



# THE PEOPLE'S STATE OF THE PROVINCE ADDRESS: EASTERN CAPE 2018

A civil society assessment of provincial government's performance in the delivery of public services to the people of the Eastern Cape



<sup>&</sup>lt;sup>1</sup> Photograph: (top) A view from the Fish River valley, Eastern Cape; (bottom right): the grounds of a secondary school near Centane source: Z. Kota (bottom right): The Sustainable Development Goals, source: <u>United Nations Development Programme</u>





## What is the People's State of the Province Address (PSOPA)?

This document represents a re-imagining of the State of the Province Address for the Eastern Cape in 2018 by a civil society organisation - the Public Service Accountability Monitor (PSAM). This People's SOPA is not intended to speak on behalf of South Africans.

It a collation of key information and perspectives taken from a range of publications (Statistics South Africa census data, National and Provincial Treasury budget data, provincial government annual and mid-term reports, media reports and non-government data). It also contains analyses of provincial government planning and budgeting by the PSAM and other civil society organisations.

In re-imagining the SOPA – we asked ourselves some fundamental questions. If we were tasked with fulfilling this duty as the Premier of the Eastern Cape - what would we say to the people of the Province? What priorities would we table for scrutiny by members of provincial legislature and the Speaker of the House in the people's assembly?

It is our hope that the People's SOPA will foster dialogue between the provincial government, civil society and the people of this province. We see it is an opportunity to reimagine civic engagement through frank discussion between provincial leaders, members of legislature and the people they serve.

## **OUR ORGANISATION**

The PSAM was founded in 1999 as a research project in the Rhodes University Department of Sociology. Its initial aim was to monitor incidents of corruption within the Eastern Cape government. From 2005, recognising the systemic nature of poor governance and corruption in the province, the PSAM began a concerted advocacy effort to systematically strengthen public resource management by key Eastern Cape government departments.

In 2007, PSAM introduced a training and academic component. The training component has developed to be what is known as the Regional Learning Programme and the academic component has changed to become what is known as the Advocacy Impact Programme. The various activities and interventions by PSAM over the years have emphasised the on-going need for greater and improved accountability interventions by civil society organisations across the region. Through our work we seek to achieve improved networking and advocacy to leverage impact and enhanced learning so that achievements are shared, evaluated and used to bolster social accountability interventions in sub-Saharan Africa.

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## February 2018 Eastern Cape Province, South Africa

People of the Eastern Cape, Members of the Executive and Provincial Legislature, civil society representatives, members of the media;

My address today is foregrounded by a myriad of socio-political and environmental challenges that have characterised South Africa over the past year. The repercussions of the global economic downturn, national political instability and financial uncertainty have been felt across several sectors. At the outset it must be said that if we – as an administration - are truly committed to fulfilling the promises we have made to our people for 'a better life for all' – then we must change the status quo without delay.

This address is dedicated to the people of the Eastern Cape for whom poverty, hunger and poor access to education and health service are all too often a daily reality.

It is dedicated to the people of the Eastern Cape whose heritage includes an environment abundantly endowed with natural assets which are however now under severe threat from human activity.

It is dedicated to the communities of Hankey and Patenise who may be without water within the next few weeks. It is dedicated to communities that have already been without water for extended periods such as the people of Ezibeleni, KwaDukathole, the Amathole District and Kouga region. It is dedicated to communities that have never known the dignity of access to clean, running water in their homes!

This address is dedicated to households headed by children, by unemployed adults and by grandparents making very little go very far to support their families.

It is dedicated to the people of the Eastern Cape whose terrain is the veritable home of progressive leaders whose fight for equality and social justice is far from over. It is apt to remember the words of one of such leader, Nelson Mandela;

"...as long as poverty, injustice and gross inequality persist in our world, none of us can truly rest...Massive poverty and obscene inequality are such scourges of our times...Overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life. While poverty persists, there is no true freedom."

Our progressive national development and social wage policies such as children's free basic education and free access to government health care facilities for the poor have undeniably resulted in substantial improvements in the quality of life for thousands of South Africans since the defeat of apartheid. Madam Speaker - let not the sombre opening of this address cast a shadow on the many victories reaped in ensuring access to social assistance, transport and housing. It is clear we have hit some solid milestones since 1994.

What is also clear, however, are the very real threats to this progress.





South Africa has been ranked amongst the ten most deteriorated countries on the continent since 2006 according to the 2016 Ibrahim Index of African Governance. This includes a decline in levels of public accountability, safety, and rule of law. More worrying still - of the ten largest economies on the continent - ours was the sole country to register a decline in participation and human rights. These are issues that are deserving of urgent attention if we are to safeguard our democracy and achieve our targets.

Madam Speaker – corruption is a very real threat to progress and service delivery. It is therefore imperative that we reflect critically on the statements made recently by President Ramaphosa in his 2018 State of the Nation Address in which he announced that 2018 would begin a period of 'turning the tide on corruption'. Over the next few weeks – our provincial administration will outline specific measures that we will take to address corruption at all levels of the public sector. Each and every MEC must clearly outline the anti-corruption measures to be established in order to revitalise our provincial strategy.

Madam Speaker, all of these issues must enjoin us as provincial leaders of government to reflect – and change accordingly.

## **Poverty and unemployment**

Madam Speaker – here I must outline some overarching trends in my administration's delivery of services to the people of the Eastern Cape alongside some key statistics pertaining to poverty and unemployment. To address our people's needs adequately –we must be willing to face both our success and failures with equal honesty. We must be willing to hear difficult truths and take decisive, evidence-based action.

Reducing poverty is at the core of our Constitutional obligations. The results of the *Poverty Trends* report released by Statistics South Africa in 2017 revealed some devastating facts about our country as a whole and the Eastern Cape in particular. Despite positive progress in the fight against poverty between 2006 and 2011 - we have since seen poverty levels **increase**. We cannot ignore this.

We have made painful regressions in the fight against poverty.

Not only is there a need to redouble our efforts to address poverty—but there is a need to ensure sustained effort over time. The Province continues to face the unemployment problem, with the unemployment rate of 35.5% in the third quarter of 2017 — considerably higher than the national figure of 27.7% - the highest figure since September 2003. This reality largely affects women and youth. This is especially pertinent when we consider that 52.4% of the Eastern Cape populace are women.

The 2016 Community Survey conducted by Statistics South Africa indicates that the Eastern Cape Province is home to just under 7 million<sup>2</sup> people of which 20% live in the OR Tambo District and 18.1% live in the Nelson Mandela Bay Metropolitan Municipality.

Most disheartening are the continued trends of deprivation in which the hardest hit are black African females, children, those living in the rural areas of the Eastern Cape as well as people with no education. The results also indicate that in 2016 – the Eastern Cape had the highest poverty headcount in the country at 12.7%.

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<sup>&</sup>lt;sup>2</sup> The census sets the total provincial population at 6,996,976 people





Table 1: Poverty Headcount in South Africa by Province (Eastern Cape Midterm Review 2014 – 2016)

Provinces	Census 2011		Community Survey 2016	
	Poverty (%) headcount	Intensity of poverty (%)	Poverty (%) headcount	Intensity of Poverty (%)
Western Cape	3.6	42.6	2.7	40.1
Eastern Cape	14.4	41.9	12.7	43.3
Northern Cape	7.1	42.1	6.6	42.0
Free State	5.5	42.2	5.5	41.7
KwaZulu-Natal	10.9	42.0	7.7	42.5
North West	9.2	42.0	8.8	42.5
Gauteng	4.8	43.8	4.6	44.1
Mpumalanga	7.9	41.8	7.8	42.7
Limpopo	10.1	41.6	11.5	42.3

### Infrastructure and Maintenance

Madam Speaker, it is undeniable that South Africa as a whole is still burdened with inadequate and poor quality road, rail and social infrastructure. Many of our schools, clinics and hospitals simply do not meet infrastructure norms and standards to address the needs of the people.

These challenges are more prevalent in provinces like ours. It is evident that our failure to ensure adequate maintenance of public infrastructure reinforces the cycle of unequal and inadequate access to service such as water and sanitation. Glaring examples include poor school maintenance in areas such as Lusikisiki and Comfimvaba; and ageing water infrastructure in several municipalities such as Makana in the Sarah Baartman District.

Recent research from local civil society organisations has illustrated some of the dire consequences of poor school infrastructure in our province. It is important for us to increasingly engage and work with civic actors who show a commitment to partnering with provincial government to raise the standard of service delivery and public accountability.

In 2016, for instance, one such civil society group highlighted the impact lack of maintenance of education infrastructure. This report by the Public Service Accountability Monitor stated that following;

"current trends in maintenance may well serve to deepen inequality is as far as the school infrastructure quality is concerned with better-resourced, wealthier schools being better maintained than rural schools. There is no shortage of schools across the provinces that are examples of the severe deterioration that results from inadequate building maintenance. Without improved spending on maintenance, this burden can only worsen. This is particularly pertinent in provinces where substantial new school infrastructure investments are planned." (Kota, 2016)





I would like to challenge us as Members of the Executive, Members of Provincial Legislature and all public officials to improve our public participation practices and actively invite the people of the Eastern Cape in constructive dialogue.

Let us open government! Let us open our provincial legislature! Public participation is a vital component of a thriving democracy and functional public service.

Allow me now, colleagues, to reflect on our performance in key social service delivery and governance sectors:

## Education

As a nation- we are proud to have amongst the highest rates of universal access to primary education – an important response to the inequality that preceded the democratic dispensation. According to Statistics South Africa (2016) - gross national enrolment rates in primary schools increased from 88,1% in 2002 to 94,2% in 2015.

However, access to quality education and support material remains uneven and is poorest in the historically deprived areas of the province. Some Eastern Cape schools still do not even meet the basic infrastructure requirements such as laboratories and ablution facilities.

Educating the young people of the Eastern Cape is a fundamental priority – as is ensuring that we employ the *best* educators for this task. Shortages of appropriately qualified and skilled educators in certain phases, subjects and locations is a threat to meeting this priority. Between 2011 and 2016, the average loss of teachers per annum was reported to be 3 314. Honourable MEC Makupula – we will need to address this problem if we are to address historical educational inequalities. The non-filling of posts is leading to under spending on the budget appropriated for Compensation of Employees. We must review how the non-filling of posts is affecting operations and service delivery. The slow filling of posts is a worrying, persistent occurrence as is the shortage of qualified maths and science teachers.

MEC Makupula - a clear, decisive and adequately resourced plan is required and must be tabled and implemented over the next months.

The Matric Class of 2017 improved the Eastern Cape National Senior Certificate results by 5.7% from 59.3% in 2016 to 65% in 2017. The number of Bachelor passes increased from 19% in 2016 to 23% in 2017. We extend congratulations to those learners, their teachers and their families.

Turning our gaze onto performance by school districts; 2 districts achieved a pass rate above 70% pass; 8 districts performed between 60-69% pass mark, resulting in 10 of the 12 districts performing above 60%, with only 2 districts performing below 60%. When looking at the provincial and national pass rates between 2014 and 2017, the national pass rate declined from 75.8% in 2014 to 75.1% in 2017. The national pass rate experienced decreases from 75.8% in 2014 to 70.7% in 2015 and, a slight increase in 2016 by 72.5%, increasing again in 2017 by 75.1%. The provincial pass rate declined from 65.4% in 2014 to 65% in 2017.





■ Eastern Cape ■ National

85.0%

75.0%

75.0%

70.0%

70.7%

65.0%

65.0%

65.0%

65.0%

70.7%

70.7%

Figure 1: National and Provincial National Senior Certificate Pass Rates, 2014-2017

Between 2015 and 2016, the pass rate in the Eastern Cape was below 60% (a decrease from 65.4% in 2014), increasing again in 2017 to 65%. The results improved slightly by 2.5% in the 2016 Matric Class from 56.8% in 2015 to 59.3% in 2016. While the Eastern Cape experienced an improvement of 5.7% between 2016 and 2017 – there is a need to place further emphasis on the quality of instruction and assessment at all levels.

Madam Speaker - we have not adequately prioritised foundation phase and early childhood education - a fact evidenced by poor performance in basic literacy and numeracy across several phases. This is something that needs concerted intervention in the Eastern Cape given the added burdens of poverty, vulnerability and under qualified practitioners. We need to train – and support – educators delivering ECD services.

I trust that in tabling their budget and policy statements over the next few weeks – both the MEC for Education and the MEC for Social Development will share *concrete* plans about how their departments are responding to requirements of the National Integrated Policy for ECD. In 2017 – a conditional grant to support the ECD sector was introduced by the National Treasury. This is a crucial opportunity to address the issues of access; quality and monitoring that continue to plague the sector. Only 40.8% of children currently access ECD in the Eastern Cape - with the national average not much better at 44.7%. When we consider that children from poor families are less likely to access these services – the picture of inequality becomes even more striking. Our provincial plans must address this without delay.





Figure 2: Percentage of children (0 – 4 year olds) accessing ECD in 2016 (Source: Stats SA, 2017)



Learners continue to leave the province in search of better education and as a response there is a need for us to close schools down, consolidate small schools, build hostel schools and offer multi-grade teaching. We must do better by consulting communities in good time - and considering their inputs before embarking on such processes. Schools belong to communities - not to the Department of Education and as such the provisions for consultation made in the South African Schools Act must be respected.

According to the 2016 results of the Progress in International Reading Literacy Studies (PIRLS) global assessment; 8 out of 10 children in South Africa cannot read and 78% of Grade 4 students cannot read for meaning in any language. Of the 50 countries surveyed for reading ability among school children for the study, South Africa came last.

The Eastern Cape and Limpopo had high percentages of students who are unable to read for meaning, with the former at 84% and the latter reaching a staggering 90% of students. Education experts cite teachers' inability to teach reading as one of the reasons for what is happening in our schools. Another reason is that that there is little formal teaching of spelling, vocabulary and writing in our schools.

Madam Speaker - in addition to the infrastructure challenges already mentioned, inadequate and inappropriate infrastructure in schools continues to be a major problem within the Eastern Cape. In 2017, for instance, poor performance of implementing agents in the delivery of water and sanitation facilities was reported by MEC Makupula's Department.





As a result, out of a target of 344 schools only one school has been provided with water and, 4 schools provided with sanitation out of a targeted 257.

In the 2016/17 financial year our under expenditure in education was similar to the 2015/16 financial year due to delays in project delivery and subsequent underachieving of planned targets. The Department will need to address the problems regarding the poor implementation of projects, by monitoring and evaluating progress on tenders awarded. There also needs to be clear reporting on the progress made to meet targets that have been set in a financial year.

It is important to remember that where the Department of Education fails to meet it targets – as it did in the 2017/18 financial year – this has an impact on learners who expect – and deserve- a functional education system. The fact that such failures are often a result of the non-performance of (external) project contractors should not be an excuse but should serve to reinforce internal poor project management practices, MEC Makupula.

I also acknowledge that in the education sector we failed to take effective steps to prevent fruitless and wasteful expenditure in the 2016/17 financial year. The report of the Auditor-General notes that "the department has a significant budget for infrastructure which is critical for the maintenance of school infrastructure". Moreover, construction contracts were reported to have been awarded to contractors that were not registered with the Construction Industry Development Board in accordance with section 18(1) of the Construction Industry Development Board Act of South Africa, 2000 (Act No.38 of 2000).

Madam Speaker, Honourable MEC – we must commit to taking corrective action under the circumstances by identifying the reasons for this non-compliance and ensuring that those responsible are held to account.

A Fiscal Monitor report released in October 2017 by the International Monetary Fund, *Tackling Inequality* highlights a fact we know well; that addressing educational disparities will lead to improvement in economic efficiency in countries. As such, narrowing the disparities in quality education and learning outcomes is necessary in order to improve enrolment and quality of education for all. It is a matter of national importance and we have an important role to play in this regard.

It is clear that several unresolved problems over the past decade have contributed to this situation. These include poorly capacitated, non-compliant education districts, dysfunctional schools and inefficient management of vacancies. MEC Makupula - your leadership must extend to the district level. Our education system is in trouble.

## **Human Settlements**

Honourable Speaker, addressing access to housing continues to be a provincial priority. It is encouraging to note that our work in this sector has seen sustained achievements where fiscal prudence is concerned. The Department of Human Settlements has continued to seek constructive partnerships with such tertiary institutions, academics, research entities and other non-government actors. This is critical and we intend to continue to work in this manner as supported by President Ramaphosa's commitment in his 2018 SONA to partner with civil society organisations.





We must also be frank, however, and admit that adequate housing for the people of the Eastern Cape Province has not been fully realized yet. Demand for housing continues to rise against limited supply due to stringent budget allocation. The right to adequate housing is clearly stipulated in section 26 of the Constitution of the Republic of South Africa and therefore must continue to be a priority for Eastern Cape government.

We must continue to focus on creating integrated human settlements through upgrading informal settlements and provision of basic services such as water, electricity and good sanitation. We are likely to see an increase in service delivery protests if the basic needs of those who live in informal settlements are not met. Improved sanitation, water supply and access to electricity will go a long way to improve the livelihoods of those who live in informal settlements. The current drought in our province requires responsive measures to be taken through inter-department collaborative efforts.

Colleagues, MEC Sauls-August's Department has set a target of 24 assessments of informal settlements upgrading projects. The financial oversight and performance report for 2017/18 second quarter indicates 25 informal settlements upgrading project assessments and 70 upgrading plans. These are simply assessments and plans and the actual upgrading is yet to be done.

I note that on access to basic services, the target for 2017/18 was 7 805 and 4 793 was achieved by mid-year. The target for 2017/18 for basic services show a reduction from 10 606 in 2016/17 to 7 805 in 2017/18. The annual report for 2016/17 indicates an underperformance of 676 access to basic services from a target of 10 606 with an achievement of 9 930 in 2016/17. In the 2017/18 financial year the Department reduced its target. Informal settlements upgrade and the provision of basic services are key performance areas critical to the creation of integrated human settlements. In the coming financial year, we should prioritise informal upgrading delivery beyond mere assessments on the suitability of areas for upgrading.

Table 2: A snapshot of progress against key delivery targets;

Key Delivery Outputs	2017/18 Target (Annual)	Actual Output
Informal Settlements Upgrading	24	25 project assessment
Projects (assessments)		70 upgrading plans
Access to basic services	7 805	4 793
Social Housing	450	350

It is clear that as an administration, we need to radically improve our integrated spatial planning. Informal settlements upgrading depends highly on the coordination between the provincial department and municipalities, the latter being the main player in identifying the areas for upgrade and the actual processes of upgrading. As in the education sector - we must prioritise public participation in order to continuously assess the needs of the people living in informal settlements and all communities and realign delivery with the needs of the people.

Social housing is another key area of focus. The social Housing Act 16 of 2008 affords rental housing to low income earners in places of economic opportunities, enabling spatial and social integration. Urban growth and increased migration to places with job opportunities will require that we continue to focus on ensuring adequate social housing for low income





earners. We have set a target of 450 units and missed our target by 100 units. We therefore need to do more in providing social rental units.

Madam Speaker, we have not as yet clearly determined the demand for social housing within the Eastern Cape nor have we sought to actively inform citizens on the application process for social rental housing. We need to prioritise this in 2018.

With our poverty and vulnerability levels as high as they are - destitute and emergency housing are priorities we cannot afford to waver on. A register of the potential beneficiaries in these designated groups must be identified and the Department must ensure that the rightful people benefit through the programme. In order to effectively deliver houses and meet the needs of the most vulnerable, we are obliged, MEC Sauls- August to monitor the delivery of those houses and to ensure that they are occupied by the right people with no illegal occupations. Where the system is being exploited - we must take decisive corrective action.

Effective human settlements delivery involves inter-departmental planning and increased public participation. In order to ensure that communities have access to water, proper sanitation, electricity as well as access to social amenities such as clinics and schools, all departments must work closely. This includes the Department of Water and Sanitation, Department of Energy, Human Settlements and Roads and Public works. Coordination between the three spheres of government is also essential for effective service delivery and this will improve in the coming year. We can no longer 'pass the buck' between various tiers where poor service delivery is concerned.

## **Local Government**

In our efforts to address the issues affecting Eastern Cape municipalities, the 2017/18 COGTA operational plan commits to creating *functional and capable* municipalities. In the 2018/19 financial year, it is incumbent upon COGTA to therefore produce a detailed and clear execution plan. The plan must clearly state how it will ensure that our municipalities become functional and capable,

Madam Speaker - it is noteworthy that we have committed to strengthening municipal institutional capacity including support in the filling of vacancies for s54A and s56 Managers. In 2017, MEC Xasa indicated that efforts to fill vacant critical posts in municipalities is bearing some fruit as the vacancy rate has decreased from 19% in 2013/14 to 13% in 2014/15 financial years. In his policy speech, MEC Xasa indicated that the following 17 of 45 municipalities filled all their previously vacant positions; Umzimvubu, Blue Crane Route, Koukamma, Amathole, Amahlathi, Mbizana, Sarah Baartman, Kouga, Ndlambe, Sundays River Valley, Emalahleni, Engcobo, Intsika Yethu, Joe Gqabi, Senqu, Mhlontlo and Ingquza Hill municipalities. We welcome this progress though we must underscore the need to intensify our efforts in the municipalities that continue to have vacancies at senior management level such as Makana Municipality.

In his 2016 COGTA Policy Speech, MEC Xasa indicated that drought affected 5 District Municipalities namely Joe Gqabi, Chris Hani, Alfred Nzo, Amathole and OR Tambo and were also declared a state of drought disaster. Similarly, in 2017, local municipalities within the Sarah Baartman District such as Makana Municipality, and Kouga region, Amathole District, and Chris Hani were also feeling the effects of drought and were declared a state of drought disaster.

On 11 August 2017 through a Provincial Government Gazette Notice (3893) we declared Sarah Baartman District Municipality a Local State of Disaster in terms of the Disaster





Management Act (Act No. 57 of 2002). The COGTA Annual Report for 2016/17 indicates that "sector Departments and Municipalities have made interventions in the affected districts by transportation of water, revitalization of boreholes and windmills to provide storage to affected areas." These are important interventions.

Ladies and gentlemen - a critical gap, however, is the establishment of more sustainable, expert-guided interventions in order to address drought throughout the Province to ensure that the people of the Eastern Cape continue to enjoy the right to access safe drinking water. In addition to this is the right to sanitation services to actualize their right to human dignity as stipulated in section 10 of our Constitution. Sustainable interventions are required nationally to address drought but also to tackle the root causes that result in South African municipalities' inability to pay their creditors on time such as Emalahleni and Amathole. This includes those who need support and lasting solutions in bulk water supply such as Makana Municipality, OR Tambo, Chris Hani and Nelson Mandela Metropolitan.

If left unaddressed, our people's right to access sufficient and safe drinking water<sup>3</sup> will not be fulfilled because of drought and municipalities' inability to purchase bulk water for their jurisdictions in the future. The 2015/16 Annual Trends Analysis Report (ATAR) of the South African Human Right Commission (SAHRC) released on 09 January 2018 also shows that the third most violated right in South Africa is Section 27(the right to have access to healthcare, food, water and social security) with 428 complainants. This clearly shows us that amongst others, COGTA and SALGA's holistic support is needed to improve water access by the Provincial residents.

Madam Speaker – our municipalities require intensive support on all the Back to Basics (B2B) key performance areas: basic services, good governance, public participation, financial management, and institutional capacity. In 2018, we need to prioritize intensive support for Municipalities in all these areas with a specific focus on improving governance of municipalities by institutionally capacitating them so that they are better equipped to deliver better services and managing of finances. Our municipalities further need support from the national level in circumstances where the province is unable to assist as stipulated in s139 (7) of the Constitution so that municipalities are capable of "structuring and managing their administrations, budgeting and planning processes to give priority to the basic needs of their communities and to promote the social and economic development of their communities."

Seven of our provincial efforts to deepen democratic participation on issues of service delivery, integrated planning, and accountability, COGTA and the Office of the Premier established War Rooms in 705 wards of the Province in 2016. We launched the War Room Campaign in the 2016/17 financial year. In 2018/19, COGTA and my office must work to improve the integration of War Rooms in the Ward Participation system.

We have heard the concerns from communities that there are still gaps in the operationalization process and confusion about whether the War Rooms are replacing the existing public participation system at the ward level or not. Moreover, War Rooms at the municipal level are not operationalized properly and in a manner that is clearly understood by ordinary people. Our Office further needs to hold the champions of War Rooms accountable and also provide a feasible way forward.

Madam Speaker – I commit to addressing this in the upcoming year.

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<sup>&</sup>lt;sup>3</sup> S27 (1) (b) of the RSA Constitution stipulates that "everyone has a right to have access to sufficient food and water."





The COGTA 2016/17 Annual Report shows that in this financial year, amalgamated municipalities were still in the transition phase (which focused on transfer of staff, assets and liabilities). In 2018/19, our province needs to prioritize institutional support to stabilize the functionality of amalgamated Municipalities as this currently affects the effective and efficient functionality and performance of amalgamated municipalities.

In 2016, 7 local municipalities namely, King Sabata Dalindyebo, Makana, Inkwanca, Maletswai, Gariep, Nxuba and Ikwezi continue to experience serious financial problems which amongst others, results from poor revenue collection affecting their ability to deliver basic services and pay creditors including Eskom.

MEC Xasa stated that "We want to encourage these municipalities to service their current Eskom debts as the time for financial bailouts is over." It is important for us to note that the efforts of these municipalities have not yielded the best results as these municipalities are still 'swimming and sinking' in their financial situations

Colleagues – I must single out the need for COGTA and Provincial Treasury to strengthen their support in the implementation of indigent policies, as this is key to improving municipal revenue generation capabilities. COGTA and Provincial Treasury must monitor the implementation of indigent policies and develop measures in place to address what happens when municipalities are failing or struggling to implement their indigent policies. Furthermore, we need to have a realizable and sustainable plan in place from COGTA, SALGA, and municipalities to ensure that municipalities are no longer defaulting on Eskom as this undermines the constitutional obligation (section 152 (1) (b)) entrusted to municipalities to provide electricity as one of the basic services citizens should be accessing from their municipalities as stipulated by section 73 (1) (2) of the Municipal Systems Act 32 of 2000

## Health

Madam Speaker – our health outcomes are not what they should be. In our province - only 10.7% of the population are on a medical aid which means that the vast majority rely on the state to provide health care. This, Madam Speaker, should remind us how critical it is that we ensure optimum delivery within this sector.

In terms of the health of the Eastern Cape population, the top three causes of death, as at the end of March 2017, were TB, HIV/AIDS and Diabetes Mellitus with the prevalence of HIV/AIDS and TB declining. This, at least, is positive news. Maternal mortality is also declining with the OR Tambo District experiencing the highest reports of maternal mortality at the end of the 2016/17 financial year. While in recent years, child mortality has declined, between the 2015/16 and the 2016/17 financial years there was no decline in diarrhoea and severe acute malnutrition.

In respect of non-communicable diseases, hypertension has increased from 18.2 per 1000 people in 2013/14 to 21.8 per 1000 people in 2016/17. Non-communicable diseases are most prevalent in the Amathole and OR Tambo Districts. We must take particular note of these and take relevant action without delay. It will certainly require closer scrutiny of what is happening in our communities through timely research and monitoring.

Superintendent-General, Dr. Thobile Mbengashe, notes that the quadruple burden of disease and the mounting medico-legal cases are massive pressures on the constrained budget. As at the end of August 2017, the Department of Health has paid out a total of





R224.7 million in medico-legal settlements and R13.3 million to the State Attorney. It seems that the majority of these cases are a result of complications arising from pregnancies and the delivery of babies. MEC Dyantyi- we cannot allow this shameful status quo to persist. Our resources are constrained and our need is substantial. We simply cannot continue this way – with a health system that places our people at such great risk!

I am encouraged, however, that the department is taking measures, such as purchasing equipment to ensure the safe delivery of babies.

Dr. Mbengashe has indicated that targets related to the number of people being tested for HIV, hypertension, diabetes, mental health and children screened for health issues were met. In addition, the Superintendent-General notes in the Annual Report 2016/17 that of the 327 health facilities tested for Ideal Clinic Status, 141 achieved this status, however, only 4 achieved platinum status. An Idea Clinic is defined as one with "good infrastructure, adequate staff, adequate medicine and supplies, good administrative processes, and sufficient adequate bulk supplies."

The SG also reports that 14 facilities have been completed and that 4 facilities were upgraded. We will therefore need to assess how the completion and upgrading of these facilities have improved the delivery of services in the years to come. Continuous monitoring and evaluation is a must and I urge MEC Dyantyi and colleagues to consider partnering with communities to achieve this through interventions such as social audits. The people who we serve are best placed to provide constructive feedback on our performance.

According to the 2016/17 Annual Report, "all hospitals conducted self-assessments and developed quality improvement plans which were monitored through the year". This initiative is promising. I trust MEC Dyantyi will elaborate on these areas in due course and provide the public with the relevant details – particularly in the communities where poor delivery of healthcare services has been a recurring problem.

Madam Speaker – we must also be frank where we have not met our targets. The Department managed to increase their own revenue collection by 42% but it still fell severely short of its estimated targets. This under-collection constitutes a massive barrier to delivering services. We will need to clearly outline how this situation can be rectified with input from MEC Somyo's office.

The delivery of emergency medical services is still a massive issue in the Eastern Cape, owing mainly to the rural nature of the province and the state of the roads on which the ambulances are required to navigate. The reality of health delivery in many areas of the Eastern Cape does not paint a picture worthy of praise in relation to our mandate of "ensuring a quality life for all".

We are still failing in our obligation to deliver Emergency Medical Services. As at November 2017, the ECDoH reported that of the 411 vehicles, only 110 were operational.

Madam Speaker – in another example of why we need to partner with non-governmental entities - research conducted by the Treatment Action Campaign showed that patients are still having to wait in long queues for up to 2 hours in order to get medical attention. The research also confirmed the massive shortage of doctors and that many facilities lack basic services and equipment. Infection control in facilities was also shown to be highly inadequate.





While policies seem to reflect the health challenges in the Eastern Cape, there are many problems in the implementation of these policies on a micro-level. The policies don't translate into improved service delivery; this requires committed action from all concerned in along the chain of delivery.

To ensure that we are a rights-centric and accountability-minded government – we need to focus on regular monitoring and reporting of healthcare user's experiences at healthcare facilities. We must ensure that we are responding directly to the needs of the public.

In addition, we must appoint officials who are accountable for each health district. In relation to the prevalence of medico-legal cases, MEC Dyantyi, we should focus on ensuring that we comply with the highest safety standards in all our health facilities - instead of prioritising the funding of a panel of experts to defend these legal matters.

With regard to quality medical care, the Department must meet with healthcare professionals on a quarterly basis in order to determine the barriers these professionals face when trying to deliver healthcare services.

Madam Speaker —as a province we must prioritise the delivery of Emergency Medical Services in order to solve this service delivery failure once and for all. We need plans detailing the major operational problems experienced by ambulance drivers and how these will be addressed. These must be published in the public domain. In this way - alongside civil society — we will be able to monitor activities targeted at ensuring the delivery of these services.

## **Environmental Governance**

I now turn to a topic which has received scant attention in past addresses in spite of its centrality to the wellbeing of all citizens of the Province. Our Constitution provides for the right to an environment which is not harmful to human health and well-being, together with the complementary right to have the environment protected by way of legislative measures. In the latter respect, South Africa has an impressive basket of environmental protection statutes, for which the Provincial Government has numerous implementation responsibilities, yet recent State of the Province Addresses have either omitted to acknowledge these completely, or else couched fleeting references to nature conservation and environmental management in terms which reflect the environment as a factor to be taken into consideration within the context of economic and infrastructural aspirations, rather than as a fundamental priority in its own right, in line with the status afforded to it in the Constitution.

Regrettably I have to concede that our failure to afford environmental governance its due profile in previous Addresses goes hand-in-hand with its lamentable budget dispensation, which, by the account of the Province's lead environmental agency itself, viz. the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), is insufficient for it to fulfil its mandate.

At this juncture it must be noted that since 2012 the budget of the Department's Chief Directorate: Environmental Affairs has at no stage comprised more than between 0,41 and 0,49% of the Province's total fiscal envelope. Furthermore, annually between 65 and 70% of its budget has been channelled to the Eastern Cape Parks & Tourism Agency for nature reserve-related utilization, despite the fact that provincial nature reserves comprise only 2% of the Province's land surface area and already enjoy enhanced levels of protection. Hence in this period the budget for environmental protection across the overwhelming bulk of the





Province has effectively amounted to no more than between 0,14 and 0,17% of the total *fiscus*, while, for added perspective, in 2017 it equated to just 10,0% of DEDEAT's budget, 20,1% of the budget of DEDEAT's Economic Development Programme, and 45,5% of the budget of the Department's Administration Programme.<sup>i</sup>

With the Chief Directorate's responsibilities outside of nature reserves embracing crucial functions such as environmental impact assessment, law enforcement, coastal management, biodiversity management and environmental education, these allocations cause our implementation effort to fall woefully short of what is required in order to do justice to the noble aspirations which underpin our legislation, and place spiralling environmental attrition in the Province in stark perspective.

At the same time, we consistently budget for climate change impact mitigation and adaptation, but regrettably this comprises a contradiction in terms in the absence of sound environmental governance at a more foundational level. In the circumstances it is small wonder that the researcher from a local non-governmental organisation who undertook the analysis quoted above was led to contend that the government of the Eastern Cape does not have appropriate regards for the scope and implications of the global environmental crisis.

At this stage realism and an essential shift in our outlook on the environment is unavoidable - we cannot continue pay lip service to it and carry on with business as usual. Visionary environmental administration is imperative, and I therefore pledge here to provide direction to the Provincial Government with a view to its ultimate achievement.

There simply is no alternative – notwithstanding the systematic assault we are experiencing on the Province's environment, it mercifully retains sufficient of its integrity to render our fierce protection of it non-negotiable.

Before the House today - I pledge to ensure that accountable governance is upheld at the highest office of in the Eastern Cape. Section 133 of the Constitution obliges my MECs and I to maintain high levels of accountability.

I am certain that honourable MPLs are listening and taking note as we prepare to table our plans, budget votes and progress reports for scrutiny.

There is no time for delay on fulfilling the promises we have made nor is there room for complacency.

With that, ladies and gentlemen, I table the 2018 People's State of the Province Address for the Eastern Cape and challenge the leadership of our province to execute our duties with integrity, with excellence and in a manner that is accountable and transparent.

-Ndiyabulela-

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Above: a view from an Eastern Cape estuary





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