

# **DTEEA/ JOINT PUBLIC ENTITIES PLANNING MEETING**

## **MEC's OPENNING REMARKS**

Greetings and compliments of the new year.

Today is the second joint planning workshop we are holding in an effort to enhance cooperation and collaboration of the public entities accountable to this department. We do this because we believe it is critical to cultivate a common vision as we execute our mandate.

It is particularly important to acknowledge the fact that this plenary comes at the backdrop of few important political milestones in our country. Our deliberations and planning over this weekend will have to be guided, informed and based on the following;

- The ANC's National Conference held in Polokwane
- January the 8<sup>th</sup> statement by the President of the ANC
- The State of the Nation Address and
- The State of the Province Address

Without getting into details, I think it is imperative to reflect on some of key issues emanating from these policy directives. It is important that our planning articulate the ANC's resolution in as far as the transformation of the economy is concerned. On this matter the conference resolve that "the central and most pressing challenges the country faces are unemployment, poverty and inequality". Our marching orders are creating decent working opportunities. This, Ladies and Gentlemen is our individual and collective responsibility.

My intention today is to inculcate in the minds of the members of the Board and the Management of our public entities that we cannot create a situation that we are found to be irrelevant when looked against the policies outlined by the African National Congress. There is no debate about the gains we have made since 1994. These gains notwithstanding, we still have big challenges facing us.

Available body of research provides encouraging indications as far as development is concerned in the Free State. The recently released "House Hold Survey" done by Statistics South Africa reveals that in general, people's lives have improved for the

better. I think we need to take cognizance of that fact that we could factor into our plans these promising achievements.

Our goal as institutions and through this planning workshop should be influenced by a national need to create a mixed economy where the state, private capital, cooperative and other forms of social ownership complement each other in an integrated way to eliminate poverty and foster shared economic growth.

Ladies and gentlemen, we are aware that this is a mammoth task. This further brings home the realization that, to realize economic progress of the poor, will require a concerted effort to improve the capacity of government and all public institutions. It is for this reason that we are called upon to ensure alignment of planning and implementation across all spheres of government and particularly with development finance institution and state owned enterprises.

In my interaction with different boards collectively and board members individually, I get a sense that, unless something drastic happens, we will not meet these expectations and directives. Boards of public institutions come across as preoccupied with avoiding mistakes. I am convinced that we either are obsessed

with corporate governance issues which result in inactivity or we are just afraid to commit mistakes. As some would say, ‘I do not want these things to happen under my watch’

My observation is that we are always guarded and therefore stifle creativity and innovation. The National Conference of the ANC reminds us that in giving expression to the Freedom Charter’s clarion that the “people shall share in the country’s wealth”, the process of economic transformation aims to realize, “a thriving and integrated economy which draws on the creativity and skills that our whole population can offer”. Personally, I am not convinced that we are getting the best of what we are capable of.

I sometimes have a feeling that our boards are oblivious of the authority and power they possess through the department. I wish to put it to you today that you have my and the departments’ unqualified support in your performance of your duties and responsibilities as defined in the relevant statute. Our role is to provide you with the necessary support at all time. I wish to make a request that you should not allow yourselves to be distracted by side shows, be focus on what you are called upon to do. My role is to ensure that you respond clearly to defined public mandate.

To address some of the shortcomings we have identified, we have established a new Branch in the department through which agency monitoring and support to enhance compliance and impact will be done. We have thought it prudent to establish this branch so that we can improve alignment and synergy not only between individual entity and the department but between the entities as well. We hope and trust that you will cooperate with those who we will give this responsibility in the best interest of cooperative governance.

Mindful of the fact that the HOD will deal with some of these issues, I wish to take the liberty of indicating that the issue of the emoluments of the directors remains a challenge. We intend standardizing director's emoluments so as to minimize administrative problems and improve efficiency.

I also wish to indicate that we have made significant progress with regard to office location. In the not so distant future all entities and the department will be in the same precinct which will surely improve interaction as well as sharing of state resources.

Let me conclude by speaking briefly about budgets. Budgets, for the 2008/9 financial year have been finalized. Once again we had

to look at what is working and what seem not to be working as it should. We have increased budget allocation where it is necessary and have reduced allocation where we deemed it fit. I wish to indicate that we have to remember that we are not funding institutions, we are funding programmes. Successful programmes will therefore get more resources than less successful programmes.

Let us use this opportunity to improve coordination and collaboration of our programmes in the best interest of the people of the Free State.

**I Thank You**