

**BUDGET SPEECH FOR THE KWAZULU-NATAL LEGISLATURE DELIVERED  
ON 05<sup>th</sup> AUGUST 2009 BY THE HONOURABLE SPEAKER, MS NELISWA  
NKONYENI [MPL]**

Honourable Premier,  
MEC's,  
Deputy Speaker,  
All Office Bearers of the Legislature  
Honourable Members,  
Secretary to the Legislature  
Management and Staff  
Distinguished guests,  
Members of the Media,  
Ladies and Gentlemen.

On the 06<sup>th</sup> May 2009, one accepted a call from the people of the KwaZulu-Natal Province, through their Legislature, to be the leader of this institution. One is therefore indebted to our people, who in their wisdom voted overwhelmingly for the African National Congress to be at the forefront of service delivery in our land. Before we proceed, chairperson, allow me to salute one of the stalwarts of our liberation movement, uBaba Anton Xaba, popularly known as Mfenendala who was buried last weekend. As a true friend of this Legislature, he would have been here today to observe this moment of renewal that we have ushered. Indeed, uBaba uXaba fought a good fight. We therefore dedicate this Budget Speech to uBaba uMfenendala's memory. We would not fail your people.

Allow me, Chairperson, to take this opportunity to commend many a distinguished Speakers for laying a solid foundation for this Legislature as a stable and forward looking institution. To the first Speaker, the late Mr. Gideon Mdlalose, thank you for being a pathfinder. More recently, the Honourable Member of this House and MEC for Transport, Community Safety and Liaison

uBaba u-Willies Mchunu for putting our Legislature on a stable footing. Siyabonga Macingwane ukuphatha isiShayamthetho sethu ngobunono. We shall endeavor to be worthy successors in this regard.

Chairperson, the KZN Legislature is relentless in its effort to entrench public participation and deepen democracy in our Province. As you are aware, we have entered a Women's Month. Every year in August, we take time to pay tribute to our fallen heroines like Lillian Ngoyi, Ruth First, Mkabayi kaJama, Florence Mkhize, Victoria Mxenge and many more for their pioneering role in advancing the cause of women. We salute women of our land for the positive role that they continue to play in our society.

We equally acknowledge that although we have made significant strides in the area of women empowerment, but there is still a long way to go before we can rightfully claim to have achieved gender equity. As American Writer Shirley Maclaine once said *"I don't need a man to rectify my existence. The most profound relationship we will ever have is the one with ourselves"*. With these words, we call upon all women in our land to assert their rights once more until they achieve gender equity.

As the highest law-making body in our Province, the KZN Legislature is at the forefront in advocating issues of women empowerment. To this end, I am happy to report that we have finalized our preparations for the 2009 sitting of the Women's Legislature. This sitting will be held on the 07<sup>th</sup> and 08<sup>th</sup> August in Zululand District.

The theme for this year's Women's Parliament is **"TOGETHER EMPOWERING WOMEN, ERADICATING POVERTY"**. We invite people of KwaZulu-Natal, especially those within the Zululand District to attend this historic sitting in great numbers.

Chairpersons, having dealt with these house-keeping matters, allow us to delve in the business of today. In his inauguration address, the Honourable President of the Republic, His Excellency J.G. Zuma committed his government to the following priority areas:

1. Creation of decent work and sustainable livelihoods
2. Education
3. Health
4. Rural development, food security and land reform
5. The fight against crime and corruption.

These are the same priorities that our Honourable Premier Dr. Zweli Mkhize spoke about in his State of the Province Address.

As the Legislature, we have taken up the cudgel and declared ourselves an activist Legislature. To this end, our oversight role will be centred on the priorities as unveiled, and how these translate into a Better Life for All. We are confident that Together, in this House, we will not fail our people.

Over and above these priorities, we will also monitor how our government addresses the Millennium Development Goals which seek, amongst other things, to achieve the following by 2014:-

- To eradicate extreme poverty.
- To achieve universal primary education.
- To promote gender equality and empower women.
- To reduce child mortality.
- To improve maternal health.
- To combat HIV and Aids, malaria and other diseases.
- To ensure environmental sustainability.
- To develop a global partnership for development.

In-order for us not to fail, we must, as a Legislature, be alive to all issues relating to the core business of the Legislature. We must build on the strong foundation laid in the last five years, and create a Legislature that posterity would be proud of. Amongst other things, we will reassert the authority of the Legislature as per our core mandate which is Public Participation, Oversight as well as Law-making.

To this end, we will broaden our public participation initiatives especially Sectoral Legislatures. We have come to a realization that there are certain critical sectors of our society which have been left out of the loop in our public participation efforts. As our Motto proclaims, "*We Are an Expression of the People's Voice*". Therefore, it cannot be that there are no sectoral legislatures for street traders, business community, faith-based organisations, as well as the senior citizens, to name but a few. As we indicated during the Budget Hearings, we will seek ways and means to ensure that these sectors are reached, even under these difficult economic conditions of a recession.

We will also continue to hold our sittings amongst the ordinary people through our innovative programme of *Taking Legislature to the People*. The overwhelming response which this programme has enjoyed amongst our electorate since it was introduced has reassured us that this Legislature is moving in the right direction in its quest to promote participatory democracy. During the current financial year, we intend to hold our sittings at Ilembe and Sisonke Districts. The actual dates for these sittings will be communicated to you in due course.

Our oversight role over the Executive arm of government is a constitutional injunction. Therefore, over the next five years, we will jealously guard against wanton looting of the public purse. In support of the MEC for Finance, the Honourable Ina Cronje, we will ensure that each and every rand is spent wisely

for the sole benefit of the people of this Province. We have located our Portfolio Committees as primary engines in our oversight efforts.

## **1. COMMITTEE OVERSIGHT**

Towards the end of the previous term, the Legislature Committees, as led by the Chairperson of Committees, Honourable SN Mtetwa, adopted the implementation plan to the oversight guide that the Forum of Committee staff had drawn up with a view to standardizing and improving the oversight processes of Legislatures. The implementation plan called for the introduction of various tools to strengthen our oversight processes.

At the beginning of this term, the Chairperson of Committees has worked closely with other Committee Chairpersons and various Units of the Legislature to take forward the manner in which Committee oversight and legislative work can be improved.

This involves a slight departure from the manner in which Committees have been conducting their functions and call for even more utilization and involvement of Committee Support Units (Coordinators, Legal Services; Research; Organisational Performance as well as Budget Analysts).

The Committees had started implementing their Strategic Plans which gave rise to the pro-forma monthly agendas that guided each of the Portfolio Committees to focus on the following areas:

- a) Consideration of Dept Annual Performance Plans and identification of oversight priorities in January*
- b) Consideration of draft budgets in March leading to adoption of budget in April*
- c) Review of Departmental Strategic Plan in June*

- d) Review of Departmental Infrastructure plan in July*
- e) Consideration of Departmental draft budget submissions in August*
- f) Consideration of Business Plans of Public entities in September*
- g) Consideration of Asset Management; Supply Chain Management and Risk Management reports in October*
- h) SCOPA hearings in October; and*
- i) Mid term reviews in November*

As indicated earlier on, due to the last year of the term having been an election year, with all its attendant post-election activities, we had to revise our plan. The Chairperson of Committees has therefore reworked the implementation of the oversight plan and, as a result, each Committee will be expected to have produced and adopted its Annual Oversight Plan by end of August 2009. In order to arrive at the production and adoption of the Annual Oversight Plan, the Committees will hold their workshops in August 2009.

Sometime this month, Each Committee will be meeting with its respective Department in order for the latter to brief the Committee on its 5 Year Strategic Plan; the Operational plan for the current financial year and how they factor in the new government priorities. The Departments will also be expected to provide their respective Committees with the list of Legislation intended to be introduced in the current financial year as well as the list of activities which each Department will expect attendance by Committee Members. This is to ensure that in finalizing their Annual Oversight Plans, the Committees are able to link their plans with the National and Provincial Priorities and to also ensure that there is proper and timeous planning for activities. A situation where the department invites a Committee to its event at the last moment will be done away with in order to ensure that activities undertaken are all budgeted for and further that they all get mainstreamed into oversight processes.

## 2. MULTIPARTY OVERSIGHT VISITS

This remains a good tool of the Legislature to intensify its public participation processes. There are outstanding issues that the previous Legislature raised with the Executive that were not finalized in the previous term.

Chairperson, in terms of Rule 238 of our Standing Rules, all business before the House or any Committee on the last sitting day of a term of the Legislature or when the Legislature dissolves, lapses at the end of that day. We are aware that the previous House ceased to exist, but the people that we serve are still waiting for their lives to be improved. Therefore, Chairperson, we will resuscitate all the issues that are still relevant to the people in the Districts that we visited through Taking Legislature to the People.

## 3. LAW-MAKING FUNCTION

Chairperson, Section 104 of our Constitution vests the legislative authority of a Province in its provincial Legislature and confers on the latter the power to pass a provincial Constitution and to pass provincial legislation with regard to matters listed in Schedule 4 & 5 to the Constitution.

Over the years, we seem to have abdicated this important constitutional duty to our provincial Executive, to initiate legislation on our behalf. This is an anomaly, given the fact that we are the highest law-making body in the Province.

Therefore, Chairperson, this term of our office will see the Legislature assuming its rightful place in the law-making process. During this Financial Year, as part of our law-making function, this Legislature will introduce the ***KZN Legislature Financial Management Bill*** in the House.

As some of you will know, the Public Finance Management Act does not apply to oversight bodies like the National Parliament and Legislatures. As a stop-gap measure, the Legislatures took a decision to adopt this Legislation as an interim tool to assist us in regulating our financial affairs.

However, Chairperson, the Legislative Sector has collectively agreed that the time has come for us to introduce a legislation that will be specific to the financial management of the Legislature affairs, hence the Financial Management Bill.

In a nutshell, this Bill seeks to regulate the financial management of the provincial Legislature in a manner consistent with its status in terms of the Constitution; to ensure that all revenue, expenditure, assets and liabilities of the provincial Legislature are managed efficiently, effectively and transparently; to provide for the responsibilities of persons entrusted with financial management in the provincial Legislature; and to provide for matters connected therewith.

Chairperson, we are happy to report that this Bill has already been introduced at National Assembly and some of the Legislatures such as Gauteng as well as our own have already prepared their draft Bills encapsulating the spirit and the letter of the Financial Management Bill. As Honourable members of this House, we will formally notify you once this bill is ready for introduction into our Legislature processes.

In the same breath, we will ensure that our Portfolio Committees monitor the implementation of all legislation emanating from this House, including those from the Executive arm of our government. This is what the Constitution enjoins us to do as a law-making and an oversight body.

#### **4. NCOP BILLS AND PROCESSES**

With the coming into effect of the Mandating Procedures Act, which standardizes the manner in which all Legislatures deal with the NCOP legislation, it is anticipated that there will be increased number of Legislature sittings to confer final mandates in line with this act.

Our NCOP Administration still plays a crucial role in ensuring that our Legislature and the Province is represented in the NCOP processes. We hope that this year will see the NCOP processes improving in as far as public participation is concerned. It will be remembered that previously, the NCOP cycle was four weeks which did not give us much time to even plan for the public hearings and workshops. With the cycle extended to six weeks we hope to see an improvement in this area.

#### **5. VISIBILITY OF OUR LEGISLATORS**

Chairperson, this new electoral term will be characterized by our Members becoming more visible in the communities we serve. To quote Thomas Jefferson, "Every generation needs a new revolution", we are working on a new programme that will ensure that each and every Member of this House, reports and listens regularly to our electorate. As part of this programme, we shall demand evidence of delivery from each and every member. We will do so, Chairperson, not because of our desire to be seen to be popular. We intend to see our Legislators spending more time with the communities they serve.

As part of ensuring visibility of our Legislators, we are proposing that our members must be involved in the following projects during this financial year:-

- ***Legislators going back to School*** - This will entail us visiting schools to promote civic education amongst learners. Our Legislators will teach learners on issues such as Our Constitution, Bill of rights and Responsibilities as well as National Symbols, to name but a few.
- ***Paint Fest*** – We will partner with the Private Sector to identify needy schools, clinics as well as day-care centres in our Province. Our intention is to get these facilities repainted by our legislators in partnership with the private sector.
- ***Legislators promoting Healthy Lifestyles*** – We will encourage, amongst other things, Walks for Wellness, One Home-One Garden, One Village-One Product
- ***Project Citizen*** – As the Legislators, we will adopt Project Citizen as a tool to help young people to learn how to monitor and influence public policy in their communities, policy making processes, to develop concrete skills and the foundation needed to become responsible participating citizens, develop effective, creative communication skills, develop more positive self-concepts and confidence in exercising the rights and responsibilities of citizenship, develop an understanding of the importance of citizen participation in government.

Over and above these interventions, we will also strengthen our communication with the people of this Province. Amongst other things, we will produce educational information brochures to be circulated in various state institutions like schools, police stations and clinics. Our intention is to further popularize our institution as the expression of the people’s voice, to make our people realize that we are here for them.

## **6. STUDY TOURS**

This programme still remains an important tool for learning and sharing of information between our Committees and their counterparts in the Country,

Region, the Continent and the World. The Committee of Chairpersons has drawn up a draft programme which will ensure that all Committees participate meaningfully in this programme. The office of the Speaker will expect to receive reports with clear recommendations after each Committee Study Tour has been completed. We need to learn from our counterparts and take that which can improve the manner in which we administer and conduct the work of our own Legislature.

## **7. LEGISLATURE INFRASTRUCTURE MATTERS**

Chairperson, a lot has been said in the media by some members of this House on the desirability for us to build a new Legislature Complex. Unfortunately, this debate has been politicized to such an extent that an impression is being created that this is another example of the waste of taxpayers' money. Therefore, allow me to set the record straight by stating some unpalatable facts regarding this matter. In the meantime, let me hasten to state that the building of the new legislature facilities is going to be a reality.

Honourable members, the process of finding ways to procure new or improve current accommodation for the Legislature started in October 2005 through a resolution of the House which mandated the Speaker to engage the Executive Council to alleviate this problem. Such engagement resulted in the Executive Council mandating the Secretary of the Legislature, Heads of Works and the Provincial Treasury to explore ways of procuring accommodation for the Legislature; including procurement through a public private partnership. The directive led to the appointment of a transaction advisor (Amafa Consortium) which was charged with producing a feasibility study to assist the Legislature in determining the most cost-effective ways of procuring said accommodation.

The Legislature was advised by the transaction Advisor that Treasury Regulation 16 (which regulated the procurement of PPPs) did not apply to the Legislature. As a result, the Rules Committee passed the regulatory framework, which is the Policy on the Procurement and Implementation of a Public Private Partnership Accommodation Project on the 23 October 2008. The policy was drafted in consultation with the Provincial and National Treasuries and requires the Legislature to obtain Provincial and National Treasury views and directives before the Speaker considers Authorisations I i.e. Feasibility Study, II i.e. Procurement and III, Contracting PPP Agreement.

The Legislature submitted the feasibility study to national and provincial Treasuries; and upon receipt of their views and directives, the Speaker granted an authorisation. Thereafter, an approval for Authorisation II was obtained from the Speaker.

A call for expression of interest was widely advertised and closed on 19<sup>th</sup> December 2008. Nineteen companies expressed interest to bid. One company withdrew and another was disqualified. The closing date for the submission of bids was extended to 20<sup>th</sup> April 2009 as a result of the worldwide financial meltdown which necessitated the revision of bids in line with prevalent tight lending measures.

At the time of closure for acceptance of bids on the 20<sup>th</sup> April 2009, four consortiums had submitted bids. After the receipt of bids, the Legislature will begin the evaluation process. The evaluation teams are the Bid Evaluation Committee (with four sub-committees) and the Bid Award Committee (consisting of the Secretary, HoD of Works, a nominee of the HoD of Provincial Treasury and two officials from the Legislature. The evaluation of the bids will be in accordance with the Legislature PPP policy.

At the conclusion of the evaluation process and on award of the preferred bidder (and reserve bidder), the views and directives of the Provincial Treasury and National Treasury will be sought and an application made by the Secretary to the Speaker for Authorisation IIB and thereafter Authorisation III.

Chairperson, with the abovementioned background, I hope it will clear the air in respect of our decision to build the new legislature precinct. I need not remind Members that the current legislature facilities are very inadequate for Members as well as staff of the legislature. Our current facilities are not only inadequate but are also un-integrated due to the fact that they are located in the CBD and separated by a very busy Langalibalele Street.

Currently Members share offices, mostly two per office, and in extreme cases, three Members share an office. In all the Legislatures across the country, MPLs are allocated individual offices, ensuring that they carry out their duties as public office-bearers in a secure environment and one in which they can consult their constituents privately. Therefore maintaining the status quo will not solve the fundamental flaws identified in the Needs Analysis. Refurbishing and upgrading the existing buildings will be expensive and not practical due to the dispersed nature of the facilities and the significant heritage constraints that exists.

We hope that the Treasury processes regarding this matter will be finalized this year and construction will begin in earnest sometime in 2010 at the identified site near Town Hill Hospital, a State-Owned land.

## **STAFFING MATTERS**

Chairperson, issues relating to appropriate staffing and the wellness of our staff are very critical in enabling us to carry our constitutional duties effectively. As some of you will recall, the KZN Legislature took a decision way back in 2006 to engage in an organizational review process. This was triggered by non-implementation of the job evaluation results concluded by the Hay- Group in 2004.

This exercise was undertaken by an independent service provider. Central to this process was an understanding that no employee should lose his/her job as a result of such restructuring.

It must be emphasized that the restructuring process was a taxing one in that extensive consultations with all stakeholders had to be done. Primarily, all the concerns and aspirations of the organized labour had to be addressed. This meant the process had to be slower than was initially anticipated.

It was only towards the end of the last electoral term that the new organogram was finalized and an agreement reached with the union. The implementation of the new organogram as well as the pay structure commenced in earnest in January 2009 with an understanding that any loopholes identified will have to be dealt with by the new political administration.

As the office-bearers of this institution, we hold a view that issues relating to the organogram are very dynamic. Therefore, should we identify gaps in the new organogram, we will promptly deal with them and inform you accordingly. It is our desire to preside over an institution whose administration wing is competent, efficient and forward looking.

## **5. DONOR FUNDING**

Chairperson, like the national parliament and all Legislatures across the country, our institution continues to enjoy financial support from the European Union (EU). However with the adoption of the Legislative Sector Framework which seeks to revolutionise the work of all Legislatures by, amongst other things, setting up minimum norms and standards, this has necessitated a change in the funding model previously used by the EU.

The Legislative sector has organized and defined itself through the formulation of the budget sector policy, strategic framework and memorandum of understanding. These documents are a joint effort of Legislatures and Parliament which will nurture a stronger relationship within the legislative sector at both the political and administrative levels. Any future funding from the EU will be based on the key result areas as identified in the sector approach.

Chairperson, I now present the budget for 2009/2010 financial year as follows:-

### **Provincial Legislature**

<b>Programme 1: Administration</b>	<b>R80, 035 million</b>
<b>Programme 2: Parliamentary Services</b>	<b>R35, 364 million</b>
<b>Programme 3: Facilities for Members and Political Parties</b>	<b>R114, 353 million</b>
<b>The Members' Remuneration</b>	<b>R57, 299 million</b>
<b>Total amount to be appropriated</b>	<b>R287, 051 million</b>
<b>Responsible Executive</b>	<b>Speaker of the Provincial Legislature</b>
<b>Accounting officer</b>	<b>Secretary: Provincial Legislature</b>

Chairperson the above budget has already been cut by 7.5% as part of the Province's Strategy to deal with the current cash crisis. In achieving this reduction, we had to reduce our allocation on Traveling and Subsistence account. The initial allocation for the Legislature before the reduction was R294, 562 million.

I propose the adoption of the budget as tabled.

Thank you, Chairperson.