

Mr Speaker

Premier Zille

Cabinet colleagues and Members of the Provincial Legislature

Director-General and Heads of Departments

Our partners in business, civil society and labour

Residents of the Western Cape

The media

And finally, my very special guests here today

Mr Speaker, each and every one of today's special guests has dedicated him- or herself to making a difference in the lives of others. They wake up each day to play a role in fulfilling our late president Mr Nelson Mandela's dream of a "life of opportunity, freedom and prosperity" for all South Africans. These are just a handful of the somewhat 78 000 employees who make up the engine room of this administration. As Premier Zille mentioned in her State of the Province Address two weeks ago, "progress is the product of partnerships". Amongst others, these individuals are key partners in the 'Better Together' province.

I am honoured to stand before you today to table a budget which puts our vision of an open, opportunity society for all into action. We devised this budget after listening to the concerns of our people because we know that for some of you, life is still very hard. This budget seeks to protect and support our most poor, most vulnerable, the elderly and people with disabilities. Our goal is to remove the constraints that are holding these residents back from

living full lives. It is also a budget which seeks to build bridges to better opportunities for all, because we know that Western Cape residents want a better tomorrow. We can only achieve this through continually building partnerships with all stakeholders, be they our staff, our municipalities, national government, the key drivers of our economy in the private sector, the people of this province and of course, the opposition in this democracy. In her response to the State of the Province last week, the Honourable Leader of the Opposition spoke of the need to build a sustainable home in which all our people can escape extreme poverty and begin to live dignified lives. We agree.

Over the past five years, we've already designed this home, dug out the rubble and built a firm new foundation. More recently, we've started laying the bricks that will make up its walls. Over the next five years, we will build these walls higher and higher, and begin to work on its roof.

I am confident that if we continue on the path we have set, the years ahead will be breakthrough years.

Mr Speaker, each wall of the home we're building symbolises one of our core focus areas:

The first is to *promote economic growth*. We will do this through infrastructure investment, growing the green economy, increasing the value of our agriculture sector and improving our competitiveness. These steps will create an enabling environment for small and large business in our province;

The second is to *increase employment*. We will achieve this through skills development, incentivised employment programmes and initiatives that assist our entrepreneurs;

The third is to improve the *quality of public education and healthcare*; and

The fourth is to *reduce poverty, crime and other social ills*. We will do this through focused socio-economic projects, social inclusion and development programmes, and through increasing safety.

Mr Speaker, the overarching priority of our 'Vision in Action' budget is to make government work better. Just like the roof holds the four walls together and completes our home, we believe that improved governance will add strength to all of our plans.

In total, we will spend over R150 billion over the next three years to achieve our 'Vision in Action' budget.

Before I talk about our specific plans for the future, I would like to take this opportunity to reflect on the journey we have taken together since we first came to government, to take stock of our achievements and the challenges we've faced.

Being in government over the last five years has given me a far deeper understanding of the hardships so many of our residents struggle against every day. I have also come to appreciate the challenges that were being faced by the staff and the systems of this administration in delivering quality services. I would like to thank those residents who have welcomed me into their homes and businesses and shared their stories with me.

It is because of your stories that we became ever more determined to put the open, opportunity society for all into action. As our first step in government, we set about conducting a full analysis into the areas we needed to change most urgently, and based on the results, we developed a set of strategic objectives to put the Western Cape Government on a new trajectory.

Today, despite the global economic downturn which began at the start of our term in government, 270 000 more people in our province have jobs.

Our manufacturing and clothing and textile sectors are once again showing positive growth with strong investment from both the public and private sector.

In the past five years, 49 wind turbines have been erected in our province and are contributing to our energy security. The Dassiesklip Wind Energy Facility in Caledon, which is made up of 9 turbines and was launched last month, has the capacity to power in excess of five thousand homes. A further 149 turbines have already been approved and will come on line soon.

Since last November when we launched the Saldanha Bay Industrial Development Zone in partnership with local and national government, 14 companies have signed MOUs with us indicating that they are eager to invest in the area. These companies will bring growth and jobs to our province and our people.

Since 2011, the number of active companies in the Western Cape has increased by 14 598 to 203 112.

We have also started to turn around our education system.

Between 2010 and 2013, we increased the matric pass rate of the Western Cape by 8.3 percentage points. At the end of last year, 5000 more students than in 2010 got results that allow them to go to university and become doctors, lawyers, teachers or engineers. The number of schools with a pass rate of 60% or less has been reduced from 78 three years ago to 23 today. Our health system is showing similar signs of improvement.

Life expectancy, which is an indicator typically used to measure the performance of health systems internationally, is far higher in our province than anywhere else in South Africa. Here, men live on average until they are 64 years old and women until they are 70. In the country as a whole, men have a life expectancy of 58 years and women typically live until the age of 61. In part, these increases are owed to decreased child and maternal mortality rates, as well as the stabilisation in our province of the HIV epidemic. Our province also experiences the best service delivery. According to the results of the latest Census, 99.1 per cent of Western Cape residents have access to piped water, 91.1 per cent have refuse removal, 93.4 per cent have access to electricity and 89.6 per cent have access to flush toilets. Since 2009, we have delivered 119 647 housing opportunities, using the services of around 147 broad-based BEE contractors.

We have also seen success as a result of our Safely Home project, through which we, in collaboration with our province's motorists and the media, have reduced our annual road death toll by 30.1 per cent.

And we've started to turn the tide on poor governance. Each year, our municipalities – which deliver day-to-day services to residents – have doubled

the number of clean audits they've achieved. As revealed late last year, each one of the Western Cape Government's 14 departments achieved an unqualified audit. In the management test conducted on us and other provinces by President Zuma's office, the Western Cape achieved the highest mark in every category including governance, strategy, human resources and finances.

While these are tremendous achievements, I can relate to a sentiment once expressed by Madiba when he exclaimed: "...after climbing a great hill, one only finds that there are many more hills to climb."

Our education and health systems are challenged in offering the quality of service that we are aiming to provide. Our children deserve education and healthcare that will allow them to compete internationally.

As a province, we are still burdened by the prevalence of social ills, including drug and alcohol abuse, and increasing crime rates. In 2012/13, there were, on average, 7 murders a day in our province. These figures are in part driven by substance addiction, as well as by gangsters who have little or no value for human life. Our residents deserve better.

We have also struggled to keep up with the demand for government housing. While we welcome new residents from all parts of the country, our budget cannot cater for the creation of free homes for all of those in need. We are intent on exploring innovative methods to help meet this demand. We are determined to intensify our partnerships with role-players across the spectrum who are eager to play a role in tackling our challenges and accelerating change through all the avenues at our collective disposal.

We know what is required to make our economy stronger, to systematically end poverty and build bridges to opportunity for our people. We have put the 'Vision in Action' budget in place to deliver it. Now is the time to build inclusive growth, jobs and a better life for all.

With that, Mr Speaker, let's get into the detail of our plan.

As mentioned, to build the first wall of our home, we are making key investments to promote economic growth.

The largest share of these investments is in infrastructure because through infrastructure, we can increase the quality of life, social well-being, health and safety of our citizens. Government infrastructure can also play a role in getting the private sector economy of the area moving. In total, we plan to spend R14.48 billion on maintenance and new and replacement infrastructure in the next three years.

In 2011, we pledged to bring broadband to communities across our province.

I am pleased to announce that we have already reached some key milestones in delivering this plan.

Just yesterday, we signed MOUs with three companies that are piloting wireless hotspots in our less formal areas. By June, residents of Blanco in George will be able to connect to the internet while they wait for the bus at their local transport hub. By September, the learners of Delft and Atlantis will receive free Wi-Fi so that they can research their school projects on the web. Last year, we rolled out nine community internet centres in central parts of our province as part of the Cape Access programme.

Over the medium term, we'll also deliver internet services in local libraries and through e-knowledge I-CAN centres. The pilot centre will open its doors in Elsie's River later this year.

We have set further funding aside to build a broadband-enabled skills portal where young people will be able to go to access career awareness training and advice. And because our first Bandwidth Barn has been so successful in helping young tech entrepreneurs to develop their start-ups, we're creating a second barn in Khayelitsha and a third barn in George. At the same time, we are busy forming partnerships with Bandwidth Barn-equivalents in the rest of Africa so that our tech entrepreneurs can extend their networks. Finally, the town of Louwville in Saldanha Bay has been chosen as the pilot site for the roll out of our wireless mesh project. Through this project, we aim to deliver last mile open access networks to poorer communities at affordable rates.

Step-by-step, we are connecting our residents to high speed internet in order to grow our economy and jobs.

We are also connecting government buildings in our province in a bid to improve service delivery through greater coordination between- and integration of our efforts. We hope to achieve 100 per cent connectivity by December 2015, this despite the substantial delays imposed on us by the nationally-controlled State Information Technology Agency. To ensure that we can maximise the use of this infrastructure, we are developing new supportive systems and applications on which it will run.

In total, we have set aside R1.3 billion over the next three years to achieve our broadband goals.

We are also investing in new roads and road maintenance in order to improve the link between our residents and work opportunities. Since 2009, we have added 339.22 kilometres of tarred road in our province. We have also decreased the number of poorly surfaced roads. Over the 2014 MTEF, we will spend R8.586 billion to maximise the number of kilometres that our residents drive on roads in good condition and to make our roads safer. We have started planning for upgrades to the Borchard's Quarry interchange and the N7 between Potsdam and Melkbosstrand. We are also working on adding a third lane to the N1 at the Durban Road interchange. New roads will also be built in our more rural areas. In partnership with the national Department of Transport and the local municipality, we are rolling out a public transport service in the Eden District economic hub of George. Over the past five years, we have radically increased the share of government funds we invest in new and replacement public facilities. Since 2009, we have built two hospitals and seven new primary healthcare centres around our province. In doing so, we have brought better healthcare closer to our growing communities.

The state-of-the-art Khayelitsha Hospital, which opened in 2012, and the Mitchells Plain Hospital, which opened in 2013, have the capacity to deliver world-class health services to the million residents from the surrounding areas. In the years ahead, we will also upgrade Valkenberg Hospital, the emergency centre at Tygerberg Hospital and complete the development of psychiatric units at George Provincial Hospital and Mitchell's Plain Hospital.

We will also finish building four new Community Health Centres and five emergency service centres around our province.

We are also ensuring that new education facilities are built where they are needed most.

In the year ahead, we will build 52 grade R classrooms, complete 23 schools, and start to construct 11 replacement schools, predominantly in our poorer areas. Planning for a further 11 schools will be finalised.

The above new facilities will help us to offer quality services to our growing population.

Another key part of our plan is to develop infrastructure that catalyses our economy. These projects are designed to attract investment and jobs by changing the way our region is viewed.

The Saldanha Bay Industrial Development Zone, which I mentioned before, has the potential to create 15 000 jobs over the next ten years and generate R10 billion for the region's economy over the long term.

In the near future, a range of stakeholders including the Western Cape Government will invest in excess of R1 billion to support the development of the IDZ. This allocation will be used for management and planning, skills programmes for local residents and hard infrastructure at the site.

Another important economic catalyst for our province is the expansion of the Cape Town International Convention Centre. The CTICC, which is one of the very few profit-turning conference centres in the world, already generates a significant contribution for the Western Cape's GDP. Once it has doubled in

size, it is likely to generate R5.1 billion for the regional economy every year, and create 8 000 jobs.

We have earmarked R161.9 million towards its expansion over the next two years.

Through our Regeneration Project, which we laid the groundwork for in 2010 and which is finally coming to fruition, we will shortly be advertising four centrally-located government properties for lease by the private sector.

These will be the first of many, because there is no sense in government clinging to buildings or pieces of land that are being underutilised and are costly to maintain. The income we derive from these properties will be channelled back into service delivery projects that benefit our residents.

We are also investing in growing our green economy. To this end, we have devised a Green Economy Strategic Framework which seeks to position the Western Cape as the lowest carbon province in South Africa, and drive job creation in this sector.

As mentioned earlier, our province is well positioned to capitalise on green growth. Amongst other projects, in this medium term budget we have set funding aside to develop an electricity master plan for each municipality in our province so as to ensure the cost effective delivery of this necessary service to our businesses and our homes. Because one company's waste might be a resource for another, we have invested in a symbiosis project which is creating links between companies wishing to buy one another's by-products for use in their own production processes. This project is saving input

costs for business and helping us to protect the environment through the reuse of waste which would traditionally have contributed to our landfill sites. Other initiatives to bolster the green economy include investigations into reducing our reliance on coal in favour of Liquefied Natural Gas, the 110% Green flagship project through which businesses commit to reducing their energy consumption and a mapping project which will provide data on investment, job creation, skills development and red tape issues in the renewable energy, agro-processing and eco-tourism sectors.

At present, our farms account for one-third of what is produced on an annual basis in South Africa. While this is a significant achievement, our agricultural sector has only been growing at around 1.5 per cent per year. This is an area in which we have massive opportunity for growth and job creation, especially for rural communities, and we must do more. Over the next three years, we have allocated R32.837 million to the FARE process to support the development of farmworkers, subsistence agriculture and small holder farming, and to contribute to the success of land reform projects in the province. We have also allocated R228.022 million to our vet services over the 2014 MTEF to ensure that our products do not suffer from further exclusions to international markets as a result of sicknesses. To augment these efforts to improve production, we will continue to proactively push our exports in new and potential markets in Africa and abroad.

A further step in growing our economy involves boosting our competitiveness at home and overseas.

We have implemented several projects which seek to drive this agenda.

The first is our red tape to red carpet initiative which removes unnecessary barriers hindering the private sector. In the year ahead, this programme receives R7.54 million to help entrepreneurs and businesses across our province tackle red tape. This team is saving jobs and encouraging investments, and slowly but surely, building a brand of open for business in this province.

We are also boosting our competitiveness by investing in tourism, trade and investment promotion in our core competitive sectors.

Last month, I was pleased to reveal that Cape Town and the Western Cape had had its best December season yet. In addition to an increase in numbers at the majority of our tourist attractions, our airport recorded the highest number of international arrivals since the recession began. We have also seen big airlines like British Airways add extra direct flights to Cape Town. This is proof that the province's campaign to increase tourism is yielding results. As hosts of the World Design Capital 2014, this year is set to be a good one for our hospitality industry.

Our most recent figures show that despite the general economic downturn, our province continues to draw strong levels of foreign direct investment.

Wesgro estimates that in the 2012/13 financial year, 1 783 new jobs were created through investment projects. Since coming to power, we have attracted 80 such projects into our Province valued at R30.1 billion. Over the past five years, the agency has also been instrumental in attracting a number of international companies to base their Africa operations in the Western Cape. In contrast, Foreign Direct Investment into South Africa as a whole has

slumped on the back of ANC government policy instability and weak investor confidence in the post-Marikana age.

Over the next three years, we will allocate R225.271 million to Wesgro for tourism, trade and investment promotion, so that it can continue to bolster FDI into our region.

We are confident that through the above investment, and our open for business attitude, we will be able to drive economic growth and job creation in our region.

The second wall of our home represents our plan to *increase employment through incentivised employment programmes, entrepreneurship and skills development.*

According to the latest Stats SA figures, 2.2 million residents in our province have jobs. For these residents, the door to a better future is open if they are willing to work hard. For 593 000 others, however, the hope of a better life is still a distant dream. This is especially so amongst our youth, who make up more than two-thirds of our unemployed population. We remain deeply concerned for the wellbeing of all our unemployed residents.

In the years ahead, we will intensify our efforts to raise the number and percentage of employed people in our province.

In partnership with the national government, in the year ahead we have set our sights on creating 94 424 job opportunities through the Expanded Public Works Programme. Amongst others, EPWP employees will be offered work opportunities in crime prevention through our Neighbourhood Watches, in construction through our public works programme, and in biodiversity

management in collaboration with Cape Nature. Where possible, we are striving to ensure that our EPWP employees receive on-the-job training to ready them for permanent employment in the public or private sector. This programme receives a cash injection of R611 million over the 2014 MTEF.

We know that the Western Cape's entrepreneurs play an important role in creating jobs in our economy. Through my engagements with them at their places of work, we also know that many of them are frustrated by the stumbling blocks they face in getting off the ground.

That is why in the years ahead, we are boosting the support we offer to entrepreneurs.

In addition to the assistance we already provide through our red tape unit, we will be rolling out two new business support centres, bringing the total number of access points across the province to 21. We have embarked on this programme in collaboration with SEDA and a number of private institutions because we all know that together, we can offer more than we can alone.

We are also formalising a strategy to boost our informal economy. This is a viable alternative to formal employment for those who do not have jobs. Our goal is to investigate and remove the hurdles residents encounter when exploring opportunities in this sector, which include access to land, services and low-cost finance.

Mr Speaker, another critical part of our plan to create jobs is to give our people, most especially our youth, the tools they need to become active players in our economy.

Over the next three years we plan to invest over R300 million into skills development programmes to help our young people improve their chances in life.

To date, we have given over 5 500 unemployed youths the opportunity to develop skills that will grow their employability through our flagship initiatives.

Over the next year, we will give another 750 post-matric young people the opportunity to gain work experience by interning in the Western Cape Government as part of the PAY Project.

Last year, we launched an exciting new initiative to address the shortage of skilled artisans in our economy. At present, the average age of Western Cape artisans is 55 years old. This presents a particular challenge in light of the specialised skills we require in our emerging Oil and Gas-, renewable energy- and ship building sectors.

Through our ground-breaking Artisan Development Programme, we plan to offer a further 1000 young, unemployed residents the in-service training they need to obtain their official qualifications.

Three years after it was first announced the national government has finally passed legislation which allows companies to extract incentives if they employ people between 19 and 30 years old.

Just like our Work and Skills Programme, the Employment Tax Incentive Act is designed to share the cost of creating new jobs between government and the employer.

To facilitate the best possible uptake of this incentive, we are developing a database of unemployed youth in our province who are seeking internship

opportunities. We are also aiming to put a helpdesk in place to assist businesses which require guidance on implementing the scheme.

The success of most of our skills development initiatives depends on partnerships.

Through the Provincial Skills Forum, we are working with the private sector and academia to define and respond to our changing job market.

The third wall of our plan is to improve the quality of the public education and healthcare we provide to our communities.

We firmly believe, just as Madiba did, that “our children are our greatest treasure...[and] our future”. Despite the gains we have made in turning education in our province around, too many young people continue to drop out of our school system. Without basic education, they have little chance of going on to develop the skills they need to get a job.

Over the next three years, we are investing over R52.121 billion to improve the learning outcomes of the 1 million children in our public school system by sticking to the plan we set ourselves 4 years ago.

At the top of this list is improving our literacy and numeracy results.

In this regard, we will continue to direct maximum resources, both human and financial, to the first three years of schooling. This will be coupled with compulsory testing of learners in Grades 3, 6 and 9, and an increased focus on teacher training.

To promote accountability, all officials and principals will be asked to sign performance contracts with targets for improving learner performance. These contracts will be monitored on a quarterly basis. There will also be far greater

attention focused on the management of schools at the district level, with officials and teachers held to account for their role in improving their overall results. We have implemented an online management tool to facilitate this process.

Because we know that employment is tilted heavily in favour of those who have achieved at least some secondary education, we have embarked on several initiatives aimed at keeping our learners in school for longer. In the year ahead, we will spend R1 million to conduct a learner retention study to identify further causes of our high drop-out rate. Following this, we will adopt additional strategies to address the areas of concern it highlights.

Finally, in collaboration with our Health Department, we will roll out mobile clinics to test the eyesight and hearing of our young learners. Based on the outcomes of these tests, learners will be assisted to receive the aids they need to lead full lives.

Our mobile clinic programme is one of the many new projects of our Health Department.

When we came to government, we revealed our strategic vision to improve wellness in our province. Healthcare 2030 has four pillars:

- The first is to improve the patient experience through a people-centred approach;
- The second is to provide integrated care whereby various doctors work together in the treatment of a patient;
- The third is to provide continued support for the patient, and

- The fourth is to treat patients during their full life-cycle, instead of on a once-off basis.

In the three years ahead, we will spend R54.73 billion – the highest amount spent on one department – to execute the various aspects of this plan.

We will pay special attention to further reducing maternal and child mortality rates, and further increasing the life expectancy of Western Cape residents.

We have set aside an additional R43.359 million over the 2014 MTEF for neonatal screening, hearing aid provision and cochlear implants for the hearing impaired.

To improve the quality of care we offer Western Cape residents, we aim to reduce patient waiting times in our busy facilities.

Mr Speaker, I would like to tell you now about the fourth wall of the home we are building, which includes the up-scaling of our interventions to *reduce poverty, crime and other social ills*.

We have put these plans in place because we know that there are still residents in our province who are struggling to scrape by and need a helping hand from government to improve their socio-economic circumstances.

Because our young people are our priority, and because their futures are deeply affected by poverty and crime, we will provide food and other poverty-alleviation measures to address the needs of our poorer learners. We will strive to make schools safer through physical safety measures, greater co-operation with the South African Police Service and Metro Police and actively promoting community involvement in protecting schools. In addition,

in collaboration with SAPS, we will conduct random inspections and tests at schools for drugs and weapons.

To promote greater social inclusion and participation, I am pleased to announce that we have allocated an additional R211.764 million over the 2014 MTEF to bolster the 181 MOD Centres located at schools around our province. This excludes the amount allocated for this programme in the education budget. MOD Centres are so important because they offer our youth opportunities to engage in constructive activities after school hours, and lessen their chance of being exposed to high-risk activities. Through this programme, our learners will now have access to more sporting equipment and infrastructure, graduate maths tutors and additional meals.

To offer young people better choices in life, we are implementing the Youth Development Strategy which aims to assist young people in developing the tools they need to have the best opportunities for success.

In the near future, we plan to open nine Youth Cafés in Athlone, Mitchells Plain, Khayelitsha, Atlantis and Bredasdorp as part of a pilot project. These centres will provide our youths with safe spaces in which they can access opportunities, unleash their potential, channel their energy and receive mentoring. In addition, the Youth Work Programme will provide jobs for 1400 unemployed youths. We hope that through these initiatives, more of our young people will be given the tools they need to play a meaningful role in the Western Cape's economic growth.

I am also thrilled to announce that in excess of R110 million has been set aside to roll out regional socio-economic projects in Theewaterskloof,

Drakenstein, Saldanha Bay, Swartland and Breede Valley. These projects will be modelled on the Violence Prevention through Urban Upgrade initiative, which was devised by the City to address the particular concerns of Khayelitsha residents, and has transformed the Harare area through new infrastructure for business and heightened security. The German Development Bank has agreed to contribute a further €5 million to assist us in rolling out these projects. This is another example of how partnerships work to expand opportunities for our people in the 'Better Together' province.

The greatest contribution we are making to grow social inclusion and reduce inequality in our province is through human settlements. Over the next three years, we will spend R2.115 billion to deliver a further 10 357 housing units and 6 211 serviced sites. We have also embarked on a programme to refurbish and upgrade units in need of restoration so that they may begin to be utilised by deserving beneficiaries.

We are also up-scaling the provision of GAP housing opportunities. These homes are purpose-built for residents who earn between R3500 and R15 000 a month, and are able to service a small bond. In addition, we have initiated the development of a business case for an affordable housing model. To educate citizens on how to affordably own a home, we are also embarking on a consumer awareness drive in partnership with various stakeholders in the property sector.

Mr Speaker, the Western Cape Government also drives programmes to cater for the most vulnerable people in our society --- those that are struggling on their own, and need government's support.

In this respect, we are aiming to work with communities to build happier, healthier, safer communities.

The bulk of the Department of Social Development's R1.8 billion budget for 2014/15 will be channelled into social welfare services for older persons, children, victims of substance abuse and those with disabilities.

To aid in their development and to address child hunger, we will provide registered early childhood development services to 90 000 children between nought and four years old.

To further assist our residents who need it most, we will continue to use a greater portion of our budget to support non-governmental organisations than any other province. Over the next three years, more than R3.096 billion will be allocated to a network of 2000 NGO's across the province.

A major threat to our resident's well-being, and indeed economic growth, is high levels of crime.

While SAPS is the only body mandated to perform enforcement, we will continue to drive safety through effective oversight of policing, and by making safety everyone's responsibility.

To ensure residents can play a pro-active role in preventing crime, we have invested in two innovative new projects.

The first is the Expanded Public Partnership for Community Police Forums. The EPP project is allowing us to provide focused training for CPF's and improve the lines of communication between the Department of Community Safety, CPFs and SAPS.

To develop new approaches to safety and security, R16.587 million has been allocated to the Safety Lab over the 2014 MTEF to incubate innovative ideas. Now, let me move to the final part of our plan, which is to encourage better *governance, active citizenry and partnerships*. This is a critical success factor in achieving all of our goals. It is the roof that completes our home.

When we first came to government, we realised that we wouldn't be able to improve the economy, create jobs and alleviate poverty unless we got this government working properly. That is why we put a plan in place very early on to put citizens at the forefront of service delivery, and to improve the way we manage our finances and our staff.

We have already started migrating more of our services from paper to pc.

The systems and programmes that we are investing in will provide the backbone for improved effectiveness and efficiency in the way this government delivers services to its population. We will accelerate this initiative by increasing spend in this area in the years ahead. Managing our functions online, including project management, human resource management, asset management and financial management, means we will close more loopholes for human error and manipulation.

We will also implement a strategic sourcing strategy. Through this project, we will identify instances where the government can save money through bulk buying. This will reduce our operating costs on daily items so that we can spend more on high level projects such as infrastructure. R13.159 million has been set aside to implement this strategy. In implementing this strategy, we will make sure that we do not prejudice smaller suppliers. Over the past five

years we have worked hard and have taken major strides in using government's goods and services budget to support broad-based BEE companies.

To improve financial governance and project management within our municipalities so that they are able to deliver better services to their residents, we will continue to provide a high degree of support to this sphere. We have allocated R75 million over the next three years to achieve this.

Last, but not least, Mr Speaker, our plans will work better if citizens play an active role in helping us to achieve them by doing their bit. Without an active citizenry, we can only do half the job.

To this end, we are creating partnerships within the Western Cape Government and outside of it.

Internally, we have formed a new management structure that has done away with the old silo mentality of our departments.

The Western Cape Economic Development Partnership will continue to build partnerships across government, the private sector, academia and civil society. The EDP focuses on enhancing our region's competitiveness and ensuring that economic growth is inclusive and benefits all the residents of the Western Cape. We have allocated R27.9 million to the EDP over the next three years to deliver on this mandate.

We are also strengthening the relationship between government and its people through our Thusong Centres and Community Development Work Programme, through which we are bringing services closer to millions of residents.

Through our ever-improving governance across the municipalities and departments of this province, we are building not only credibility but creating the right partnership network that will make it possible for the private sector to invest in our region, and create the growth and jobs that we all need.

While the above partners play a huge role, our success in building our home will hinge on the decisions that each of our 6 million residents make, every day. Our people have the greatest power to determine our future. If we all choose, as our guests today have done, to make a difference by contributing positively to our communities, we can grow the economy, create jobs and reduce the social ills we face. As Madiba said: "It is [the] difference we [make] to the lives of others that...determine[s] the significance of the life we lead".

Summary of income and expenditure

Mr Speaker, as mentioned previously, we will spend R153.826 billion over the next three years delivering services to Western Cape communities. Of this amount, 95 per cent will be financed from the Provincial Equitable Share and Conditional Grants, and the remainder will be financed from the revenue we will collect from motor licence fees, casino taxes and from transfers from our own reserves.

Over the 2014 MTEF, the total amount we will spend has been divided amongst the departments of the provincial government as follows:

To coordinate and support the governance objectives of the Executive and Cabinet, and to achieve effective, efficient and professional legal- and corporate services including a shift to e-services, the *Department of the Premier* receives a total allocation of R3.229 billion.

To run an effective and independent legislature, and to encourage public participation in the affairs of the Western Cape Government, the *Provincial Parliament* receives R 341 million.

To provide strategic leadership to the provincial government and municipalities within the province that brings about improved socio-economic and governance outcomes, the *Provincial Treasury* receives a total budget of R2.085 billion. Of this amount, R1.382 billion is set to be reallocated to departments once their business plans for strategic special projects have been approved.

To provide civilian oversight over Police as well as crime prevention and community police relations in the Western Cape, the *Department of Community Safety* receives R702 million.

To provide public schooling in the province from grades 1 to 12, to provide Adult Basic Education and Training and Further Education and Training and to subsidise the roll out of Grade R to more learners, the *Department of Education* receives R52.121 billion – a third of the total budget.

To provide a comprehensive package of health and wellness services to Western Cape residents, the *Department of Health* receives R54.730 billion – 36 per cent of the total budget.

To deliver social development services that enable and empower the poor, the vulnerable and those with special needs, the *Department of Social Development* receives R5.581 billion.

To create human settlement opportunities that allow residents to access social and economic opportunities close to where they live, the *Human Settlements Department* receives a total allocation of R6.859 billion.

To ensure that the integrity of the natural environment of the Western Cape is maintained, the *Department of Environmental Affairs and Development Planning* receives R1.430 billion.

To construct and maintain Western Cape public roads, educational and health facilities, to increase access to safe and efficient transport and to perform traffic management, the *Department of Transport and Public Works* receives R19.352 billion.

To provide a range of development, research and support services to the agricultural community of our province, the *Department of Agriculture* receives R2.277 billion.

To enable a vibrant, innovative, and sustainable economy characterised by growth, employment and equitable opportunities, and to encourage the full potential of all, the *Department of Economic Development and Tourism* receives a total allocation of R1.460 billion.

To unite our people through sport and culture and to ensure a creative and active Western Cape, the *Department of Cultural Affairs and Sport* receives R2.077 billion.

And, finally

To support and strengthen the capacity of our municipalities to manage their affairs in a manner which promotes integrated, sustainable and empowered communities, the *Department of Local Government* receives R599 million.

In line with the spatial development needs of the various parts of the province, and in line with their growth and job creation potential, the budget has been divided by district municipality as follows:

R109.256 billion will be spent within the borders of Cape Town, which houses 75 per cent of the province's economy and 64 per cent of its population. This amount includes some goods and services that will be procured from service providers in the city, and thereafter, distributed to the various districts;

R18.270 billion will be spent within the Cape Winelands, which forms part of the greater functional region;

R11.652 billion will be spent in the Eden District, one of the fastest growing regions of our province;

R7.094 billion will be spent in the West Coast District, which is home to Saldanha Bay and Swartland;

R4.665 billion will be spent in the Overberg District, which is home to Hermanus and Swellendam, amongst others;

And, finally

R1.857 billion will be spent in the Central Karoo, which is our most sparsely populated region.

Conclusion

In conclusion, Mr Speaker, this budget is about partnerships, it's about communities playing their role, it's about this administration delivering good governance, it's about better and better service delivery, all of which creates

an enabling environment that stimulates private sector investment, growth, jobs and a better life for all our people.

We have a vision, and we are putting it into action.

I would like to express my sincerest thanks to Premier Zille, my Cabinet colleagues and the staff of the Provincial Treasury for their support over the last five years in putting the budget of the Western Cape together. I must also thank Minister Pravin Gordhan and his team for being good, principled partners of the 'Better Together' province.

My thanks also go to the Chair and the Standing Committee for working with us over the last five years. I also thank the Mayors, the Municipal Managers, the CFOs and their teams for driving good governance in coordination with us.

I would also like to thank my family – Tracy, Jason and Lauren, and my parents – mom and dad – for being a constant source of encouragement, and my team in my office, many of whom are here today, who have been with me for the past five years. They most definitely run the best-run regional government Ministry in the world.

Finally, on behalf of all of the people of this province, I want to recognise and thank the staff members of the Western Cape Government, who are

represented here today by a handful of their colleagues, for the role they are playing in making lives better for all.

It gives me great pleasure to table the 2014 Overview of Provincial Revenue and Expenditure, Estimates of Provincial Revenue and Expenditure, the Western Cape Appropriation Bill, the Western Cape Gazette of Allocations to municipalities, and this Speech, for discussion and consideration by this House.

I thank you.