with our responsibility towards them and because we have the dispensation that makes it possible for us to do so.

But the best is still to come. The Interim Service Commission recommended that the salary adjustments, which were paid in December 2009, be backdated from 1 July 2009 to November 2009. We did not have the budget then. In effect, this means that we owe our soldiers at salary levels 2 to 12 the five-months back pay from 1 July 2009. I am happy to announce that the affected soldiers were given their back pay incrementally as of 15 May 2010.

The final report of the Interim Service Commission dealt with the long-outstanding matter of Occupational Specific Dispensation (OSD). The disjuncture between the dispensation of the Public Service and the military has always meant that the Defence Force was severely disadvantaged. But now with the new dispensation, these festering problems are being attended to.

The DOD has lost a number of technical professionals in the SAAF, Army, Navy and SAMHS due to uncompetitive remuneration levels. The Military OSD is, therefore, embraced as the first phase of the strategic remuneration intervention to ensure skills retention in Defence, especially skills whose shortage would cripple our capacity.

Again, we had to find the budget for the salary adjustment for the Military OSD and again I am happy to announce that those who had not benefited had their salaries adjusted on 1 July 2010. This was backdated to 1 July 2009. I would like you to note the wonderful work of the Interim Service Commission to ensure that our dispensation responds to our unique environment. We have made immense progress on so many fronts.

Other matters

Now we have the creative space to respond innovatively to our unique challenges. Among other things, we have used the space to develop an HIV and AIDS policy that responds to our circumstances. It is a matter of public record that our policy on HIV and AIDS is not only precedent-setting, but is considered the most progressive in the world.

In response to the request from the Reserve Force that they are allowed to continue to serve, we have been faced with the challenge of making optimal use of members of the Reserve Force. Legislation will be put before Parliament that will enable call-up of those members who want to be deployed by the Chief of the SANDF during peacetime. At the moment, they can only be deployed in times of war or during national emergencies. We look forward to this, since the Reserves are an essential part of our Defence Force and as our responsibilities increase, so does our need to absorb them.

Major changes, both dramatic and evolutionary, have taken place in the defence environment over the past 15 years. The policy review and strategy will, of necessity, take this into consideration and will be informed by a clear-eyed assessment of what we want our foreign policy to achieve, the potential threats facing us, and socio-economic interests in what is a very uncertain era of growing competition among new major powers. The new environment requires new thinking and new approaches. To this end, we remain committed to creating a dependable, agile and flexible human capital base in the Defence Force.

We had a Defence Workshop from 19 to 21 March 2010 to review the work done in this respect and are of the view that we need to give this added impetus. I can confirm that the Review Team will deliver the final product by December 2010. The onerous assignment of leading our Review Process has fallen on retired Lieutenant-General Motau. None could be better placed to drive this process. It will enable long-term planning in terms of force levels, force structure and equipment needs.

For the SANDF and particulary the SA Army to remain successful, we will have to take into account the complexities of African politics. The size of the continent, its geographic and climate complexity, the lack of transport infrastructure, problems engendered by economic underdevelopment and the diverse military challenges it may encounter, will necessitate the SANDF to be well and appropriately equipped and trained for both its external and internal roles as prescribed by the Constitution.

Our Portfolio Committee has just returned from the border and I am certain they found the experience a very educational one. The entire military command turned out to spend the better part of four days with the Committee. Protecting the border is an enormous task that has recently been re-

commissioned to the SANDF. The sheer size of our borders and the enormity of the problem indicate that we as government indeed erred in removing this responsibility from the Defence Force.

The South African Polices Service (SAPS) can now reclaim its personnel to deal with internal crime, while we continue with the constitutional responsibility of safeguarding our borders. We do not have the necessary resources to do this as we should and have, therefore, only just begun. We want to take this time to assure all those who live in vulnerable circumstances around our borders that their problems are uppermost in our minds. In particular in this regard, I would like to urge our farming communities to allow space for mutual engagement and I thank them for their understanding.

Conclusion

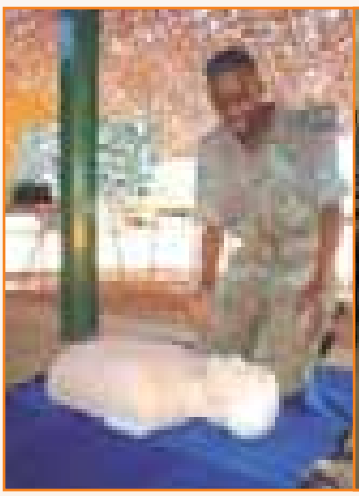
Can South Africa afford a Defence Force along the lines set out here? Yes, we can. But that will require a defence budget of around two per cent of the GDP, instead of the present 1.3 per cent. Unless this is done, we will not be able to fulfill our role as a critical and credible partner in influencing events in our region and the international community. It must be noted that, as our obligations continue to grow, our budget continues to shrink. The SANDF will be expected to take on a number of additional responsibilities and these must be commensurate with what the Government and people of South Africa expect from us. It must also be supported by a budget that will enable us to carry out our mandate.

You will have read about a very important project of the DOD entailing the local development of a fifth generation air-to-air missile intended for use on the newly acquired Gripen Aircraft of the SA Air Force. This programme is co-funded by the South African DOD and the Brazilian Air Force and represents the first cooperative defence programme under the trilateral IBSA (India, Brazil and South Africa) agreement. Development of this missile is progressing exceptionally well and after almost four years since inception of the programme, originally planned timescales are still being adhered to.

During the past year, the development has progressed to a point where flyable missiles have been completed and a first series of flight and guidance tests have been completed with great success. The first test firing of this missile from a Gripen Aircraft is expected within the next two months. This programme is set to become a model for cooperation and joint development by South Africa and other developing nations.

Another exciting project for the DOD entails the development of a new-generation tactical communications system for the SANDF. Once completed, this system will be unparalleled in the world. It will make provision for all tactical communications requirements for all arms of service and will ensure inter-operatability among all users. The communications system will encompass digital voice communication and state-of-the art transmission and information security techniques. The programme is progressing exceptionally well and demonstrations of prototypes of the first radios have been very successful.

In closing, my greatest appreciation goes to the many thousands of our soldiers who have carried themselves with dignity and discipline and who serve this country with amazing patriotism, sometimes under very difficult conditions. With your positions come huge responsibilities, because the whole country watches your every move. I am immeasurably proud to serve as your Minister and please continue serving with honour. ■



Minister of International Relations and Cooperation, Maite Nkoana-Mashabane

South Africa in the World

Ms Maite Nkoana-Mashabane, Minister of International Relations and Cooperation, provides an overview of the South Africa's foreign policy and also gives a glimpse of the work still to be done.

Nearly a year ago, our fourth democratic government was installed on the basis of an election manifesto that promised that 'working together we can do more'. Embodied in this were the aspirations of our mothers and fathers, brothers and sisters and our children.

Hardly three months thereafter, we promised in our first budget speech that while our Department would consolidate those areas where it was on track in terms of its international activities, it would urgently have to locate itself squarely in the national effort to ensure that all of us, bound together by a common patriotism, would rise together with a singular sense of purpose in pursuit of the agenda outlined by the President.

We are confident that our Department has not only fully aligned its work to our key domestic priorities, but that it has also woven these into our strategic focus, which is based on the primacy of the African continent; the centrality of our region, the Southern African Development Community (SADC); our commitment to South-South relations; the centrality of multilateralism; the significance of relations with countries in the northern hemisphere; and the strengthening of social, political and economic relations.

> "... We will also present a Bill for the establishment of the South African Development Partnership Agency for consideration by the National Assembly. This will give legal framework to the execution of our foreign policy and facilitate more effective cooperation ..."

Therefore, the Department of International Relations and Cooperation (DIRCO), working with other departments, will be the bridge builder required to forge a better democratic South Africa, a better Africa and a better world. DIRCO will be the path-finder of new opportunities and the breaker of obstacles.

Today, our country finds itself in a position of responsibility as a member of the international community. We are constantly reminded when we are invited to forums such as the G20 and Nuclear Security Summit held in Washington that more is expected of us. For our country, our region and continent this is a responsibility we can neither shirk nor fail in.

In rising to this challenge, we should never miss the opportunity to look back and learn from our successes and setbacks in our endeavours to remain focused on our goal of a better life. We must also assess our capacity frankly against the weight of rising expectations.

We at DIRCO have been involved in this exercise. We will be going to the National Assembly this financial year to engage Honourable Members on the substance and

* *This article was adapted from the 2010 Budget Vote Speech of the Minister*

direction of our foreign policy and to get their support to strengthen DIRCO in its principal advisory and implementing role on international relations. This will culminate in a White Paper that will serve as a guide in the conduct of foreign policy.

We will also present a Bill for the establishment of the South African Development Partnership Agency for consideration by the National Assembly. This will give legal framework to the execution of our foreign policy and facilitate more effective cooperation.

We are currently in the process of consulting our stakeholders on the need for the establishment of a Foreign Policy Council that will serve as an avenue for our non-state actors to interface with DIRCO on our foreign policy development and implementation.

As part of our public diplomacy, we have commenced our outreach to speak directly to communities about our foreign policy. As a consequence, we have been to Limpopo, the Eastern Cape and the Free State. We intend to visit other provinces in the course of this financial year. Our annual conference is also a platform for us from which to reach out to our think-tanks for dialogue on our foreign policy. Implicit in this is also accountability to the people whose mandate put us in office.

We are cognisant of the fact that, as the focal point of the foreign policy of our government, we can do our work better and more effectively when the international engagements of our government departments, our provinces and municipalities are well coordinated. That avoids duplication, working at cross-purposes, or functioning in a manner that could suggest to our partners abroad that we are not a well-organised government and country.

Over the past sixteen years since our freedom in 1994, we have accomplished many achievements on the foreign policy front in our country. But there are also experiences whose lessons we cannot ignore. Therefore, moving forward in this fourth Administration, we have to build on our achievements

and the wisdom gained from the lessons learnt. There must be continuity to consolidate our gains, but also change to improve on our work and respond effectively to emerging global trends.

Building on the foundation of our foreign policy and our constitutional values, we must pursue more strongly the dynamic linkage between what we do abroad and what we want to achieve in our country. We should continue to bring into full view our national interest in the context of our pan-African commitments and our role and responsibilities in the world.

The year 2010 is historic in many ways. Among other things, we are celebrating the centenary of Kwame Nkrumah and the 110th anniversary of the First Pan-African Conference held in 1900 under the leadership of Henry Sylvester-Williams.

We also joined the people of the Democratic Republic of Congo (DRC) in the celebration of the 50th anniversary of their country's independence on 30 June 2010. We remember Patrice Lumumba whose tragic death is another story in the chronicles of the painful history of this continent.

> "... This positive development, including the increasing number of elections taking place in our respective countries, augurs well for our efforts aimed at consolidating democracy in Africa ..."

Our commitments to Africa

South Africa remains committed to regional economic integration in Africa. We believe that our work in the SADC should build on the free trade arrangement achieved in 2008 by focusing on boosting regional production capacity, facilitating cross-border trade and developing cross-border infrastructure.

We also believe the time has come to extend preferential markets across Southern and Eastern Africa through the Tripartite Free Trade Area that will draw together the SADC, the East African Community and the Common Market for Eastern and Southern Africa (COMESA).

The decision by the 14th Session of the African Union (AU) to integrate the New Partnership for Africa's Development (NEPAD) into the AU and establish the NEPAD Planning and Coordinating Agency (NPCA) as a technical body of the AU, is an important step towards the acceleration of the implementation of the NEPAD programme. The newly established NPCA will give focused attention to the implementation of the regional integration programmes and projects, while the AU Commission will continue to deal with policy and serve as the secretariat of the AU.

The AU/NEPAD African Action Plan for the period 2010 to 2015 is a master plan for concrete projects that will serve as a catalyst for the development of our continent. We call on our partners to work with us in mobilizing requisite resources and in implementing this master plan.

The accession by 30 (out of 53) of our countries to the African Peer Review Mechanism (APRM) is a concrete demonstration of the strides we are making as a continent in promoting democratic governance and people-centered development. Even more encouraging is the fact that a substantial number of these 30 countries, including South Africa, have already undergone the peer review process that entails, among other things, the development of national programmes of action to improve systems of political and economic governance and putting measures in place for socio-economic development.

This positive development, including the increasing number of elections taking place in our respective countries, augurs well for our efforts aimed at consolidating democracy in Africa.

The establishment of the Pan-African Parliament (PAP) was a step forward in giving all the peoples of Africa a voice in the running of the affairs of our continent. As provided for in its founding protocol, the PAP has to be transformed from a consultative to a legislative body. In transforming the PAP, we will have to take into account its experience and history since its establishment in March 2004 with a view to building a strong, efficiently run and effective PAP in the service of the African people.

Our determined focus on NEPAD, the APRM and the PAP is in line with our long-standing commitment to doing whatever we can to support AU organs and institutions that are based in our country. It is also part of our overall programme of engagement with the AU and includes our support to other AU bodies such as the AU Commission whose capacity and capability, as the engine room of the AU, are indispensable to the achievement of the objectives that the AU was established for. We are working with fellow African countries and the AU Commission to ensure the speedy operationalization of the financial institutions that are envisaged in the Constitutive Act of the African Union.

The work we do with the AU and the Regional Economic Communities should be complemented by strong bilateral relations focused on tangible results with other African countries. To this end, we are currently strengthening our bilateral mechanisms to ensure that they work better for our mutual benefit.

The gains we have made on the continent have not been without setbacks, especially in the area of peace and security, including the resurgence of coups and other forms of unconstitutional change of government. All of us in the AU are unanimous about the urgent need for the strengthening of our response to situations of unconstitutional change of government and the closing of loopholes in our existing instruments and mechanisms.

The AU has declared the 'Year of Peace and Security in Africa', and we are, therefore, called upon to double our efforts to resolve the conflicts on our continent.

As from 1 April 2010, South Africa became a member of the AU Peace and Security Council (PSC) for a two-year period.

We also have the support of the AU to seek non-permanent membership of the United Nations (UN) Security Council for the period 2011 to 2012 in October.

We see our membership of the AU PSC and that of the UN Security Council as an opportunity to continue contributing our efforts and resources to the peace, security and stability of our continent and the world.

South Africa will continue to carry out its SADC mandate to facilitate negotiations between Zimbabwe's ZANU-PF and the two MDC formations for the implementation of the Global Political Agreement. We are also pleased to have reached a stage where we can say that our facilitation efforts to end the conflict in Burundi are drawing to a positive close.

South Africa's commitment to the peaceful resolution of conflicts and matters of post-conflict reconstruction on our continent are well-demonstrated by our continued engagement in the Sudan. With elections having taken place, South Africa remains of the firm view that this democratic process holds profound consequences for the future of the Sudan.

The continuing impasse in Madagascar is still another concern for us that will require our resolve as SADC and the entire African continent, to stand firm against unconstitutional change of government.

Ascendance of the global South

The last few decades have seen the ascendance of some countries of the South to an influential role in global affairs. Indications are that they will be a more formidable force in the future. Some like China, India and Brazil are rapidly increasing their weight in the global economy, transforming the balance of forces internationally in favour of the South.

We have to intensify our bilateral relations with countries of the South, especially with those that are strategic to us because of their economic, historical and geopolitical orientation. We also have to take full advantage of South-South multilateral forums such as the Non-Aligned Movement, the G77 + China and IBSA (India, Brazil and South Africa).

We have been intensifying our engagement with China, India and Brazil (among others) through our bilateral relations, IBSA and our outreach to BRIC (Brazil, Russia, India and China). For instance, we are working on elevating our relations with China to a comprehensive strategic partnership

level. The IBSA Summit that met in Brazil in April was convened back-to-back with that of BRIC. Our business sector was represented in the first BRIC-SA forum that met just prior to this.

We have to pay dedicated attention to partnerships that other key south countries have with our continent, such as the Forum on China-Africa Cooperation (FOCAC), Africa's comprehensive partnership with India and the Korea-Africa Forum.

We will spare no effort in strengthening the progressive forums of the South, notably the Non-Aligned Movement, G77 + China, Africa-South America Summit and the New Africa-Asia Strategic Partnership (NAASP). These forums have demonstrated to us that they can be trusted allies and partners in our struggle for a better world and Africa, some even during the difficult years of apartheid.

We continue to build on the long history of our bond of friendship and solidarity with countries of the South. We will continue to learn from their experience, especially concerning how some of them managed to transform into the tigers that they are today despite the colonial history that they share with us. We will also continue to strengthen people-to-people and cultural exchanges between us and the South and use our bilateral relations and structures such as IBSA to intensify exchanges between us in areas of mutual benefit.

We will continue to provide our support to the settlement of the Palestinian question in the context of the two-state solution and call for the speedy resolution of the question of the Western Sahara.

We remain committed to the strengthening of ties between the African Diaspora and our continent, and are still prepared to host the African Diaspora Summit.

"... We will continue to provide our support to the settlement of the Palestinian question in the context of the two-state solution and call for the speedy resolution of the question of the Western Sahara ..."

In this regard, we should rally behind Haiti in this difficult moment of its long history. The response of South Africans to the tragedy that befell the Haitians has been overwhelming and indeed a clear expression of our *ubuntu*. We are doing our part as DIRCO to contribute to the humanitarian effort currently unfolding in Haiti. Also, we will not rest until an inclusive democratic dispensation is achieved in Haiti.

Relations with the global North

Our approach to bilateral and multilateral engagement with countries of the world is not limited to Africa and the South. We also value our relations with countries of the North. Each of these geopolitical spaces is indispensable to our balance and sustained forward movement in international relations and cooperation.

The Obama Administration in the United States of America has taken steps that have helped to create conditions conducive for re-engagement between our two countries. This has culminated in the conclusion of a Memorandum of Understanding to anchor a strategic partnership between South Africa and the United States recently.

The European Union (EU) as a block remains our strategic partner, especially in the areas of development, trade and cooperation. The Trade and Development Cooperation Agreement, the instrument of ratification of which has been tabled for consideration by this House, provides a framework to this strategic partnership.

We are partners with the EU in tackling some of the pressing issues on the continent, like institutional state building in the DRC and post-conflict reconstruction in Burundi and Sudan.

We have to speed up and conclude the Economic Partnership Agreement negotiations in a manner that will not undermine regional integration on our continent. This will also help to strengthen the partnership between Africa and the EU.

South Africa's partnership with the North is not limited to the United States of America and Europe. It also includes important partners such as Japan and Russia.

In the context of changing relations between the North and the South, we appreciate the role of the G20 as a new centre in the global political economy.

Global multilateralism

The UN, representing as it does the universal voice of humanity, is still pivotal in global politics, especially concerning the building of peace and development in the world and promoting the protection of human rights for all peoples.

The Millennium Development Goals (MDGs) are a good example of the collective agenda nations of the world can set for themselves when they work together. Thus, we intend to play an active role at the MDG Review Summit scheduled for later this year so that we can contribute to accelerating the flow of resources to Africa for the achievement of the MDG targets.

Concerning reform within the UN and its key institutions, the fifth round of negotiations in New York should be another opportunity for reform for Africa and its partners to rally behind an agenda that would ensure that the composition and work of the UN Security Council reflected the geopolitical reality of the 21st century. South Africa supports the view expressed at the last summit of the AU that Africa should, from time to time, re-assess and strengthen its approach to these reforms to ensure that we achieve our common objectives.

While appreciating the important steps that have recently been taken towards the reform of the Bretton Woods Institutions, we believe that more must still be done to address the concerns of developing countries about the relevance, transparency and representatives of these institutions.

Our participation at the Nuclear Security Summit held in Washington recently was guided by our three-pronged principled approach to nuclear matters. These are: nuclear disarmament, nuclear non-proliferation and the peaceful use of nuclear material. We will also be working for a successful consensus outcome in the 2010 Nuclear Non-Proliferation Treaty Review Conference scheduled for later in the year.

Although we did not conclude a binding agreement at COP15, South Africa regards the Copenhagen Accord as a step towards an inclusive multilateral outcome that must be concluded in the near future. Accordingly, we are in contact with the government of Mexico (as the host of COP16 this year) and intend to take full advantage of the opportunity to make our contribution to this endeavour when we host COP17 in 2011.

Conclusion

We at DIRCO have implemented measures to strengthen the Department internally. Notwithstanding the financial constraints and austerity measures implemented by the Department, we are confident that we will deliver on our strategic plan for 2010 to 2013. ■

Dudley Moloi

Headcount

Lessons learnt from the DRC Public Service Census Project

The Bi-national Commission (BNC) Agreement signed in 2004 between South Africa and the Democratic Republic of the Congo (DRC) resulted in the launch of the Public Service Census Project aimed at specific aspects of the broader public service reform in the DRC. In this case study, Dudley Moloi looks at the lessons learnt from the Census Project during the first three years of implementation in the Kinshasa City Province.

Home-grown solutions

The decades leading up to the turn of the twentieth century were marked by a wave of optimism on the African continent and a resurgence of the notion of an African Renaissance. Inspired by the impetus of socio-political changes sweeping across the continent, the idea of an African Renaissance and the advent of an African Century found expression in the establishment of the African Union (AU) and the New Partnership for Africa's Development (NEPAD). It was a period in which more and more African countries were eschewing authoritarian rule and taking tentative steps towards the normalization of politics by embracing transparent and pluralistic political values. But amidst the optimism, many of the typical challenges associated with post-colonial Africa remained persistent and, at times, seemed daunting.

Perhaps the single biggest dividend of the changing political and social mood on the continent was the renewed focus on Africa's development deficits. It was in this context that South Africa was being called upon increasingly to provide support in post-conflict reconstruction and development initiatives on the continent. An example of South Africa's involvement is the pivotal role it played in nurturing and brokering the peace process in the Democratic Republic of the Congo (DRC).

A critical outcome of the DRC peace process was the signing of the Pretoria Accord in July 2002. The Accord brought to an end one of the bitterest conflicts (the so-called African World War between 1998 and 2003) in the Great Lakes region. It further paved the way for the establishment of a multiparty transitional government in the DRC, which was made up of previously sworn enemies. In turn, the creation of the transitional government in the DRC paved the way for the signing of the Bi-national Commission (BNC) Agreement between the DRC and South Africa in 2004, resulting in the launch of the DRC Public Service Census Project (referred to as the Census Project throughout) in February 2005 alongside other post-war reconstruction support initiatives of the South African government.

The Census Project was led by the political heads of the Department of Public Service and Administration (DPSA) and the DRC Ministry of Public Service. Its primary objective was to undertake a count of the number of public servants in the employ of the DRC government and the creation of a clean and more legitimate database of public servants as part of the broader public service reform in that country. The support project was meant to demonstrate, in practical terms, South Africa's ongoing commitment to contributing towards stability and prosperity across the African continent. An important by-product of the cooperative agreement and hands-on support was expected to be its potential to generate knowledge crucial to the development of Africa-specific or home-grown solutions, models of best practice and public administration benchmarks.

State of the DRC public service

The DRC is a vast country. Its total land area is by far the largest on the African continent, while the capital city, Kinshasa, is the second biggest French-speaking capital city in the world after Paris. Over and above its main resource,

the mighty Congo River, the largely inaccessible central African nation is a repository of latent mineral wealth, which, like the vast landscape, had been the bane of its past and the boon of its potential prospects. Home to an estimated 50 to 68 million people, the population of the DRC is as extensive and diverse as the county's landscape itself. The Congolese are spread across the country's 11 provinces (which were to be increased to 25 by 2009 in accordance with the new constitution); 20 major cities and 199 territories or localities. The largely rural nation is made up of some 250 ethnic groupings who speak about 700 dialects, though French, Lingala, Kongo, Swahili and Tshiluba are official or commonly spoken languages.

It was in this complex interplay of geography, history and demographics that the first group of DPSA officials set out on a maiden voyage with the sole objective of counting the number of public servants in the employ of the then newly installed transitional DRC government. Without much baseline information to begin with, theirs was no easy task. For decades, the DRC had been on the tenterhooks of internecine conflict and had, as a result, become a so-called 'failed state' marked by political meddling and abuse of the public service. In the opinion of Honourable Sisa Ngombane, former South African Ambassador to the DRC (interviewed in November 2006):

"The political system could not hold and was for decades characterized by instability. [The public service had been characterized] by successive shadow civil servants [brought along] by successive incoming ministers [and as a result there] was no continuity and [institutional] memory was difficult to retain."

Past public service reforms

The signs of the system's breakdown were obvious, even at the height of President Joseph-Desire Mobuto's reign. However, the first attempts to decentralize certain human resources functions in the 1970s did not achieve the desired outcome. It only served to exacerbate nepotism and corruption further. In the 1980s, the move towards decentralization was reversed, which was yet another failure. It further contributed to the bloating of the public service and the creation of 'ghost' employees in the system. According to people who are intimate with the history of the DRC public service, these responses to the crisis in the public service were not so much reforms in the true sense of the word. They argue that such attempts were mere tinkering with the system, which was either meant to close up cracks or consolidate Mobutuism. For example, three major public service reform initiatives that promised a respite from the stranglehold of excessive centralization within the public service were launched in 1982, 1983 and 1995. These never really took off. The 1983 decree hoping to establish a central computerized database of public servants collapsed, allegedly after saboteurs planted a virus in the system. More genuine reform efforts came in the wake of the 1997 ousting of President Mobutu from power by General Laurent Desire Kabila, who soon afterward embarked on a massive programme of national reconstruction. But yet again, any hope of breaking away from the country's violent legacy seemed to disappear with the May 2001 assassination of President Laurent Desire Kabila, who was immediately replaced by his son, President Joseph Kabila, as head of state.

A pen sketch of the Census Project

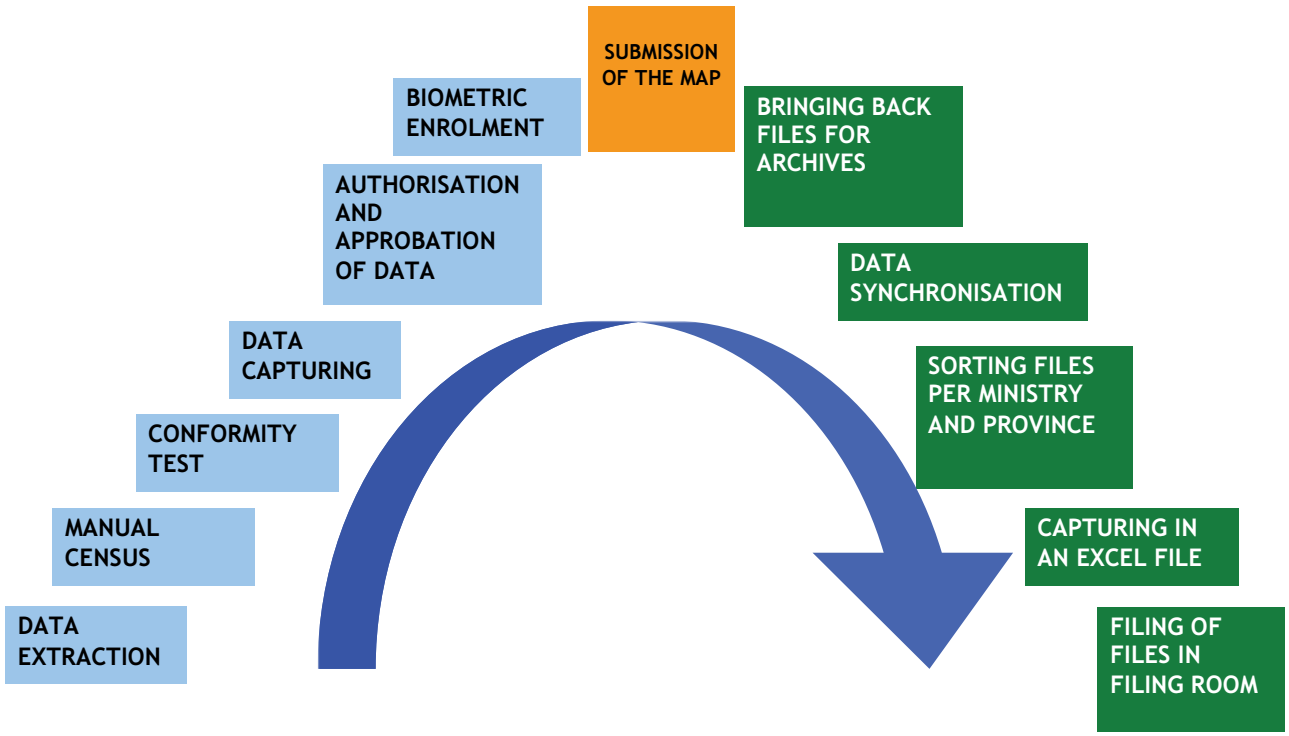
Challenges facing the public service

A variety of challenges have historically bedevilled public administration in the DRC. Management systems have been sorely lacking and there has been no accurate census database that could indicate the exact number of public servants and thus provide reliable information for future human resources planning. Further challenges included, among others, the following:

- The absence of a system to monitor the movement of civil servants and/or their career progression.
- No information on the skills and the capacity of public servants.
- Endemic corruption and nepotism.
- Disorderly promotions without clear criteria, poor salaries and no pension fund.
- Low staff morale and a lack of basic administration skills.
- Poor work attendance and adherence to working hours for various reasons.
- An ageing public servant profile (55 years and over) and lack of incentives for attracting younger staff.

According to the available payroll information before the Census began, it was estimated that there were approximately 660 000 public servants in the country as a whole. It was also estimated that at least 50 per cent of the public servants included on the payroll of the DRC government were ghost workers or public servants who did not actually exist. Of the total, an estimated 100 000 public servants were due for

CENSUS PROJECT METHODOLOGY



retirement. Such estimates strengthened perceptions that the public service was bloated and that corruption was rife. As alluded to in the earlier parts of this case study, the primary objective of the Census Project, according to an early strategy document, was to ascertain the profile, size, gender, terms of employment, age groups, occupational categories and grades in the DRC public service, beginning in the Kinshasa City Province. The political principals of the respective South African and DRC ministries identified and agreed to five principles that they deemed critical to benchmarking the progress and milestones of the Census Project. These are, in the context of this case study, collapsed broadly into three areas:

- Methodology (which dealt with process issues)
- Credibility of the database (implying outcomes)
- Ownership of the project (suggesting sustainability)

Implementation methodology

The DPSA census team worked with the DRC Ministry to formulate a suitable strategy, approach and methodology for the Census within a relatively short time period (three weeks in December 2004). Conceptually, the design of the census methodology incorporated elements of international practice as critical success factors based on a literature review of international experiences with public service censuses in eight different countries. The baseline research further gathered data in the DRC through face-to-face interviews and focus group discussions with key staff in the Ministry of Public Service. It also relied on the experience of both the DRC and South African team members with previous census projects and/or cleaning of payroll exercises, with some of the latter having been involved in similar exercises in Lesotho, Limpopo and the Eastern Cape.

The methodology of the Census included two separate headcounts of staff, referred to as the first and second headcounts, both of which were partly manual and partly electronic processes. The two separate headcounts were for check-and-balance purposes and ensuring the accuracy and completeness of the data. Altogether 11 different fields of

information were included in the census forms, which were replicated in the census database software. Provision was also made for signatures on the census forms to confirm the authenticity and correctness of the information provided.

First staff headcount of public servants

- Public servants presented and identified themselves at the designated census points to provide the required census information directly to Census Field Workers who completed the census forms under the supervision of Census Co-coordinators. Public servants were also required to provide identity documents and letters of appointment.
- The census forms were then returned to the data capturing centre at the Ministry of Public Service in Kinshasa, followed by an intensive process of quality assurance. The particulars of public servants on the census database and the census forms were stored in a central registry for control purposes.
- A process of conformity testing was then undertaken to determine the legitimacy of appointment of the participating public servants. Illegitimate workers and ghost workers were identified in the process.
- Thereafter, the census information was provided to the Ministry of Budget (finance) for the provisional updating of the salary payroll and temporary identify cards were issued to the public servants.

Second staff headcount of public servants

- Public servants presented themselves at the Ministry for Public Service where they verified whether the information that was captured on the personnel database

during the first staff headcount was correct. At the same time, errors were updated and fingerprints and photographs taken and captured on biometric enrolment stations. Thereafter, fingerprint reading was done on the Automated Fingerprint Information System. In the process, further ghost workers were sometimes identified.

Identity cards

- Public servants were finally issued with interim identity cards once there was certainty about the quality and integrity of the payroll information on public servants.

The project implementation approach was organic and left enough room for flexibility. It also allowed for ongoing refinement and adaptation as lessons emerged from the coalface. The concerns raised during the Census Project case study research hinged on the lack of attention to details, which may be attributed to inadequate project scoping and/or a feasibility study. Such an undertaking would have thrown some of the inherent contextual complexities of the Census Project into sharp relief. For example, a comprehensive scoping exercise would have made it possible to mitigate anticipated obstacles in general. Instead, the South African project team "hit the ground running" and thus had little insight into the project's terrain, let alone understanding the language and culture of the country.

> *"Not one of us from the team was a logistics specialist or expert and not one of us really understood the country. If we understood the logistical challenges better at the beginning of the project, I think we would have designed a different software solution, different hardware solution, etcetera, and we would have been far more realistic and conservative," reflected one of the members of the pioneer DPSA Census Project Team, Marietjie van Niekerk.* (Interview, January 2007)

Credible database of public servants

Despite the onslaught of diverse obstacles and the huge gap between the launch of the Census Project in February 2005, beginning with the rollout in Kinshasa City Province and its long due finalization, a strong case could be made that the project had undoubtedly reached critical milestones during the period under review. According to a 2007 Census Project progress report, out of the 112 897 manually registered public servants in the Kinshasa City Province at the time, 66 000 had been processed and 43 000 of the processed cases had been manually enrolled into the database system. However, the overall process in the Kinshasa City Province phase of the Census Project was only completed in July 2007, two years after the project launch and rollout of this phase. The delay was attributed to a multiplicity of factors, chief of which revolved around the finalization of unresolved cases (or contested outcomes) and intermittent information technology (IT) and other related problems. Even then, the final results of the exercise were only released after the finalization of enrolment and validation of the data in March 2009, which officially put the number of public servants in the Kinshasa City Province at 133 965, according to a recent Census Project report.

Of the total number of confirmed public servants, 33 000 were new recruits into the public service. In other words, these were people appointed either before or between January 2005 and March 2010. However, it is worth noting that, despite the deadline and other challenges with the rollout in Kinshasa, the Census Project rollout continued undeterred to other provinces. By mid 2007, for example, 95 per cent of the 281 177 public servants registered in the country's 10 provinces had gone through the manual steps of the Census Project processes. The details on how the process unfolded in the provinces, however, are the subject matter of the second part of the documentation on the Census Project.

> *"Generally speaking it [the project] is a success because our administration is being computerized. It was never computerized. So, we have succeeded in re-establishing archives which we did not have. Now we are able to present figures for each ministry and are able to say this is the number of public servants per ministry, per province," commented former DRC Cabinet Minister and former Public Services Minister, Madam Charlotte Twamba,* (Interview February 2007)

The Census Project was, even then, arguably poised towards achieving its primary objective, namely a comprehensive headcount of public servants in the DRC. As stated, one of its benefits was the creation of a useful, clean database of public servants countrywide. The exercise had, in the Kinshasa City Province alone, virtually slashed the public wage bill by over half. It also became a useful source of information for other aspects of the broader public reform initiative, *inter alia* the World Bank-led project looking at the management of aspects relating to the retirement of public servants.

Because of its domestic and international significance, the progress of the Census Project was keenly watched and followed. A lot was predicated about its success or failure, especially regarding the credibility, integrity and sustainability of its outcomes. Stakeholder perceptions of what had been achieved during the implementation of the Kinshasa phase of the Census Project were varied.

"To me we can base the figure on 90 per cent," according to the Census Supervisor, Madam Angie Bulemi, when asked to rate the success of the project. "We need to acknowledge that there may be some elements that are escaping from our control. It is all about the goodwill and the willingness of our public servants. Basically, up till now we cannot be 100 per cent sure about the reliability of the system." (Interview February 2007)

On the other hand, a labour representative warned about potential litigation by aggrieved public servants, not only around the census process but also on issues around unresolved or rejected cases:

"How can you explain the fact that for the period of five years or ten years the public servant has been paid and was appointed for a specific position but the computer feels that the public servant is a false act [employment] because the identification number is not acknowledged? So, those are the judicial issues to be dealt with before taking the reformation process to another level," commented Emmanuel Nsala, a labour representative from the Inter-Professional Force. (Interview March 2007)

Process and project ownership

The ownership of the processes and project by the DRC was a significant success and sustainability factor. It had a huge bearing on the momentum of the country's general public service reform programme. The 2004 BNC Agreement and its subsequent extensions were indicative of the high political support the project enjoyed. Consistent support in this regard on the part of the DRC government was incontrovertible. The DRC government demonstrated, both in terms of the overall management structure of the project and in practice, this sense of ownership, without which movement or progress would have been impossible.

Up until the historic 2006 national elections, the first in four decades, the Census Project and much of everything else operated in somewhat of a political void, despite the existence of a transitional government. The new-found legitimacy bestowed on the political ownership and patronage of the Project was anticipated to speed up the resolution of outstanding institutional issues, such as the setting up and financing of operational costs for the census unit, which was

deemed a central sustainability and ownership instrument.

A major cause of the delay, as experienced with the winding up of biometric enrolment in the Kinshasa City Province, pointed to chronic problems with regard to IT and related issues, such as the capacity of local technical staff to run with the system once outside services providers exited. These were further complicated by an unclear contractual relationship involving the South African IT service company. SITA, the South African State Information Technology Agency, drafted and facilitated the contract between the IT service provider and the DPSA. But whether or not SITA was expected to manage the contractor was unclear, especially in light of the dearth of IT expertise, both among the Congolese and the South African project teams, which resulted in intermittent IT-related problems in the early days of the Census Project.

"The technical problems that we have are, first of all, the maintenance of our IT equipment. This maintenance is not systematic and is irregular due to lack of internal financial resources ... maybe the South African partners did not think about that. The second factor is the issue of training. We have data capturers who have been trained for applications [but] this training is limited because what is important is that they have to be fully knowledgeable about the system itself. That is why we remain dependent on [the IT company] when there are a few technical problems," according to the Census Project DRC General Manager, Louis Ibonge. (Interview March 2007)

Some of the local Census staff employed as system administrators confirmed that training was indeed provided, albeit menial or task specific. They said that there was little systematic transfer of technical skills and software applications training by the IT service provider, which reduced local problem-solving capacity and increased dependence on external IT expertise. However, some of the IT personnel with aptitude and confidence managed to progress to an extent where they could attempt to resolve some technical problems on their own when they arose.

"I would like to speak from a personal perspective. What seems to be hurting me is while we are busy working here is that people do not have the opportunity to innovate or come up with something brand new. [The] people from the service provider company were performing some tasks in seclusion and [only] came up with the results either to teach you how to handle the result or you [had to] reconstruct how they came up with the results. Yet, when they are busy conducting the work, they should get people involved because the more time we spend together, the more knowledge we can acquire. That has been the case, for example, with the restoration of the database ... We are facing challenges that were not foreseen with the little training that we have acquired," said a system administrator. (Interview March 2007)

Emerging issues and lessons learnt

Project feasibility and scoping

Although the objective of the project was straight forward, the broader context of the project was not. This made the requirement for comprehensive scoping an absolute necessity, especially given the fact that the pioneer team was literally plucked out of its native department and thrown in at the deep end of the DRC Census Project. The team had very little sense of the project context and very little time to learn because of the pressure to demonstrate quick wins:

"There was scurrying and flying between Johannesburg and the DRC ... with meetings this end and meetings that end, trying to assess what it is that the DRC wanted to achieve and to come up with a project strategy almost overnight. We were given something like ten days to [develop the] budget for this project," reflected Trevor Holdsworth, project leader of the DPSA pioneer group. (Interview, January 2007)

The high-pressure nature of the project's entry phase, coupled with erratic scoping and non-existent feasibility studies, had an overall knock-on effect on the design and operational elements of the Project. The impact was acutely manifest in recurrent technical and infrastructural challenges in the first two years after the launch of the Project. Similarly, lessons learnt from past projects in South Africa, notably the Interim Management Team (IMT) intervention in the Eastern Cape provincial administration, are indicative of the fact that the lack of or inadequate scoping is often the single most biggest flaw in support or intervention initiatives of this nature. Local South African 'Delta Force'-like intervention approaches, which typically involve parachuting a crack team down on a crisis area (often subsequent to urgent and high-level requests), at least have the benefit of local knowledge, experience and familiarity with the terrain on the part of the teams. Moreover and to the benefit of the teams, such interventions are predicated on the existence of a solid public

service infrastructure to ensure sustainability, which was not the case with the Census Project in the DRC.

A similar approach was followed in the case of the DRC Census Project, but without the prerequisite conditions for its success, namely, a firm grasp of the terrain and guaranteed administrative support. Lessons emerging from the benefit of hindsight suggest that the position of the pioneer team would have been greatly strengthened had it adopted a more integrated or synergic approach to its pre-project scoping. It is not clear, for instance, whether the expertise within the DPSA's African and International Affairs (AAI) unit was exploited as part of the scoping exercise. The case for developing synergic relationships was made in an undated internal DPSA document, *Lessons learnt (or unlearnt),* which suggested avoiding the 'not-invented-here'-line of thinking and exploiting possibilities for re-use, synergies, partnerships, professional experience and advice. In the case of the DRC, the success of the Census Project could have been enhanced greatly by tapping into the resource base of fraternal departments that already had a footing in the country. These include Statistics-SA, the South African National Defence Force (SANDF), the South African Polices Services (SAPS), the Independent Electoral Commission (IEC) and Vodacom. Moreover, the pioneer team appeared not to have been privy to some of the back-office processes that usually precede intergovernmental cooperative agreements. As a result, it was deprived of potentially useful insights for the interpretation and implementation of its mandate, as Van Niekerk observed. (Interview, January 2007):

> *"I think it is very difficult. I think what would have made it easier is that some of the officials [who] are going to be involved in the design and implementation of the project are also involved right from the beginning, even before bilateral agreements are reached, and that proper time is allowed to do some pre-scoping before such agreements are signed. I think that will make it much easier. Also, I often think the agreements are reached without us having done any economic, financial or institutional [assessments]."*

Information technology

From the onset, the Census Project was very explicit about avoiding a purely technical or IT-dominated approach to the public service census. It was felt that a healthy balance should be struck in the interface between people and machines, given the limited understanding or low skills base in this area. The underlying thinking was along the lines of providing 'appropriate technology', or the kind of technology solutions that would take people along through due consideration of the project environment's unique circumstances.

Such an approach was not only meant to mitigate the inherent fears and suspicions that are often associated with the unfamiliar. It was also intended to avoid a situation in which the Congolese would end up with expensive computer infrastructure that is of little use. While the project was at pains not to give IT too much pre-eminence, the centrality of IT as a success or failure factor could not be wished away. In hindsight, careful thought around this crucial aspect of the project would have had a bearing on the configuration of expertise deployed by South Africa to the DRC, especially at the design and planning stages of the project. The lessons that emerged in this regard suggest that much thought should have been given to the competency mix of the project team in terms of project management expertise and IT expertise.

Location and expertise

Was the census project best located within the Department? For example, would it have made a huge difference if the project was led by the Office of the Government Chief Information Officer (OGCIO) instead of the Government Internal Consulting Services (GICS)? Or were SITA or Statistics-SA better located to initiate and lead the Census Project, taking into account the considerable IT expertise of the former and the statistical modeling experience of the latter, particularly around conducting population censuses?

A lesson learnt with regard to the location of the project and the configuration of the pioneer team is that it would have been more sensible to load the set of expertise more in favour of IT, especially at the critical project initiation phase. The pioneer team was instead manned by people with indisputable institutional change, process and project management expertise and experience, but with very little IT expertise. In the long run, however, this did not turn out to be the best option, since the IT service company engaged in the Census Project ended up simultaneously playing the roles of IT solution service provider, specialist project manager and advisor. In other words, the company was essentially a player and a referee in the context of uneven IT expertise between itself, the DPSA contracting party and the DRC as beneficiary. It was only a year later after the signing of the contract with the IT services company that this flaw in the relationship was somewhat rectified. The DPSA IT specialist seconded to the Census Project concluded that the IT aspect of the project "was not very good".

"There are things which non-IT people cannot just pick up [and] there are cases, many cases, in which contractors can take advantage. When we started [to] analyse all the contracts [and] the service level agreements [we found] many gaps, we [found that certain] things could have been avoided, if the expertise was brought in earlier," observed DPSA IT specialist, Venko Evtimov. (Interview, January 2007)

For example, at the time the 40 mobile workstations or 'suitcases' that played a crucial role in the more stable environment of the Kinshasa phase were deemed as of doubtful use, especially for possible deployment to the harsher environs of the provinces.

> *"The one area where there is doubt about value for money is the Mobile Work Stations equipment. The project is currently not even halfway through its life-cycle, yet these work stations can hardly be used by workers. This proves the worthlessness of the machines. Until someone proves the contrary, there is no doubt that, under the current working conditions, the work stations are ill-suited,"* concluded a December 2006 Draft SITA Evaluation Report .

Contract and change management

The relationship between the IT solutions company and the Census Project has been a source of much documented grief. The blurred contractual agreement among the three parties, SITA, the DPSA and the said company, was not of much use at all and generally worked in favour of the IT service provider. The contract did not provide for penalties in case of underperformance, which, as noted before, was even made more difficult to monitor and manage in the context of inadequate IT technical capacity.

Projects are most often about people, both as beneficiaries and as implementation agents. Yet, project-specific change management, which deals with people factors such as attitude change or cultural nuances, is usually overlooked. When change management among staff and stakeholders does get undertaken, it is often merely reduced to an 'aggregate of projects', instead of being mainstreamed into the project plan and its implementation. Although the challenges wrought about by the lack of comprehensive change management are project-wide and linked intrinsically to scoping (or lack of), the impact was felt acutely with regard to IT solutions, which were without doubt the backbone of the project, especially during the pioneer phase

> *"If [IT service company for the Census Project] were doing a fantastic job and had a bigger understanding of the problems they were going to experience in the DRC, they would have instituted a change management programme that would ensure that all these things do not happen to them because they would have managed them from the very onset instead of reacting after the fact," concluded SITA Senior IT Manager, Mlamleli Mahamba.* (Interview, February 2007)

Conclusion

That the Census Project was launched and implemented in the context of considerable pressure is widely acknowledged. A confluence of underlying political tensions in the country, which resulted in violent clashes from time to time; bureaucratic self-interests and infrastructural and logistical challenges led to serious delays in the launch and implementation of the project and escalated the costs of the Project. Nevertheless, the Project has, thus far, been successful and many of its objectives were met during the period under study.

The Census Project has emerged as a shining example of the steely resolve and will of both the political principals of the DRC and South Africa, as well as the respective project teams. It undoubtedly reached critical milestones, despite the onslaught of diverse obstacles, and began to deal decisively with historical public administration issues that have plagued the DRC public service for many years.

At the time of conducting the research for this case study, the Kinshasa phase of the project was nearing completion. Subsequent developments and reports confirmed the finalization of work in this important pilot phase for the national rollout of the Census Project to provinces, which is currently at an advanced stage. More critically, the object of the Project was greatly strengthened by the adoption of a new Constitution for the DRC following the 2006 national elections. The adoption of the new Constitution has an obvious bearing on the nature and form of the future DRC public service and the long-term sustainability of the Census Project. More critically, it also informed the development of a legislative regime, including the drafting of an Organic Law on Public Administration and the decentralization of public administration as an exclusive provincial competency in the post-election period.

The case study on lessons learnt from the Census thus far is not in any way conclusive or exhaustive. Rather, it foreshadows ongoing documentation of the unfolding Census Project. It is hoped that, despite its limitations, the Census Project case study will inform methodological and focal areas of the next phases in the ongoing documentation of the DRC Census Project significantly as work expands to the remaining provinces. ■

Minister of Correctional Services, NN Mapisa-Nqakula

Tough on Crime, tough on the Causes of Crime

The Department of Correctional Services continues to base its programmes and the transformation of the correctional system on the commitment that imprisonment should be aimed at re-education and reintegration and not vengeance, writes Ms NN Mapisa-Nqakula, Minister of Correctional Services.

Last year, we committed ourselves to focus on the need to accelerate and enhance the transformation of the Department of Correctional Services (DCS) into an effective and integral component of our country's rejuvenated Criminal Justice System (CJS).

We remain focused on the ANC's commitment made during the Congress of the People in 1955 that 'all people shall be equal before the law'. It further committed us to ensure that 'imprisonment shall be only for serious crimes committed against the people, and shall aim at re-education and not vengeance'.

The above formed the basis on which the 2005 White Paper on Corrections was developed and supports our believe that a focused and deliberate transformation of the correctional system, both concerning its systemic and organizational foundations, should ensure that emphasis is placed on rehabilitation and the successful reintegration of offenders as opposed to merely providing security incubation during the period of incarceration.

> "... Despite the current budget constraints, particularly concerning expenditure on employee compensation, the Department has identified various categories of critical vacancies to be filled during the financial year ..."

As an ANC government, the premise of our policy emphasis is based on our understanding that offending behaviour in our society, including crime, is a reflection of deep-seated social problems resulting from our socio-economic and political realities. The fact that our offender population comprises mostly young people, including children as young as 14 years old, bears evidence of this reality. Hence, therein should lay our solutions.

Having visited our correctional centres on an ongoing basis, I am even more convinced of the correctness of our policy basis. Although there is room for improvement, all our success stories in correcting offending behaviour point to strong participation of offenders in rehabilitation and developmental programmes, including skills development, mentoring and counseling.

We place greater emphasis on programmes aimed at correcting offending behaviour and ensuring that the majority of our offenders are readied for reintegration through the active involvement of victims and communities.

This is not a new thinking, nor is it a paradigm shift. It was already adopted in the

* *This article was adapted from the 2010 Budget Vote Speech of the Minister*

spirit and letter of the White Paper on Correctional Services. However, henceforth it is going to be our emphasis and the basis of our policy, our planning and our operational objectives.

I am acutely aware of and concerned about the fact that, currently, close to 69 per cent of our R15 billion budget is spent on employee compensation. While it is our intention to review this situation in favour of our commitment to the White Paper, we need to understand that correctional services is a people-driven business.

What we need to do is to analyse our human resources capacity to determine whether our resources are utilized optimally. Part of the work in this regard has started with the migration of non-centre-based staff to centres as part of the Occupation Specific Dispensation (OSD) processes.

For us to succeed, the Department requires a massive investment in the development and implementation of the Case Management Cycle and sentence plans for offenders at our centres. This Cycle should include the necessary integration of corrections, development and care on the one hand, and community corrections and reintegration on the other hand.

I will outline the main pillars of our intervention plan for the Budget Programme Management, as well as our overall road map towards the realization of the objectives of the White Paper later on in this introductory address.

But, firstly, I would like to highlight progress concerning some of the key pronouncements and undertakings that we made during the presentation of the Budget Vote last year.

Work has started with the development of the framework aimed at defining the role of an offender labour force in the development of communities and the Department has made good progress in identifying categories of critical vacancies to be filled during the financial year. Subject to changes to the Correctional Services Act, it will, furthermore, be possible to implement the policy on medical parole, which has been developed by the National Council for Correctional services.

As far as addressing the problem of overcrowding, we maintain our standpoint that the real solution lies in the success of our rehabilitation programmes, the managed

release and reintegration of offenders and the integration of processes within the CJS. A ministerial task team comprising independent members has been appointed to conduct various audits to assist us in implementing provisions of the law in terms of the release of inmates who remain in our facilities on account of minor crimes, those who are first-time offenders and those who had served the requisite period of their sentences but had not yet appeared before a parole board for the consideration of their cases.

An interdepartmental task team has been appointed to investigate the *modus operandi* concerning the establishment of a Remand Detention Branch to manage matters relating to trial-awaiting detainees, while a Video Remand Court system has been established that can link trail-awaiting detainees to the court via a video facility. This will help us to manage both our human and financial resources better.

While the Kimberley correctional facility has been commissioned fully, we have identified a number of small

centres with an inappropriately high inmate/staff ratio. We, subsequently, tasked an audit of such facilities to develop a plan for their possible rationalization. We have also commissioned the CSIR to conduct research that will help us set optimum sizes for our facilities to allow them to function at optimum capacity and efficiency. In addition, we have decided to proceed with the procurement of four new facilities through the Public Private Partnership (PPP) model and the provision of facilities for women, the education of juveniles and psychiatric care of inmates will receive attention.

We are not happy about continued escapes from our facilities and have, among other things, set up an interdepartmental team comprising the DCS, the police and the National Intelligence Agency (NIA) to investigate specific incidents. I have also instructed the Department to investigate the problems relating to our surveillance systems and measures to strengthen the security at all our centres. We are particularly keen to see the development of adequate capacity for vetting within the Department during this Medium Term Expenditure Framework (MTEF) period.

The Seven-day Establishment is now fully operational at all our centres. However, we will monitor the level of cost-saving benefits due to the reduction of overtime payments and we will allow flexibility so that centres can implement the most

suitable shift system to ensure that there is always adequate capacity for security and service at all centres.

Monitoring of the Act Project with the Open Society Foundation

As part of the Compliance Improvement Plan, the Department is finalizing an electronic monitoring tool to be used to monitor compliance with the Correctional Services Act and the White Paper.

We will continue with the process of realigning and redefining our business, support and delivery models. This will be done to improve our budget programme management, the planning and monitoring of operational plans and to ensure performance compliance.

We are currently in the process of appointing a Chief Financial Officer (CFO) and one of the key priorities of the new incumbent will be to review our budget programme structure. This work will include the reprioritization that is required in favour of funding our core business, while helping us to avoid wastage and identify immediate opportunities for savings.

We are presenting to you a total budget of R15.1 billion for the first year of the MTEF, which will grow at an annual rate of 9.7 per cent over the next three years to R18.2 billion. The budget allocation includes allocations to cover further implementation of the OSDs, the increase in the bed capacity of some of the existing centres and expenditure relating to the procurement of the additional four PPP correctional centres. Additional funds are also allocated over the MTEF for the DCS vetting field unit and the installation of biometric access and x-ray equipment at 16 facilities.

In the recent past, I have received several enquiries about the work that we have been doing with regard to the report of the Special Investigating Unit (SIU).

Investigation report

An investigation report into allegations of irregularities in the procurement of certain services by the DCS was received from the SIU on 8 September 2009.

The SIU intervention in this investigation was authorized by Presidential Proclamation.

As a result of the findings of the SIU, the following steps were taken:

- A disciplinary enquiry has commenced against an official implicated in the report.
- Internal steps have been taken to address certain systemic problems identified by the SIU in the procurement processes of the Department, some of which were in fact addressed parallel to the investigation.
- In accordance with the SIU Act, the report has been handed over to the National Prosecuting Authority (NPA) for further investigation into matters. This may result in the institution of criminal charges. The NPA has since referred the report to the Serious Commercial Crimes Unit of the police for a thorough investigation of all the matters raised. It is important that we understand that the police should be given an opportunity to deal with this matter and determine the process going forward.

Questions have also been raised about why we have not signed a new contract with the SIU. From where I stand, I need to have a clear understanding of the scope and specific issues for such a new contract to avoid entering into an open-ended agreement for engagement.

Previous experience has shown that any open-ended contract with the SIU, without a clear determination of scope and time frames, will result in serious financial implications for the Department. The previous engagement, which was supposed to have been for a year, ended up extending to four years and costing the Department a total amount of R36 million. I am sure you can agree with me that given our current financial situation it will be necessary that we consider such financial implications.

Strengthening the parole system and education

We will move with speed during the next financial year to finalize our work aimed at strengthening the parole system. We are determined that the parole system should serve to enhance the process of rehabilitation and deal with cases of recidivism. We intend to revitalize our participation in Community Safety Forums to ensure community participation and facilitate victim involvement in parole processes. We will be appointing parole boards for a new five-year term starting on 1 July 2010.

We welcome the coming into effect of the Child Justice Act and that children under the age of 18 will no longer be incarcerated under our system. However, it is still my strong resolve that no child who is of school-going age and spends time in one of our juvenile centres should, after having served

his or her sentence, leave such a facility without having received some education. Again, this is in line with our commitment in the Freedom Charter that education shall be free, compulsory, universal and equal.

In addition to this, I have also requested that the Department develops a framework for the implementation of programmes that will ensure that there is no offender who does not participate in development programmes. This may include work, schooling and vocational training in accordance with the needs and category of offenders.

While we have been processing the possible release of certain inmates serving life sentences, it has been a painful realization for me that some of the people we were considering for early release never gained any skills or education during their long periods of incarceration. Without exception, all these inmates were sentenced in their teens and are being released at ages between 40 and 47 without ever having benefitted from the educational and development programmes offered at facilities. It is because of this that most of them are not employable and return to a life of crime when they are released. It will also be important to investigate how we can start to deploy revenue generated from our production work back into direct funding for development programmes in the medium and long term.

Conclusion

I will be the first to concede that some of the challenges that we have to deal with are indeed serious, but none are insurmountable.

The President declared this to be the year of Action! We agree, and declare ourselves ready! ■

Creating a Future *for our Environment*

Ms BP Sonjica, Minister of Environmental Affairs, affirms her Department's commitment to afford future generations access to the same resources and natural assets that we are enjoying today.

Minister of Environmental Affairs, BP Sonjica

Tata Nelson Mandela walked out of the Victor Verster Prison 20 years ago after spending 27 years in incarceration for the sake of the freedom of our people, harbouring no trace of bitterness or animosity toward those who placed him behind bars. His exemplary stature taught us to be selfless and dedicated in pursuit of the betterment of the lives of our people. Through the policies and programmes of our Department we will ensure that we give credence to Tata's vision of 'making tomorrow better than today'.

When the gates of Victor Verster were flung open, he took those memorable first steps that symbolized the many steps we were to take in our quest to move our country to a new era of sustainable development that would benefit all our people irrespective of race, creed or station in life. The emergence of Tata Nelson Mandela out of incarceration further symbolized the emergence of a paradigm where, as a nation, we recognized that, while development should benefit us today, we should not deprive future generations access to the same resources and natural assets that we are enjoying today.

** This article was adapted from the 2010 Budget Vote Speech of the Minister*

The 2007 State of the Environment Report is quite revealing in its reminder of the damage we continue to inflict on our environment. It highlights the deteriorating condition of the South African environment and the right to a healthy environment as articulated in the Constitution. Although we recognize the role of other government departments, we respond directly to outcome ten that demands of us to "protect and enhance our environmental assets and natural resources".

The financing and resourcing of the environmental sector, in particular in provinces and municipalities, are not high up on the agenda. We are working closely with National Treasury to explore fiscal instruments like the emission tax as pronounced by the Minister of Finance and the current plastic bag levy in an effort to generate significant revenue for these sectors.

South Africa joins other nations of the world in observing 2010 as the International Year of Biodiversity (IYB). This is an opportunity to heighten awareness about biodiversity, which we will continue to pursue in partnership with our partners in the sector, the South African National Biodiversity Institute (SANBI) and South African National Parks (SANParks). This is a celebration of life on earth and recognition of the links between biodiversity, ecosystem services and human well-being.

Rural development

As part of our strategic focus and in response to the broad government inclination towards rural development, we will ensure that the integrity of ecosystems on which rural economies are based is enhanced and protected. We will work together to speed up economic growth and transform the economy to create decent work opportunities and sustainable livelihoods.

We have set aside R400 million for the ecotowns programme that we are rolling out to ten municipalities. Project *Buyisela* is an initiative led by our Department in partnership with *Indalo Yethu* and the Department of Water Affairs. This initiative aims to create ten ecotowns modelled on sustainability as a legacy project that will serve as a framework or blueprint for other towns to follow. *Buyisela* means giving back or restoring, which in essence captures the thrust of cleaning and greening efforts that go beyond just

lawns and trees to create bio-recreational spaces for our people to enjoy their neighbourhoods while also protecting and enhancing the quality of open spaces that have the potential to become the breeding ground of criminal activities.

In the midst of the world economic meltdown, the United Nations Environmental Programme (UNEP) called for a Global Green New Deal (GGND) in terms of which governments are encouraged to support economic transformation to a greener economy. It should promote sustainable and inclusive growth to achieve the Millennium Development Goals (MDGs) and reduce carbon dependency and ecosystem degradation.

In responding to this international context, we will work towards the development of a National Green Economy Strategy. Hence we will be hosting a Green Economy Summit that will be used to define the key elements of the strategy and to gain valuable insight into key areas of focus and issues requiring attention in the short, medium and long term.

Working together we need to act now to mitigate the effects and adapt to the impact of climate change.

Climate change

Climate change poses an enormous threat to economic growth, sustainable development and our ability to achieve the MDGs. By 2080, about 70 million people and up to 30 per cent of Africa's coastal infrastructure could face the risk of coastal flooding because of a rise in the sea level and an increase in storm intensity and frequency over the oceans.

Climate change threatens Africa's food security and some parts of the continent are expected to experience a reduction of more than 50 per cent in agricultural yields by 2050. The oceans, covering 70 per cent of the earth, play an important role in the climate change debate, particularly concerning their role in providing moisture for rain. The western parts of South Africa are projected to become drier, with considerable impact on some key agricultural sectors expected, resulting in an accelerated loss of biodiversity, particularly *fynbos,* as well as chronic water shortages as we have seen in the past two seasons in the southern Cape.

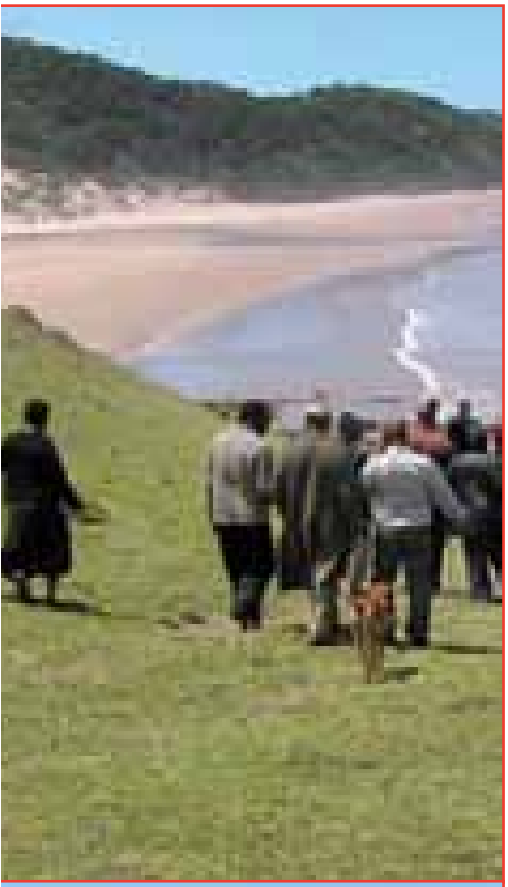
In addition, the north-eastern parts of the country are expected to get wetter with a highly energized climate, risks of flooding and damage to property from tornadoes.

In response to these challenges we will release a National Climate Change Policy and White Paper that should be concluded by the end of 2010. The Policy will further build on a broad understanding of what can be done by all stakeholders, for example, government, business, labour, civil society and individual citizens, to take action to reduce greenhouse gas emissions.

More needs to be done to prepare our communities and arm them with information to demystify the climate change debate and secure their informed understanding of human activities that contribute to climate change. We will use our public participation engagements to spread the message of climate change.

This year marks 150 years since the establishment of the South African Weather

"... More needs to be done to prepare our communities and arm them with information to demystify the climate change debate and secure their informed understanding of human activities that contribute to climate change. We will use our public participation engagements to spread the message of climate change ..."



Services (SAWS). In celebrating this achievement, the theme, '150 Years of Service to South Africans' has been chosen to showcase the wealth of climate data and information we have as a country that inform policy and strategies concerning climate change adaptation measures.

Working together to conserve and protect our oceans and coasts

The Integrated Coastal Management Act came into operation in December last year. We regard this as a significant milestone representing our first legislative instrument towards a holistic and integrated approach to the conservation and management of the South African coastline.

There is recognition of the challenge concerning the management of ocean space in our adjacent ocean areas. The threats of climate change, including the severity and frequency of storms, droughts and other extreme weather events, can only be appreciated when we understand the physical processes that occur in our adjacent ocean areas. This warrants a comprehensive ocean strategy.

Marine protected areas continue to be a significant conservation tool for the protection of marine biodiversity. Historically, they have been associated with dispossession and exclusion of vulnerable communities from access to natural resources. The Department will continue with its efforts to optimize the effectiveness of such areas, both offshore and inshore.

Estuaries, the interface of river and sea water, represent important water bodies crucial for the functioning of our ecosystem. Of the 200 estuaries found along the South African coast, 25 per cent are in a degraded state. This degradation is due to inappropriate developments along the banks and in the catchment areas. The Department will focus its attention proactively on these degraded systems and will prioritize the development of management plans that will seek to improve the functioning of estuaries in associated hinterlands.

An environmentally friendly Africa and globe

In May this year, we repatriated species of black rhino not indigenous to our country to Tanzania. About two decades ago, eight individuals of this rhino species, *Diceros bicornis michaeli,* were imported to our country and kept at Addo Elephant National Park. I am happy to announce that, following a request by the Tanzanian Wildlife Authorities, we will be donating 32 of these animals to our Tanzanian counterparts, since the species has become almost extinct in its original habitat. This is one of those fairy-tale-ending stories where an alien species has become a gene pool to restock depleted ranges.

Through our leadership as President of the African Ministerial Conference on the Environment (AMCEN), we were able to transform the ministerial forum into the key voice of Africa on the environment. This was also evident in the role AMCEN played in crafting and galvanizing Africa's common negotiation position on climate change, which was taken to the United Nations Framework on Climate Change Conference of Parties 15 (UNFCC CoP15).

Furthermore, under our presidency, we have initiated a process for outlining a Comprehensive Implementation Framework on Climate Change for Africa, which

unpacks the climate change mitigation and adaptation initiatives to be embarked on within Africa.

In the Southern African Development Community (SADC) region our efforts are geared towards an SADC protocol on environment that will seek to support the development and implementation of environmental policies and legal frameworks in areas like biodiversity and conservation, focusing on Transfrontier Conservation Areas (TFCAs); environmental planning (Environmental Impact Assessment – EIA – process alignment across our borders, among others); climate change; air quality; pollution and waste management; ocean management; environmental education and capacity building; and regional meteorological initiatives.

At the recent climate change talks in Copenhagen, South Africa committed itself to reduce its emissions by 34 per cent by 2020 and 42 per cent by 2025, depending on the availability of financial and technical support. South Africa will host the Climate Change Conference of Parties at the end of 2011. As the Conference of Parties (COP) President after Mexico, we will be involved directly in attempts to advance the process towards an international climate deal. This is an opportunity for South Africa to make its mark and advance and position itself on the agenda of developing nations in preparation for the Conference of Parties to be held in Mexico in 2010.

That we will be hosting this big international meeting is a significant milestone for South Africa, especially in the light of the critical stage of climate change talks.

Fighting environmental crimes

Last year, we highlighted that environmental crimes were a source of great concern, requiring urgent intervention, especially given the fact that it is often committed by organized crime syndicates with international connections. To address these crimes adequately, enforcement and compliance capacity must be increased. However, this will only be effective if we were to bring the criminal justice system into the equation.

In the past two years, South Africa has been under tremendous pressure with the rising number of rhino horns being poached in public and private protected areas. The Department is establishing an interim national wildlife reaction unit specifically to

complement the work of environmental management inspectors, commonly referred to as the Green Scorpions. The aim is to respond to broader environmental crimes and wildlife smuggling activities in South Africa. We have to appreciate that this matter has huge implications, not just for us as South Africa, but also for the region.

Our Green Scorpions have also been hard at work in ensuring that anyone who flouts our environmental laws is brought to book. An example of this is the recent raids following illegal dumping of medical waste in the Free State. With a total of 4 661 environmental cases reported nationally from 1 April 2008 to 31 March 2009, we have a compelling case for the establishment of environmental courts.

Last year, I made a commitment to pursue the re-opening of environmental courts. I am happy to announce that I have engaged the Minister of Justice and Constitutional Development regarding the re-opening of time slots dedicated to the processing of environmental crimes in our existing courts. Our launch site was the Johannesburg Regional Court in Gauteng on 20 May 2010. Other pilot sites will include the Durban Regional Court in KwaZulu-Natal, the Nelspruit Regional Court in Mpumalanga and the Hermanus District Court in the Western Cape. Further roll out to other provinces will be considered on an annual basis.

Over time, we have trained over 300 prosecutors and over 200 magistrates on environmental crimes in preparation for this re-opening. We have also distributed Prosecutor Manuals on Environment Crimes to the National Prosecuting Authority (NPA).

Balancing the impact of development on the environment effectively

At the core of advancing environmental sector programmes, a number of frameworks and tools have been developed. I have published the new Environmental Impact Assessment (EIA) regulations that came into effect in July 2010. The last financial year saw steady progress towards the development and implementation of an environmental assessment system that is effective in enhancing environmental quality with efficiency in terms of both time frames associated with decision making and maximizing value for money.

This signifies a quantum leap for us in that, apart from aligning the 2006 Regulations with the new and improved act, the 2010 EIA Regulations seek to streamline the EIA process and enable integration with other processes such as water use licences, emission-to-air licences and mining-related approvals. It will also introduce an approach where sensitive ecosystems are treated with more care than those areas that are not under threat. That will be achieved through the introduction of a Listing Notice dedicated to activities planned for sensitive areas.

Conclusion

Let me end by reminding the reader that 2010 is the year of action as pronounced by the President in his State of the Nation Address. This article is indicative of our commitment and dedication to service delivery in synch with the mandate given to us by the electorate. ■

An Energized South Africa

Energy remains a key ingredient in moving the masses of our people out of their situation of poverty and underdevelopment, writes Ms Dipuo Peters, Minister of Energy.

Minister of Energy, Dipuo Peters

The global and domestic energy landscape

Energy shortages and sustained high energy prices have caused concerns globally about both the sustainability of supply and the affordability of energy for economic development and poverty eradication.

It is these concerns that have resulted in the re-emergence of energy security as a major policy imperative in almost all economies, both developed and developing.

This year, we will draft and publish an Integrated Energy Planning Strategy, which is expected to outline the requisite processes, systems and structures that will lead to the development of the comprehensive Integrated Energy Plan (IEP), as envisaged in the National Energy Act, 2008 (Act No. 34 of 2008).

In essence, the IEP will be an umbrella policy or plan that will act as a guide for the entire energy sector and in its formulation, supply and demand within the oil and gas industries and the electricity sector will be taken into consideration.

It is our considered view that we should develop a strategy before embarking on the development of the plan itself to ensure that all our processes and structures are fully inclusive and aligned with other government-wide processes, such as activities of the National Planning Commission.

* *This article was adapted from the 2010 Budget Vote Speech of the Minister*

It is also important for us to communicate clearly how we see this plan interfacing with the Integrated Resources Plan (IRP2) and to ensure that there is alignment between these plans.

Key to achieving our objective of developing the IEP will be for us to obtain relevant, comprehensive, up-to-date and quality data relating to:

- energy resources;
- production;
- consumption;
- environmental impact; and
- macroeconomic factors.

This data is hard to come by because it is often collected voluntarily, in pockets and often on an ad-hoc basis. This makes effective planning a challenge.

I have published regulations that aim to make it mandatory for different stakeholders to provide the Department with energy-related data on a periodic basis. The regulations also indicate the type of data that we seek, as well as the potential sources for such data.

During the course of the current calendar year, activities in this regard will focus on developing forms and mechanisms for collecting data from various sources.

Electricity

The electricity sector has never been as vulnerable as it is today. It has started to decline, particularly given the reality of the fact that our generation assets have been in operation for over 30 years.

The economic performance over the past quarter has indicated that we are emerging out of the recession faster than most countries have done globally. We find ourselves in a vicious trap where, on the one hand, our economy is growing due to the global economic upturn and, on the other hand, our ability to balance the supply and demand of electricity is under threat.

We thank President Zuma for his foresight in establishing the Interministerial Committee on Energy in a bid to ensure that the democratic government brings together almost all disciplines to usher in a new era for implementing our energy-mix policy that will catapult our country into a modern society.

Integrated Resources Plan (IRP): South Africa's Power Plan

Towards the end of last year, we promulgated an interim IRP1 to cover the period 2010–2013. The IRP1 sought to provide us with space to deal with stakeholder engagement; economic growth assumptions; engagement with intensive energy users in the context of energy conservation; renewable energy; demand-side management and energy efficiency initiatives; climate change imperatives; and to understand what the Southern African power pool could deliver.

The IRP2 currently under development will cover a period of 25 years and will put into effect our President's commitments in line with our long-term mitigation scenarios.

The decision of the World Bank to grant a loan to Eskom, the state utility tasked with the supply of electricity, will enable us to continue with our building programme and to broaden the use of renewable and clean energy sources in our country.

Working together with the Department of Science and Technology and through SANEDI (our energy research entity), we will find home-grown scientific answers to the issue of carbon capture and storage and use our abundant coal reserves to produce clean forms of energy to reduce greenhouse emissions.

To facilitate meaningful engagement processes for IRP2, we will introduce an interactive website, http://www.energyirp2010.co.za. We will also hold workshops and stakeholder forums dedicated to the formulation of the country's electricity plan.

Private sector participation in the electricity sector

You might recall that Cabinet took a decision that independent power producers should supply 30 per cent of our new generation capacity.

However, we remain firmly committed to the fact that transmission should remain under the control and ownership of the democratic developmental state.

To give effect to the 2010 State of the Nation Address injunction by President Zuma, we will be establishing the Independent System and Market Operator (ISMO) as a short-term solution within the next six months to, among others, resolve the perceived conflict of interest concerning the role of Eskom as both buyer and seller of electricity.

Legislation related to the establishment of the ISMO as a public entity is about to be tabled before Cabinet and, in line with convention, it will pass through this House soon thereafter. In the main, the ISMO will have the responsibility to negotiate power purchase agreements.

I am happy to confirm that an agreement on the first 300 MW of co-generation from IPPs will be signed within the next month.

Energy Efficiency and Demand-side Management (EEDSM)

A financial incentive scheme to be known as the standard offer will be introduced.

"... However, we remain firmly committed to the fact that transmission should remain under the control and ownership of the democratic developmental state ..."

In terms of the scheme, project developers will be able to claim a rebate in respect of the amount of energy they have saved from the electricity system.

We intend to intensify energy efficiency in the estimated 100 000 public buildings, which will be retrofitted to comply with energy efficiency standards. The Department of Public Works is called on to ensure that all provincial governments participate in this project.

It is unfortunate that the hospitality industry has not embraced the spirit of this campaign as fully as expected.

Last year, we made the commitment to install solar water heaters as one of many interventions to address the challenges of electricity demand.

We needed to do thorough work with the industry and sister departments to ensure that, when we roll out this programme, every piece of ground that had to be covered, had been covered. The outcomes of this programme are expected to include electricity demand reduction (3 600 MW), localization of SWH technology (design and production), climate change mitigation, job creation and skills development.

In terms of this programme, access to hot water will not be determined by socio-economic status.

I am delighted to indicate that on 28 April, President Zuma launched the first massified solar water heater (SWH) project in Winterveldt.

This is a precursor to numerous other SWH projects that will ultimately result in the displacement of coal by the sun as a preferred energy carrier for water heating in this country.

Working-for-Energy Programme

This year, the Department will be launching the Working-for-Energy Programme, the primary objective of which is to use the feedstock created from clearing alien biomass vegetation to produce power.

We are happy to announce that we are working with municipalities and the Department of Water Affairs concerning the waste-to-energy project.

This work and the SWH programme are being undertaken in the context of the IRP2. This serves to solidify our commitment to the green economy.

Renewable Energy

We have concluded the Clinton-Climate-Initiative-supported, pre-feasibility study that I announced last year. This initiative aims to establish the concept of a Solar Park in our country.

We will be making further announcements in this regard in the near future.

To confirm Governments' commitment to the use of renewable energy, we have launched two flagship initiatives. These are a small-scale hydro in Bethlehem in the Free State and a Waste-to-Electricity Project in eThekwini.

These projects have added 13 MW to the total supply capacity in our country.

Distribution infrastructure

The integrity of the electricity distribution sector is threatened by increasing backlogs in maintenance and rehabilitation, which currently stand at an estimated R27 billion.

The introduction of an intensive network rehabilitation programme has become more urgent and critical. This has to be pursued together with a parallel regulatory plan to ensure that rehabilitation is sustained by a sound maintenance strategy going forward.

The funding for such a programme is planned to be done in the form of a combination of fiscal and tariff allocations. I would like to thank EDI Holdings for the tremendous work they have done in this regard.

Rural development and energy poverty

This Department recognizes that we have to play a central role in the imperatives outlined in the ANC Manifesto insofar as rural development is concerned. Access to and the effective utilization of energy remain key ingredients in our quest to move the masses of our people out of the spectre of poverty and underdevelopment.

Our Integrated Energy Centres are but one of the many interventions led by this Department as part of the comprehensive response of Government to the challenges of bridging the gap between liquid fuels and electricity.

The Integrated National Electrification Programme (INEP)

Since the inception of INEP, more than 80 per cent formal households in six provinces have been electrified.

However, serious challenges remain in KwaZulu-Natal, Limpopo and the Eastern Cape. The Department has prioritized the building of network capacity in these provinces to support additional connections.

Working with the Department of Basic Education, we will ensure that all identified functional centres of learning will be electrified this year. This year, the fiscal allocation of R2.8 billion will allow the Department to achieve only 150 000 new household connections plus ten new and upgraded bulk substations and lines.

We will use the possibility that the off-grid electricity programme offers to connect an additional 10 000 households, utilizing solar home systems (SHS) for lighting and to run a few electronic appliances.

“... As electricity tariffs increase, one of our concerns is premised on the impact of high tariffs on the impoverished ...”

Impact on the poor

As electricity tariffs increase, one of our concerns is premised on the impact of high tariffs on the impoverished.

While this concern is well-substantiated, it has become critical to dispel some misconceptions regarding the emotive subject of electricity tariff determination and how tariffs are applied to domestic, commercial and industrial customers.

We will mitigate the adverse impact of tariff increases on the poor through a number of mechanisms over and above the Free Basic Electricity Programme. The first mechanism is based on inclining block tariffs and the second one is related to the savings on the electricity bill derived from the SWH programme.

We will work with the Department of Cooperative Governance and Traditional Affairs and National Treasury to sort out the funding of municipalities insofar as electricity distribution infrastructure is concerned. We need municipalities on our side as energy champions.

In the meantime, we call on municipalities to apply surcharge increases in a manner that is sensitive to the circumstances of the indigent.

Nuclear

We are happy to report that South Africa has successfully converted our SAFARI 1 reactor from a High Enriched Uranium (HEU) to a Low Enriched Uranium (LEU) based facility. We will be the first radio isotope producing country to have completed this conversion process, which is a requirement for supplying radio isotopes to certain key markets.

Further good news is that South Africa is a leading supplier of medical radio isotopes globally.

We must also indicate that, during the recent Nuclear Security Summit in Washington, President Zuma was highly commended on South Africa's commitment to nuclear disarmament and the peaceful use of nuclear power. Out of a total of 43, we were one of only eight countries in this category that were complimented for aligning ourselves with the worldwide effort of combating the proliferation of nuclear technology.

> "... Further good news is that South Africa is a leading supplier of medical radio isotopes globally ..."

President Zuma further re-affirmed our stance of using nuclear energy for power generation, water provision and healing and feeding the nation.

We intend to implement our decision to introduce additional nuclear-based load power as part of the process of developing the IRP. We are steadfast in our commitment to the right of our people to know about all the sides of the equation of the nuclear debate. We will, therefore, continue with our process of unmediated communication on this issue.

As a responsible Government, we have commenced with the establishment of a National Radio-active Waste Disposal Institute, which will be responsible for the management of all radio-active waste pursuant to a safe waste disposal regime.

Hydrocarbons

While public discourse has been focused largely on electricity, the liquid fuels challenge is equally daunting. There is a need for extensive investment in infrastructure for liquid fuels.

20-year Liquid Fuels Infrastructure Plan

To inform long-term investment and provide security of supply, there is a need to revise existing plans and strategies. To this end, I have directed the Department to develop a comprehensive 25-year Liquid Fuels Infrastructure Plan by the end of this fiscal year. This plan will cover port, pipeline, storage and distribution infrastructure. It will also include future refining capacity development requirements.

Project Mthombo

PetroSA, the National Oil Company, is the instrument in the hands of the Government that can be used to implement the provisions of the Energy Security Master Plan and the provisions contained in the Liquid Fuels Charter.

We are determined to make sure that PetroSA plays a leading role in providing a solution to South Africa's liquid fuels challenges.

This strategic national asset must be repositioned to compete with the best and the most efficient oil companies in its line of business.

We have indicated continuously that Government supports plans to develop a new crude oil refinery in the Coega Industrial Development Zone. In addition to addressing the growing gap between the demand and supply of liquid fuels, this project will facilitate the implementation of new, clean fuels standards.

Clean fuels, because of lower toxic emissions, are essential for people's health, as well as for improved engine performance in motor vehicles. And importantly, it will mitigate the country's growing reliance on an imported, finished product resulting from insufficient local refining capacity.

At present, the Department is reviewing the national oil company recommendation to proceed with front-end engineering studies following the completion of the feasibility study and I will make further announcements in this regard in the near future.

New Multi-Product Pipeline (NMPP)

In recognition of the fact that more than 60 per cent of our liquid fuels demand lies within the Durban-to-Johannesburg corridor and the fact the Durban-to-Johannesburg pipeline (DJP) has become inadequate to transport the required volumes of petroleum products from the coast to the inland regions, the Department included the construction of a bigger multi-NMPP by Transnet in its Energy Security Master Plan (ESMP).

Pursuant to that, the Department, in conjunction with the Department of Public Enterprises and National Treasury, worked on the funding mechanism for the NMPP.

In his Budget Speech on 13 February 2010, the Minister of Finance raised a security of supply levy to enable motorists to contribute funds towards the construction of the NMPP.

In this regard, the Department has been allocated an amount of R4.5 billion over the Medium Term Expenditure Framework (MTEF) period to fund the additional capacity for the security of supply of petroleum products.

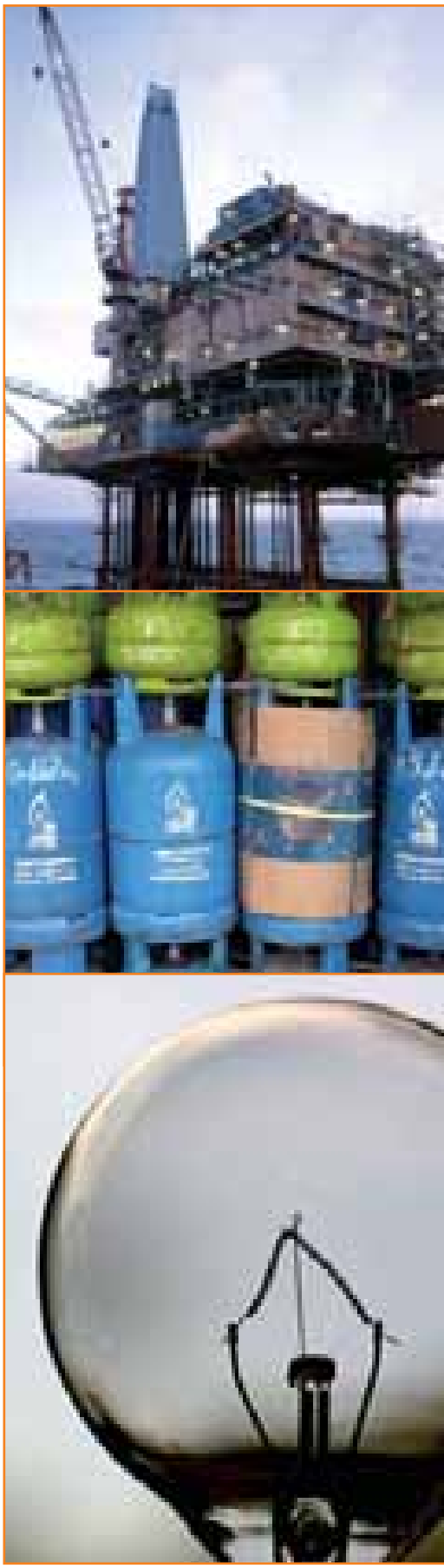
Strategic stocks

My Department has developed a Strategic Stocks Policy for petroleum products to ensure that the economy does not suffer from shortages during severe liquid fuel supply disruptions.

The Department will be engaging other economic sector departments on the draft policy document that has been developed. I expect to table this document to Cabinet before the end of the first quarter of the 2010/11 fiscal year.

Clean fuels

As part of our contribution towards cleaner burning fuels, we are determined to modernize South Africa's fuel specifications. To formulate a common government position, an interdepartmental task team was formed last year.



We have undertaken preliminary engagements with key stakeholders such as the South African Petroleum Industry Association (SAPIA) and the National Association of Automobile Manufacturers of South Africa (NAAMSA). We expect to issue a Roadmap on Clean Fuels during the third quarter of the 2010/11 fiscal year.

The review of the Petroleum Products Amendment Act

We are currently reviewing the Petroleum Products Act with a view to further strengthening our legislative framework's ability to address the needs of a developmental state, including the transformation of the liquid fuels industry.

We are concerned that the prohibition of vertical integration in the petroleum industry has not yielded the desired results of opening up access to refined products by emerging entrepreneurs at the refinery gate prices.

Liquefied Petrol Gas (LPG) Price Regulations

In response to public outcry about exorbitant LPG prices, the Department undertook to regulate the retail price of LPG supplied to residential customers.

The Department is working towards implementing the regulations of the retail price of LPG, which empower the Minister to determine prices on a monthly basis. This is in line with Government's efforts to expand the energy mix and promote LPG as an efficient energy carrier for household cooking and other thermal purposes.

The Department will also commence with the development of an LPG strategy to address all challenges in the LPG sector, chief amongst which is the security of supply and affordability, holistically.

Regulatory Accounting System

This year, the Department will finalize and implement the Regulatory Accounting System for the petroleum sector that will be used to determine appropriate margins for wholesale, coastal storage, handling, secondary storage, distribution and return-on-assets for the benchmark service station (BSS).

The ultimate goal is to achieve a uniform and transparent set of regulatory accounts where costs are allocated according to predetermined methods.

This will provide certainty to investors concerning return-on-assets throughout the petroleum industry value chain. We will achieve this by ring-fencing regulated from unregulated activities to eliminate actual and potential cross-subsidies.

It is envisaged that a properly functioning regulatory system will promote appropriate investment in the sector.

Petroleum licensing

I am pleased to report that, during the course of the last financial year, 3 041 petroleum licence applications were processed.

I am mindful of the backlog in this area and have, therefore, instructed the Department to reduce the stipulated 90-day period for processing applications without sacrificing the quality and the evaluation of applications.

From 1 April 2010, licence applications can be lodged in all nine provinces.

The Liquid Fuels Charter

November 2010 will mark a decade since the adoption of the liquid fuels charter. As part of the process of reviewing the performance of the liquid fuels sector, we will be convening an *indaba* later this year.

This will afford opportunities to new and aspirant entrants to benefit from the opportunities that accrue from this sector and to share information with established industry players.

Preliminary indications are that we are not performing as we anticipated concerning the gender and procurement aspects of the charter and the *indaba* will afford us and stakeholders in the industry an opportunity to deal with these challenges.

Concerning the 2010 FIFA World Cup, the Department and roleplayers in the liquid fuels sector were able to plan for the anticipated increase in demand during the event within the exemption granted by the Competition Commission. In addition, all stadia utilized diesel generators for electricity supply during the period.

Conclusion

Finally, no one must doubt our intention as the Department of Energy to work together and even better to intervene in energy planning, modeling, forecasting and delivery in a bid to safeguard our country's security of supply. ■

Creating *Economic Opportunities*

Mr Ebrahim Patel, Minister of Economic Development, gives the assurance that we can repair the damage of the recession and build an inclusive economy.

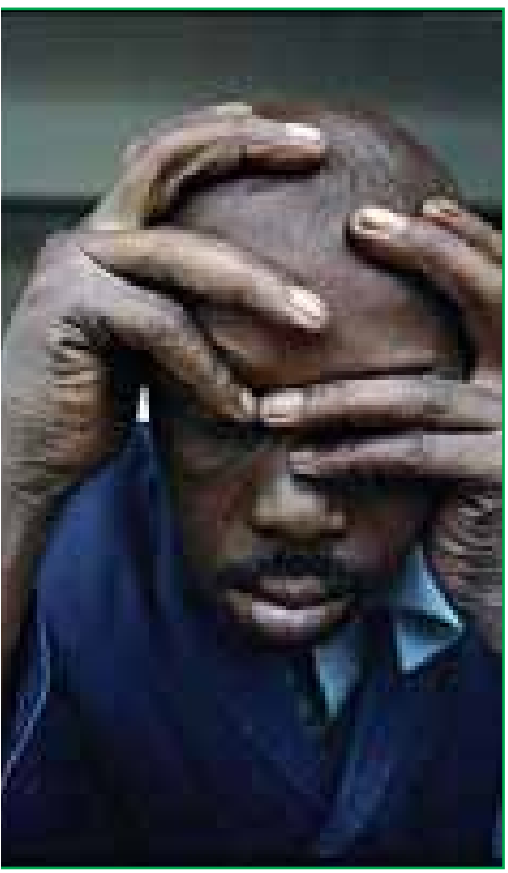
Minister of Economic Development, Ebrahim Patel

I recently visited Doringbaai, a small fishing village on the West Coast. For many generations, the main source of income for residents was a lobster-processing factory, which closed a few years ago. No new industrial activity has been set up since then.

Denise Classe was the joint breadwinner for a family of seven. She worked in the lobster factory for more than 20 years, as did her late husband and at different times, two of her brothers, her mother, father and grandmother. In a good week she earned about R900 and in a slack period R400 a week. When the factory closed, Denise says, "it wasn't only our mouths that went hungry, but also the mouths of our families and neighbours".

** This article was adapted from the 2010 Budget Vote Speech of the Minister*

> "... The central ideas in the developmental growth path are to enhance the labour-absorbing capacity of the economy, to build a lower carbon-emission economy and to find ways of connecting knowledge and innovation with the challenges of jobs and growth ..."



Denise and her husband found casual work on local farms picking potatoes and tomatoes, but this ended in 2007. Her husband then worked as a handyman for a contractor at a local mine in a neighbouring town. This contract and his job ended in 2009.

They eventually sustained themselves on three child grants totaling R720 a month for the family of seven. Her husband died in January this year. There are many days when there is no food in the house. The family's hopes are now focused on a R5-million grant from Government to start an abalone farm on the fish-processing factory premises, where the plan is to employ about 50 people.

Denise is one of 5.8 million South Africans without work, either because they cannot find work or are too discouraged to seek work.

The context of the Department's formation is clear: many South Africans lead a precarious existence. There are not enough jobs and too many working poor. Take Sbongile Mchunu, a factory worker in Mobeni, who leaves home at 05:15 every morning to go to work and returns home at 18:30. She earns R677 a week before deductions and with the child grant her daughter receives, they spend about R300 a week on food for a family of six.

The Department was created to address the gap in Government's economic policy-making, planning and coordination machinery so that, working together with other parts of Government, we can have better economic and employment outcomes.

The work of the Department in the year ahead must address the concerns of Denise Classe, Sbongile Mchunu and the many other South Africans who face the challenges of poverty, inequality and unemployment.

To provide the basis for the budget request we are making today, we prepared a Medium-term Strategic Plan covering the period 2010/11 to 2012/13 and a chapter for the Estimates of National Expenditure published by the Minister of Finance on 17 February 2010.

These are based on the mandate of the Department set by President Zuma last year and the four programmes of the Department.

Policy development

Our policy development work will focus strongly on the elaboration of the developmental growth path.

We face a massive employment challenge: for the past few decades, the economy has not created enough jobs for those South Africans able and willing to work. This resulted in unemployment levels among the highest in the world. This has been compounded by the recession caused by the most serious economic crisis that the world has faced in 70 years.

What started as a financial crisis rapidly spread to the real economy and impacted on jobs. In South Africa, three consecutive quarters of gross domestic product (GDP) contraction followed. Real GDP fell by 1.8 per cent in 2009. 870 000 people lost their jobs between the fourth quarters of 2008 and 2009 and 518 000 joined the ranks of discouraged work seekers.

Faced with these realities and the challenges of very high inequality and deep levels of poverty, we are working on ways to improve the employment performance of the economy and create many more decent work opportunities and better social outcomes. We call this the development of a new growth path.

The central ideas in the developmental growth path are to enhance the labour-absorbing capacity of the economy, to build a lower carbon-emission economy and to find ways of connecting knowledge and innovation with the challenges of jobs and growth.

Through this work, we have identified a number of areas with the potential of creation new jobs. These are:

- infrastructure development;
- the green economy;
- the manufacturing sector;
- knowledge economy activities;
- the rural, agriculture and agro-processing sector;
- tourism and business process services;
- the social economy, which includes cooperatives;
- public sector growth; and
- the continental and regional economy.

We are now working on how to realize new jobs in each of these areas. It means looking at economic opportunities, mechanisms to maximize the number of jobs that can be created and the policy support required to realize this potential.

Contributions from different government departments are enriching the framework.

Policies are important for the achievement of the growth path but they are not sufficient, since they are carried out through institutional arrangements. We are, therefore, looking at ways of improving the performance and impact of public institutions that are vital to economic development. An example is the duplication in small business development institutions and the lack of coherence in their work.

The growth path work recognizes the crucial role of the private sector in creating jobs. We want to use the potential of social dialogue with organized labour and business to contribute to economic development to strengthen the technical capacity of particularly small business and organized labour.

Our policy work will consider both macroeconomic and microeconomic policies. More than ten areas have been identified, ranging from industrial policy to competitiveness, skills development, and access to and the cost of capital for businesses.

Sam Khotle is a 27-year-old man with a matric qualification, a certificate in computer services, a credit for a university degree and a dream of becoming an industrial psychologist. Yet, since 2007 he has been working as a petrol attendant in Botshabelo, earning R530 a week because he cannot find better-paid work.

An important policy focus for the EDD (Economic Development Department) will be the creation of sustainable livelihoods and addressing the challenges of enterprises in the second economy.

Joey Johnson is 47 years old and lives in Kwanoxolo in Port Elizabeth. Joey operates a mechanic business from his home. He specializes in Toyotas and Volkwagens. Some days he has work and others not. He cannot afford to buy the parts and tools he needs to expand his business. He wants to build a proper workshop, but he does not know how to get a loan and he does not have a bank account.

Our policies will seek to transform second economy activities such as Joey Johnson's into dynamic, competitive and better-paid activities that are part of the economic mainstream and to use and not waste the skills base of the Sam Khotles of our country.

It is about promoting decent work.

President Mandela put it well when he said:

"The principles of decent work exemplify our common values, our shared respect for dialogue and our concerns about the plight of our impoverished fellow citizens.

"Decent work is based on the efforts of personal dignity, on democracies that deliver for people and economic growth that expands opportunities for productive jobs and enterprise development. Decent work also underpins the principle that the purpose of creating work and wealth is to eradicate poverty."

Part of what we will do is to conduct research and policy development. We will also convene discussions with Members of Parliament, cabinet members, social partners and economists.

Last year, we hosted several policy platforms, which focused

on, among others, the global economic crisis, income inequality and rural economic development.

Discussions were also held with companies, industry associations and organized labour on matters such as the exchange rate, industrial policy, trade policy, localization of supply chains, factory closures and coordination within Government.

We will establish a Ministerial Advisory Panel, which will serve as an ideas forum. It will give an opportunity to test ideas and learn about new developments. We can then take some of these ideas to NEDLAC for discussion and dialogue. I am pleased to announce that we have made good progress in establishing the Panel comprising the following members: Prof. Joseph Stiglitz, Nobel Economics Laureate and previously Chief Economist of the World Bank, has agreed to serve on the Panel. He will be joined by a number of South African experts, such as Prof. Haroon Bhorat of the University of Cape Town (UCT); Dr Michael Power, a strategist from Investec Bank; Prof. Chris Malikane from Wits University; Mr Goolam Ballim, Group Chief Economist of Standard Bank; Dr Olive Shisana, the CEO of the Human Sciences Research Council; Mr Geoffrey Qhena, CEO of the Industrial Development Corporation (IDC); Dr Simon Roberts, Chief Economist of the Competition Commission; and Dr Neva Makgetla, lead economist in the development planning division of the Development Bank of Southern Africa (DBSA).

We will be adding more names to the Panel, and will also have active business people and unionists who will be able to interact with the Panel's economists.

By the end of this year, we plan to have the core of the Economic Development Institute in place and to have produced ten policy documents on growth and employment issues by next March.

Economic planning and coordination

Our work on economic planning and coordination will contribute to 'connecting the dots' in Government, since economic planning is a critical part of any overall national plan. The EDD will, therefore, work closely with the National Planning Commission and Minister Manuel, and will develop spatial and sector economic development action plans, including action plans for distressed areas.

The Department is actively engaged with provinces: In the past year, I met with my provincial counterparts through Minmec. The engagements also included a two-day Spatial Economic Development Symposium and I addressed three provincial jobs summits. Deputy Minister Mahlangu-Nkabinde visited a number of provinces for detailed engagements.

The EDD is working with provincial economic development departments to ensure the coherence of spatial economic development plans between national and local, as well as with the new growth path.

Our work on sector policy aims, among other things, to support the Industrial Policy Action Plan announced last month, as well as rural economic development initiatives.

By the end of the next financial year, we intend to have reviewed or produced five sector plans and ten spatial plans.

Our work will only be successful if Government operates as a coherent team. The Ministry is, therefore, participating in a number of interministerial committees, including committees on energy, poverty, broadband, the aerospace industry, the pebble-bed modular reactor, trade policy and National Health Insurance.

The EDD's focus in these forums is on how to improve job opportunities and support economic development. This same focus also informs our work on the councils in which I serve, such as the BB Black Economic Empowerment Council, the Human Resources Development Council and the Electricity Stakeholders Council.

The EDD guides the work of three economic regulatory bodies, namely the Competition Commission, the Competition Tribunal and the International Trade Administration Commission (ITAC) and three development finance institutions, namely Khula Enterprise Finance Limited, known as Khula, the SAMAF and the IDC.

As the reporting authority for the agencies, the EDD will provide oversight, strategic direction, ongoing review and the development of policy frameworks. We will review international trends and lessons learnt and promote alignment between the policies and strategic plans of these entities and those of Government.

We plan to finalize proposals for small business funding by November this year.

We have also set a target to generate R2 billion worth of financing for small businesses, targeted growth sectors and companies in distress.

Development Financial Institutions (DFIs) and investment bodies control assets and investments worth hundreds of billions of rand. There is scope to improve the development and employment yield of DFIs, public and private sector investments, retirement funds and the Public Investment Corporation. International experience shows that successful, industrializing countries are those that use their public and private investment institutions well.

This is not a new idea in South Africa. At the 2003 Growth and Development Summit, business, labour, Government and community organizations agreed to target five per cent of investible funds for developmental areas and activities. What has been lacking to date, have been appropriate instruments to give effect to this commitment.

Various options are open to us that combine prudent investment policy with development goals, including the issue of a development bond.

As an example of this, the IDC has recently issued a R2 billion bond that has been taken up by the Unemployment Insurance Fund (UIF). The bond is priced at highly beneficial rates, and the funding that the IDC provides through the utilization of the bond will fund businesses with labour-intensive operations that are creating and saving jobs.

The competition authorities will be supported strongly in their efforts to combat price-fixing, collusion and tender-rigging. In the last 12 months, the Tribunal has issued fines of close to half a billion rand for anti-competitive conduct. There have been a number of admissions of wrongdoing by companies, mainly relating to price-fixing.

I have mentioned the importance of building a lower carbon-emission economy. The green economy has huge potential for employment creation in the energy, agriculture, manufacturing and services sectors, including ecotourism.

Other countries are steaming ahead to build the green economy. For example, the green economy in China is reported to already employ more than 1.1 million workers and is growing with 100 000 new jobs a year.

We are now pursuing solar, wind and nuclear energy generation, solar-heating geysers, biofuels and cogeneration, repairing environmental degradation, eco-tourism, smart manufacturing, waste management, regulation of energy efficiency of commercial buildings and the installation of more energy-efficient equipment.

We will allocate R2 million for policy and coordination work on the green economy and green jobs and will mobilize additional resources for investment. The IDC is already investing in a number of green economy projects, ranging from solar-power-generating plants to manufacturing activities in the green economy.

To promote employment and decent work opportunities, we need to introduce measures to foster local procurement. We have now put funding aside to establish an Office on Local Procurement and budgeted R3.8 million for work in this area. We must promote the demand for locally-produced goods and services on the one hand, and improve the supply of quality goods and services on the other. The EDD intends to monitor local procurement within the state while supporting and promoting the work of the Proudly South African campaign.

> “... By the end of this year, we plan to have the core of the Economic Development Institute in place and to have produced ten policy documents on growth and employment issues by next March ...”

"... Government has increased the age for child grants to ensure that the limited lifeline to many families is not withdrawn during the recession. An additional 750 000 children will now be covered by the child grant ..."

Social dialogue

We have created a programme to promote social dialogue to foster economic development. The role of the programme will be to help negotiate social pacts concerning our country's challenges and to undertake technical work to support such pacts.

Building on our successful national social dialogue, we plan to develop social dialogue on growth and social equity issues at sector and workplace level for the year ahead, so that we build partnerships at the heart of the wealth-creating machinery of the economy.

We will, furthermore, set up a series of knowledge networks by November this year so that we can bring together economic expertise across the country. We will also be hosting the first Annual Economic Development Conference before the end of the next financial year.

We have established a subprogramme to address the role of productivity, innovation and entrepreneurship in driving economic growth and development.

Alice Mpatuli is a South African entrepreneur. She was retrenched after 30 years in the textile industry. She established her own cut-measure-trim business in rented premises with rented machines. Work is piecemeal and sporadic and because of this she can only employ casual workers. Alice needs to learn basic management skills and needs to access financing to buy her own office equipment and machines, but fears that "they will take my house if I take a loan". The policies and programmes we develop at the EDD must provide an answer to the challenges that Alice Mpatuli faces.

The EDD will promote workplace productivity agreements and foster entrepreneurial endeavours in the economy, particularly those of black entrepreneurs.

In the month it was established, the EDD assumed responsibility for coordinating Government's work on the Framework for South Africa's Response to the International Economic Crisis.

The Dialogue Programme will now focus on better implementation of the actions under the Framework response to the recession.

Working closely with our social partners, we have already launched about 20 actions to address the crisis, from efforts to respond to communities in distress to vulnerable workers and troubled enterprises and sectors. I wish to illustrate with a few examples.

We set up a Training Layoff Scheme supported by funding of R2.9 billion to provide companies with an alternative to retrenchment by providing funding for training.

Richard Matsomela, has worked at BMW at Rosslyn since 1999. Orders in the auto industry worldwide declined markedly as a result of the economic recession and BMW was no exception. For Richard, who supports his family of five and his younger sister, the impact of the recession has been hard:

Richard says: "The recession affected us a lot. It frustrated us. I didn't know where

to go, where to start. The (possibility of a) shut down troubled me. I'm paying bills for schoos fees, transport, the bond, and so on. "

As part of a strategy to avoid retrenchment, BMW and Richard's trade union, the National Union of Metal Workers of South Africa (NUMSA), accessed the Training Layoff. They signed an agreement through the Commission for Conciliation, Mediation and Arbitration (CCMA) and accessed funding from the Training Layoff Fund and their industry sector education and training authority (SETA). Through this effort BMW placed over 1 100 workers on the layoff and trained workers in a variety of skills accredited with the Manufacturing Engineering and Related Sector Education Training Authority (MERSETA). They also paid social security contributions and workers received 50 per cent of their wages.

A few days ago we visited the factory and Richard said:

"I'd like to thank Government for giving us the training, because we lack skills. These are skills that we can use in our work."

After a pilot phase, the programme will now be rolled out more actively. Last week, a company that employs 1 500 workers applied to use the training layoff facility.

We launched a fund for enterprises in distress, and the IDC established a R6.1-billion fund to support companies hard hit by the economic crisis. Applications to the value of R1.1 billion have been approved.

We worked with the CCMA to strengthen efforts to avoid retrenchments in the economy.

More than 15 000 jobs have been saved through these three interventions.

To address the challenge of food prices, we asked the competition authorities to speed up their investigations into price-fixing and cartels in the food-supply chain. We are now looking at ten parts of this industry and a number of companies have been prosecuted.

Government has increased the age for child grants to ensure that the limited lifeline to many families is not withdrawn during the recession. An additional 750 000 children will now be covered by the child grant.

In the year ahead, we will expand the number of actions that are successfully carried out under the Framework. We will hold at least ten social dialogue and capacity-building engagements and conclude a number of economic development agreements with social partners at national, sectoral and workplace levels.

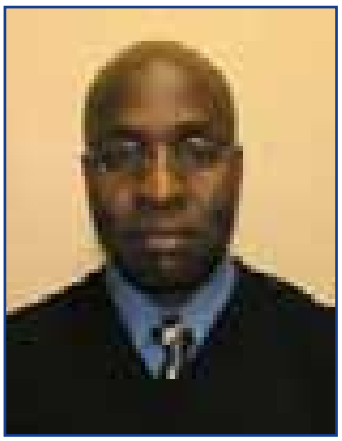
Conclusion

I spoke earlier of the challenges of the recession and the opportunities that we are identifying with the new growth path. We are confident that we can repair the damage of the recession and build an inclusive economy.

I conclude and recall the words of United States President Franklin Roosevelt in his inaugural address in 1937, in the middle of the Great Depression, when he said:

"Our progress out of the depression is obvious. But that is not all that you and I mean by the new order of things. Our pledge was not merely to do a patchwork job with second-hand materials. By using the new materials of social justice we have undertaken to erect on the old foundations a more enduring structure for the better use of future generations.

"In that purpose we have been helped by achievements of mind and spirit. Old truths have been relearned; untruths have been unlearned. We have always known that heedless self-interest was bad morals; we know now that it is bad economics." ■



Mataywa Busieka

The African Public Service Factor in the Aftermath of the Global Economic Crises: *an Assessment of Lessons and Opportunities*

An analysis of trends and developments in governance and public administration by Mataywa Busieka.

Introduction

The recent global economic crisis succeeded in uniting the world in an intense public discourse, the likes of which has not been witnessed since the end of the Second World War. The resultant intimate conversation was assisted greatly by the epoch of technological advancement that virtually rolls the world into a global village. The thrust of the conversation was whether the world was slipping further into deeper recession or a search for what has came to be known as 'green shoots' sprinkling up the lawns of the world's bourses. The debate was essentially a mix of doomsday prophesies propagated by incorrigible pessimists and optimists waxing banter of hope for a swift recovery. As matters turned out, the latter's optimism was vindicated.

In this period of heated debate, concerns about job shedding received more than their fair share of analytical commentary in both electronic and print media nationally and globally. For obvious reasons, talk about job losses focused almost exclusively on the private sector. To a limited extent, some commentators in the developed world ventured into thoughts about the probable implications of the recession on the public sector. There was clearly a dearth of information on the implications of the global recession on the African public service.

This input is a modest contribution to the debate on the global economic dynamics, but specifically a reflection on what this portends for the African public service. The perspective on public service is prefaced by a brief historical preview of the African public service to supply the contextual setting and explain the point that Africa's public service is deeply rooted in colonial tradition. This section also shows how African countries responded to past recessions and why the concept of a developmental state gained currency as a consequence. Possible solutions to the crisis are outlined and the viability thereof interrogated. Some concluding remarks are offered to assist in closing the contribution.

Effects of the crisis on the African public service

State capability and retrenchments

Over the years since the early 90s, a sound case has been made for the centrality of establishing and sustaining state capability. Most African countries have learnt the hard way that weak states are a sure recipe for relentless conflict and, therefore, unmitigated turmoil. It cannot be disputed that the development challenges and opportunities of the 21st century are complex. They require new and strengthened capabilities, which can respond to changed contexts. This is why in successful developmental states great emphasis has been placed on the capacity of the state and the creation of social capital. President Barrack Obama of the United States of America added an interesting dimension to this thesis. He said that Africa needed strong institutions, not strongmen.

In view of the overarching imperative of a capable state, the recession has, therefore, not resulted in massive public sector retrenchments − at least not to the scale witnessed in the 80s.

That said, however, most African governments have been forced to implement unplanned, albeit precautionary, measures in the form of cost cutting and cost saving. These measures include a freeze on further employment, as well as rationalizing functions so that public servants can be re-deployed to other, undercapacitated spheres of government. Some countries like Malawi and Cameroon have opted not to fill – at least for a period − positions becoming vacant as a result of natural attrition and other causes. For its part, South Africa has opted for programme and project re-prioritization as opposed to placing a moratorium on the further employment of personnel. In fact, contrary to expectations in such a volatile economic environment, South Africa has infused optimism in a cloud of doom by increasing its number of government departments. This decision was, however, not taken haphazardly. It is in line with Government's resolve to tackle the scourge of poverty and underdevelopment effectively, especially in rural areas.

The reform agenda in the public sector

A second issue that can be raised under the effects of the global economic crisis on the African public sector is that of the reform agenda in the public sector, an area that has come under serious threat in most African countries as a result of the recession. Under pressure because of competing national priorities, many African states have been compelled to put the public sector reform agenda on ice until the world emerges from the economic gloom. The Honourable Julia Joiner, the African Union Commissioner for Political Affairs, sensed this inclination when she cautioned against the temptation to postpone the reform agenda. Commissioner Joiner urged that:

> *"...on the face of the realities that stand before us, the approach to reform and change cannot and should not be about skimming the surface of what needs to be done. Our efforts need to be broader, deeper and faster. The crises provide both the chance and necessity for change on a larger scale, with the attendant need for an immediate and decisive intervention. Thus, to postpone reforms until a crisis is resolved may not be the best approach, as we know too well that a crisis period is usually the best time for us to engage in change."*

It is not immediately clear whether African Union member states have heeded Commissioner Joiner's call to stay the course of the reform agenda. What is clear, though, is that in South Africa the Minister of Public Service and Administration, Minister Masenyani Richard Baloyi, has confirmed in no uncertain terms that the reform agenda remains on course, the global recession notwithstanding. In his budget vote speech to the National Assembly, Minister Baloyi assured Parliament that among other reform agendas, the much vaunted Single Public Service project would be pursued to its logical conclusion. The introduction of a single public service is considered a major policy shift in the South African public sector.

Diminished public funds

The economic crisis has ensured that even Africa's economic giant – South Africa – is feeling the unwholesome effects of this significant challenge. In anticipation of hard times, Deputy President Kgalema Motlanthe has cautioned that the economic crisis has the potential to affect the revenue and tax bases of municipalities, which may hamper delivery. The Deputy President has advised local authorities to devise means to lessen the adverse effects of the crisis on the viability of government programmes.

With diminished revenue, African governments have been finding it increasingly difficult to meet salary obligations, let alone accede to calls for pay hikes. A heavily unionized public service like that in South Africa threatened strike action to persuade government to own up to its previous commitments. Some declared 'a season of strikes'. Examples

across the continent during the period under review are the strikes of teachers in Kenya, Nigeria, Zimbabwe and Malawi for higher pay. Because of the debilitating economic melt-down, public servants, like other workers, are hard up and demand salary increases to serve as a cushion against the obvious erosion of their purchasing power.

On the South African scene, COSATU acknowledged the adverse effects of the crisis, noting that it would impede government's ability to implement its plans. Yet, it was quick to point out that it was equally aware of the severity the economic meltdown visited on the livelihoods of workers and their families. Government was quick to lurch on the worsening economic outlook as a potent bargaining chip to strengthen its hand in wage negotiations with public sector unions. Ironically though, the outcome of the negotiations saw public servants clinching the best deal – wage increases of more than 2 per cent above inflation. Unions were happy with the deal and appropriate salutations were delivered to Government. An otherwise debilitating strike was averted.

Brain gain and brain drain

The African continent is also witnessing a significant impact on global migration processes. Diaspora associations of Nigerians, Ghanaians, Kenyans and other Africans unite in an affirmation that their members are on an exodus, choosing life in their modest homeland villages and cities over the pressures of living in the US amid a worsened recession. The return to Africa is in line with studies indicating that much of the continent has been buoyed in recent years by a sense of optimism driven by economic growth. A study by Pew Research Center has found that people's level of satisfaction with their quality of life is rising across much of Africa, while it stayed level or decreased in the US. Apparently this 'return home' phenomenon is affecting Chinese and Indians as well. A great number of Chinese and Indian workers are increasingly heading home where they hope to find better opportunities and measured lifestyles.

For a country like South Africa, which has for a long time suffered a chronic scarcity of skills in some core sectors, this 'return home' phenomenon is clearly an important boon. It means that Government can avail itself the opportunity of addressing the skills shortage at particularly local government level by utilizing the brain gain. Zimbabwe is another country that hemorrhaged core skills as a result of the never-ending political stalemate that caused economic stagnation. It can also benefit tremendously from the advent of the brain gain.

The same cannot be said of other African countries already beset with unemployment rates of over 30-50 per cent. Most African countries have battled a long time to grow their economies to create jobs for their burgeoning graduate corps. It is safe to argue that for most African countries 'the exodus to return home' cannot be regarded as a gain. Quite to the contrary, this otherwise welcome phenomenon may, in fact, exacerbate the already complicated unemployment equation. It cannot be ignored that for most sub-Saharan countries, emigrants are an important source of foreign reserves, with foreign remittances estimated at a staggering $40 billion annually. These countries are, therefore, bound to suffer revenue shortfalls in the eventuality of a massive homecoming by immigrants.

A contrary school of thought on the question of emigration has emerged. According to this school of thought, the slow-down in private and public credit through cutting ongoing projects and reluctance to plan and implement new ones in most African countries will retard or altogether halt the job markets for workers in, for example, education, health and social services. Emigration and brain drain will ensue for many, in particular for those qualified with sufficient international experience and contacts. The proponents of this viewpoint contend further that brain drain may also ensue from the drop in foreign and development aid from western countries grappling with the effects of the global economic meltdown. Skilled public servants in development sectors may notice their jobs vanishing as a result of decreasing foreign aid that fund their salaries. Emigration may then be the only means of remaining employed and hence the incidence of brain drains.

In our view, brain drain or gain ultimately depends on each African country's economic fundamentals. There is merit, however, in the argument that thriving economies experiencing scarce skills like South Africa will definitely welcome and harness the incidence of significant brain gain. The opposite is true for other, poorer African countries. Most are experiencing a crippling economic downturn, while others have to contend with peace and stability that have been compromised by incessant civil strife, as is the case in Somalia and the DRC. Needless to say, these countries will continue to witness a steady brain drain despite the brain gain opportunity spawned by the global economic meltdown.

Africa's Response to the Global Economic Crisis

There has been varied reaction to the economic meltdown. In response to the crippling crisis, many developed

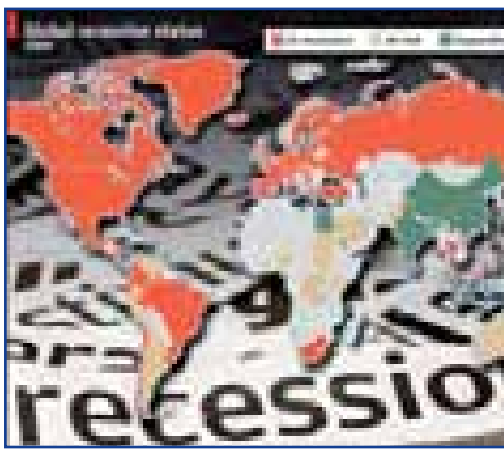
economies have devised elaborate recovery plans to jump-start job creation and put money into people's pockets. Efforts have been made to reform the banking system. Robust and sustained economic and fiscal stimulus plans have been implemented throughout Europe and the US. In the US in particular, President Obama has signed into law an economic stimulus plan worth about $787 billion aimed at boosting the US economy. While a number of struggling firms in both Europe and the US have been beneficiaries of these stimulus packages, other firms have been compelled to restructure their operations, including merging operations and reducing their staffing levels. Still others have crumbled or have been bought out and some, including banks, have been nationalized.

Individual African countries have devised localized mechanisms of responding to the economic meltdown. Many pundits have viewed the economic downturn as providing both challenges and opportunities for the continent in particular and the developing world in general. One of the critical lessons of the crisis is the need for a transformed global financial system. Financial systems cannot be self-regulatory and governance of financial institutions must be global in nature.

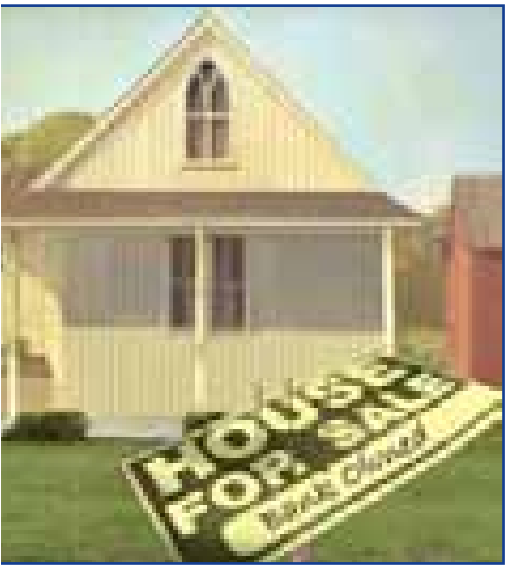
In its response to the crises, South Africa has invested heavily in an Expanded Public Works Programme (EPWP). This has been an ongoing proactive government programme aimed at providing thousands of jobless people, particularly in rural areas, with employment. In addition to this, President Zuma has proposed that those who lose their jobs must be drafted into retraining programmes. This measure will ensure that this particular set of employees acquire skills in readiness for the anticipated economic recovery when job opportunities will again materialize. African countries can borrow from and heed President Zuma's appeal to expand public service apprenticeships, learnerships and internships as a response to the unemployment challenge. Public sector apprenticeships will have to increase by 40 per cent simply to match that of the private sector.

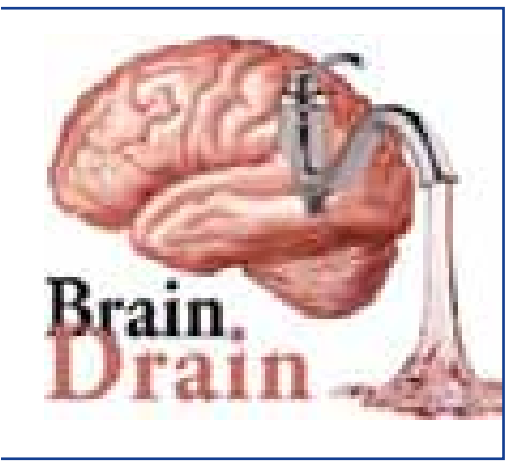
In South Africa, as is the case elsewhere, Government's proposed interventions concerning the skills shortage, poverty eradication, and so on, depend on an effective public service for their success. It is in this light that Minister Baloyi's commitment to stay the course concerning the public sector reform agenda should be viewed and applauded. The public sector reform agenda, painful and unattractive in fluid economic times, stands to position the country to better deal with similar or other unforeseen calamities in the future.

Some commentators have ventured to examine the nature and scale of Africa's responses to the crisis and to determine which African governments displayed agility in recognizing the gravity of the crisis, and how they responded. Uganda and Tanzania have been put forward as countries that, potentially, have the fiscal space to respond to the crisis effectively. Mauritius has also been singled out as a country that has responded quickly to the crisis by establishing a taskforce. South Africa has adopted a similar holistic cause of action. It has located the crisis at the centre of the agenda for the quadrate forum, involving Government, business, labour and civil society, namely the National Economic Development and Labour Council (NEDLAC).



Some panelists at the World Economic Forum argued rather condescendingly that





many African regimes were worried about their own security, a fear that could lead to the strengthening of the grip on power in light of the crisis. This could mean an increase in political intolerance and declining accountability. Overall, a common theme at the Global Economic Forum was that there had been a lack of effective response from African countries to date – but that that was also true of many developed countries.

Either way, what is clear is that Africa does not have the resources muscle to bail out businesses with stimulus packages in the same manner and fashion as its western counterparts. South Africa stands out as the only African country to have scrambled together a limited stimulus package to help prop up distressed firms. International industry and management experts have expressed the view that developing nations such as Nigeria and South Africa stand to recover much faster from the global economic recession than developed nations. This is, however, only possible if these countries were to leverage properly on technology, especially mobile broadband technology.

Concluding remarks

This paper has argued that African countries will be less inclined to embark on widespread retrenchments in the public sector in response to the global economic crisis than was the case in the 80s. Prospects of a weak state are too dire to contemplate. The foregone conclusion is that cost-cutting measures will result, which will, in turn, limit job vacancies in Government. African governments are, however, advised to resist the temptation to change the public sector reform agenda in the aftermath of the global recession, which has resulted in reduced remittances from development partners. At least for South Africa, Minister Baloyi made a commitment to Parliament that the public sector reform agenda would be unaffected by the global economic meltdown. South Africa has responded to the crisis with renewed vigour to invest heavily in the job-creating public works programme. This and other bold intervention will ensure that public service jobs are secure in the short to long term, the recession aftermath notwithstanding.

This paper has contended that few African countries stand to gain from President Zuma's proposition to turn the economic crisis into an opportunity by tapping into the 'brain gain' resulting from the resolve of migrants to return home. In this contribution, we have argued that, whereas South Africa is in a pole position to gain from this reverse phenomenon, the same may not be said of other African countries where massive unemployment rates may nullify any such benefit. Furthermore, many African countries draw huge benefits from emigrants' remittances, which boast their foreign reserves. A sudden influx of emigrants back to their home countries might, therefore, be a double blow for the economies of many African countries. Ultimately, the developed world, from whence the crisis emanated, is obligated to provide leadership in ensuring that the devastating economic meltdown does not recur.

For those interested in the list of references they should contact the author at MataywaB@dpsa.gov.za

The *Strategy Classroom*

By Tony Manning

If you want to raise your organization's "strategic IQ", there's no better place to do it than in your own workplace. Forecasters have been warning for years that the world faced a growing skills deficit. Hardly anyone listened. Now the problem is upon us. And nowhere is it more serious than in South Africa. Almost every sector of the economy lacks trained and experienced people. Engineers, accountants, artisans, doctors and nurses are all in short supply. Too few are being produced by our educational institutions. Many have emigrated and continue to do so. Recruiters are desperately trying to bring them back and to import foreigners (though immigration hurdles make that a long and costly process). Government recently announced the Joint Initiative for Priority Skills Acquisition (JIPSA) to try to turn the tide. Most critically, South Africa lacks managers. Without them, little can happen. All those other skilled people depend on them for strategy, direction, coordination, support and much else. Managers are the "pivotal people" who make things work. Yet, efforts to develop them are sadly deficient.

Enrollments at business schools are way up and both MBA programmes and executive short courses are jammed. Many other institutions offer management training and they, too, are doing a roaring trade. And judging by the boom in business book publishing and the astonishing expansion of management sections in bookstores, there's plenty of interest in the topic.

So what else can be done?

In my view, too much time, effort and money are invested in external developmental activities and too little inside. Organizations send people away to be trained, instead of doing it themselves. This is not to say that outside programmes aren't useful; of course they are. In fact, they are invaluable. They expose people to cutting-edge thinking, other executives grappling with similar issues, and a range of challenges they might never see in their own organizations.

Tony Manning

But consider the learning opportunities that organizations themselves offer. Firstly, there's "real work" – the challenges that must be dealt with daily. Aren't these potentially the best case studies of all? And isn't it a fact that people are sent away in the hope that they might come back and solve these very problems? Then, there's the opportunity to learn from colleagues – and the intellectual capital within almost any organization is astonishing. So the group's store of knowledge is added to, shaped and challenged. Sacred cows are tested. New ideas are quickly shared.

At the same time, individuals learn about one another. They get to see not only the strengths and weaknesses of those around them, but also discover what turns people on or off, what beliefs underpin their behaviour and what dreams and ambitions they might have. (In a country where diversity is such a big issue, this alone is potentially worth a fortune!)

Finally, whatever is learned outside must be brought inside and there's always a problem in selling and applying it. But what's learned inside is inside, which makes application a lot easier and more likely. For all of these reasons, the workplace is undoubtedly the ultimate arena for management development. But it only fulfils that role when an organization's leaders grasp this fact and see themselves as teachers. Think about it like this. All bosses frame the space in which their people work by framing the conversation that takes place there. They contribute a lot by sharing their own knowledge and experience. They add even more by encouraging people to share knowledge with one another and to search for new knowledge, and by keeping conversations focused on critical topics and issues. And all this happens while people are doing what they get paid for.

Tony Manning is an independent strategy consultant and the author of various books on management. He can be contacted at www.tonymanning.com.

Minister of Communications, Siphiwe Nyanda

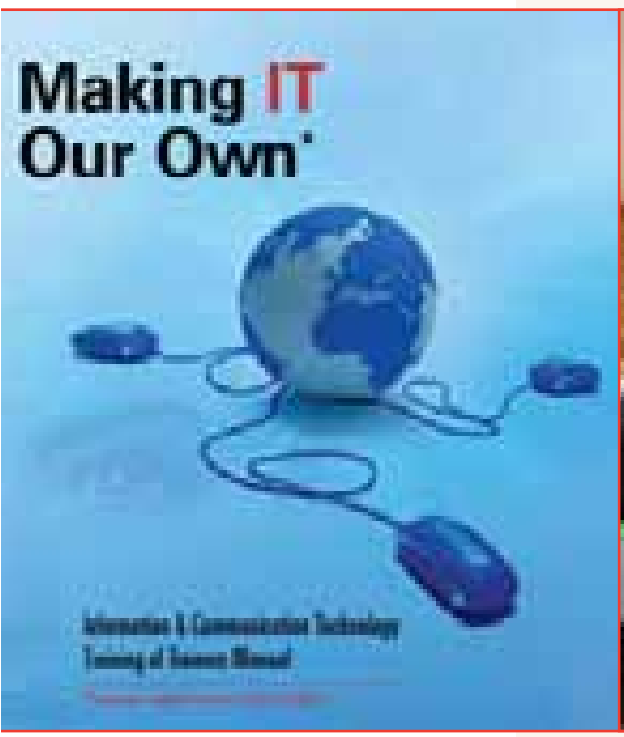
Connecting our People with the World

Gen. Siphiwe Nyanda, Minister of Communications, says that the needs of South Africans should determine our information and communications technology strategy to ensure that social transformation and cohesion can be brought about.

Our approach to building the developmental state can no longer be along the same old ways. Our Government has introduced a clear programme of action to overcome our developmental challenges. In his 2010 State of the Nation Address, President Jacob Zuma emphasized the need to create sustainable jobs, to provide opportunities for the youth and to ensure rapid service delivery for marginalized areas.

Information and Communications Technology (ICT) is a potentially transformative developmental tool, provided it is well located within the overall policy framework and is not seen as an end in itself, but a necessary means. It is the hump that feeds the camel. The reality of our people's needs should determine ICT strategy. Such needs are, among others, our human resources development; ICT growth and competitiveness; and the upliftment of underdeveloped, rural areas.

Our strategic objective is to encourage social access to technologies within a people-centred, development-orientated paradigm. Our people should be empowered to



** This article was adapted from the 2010 Budget Vote Speech of the Minister*

access information and knowledge to bring about social transformation and cohesion. Sustainable service delivery that impacts on communities requires the effective use and deployment of appropriate, integrated ICT at all levels. Building the developmental state without effective appropriation of ICT across government, business and civil society will delay and hamper the achievement of our developmental goals. ICT is a catalyst for service delivery and the backbone of 21st century socio-economic development.

In 1995, our Government initiated the development of a South African Information Technology Industry Strategy (SAITIS) project, which set out an ICT Sector Strategy Development Framework for South Africa. Its main objective was 'the bridging of the global development gap and the development of a robust, growing and sustainable ICT sector that would directly support and contribute to sustainable economic growth, social upliftment and empowerment'. The SAITIS estimates that the telecommunications sector contribution to the gross domestic product (GDP) is more than seven per cent. It has, therefore, become important for us to quantify the business streams within the industry that contribute to the current seven per cent. This will assist us in developing appropriate policies that will add to the sector's contribution to the GDP.

The question that arises is: What are we doing to develop policies and regulations that will stimulate further growth in the sector so that new investors can be attracted and more jobs created?

Honourable Chairperson, in the previous financial year we committed ourselves to develop and pass policies and legislation aimed at growing the ICT sector further. I am pleased to report that Cabinet has approved the Radio Frequency Spectrum Policy. This Policy provides for spectrum management, which involves the allocation of frequency according to the country's developmental needs and international standards. It will ensure efficient radio frequency utilization and management of this scares national resource. In addition, the Policy will contribute further to economic growth by promoting new services where required.

We have also finalized the Broadband Policy, the vision of which is to ensure that South Africans have universal access and services to broadband by 2019. The benefits accruing from the Policy will include the provision of multimedia and e-government throughout the country. The implementation of the Broadband Policy will, furthermore, impact on the growth of the economy through expanding markets, increasing business efficiency and promoting competition.

I have also submitted the South African Post Office (SAPO) Bill for the consideration of this House. The SAPO Bill seeks to establish a governance model for the Post Office that will ensure greater transparency, accountability and efficiency. I am pleased to report that the Post Office managed to implement a business model fashioned according to its market. It is looking into introducing two other business units, one of them being to concentrate on compliance. We can highlight some of its successes, such as the roll out of 47 new post office branches in the past financial year. Revenue increased to 6.3 billion rand due mainly to the increases in revenue in the Post Office's mail and financial services. This was because of expansion of addresses and value added financial services. Moving forward, the Post Office is expected to maintain the surplus it has been making for the past four years.

The Post Office has also been faced with challenges, including the expansion of its footprint and bridging the digital divide. However, for the 2010/11 financial year, the Post Office intends to focus on its financial sustainability, diversification programme, rural and youth programmes and achieving customer satisfaction. Its branch expansion programme will continue with the addition of 20 new offices and the relocation of 11 offices. I wish to commend the Post Office for maintaining a good financial position. However, we must strive to find a suitable funding model for the Post Office, particularly because of the cuts to its subsidy, which it uses mainly for its expansion programme, so that we do not compromise its universal service obligations. In the light of the fact that most of our people are rurally based and do not have access to banking services, I would urge the Post Office to accelerate its expansion programme, including the

allocation of physical addresses, as this has a direct impact on connectivity and other services such as banking. This will also improve the Post Office's market reach.

The Post Bank Bill, which is also before the House, seeks to corporatize the bank so that it can exist as a separate, independent legal entity. I wish to stress that corporatization should not be misunderstood to mean privatization, or even that consideration of such is likely in the future. The Post Bank will render transactional services and lending facilities through, among others, existing post office infrastructure and develop into a bank of first choice, particularly to communities that have little or no access to commercial banking services or facilities. The Post Bank

will also respond to local community banking needs, which will minimize travel costs.

The Cyber Security Policy was gazetted in February 2010 for public comments. The Policy is being discussed with relevant stakeholders. We intend to introduce further legislation aimed at strengthening our ICT policy framework during this parliamentary session.

We will, therefore, table the following bills:

- ICASA Amendment Bill – aimed at strengthening the governance framework of the Regulator further.
- Public Service Broadcasting Bill – the Bill seeks to align the public broadcasting system to the developmental goals of the country, and to provide an optimum funding model for the public broadcaster.
- Electronic Communications Amendment Bill – the Bill seeks to, among others, align ministerial directives, clear up ambiguity on some definitions and include the creation of strategic support structures such as the Tariff Advisory Council.

In addition, a policy directive will be issued to the Independent Communications Authority of South Africa (ICASA) to conclude the unbundling of the local loop.

We have commenced with the development of the Local Content Strategy. However, this will only be finalized once the South African Local Content Advisory Council has been appointed. The purpose of the Strategy is to promote the development of local content and the identification of niche economic opportunities in the sector.

Our interventions have stabilized the Public Broadcaster, which was plagued by serious corporate governance and financial challenges. In June 2009, I established a Ministerial Task Team to investigate the root causes of the collapse of corporate governance and financial challenges at both the South African Broadcasting Corporation (SABC) and Sentech. The Task Team concluded their assignment and we are beginning to see the positive effects of their recommendations.

As you will recall, the SABC was hit by a liquidity crisis and organizational instability. An interim board was appointed, which engaged with management to put mechanisms in place to ensure curtailment of expenditure and revenue increment. The Corporation was granted a R1.4 billion government guarantee to enable it to borrow from private banks. A tripartite monitoring team comprising officials from the Department of Communications (DOC), Treasury and the SABC has been established to monitor the financial performance of the Corporation and its adherence to the terms and conditions underpinning the government guarantee. We will ensure that the SABC does not do anything to trigger the recall of the guarantee, and that the going-concern status of the Corporation is not compromised.

A new board has since been appointed. It continues to implement a turnaround strategy that includes austerity measures to enhance revenue and reduce costs. The Corporation's radio sales unit achieved its sale targets and recorded an 11 per cent improvement in advertising. Going forward, the Corporation must continue on the same road. It must support delivery on its core mandate and focus on procuring local content during the course of the current MTEF.

"... Our interventions have stabilized the Public Broadcaster, which was plagued by serious corporate governance and financial challenges ..."

I have appointed new board members and a chairperson for Sentech. I believe this will bring about greater purpose to the organization and allow it to focus on the delivery of the mandate that it was created for. The process to fill the position of the chief executive officer is currently underway. Sentech is a strategic state entity, the main function of which is being the signal carrier for the state. In the past financial year, Sentech continued to maintain terrestrial analogue television and radio transmission at 99.9 per cent beyond customer service levels, which is the technical definition for uninterrupted service provision.

For the 2010/11 financial year, Sentech, which is critical in the provision of digital terrestrial television (DTT), will continue with the roll out of DTT infrastructure. Its target is to reach 60 per cent population coverage by the end of the 2010/11 financial year. We will monitor the process of implementation. Let me take this opportunity to thank Sentech and Telkom for collaborating in providing the ICT infrastructure for the 2010 FIFA Soccer World Cup.

For the past five years, the cost of communicating and doing business in South Africa has been impeded by exorbitant charges. In my maiden speech in 2009, I signalled my desire to bring down communications costs. Today, I am proud to report that South Africa is well on its way to reducing such costs. In November 2009, I issued a policy directive for ICASA to initiate a process to reduce the mobile termination rate (MTR) to cost. Simultaneously, I engaged in a process of consultation and discussion with mobile operators to get them to begin to reduce the MTR voluntarily. This culminated in an agreement for an initial cut in the MTR from R1.25 to 89 cents with effect from 1 March 2010.

In line with this, ICASA approved a revised, amended interconnection agreement. I also wish to acknowledge and recognize the commitment the three mobile operators exhibited by introducing much cheaper packages voluntarily to cater for the needs of the poorest during the December 2009 festive season. ICASA has now released draft regulations aimed at ensuring cost-based MTR rates on a gliding scale.

In turn, Telkom committed itself to passing on the savings emanating from the reduction in the MTR to the consumer. This is already yielding positive benefits to consumers.

Let me take this opportunity to thank Cell C, Vodacom, MTN and Telkom for cooperating with my Department, the Portfolio Committee on Communications and ICASA to bring down communications costs. The next phase of cost cutting measures should involve the retail market, which supplies services directly to consumers.

Lastly, Cabinet has adopted the Department's programmes of action and initiatives to reduce communications costs. A stable regulatory regime is necessary for us to address key ICT developmental challenges. ICASA, therefore, has to focus critically on the regulatory certainty, liberalization and promotion of the ICT sector, as well as on aligning its structure, leadership and culture with the licensing strategy for new services and achieving universal service and access. I would like to urge ICASA to accelerate the finalization of all outstanding regulations, because that will have a positive bearing on the development of the industry.

The Portfolio Committee on Communications has, meanwhile, called for nominations for four councillors, including the Chairman of ICASA, whose terms of office are coming to an end during the course of this year. I wish them well in their future endeavours.

Over the past year, the Department reviewed and audited all existing outstanding commitments related to spectrum licence obligations. You will recall that in 2004 and 2006, when spectrum licences were granted to mobile and fixed operators, specific universal service obligations were included. My Department has recently interacted with MTN, Vodacom, Cell C, Telkom and Neotel to urge them to expedite delivery on their commitments. The Department and the operators agreed to establish a working team to pursue these obligations. ICASA, the Universal Service and Access Agency of South Africa (USAASA) and both national and provincial departments will form an integral part of this working group.

The Department successfully hosted the national summit on set top box manufacturing, which involved various industry players. We will conclude the conformance scheme in the first quarter of this financial year. A draft rollout plan for the scheme for ownership of set top boxes for poor households has been developed. The scheme provides poor people with subsidies that allow them to procure the set top box.

In my maiden budget vote speech, I committed the DOC to work closely with key stakeholders to make ICT relevant to the people of South Africa. The Department has since

developed a Stakeholder Engagement Programme that seeks to institutionalize a structured programme of engagement with key stakeholders.

In this regard, the DOC has identified various industry and business associations that are critical in ensuring that it achieves its mandate of creating a favourable ICT environment. We have created an ICT Industry Forum, which has already met twice. This initiative has met with a lot of enthusiasm from the sector, which regards interaction with the DOC as key to the advancement of its interests.

I am of the opinion that Government can use ICT to improve its efficiency and streamline its operations. Therefore, the development of a coherent framework for

the deployment and utilization of ICT in Government is critical. Government should adopt and use ICT as a matter of urgency to modernize services and improve administration and efficiency. The roll out of effective ICT services will ensure that government services are available to all South Africans equitably, irrespective of where they are in the country. South Africans will see a single face of Government and will be able to connect with all levels of government and different departments using a single platform.

ICT, furthermore, offers a possibility of e-government where government offers a seamless and integrated platform for interaction. When addressing rural development, ICT can also contribute to the scientific interpretation of outputs in the agricultural sector, water management, and numeracy and literacy training within communities. We are in discussions with the Department of Rural Development and Land Reform to ensure that we participate in the agrarian reform and food security programme through technology intervention in our sector. This will also contribute to our involvement in growing the second economy.

The DOC's main responsibility is ICT policy initiation and development and to oversee the implementation thereof. Unlike other line departments, we do not have a physical presence at provincial and local government levels to implement programmes. We are dependent on partnerships and collaborative arrangements that involve the private sector, all levels of the public sector and non-governmental organisations (NGOs). State-owned Enterprises (SOEs) are the primary instruments through which the DOC implements its programmes.

I have realized the need to ensure that SOEs develop strong governance procedures and systems. As a result of this, we have strengthened the shareholder compact between the Minister and the boards of the SOEs, among other things. I am calling for greater institutional capacity building, more effective utilization of human resources capacity, better financial management and greater cohesion.

To ensure the sustainability of SOEs as part of Government's arsenal to deliver on the Polokwane Resolutions and our election mandate, I have requested the Department to set up an effective monitoring system for SOEs that will address the objectives of providing effective and efficient oversight of SOEs and other entities and introduce a performance management system with the ICASA councillors.

ICT for Africa and the world

South Africa is an integral part of Africa. At the level of ICT policy and systems integration, we will create an environment that is economically beneficial to all the continent's people. In that spirit we hosted the African Union (AU) Communications and Information Technology meeting at ministerial level.

The Oliver Tambo Declaration, which was adopted at that meeting, calls for the:

- promotion of the integration of African ICT policy and systems;
- sharing of human resources;
- harmonization of ICT regulations on the continent; and
- sharing of infrastructure, where possible, to address accessibility and the costs of communications.

This culminated in the Addis Ababa Declaration (2010), adopted by the AU Heads of State and Government. The Summit re-enforced the principle of the Oliver Tambo Declaration (2009) and took a further decision to develop an African Cyber framework by 2012.

During this period, we will seek to pursue the spirit of the Addis Ababa Declaration and the New Partnership for Africa's Development (NEPAD) principles of integration for the sub-region. Of particular importance for our country during this financial year will be the finalization of the Southern African Development Community (SADC) home-and-away tariff regulations. This is aimed at reducing roaming and cross-border communications costs. At the broader international level, the Department will seek the strategic placement of South African nationals in multinational organizations and continue to influence debates at these forums.

In October 2010, we will participate in the International Telecommunications Union (ITU) Plenipotentiary in Mexico. We will strive to ensure that South Africa is positioned globally and that the needs for our developmental agenda are highlighted for the next four years. Our participation in the ITU is of critical importance. I, therefore, call on all ICT role players to participate actively in and support the Department in all its ITU activities.

It is important that we realize that the challenges we face require us to adopt policies that pursue African advancement and enhance international cooperation. Last year, I pronounced that my Department would develop an Integrated ICT Policy Framework that would seek to position ICT as a central enabler for effective service delivery to transform the lives of our people. This comprehensive policy framework will move us towards a people-centred and people-driven, inclusive and sustainable digital economy. This framework must also support our endeavours for full convergence as we move towards an information society. Consultation towards developing the comprehensive ICT policy framework has begun at various levels.

We should recognize the critical importance of ICT as a major user of energy and natural resources and as an enabler for environmental and cultural change. We, therefore, have to do our best to ensure that the technology systems we use to improve our lives do not have a negative effect on the environment that our children and their offspring will inherit.

> “... One of the strategic goals of the Department is to accelerate socio-economic development by increasing universal access to ICT servicess ...”

Hence, we will be embarking on an ICT greening strategy to reduce the environmental impact of our computer and electronic systems.

The Constitution of the Republic of South Africa makes provision for the right to freedom of expression. This important right includes the freedom of the press and other media, and the freedom to receive and impart information or ideas. As you know, the majority of our people living in rural and semi-urban areas have little or limited access to information, particularly print media and digital data access. Our challenge is to ensure that our people enjoy equal status, both social and economic, which builds communities and empowers them to live a better quality of life. Our national democratic transformation agenda is premised on the ideals of achieving a national democratic society where our communities have equal opportunity to reap the benefits of a modern economy. We have a responsibility to direct the means of delivering access to information and communications with the bias towards the poor and the marginalized section of our society.

Our democratic government has passed legislation and policy frameworks to enable the enhancement and the delivery of online services. The Electronic Communications and Transaction Act provides for the provision of online services and the creation of an e-commerce environment that is secure and authentic. This Act supports the provision of online services delivered via the internet.

We will continue to work with our sister departments and stakeholders to ensure the speedy automation of certain online government services for the benefit of the citizens. The automation of the online government service platform will not only transform the relations between Government and the citizens by ensuring e-participation, but will also improve business processes within the three spheres of government and the private sector. As a government we will continue to implement these policies and encourage strategic investment in ICT backbone infrastructure in provinces and municipalities, especially in rural areas. We will also work closely with provincial and local governments within the cooperative framework espoused through the Intergovernmental Relations Framework Act.

In October last year, I hosted the Intergovernmental Relations Forum, which was attended by MECs from the nine provinces of our country. The common challenge expressed by most provinces was the unavailability of ICT infrastructure, while others indicated that they had initiated investments in fibre-optic cable networks. I must highlight, however, that there is a strong need to integrate our plans to ensure interoperability and accessibility of these networks by individual households. Our people must have maximum return from all investments our Government is making.

One of the strategic goals of the Department is to accelerate socio-economic development by increasing universal access to ICT services. The Department has implemented various projects in pursuit of the goal of increasing the uptake and usage of information and communications technologies by Government and individuals in partnership with business and civil society, including labour. In building an information society we are guided by the principles of people-centeredness and inclusivity.

I am glad to inform you that we launched an Information Society Multi-stakeholder Forum on 26 February 2010. This is an Information Society Partnership for

Development and is aimed at bringing together all stakeholders in the implementation of our National e-Strategy, the Information Society and Development (ISAD) Plan, to bridge the digital divide. I was excited to see the ICT industry, civil society and labour coming out in support of this initiative. The Department has received various proposals for collaboration and we hope that this will yield a positive developmental impact on our society.

In the previous financial year, the DOC developed an ICT Small and Medium Enterprise Strategy, which is centred on entrepreneurship principles. The roll out of this strategy will ensure the establishment of ICT Business Incubation centres in Limpopo, Mpumalanga and KwaZulu-Natal (KZN). The broadcasting digital migration programme provides a unique opportunity for SMME growth in our electronics manufacturing and content generation subsectors. These opportunities should be shared by our most deprived communities so that they too can enjoy the benefits of this digital transition. The key focus must also be on developing and growing our creative industry, which includes broadcast content producers as intended beneficiaries. This will further provide an opportunity for a meaningful contribution towards GDP growth. As we roll out the broadcasting digital programme, the Department will run a rigorous digital migration awareness campaign to teach and educate the public about the importance and the benefits of going digital.

In an effort to digitize our cultural heritage content, the Department launched the KZN digital repository at Stanger in September last year. The documentary, which was unveiled by the Department in collaboration with the Ilembe District Municipality, is but one of our success stories in ensuring that heritage content is captured and preserved. The Department has also finalized the digitization and profiling of the story of one struggle intellectual, Mr Thabo Mofutsanyane. The documentary will be launched during the course of this year during a memorial event planned with the Free State provincial government and the Thabo Mofutsanyane district municipality. I have to mention that the majority of people who are implementing the projects that I have mentioned are young and are trained in IT and business development skills. The e-Cadre is a flagship project in which we train young people in collaboration with further education training (FET) colleges and deploy them to various municipalities to perform community service. However, I wish to highlight that the 40 young people trained in Ekurhuleni have not been placed because of a lack of funding for this project in the previous financial year.

The strategic goal of ensuring universal access to services remains an important component of the work of the Department and USAASA. USAASA has completed the project of definitions for universal services and universal access, which were published in the Government Gazette in February 2010. The definitions set standards for infrastructure roll out in underserviced areas and mark the cornerstone and progress in facilitating the bridging of the communications and infrastructure gaps that still exist in our country. The national youth deployment strategy was developed in the first quarter of 2009. It is focused on developing ICT infrastructure and building access centres. The key highlights of the previous financial year include the establishment of eight new community centres. 68 schools have also been provided with 2 720 computers.

Subsidies for internet connectivity were granted to 18 FET colleges. In the next financial year, the Agency intends establishing a baseline project to identify the number and geographical location of underserviced areas. It will also build new digital hubs targeting rural provinces.

Another strategic goal of our Government is to strengthen the skills and human resources base in the ICT sector. Our human development is characterized by a lack of employment-ready graduates required by our modern economy, especially in the field of ICT. Following the reconstitution of the e-Skills Council by the Department last year, the work of the Council is on track with the National e-Skills Study conducted and a report adopted by the working group. The final report is ready for presentation to Cabinet. The Department is in the process of operationalizing the Meraka e-Skills Institute as a measure to bridge this gap. In the previous financial year, Meraka has formed partnerships with six international institutions and 12 local universities and developed a curriculum that will assist universities in producing an ICT-skilled cadre ready for the job market.

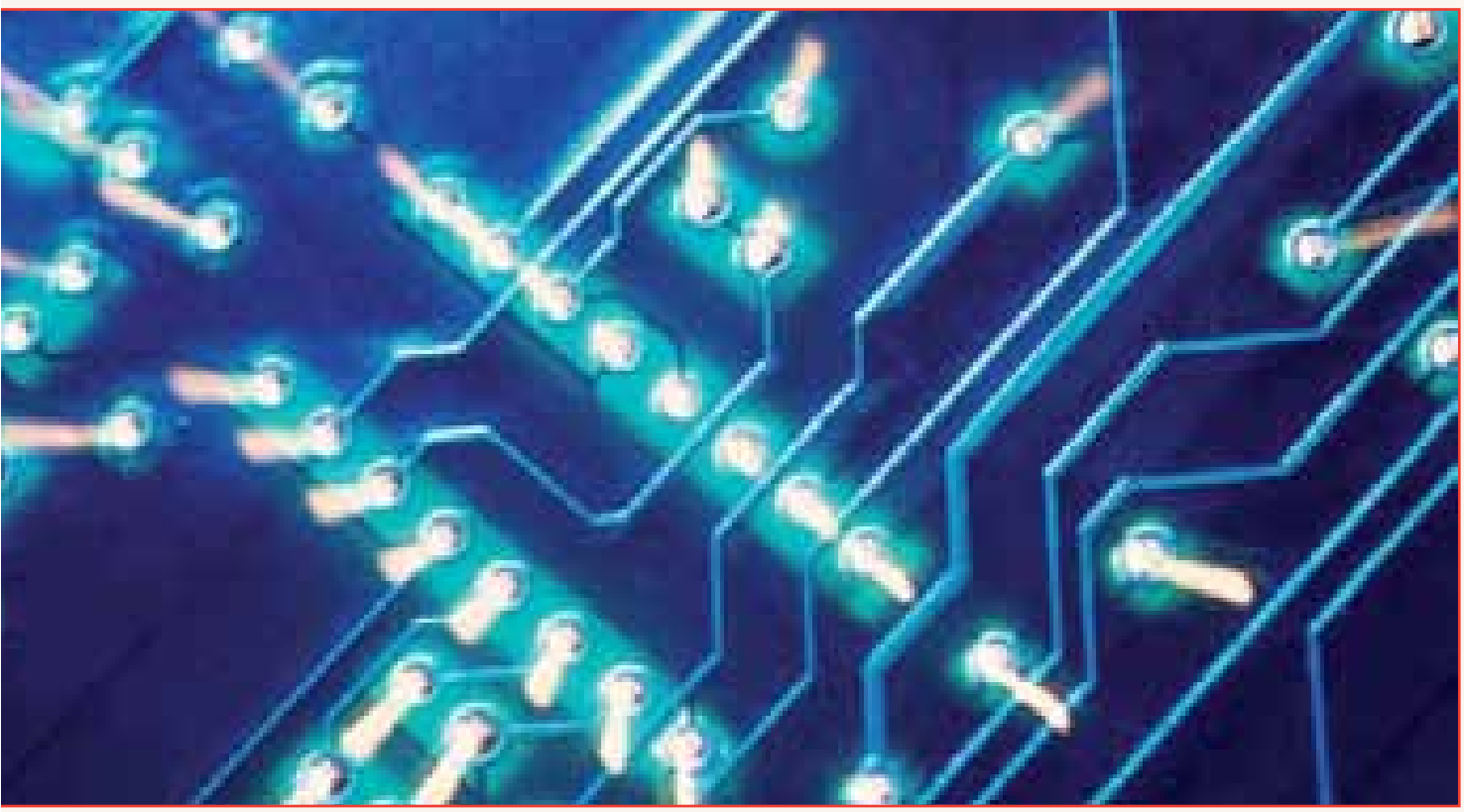
The National Electronic Media Institute of South Africa (Nemisa) was established to provide education and training in production and technical skills relevant to TV and radio broadcast industries. Over the next financial year, Nemisa will develop capacity to deliver high-quality educational services and train 870 learners.

In pursuance of better health and education for all South Africans, our Department is cooperating with the departments of Health and Basic Education to develop a connectivity plan, the implementation of which will occur in the course of this financial year.

I would once more like to call on operators to work with the Department and ICASA to implement the e-rate dispensation for connectivity to schools in terms of the Electronic Communications Act. It is important to note that we will have to consult with our affected sister departments, for example, the Department of Health, the Department of Basic Education and the Department of Cooperative Governance and Traditional Affairs on the latter.

Conclusion

Fellow South Africans, my parting words in this historic year, 2010, the Year of Action, is that we have shown the world and confounded our critics. South Africa can pull it off, on and off the field. Our ICT infrastructure for both the 2010 FIFA Soccer World Cup and the International Broadcasting Centre was up to international standards. We in the ICT sector are indeed satisfied. ■



Improving the *Frontline Office Environment*

In this article, Emmanuel Kgomo of the Department of Public Service and Administration, argues that there is a co-relation to the work environment and service delivery improvement.

Emmanuel Kgomo

The South African Government is committed to providing good-quality services that offer value for money. It also strives to understand communities, work with them and provide effective leadership to build a better future for all citizens.

Of more significance, is the fact that Government recognizes the important role of effective services in frontline offices in building stronger communities, reducing poverty and improving the wellbeing and satisfaction of its employees and citizens. It, therefore, sees it as its responsibility to improve the working environment of these offices. It is in this context that the Government Frontline Office Improvement Framework emerged.

Background

Current approaches of business as usual, both in the private and the public sectors, tend to place more emphasis on productivity and neglect working conditions. This demands business unusual and a holistic approach to improve working conditions that relate to the health and wellbeing of employees and citizens. This approach also considers the quality of working life and the appropriate physical and psycho-social environment for service delivery to citizens. Bridging the gap between the challenges of a past characterized by unhealthy physical and psycho-social working conditions in the workplace and related compromise concerning service delivery, requires focused initiatives and interventions.

Such interventions should focus on the physical and psycho-social environment of both employee and citizen. Issues of workplace ergonomics, buildings that meet the latest architectural standards and special facilities for people living with disability should be taken into consideration in ensuring that the environment is arranged to fit the person, in other words, both the public servant and the beneficiary of a public service. When ergonomics is applied correctly in the work environment, all sensory and musculoskeletal discomfort and fatigue are reduced significantly, leading to increased service delivery.

Thus, it is the responsibility of government departments to ensure that they have buildings that meet architectural and occupational health and safety standards. They should also have related policies and programmes that are implemented correctly.

“... it is the responsibility of government departments to ensure that they have buildings that meet architectural and occupational health and safety standards. They should also have related policies and programmes that are implemented correctly ...”

* *This article was adapted from the 2010 Budget Vote Speech of the Minister*

With the above in mind, the January 2008 Cabinet *Lekgotla* felt that current approaches to solving challenges in the work environment and employee health and wellness within the Public Service were inadequate. It, therefore, tasked the Department of Public Service and Administration (DPSA) and the Department of Public Works, together with interested departments (the Department of Home Affairs and the Department of Justice and Constitutional Development, among others), to develop a framework that would seek to improve the working environment in frontline offices.

In response to this task, the DPSA and other government departments, stakeholders from the private sector and academia held several consultative workshops to establish the legal and theoretical basis for the improvement of the working environment in frontline offices in the Public Service. As a result, the Government Frontline Office Improvement Framework was developed.

Government Frontline Office Improvement Framework

South Africa has a comprehensive legislative framework for responding to issues of occupational health, safety and service delivery. Current local legislative reform and international law have been taken into consideration in developing the Framework. The Framework, therefore, emphasizes physical and psychological environmental linkages with service delivery and employee health, wellness and safety.

The plan aims to improve the physical and psychological working environment for staff in frontline offices. It seeks to enable citizens, especially those most in need, to access all public services. Its other objective is to provide responsive services that meet people's needs and offer choices on how and when to access services. Through this Framework, Government seeks to continue to maximize technology and the skills of employees to offer efficient and cost-effective services. Lastly, the Framework will help with the monitoring and evaluation of public service programme implementation and documentation of best practice in service delivery. It focuses on two broad areas, namely improvement of service delivery and improvement of the physical and psycho-social environment.

In terms of the Framework, the approach proposed towards improving service delivery involves:

- increasing ease of access;
- establishing e-enabled technology;
- reaching out to all parts of the community;
- establishing a Citizen/Client Relationship Management System (CRM); and
- establishing a Total Quality Management (TQM) System.

In this area, it recommends a citizen/client needs-based model and the development of multiple channels for delivering services. The citizen/client needs-based model focuses on services that are built around citizen/client needs and not on organizational structures. The underpinning principles of this model are improvement of people, processes, technology and environment to enable frontline offices to follow through and provide excellent service delivery to citizens/clients.

Government also recognizes the need to adopt a coordinated and joint approach within departments for the development and use of multiple delivery channels to

deliver real benefits to citizens/clients in the form of improved service delivery and efficient use of resources. Delivery channels imply how and what techniques government departments use to communicate, provide information and make services more accessible to their citizens/clients. Thus, the establishment of *Thusong* Services Centres, the Community Development Workers programme, *izimbizo* and recently, the President's outreach programmes, provide a basis for enhancing Government's reach and communication with people. The sole aim is to improve delivery mechanisms.

The second area of focus of the Framework is the improvement of the physical and psycho-social environment. Its objectives are to provide occupational health and safety for employees and beneficiaries of public services; assess and improve the physical and psycho-social working environment; and conduct risk assessment and quality assurance.

The important vehicle here is Safety, Health, Environment, Risk and Quality (SHERQ). Through SHERQ, Government aims to ensure that the Public Service is a safe and healthy environment for both employees and citizens. SHERQ is a multidisciplinary discipline focusing on anticipating, recognizing, evaluating and controlling risks in the working environment. A basic SHERQ programme should include the following:

- continuous data collection for hazard identification and assessment in the workplace;
- periodic review of employee exposure and health reports to detect new hazards and re-assess old ones;
- integration of health and risk management programmes to evaluate current control measures and to institute new ones when necessary; and
- a data storage system that will permit the retrieval of information to assess the long-term effect of exposure and assure the relevance and validity of data collected.

Cabinet approved the Safety and Health Policy for implementation with effect from 1 April 2009. Substantial progress has been made since then. Government departments have not only put in place relevant information, but have established Health and Safety Committees and elected Health and Safety Officers whose responsibility is to ensure that employees are adequately provided for in the health and safety arena. It is envisaged that the implementation of this Framework will go a long way towards improving the health and safety of both employees and citizens, thereby leading to a better life for all South Africans.

Conclusion

The Improvement Framework for Government Frontline Offices reflects Government's commitment to improving access to services and in so doing, empowering people to improve the quality of life in the Public Service. Government sought to understand communities, their needs and expectations and involve them in deciding the priorities for the future. Government also acknowledged achievements and progress over the last few years, as well as the areas that need further development.

Improving access to healthy and safe environments and efficient and effective services is a major programme and as such, is seen as one of the three strands in the government change programme. The next three years will be an exciting time for public services, partners and citizens, since there will be fundamental transformation in the way information and services are provided. By working in partnerships, Government recognizes the important part that departments and partners can play in helping to build transformed, healthy, and accessible frontline offices. ■

Minister of Arts and Culture, Lulu Xingwana

Arts and Culture for a Non-racial and Non-sexist Society

Freedom comes with responsibilities and we must instill in our people a consciousness that it is a shared responsibility to protect knowledge, culture and institutions of learning for present and future generations, writes Ms Lulu Xingwana, Minister of Arts and Culture.

Speaking during his State of the Nation Address, President Jacob Zuma declared 2010 the year of action. He pointed out that "the defining feature of this Government will be that it knows where our people live, understands what their needs are and will respond faster. We will not allow a distance to arise between government and its people".

The arts, culture and heritage portfolio seeks to bring government closer to the people and the people closer to us.

Dialogues on social cohesion

In October 2009, we reached a milestone by holding the National Social Cohesion Colloquium, 'Building a caring society', in Durban on 29 and 30 October 2009. This gathering, which was attended by academics, civil society, government officials and other stakeholders, laid the ground for the national conference this year.

The Colloquium raised issues around intergenerational dynamics and the need to reconcile parental authority with children's rights. Concerns were also raised about the gender relations between men and women within the home and the community. Delegates argued that there cannot be social cohesion without social justice and they stressed the need to fully address the legacies of the past, since the inequalities created by apartheid systematically impoverished black people. The Colloquium also raised the need for the inculcation of a charter of positive values and the consolidation of the project on moral regeneration.

The Department of Arts and Culture (DAC) is preparing to hold provincial dialogues on social cohesion that will precede the national conference to be held in the second half of this year.

Engagement with the creative and performing arts sector

A highlight of our engagement with the creative sector was the *imbizo* with the performing arts sector organized by my Department and led by President Zuma and relevant cabinet ministers in November last year, during which cultural industries were prioritized as a critical area.

The Department is, therefore, embarking on the mapping of creative industries to reposition and mainstream such industries into broader government goals. As part of a research and industry mapping exercise, the Department is also partnering with the United Kingdom (UK) and engaging key stakeholders in the skills development arena of that country.

During a visit of Deputy Minister Mashatile to the UK, he also extended a provisional invitation to the leadership of the National Skills Academy for Creative and Cultural Skills to visit South Africa and provide guidance on the development of the envisaged South African academy.

DAC is in the process of finalizing an agreement with the European Commission on a call for proposals for a youth empowerment programme through arts, culture and heritage. This will see an acceleration concerning skills development and empowerment among the youth in partnership with the Commission.

Another important issue is the matter of social security for artists. We are hard at work with the private sector on this matter.

Music

On the broad international front, South Africa was also chosen as country of honour at MIDEM, the annual music market, in 2010. DAC supported the participation of many musicians and emerging independent music producers in this event.

At a special ceremony, the French Culture Minister, Mr Frederick Mitterrand, honoured prominent artists Caiphus Semenya and Letta Mbulu with French national arts and culture honours for their excellent and long-standing contribution to the global music industry.

Both Caiphus Semenya and Letta Mbulu were awarded the National Order of the *Ikhamanga* Silver last year. Hugh Masekela and Jonas Gwanga were awarded the National Order of the *Ikhamanga* Gold this year, while Peki Emelia 'Nothembi' Mkhwebane received an Order of the *Ikhamanga* Bronze.

At the 22nd African Festival in Wurzburg (a very large African festival with an attendance figure of over 100 000) held in May this year, South Africa was the country of honour and was given prominent status with artists and musicians such as Jonas Gwangwa, Don Laka, Vusi Mahlasela and Lira, among others.

On 28 April 2010, I inaugurated the Downtown Music Hub Board following the purchase of Downtown Studios by my predecessor, Dr Pallo Jordan. Downtown Studio was purchased from Avusa in the 2009/10 financial year and the vision is to develop it into a music hub, which will be a music heritage centre, as well as a state-of-the-art local content music production hub that will produce high-quality content for the market place.

Under the stewardship of Don Laka, assisted by Nothemba Mlonzi, this Music Hub will be central in supporting independent music creators and producers in terms of business investment.

My Department also continued to support the Cape Town International Jazz Festival, known as Africa's grandest gathering. This event has grown over the years to having an audience of over 32 000. It provides a great opportunity to South African musicians to perform with their international counterparts and makes a huge contribution to the local economy and tourism. Workshops are also organized for young emerging musicians, cultural journalists and technicians.

An African arts and culture experience for 2010

In pursuit of the objective of making the FIFA World Cup a truly African experience, I engaged with the Creative Workers Union of South Africa (CWUSA), the Local Organizing Committee (LOC) and FIFA representatives to ensure that we showcased the vast talents of South African and African artists at all arts and culture components of the FIFA World Cup. In this regard, the Department supported the arts and culture components of especially the opening and closing ceremonies.

DAC delivered a grand Confederations Cup at both the opening and closing ceremonies and also organized a superb show at the Final Draw in December last year. That provided a preview of the ceremonies for 2010, which were spectacular

indeed. I would like to thank the Task Team that I appointed for their sterling work in helping to prepare the artistic programme for the final draw that was held in December and the arts and culture programme for 2010.

Legislation

The Department will, in the course of this year, submit numerous draft bills as part of its legislative programme. These will not only help us to implement recommendations of the policy review process, but also to effect constitutional imperatives.

The bills include:

- The Cultural Amendment Bill to streamline institutional governance and accountability.
- The Community Libraries Bill to ensure equal access to all citizens.
- The South Africa Language Practitioners Bill to regulate the sector.
- The South Africa Language Bill to stimulate multilingualism.

Contribution to the film industry

We are pleased to announce that we have decided to support the National Film and Video Foundation (NFVF) with a R10 million grant to set up co-operatives in rural areas and townships that will focus on bringing cinemas to our people and developing skills in areas related to film production. We keenly wish to see South Africa attain further success in the film industry, since the value chain benefits a wide number of businesses and creates many jobs.

We have also supported the Durban Film Festival, which included training workshops for producers, directors, cinematographers and various technicians.

As part of our ongoing cultural collaborations with the global community, we are proud to report that South Africa will finally be signing the film co-production treaty with France. We are also working on signing agreements on film co-production with Australia and Ireland in the year ahead.

Design

DAC continues to unleash talent that re-ignites the design sector. A shining example of this is the Fashion Fusion programme, one of the highlights during South Africa Fashion Week, which pairs the creativity of rural-based crafters with leading fashion designers to produce sustainable products sold in leading stores nationwide and globally. This programme has not only opened up job opportunities, but has also taken fashion design in South Africa to greater heights.

South African Arts and Culture Awards (SAACA)

This year, National Heritage Month celebrations will focus on the contribution of South Africa's Living Human Treasures to the preservation and transmission of living heritage. In this way we hope to highlight the contribution of communities and individuals who possess a high degree of knowledge and skills to sustain livelihoods through generations.

This year, DAC will, for the first time, be presenting the SAACA on Heritage Day 2010. This will cover arts and culture disciplines such as craft, dance, fashion, design, visual

arts, music, literature, theatre and film, as well as special categories to honour those who have become living legends.

Crafts

Last year, the theme for Heritage Month was 'Celebrating our crafts, celebrating our national heritage'. The crafts of Limpopo were displayed at an exhibition. Through a public private partnership launched during Heritage Month last year, DAC and Old Mutual have been offering crafts entrepreneurs trying to set up businesses a highly competitive interest rate in the first five years of their operations, as well as sound business advice and further assistance.

The South African craft industry continues to make headway in terms of building an export market, with two exhibitions recently mounted outside the country. These were the Connection Arts and Crafts Exhibition at the Borges Cultural Centre in Buenos Aires, Argentina, and a craft exhibition at the second Pan African Cultural Festival in Algeria, both of which provided exposure to different markets for our crafters.

Crafters also had a chance to exhibit successfully in Nigeria at the ten-year celebration of South Africa/Nigeria relations, while further exhibitions were held in Cuba, among others in Havana's Africa House in December 2009.

DAC is also participating in EXPO 2010 Shanghai, China, the theme of which is 'Better cities and better life'. We are showcasing the vibrancy of South African cities and urban cultures. A DAC crafts exhibition with the theme, 'Beautiful things', is being mounted at the Expo, which started in May and ends in October 2010. During this period, we sent some of our leading women artists to participate in a Women's Day celebratory event in August. We also celebrated Mandela Day in Shanghai on 18 July and a number of top and emerging musicians performed at a concert at the EXPO. There were also a parade and special activities in the Pavilion. We are one of 180 countries participating in this EXPO, which is expected to draw over 70 million visitors from all over the world.

Cultural diplomacy

The Department hosted a national cultural diplomacy conference in Pretoria from 20 to 22 May 2010. The event attracted some leading cultural figures, intellectuals, academics and artists to deliberate on the formulation of a cultural diplomacy policy for South Africa in the 21st Century.

South Africa also hosted the fourth World Summit on Arts and Culture held in Newtown, Johannesburg from 22 to 25 September 2009. It was hosted by the National Arts Council of South Africa with the support of DAC.

The fact that this Summit took place on African soil afforded a large delegation from the continent a chance to attend and participate in this world event. An African Chapter of International Federation of Arts Councils and Culture Agencies (IFACCA) was set up in Harare on 30 April.

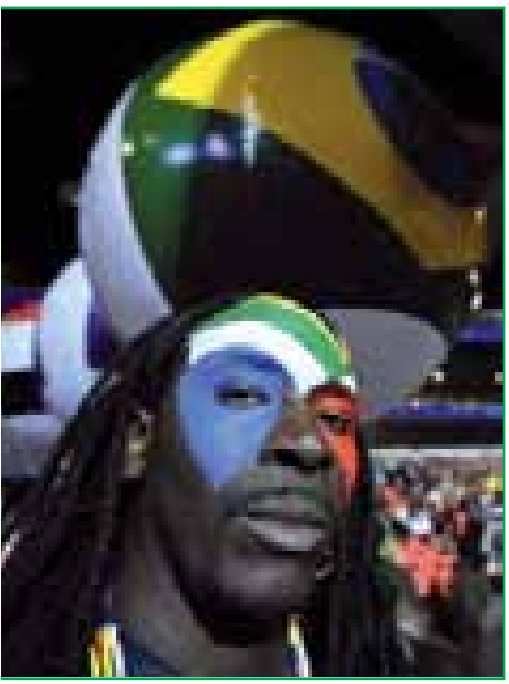
DAC recently hosted a televised breakfast session to launch the African Artists for Haiti initiative. Significantly, this happened on the 100th day since the earthquake disaster that devastated that country. The aim of the initiative is not only to use arts and culture to raise consciousness, but also to galvanize the artistic sector and the general public to make concrete contributions to alleviate the quality of life of the people of Haiti. We are pleased that representatives of Gift of the Givers are also in the House today. They have contributed immensely towards mobilizing assistance for the people of Haiti.

Haiti was the first African republic to be established more than 200 years ago by slaves who liberated themselves. That has inspired all Africans on the continent and in the Diaspora to fight for their freedom and move towards liberation and self-determination.

Recovery and repatriation of South African cultural and heritage items

Mr Giuseppe Ciucchi, a South African businessman of the Stonehage Group who acquired the flag on auction in London and returned it to South Africa, has written to me offering to present it to the state. I thank him for his public spirit and his patriotism. He is represented by Mr Koos Rossouw who is present in the House today. We have the flag in our midst. I must also thank Colonel Jaco Kloppers who supplied the Department with invaluable information that enabled us to act swiftly in the matter.

The recovery of the Freedom Charter was also only possible due to the generosity and public spirit of many people and organizations. Thanks also goes to the Lilies Leaf Trust for its role in this regard. We hosted a handover ceremony during which the Deputy President received the Freedom Charter on behalf of our Government and nation.



"... The recovery of the Freedom Charter, signed by Chief Albert Luthuli and the Congress Alliance leaders, has been a victory against those wishing to steal our precious heritage items ..."

We commend the National Archives and South African Heritage Resources Agency (SAHRA) for refusing the export of artworks of outstanding significance from South Africa. These works are 'The Harvesters' by George Pemba and 'Landscape' by JH Pierneef. We have these precious art works in the House today.

The rescue of these iconic items of our heritage has highlighted gaps in our legislation and I wish to assure the House that my Department is addressing these with the greatest urgency. Certain amendments to the South African Heritage Resources Act (Act No. 25 of 1999) will be made in the Third Cultural Laws Amendment Bill. These are intended to close the loopholes currently being used by commercial concerns outside our country to loot our cultural heritage.

Over the coming year, the National Archives will focus on digitizing audio recordings in the Rivonia Trial collection. We intend to partner with the Council for Scientific and Industrial Research (CSIR) and the United Nations Educational, Scientific and Cultural Organization (UNESCO) in this delicate and highly technical task, since the Rivonia Trial records are now listed in the UNESCO memory of the world register.

The Republic of Korea will be hosting an exhibition based on collections listed in the memory of the world register and South Africa will be showcasing the Rivonia Trial records during that exhibition.

Women

Plans are afoot to have an annual Dulcie September Memorial Lecture to be hosted jointly by the Department and the University of the Western Cape. At the same time, we intend inviting African writers to an event that celebrates women's writing. The Mayor of Arcueil also invited the Ministry to the annual commemoration at the Dulcie September High School.

Following my undertaking last year to celebrate the significant role of South African women, SAHRA initiated the public consultation process for the grading and declaration of the graves of Charlotte Maxeke, Lillian Ngoyi and Helen Joseph by consulting the families, as well as critical and interested stakeholders. I will make a public announcement during Women's Month in August 2010 to celebrate the role of women in establishing South Africa's democracy.

Literature and libraries

South Africa was chosen as the market focus country at the recent London Book Fair that took place from 19 to 21 April. This honour provided an ideal opportunity to showcase South African authors, publishers, booksellers and libraries. Unfortunately, the unprecedented situation arising from the Icelandic volcano prevented my Ministry and many delegates from our South African delegation from attending. I would like to thank Ambassador Skweyiya for ably representing us at that gathering. However, because of the unavoidable lost opportunities, further visits are being made available for the South African book sector to showcase our achievements both in Edinburgh and Haye later this year.

Furthermore, DAC is committed to enhanced participation in the home-grown Cape

Town International Book Fair in July. The fair has become the biggest book fair in Sub-Saharan Africa and celebrated its fifth anniversary this year. The theme for this year was 'Where the story begins'. In line with its aspiration to become the Pan-African book fair, organizers worked with the Goethe Institute to bring 20 publishers from other African countries to the fair.

DAC, in collaboration with the National Library, undertook to reprint some out-of-print books in indigenous African languages that are considered to be classics. In total, 27 titles in all nine previously marginalized languages have been reproduced and distributed to public libraries across the nation. I am pleased to announce that we have also embarked on the second phase of the project, which involves the re-issuing of a total of 18 titles (two in each indigenous language). These titles include *Apha Naphaya* by DM Jongilanga, *Ikusasa Alaziwa* by OTM Nxumalo and *Megokgo ya Bjoko* by Oliver Kgadime Matsepe. In an effort to encourage South Africans to become a reading nation, we also intend publishing great African classics such as *Mhudi* by Sol Plaatje and great works from Africa and the African Diaspora.

I would like to report that the National Arts Council has purchased the collections and documents of the late and great writer, Mazisi Kunene, South Africa's first *Poet Laureate.* With this valuable collection, we are able to conserve a lasting legacy of one of Africa's finest literary sons who, throughout his life, maintained writing in isiZulu, even while in exile. We hope that this collection will be made accessible to scholars and the wider public in due course.

DAC has supported the Baobab Literary Journal with the purpose of providing a regular publishing platform for budding writers to appear alongside seasoned ones. This publication has already included contributors from various countries across the African continent and the African Diaspora.

DAC, furthermore, continues to support the 'Time of the Writer' and the 'Poetry Africa' festivals held in Durban annually. Among other things, these festivals stage developmental workshops for young emerging writers, a schools programme and an initiative with Correctional Services to promote writing in prison.

The implementation of the community libraries conditional grant continues apace. Since the project started, 111 libraries have been upgraded and 11 new libraries have been built. It is expected that 12 new libraries will be built this year. However, while 11 libraries have been built, four have been burnt down during various service delivery protests. Cases have been reported to the police and criminal investigations are ongoing.

We call upon the youth of our country and all youth structures and formations to rise up and protect their libraries. These are their gateways to the future. Freedom comes with responsibilities and we must instill in our people a consciousness that it is a shared responsibility to protect knowledge, culture and institutions of learning for present and future generations.

Heritage

My Department and the National Heritage Council are embarking on a programme to outline and establish a National Liberation Heritage Route covering all our provinces and other Southern African countries.

As part of our continued honouring of our freedom fighters through National Legacy Projects, I would like to mention the handover to the nation of the house of Solomon Kalushi Mahlangu by his mother, Mrs Martha Mahlangu, on 6 April 2010. The aim is to preserve and promote Solomon's legacy as an integral part of our heritage. On this note, I am also consulting the family of John Langalibalele Dube about plans to restore, preserve and promote his house.

In August this year, I will unveil the design of the Sarah Baartmann Centre of Remembrance, the construction of which will then start next to her gravesite in Hankey in the Kouga Municipality in the Eastern Cape.

The 30th anniversary of the commemoration of the Matola massacre in February 2011 will be marked by the unveiling of the design of a monument and an interpretive centre at the site in Mozambique. The Department of Public Works and the Government of Mozambique have appointed principal architects to work together on the design.

Freedom Park, one of the nation's flagship heritage projects, is nearing completion with the launch this year of one of its main elements, the museum //hapo: the 'Dream'.

I recently inaugurated the new Board of the Robben Island Museum, which will have the very capable Ms Thandi Modise at the helm. The Board has set itself the task of appointing a suitable chief executive officer and appropriately qualified management for the Museum.

In his State of the Nation Address, our President reminded us that this year marks 150 years since the arrival of Indian indentured labourers in this country. We are working with the Presidency and the provinces to stage a national commemorative event in November 2010.

Importance of national symbols

Both the national Anthem and the flag were crucial elements of the hosting of the World Cup and proudly flying flags, in conjunction with proper and emotional renderings of the Anthem constituted a great show of patriotism.

It is encouraging to see South Africans taking a positive step towards embracing these two primary national symbols. The Anthem is being profiled extensively in the media and people are most willing to learn to sing it. The flag is seen everywhere and South Africans are taking the initiative of buying flags rather than waiting to be given one. This deserves to be acknowledged and encouraged. In addition, over a million hand-held flags were distributed at recent national days and events in different parts of the country, while a national publicity campaign involving the printing of the Anthem in all official languages and focusing on national symbols is also planned.

Conclusion

My Department, together with the Presidency, will continue to lead the commemoration of national days in consultation with the entire nation and relevant stakeholders.

Together we can do more to work towards the realization of a truly non-racial, non-sexist and democratic country. ■

News in Brief

Multimedia *Innovation Centre Launched*

CPSI Launches Multimedia Innovation Centre

The Centre for Public Service Innovation (CPSI) recently launched a Multimedia Innovation Centre at its Centurion offices, just outside the administrative capital of Tshwane. According to CPSI Chief Executive Officer, Thuli Radebe, the Centre is just one of her organization's latest initiatives in its quest to identify, facilitate and nurture a culture of innovation in the Public Service.

"The Multimedia Centre demonstrates the investments and successes of the Public Service in transforming through innovative ways of delivering public services to South Africans. The Centre is meant to showcase successful innovative practices undertaken both in South Africa and abroad," says Radebe.

The highly technological, yet user-friendly Centre is a walk-through facility that uses interactive and multimedia technologies such as touch-screens and 3D audio-visuals to guide users through the repository of innovative programmes and projects that have been undertaken in the public sector over the years. It also provides an environment to incubate, test and mainstream solutions aimed at improving or enhancing service delivery. Ultimately, the Centre allows the public sector to access real, working examples and experiment with technology as an enabler of innovation.

Says Radebe: "Innovation is not only confined to initiatives in the private sector. Proof of that is the way in which the South African public sector has been encouraging and supporting innovation for many years. Although various departments have embraced innovation in their operations, many institutions remain challenged by the concept of innovation. Hence, the CPSI's decision to establish a multimedia innovation and solutions centre for the public sector in South Africa."

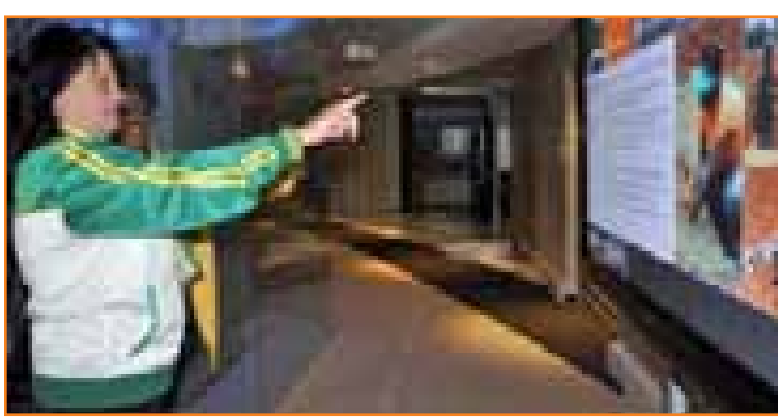
The CPSI's cross-sector reach allows it to act as a resource for the whole of Government, crossing institutional boundaries. In this way, it is ideally positioned to drive projects that aim to nurture service delivery integration. The Multimedia Innovation Centre is an ideal platform for the public sector to learn, share and find innovative solutions (approaches, methodologies) to improve service delivery.

The direct beneficiaries of the Centre are public servants who will be empowered to address the needs of citizens effectively and efficiently. Citizens remain the ultimate but indirect beneficiaries of the Centre. Although the latter will not be using the Centre, all activities are guided by a commitment to respond to Government's citizen-centric priorities. Academic institutions will also benefit from using the Centre for teaching purposes.

Furthermore, South Africa plays a leading role in public administration in the African region. Over the past few years, the Department of International Relations and Cooperation has referred various international visitors, particularly those from the African continent, to the CPSI to view South Africa's approach to public-sector and service-delivery innovation.

Speaking at the launch of the Multimedia Innovation Centre in early June, the Minister of Public Service and Administration, the Honourable Mr Richard Baloyi, urged the public sector to "use this resource to explore and find innovative solutions to service delivery challenges and meet our citizen's expectations and needs urgently".

To visit the Multimedia Innovation Centre, call:
+27 (0) 12 683 2800 or 086 000 CPSI (2774)
Visit: www.cpsi.co.za ■



AU appeals for assistance in Somalia

Kampala – The African Union (AU) appealed to the UN Security Council and international community to help in capacity building and resources mobilization to stabilize war-torn Somalia.

Erastus Mwencha, Deputy AU Commission Chairperson, told reporters during the recent AU Summit in Kampala that many African countries had courage and commitment for peacekeeping missions in the Horn-of-Africa country but lacked capacity. Uganda and Burundi were the only countries contributing about 4 300 peacekeepers to Somalia under the AU Mission in Somali (AMISOM), while security experts recommended a 27 000-strong peacekeeping force to pacify the situation in that country.

"We appeal to the international community to put forward more resources and funds," said Mwencha. He continued, saying that the situation in Somalia was critical for the peace, security and the stability of the continent and the world at large.

"The issue of Somalia is so critical. Children can't go to school; women can't access health services and several people are being killed daily. For how long can we continue with this situation?" asked Mwencha.

He said the Commission was also lobbying funds for peacekeeping missions in the Darfur region in Sudan and for the stabilization of Madagascar.

The nine-day summit, which was held under the theme 'Maternal, Infant and Child Health and Development in Africa', focused on issues such as peace and security, infrastructure, energy, agriculture and food security. The 20th Ordinary Session of the Executive Council convened from 22 to 23 July and the 15th Ordinary Session of Assembly of Heads of State and Government were held from 25 to 27 July. – *BuaNews*

SA's population increases to 49.99 million

Pretoria – South Africa's population has increased by about 530 000 people to 49.99 million, according to Statistics South Africa's Mid-Year Population Estimates.

This year's estimates are up from last year's updated estimate of 49.46 million. The estimates also show that 51 per cent (about 25.66 million) of the South African population is female. Black people constitute more than 79 per cent of the total South African population at 39.68 million, while white people constitute 4.58 million, followed by coloured people at 4.42 million. The Indian/Asian population stands at 1.30 million.

Of the provinces, Gauteng was found to have the largest share of the country's population at 11.19 million (22.4 per cent). This was followed by KwaZulu-Natal at 21.3 per cent. The Northern Cape, according to Stats SA, remains the province with the smallest number of people.

Nearly 31 per cent of the population is younger than 15 years, with approximately 7.6 per cent being 60 years old and older.

Of the people younger than 15, about 23 per cent live in KwaZulu-Natal and 19.3 per cent live in Gauteng.

When coming to migration patterns, estimates show that from 2006 to 2011, approximately 211 600 people have and will migrate from the Eastern Cape, while Limpopo is estimated to experience a net out migration of 140 000 people.

While these provinces are estimated to lose people, Gauteng and the Western Cape expect an inflow of migrants of about 364 400 and 94 600, respectively. – *BuaNews*

Programme to create 10 000 jobs for rural youth

– By Nthambeleni Gabara

Pretoria – An estimated 10 000 jobs are expected to be created for unemployed rural youth through a recently launched programme by the Department of Rural Development and Land Reform.

The National Rural Youth Service Corps (NARYSC) will be targeting youth from deep rural areas between the ages of 18 to 35 who have passed grade 10, and will include those living with disabilities.

The Department's Head of Communications, Eddie Mohoebi, said the NARYSC is a two-year programme aimed at empowering rural youth from each of the 3 000 rural wards across the country.

He said the programme is expected to create job opportunities for at least three youths in each of the identified rural wards.

Mohoebi said successful candidates will undergo an intensive training programme, based on needs identified during the departmental induction, and receive a monthly stipend for the two-year duration of the programme. On completion of the two-year training programme, candidates will work in their communities, providing services towards local socio-economic development.

"The recently developed NARYSC will complement the Department's job creation model, which targets and ensures that at least one person per household in the rural areas where the Comprehensive Rural Development Programme (CRDP) is being piloted, gets employed for two years with such employment linked to skills training," he said.

Mohoebi further said they have initiated these job creation and skills development programmes in line with the Department's rural development mandate to create vibrant, equitable and sustainable rural communities throughout South Africa.

Potential candidates seeking more information about the programme can contact the Department's toll free number, 0800 007 095 or visit the website www.ruraldevelopment.gov.za. – *BuaNews*

Plans for KZN Children's Hospital unveiled

– By Kemantha Govender

Durban – A R118-million plan was unveiled at the official launch of the KwaZulu-Natal Children's Hospital restoration project recently.

The hospital, on the Durban beach front, was opened in 1931 and is the province's only specialist children's facility, built to the finest specifications and filled with light and art.

In 1984, the hospital was closed and stood as a broken relic for a long time, but now a three-phase plan to upgrade the hospital has been put into place.

The project will take about two and a half years to complete. For a year, phase one will be devoted to the Children's Hospital, while work in phase two will focus on the Old Nurses Home over a nine-month period. In phase three, associated buildings on site will be completed over a period of nine months.

The project is being driven by the KwaZulu-Natal Department of Health with assistance from NGOs, the Architectural Heritage Trust and Friends of the Children's Hospital – and once opened, children throughout the province will be admitted on a referral basis only.

KZN Health MEC, Sibongiseni Dhlomo, attended the event and expressed gratitude to his Department and all stakeholders "consisting of multiple donor groups and diverse professionals [who] have worked tirelessly to initiate the restoration project".

Dhlomo confirmed the hospital will offer rehabilitation programmes on an intensive, short-term, multi-disciplinary basis. There will be palliative care; in-patient services; hospice facilities; and training and research programmes focused on child health issues.

The hospital will also include a residential facility for the board and lodging of children caregivers and will be a continuation of the theme of private-public collaboration and intersectoral collaboration.

The KZN Health Department feels there is a huge potential for community participation in the renovation and rebuilding of the KZN Children's Hospital; even a need for it.

"It is a project for the community and it only makes sense that the community participates in it. We want to capture this community spirit," said Dhlomo. – *BuaNews*

Transport – a key World Cup legacy

Pretoria – Government says a key benefit of the 2010 FIFA World Cup was improvements made to the country's public transport system, which will benefit South Africans for years to come.

In this regard, transport Minister, Sbu Ndebele, submitted as an example the 700 busses bought and used during the tournament, which will now be used to boost the ageing Autopax Bus Company fleet owned and operated by Prasa.

"We are going to use these buses to recapitalize intercity bus transport so that our people can move freely from one city to the next," the Minister said.

The tournament has brought South Africa's transport system into the 21st century with new infrastructure put in place and existing ones upgraded for the tournament.

As part of preparations for the World Cup, Government upgraded its road and rail infrastructure, its airports and introduced new systems such as the Bus Rapid Transit system, known in Johannesburg as *Rea Vaya*.

The Gautrain, which is seen as a catalyst for economic development in South Africa, finally moved out of testing into a full-fledged operation.

Ndebele indicated that Gauteng's Freeway Improvement Project will also resume its operations.

The freeway improvement project was put on hold to allow free traffic flow during the World Cup. According to the ministry, the bulk of the work has been done and the project will be completed by the end of this year.

The ministry urged South Africans to continue using public transport after the World Cup.

"The Transport Department once again calls on South Africans to use public transport and the wonderful infrastructure that has been put in place. The lessons learnt from the World Cup will assist us as we move forward." – *BuaNews*

Study on risk-reducing gel welcomed

Pretoria – The World Health Organization (WHO) and UNAIDS have welcomed a study conducted on a vaginal gel that is said to reduce the risk of HIV infections in women if used before and after intercourse.

The results of the study on the gel, which contains the antiretroviral drug, tenofovir, were announced at the 18th International AIDS Conference held in Vienna in July.

The study conducted by the South African Centre for the AIDS Programme of Research (CAPRISA) found the gel to be safe and acceptable when used once in the 12 hours before sex and once in the 12 hours after sex by women aged 18 to 40 years. According to the study, the use of the gel reduces HIV infection by 39 per cent and also reduces the risk of contracting genital herpes by 51 per cent.

UNAIDS Executive Director, Michel Sidibe, said the study could open up new possibilities for HIV prevention and that if confirmed, it would be a powerful option for the prevention revolution and help the world break the trajectory of the AIDS epidemic.

"We are giving hope to women. For the first time we have seen results for a woman-initiated and controlled HIV-prevention option," said Sidibe.

WHO Director-General, Dr Margaret Chan, said that organization was looking forward to seeing the results confirmed.

"Once they have been shown to be safe and effective, WHO will work with countries and partners to accelerate access to these products," said Dr Chan.

Dr Chan and Sidibe stressed the urgency of confirming the results so that a safe and effective tenofovir gel could be made available rapidly to women who wanted it.

They added that the following issues had to be addressed immediately:

- additional trials to confirm results;
- key issues, including the determination of requirements for the approval by national drug regulatory authorities of the new indication for tenofovir;
- operations research on how to deliver and sustain product supplies within combination prevention programmes;
- determining the frequency of HIV testing and accelerated studies to expand knowledge on the safety of the product, particularly in young women below 18 years of age and pregnant women.

WHO and UNAIDS will convene an expert consultation with women's health and HIV prevention advocates; scientists; microbicide research teams and product developers; and public health experts to discuss the way forward concerning the product.

The consultation will be held in South Africa in August. – *BuaNews*

Government to consider OECD report

Pretoria – Government is to consider the Organization for Economic Cooperation and Development (OECD) report on South Africa that, among others, highlights the country's high unemployment rate.

"We welcome the survey," said Finance Minister Pravin Gordhan of the OECD's first economic survey report released recently. The Minister added that the report would add another voice to economic debate.

"We find it useful that we have another voice and set of minds that have applied themselves to South Africa's context," he said.

According to the report, South Africa's economy needs to grow by five per cent per year to turn the tide against unemployment, which is "especially acute for the young".

It said that the economy was still around three per cent below potential and would take at least three years before reaching full potential.

Minister Gordhan said that a growth rate of over six per cent was necessary to turn the tide on job creation and poverty.

"What we need is seven per cent growth for 20 years," he said. Gordhan said that Treasury would allow the Reserve Bank to buy reserves in response to the OECD's proposal that South Africa intervene more actively on the rand.

"We have consistently said that we want a stable exchange rate. We will enable the Reserve Bank to buy more reserves. As a society we should keep inflation under control and at the same time the Reserve Bank has a more flexible mandate when determining interest rate decisions," he said.

Secretary General of the OECD, Angel Gurria, said the country's low employment rate was South Africa's most salient economic problem.

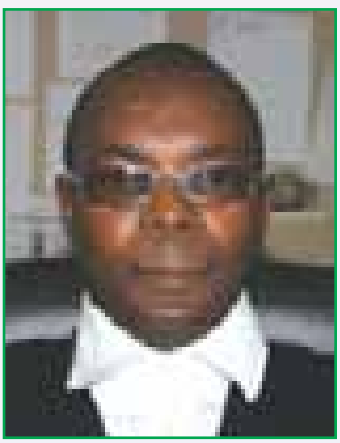
"Many supply and demand side factors have contributed with the mediocre growth performance being perhaps the most important factor. Increasing trend growth is thus key to raising employment rates," said Gurria.

Statistics South Africa's Quarterly Labour Force survey showed that in the third quarter of 2009, 24.5 per cent of people were jobless.

Gurria said reforms to the wage determination process could also help the country.

The OECD report added that the FIFA World Cup tournament earned the country a lot of respect. "The World Cup has earned South Africa a lot of respect and this will bring business opportunities and hopefully open markets," said Gurria. South Africa hosted the first World Cup on African soil from 11 June to 11 July, which saw Spain being crowned champions.

The OECD helps governments to compare policy experiences, seek answers to common problems, identify good practice and co-ordinate domestic and international policies. – *BuaNews*



Dudley Moloi

Profile: Exit Interview *with former DPSA DG*

Recently appointed Director-General (DG) of Economic Development, Prof. Richard Levin (RL), has nearly a decade and a half of experience in the public service. Prof. Levin was DG of the Department of Public Service and Administration (DPSA) prior to his appointment to the most senior administrative post in the Economic Development portfolio. Dudley Moloi (DM) spoke to him about his legacy during his tenure at the DPSA in particular and public administration in South Africa in general.

DM: You were part of the DPSA for a long time. What do you think were your achievements at the executive helm of the organization and what legacies did you leave behind?

RL: I think the first thing that we had to do as the DPSA was to build a vibrant organization capable of taking public service transformation forward. And one of the first things we did was to re-organize the Department to ensure that we had the necessary capacity to implement the programmes of the DPSA. A major assignment we undertook subsequent to our internal re-organization was responding to the question

of former President Thabo Mbeki whether the Public Service generally, and particularly government departments, had the capacity to implement the programmes that needed to be implemented to transform society. The initiative, which was led by the DPSA, was an important milestone. It analysed and assessed state capacity in particular departments [health, transport and trade and industry] to see whether or not they had the necessary capacity and capabilities in respect of their respective service delivery mandates.

The assessment project dealt with the question we need to ask ourselves continually. It was underpinned by our understanding of capacity as not only encompassing human capacity such as skills and competencies as critical to translating government strategies into programmes, but also in terms of systems, technologies and processes within Government.

DM: Was the capacity assessment aimed only at assessing the capacity and capability of the Public Service or was it also meant to create capacity and capability to deliver on Government's core programmes?

R.L: Well, I think there were some positives that came out of the process. I think the biggest challenge in the Public Service remains decentralized public service administration. Modern public service administrations have moved to decentralize themselves globally. There are obvious advantages to decentralization. It gives managers the necessary powers to do the work they need to do by effectively not only managing public service administration, but public finances as well. The introduction of the Public Finance Management Act (PFMA) and the Public Service Act (PSA) did exactly that. It brought about a process of decentralizing public administration from both the financial and the human resources management sides.

What this meant in terms of the capacity assessment we undertook, is the fact that the recommendations we came up with suggesting the implementation of a number of changes to achieve greater efficiencies were often not implemented, even when they were sanctioned by Cabinet, because the issue of whether or not the recommendations were implemented depended to a large extent on willingness on the part of the executive authorities and heads of departments.

In the health sector, for example, we made far-reaching recommendations about the need to decentralize hospital management, because then, as it is the case still, we have a situation where hospitals fall within the ambit of provincial administrations, but without the devolution of the attendant key administrative and decision-making powers being decentralized from province to hospital level. A chief executive officer (CEO) of a hospital, for example, must have the necessary powers to manage discipline. In cases of ill-discipline or when a nurse gets sexually harassed by someone in the hospital, the ability to deal with that must be fully delegated to the level of the hospital. The recommendations we came up with in this regard were either not implemented or were implemented partially, which is a major constraint in public administration reform. Nonetheless, I would say that the capacity assessments certainly came up with a number of important recommendations, which were both generic to the Public Service and also specific to the Public Service broadly.

***DM:** So this is the paradox of whether to centralize or decentralize?*

RL: It is certainly a paradox, because one would like to agree with the overarching philosophy that, if you gave managers the necessary powers to manage, they could be more effective. They know their particular environments and what needs to happen in those environments for implementation to be more successful. But we did it [decentralization] quickly in South Africa, and that has always been a problem, which is why so frequently we, as the DPSA, had calls for interventions or providing support, starting with the first interventions made in the Eastern Cape Province around 2002. To this day, there are still requests for the DPSA to intervene from time to time.

I think the ongoing service delivery challenges we continue to experience are to a large extent due to the fact that the necessary capacity was not built up [parallel transformation programmes Government undertook over the years], particularly in the HR components of organizations, but also in the financial management components, for them be able to implement government programmes in an appropriate way.

DM: As a person, what do you think is your legacy to the DPSA specifically and the Public Service broadly?

RL: I think in the DPSA we certainly made progress in a number of key areas. I think the work we undertook on the Single Public Service (SPS), although it never came to fruition, was very important. It enabled us, as part of the Public Service, to look at some of the challenges facing us more broadly. The SPS is a major public service reform initiative and I personally hope it will be taken forward.

On a personal level, I think some of the issues concerning legacy could focus on my particular management style [which defined my tenure at the DPSA]. It is a management style that seeks to empower managers to take control of the domains they are in charge of while providing the necessary support to assist them in succeeding, without micro-managing in an intrusive manner. [The management style is further defined] by demonstrating competence [as the administrative head of the department].

I also made a conscious attempt to truly understand the pulse of the organization, from levels one up to fifteen, by trying to understand what the aspirations of my colleagues were, what kind of support they needed and what the problems were that they faced. For example, I led a quick assessment within the DPSA environment and we came to the conclusion that the DPSA should do away with contract employment, or outsourced arrangements concerning some of its internal services. We argued that we should rather bring people into the Department as permanent employees. This was the approach we took, for instance, in the case of our cleaning staff members. We embraced and pulled them in as part of the life-blood of the organization. Their employment as permanent staff came with added benefits, such as pension funds and medical aid, among others.

DM: You have been deployed to essentially start a new department from scratch. What does this task entail and what experiences are you hoping to take along from your years at the DPSA?

RL: It is a massive challenge to start a new department from scratch, because the things that one takes for granted simply do not exist. However, we are currently supported by the Department of Trade and Industry (DTI) concerning administrative requirements, human resources, finance and IT management. Without this support, we would not be ready to do anything. The other aspect, I think, is the enormous challenge associated with building a team, which cannot happen overnight. We all know, for example, that the process of recruiting staff is regulated very strictly in the Public Service and it takes time. The other aspect of building a new institution is the matter of having to clearly define our mandate and space to discharge our responsibilities effectively.

DM: The new posting and building of a department from scratch provide you with an opportunity to do things differently, based on your experience in the Public Service and academia. What are you going to do differently going forward?

Richard Levin

RL: I think one of the challenges of public service departments, not only in South Africa, but globally, is the hierarchical manner in which bureaucracies function. That tends to put people in silos. Even within a single, large department one finds areas of duplication, which means waste in an era where we cannot afford to have any waste, on the one hand because of the over-arching global economic situation that we find ourselves in and, on the other hand because of our own specific situation where every possible resource to create jobs and fight poverty must be allocated correctly.

What this new Department provides is an opportunity to work in a more integrated fashion, not in silos or in a way that is overly hierarchical. This is especially critical, because the Economic Development Department is a knowledge-based, policy-type organization. We are going to have to work in a matrix kind of way with greater cooperation across the various components of the organization. The greatest advantage we have is that we can make full use of the opportunities that come with the construction of a new

department by attempting to do things differently.

I think there is a big cry in this administration for us to do things differently, and truly speaking, we have been talking about this imperative for many years. It has come to a head with this administration. Despite our achievements, we still feel that we could have achieved much more had we taken different action. And part of a different approach is, of course, to ensure that we allocate our resources properly, that we are driven by the needs of people on the ground and not by the needs of bureaucracy. We need to ensure that we do not make the same mistakes that have been made in the past and that we organize ourselves to be a lean and effective policy-making department that is part of the economic cluster tasked with paving a new growth path that will transform our society. ■

Book *reviews*

– By Dumisani Xaba

Re-imagining the social in South Africa: Critique, Theory and Post-apartheid Society

– Edited by Heather Jacklin and Peter Vale

Rationalization, cost-cutting, outsourcing, corporatization and repositioning are some of the concepts that have dominated higher education discourse in recent years. *Re-imagining the social in South Africa,* which is edited by Heather Jacklin and Peter Vale, both renowned academics, offers incisive, yet compelling reading on the subject that has received less than enough attention in the recent past, given the critical position of higher education in society. It allows the reader to ventilate on the critical questions of state power and its role in a developmental paradigm. The book interrogates, in an exciting, yet robust manner, the notions of colonialism, social theory, representation, citizenship, neo-liberalism and the role of humanities. It deals delicately with what universities, as producers of knowledge in society, have to address concerning the gradual demise of humanities as a theoretical perspective.

While it acknowledges the positive strides that have been made over the years in dismantling a racially based higher education institutional landscape and replacing it with a more rationalized and responsive system, it questions whether this well-intentioned paradigm shift has not been replaced by a paradigm paralysis. It raises critical questions around the commodification of higher education and 'frozen' universities.

This book is a subversive volume that attempts to revive and re-invigorate the robust debates on the rich traditional, intellectual discourse that characterized the swansong years of the apartheid era. It uses critical theoretical perspectives to provide sharp and incisive arguments for reasons for the demise of critical engagement on the social in contemporary South Africa.

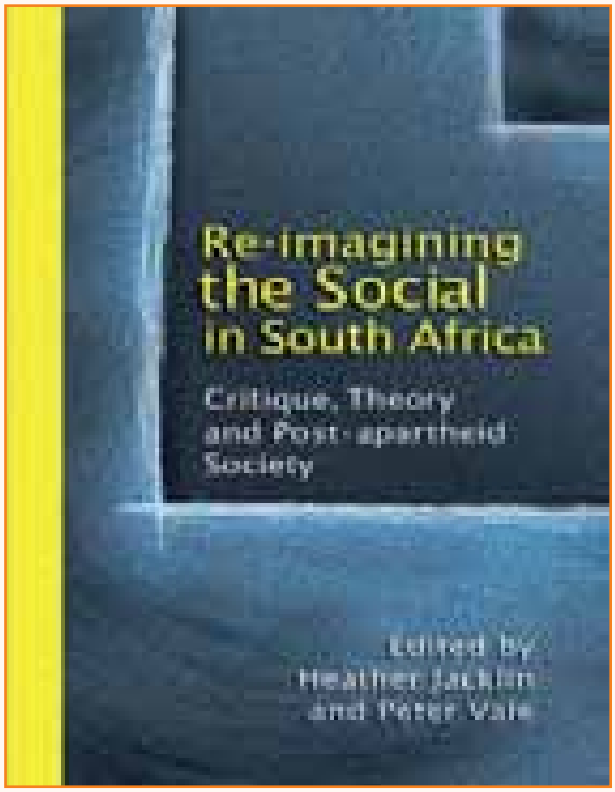
The authors, quite successfully, offer explanations of the emergence of the narrowly focused post-apartheid discourses and provide an array of possibilities for South Africa.

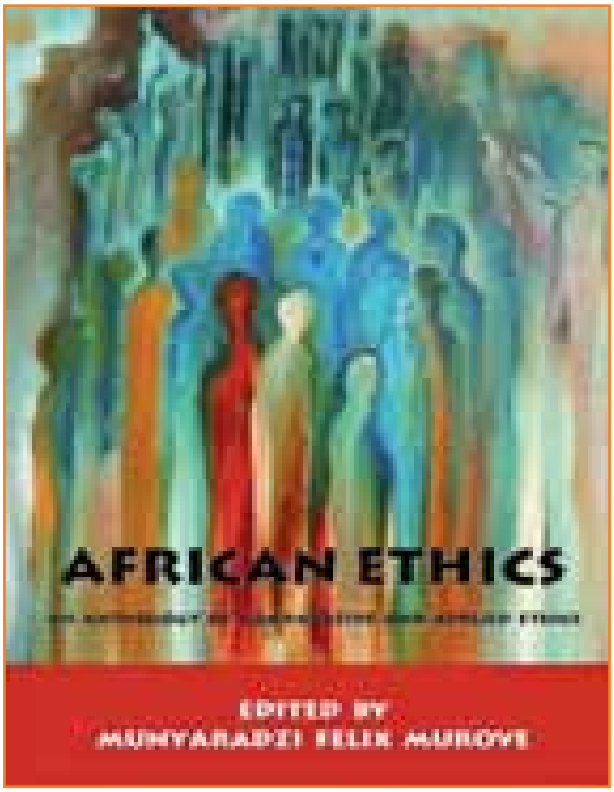
The demise of apartheid provided renewed energies on the possibilities and potential of the post-apartheid society. Why then, the authors ask, did South African academia shift from critical analysis, engagement and debates to subservience and disengagement? Why have searching questions been replaced by simplified offerings of the social world? ■

African Ethics: An anthology of Comparative and Applied Ethics

– Edited by Munyaradzi Felix Murove

While protagonists of the globalization phenomenon have hailed it as the universal remedy for a lot of problems that contemporary societies have to contend with, critics will highlight the challenges brought about as a consequence. Some of the emerging challenges can be traced back to the dearth of moral values and ethics or the dilution thereof, as the editor of the book argues. The pivotal role of ethics in today's world is evidenced by rigorous debates that occupy





centre stage as societies grapple with contemporary challenges and explores solutions to the vexing questions of our time.

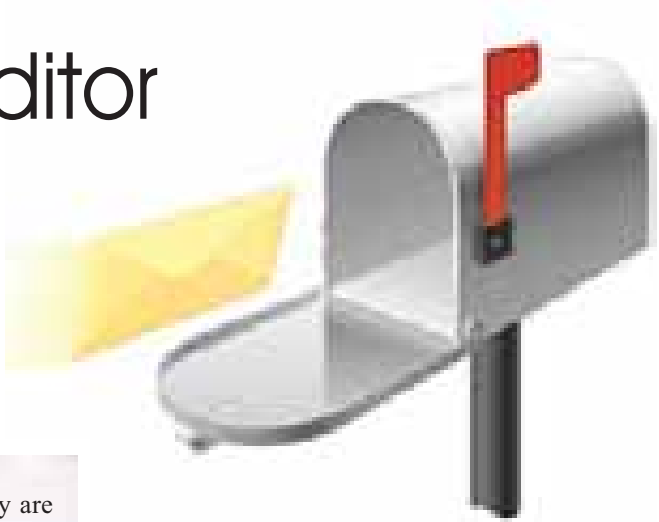
African ethics have developed over the years along with the evolution of communities as a result of interaction with different religious belief systems such as Catholicism, Protestant traditions, Islamic practices and colonialism, and more recently, with political ideologies and secular philosophies. Out of this, a new, distinctive approach to ethics began to emerge. African ethics are complex and diverse in their philosophical foundations and assumptions, given the diverse nature of African belief systems influenced by regional idiosyncrasies.

In the book, very critical, contemporary issues around ethics are explored in an in-depth manner while keeping the reader refreshed and interested and allowing for exhalation! It uses the concept of *ubuntu* as a basis for contemporary African ethics and argues for its universality and relevance to issues such as African bio-ethics, business ethics and environmental issues. If the basis of African ethics is humanness, finding meaning to what is it to be a person, *ubuntu* as a concept perceives humanness as a personhood in the community, the book argues. For all intents and purposes, the notion of *ubuntu* is itself controversial. In the application of the concept of *ubuntu,* what would the role of individuality and responsibility be? Would it not stand in the way of long-held and established traditions of person-focused ethics, thus running the risk of totalitarian practices by less than scrupulous leaders who would seek to use devious means to dominate communities?

Anthony Egan, in his analysis of the concept of *ubuntu,* argues that careful reading of the notion of *ubuntu* would actually reveal that this is not the case. On the contrary, he argues that the concept protects individuals from domination through the notion of palaver, which is one of the basic methods of African ethics. Palaver, in brief, is a consensus-driven approach based on constructive dialogue rather than an approach based on simple, majority decision making. Benezet Bujo, a renowned Congolese theologian, warns against some African leaders who would want to maintain some forms of hegemony by downplaying or disregarding the democratic aspects of the tradition if their stranglehold on access to resources and power is threatened.

African Ethics is the first comprehensive anthology on African ethics. It aptly demonstrates the value of globalization and argues that African ethics can contribute to global ethics, since the world has become a small village interconnected by technology, trade and political systems. ■

Letters to the Editor



I want to compliment my colleagues on the work they are doing as members of the editorial staff of the Service Delivery Review magazine, a learning journal for the Public Service.

I have registered for my honours degree in Public Administration with the University of South Africa this year. I was actually touched to find out that in some of my tutorial letters the review magazine is reflected as an important information tool of reference that students can refer to in order to write their assignments on various academic topics related to the field of Colleges for Economic and Management Sciences.

The magazine has gone beyond my expectations for it to meet the stringent criteria set by one of the global universities to be used as additional reference material that can broaden the knowledge of students. I cannot rule out the possibility that some of the institutions may even be using this journal as an important tool of reference in their daily activities.

I do not have many words, guys, to show appreciation for the kind of work that you are doing, except to say your hard work has not gone unnoticed on the outside. It is of high value to many people like myself who feel inspired by the journal.

Keep up the good work gentlemen. The sky is the limit for you!

Best Regards
Mlungisi Myalezwa

Having recently been contacted by Mr Dudley Moloi for a feature on the Makuleke Community published in Volume 7, number 3 of the Service Delivery Review under the title "The Green Gold of the Makuleke", and not being personally familiar with the publication, I was intrigued to see the finished product and the author's interpretation of the current outcomes of the Makuleke Community's land restitution.

I enjoyed the article. It was evocatively and descriptively written, as well as accurate and factual. I found it a well-balanced and carefully crafted review of the situation that showed a clear comprehension of its complexities and expressed objective and novel insights useful for all stakeholders. I especially appreciated the stance that it appeared to have at its centre, a desire for a positive outcome.

Congratulations on an informative and important publication.

Regards
Chris Roche
MD: Sustainability, Wilderness Safaris

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Each of us is a knowledge worker and
a learning champion in this knowledge economy.
We all have a role to play in turning the Public
Service into a "Learning Public Service for Quality
Service Delivery". Let us pursue this ideal by using
the *Service Delivery Review* as a facility for sharing
our experiences, successes, mistakes and
methodologies and for growing our
own intellectual capital.