

**SPEAKING NOTES PRESENTED BY THE MEC FOR
ECONOMIC DEVELOPMENT, ENVIROMENT AND
TOURISM, MR MN MOKOENA, MPL, ON THE OCCASION
OF THE DEPARTMENTAL STRATEGIC PLANNING
SESSION HELD IN THE COGTA DISASTER
MANAGEMENT CENTRE, NELSPRUIT**

Tuesday, 25th September 2012

- **The Head of Department, Dr Vusanani Dlamini;**
- **Chairpersons of the Boards of MTPA, MEGA, & MGB;**
- **CEO's of the MTPA, MEGA & MGB;**
- **Programme Mangers and all officials from the Department and our Agencies;**
- **All other DFI Officials in attendance;**

Good Morning, Abusheni, Dimashironi, Goie More!

Welcome to this Departmental Planning Session aimed at finalising our 2013/14 Priorities.

Yesterday, being the 24th September we celebrated our National Heritage Day, to remind us of our rich and diverse heritage including our celebration of 100 years of the oldest liberation movement on the African Continent. This year's

theme, **Celebrating heroes and heroines of the SA Struggle** is more befitting than any theme I could have imagined.

The heritage month should remind us how the founding fathers of the African resistance waged war against the colonial powers in defence of the African economy constituted by the land, the minerals, the crops, livestock and the people.

The heritage month should recognise the founders of the early Trade unions such as ICU. As we face the challenges of transforming our economy, addressing poverty, unemployment and inequality, we are reminded of the mine workers of the 1920's and the 1940's and the 1980's led by heroes and heroines such as JB Marks, Ray Alexander, Moses Kotane, Emma Mashinini, Billy Hair and many others.

During the Departmental Strategic Planning Session in July 2012 held in Ngwenyama Lodge I urged all and sundry to find inspiration as a dedet family from remembering the willingness of Nelson Mandela and his Rivonia trialists to commit their lives in serving the people with humility and their preparedness to die for the cause if need be. Today, we are not being asked to die for any cause because others have

done so for us. All that our country expects of us today is to have the **commitment to serve** with honour, humility, selflessness in contributing towards decent employment through inclusive growth including our focus on environmental assets and natural resources that are well protected.

To us as a dedet family, the celebration of a heritage month is an injunction to make a decisive shift to meaningful economic transformation and set in motion a very deliberate economic programme that will ensure that the benefit our political liberation brought is shared amongst all our people.

Given these parameters I wish to underscore some of the organisational issues I raised in the first leg of the strategic planning session in July this year at Ngwenyama Lodge.

Firstly that, inherently, planning for the 2013/14 financial year, you will be required to review the following:

- Overall National and Provincial Economic Imperatives which must always define our situational analysis.
- The department five (5) year Strategic Plan including continuous alignment to the MEGDP and its POA.

- Previous and current financial year performance with an emphasis on issues raised by the Portfolio Committee and AG's reports, yes you would also know that the end of September marks our mid-year performance review point.
- It is expected that we must all understand that the Policy and Budget Speech represents and over-arching guidance on the implementation of our APP and a commitment made on behalf of the Provincial Government to the electorate, because the big question should always be whether or not our APP is responding to the Social and Economic Challenges especially in the deep and rural poor communities of this Province.

National Context

As we are all aware, the global recession hit the country particularly hard. South Africa lost a million jobs. The median household income dropped by almost 10%. Mostly because of job losses but also because in a short time, many families had to live on less than they had in the year before. The crisis exposed an old growth path that left the country vulnerable. It was based on a model that:

- promoted large-scale consumption without adequate expansion of the productive sectors
- relied on deepening levels of debt, and
- resorted to massive imports of consumer goods.

The Polokwane resolution on economic transformation and in the ANC Manifesto then aimed to address three critical challenges to change that old growth path:

- To place **jobs at the centre of economic policy** and develop a jobs biased economic framework.
- To **use infrastructure** to drive employment-creating economic growth and improve conditions for our people.
- To **re-industrialise the economy** and place industrial policy at the heart of our efforts.

The National Cabinet has now approved the National Development Plan which articulates the 2030 vision for the country and the key focus areas amongst others include:

- Creating jobs and sustainable livelihoods;
- Expanding infrastructure;
- Transition to a low carbon economy;
- Creating an inclusive and integrated rural economy;

I am certain that as a Province we have taken care of these long term Economic Goals in our MEGDP and POA, however, the critical challenge will be the ability of the Department and agencies to interpret and translate this vision into responsive annual plans, including the fact that we are a **single window** of economic activity in the Province we must also guide and monitor the alignment of plans of other sectors to the MEGDP.

In addition to what I said in the first leg of our planning session, I posed a question whether our plans elaborate how as Provincial Government we are going to intervene in under-performing sectors such as manufacturing, mining and Agricultural sectors particularly in the context of Labour absorption.

These are hard core issues which must pre-occupy our thinking process throughout as we finalise our 2013/14 priorities.

Our people do not have much time to listen to our challenges of budgetary constraints, all they want are job opportunities, an empowering environment that will enable them to fight poverty and unemployment, they want Government plans to help them develop skills that will give them access to participate in different sectors of the economy.

HOD, Ladies and Gentlemen, maybe it is time to do some introspection by asking a question: Are we all committed to the National Call of ***“Together we can do more to make a difference in the lives of our people?”*** Do our plans and Leadership posture show such commitment?

Do we as Dedet have the right organisational machinery which is ready, able and willing to respond to the economic challenges of the Province in particular the rural communities?

The 2012 Policy and Budget Speech marching orders unavoidably took their cue from the following:

- Election Manifesto of the ruling party;
- The National Development Plan which outlines the Country's 2030 vision;
- The New Growth Path (NGP);
- The State of the Nation Address (SONA);
- The Mpumalanga Economic Growth and Development Path (MEGDP);
- The State of the Province Address;

The Departmental APP therefore cannot be interpreted outside this framework of marching orders.

Judging from the first quarter performance report and the way we conduct our day to day business, it would seem to me these marching orders have escaped us.

Without getting tempted to present another Policy and Budget Vote Speech in this meeting, let me remind you on what we committed to the Provincial Legislature and the people of Mpumalanga including my subsequent political guidance on my one on one with you.

Key Commitments 2012 Policy & Budget Vote Speech

It be noted that the policy and budget speech was the collective product together with programme managers, in other words we collectively made the following commitments and pronouncements:

- That in the financial year 2012/13 we will develop and implement a comprehensive support package which will include amongst other activities:
 - The provision of direct mentorship and advanced business skills training by prioritising all the co-operatives on the CRDP sites.

- That we will forge partnerships with the South African Bureau of Standards (SABS) and the National Productivity Institute, amongst others to enhance the quality of products produced by our SMMEs and Co-operatives.
- That we will establish structured and functional partnerships with DFI's through one stop shop including assistance to SMMEs in Mpumalanga to access the R9 billion jobs fund.
- That we will put in place a co-ordinating programme for the implementation of the National Skills Accord, Green Economy Accord and Local Procurement Accord for sustainability of Local Business.
- That we will finalise key provincial strategies such as:
 - Co-operatives strategy;
 - ICT Strategy;
 - Trade & Investment Strategy;
 - Provincial Industrial Plan to mention but a few.
- We also committed to develop economic turnaround strategies for all our CRDP sites and to facilitate the review of LED Strategies for all Municipalities in the Province in consultation with COGTA to ensure alignment within our MEGDP.

- We told the people of Mpumalanga that this financial year we shall complete an Integrated Renewable Energy Potential Map for the Province and that an expression of interest has been secured from Independent Power Producers (IPP) for the Hydro-Electric Power Plant in Nkomazi.
- That we will complete a feasibility study aimed at modelling international best practices on waste management.
- We undertook in this financial year to implement an awareness programme on Environmental Regulatory Frameworks in all Municipalities and Government Departments.
- In partnership with the DTI we must finalise feasibility studies for the SEZ in Nkomazi and Govan Mbeki.
- We need to develop a Provincial tool that will help us to track, analyse, monitor and evaluate the impact of the MEGDP particularly in relation to job creation both in the Public and Private Sector.
- The following projects were also announced either for feasibility study or for implementation:
 - Food Technology Centre;

- Commercialisation of a community based water bottling plant in Mkhondo;
- Lebombo Dry Port Project;
- We committed to kick start Legislative amendments to the Mpumalanga Consumer Affairs Act to align it to the National Consumer Protection Act.
- We are supposed to be on course with issues of good governance namely the Auditor General Concerns and matters of emphasis from previous financial years including the functionality of the internal audit unit and the management of identified risks.

The question before us, what are the implications of the 2011/12 audit outcomes with respect to our target to achieve clean audit by 2014?

What about progress in our organisational structure and effective operations of Regional Offices, I have just been advised that we have been locked out of Murray Street and Witbank Offices have been closed by the Department of Labour for non-compliance. HOD what is going on here?

The list of issues I have just isolated from our 2012/13 policy and budget vote is not necessarily exhaustive, but in my mind these are key issues which must remain on the radar as part of our core mandate compass.

In addition to these issues I've from time to time given political guidance and sponsored some of the innovative ideas which seek to accelerate both the implementation of the APP and Economic Transformation of the Province.

I have negotiated and handed over to administration for further processing the following:

- Signing of the MOU's with strategic partners namely:
 - CSIR;
 - North West University;
 - University of Johannesburg;
 - Tiger Brands;
 - Department of Communications;
 - Department of Correctional Services;
 - ABSA;

And other strategic initiatives include:

- Oman Project;

- Partnership with Sasol;
- DFI's forum;
- Eskom Principal Forum

I am still interacting with the Head of Department to identify and appoint internal champions for each of these projects.

Most of these strategic partnerships will not only address challenges of institutional capacity but will also help us augment our inadequate resources as government.

All we need is to align their implementation to our APP.

Key concern

We are almost half way through our financial year, but as I said, there are already early warning signs that again we are not going to achieve even 50% of the set targets in our APP.

I think as an organisation we need to acknowledge that we are seriously challenged on a number of fronts not only in terms of resources but also in terms of getting the basics of Leadership and Governance right.

Organisational Temperature

My honest observation is that, dedet as an organisation is disintegrating day by day.

The centre and the strategic levers of line management and authority are crumbling due to the lack of value based leadership and ethos which must guide our decision making processes and actions on a daily basis.

High levels of tensions, lack of mutual respect, blatant disregard for authority, Lazier's fair and work to rule attitude with motivation and discipline at its lowest ebb you can't expect to put together a winning team under such conditions.

Communication and working relationships have deteriorated to unprecedented levels.

Working Relationships and Communication

Given the small size of our department I find it quite odd as to why communication is a problem? Often the left does not know what the right is doing.

If we are to take this organisation forward we need to improve synergy, working relationships and communication to be preceded by mutual respect.

You can't address and treat each other like minors, even a general worker needs to be respected.

The highest form of disrespect to the people of Mpumalanga is when people are lazy and no longer do their work and start to hide behind their don't *care attitude* and misguided arrogance then you must know the organisation has reached a crisis point.

Meeting deadlines

I must remind you that when you fail to supply quality information timeously as requested by the Office of the HOD or my Office you are not only inducing charges of insubordination but also showing a middle finger to the people you are meant to serve, the tax payers who pay your salaries.

This disrespectful attitude has far reaching implications than you have imagined and has amongst others grossly compromised the following:

- Submissions of quality reports and responses to the Legislature;
- Timeous response to public enquires;
- Quality of reports and Cabinet Memo's;

Speech writers often receive late and poor quality inputs from Programme Managers, and in most cases they receive none at all, and the person who is sacrificed is me because I am the one who must account to the electorate on behalf of the ruling party in the Province when it comes to the Economic Transformation agenda.

What I am directing HOD, is that poor quality and late submission of work must come to an end with immediate effect.

You are expected to lead by example, to set standards for the team in your programme. You must be the first one who respect deadlines, be on time, hard working, industrious, late-staying, early-rising, responsible, caring, knowledgeable, above-reproach, it is a tall order but it can be done.

As I said, lead by example, focus on managing the strategy of the organisation people will manage themselves by looking at your work place behaviour.

Equally, I am unimpressed with the little support given by yourselves to the HOD. We must all respect and support the HOD as our Accounting Officer.

One of the renowned authors of management, Casey Stengel says “recruiting good players is easy, but getting them to play as a team is the hard part”. As a Pirates fan I know this is true – equally ask Sundowns fans who bought the best players, paid them better than their peers – but still with no commensurate output / productivity.

I want to conclude by raising the following implied considerations as we continue to do our work.

Improving the Performance of the State

Government introduced an outcome-based approach as you would know we are responsible for outcome 4 and 10, but to date we are yet to finalise implementation forum for our cluster. We need to improve both organisational and individual performance. Performance reviews should not be done as an after thought. However, we have a responsibility to create conducive conditions for our employees by providing them with appropriate TOOLS OF TRADE.

Mentorship Programme

More than ever before, mentoring in the work environment is of utmost importance if we are to yield competitive outcomes in a global economic space.

I personally have a mentor; I wonder how many of you have personal mentors. I am certain that as an organisation, we need a mentorship programme to up our game.

For an organisation to secure its short and long term health, it needs to have a good leadership as well as a strong management team. Let us collaborate and share best practices with other sister departments even outside the province for all I care.

Ladies and Gentlemen, I hope that the 2013/14 priorities will take into account all the issues I have raised by fusing into our plans the kind of innovative thinking expected from management and leadership of your calibre.

Whilst this exercise is an important legislative requirement which aims at assisting us to clearly set goals for the next financial year, I hope we should be able to think and act beyond

compliance. So that we can present to the Lekgotla a piece of work we can all be proud of. I direct that all the MOU's under discussion amongst other areas of work in our POA should be part of the 2013/13 priorities.

I wish you a successful planning session, robust engagements and positive synergy of critical thinking.

I thank you.