

Honourable Speaker of the Free State Legislature,  
Honourable Madame Deputy Speaker,  
Honourable Premier,  
Honourable Members of the Executive Council  
Honourable Members of the Free State Legislature,  
Leaders of different political parties,  
Mayors and Speakers of different Municipalities,  
Chairpersons and Board Members of different Public Entities,  
Members of State Institutions supporting democracy,  
Director-General and Heads of different Provincial Departments,  
Business People present here  
Bomme le Bontate and  
Our friends from the media.

Honourable Speaker we are gathered here today, just two days after the Human Rights Day. During this day fifty years ago, the apartheid security forces mowed down 69 people who were protesting against evil policies of apartheid just few kilometers from here. On Sunday we commemorated the Sharpeville shooting which epitomize the resolve of our people to prevail against the repressive laws of apartheid.

We therefore wish to dedicate this budget vote to those lives lost in a struggle to liberate our people from the vicious and evil grip of apartheid. Honourable members, apartheid has caused untold damage to majority of the people in this country. Unemployment, underdevelopment, poverty, illiteracy and many other social ills our communities are grappling with today are as a result of repressive and discriminating laws of the oppressive regime of the past.

It is therefore befitting and justifiable that policy statements like the one we are tabling before the people of the Free State should usher in a dawn of a new era and eliminate any feelings of despair. Today we are tabling a total budget of R370.762 million to enable us to ensure an inclusive and diversified economy of our province which will form the bedrock of decent employment in the Free State.

Honourable Speaker, we wish to remind our people and particularly the younger generation that the Government of that time led by one Hendrick Verwoerd used pass laws as a primary instrument to harass, humiliate, intimidate and arrest its political opponents and these were mainly black people. Structured and organized resistance to those draconian laws kept the resistance politics alive until the release of the champion of human rights in this country Cde Nelson Rolihlahla Mandela twenty years ago this year.

Speaking about this icon, allow me Honourable speaker to preamble our budget vote speech today by referring to yet another icon, Professor Muhammad Yunus, the founder of the Grameen Bank in Bangladesh. Speaking at the 7<sup>th</sup> Nelson Mandela Annual Lecture last year, Prof Yunus said, ***“We are now celebrating Madiba’91<sup>st</sup> birthday, the man who brought an end to apartheid. Everyone thought it couldn’t be done. He did the impossible. We got rid of colonialism, we got rid of slavery and we got rid of apartheid –everyone thought each one of these was impossible. Let’s take the next impossible, do it with joy and get it finished with and create a world free from poverty. Let us create a world of our choice”***. He goes further to say, ***“The human journey began in Africa, let’s make South Africa the first country where poverty will not exist, nobody will be a poor person. Let’s do it fast-let’s do it in the next 20 years”***

Honourable members, the Free State is the most central province of the nine. It is endowed with natural resources, it has a well developed transport infrastructure, this province can be the war room of poverty. Now is the time for the centre to hold. It is no coincidence that the province is the birth of many political parties in this country it was by design and choice. We have to make it the commanding centre of the battle against unemployment, poverty and hunger. Together we can do it.

Our individual and collective response to Professor Yunus is our undertaking to dedicating both human and capital resources towards improving the socio economic livelihoods of Free State communities through economic and environmental development programmes. Our critical key outcomes during this financial year are;

- Decent employment through inclusive economic growth;
- An efficient, competitive and responsive economic infrastructure network;
- Protect and enhance our environmental assets and natural resources;
- An efficient, effective and developmental orientated public service and an empowered, fair and inclusive citizenship.

## Economic Context

According to available body of research and information, of the three sectors, primary sector which include agriculture and mining, the secondary sector made of manufacturing, electricity, water and construction and the tertiary sector which include retail, hospitality, real estate, finance and government the primary sector's contribution towards the Free State's GDP has been the smallest and has been declining, from 17.1% in 2000 to 12.8% in 2008.

The secondary sector's contribution decreased from 18.6% in 2000 to 18.3% in 2003. The period after has been characterized by a steady increase from 18.3% in 2003 to 19.0% in 2008. The largest contributor in this sector has been manufacturing, which has marginally increased from 13.8% to 14.0% over the period reviewed. Its highest contribution was in 2001 at 14.3%, whilst its lowest was in both 2003 and 2005 at 13.6%.

There have been variations in the growth of the tertiary sector's share of the provincial GDP over the period under review, but it has increased from 64.5% in 2000 to 68.2% in 2008. Finance, real estate and business services has been the dominant industry in the provincial GDP context, both in the tertiary sector and over all the other industries, at an average share of 17.7%. The general government services industry has been the second largest contributor at an average of 15.0%. However, this industry has generally been declining; its highest contribution was in both 2000 and 2001 at 15.6% and the lowest at 14.6% in 2007. The average share of the community, social and other personal services was 12.7%, the wholesale & retail trade; hotels & restaurants was 11.8%, whilst that of the transport and communication was 9% over the review period.

Honourable members we commit ourselves to use our budget allocation to ensure that the black cloud of economic recession, job losses, debilitating hunger, despair and hopelessness is gradually clearing and dawn of the new era is upon us.

To make this a reality, we will be hosting an Economic Development Summit on the 22 -23 April 2010. The theme of the Summit is “Unlocking Free State economic potential”. This summit will to redefine shape the contours of the economic landscape of the Free State for future growth and job creation.

## Decent work

Everything we do, all programmes we conceive, all projects we commission will be aimed at dealing with two fundamental issues. To be responsive to our people’s need and our endeavor to create a poverty free society our interventions should ensure

- that people work and
- how much their work pays them.

Mike Schussler, the economist, writing in the most recent Sake 24 and BOE Private Clients’ Free State Barometer say, “***certain sectors of the economy are not yet out of the mud. But except for the mining index the past three months show signs that we gradually getting out of recession***”. This honourable members, is corroborated by the STATS SA’s fourth quarter of 2009 which states that 32 00 new job opportunities have been created. The same report has indicated that the Free State as one of the only two provinces in South Africa that recorded decline in unemployment, posted the second highest decrease in unemployment at 3.3% after 5% posted by the Northern Cape amid the economic recession. We have to capitalize on these positive signs.

We have engaged the Development Bank of South Africa (DBSA) to help us with the Free State Economic Repositioning Strategy. This strategy’s focus will be to combine economic growth with pro- poor development strategies which are critical and central to sustainable development. We undertake to review and assess the province’s current economic position, challenges facing our province, its developmental potential and factors underlying the inadequate development and growth performance.

Honourable members, giving expression to this important programme of decent employment, we will undertake an ambitious job creation project through the infrastructure plan of our reserves and resorts. We intend establishing a database of electricians, plumbers, bricklayers, and other tradesmen and women who will be employed on rotational basis in this infrastructure maintenance plan. R47 million has been allocated for this and 120 temporary job opportunities will be created.



Similarly we will finalize the Excelsior, Bethulie and Verkeerdevlei cooperatives, Thirty additional cooperatives will be established throughout the Free State. R7.320 million has been allocated to this project intended to create no less than 166 jobs. We are also convinced that waste can present lucrative economic and entrepreneurship opportunities to our people. The Deputy Minister of Environmental Affairs, Ms Rejoice Mabudafhasi always says, ***“If we learn to recycle our waste, we will create business and employment opportunities for our people.”*** For this reason R2 million has been allocated with the help of Buyisa-e-bag for the establishment of 5 recycling centers on landfill sites in the Free State. 50 direct jobs and more than 1000 indirect jobs will be created in this way.

As part of our programme of developing entrepreneurs, the Free State Development Corporation in partnership with Mantsopa Local Municipality and MTN SA Foundation has established a Business Support Centre in Ladybrand. The Centre will provide administration, business development and other non-financial support services to targeted local entrepreneurs, SMMEs, NGO, CBOs and other income generating initiatives. The MTN SA Foundation will spend R3 million over the next three years to improve competitiveness and sustainability of local business and create decent job opportunities.

## **Inclusive and Diversified Economic Growth**

Honourable speaker ours is a facilitator budget. We will use the budget to leverage private sector funding to achieve shared growth and integrated development in the Free State. This could be just one of the ways to stimulate the Free State economy to perform as well as the surrounding economies. Our primary aim has been and still is to introduce local value added activities. In this way, surely we will ensure stimulation of different economic sectors which will be inclusive and benefit many.

To this end, we will focus our attention and resources on the following identified sectors;

- Business Process Outsourcing
- Agro-processing (e.g. Bio Fuels)
- Transport Logistics (taking advantage of location)
- Warehousing
- Tourism
- ICT and
- Pharmaceuticals

A perfect foundation for thriving investment promotion is a thriving local economy. To enable us to achieve this goal we will have to collate all economic information and investigate the options and opportunities available to broaden the economic base of the Free State Province. In doing so, we will efficiently and effectively facilitate the creation of an appropriate enabling environment conducive to economic development and investment. This can, however, only be done if and when the current development situation in the area is understood.

Honourable members we owe it to the people of the Free State to get the economy of this Province working. We need all hands on deck with every fibre in our muscles. We have to;

- Help in building the municipalities' capacity on economic profiling, project packaging and implementation and then collate and analyze these municipalities' economy and identify the competitive and comparative advantage of each area.
- Help in the compilation of LED strategies for our district municipalities.
- For the identified projects, identify and effectively make use of all national and provincial support programmes, which would address the challenges for the economic development of each area.
- Assess, establish and strengthen functional LED structures and forums, where necessary.
- Develop a framework for monitoring and evaluating progress.
- Put a process for continuous economic analysis in place.

To this end we are working with several strategic partners towards developing an implementation matrix of projects meant to grow our economy and generate job opportunities.

We are proud to announce that an investment of R250 million has been secured for construction of two private hospitals in the Free State. Construction on these projects, one in Bloemfontein, one in Harrismith will start later during this financial year. These projects made possible by the partnership with Development Bank of South Africa (DBSA) will create 300 jobs in the medical sector.

We have also identified the Information and Communication Technology sector a vehicle for fast-tracking change in the region and for creating opportunities for economic growth and social upliftment. The Free State Provincial Government is embarking on a provincial ICT Roadmap and Strategy development process aiming to integrate business strategies of the province departments and their systems plans but also serve to establish a self-sustaining ICT-enabled sector and information society in the region.

Several projects have been initiated in partnership with the private sector. Speaker, Cell C will invest no less than R1billion in the Free State in the upgrade of its network from 2G to 4G. The Free State is the launching pad of the national roll-out of this programme. This upgrade will ensure access, lower communication costs and community development as Cell C plans to expose its corporate social investments to Free State communities while enhancing SMME development and job creation.

In partnership with local and Chinese investors, plans are at an advanced stage to roll out inter-city Fiber Optic Telecommunication Network Infrastructure worth more than R2.5 Billion. The benefits to be brought about by the project include; state of the art broadband infrastructure, provision of government services through ICT, revenue generation by government through providing services on the network

As part of using the Information and Communications Technology to enhance the logistics sector in the province, the Free State Investment Promotion Agency has signed an Memorandum of Understanding (MoU) with the South African Post Office to partner in key focus areas which includes; the establishment of an SMME Development Programme for entrepreneurs in the logistics sector, the development of capacity within the province in rolling out set-top-boxes according to the national Department of Communications' Digital Migration Initiative and to speed up the roll-out of the national address database system in the province.

SAPO is involved in the roll-out of the national address database where they aim to provide all South African households with postal addresses. In the Free State Province, the initiative will be integrated with the Set-Top-Box Manufacturing and Distribution Initiative to allow for speed up roll-out of the database. The intention is to train over 6000 entrepreneurs to become certified installers and distributors of set-top-boxes in the province. We also plan to use the data from the national address database in developing ICT applications for government services and postal services which also mean market opportunities for Free State ICT SMMEs.

On the energy front, Macro Energy Technology South Africa (METSA) will be establishing two plants in the Free State, one in Bloemfontein and the other one in Sasolburg. These factories will use the latest technology to convert and process old tyres into the following commodities, diesel, gasoline (94 unleaded), crude carbon black, iron wire, natural gas, tar and water. Each factory will require 5000 used tyres per day which will also create indirect job opportunities for jobless people. The two factories will create about 120 direct job opportunities and many more indirect jobs.

Speaker, our plans will not be complete if we overlook one of our most economically depressed areas, Xhariep district. Discussions are at an advanced stage with Flanders International Cooperation Agency (FICA) for the establishment of SMME Development and Youth Community Wellness programme in Xhariep District. Over a period of 5 years, FICA will invest R14m in Xhariep for this programme.

Looking far into the future towards inclusive and diversified economy in the Free State, we have initiated planning in the following projects:

- **Food Processing Park**

A Multi processing centre to host different food manufactures is planned in Thabo Mofutsanyane District Municipality closer to N3 as an export gateway.

- **Railway Engineering Park**

Responding to the National Department of Transport's announcement on recapitalization of the passenger rail industry, we want to be the first in the queue to benefit from this initiative. The dormant rail network in the Free State could be a viable platform to launch a rail assembly park.

- **Techno Park**

In partnership with USAASA the techno park will host the National Termination Centre to be operated by Neotel and Seacom.

- **Biotech Hub**

Established in partnership with the Department of Science and Technology, CSIR and the Department of Health, the Biotech will host pharmaceutical companies, medical research companies and biotech equipment manufactures.

- **Film and Broadcasting Center**

In partnership with USAASA, the centre will host the new open access broadcasting facility to host the newly licensed broadcasters. The center will host the film and video academy.

- **Harrismith Dry Port**

A number of logistics companies have already expressed an interest to participate in this project as tenants. One company has already committed to build and operate a cargo airport and Transnet has agreed to link a railway line to the site.

- **High Speed Railway Network**

A Chinese Railway Construction company has committed finance to build a high speed railway line between Sasolburg and Gariep. This line will connect most towns in the Free State.

Speaker, for a considerable time now, we have been lamenting about the decline in mining activity in the Free State. What has not been said so far is what value marginal mines have to emerging miners and what alternative value can the economy derive from these mines. Just because these mines are no longer profitable to mining giants driven by profits does not mean that economies like ours cannot benefit from them.

Experience gathered elsewhere in the world, particularly in the Province of Saxony in Germany has proved that old mines provide opportunities for small scale mining and associated processing and value adding by small miners. This is of particular importance, given the high skill levels of many of those previously employed in mining and are now jobless and are most probably contributing to the problem of illegal mining experienced in the region.



A South African-German consortium has been appointed to carry out a study focusing on the areas of:

- Mining operations and mine closure,
- Water treatment and bio-technology,
- Environmental impact assessment and investigations; and
- Revitalization of brown fields and site rehabilitation/development

This is an 18 month study and will provide an overall master plan including assessment and status quo analysis of present situation, drafting of development goals, identification, viability analysis and optimization of projects and integration of remedial needs and measures into the overall master plan as well as alternative financing options and organizational arrangements. We have been in contact with several German companies who are prepared to invest in this project and form joint venture companies with Free State companies to realize this plan.

## **Promote knowledge economy – Research & Development (R&D)**

The Free State has at its disposal two reputable institutes of higher learning. The University of The Free State and the Central University of Technology possess extensive research skills and technical skills and expertise to propel the Free State to higher levels of innovation and technology. To this end Free State Provincial Government signed a Memorandum of Understanding with CUT on 1 December 2009

The MOU makes provision among others for the establishment of the Regional Innovation Centre (RIC), and the IT HUB. The aim and objectives of these projects could be summarized as follows;

- To yield greater economic growth at regional level
- Establish innovative niche areas identified economic sectors
- Skills development and capacity building
- Research and product development

Through this partnership we hope to come up with a framework and plan for invigorating industrial and SMME development in the Free State. University of technology by its own nature focuses on innovation and technology transfer to business, industry and the community. We strongly believe that the Free State economy will benefit immensely from the CUT's existing centers like the Centre for Rapid Prototyping and Manufacturing (CRPM) and the product Development Technology Station (PDTs). This we believe, is a grossly underutilized resource at our disposal. We have to work with them because working together we could do more.

## Competitive tourism sector

We strongly believe that the Free State is a hidden treasure of South African Tourism waiting to be discovered. On costs to tourists, the Free State is still regarded as the least expensive tourism destination region in the country. The centrality of our province is our most important competitive advantage in real terms and still remains to be exploited.

Honourable members, we have studied the trends and more than ever before are convinced that we are on track in developing this important sector. Few interventions will be critical in this regard. These are;

- Aggressively growing the travel and tourism industry
- Transforming the tourism industry to facilitate the entrance of those who otherwise would not be able to do so
- Cultivate the culture of traveling among the people of the Free State
- Hospitality and industry to aim for service excellence and provide travelers with memorable experience
- Develop and promote township tourism

The FS province has over the years demonstrated its ability to host a significant number of events of various proportions. This FEVER of events, creates a passion which is uniquely Free State, hence our new theme: Free State Fever, Its A Passion (ke Nyakallo). This is a new brand that recognizes our passion as the Free State community in all events and activities that are held here.

In the month of April 2010, we will be hosting the Inter Power Games together with CENTLEC in Mangaung. Seven Southern African Countries, Lesotho, Botswana, Namibia, Angola, Swaziland, Zimbabwe and Mozambique will be in Mangaung for this event. These are engineers, electricity distributors and technicians who will be converging for conferencing and entertainment in the Free State. It will be our responsibility to ensure that they are hosted well and they become good ambassadors for our province. They will be taken around the province to visit places of interest and be given the Free State hospitality at its best. This will ensure that they come back during the world cup and beyond.

The FIFA soccer World Cup is a reality now. Today we are 79 days before the kick off and 76 days before the first world cup match in Bloemfontein. We are pleased to announce that Mexico will be setting base camp in the Free State. Preparations are underway to ensure that the supporters of this nation will be accommodated and taken good care of in this province. Our team is currently working very hard to make it a lasting experience for these people when they arrive. We are also involved with last minute efforts to lure their spectators to our region for them to be with their team. We have budgeted R10 million for this purpose.

We are currently finalising preparations with district municipalities about public viewing places. We need to create uniformity about these places so that a particular standard can be set and met at the same time. These towns will also host mini town events and festivals for the duration of the festival. We have planned to create the biggest African Village in Mangaung. This villa will host crafters and entertainers from around the country and West Africans in particular. There will be twenty four hours entertainment at this village, from live bands, cultural activities, crafts, food and beverages.

For those fans that will be commuting from Kimberley, plans are afoot to create a Free State Fever train between the two cities. This train will be branded such and will be memorable journey for the enthusiasts pre and post matches.

A Free State of readiness campaign will be rolled out from tomorrow. A campaign called 'What's happening in the Free State' will be rolled out in all media and this will be an information dissemination platform for the total 2010 project. An international internet campaign will form part of this process.

We will continue with our traditional marketing campaigns servicing our core markets and also targeting new markets. The Free State's biggest local market has always been Gauteng. Our biggest international market is Lesotho followed by Germany, Britain and Netherlands. We need to create an atmosphere for these people to stay longer so that they can spend more in our province. We will continue to participate at events like Tourism Indaba, International Tourism Berlin ITB), World Travel Market, Getaway Show and Fukante Beurt to sell Free State as a destination of choice.

Locally, 30 Tourism SMMEs have been identified to participate in Tourism Mentorship Programme whose intention is to ensure sustainability and growth of the tourism enterprises to generate work opportunities in the industry.

Arts and crafts, sports, culture, history and heritage including events in the townships will be given added attention with specific emphasis on routes such as Mangaung Tourism Route, Intabazwe Tourism Route and other routes to profile tourism in the various townships. The township tourism activities indicated will be linked with accommodation establishments in a packaged fashion to increase tourism and bed night spend in the township

Tourism Information Centres and Arts and Crafts Centres established in the various towns but currently not in adequate use like the Mautse Cultural Village will be revitalized to accommodate community tourism initiatives such as arts and crafts development and tourism flee market.

In July this year the second annual ToGOTO Tourism Expo will take place in Bethlehem. The expo is a co-operative initiative between government – province - and private enterprise – the ToGOTO tourism magazine. The expo is a prime example of an initiative where all will benefit; all the tourism industry stakeholders and other peripheral industries, as well as all those who travel.

The Mission of the expo is to create a platform where tourism product owners and services can showcase what they have to offer, and where visitors can discover new or little-known destinations in their country, and the Free State in particular. The expo attracts visitors from all over South Africa and thousands of travelers descend on Bethlehem during the two day event. Speaker trend show that travel patterns in South Africa are changing. People are flying less for different reasons. For many domestic travellers or tourists, jet-setting is being replaced by slow-travel. Self-drive and public transport is taking over for short and long distance travel. We have to be geared for this changing travel patterns. I therefore invite every Free Stater to visit Bethlehem on the 30<sup>th</sup> & 31<sup>st</sup> July this year to help shape tourism in the Free State.

To further give impetus to sustainable tourism and development we plan to start an eco-park project representing the different biomes in the Free State and their respective fauna and flora. The R250 million project planned for Mangaung area will generate 120 job opportunities construction phase and about 20 full time jobs on completion. In addition to its educational value to the people of the Free State, the project will also provide a economic incentive for developers to become involved in investing in the future our children.

This project will be implemented in phases of which a cultural village will be added at a later stage to conserve our cultural roots for the benefit of future generations. This development will cost about R30 million and will provide permanent jobs for further 40 people living in the village to provide a real life experience to tourists. When fully operational this eco-park will improve tourism in Bloemfontein and make it a tourism destination instead of a stopover when travelers get anywhere else for their holidays.

Honourable Speaker, we will spare no effort to ensure that tourism sector in the Free State stake a claim in the booming industry. We therefore wish to appreciate and acknowledge the National Department of Tourism's continued support in this regard. The National Department of Tourism has allocated an amount of R20 million for the reconstruction of Wetsieshoek Mountain Resort in Qwa-Qwa. This area is the most scenic in the province and is within the Maluti Drakensberg Transfrontier Park. Similarly, the Department has allocated R15 million rand for the greening of Mantsopa Local Municipality which is part of the cave route. A further R13 million rand has been requested from the same department to complete the remaining 9km road to Sentinel Caravan Park.



Speaker we are convinced that a career in tourism could become THE career of the future. To this end, five (5) unemployed graduates in the hospitality area of study will be placed on the Ritz Carlton Programme in the USA for enhancement of their hospitality skills. This will ensure exposure of the students to world class hotel environments and provide them with international work experience that will make them more marketable in the tourism sector.

## **Sustained resource management use**

Honourable members climate change and green jobs ushers in a dawn of a new era in environmental management in South Africa. Speaker I wish to take this opportunity to invite all the people of the Free State to join in the “Earth Hour 2010 campaign”. This campaign calls all the people of South Africa to switch off the lights on Saturday 27, 2010 to show the leaders of the world that time to act on climate change is now. I therefore ask you to switch off the lights of your homes on Saturday 27 from 20:30 to 21:30. Surely we can do it for coming generations.

Environmental destruction has become a world phenomenon and it is our concern too. If we are to succeed in promoting environmental sustainability, our programmes will seriously not only mitigate but to curtail environmental degradation practices from the source and initial planning phases.

To attain this crucial goal, we have introduced critical interventions support measures to sustain resource management use. These include but are not limited to;

- Including Environmental Sustainability Indicators in the municipalities’ IDPs so as to protect the environment and thereby promote social and economic sustainability.
- Developed and published the State of the Environment Report (SoER) which seeks to protect our unique biological diversity and thus guide development planning good practice and decision making for sustainable economic development.
- The Provincial Waste summit held in the recent past paved the way for Waste Minimization and Reduction. It called upon us to be vigilant towards
  - \*Waste Management and the Role of Local Government.
  - \*Green Economy.
  - \*Hazardous Waste and Climate Change.
  - \*Aquatic Pollution and Awareness

These efforts, Speaker are meant to equip us to deal effectively with an increasing problem of illegal medical waste dumping in our Province. We will not rest until we have eradicated this harmful practice that exposes our environment and people to this danger. By the end of this financial year we would have trained 54 environmental inspectors to help us effectively stamp out all environmental crime in our Province.

The Annual Wetland Rehabilitation Programme will continue during the 2010/2011 financial year. This programme is implemented in collaboration with the South African National Biodiversity Institute (SANBI) where approximately R7 million is spent on rehabilitating degrading wetlands which in turn provides jobs for approximately 160 people. This programme has economic, social and environmental benefits. Many rural communities still source their water from natural ecosystems, and wetlands ensure a reliable and clean water resource. Many endangered plants and animals occur in wetlands so this programme also contributes towards this Department's environmental mandate.

Honourable speaker it will indeed be remiss of me at this stage not to acknowledge the exciting Bethlehem Hydro project which will operate a 7MW hydro power plant in Bethlehem. The R100 million project is a commendable initiative from the private sector who accepted a challenge from Eskom to take advantage of its Medium Term Power Purchase Programme (MTPPP). This project will cut back the emission of carbon dioxide by 33 000 tons by using water from the A river instead of coal. Eventually this project will operate two renewable energy power station and will sell electricity to Dihlabeng Local Municipality.

Another R100 million renewable energy project for the establishment of a sola geyser plant is planned for Harrismith. A private company, Malrams in conjunction with FIPA has already identified a factory in Harrismith for the manufacturing of these geysers. This project will create 145 sustainable job opportunities.

Further to this, Ingula Electricity and Reserve Project has generated 210 jobs for the people of the Free State. Significantly honourable members, the Free State is showing the way on generation of green electricity in this Country. This is a significant achievement for which we should be proud.

## **Clean and Healthy Environment**

Waste management in the Free State at this stage is very poor and on the verge of collapse in some areas. Only 20% of the municipalities have an Integrated Waste Management Plans as required by the Waste Management Act and its Regulations. Some of the Municipalities who have such Waste Management Plans do not comply with the requirements of the Act and the greatest problem being non registered landfill sites which are not even fenced to control illegal dumping.

The majority of Local Municipalities do not have the capacity to practice effective waste management due to the following reasons;

- Some Local Municipalities sold operational vehicles & equipment leaving few equipment to work with,
- Some Municipalities still use 1958 waste removal vehicles which are in a state of disrepair
- Lack of qualified waste managers!
- Budget constraints
- Apathy & negative attitude towards waste management by communities
- Crime at landfill site
- Very few landfill sites have access control.

## Restructuring of public entities

Significant progress has been made with the merger of public entities accountable to this department. What we said about these entities in our budget vote last year was that, “***Their role was to speed the process of economic transformation to enable us to realize, a thriving and integrated economy which draws on the creativity and skills that our whole population can offer***”. We were not convinced that they were succeeding in meeting their mandate.

On 24 February 2010, the Executive Council took a decision that FDC Act be amended to include the functions of FIPA and FIPA Act be repealed. Both the FDC Amendment Bill 2010 and the Free State Gambling and Liquor Bill, 2010 have been approved by the Executive Council and are currently at the Legislature ready for public participation. Our team of experts is working hard to ensure that new public entities are in operation by 1 April 2010.

In conclusion speaker let me take this opportunity to thank the Head of the Department Dr Monti Vincent Mongake, the management team and the staff in my office. They continue to give me the support which I value at all times and wish to call upon them to continue with their commitment and dedication to make a difference in the lives of the people of the Free State. I also wish to thank my family for their continued support and the inspiration they give me to serve the people of the Free State. Our budget vote speech last year drew inspiration from the Liverpool Football Club’s battle cry “***You will never walk alone***”. As we enter this journey of establishing the commanding centre of the battle against unemployment, poverty and hunger in the Free State, we are encouraged by the message of her Majesty Queen Elizabeth II to President Jacob Zuma recently at the Buckingham Palace, when she said, “***If you want to walk fast walk alone if you want to walk far, walk together***”

Let’s walk together and make the Free State a better place.

**I Thank You.**