

**SPEECH BY MEC K.A. PHALA ON TABLING OF
THE LIMPOPO ADJUSTMENT APPROPRIATIONS
BILL 2013: *LIMPOPO LEGISLATURE* 12
*NOVEMBER 2013.***

Honourable Speaker;
Honourable Premier;
Honourable Deputy Speaker;
The Chief Whip of the ruling Party;
Honourable Chair of chairs;
Veterans of the struggle;
Colleagues in the Executive Council;
Secretary- General of the South African Council of Churches
Honourable Members of the Provincial Legislature;
Executive Mayors and Mayors of the Local and District Municipalities;
Members of the House of Traditional Leaders here present;
Leaders of the ANC Provincial Task Team and MDM structures;
Leaders of the Trade Union Movement;
Leaders of the Opposition Parties;
Acting Director-General, Dr. P. P. PHEME;
Section 100 Chief Administrator Mr. Monde Tom;
Heads of Chapter nine and ten Institutions;
Heads of Departments.
CEO's and Chairpersons of Boards of State Entities in our Province;
Youth, women, Business and Community leaders in our midst;
Representatives of the media;
Distinguished Guests;
Ladies and Gentlemen;
Comrades and friends.

ADJUSTMENTS APPROPRIATIONS.

Honourable Speaker,

Thank you for this opportunity to table the 2013 Adjustments Appropriations Bill to this Legislature. Section 31 of the Public Finance Management Act (PFMA) stipulates that, “The MEC for Finance in a Province may table an adjustments budget in the Provincial Legislature; and further that, such an adjustments budget may provide for the following:-

- (a) The appropriation of funds that have become available to the Province;
- (b) Unforeseeable and unavoidable expenditure recommended by the Provincial Executive Council of the Province within a framework determined by the Minister;
- (c) Any expenditure for emergency situations;
- (d) Money to be appropriated for expenditure already announced by the MEC for Finance during the tabling of the annual budget;
- (e) The shifting of funds between and within vote or to follow the transfer of functions in terms of section 42;
- (f) The utilisation of savings under a main division within a voter for the defrayment of excess expenditure under another main division within the same vote in terms of section 43; and,
- (g) The rollover of unspent funds from the preceding financial year.”

Honourable Speaker,

Today we are making those deserved adjustments to the annual budget 2013/14 as presented to this house by Honourable MEC Masondo in March 2013. This adjustment budget is the last of this five year term that started in May 2009 and ends in April 2014. The adjustments proposed here are designed to enhance and advance progress made in the implementation of the mandate of this term, namely: - to prioritise decent work and sustainable livelihood; enhance rural and agricultural development and land reform; to put education at the centre of all our efforts; to fight for a better health care for all; to work together with our communities in intensifying the fight against crime and corruption; And, to build cohesive and sustainable communities. We have scored success in all these areas in the previous four and half years of ANC government in this Province.

We have built roads, houses, schools and clinics for our people. We have done well in delivering a better life for all. In the area of education: the number of learners who have access to school nutrition increased from R1.25 million in 2009 to R1.61 million in 2012, while the access to no fee school increased from 1.60 million to 1.61 million during the same period. The number of older persons who had no formal education declined from 20 per cent in 2002 to 11 per cent in 2012. Literacy rate improved from 84.9 per cent in 2009 to 86.9 per cent in 2012. There was an overall 18 per cent improvement in the Grade 12 pass rate in Limpopo since 2009. In 2009 the matric pass rate was 48.9%, in 2010 it increased to 57.9%, in 2011 it increased to 63.9% and in 2012 it further increased to 66.9%.

In the area of Health we have also scored major successes: HIV/AIDS treatment success rate has improved from 71.5 in 2009 to 75.2 percent in 2012. Since 2009 approximately 140 756 patients have been initiated on ART and 486 sites are offering ART programme.

SECTION 100 (1) (b) INTERVENTION.

Honourable Speaker,

One of the things worth mentioning whose legacy is still with us is that in December 2011 National Cabinet intervened in this Province terms of section 100(1) (b) of the Constitution of the Republic of South Africa. Such drastic form of intervention was necessitated by the fact that the Provincial Government was technically bankrupt, facing a financial collapse, having R1.7 billion overdraft, with accumulated unauthorized expenditure amounting to R2.9 billion. On that month of December 2011 government workers, officials, teachers, nurses, doctors, social workers and service providers to government were not going to be paid. Today with the help of the section 100 intervention team the Province has been turned around to an extent where it has a positive bank balance of R4.2 billion. Action is being taken against those responsible for the maladministration. Other agencies of the state are pursuing cases of corruption, fraud and other misdemeanors. No stone would be left unturned in taking action against anyone and everyone responsible for the collapse.

OPERATION CLEAN AUDIT 2014.

Honourable Speaker,

We are little more than a month away from the calendar year 2014, the year that our country and nation put aside to achieve clean audits in all departments, entities and municipalities. The noble objectives of Operation clean audit 2014 must be achieved. At the core of this campaign is to ensure that monies appropriated by the Legislature or a Municipal Council are used for the purpose for which it is intended. Working together with the Auditor-General, SALGA and other role players we will work tirelessly to achieve this goal.

ACTUAL ADJUSTMENTS 2013/14.

Honourable Speaker,

In this adjustment budget we have put money aside to deal with a number of critical areas including: the management of disaster, Comprehensive Agricultural Support Programme, the maintenance of boilers in hospitals, road maintenance, compensation of employees, the annual Limpopo flagship Mapungubwe arts festival, the sending of 110 medical students to Cuba to study as doctors, for the re-grading of clerks and to facilitate the successful hosting of the Orange African Nations Championship 2014 by the City of Polokwane.

Office of the Premier- receives R4.7 million; including money for the re-grading of clerks.

The Legislature- receives R25.8 million. R11.7 million for personell and other pressures in order to enable it to do its work of robust oversight over the Executive including departments and entities, thorough public participation and making laws. R14 million is an adjustment to political party fund.

The Department of Education – receives R473.1 million of which R161.3 million is a conditional grant rollover; R14.7 million is additional funding to Dinaledi schools, R1.7 million is to cover FET ICS; and R163 000 is for disaster. There is a transfer of R166.6 million for a shortfall for the financial year 2013. R23.8 million to pay delayed invoices for goods procured for LTSM programme. An additional R50 million to fund compensation of employees in public ordinary and special schools. National Treasury

has made available R36.2 million for general salary increase and R18.4 million for re-grading of clerks.

The Department of Agriculture – receives R47.9 million composed of R31.9 million additional funding for Comprehensive Agricultural Support Grant (CASG); R2.5 million for disaster management and R13.5 million for the re-grading of clerks.

The Department of Economic Development, Environment and Tourism – receives R26.2 million of which R11.3 million is a rollover to pay commitments on purchase of uniform for the field rangers. R14.9 million to increase allocation to Limpopo Tourism Agency and Limpopo Gambling Board to enable transfer of revenue to the Provincial Revenue Fund.

The Department of Health – receives R404 million of which R74.8 million is a conditional grant rollover; R61.7 million to pay commitments for the maintenance of boilers. R174 million and R15 million for the compensation of employees budget pressures; R15.4 million for the re-grading of clerks and R35.1 million for salary adjustments.

We have also put aside R24.5 million to fund a scholarship of 110 medical students to train as doctors in Cuba. R3.5 million is set aside for the improvement of infrastructure for a functioning patient administration system and appointment of temporary staff for efficient processing of bills.

The Department of Roads and Transport – receives R224.4 million of which R214.7 million is a conditional grant for road maintenance; R4.5 million for disaster management; R3.6 million is rollover commitment to purchase e-Natis for additional Post Office locations to enhance revenue generation; R8.8 million for the payment of equipment, building and other fixed structures. R12.9 million is to enhance revenue generation from weighbridges and multipurpose centre and to improve efficiency in the collection of traffic fines.

The Department of Public Works – receives R6 million of which R4 million is to deal with a shortfall on the lease agreement review project and R2 million to initiate the immovable asset verification project.

The Department of COGHSTA - receives R1.4 million for disaster management in the Province.

The Department of Social Development – receives R2.9 million of which R1.9 million is for ICS and R1 million is for the re-grading of clerks.

The Department of Sport, Arts and Culture – receives R26 million of which R17.9 million are conditional grants rollover and R98 000 for the re-grading of clerks. We will also give the department R5 million to be transferred to the Polokwane Municipality for the hosting of the Orange African Nations Championship 2014. The Department also receives an additional R3 million to host the Mapungubwe Arts Festival 2013.

Honourable Speaker, through this adjustment budget we have put money aside to fund key priorities of this government. Education and Health received the lion share of the R1.3 billion adjusted by getting R473 and R404 million respectively. The other huge amount is R244.4 million that goes towards improving the road infrastructure in the Province. Our focus is clear and unshaken: to improve the life of the people of this Province. This adjustment will help us in that regard.

I take this opportunity to thank the Honourable the Premier of our Province, Honourable C. S. Mathabatha, for the tireless support. My colleagues, Members of the Executive Council, for the close cooperation and commitment in serving the people of our beautiful Province. The HOD Mr. Gavin Pratt, the DDG responsible for sustainable resource management Mr. Motlhanke Phukuntsi and section 100 Chief Administrator Mr. Monde Tom for the support and dedication to their work. The portfolio committee of this Legislature on Provincial Treasury and its chairperson Honourable H. M. Nemadzivhanani for words of wisdom and support. Heads of Provincial Departments. Staff of the Provincial Treasury. Thank you all very much for contributing to this adjustments appropriation.

We believe that today is better than yesterday and that tomorrow will be even better.

We believe that working together we can achieve even more.

Moshate !

Thank you very much!