

**State of the Province Address
By the Honorable Sibusiso Ndebele
Premier of KwaZulu-Natal Province
14 February 2007**

His Majesty the King, Hlanga Lomhlabathi
Speaker
Deputy Speaker
Honorable Members of the Provincial Executive
Honorable Members of the Legislature
Mayors and Councilors of Local Government
Amakhosi Present
Members of the Royal Family
The Director-General
Heads of Department
Heads of Public Entities
Business Leaders
Religious Leaders
Your Excellencies, Members of the Diplomatic Corps
Distinguished Guests, Ladies and Gentlemen
People of KwaZulu-Natal

Today is the 14th of February 2007. It is a day which is now globally celebrated as Valentines' Day. It is a day of love. Throughout the world, the festival of love is being celebrated.

In ancient times, the Romans settled matters of love and marriage through a lottery held each year on the 14th of February. Later, during the time of Emperor Claudius II (265-270 A.D.), the lottery system was cancelled and all young people were forbidden from courting each other and getting married. Their youth had to be spent in war and preparations for war. Bishop Valentine, a kind and brave man helped young people to meet and spread the message of love. He was arrested and executed on the 24th February, 270 A.D.

When the Romans decided later to reinstate the festival of love, they named it after St Valentine. For many centuries now, this festival has replaced the Roman lottery and is celebrated on 14 February.

Happy Valentine's Day!

KwaZulu-Natal, more than any other province, needs the message of love. We have committed ourselves to the formation of a caring society. The foundation of a caring society is love for your neighbour and love for yourself. The foundation for a caring society is hope, hope that just as today is better than yesterday, tomorrow will be better than today. The day we lose hope we shall plunge into despair and even lose our reason for living. A person driven by despair is like a mule, has neither pride of ancestry nor hope for posterity.

The triumph over the violent past has been the victory of all the people of KwaZulu-Natal. This has been the contribution of the people of KwaZulu-Natal to a peaceful and democratic South Africa. As a consequence, South Africa is being sought after to overcome the conflict between African and African on the continent.

On Saturday, the 10th of February, when we laid Mama Adelaide Tambo to rest we could not but marvel at how hope can sustain a freedom fighter even when there was little else to go by. May her soul rest in peace. She has fought a good fight.

This year will be the 40th anniversary of the death of one of our best sons of this province, iNkosi Albert Luthuli who once said:

“No true peace and progress can be secured in any country as long as there are others in that country that are denied full democratic rights and duties”.

A proposal to rename the International Convention Centre after Inkosi Albert Luthuli is under consideration. I wish to recognize the Luthuli family members present here today.

As we commemorate the life of this trail-blazer of our freedom, we should also recall the 1947 **Three Doctors Pact**, – the Xuma-Dadoo-Naicker Pact in which they declared then that the African and Indian people, victims of racial discrimination themselves, should strive for a society free from racial bigotry. Racism of any kind could benefit neither African, nor Indian nor Coloured.

Indeed, racism, as demonstrated in the wasted decades before 1994 was inimical also to white interests. South Africa has now accepted what was obvious to the majority of our people from the very beginning of inter-racial contact.

It is appropriate that we pause and reflect on how far we have moved in the creation of a non-racial, non-sexist and democratic society. This tells us that non-racialism is not a done deal. It has to be striven for continuously and our resolve is to stay the course.

A STABLE PROVINCE

In 2004 we said:

“In the life of every society there comes a time when the door opens and lets in the future. That moment has arrived in KwaZulu-Natal”.

Since then, we have settled the past and ensured that peace, participatory and inclusive democracy, and development permeate every aspect of KwaZulu-Natal.

In 2005, we committed to building and creating a **“Normalised Society and creating a winning Province”**.

In 2006, social stability and economic growth was set as an objective. These two areas are inter-dependent pillars of society. There can be no economic growth without social stability. There can be no social stability without economic growth.

Indeed our society is normalising. Our children wake up in the mornings and go to school. Our workforce is hard at work strengthening the economy of the province. Our municipalities are hard at work implementing the integrated development plans.

In 2007 we are taking the next logical step. We stand here today to deliver this Address. Our theme is **Building the Economy through Partnerships**.

This objective is a fundamental principle in any successful democracy in the world. No one acting alone will achieve economic growth in this province. Economic growth requires a united and collective effort by all role-players and stakeholders in this province. We must establish provincial, national, continental and global partnerships.

Mr Speaker, our Provincial Government has put transformation at the top of its agenda. But in order to transform society you have to transform yourself first. To create a non-racial society you have to be non-racial yourself. To create a non-sexist society you have to be non-sexist yourself.

In 2004, when we were mandated by the electorate of KwaZulu-Natal to lead the provincial government, circumstances were such that we could only have one woman in the Executive Council. This was an abnormality. Now we have four out of ten.

We have 14 provincial departments, and 7 of which are headed by women. Out of a provincial budget of R49.9 Billion these women are managing 59% which translates to R29.6 Billion. This is a post-2004 phenomenon.

We have stabilized Local Government. A new legislative framework for the traditional leadership structure is now in place. All eleven District Houses of Traditional Leaders were inaugurated in 2006. This year we will be further consolidating the legislative recognition of His Majesty the King through the passing of the Royal Trust Bill.

On Tuesday, 6th February, we held a Premier’s Co-ordinating Forum. This is an intergovernmental relations structure where the Premier and the Provincial Executive meet with the ten District Mayors, the Metro Mayor and the Chair of SALGA-KZN.

This month the KZN Youth Commission was established in terms of the KZN Youth Act of 2005. The Commission is expected to plan, implement and co-ordinate innovative programmes for youth development.

KWAZULU-NATAL ON THE MOVE

The provincial and local governments have a shared objective of peace and stability, growth and prosperity. Together with local government we control a total budget of R65 billion which is directed at improving the quality of life of our people

Indeed, ours is a province on the move. KwaZulu-Natal is definitely becoming the major tourist destination of the country. According to statistics provided by the Tourism Authority of KwaZulu-Natal for the year 2005, the Province received a total of 11,6 million domestic visitors and 1,6 million international visitors. This translated to a value of R20,7 billion to the provincial economy.

Our tourism industry retained its number one status as South Africa's leading domestic tourism destination in 2005 and surpassed the Western Cape in terms of overall foreign tourism arrivals. These tourists visit every part of our province.

The A1 Grand Prix is going to be staged again on 23rd to 25th February 2007. Through television and marketing, KwaZulu-Natal will once more be televised to over 2 billion viewers throughout the world. That amounts to immeasurable exposure for our province.

Honorable Members, I am sure that if you give yourself one minute to reflect, none of you will think of a single structure in the province, with a construction value of R1 Billion.

NEW MONEY FOR KWAZULU-NATAL

In the next twenty four months, starting from March 2007, R 2.2 Billion will be spent in the construction of the new 2010 soccer stadium.

Some R4bn will be spent on the construction of the new International airport and the Dube Tradeport at La Mercy. The R350 million P700 Corridor from Richards Bay to Ulundi is now under construction, as is the R300 million on the P577 from Mtubatuba to Hlabisa and Nongoma. These projects alone, total in excess of R7 Billion.

Never in the history of KwaZulu-Natal has so much money been invested within such a short space of time. On completion, the Dube Tradeport alone will contribute R12.4 Billion to the economy and will create thousands of new jobs. My colleague, the MEC for Economic Development will provide further details on this.

Mr Speaker, these investments indicate the confidence and commitment that this government has in developing KwaZulu-Natal. This bold initiative by government needs to be reciprocated by the private sector as our partners in development.

Mr Speaker, we also need to clarify the issue of naming the new 2010 Stadium. This stadium is due to be completed in 2009. Up to that point all matches are scheduled to take place at the ABSA Kings Park Stadium. So there is no confusion or uncertainty about where matches will take place until the new stadium is complete. The government will also embark on a formal and transparent process of naming the stadium which will involve the consideration of all proposals that are put forward.

The work on improving Durban's port and logistical infrastructure is well underway, for example, the city has spent R200 million and Transnet will spend close to R1 Billion over the next year in widening the harbour entrance. Over the next six years the city and Transnet will spend over R10 Billion and over the next 15 years the figure is likely to be over R20 Billion. This is being done to make sure that the port remains Africa's and South Africa's most valuable asset for import and export.

PROSPERITY THROUGH ECONOMIC EMPOWERMENT

During the Cabinet Indaba held at San Lameer in October last year, Government spent time on defining what it means to be a developmental state as opposed to a welfare state. We agreed that a developmental state is an interventionist state that is characterized by the following features:

- It is a state which stimulates growth through redistribution and broadening participation in the economy
- It uses its resources wisely to provide social safety nets to the poor and vulnerable, while ensuring that these safety nets are sustainable over time and do not trap people on that level
- It must have a commitment to provide basic services to the general populace for the improvement of the quality of life
- It creates a conducive environment for citizens to take advantage of opportunities for their own development
- A developmental state is one which establishes clear social and economic goals to guide development

When delivering the 2007 January 8 statement, President Thabo Mbeki had this to say about the key thrusts of a developmental state:

“In concert with the task of growing the economy and creating new opportunities for work, we have been hard at work since 1994 to push back the frontiers of poverty, recognising that no people can be truly free until they have cast aside the shackles of poverty and underdevelopment.

It is for this reason that the eradication of poverty has been at the centre of our policies and programmes since the first democratic elections. Drawing on the experience of the first ten years of freedom, and building on the firm foundation laid by our people, in 2004 we identified the goal of halving poverty in South Africa by 2014.

In 2007, we must do everything possible to make certain that we achieve further advances towards the achievement of that goal. We will be able to do this thanks to the progress already made in undoing the devastating legacy of colonial and apartheid oppression, dispossession and deliberate underdevelopment. We will also be able to do this because of the steps we have taken to redirect state expenditure towards meeting the needs of the poor, and to free up resources previously used to service our inherited public debt for spending on service provision and infrastructure.”

This pronouncement effectively summarises both what we have already achieved in bringing the notion of a developmental state to life, and the challenges facing us as we strategise and formulate our programme of action for the second half of this term of government.

We should not underestimate the scale of what we have already achieved in this province in our quest to become a truly developmental state. Our programmes aimed at fighting poverty, creating jobs, and promoting social inclusion and equality are beginning to bear fruit. Just consider the following statistics:

- The Gross Domestic Product per region (GDP-R) of the province of KwaZulu-Natal is now the second largest in the country after Gauteng, and the GDP-R growth rate rose over fivefold from 1.0% in 1999 to 5.3% in 2005. This trend suggests that the provincial economy has the potential to reach a 10% growth rate by the year 2014, which is far above the ASGISA’s target of 6.0%;
- Our Provincial Government has managed to reduce the unemployment rate from 36.3% in 2003 to 29.9% in 2006;
- According to Global Insight, the percentage of people in poverty in this Province (poverty rate) decreased from 54.0% in 2004 to 51.9% in 2005; and
- The literacy rate in this province has improved to 88.6%.

THE SPATIAL CONTEXT OF OUR ECONOMY

In my 2005 address to this House, I referred to the need to spatially contextualise our developmental efforts to give poverty a geographic address. We need to understand where the desperately poor people are concentrated, and develop social safety net interventions and employment creating programmes aimed at lifting these communities out of extreme poverty and perpetual dependence on welfare assistance. It is precisely this objective which has driven the integrated basket of government social development and upliftment programmes in extremely poor localities such as Nkandla and Msinga within the framework of Operation Mbo.

In the past year we have developed a Provincial Spatial Economic Development Strategy (PSEDS). This strategy seeks to identify the development corridors and nodes in the province which have the greatest potential for growth and the greatest concentrations of poor people in need of jobs and economic opportunities. It is in these areas that government will concentrate its investments in fixed infrastructure and other employment creating programmes and projects.

ALIGNING PROVINCIAL AND LOCAL GOVERNMENT

Government has identified specific competitive and comparative advantages for each District Municipality. As it stands our province enjoys growth in sectors such as agriculture, tourism, manufacturing and industry, as well as transportation and logistics.

We have used this spatial planning framework to engage with municipalities across the province during the recent Growth and Development Summits. The aim is to ensure that national and provincial government's development programmes and capital investment projects are aligned with the priorities identified in municipal Integrated Development Plans (IDPs) and Local Economic Development frameworks. I am pleased to report that the response from municipalities to this provincial spatial planning framework has been very positive.

BLACK ECONOMIC EMPOWERMENT (BEE)

Mr. Speaker, the economic basis of the apartheid regime was White economic empowerment by law; and black economic disempowerment by law. The democratic government has therefore identified Black Economic Empowerment as a means to redress this historical imbalance. When it comes to the essence of uplifting the social-economic profile of society, no government can be neutral.

According to Victor Kgomoewana writing in the February issue of Business Enterprise:

“the primary goal (sic) of BEE is still to increase the meaningful participation of black people (Coloured, Indian and African) – who constitute more than 90% of the South African population – in the mainstream economy”.

Mr Speaker, meaningful participation of black people means in the context of the developmental state, the empowerment of particularly women, rural communities, youth, workers and the disabled. This participation can range from the creation of economic opportunity to ownership of businesses.

The essence of BEE is that it must benefit the majority of black South Africans, and do this by addressing all seven pillars of the generic BEE scorecard. These are ownership, control, skills development, employment equity, preferential procurement, enterprise development. The targets set include:

- 40 to 50% black representation at board and management level
- 40 to 80% black representation in terms of employment equity
- 3% of annual payroll towards skills development

A study conducted by the Provincial Department of Economic Development provides interesting information. Some of the findings are tabled to this august House:

- In terms of equity ownership the survey indicates that 27% of respondents did not feature black shareholding at all
- 59% of respondents indicated no black ownership
- 42% of respondents have not achieved the target set by government to have 40% blacks in management
- 57% did not fully disclose corporate social responsibility

Albeit, a small sample survey, the researchers have concluded that there is no indication of progressive BEE in this province.

It is against this background that I had last year in the State of the Province Address, asked the question: “Where are Africans located in the economy in KwaZulu-Natal?”

Generally, the Business community responded very positively and in an encouraging manner. In his reaction, Durban Chamber of Commerce President Themba Ngcobo said:

“Transformation is a complex and serious matter, but in KwaZulu-Natal business circles it is frustratingly slow compared to the speed to which it is happening in Gauteng.

Irritatingly many people being elevated to boards in Gauteng are from our part of the world but we are unable to progress quickly. So in this regard the Premier is probably correct. Off course in gauteng issues such as board membership and equity are more easily achieved.

History has dictated much of what has happened to business in KwaZulu-Natal, particularly Durban which is one of the reasons local firms have been slower off the mark. Most firms here are now addressing transformation issues, but we accept we need to put our foot a little firmer on the accelerator”.

In the same article Mondi Business Paper, Forestry and Transformation Director Viv McMenamin said her company supported Ndebele’s call for **“stronger and more rapid transformation in the province and fully acknowledged that we have a substantial legacy to overcome”.**

In the ensuing debate, a senior journalist, Mr Cyril Madlala asked the question:

“What has taken the provincial government so long to realise that it contributes to the perpetuation of the status quo by not rewarding adequately businesses that advance the cause of Black Economic Empowerment”.

This is not the place to debate whether government has taken long to realise this or not. The issue is that there is broad consensus between Government and business that we need to put our foot a little firmer on the accelerator. In this regard, government is a no small player and is an important economic catalyst.

This Province will be establishing a provincial BEE Advisory Council as an objective mechanism to monitor progress in BEE in the province. This Council will consist of government representatives and senior leaders in the private sector. The primary aim of the Council will be to come up with concrete strategies and targets to transform the ownership structure of businesses located in the province.

Our partners in business in the province will be defining themselves against the basic criteria of transformation, and the extent to which their boardrooms are non-racial and non-sexist. In this way our partnership with business will be actively contributing to a developmental province.

ESTABLISHING A POPULAR FRONT AGAINST CRIME

KwaZulu-Natal has moved a long way to create a peaceful province. Not so long ago the people of the province would get killed for possession of a membership card of a political organisation. Gone also are the times when KZN used to be characterised by faction fights where people would die merely because they are on the wrong side of the river.

Through a determined effort between political parties, communities and the police, membership of a political party is no longer an issue.

We are now challenged by crimes against the person and crimes against property. Our people are being killed for a different form of card, that is credit cards, bank cards and cellphone SIM cards.

The first step in solving a problem is to define it.

Ponder the *question that says; “have you stopped beating your wife?”* This is an ideological question that finds you guilty of beating your wife now or before.

Similarly, the question that says, do you agree that crime is out of control has the same problem. If you say “no” you are said to be denying the existence of crime. If you say “yes”, you are suggesting that the national assembly, the provincial legislatures and municipalities have all failed in their tasks to deal with crime. This is an ideological trap. Crime is too serious a matter for ideological games.

Of course there is crime in our country. Of course there is crime in our province.

But we have shown that together we have the capacity to curtail crime. We must use our collective strength which we have developed over the years to address our challenges.

Let us look at facts about crime.

We should remind ourselves that up to this time last year KwaZulu-Natal had the highest incidence of cash-in-transit heists. Hardly a fortnight passed without some incident being reported.

This sort of crime is well planned and sophisticated. It needs a specialised and trained response. Last year a major crack down by the SAPS yielded the arrests of a number of suspects that were involved in the motor vehicle hijackings and cash heists. These criminals were arrested here in KwaZulu-Natal. After these arrests there has been a dramatic drop in cash heists and hijackings.

The SAPS in KwaZulu-Natal have also been successful in uncovering huge drug syndicates as well as tracking down some of the most wanted criminals in the country. Organised and sophisticated crime are consistently being foiled and dealt decisive blows through the combined efforts of the Police Services, Traffic Police and Financial institutions. We salute Commissioner Hamilton Ngidi and his team for this sterling effort.

In the past five years more than 40 000 firearms were taken out of circulation.

In KwaZulu-Natal we used to have faction fighting. We have gone very far in moving away from this. We salute the rural communities, the SAPS and the traditional leaders for moving us to this point.

But the problem of crime is still with us. Our main focus is now the crime against property and against persons. The African Peer Review Mechanism report released late in 2006 states the following:

“It must be noted that the distinctiveness of crime in South Africa is not the volume but its violence”.

Let me be quite clear about this. Our government is not going to allow the criminal minority in our society to undermine our efforts to realise our social and economic potential as a province.

Not so long ago even respectable members of society felt no shame in relating stories of how they drove hundreds of kilometres in a drunken state. We started a campaign to raise the consciousness that drinking and driving was criminal behaviour and something to be ashamed of. It consisted of a strong public awareness campaign and a harsh enforcement regime. We had to increase and re-train our traffic enforcement officers. A special unit called “Shanela” was established which could stand toe to toe with those who were bent on defying any authority, particularly in the taxi industry. Today the taxi industry is largely stabilised and taxi operators are conducting normal business.

This consciousness has not permeated to the area of crime. It is the malady of crime that pervades our society. It is through the passiveness and even active support by our people that criminal activity has become fashionable in some communities. Common thugs are today idolized as heroes. Highly respected members of our community openly declare that they purchase their goods from the “boys”.

So it is the community that creates a market for stolen goods. It is the mothers, fathers, brothers and sisters who turn a blind eye to the criminal acts of some in our families.

Mr Speaker, it will only be when we make criminals to be like fish out of water that we will turn the corner on crime.

On Friday the 9th February, we listened to the State of the Nation Address where President Thabo Mbeki said:

“In this regard, government will ensure that the decisions already taken about strengthening our fight against crime are effectively implemented. The challenge that we face in addressing this issue has little to do with policies. Rather, what is required is effective organisation, mobilisation and leadership of the mass law enforcement, intelligence and corrections officers and functionaries of the justice system.”

There is the White Paper on Safety and Security. There is a National Crime Prevention Strategy. Through the restructuring of police services there is more effective deployment of our police officers to local level so that the most skilled and experienced officers are now found at the police stations.

Strengthening the Criminal Justice System

Mr Speaker Sir, as part of this effort to improve the operation of the Criminal Justice System the Provincial Integrated Justice Forum has been established. This forum, which is chaired by a Judge includes the SAPS, the Directorate of Public Prosecutions, the Department of Correctional Services, the Department of Community Safety and Liaison and the Department of Welfare. Through this Forum, a mechanism exists for a comprehensive response to the strengthening of the Criminal Justice System.

Whilst these agencies put maximum effort, we need an equal and matching response from victims of crime to co-operate with the police and the courts for a successful resolution of the criminal ills we face. Here, I must point out my concern at the withdrawal of charges by many victims who want to avoid the process of going to court; in particular, I must make reference to women who withdraw charges against their abusive husbands. This is a real dilemma. We have laws that protect women and children and these laws must not be rendered useless.

Mr Speaker, a fundamental issue is persistently raised and requires dealing with once and for all. For many a quick solution appears that the government must bring back the death penalty.

Mr Speaker, since 1989 there has been no execution in South Africa. Democratic South Africa was only established in 1994. From 1989 to 1994 there were literally hundreds of death row prisoners but their sentence was never carried out. This was as result of a world-wide revulsion against the death penalty.

Even the then apartheid government realized that a humane society necessitated that the government do away with the Death Penalty as a form of sentencing for serious and violent crimes. This revulsion against the death sentence was led by the mass democratic movement and supported by even some members of the judiciary, academics like Professor Barend van Niekerk, and politicians like Helen Suzman.

It was the eventual Constitutional Court ruling in *State vs Makhwanyane*, 1995, Vol 3 SA 391 that rendered the death penalty unconstitutional thereby ascribing to the principles of our country's long fought Bill of Rights. I am not aware of even a private members' motion in this House calling for the restoration of the death sentence.

Again we say Crime is too serious a matter for ideological games.

New Crime Prevention Programme

This Government will be taking immediate steps to sharpen our response to crime in our Province. The New Crime Prevention Programme aims to introduce proven world-class crime reduction methods such as those used by Scotland Yard in the UK. The Programme will start with an initial 350 volunteers.

The full details of this programme will be elaborated by MEC B H Cele, the MEC for Community Safety and Liaison.

Before April we will convene a Provincial Summit on Crime. This Summit will encompass the participation of all role players and stakeholders including the SAPS, Safety and Security, Business and Justice. The Summit will create conditions for a seamless criminal justice system plan to combat crime.

I announced last year the Communities-in-Dialogue programme. I am pleased to note that this programme is being implemented in 30 communities. This programme has become an important resource for our local leadership to promote peace and security and improve the "state of their villages". This allows members of the public to make direct and pertinent input in the fight against crime.

Crime prevention training has recently been rolled out with Amakhosi in KwaZulu-Natal, working in partnership with the University of Zululand. The graduation ceremony for trained Amakhosi will take place very soon.

The Victim Friendly Facilities at the Umzimkhulu Intsikeni, Gowan Lea and Ibisi police stations were launched recently. This is a positive result of a public/private partnership with ABSA and South African Breweries. These facilities provide a safe place for victims of domestic violence, rape and abuse to be interviewed and even sheltered overnight.

Apart from these initiatives, there are various innovative technologies that are available on the market that can assist in keeping our communities safe. Such technologies include cameras similar to the ones piloted in the eThekweni Metro which have already led to 500 criminal prosecutions. We intend to get this technology linked to the traffic officers, the SAPS, municipal security and other law enforcement agencies so that once a criminal act is picked up, mobilisation of the response by all these agencies is automatic.

Mr Speaker, having said what government is doing, it must be stressed again that we cannot be expected to carry the fight to the criminals alone.

The only way forward is to accept that crime and criminality is a reflection of our society. Criminals come from our own communities, from our families and they form part of our circles of friends and acquaintances.

Families must become units of behavioral excellence where respect, dignity, trust and love are taught like a religion. Mr Speaker, there should be no place to hide for criminals.

The business sector too has an interest in a crime-free society, and have the resources to make a real difference. We therefore invite them to join a meaningful campaign against crime.

So let us as government, business, civil society and individuals all take responsibility for making KwaZulu-Natal a crime-free society. It is do-able and achievable.

HIV AND AIDS

With a 16.5% prevalence of HIV and AIDS in KwaZulu-Natal, the Province still remains the highest in the country and therefore a top priority for this government.

The province has to date established 636 public health facilities and 60 non-public health facilities for voluntary counseling and testing. The Prevention of Mother-to-Child Transmission programme has now been expanded to 495 facilities.

The Department of Health has created employment to more than 1700 unemployed matriculants who have been trained and employed on a permanent basis as counselors.

A total of 300 clinics are involved in the provision of antiretroviral treatment.

The implementation of the Home based care programme has been integrated into the Community health worker programmes and to date a total of 5 720 care-givers are active in our communities.

To address food security issues, the Department has embarked on a campaign to provide nutritional packs for all people on Antiretroviral and Tuberculosis treatment.

TUBERCULOSIS

To optimise the issue of TB management the Department has created a dedicated TB Unit with a Director, and has also ring-fenced a budget of more than R30 million towards the improvement and transportation of tracer teams, laboratory services and sputum specimens.

For years King George V Hospital has been the only MDR Centre in the Province, but now the Department has identified seven decentralised Multi Drug Resistant centres.

These are Manguzi, Catherine Booth, Thulasizwe, Murchison, FOSA, Greytown and Doris Goodwin TB hospitals. Infrastructure work has commenced in these centres to make them compliant with Multi Drug Resistant requirements.

The MEC for Health, Ms P Nkonyeni, will elaborate on these programmes.

SOCIAL FORCES FOR CHANGE

KwaZulu-Natal devotes to education the largest budget of any of the provinces amounting to R 16 Billion and we will no doubt increase this amount again this year. We are happy that since 1994 the number of children who are getting into school is increasing.

At the beginning of this year a total of 2.6 million children enrolled in both High and Primary Schools in our province. At the end of last year 125 777 pupils wrote matriculation examinations and 65.6% passed.

A quick calculation indicates that the number of learners enrolling for Grade 12 represents 4.8% of all learners in the schooling system, instead of the 7% expected to be in Grade 12.

This is clearly quite unacceptable because it indicates a need to look at whether what we are investing in education is giving us the returns that a developing province like ours requires.

For our part as government we are doing everything we can to provide the conditions which are necessary for the provision of quality education. We are building schools at a rapid rate. As from 2007 we will increase to 53% the number of schools where our children can learn without paying a cent, in other words, over half of our schools are now classified as NO FEE SCHOOLS.

We are increasing access in rural areas by building roads and constructing bridges whose absence was an impediment to the provision of quality education to our children.

All this effort by government will however be in vain, unless the provision of education again becomes a partnership between government and the people of this province. In this regard we wish to call on parents and communities to take an active interest in the education of their children. We also encourage big and small business to get involved in the provision of bursaries for our children. We are encouraged by the actions of the Inanda Taxi Association and other businesses and individuals who sponsored our successful 2006 matriculants. We encourage you to continue your sponsorship of these future leaders as they journey through post-matriculation and tertiary education.

Honourable Speaker Sir, I wish to propose that the issue of boarding schools and boarding houses be re-visited. There is a lot that our children can achieve if they are allowed to live and study at environments that have a good supply of water, electricity and study time. These boarding houses should be inexpensive, so that in the instances of poverty, social grants can be used to access the boarding school facility. In this regard discussions between the MEC for Education, Mrs Ina Cronje and the MEC for Welfare and Social Development, Meshack Radebe with key business leaders are already taking place.

ADULT LITERACY

It concerns me that almost two million people of 15 years and above in KwaZulu-Natal are illiterate.

We are happy to report that the adult literacy project known as the Masifundisane Campaign is already up and running. In addition to this the province has secured R100 million from the Department of Labour to empower our community in a range of areas from literacy to basic skills.

There can be no adequate economic prosperity without education, skills and literacy. The point I wish to stress again is that this will be impossible unless there is an active interest in this matter by the communities themselves. We require solid partnerships in order to deal with many of the challenges we face.

SKILLS DEVELOPMENT

The Further Education and Training system of our province is now fully functional.

FET Colleges are positioned to respond to the provision of scarce skills. Learning programmes and training delivery modes offered include learnerships, skills programmes, National Certificate Vocational programmes, National Technical Certificate courses, short courses and many more. All these programmes integrate theory lessons and practical training in different learning areas. The mainstream Department of Education learning programmes were accessed by 128 000 learners.

A number of co-operatives have been trained in a variety of skills. These include training in garment making, block making, welding, building construction, carpentry, baking, vegetable propagation, painting and general maintenance.

FET Colleges have cooperation agreements between KwaZulu-Natal Colleges and Belgian institutions in the areas of entrepreneurship support, tooling, welding and maritime initiatives. Other countries which have partnerships with FET colleges include the USA, UK, India, Europe and Australia.

Again, the MEC for Education, Ms Ina Cronje will elaborate further on these programmes.

AGRICULTURAL DEVELOPMENT

Honorable Speaker, the Provincial government views agricultural development as a key and strategic intervention in the growth of our rural economy. As stated previously, this Province's competitive advantage lies in mass-scale agricultural development in the Second Economy. It is for this reason that KwaZulu-Natal has deliberately built relations with countries such as India and China.

The central programmes of the Agrarian Revolution are the "Ploughing and Planting", Mushrooms and Dryland Rice, Nguni Revitalisation and Invasive Alien Species Eradication programmes.

All of these programmes have one common goal: Creating food security for the vulnerable and creating an opportunity to move from unemployment to employment, and ultimately to self-employment.

In the North West Province, the R7,5 million Nguni cattle project that was initiated by the Industrial Development Corporation was lauded by the agricultural sector as a major developmental programme. Similarly, our own Nguni cattle revitalization programme is progressing very well.

In KwaZulu-Natal, the project has provided 187 Bulls and 839 heifers to mostly emerging farmers, youth and women groups and traditional communities in order to enable these groups to achieve continuous improvement in sustainable beef production. The conditions of the scheme are clear and not confusing, namely, beneficiaries must firstly agree to be custodians of the cattle for 3 years and not trade or cull them; Secondly, they must agree to pass the 3 heifers and a bull back to the Department for each Unit of ten received so that these can be passed on to other recipients; and finally ensure the safety of the cattle and agree to have full ownership after 3 years. Of course, to start with they must have adequate land suitable for the stock.

It is pleasing to note that the Agrarian Revolution strategy is starting to bear fruit within the rural food security programmes. The R 60 million project funded by the Flanders government has taken food to the most impoverished districts of our Province. It is against this background that the National Minister of Agriculture, Honourable Minister Xingwana has decided that the 4th World Congress of Rural Women will be hosted by our provincial Department of Agriculture & Environmental Affairs in conjunction with the National Departments of Agriculture & Land Affairs, in KwaZulu-Natal, in April 2007.

This is an international event held every 4 years to discuss pertinent issues confronting rural women. These include globalization, sustainable development, gender equality, and food security. It is estimated that 2000 participants from all over the world are expected to attend. This event will be preceded by an African Congress of Rural Women also to be held in KwaZulu-Natal. As a Province, we are pleased about these developments. Further details about our participation will be given by our MEC M Mthimkhulu.

PROVINCIAL ADVANCES

We have reached a stage of stability in KZN local government. Before April last year we had some municipalities collapsing. There are now 61 municipalities, as well as the 10 Districts plus Metro that are in place under a new local government leadership.

The Premier's Co-ordinating Forum is in place under the Chair of the Premier and consists of the full Executive Council, meeting with the District Mayors and the Chair of SALGA-KZN. The ten District Co-ordinating Forums has now been established and is fully functional.

The House of Traditional Leaders is now established together with eleven Local Houses. There is now a focused relationship on peace and development.

We therefore congratulate the Honourable MEC Mabusyakhulu for the consistent hard work performed in streamlining local government.

This year a dedicated focus for the Department of Local Government and Traditional Affairs will be to move forward on the 5 year strategic plan for local government. For this province the areas of focus will be to achieve the targets set for basic services and the advancement of BEE. The targets set by government for the provision of basic services are that by 2010 all households will have access to water within 200 metres, and sanitation, and access to electricity by 2012.

In KwaZulu-Natal much remains to be done with backlogs of 26% of households without access to water, 44% without access to sanitation and 52% without access to electricity.

Considering these backlogs and the major infrastructure developments in the province, we need to ensure that there are adequate skills to execute these programmes. Imagine the job creation opportunities for our plumbers, artisans and bricklayers.

In May this year the province will be hosting an International Conference on the Global Perspective on Traditional/Indigenous Leadership. This is a singular opportunity for the province to place our Traditional Leadership on the world stage.

Government carries a vast amount of property. A core objective for the Department of Works this year will therefore be to finalise the provincial asset register. From this year the Department of Works will be reporting to the Legislature about the assets of the Province. MEC Johnson is seized with this matter.

2010 SOCCER WORLD CUP

The political oversight committee and other structures incorporating other local government structures are in place to govern and guide the process of preparing and hosting the 2010 Soccer World Cup. This Oversight Committee includes MEC Mkhize, MEC Rajbansi, MEC Cele, MEC Mabuyakhulu, MEC Thusi as well as the Mayor of eThekweni, Mr Obed Mlaba. The technical committee includes the Director General, Professor Mandla Mchunu, and the Head of Treasury, Transport, Sport, Arts and Culture, Local Government and eThekweni Municipal Manager.

An initiative to revive soccer in the province harnessing the expertise of soccer veterans has been launched. 280 young players between the ages of 16 and 20 have been identified and are being prepared to join the professional football ranks. A special programme to train 40 goalkeepers has also commenced. All these players are now in the provincial database of talented soccer players.

The first Premier's Cup was held in September 2006 whereby a province-wide soccer schools league programme was instituted which every year will culminate in the Premier's Cup Competition.

MEC Rajbansi will provide further reports on the issue of soccer development programme.

INTERNATIONAL RELATIONS

Over the past three years we have deliberately focused on our international relations programme. Among the countries we have established relations with are France, Germany, Belgium, China and India.

Among other things, this has led to a direct donor assistance to the tune of more than R200 million from Belgium. In Brussels, where the headquarters of the EU is situated, the South African Embassy has now allocated a floor for each province. As the area of marketing the province is still lacking when compared to what other provinces are doing, this provides a major opportunity for the province to market itself.

We will intensify our relations with China which is an emerging giant in the global economic arena. We will continue to learn from the accomplishments from China in poverty reduction through economic development partnerships and basic food security. These are the goals that we share with China.

In December 2006, KwaZulu-Natal visited China and achieved three distinct outcomes:

- The current project between the Department of Agriculture and Environmental Affairs and the Fujian Agricultural University in JUNCAO and Dryland Rice as alternative food source was extended into a full and formal partnership. This Memorandum extended the agricultural project to also include research co-operation on HIV and AIDS, and also to include co-operation in Arts, Culture, Heritage, Tourism, Sport, Business and Information Technology.
- The dormant Memorandum of Understanding with Shanghai, signed in 2001, was reactivated and the relationship redefined to represent the current priorities of KwaZulu-Natal. A high level Technical Task Team was set in place to identify and implement concrete projects in the areas of Agriculture, Business, Tourism as well as Arts and Culture.

- A relationship was also established with the City of Beijing where the 2008 Olympic preparations were observed. In the area of Agriculture a commitment was made to co-operate in urban agriculture and water conservation.

Strong linkages have been established with India through the Memorandum of Understanding with the Province of Punjab known as the “food basket of India” and exchange of experience in the establishment of co-operatives.

In May 2006 my colleague MEC Dr Z Mkhize, Minister of Finance and Economic Development led a Trade and Investment Mission to the Gulf Region to engage leading countries in the Gulf region with the view to establish trade and investment partnerships and joint ventures for the Province.

In September 2006 my colleague MEC Mr BH Cele, Minister of Transport and and Community Safety and Liaison and the MEC for Health, Mrs Nkonyeni, led a delegation to Brazil. This included the observation and exchange of best practices in the transport and health systems. Whilst in Curitiba, the delegation had the chance to observe the renowned “Garbage is not Garbage Programme” which can be rolled out as part of the Expanded Public Works Programme.

We are currently engaging France, Germany and Le Reunion Island as part of a strategic process leading us to 2010 and beyond. In the first quarter of 2007 we will be receiving the Governor of Maputo as a guest of the province. This will lead to concrete co-operation in the areas of tourism, agriculture and crime prevention. Already the Police Commissioners of KwaZulu-Natal and Mozambique are consulting each other on matters such as cross border hijackings which have become a serious problem in the Umkhanyakude District.

SOCIAL PARTNERSHIPS

In reaching out to consolidate partnerships with our communities, during 2006 we hosted izimbizo at Rietvlei in Umzimkhulu, eMondlo in the Zululand District Municipality and Mpukunyoni in the Mkhanyakude District Municipality. The President also addressed an imbizo at Sisonke District Municipality which had more than 18000 people. We are well on our way towards the formation of a solid partnership and dialogue with our people.

We plan to extend our partnerships to other constituencies. We will partner with academics and intellectuals, who can play a meaningful role in the research and documentation of our history, language, indigenous knowledge systems, culture, social and economic profile. We have established the *EzakwaZulu Natali* Magazine as a monthly publication that will keep government in touch with the citizens by telling the true and authentic news to the people who matter.

Following on the African Renaissance conference we held last year, we will hold the follow up summit in 2007. We will be launching a programme called KwaZulu-Natal in Dialogue whose objective is to bring back the culture of incisive debate.

This is because it has become clear to me that we cannot sufficiently move forward as a province unless we are able together to ask the right questions and to find the right answers to those questions.

Further programmes include our partnership for the Successful KwaZulu-Natal Alumni. Here we will continue to search for successful KwaZulu-Natal Expatriates and engage them to maintain links with the province. We will this year launch the Religious Forum which will involve the entire religious community towards moral regeneration.

STATE OF THE VILLAGE

One of the outcomes of a democratic South Africa is that the people have become one of the most represented communities in the world. Indeed, we have a multiplicity of representation. We have Members of Parliament, NCOP, Members of the Provincial Legislature, District Representation, elected Mayors, Councilors and Traditional Leaders.

We also have members of civil society, public servants, religious organizations, youth and other formations. All are paid by the provincial fiscus.

There is organization at local level. Government resources are directed at the communities to improve the quality of life. But the questions is: How does this multiplicity of representation impact on the State of the Village? This also raises the question as to how developmental issues are being tackled through these local structures.

Until the Village takes off, the province and the country cannot move forward.

Today we present the State of the Province Address. It can not end here. We are going to be facilitating the State of the Village Dialogue. Let us begin that process. Let us re-create that sense of awareness and togetherness at community level.

Government can supply all the information. The population figures, agricultural potential, how much land is not cultivated, what is the market and market forces, number of schools and attendance of children.

From that information base it is the community that needs to interrogate the capacity required to make the Village come alive. The questions to be answered by the villagers at this level are: How do we get water, roads and energy in the village? How much skills are required? How many plumbers, electricians and bricklayers do we have? Where do we find them?

The Local Heritage Forums are already giving meaning to the State of the Village. Through these forums local communities engage in the identification of their local icons and seek to celebrate commemorative events that define the history and identity of that community. To that extent, where notable statues are to be constructed, such as the one of DiniZulu which stands in Berea opposite the one of Louis Botha, these heritage sites must be owned by the community.

It is this kind of organization that you find in countries like China. The village is organized and the structures are effective. In KwaZulu-Natal this sort of progressiveness need to be emulated.

We are therefore taking this concept of the State of the Village seriously and will move on this issue.

On the 9th of March we will commemorate the death of **Maqhamusela Khanyile**, who died in 1877. We also acknowledge the presence of the granddaughter of Maqhamusela Khanyile here today – UmaMkhanyile. In addition, we will pay respect to Izintombi ZeNgcugce who were trail blazers in gender equality. They were the precursors of what is enshrined in the Constitution today.

Mr Speaker, I have outlined the essential cogs in turning the wheel of development that is required to build the provincial economy through partnerships.

KwaZulu-Natal, a province that is making peace heroic
KwaZulu-Natal, a province whose strength lies precisely in her diversity
KwaZulu-Natal, a province rich with heritage
KwaZulu-Natal, a province that is turning its scars into stars
KwaZulu-Natal, the venue of the 2010 World Cup semi-final

Masisukume Sakhe! I thank you.