

060505 symmire

save as: wyngaard.

6

**SPEECH DELIVERED BY MEC FA WYNGAARD ON THE OCCASION OF THE  
PRESENTATION AT THE PUBLIC HEARING ON CONDITIONAL GRANTS AND  
CAPITAL EXPENDITURE ON ROADS AND TRANSPORT  
NORTHERN CAPE PROVINCE**

Honourable Chairperson

Members of the Select Committee on Finance

Distinguished Guests

Ladies and Gentlemen

It is indeed an honour to have the opportunity to stand in front of an important organ of the state as the one that has invited us today. To the members of the Select Committee on Finance our warmest of greetings from the people of the Northern Cape.

Honourable Chairperson, our task today is to report on specific aspects of our broader programme to provide an efficient, effective and transparent administration of the public resources of our country, which we have been duly elected to serve as custodians thereof.

There is no doubt at the back of our minds that this exercise is intended to improve service delivery and to further broaden the transformation agenda of our nation. We do not dissent to the view that every policy, every regulation and every Act of this country is intended to ensure that this government responds to the challenges that lurks in our communities.

Honourable Members, the Department of Transport, Roads and Public Works in the Northern Cape has responsibilities that not only involves its staff complement but also includes that of servicing certain needs of other departments.

Firstly, the department has the responsibility to provide and maintain public infrastructure. Secondly, the department must assist client departments to construct and lease building facilities.

May we indicate here that with regard to needs of other departments, the department in the province only serves as an implementing agent and that the funds for these needs are held and administered by the client department.

Honourable Members this department was during the 2005/2006 financial year allocated a total amount of R338m and R335m was spent leaving a saving of R3m. Of this amount, a total of R253.199m was spent on infrastructure. Notably, the bulk of the funding was expended on the maintenance and upgrading of roads, these two items accounted for 69% of the total expenditure budget.

Out of the R253m spent on infrastructure, R113.265m came as conditional grants, the province expended a total amount of R139.930 as part of its equitable share.

Honourable Chairperson, we report today that our spending trends have remained relatively consistent over the past five financial years. Between 2001 and 2004, almost 100% of the annual allocations were spent.

The 2004/2005 financial year saw the lowest expenditure level at 91%. However, through the re-engineering of our department during the 2005/2006 financial year, a marked improvement of 98% conditional grant spending was registered.

Almost similar figures were recorded over the past five years with regards to capital spending on infrastructure. Spending 91% during both 2003/2004 and 2004/2005 financial years, the department managed to improve this state of affairs during the 2005/2006 financial year and registered a 98% capital spending on infrastructure.

Honourable Members, allow us to report on infrastructure projects that were compliant to the demands of the Expanded Public Works Programme. As part of its equitable share, the province has spent a total of R5m on maintenance of buildings through the 'painting project' where 1092 jobs were created between October 2005 and February 2006.

A further total of R15m from the equitable share was allocated to the paving of access roads in identified municipalities. A total of 2240 job opportunities were created from this venture.

While it is our opinion that the spending improvement from 91% to 98% is reassuring, we report that with the rekindled national focus on economic and infrastructure development, the challenge of technical skills has become more critical.

As a measure to retain some of these incumbents, although not exhaustive, the department in the province has already reviewed the salary levels of engineers through the job evaluation process.

Among the benefits also pondered is the provision of state owned houses for those coming from outside town and appointing of mentors to assist technical staff to register with appropriate statutory bodies such as councils.

Honourable Members, we further report that in its dealings with sectors within and outside government, the department insists on established standards and procedures. It is for this reason that all contracts with external service providers are monitored continuously.

As an implementing agent to the needs of other government departments, this department has through the Provincial Executive Council tasked other departments in the province to buy into the speedy processing of service level agreements with our department.

We report that of the major spending departments in the province, only the Department of Education in the province has signed such an agreement. We will however continue to encourage other departments to do likewise as the agreement serve to safeguard appropriate standards and desired timelines.

The department has also entered into service level agreements with four of the five district municipalities that serve as agencies for the department in the re-gravelling and maintenance of gravel roads in the province.

Honourable Chairperson, we also report to the committee that we held a successful Infrastructure Summit in the province in August 2005. The resolutions of this summit provided new approaches to some of the challenges facing our province.

May we in conclusion mention here, Honourable Members, that the Northern Cape is a province that accounts to a third of the landmass of South Africa. The bulk of its roads are gravel roads that are primarily used for farming and mining. While the department has over the years managed to broker shared expenditure agreements with some farming and mining collectives, the challenges on our gravel roads remain as daunting as ever.

I thank you