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PREMIER OF THE WESTERN CAPE

STATE OF THE PROVINCE ADDRESS: FEBRUARY 2010

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Honourable Speaker
Cabinet colleagues
The honourable Leaders of the Opposition of both the Western Cape Legislature and the National Assembly, who are present today
Members of the Diplomatic Corps
Leaders of political parties
Honourable members of the national and provincial parliaments
Leaders of local government
Director-General and Heads of Department
Religious leaders
Community leaders
Colleagues and friends
Citizens of the Western Cape

Speaker, thank you for this opportunity to report back on the work of this government since it took office in May last year.

In this, my second State of the Province address, I will, as is customary, assess the challenges we face. And, I will explain how this government will meet these challenges in the years ahead.

When I delivered my inaugural State of the Province address nine months ago, I said that our immediate priority was to get the substance of government right. I said that we were ready to get down to disciplined, deadline-driven work.

And this is what we have done. It has been a crucial gestation period. We have used it to devise and begin implementing far-reaching plans that we believe will improve the lives of the people of this province, step-by-step.

Visible change may be gradual, but it will come and it will be fundamental. This is the approach we adopted in the City of Cape Town when we took office in 2006.

At first, there was no discernible difference. But, as the impact of our principles, policies and projects began to be felt, the difference became marked.

As Peter Bruce of Business Day wrote recently in that newspaper:

"As most ANC-run cities broadly subside and most DA-run ones broadly prosper, the political effect becomes a little like compound interest. You don't notice it at first but after a while it really begins to matter. A lot. It's about doing your job - everyone doing their jobs - properly."

I am not going to give a political speech here today. I use this quote merely because it best sums up our approach to government, an approach that implements policies that advance our vision of an open, opportunity society for all.

Central to this vision, which I will expand upon later, is appointing officials on the basis of their fitness for the intended purpose, not their political connections.

We have seen how cadre deployment destroys the ability of government to deliver. It is the root cause of the failed state. We will not take that route.

We want the Western Cape to succeed because we want South Africa to succeed. We want South Africans to understand that by the choices they make, they can shape our country's future for better or for worse.

Already, we are working with other provinces and sharing best practice. We also have excellent inter-governmental relations with some Ministries in the national government.

At the national cabinet lekgotlas which I attend, I have been pleasantly surprised at the extent to which I can advance policy alternatives, and that there is mutual respect between spheres of government. It is even more gratifying to see how many of our policy proposals have been adopted by the national government, and how our constitution's vision of co-operative governance can work.

But that does not mean we view ourselves as an administrative arm of the national government. We have a mandate from the people of this province, and we will work to fulfill their mandate. We have set our own tough targets on the basis of this mandate, which happen to align reasonably well within the national framework. We are happy to be evaluated and measured by the relevant national departments against the targets we have set.

Our mandate from the citizens of this province is to build an open, opportunity society for all in the Western Cape. It is worth repeating here what we mean.

The open society is one based on constitutionalism and the rule of law, where individuals are guaranteed rights and where independent institutions protect these rights, and limit and disperse political power.

In the open society, there is transparency and accountability, assisted by a free press and a robust civil society.

The opportunity society is one where every person is given the chance and the wherewithal to improve their own circumstances, whatever their circumstances may be.

In the opportunity society, the state has a duty to do for people what they cannot be expected to do for themselves.

In the opportunity society, those who take responsibility for their lives and use their chances flourish. They understand that taking control of their own lives is infinitely preferable to a lifetime of dependency on the state.

South Africa is not yet an open, opportunity society. It is not yet an open society because power abuse still goes unchecked and unpunished. Some people think they are above the law. We are not yet an opportunity society because too many people remain trapped in a cycle of poverty, with few realistic prospects, relying on state grants to survive.

Speaker, the strategic objectives I will outline today, taken together, are designed to build an open, opportunity society for all in this province.

In some cases, we have already announced specific plans and are starting to implement them as part of each department's Annual Performance Plan. In other cases, the plans still need fine-tuning.

We knew when we assumed office nine months ago that turning this province around would take more than a vision or a philosophical framework.

It would take an unrelenting focus on the task at hand. It would require a provincial administration with the institutional capacity and resources, both human and financial, to deliver.

In June last year we began a modernisation process to overhaul the functioning of government to increase service delivery capacity and financial efficiency.

We wanted to bring the administration on par with international best practice and ensure each department, directorate and sub-directorate understood its purpose, and was fit to fulfill it.

As we have discussed these steps in the House before I will not repeat them today.

Suffice to say that modernisation is designed to ensure co-ordination, monitoring, evaluation and accountability. And I have learnt over the years that project management (where the buck stops with a single individual) is particularly important when alignment is required between departments.

Our project-based approach has been incorporated into the IT-based project management system or 'dashboard' which gives the Premier and each Cabinet Minister access to management information on every major project in the province, so that we can hold the right people to account, and so that we, ultimately, can be held to account.

This is important for effective performance management and for clean, transparent governance.

The system will be made available to all provincial staff to improve co-ordination across departments. It will also be accessible to municipalities and via the internet to improve co-ordination of intergovernmental projects.

Eventually, once we have our full strategic plan in place, we will make our dashboards accessible to view on the internet. This will take accountable governance to new levels. Any local community, or individual, can then keep track of the projects affecting them.

The modernisation process is part of one of the ten key strategic objectives for this government, namely: clean value-driven and responsive government.

Speaker, if we are to expand opportunities for more and more people, we have to do more with less.

In the last nine months, we have saved many millions of rands just by cutting out luxuries, such as new ministerial vehicles and lavish parties. These savings have been ploughed back into projects that will actually deliver services.

In the next three years, over the Medium Term Expenditure Framework, we have identified efficiency savings to the value of R2.1 billion.

We are also currently in the process of reviewing public entities such as Wesgro, Cape Nature and Cape Town Routes Unlimited to evaluate whether these entities are fulfilling their legislative mandate, whether they are still relevant to our policy approach and whether they justify the R1.5 billion earmarked for them over the next five years.

Most importantly, we are putting practical steps in place to tackle corruption head-on.

We inherited a forensic investigation unit that was drastically under-capacitated. To remedy this, we have brought in more seasoned investigators to handle the case-load. And, in the next financial year, we will invest six times more in training, outsourcing and equipment for the unit. We are determined to beat corruption.

There were 81 forensic audits registered last year alone. Where there was prima facie evidence of misconduct or corruption, officials were suspended and independent investigators appointed to test evidence and guide further action. In some cases, the matters were referred to the police.

While we believe in dealing quickly and decisively with corruption, we prefer to stop it before it occurs.

To this end, we will shortly table draft legislation, the Business Interests of Employees Bill, which will prohibit employees of the provincial government conducting business with government, except in strictly defined and transparent circumstances. Tender rigging and conflicts of interest are one of the primary sources of corruption in all provinces, as Minister Gordhan again emphasized in his budget speech on Wednesday.

Speaker, besides making the Western Cape the national benchmark for good governance, we want to make the Western Cape the place in South Africa to do business. Attracting and retaining our capital and skills is essential for growth, which in turn is essential to create sustainable jobs.

This goal is captured in another of our strategic objectives: maximising economic growth, job creation and sustainability.

Provincial governments, and national governments for that matter, do not grow the economy or create jobs. Businesses do that. But governments can provide an enabling environment, or a disabling environment, which either encourages or discourages growth.

We intend to do the former.

There are limits to what provincial governments can do in this regard. We cannot, for example, change the inflexible labour legislation that severely inhibits job creation.

However, there are a number of innovations we can make which will create the kind of enabling environment that allows businesses, entrepreneurs and job-seekers to succeed.

Agriculture, which brings in 40% of all export revenue and employs 200 000 people, is integral to maximizing economic growth and creating jobs in the province.

We will help shield farmers and farm workers from the negative impact of climate change by investigating ways to mitigate its effects. Over the next five years, we aim to increase agricultural production through research and financial support to farmers and assisting farmers to access domestic and international markets. To encourage more people to take up farming, we will continue to offer training and financial support to students who study agriculture. This sector is of cardinal importance to the welfare of our people.

Central to unlocking and creating wealth in the province is the regeneration of the Cape Town CBD. This will be one of the province's mega-projects. In the next five years, in partnership with the City of Cape Town, Transnet and the national Department of Public Works, we will expand the central city through new infrastructure. This will accelerate growth, attract investment and generate more jobs and business opportunities.

We will also attract and retain investment by leveraging a portion of the R85 billion of assets owned by the province to create public-private partnerships.

We are currently reviewing the regulatory environment and the cost of doing business in the province. Our aim is to cut red tape by 20% in the next five years to encourage more companies to do business in the province. Dr Johann Rupert, at his inauguration as chancellor of Stellenbosch University last night, spoke about his experience of being able to set up a company in less than 3 weeks in some parts of the world. Those are the places we must learn to compete with if we want to attract investment.

Speaker, this year presents us with an unprecedented opportunity to market our province to the world.

Since the final draw of the FIFA World Cup in Cape Town in December last year and the handover of Cape Town stadium, there should be no more doubt that we will pull off a world class event.

We must prove the Afro-pessimists wrong.

We must not only ensure that the tournament exceeds all expectations, but that its benefits spread to poorer communities. For example, FIFA President Sepp Blatter and I launched, in Khayelitsha recently, the first of twenty Football for Hope Centres which prepare young people for adulthood with life skills, HIV/Aids counselling and healthy sporting activities.

We have done a lot of work to market the city and province as a value-for-money, exciting and reliable destination for tourism, trade and investment. Our challenge now is to avoid having this hard work undone by greed in the months leading up to the tournament.

I am pleased that many accommodation owners, airlines and tour operators have reduced their initial high prices. But there are still many who view the World Cup as a chance to make big bucks. This is short-sighted and damaging to the tourist industry in the long run.

Besides attracting investment, we must do all we can to attract, retain and develop skills. Already, in partnership with the private sector, we are implementing a state-subsidised "on the job" training programme which aims to place 40 000 young people on internship and mentorship programmes by 2014.

But any plan to develop skills will only succeed if we can produce enough school-leavers who can read, write and calculate at the required level to enter the economy.

At the moment, the school system is not working. The grade 12 pass rate in the Western Cape, while higher than other provinces, has dropped by ten percentage points since 2004 to 76%.

In 2009, the percentage of Grade 3 learners in the province with adequate literacy skills was 53%, and for numeracy only 35%. Only 14% of grade 6 learners have the required numeracy skills.

We cannot go on like this.

Quality education is the cornerstone of the opportunity society. Expanding access to a quality education for all is the best affirmative action there is.

This is why education is my top priority in the province. In November last year we announced our strategic plan to improve education outcomes. It sets bold targets for improvements in literacy and numeracy, grade 12 results and measures to improve the results of under-performing schools.

This year, we want to reverse the decline in the grade 12 pass rate. We have set the seemingly impossible target of 80% -- an increase of almost five percentage points, a jump that has never been achieved before. It will be extremely difficult, we have set the benchmark very high, but we have to make an extreme effort in these extreme circumstances.

By 2019, we are aiming for a grade 12 pass rate of 87%, literacy levels of 90% and numeracy levels of 80%. In the next five years we aim to reduce the number of underperforming high schools from 85 to zero.

These are what you call stretch targets, given where we are starting from. But unless we get education right, the vision of the opportunity society FOR ALL is worthless.

How do we plan to achieve these targets?

We must start with the crucial first three years of schooling, the foundation phase.

We are regularly conducting independent diagnostic tests to measure the literacy and numeracy of all grade 3, 6 and 9 learners which enables us to identify where the problems are and what remedial action is required.

Literacy and numeracy tests were, in fact, first introduced by the previous DA provincial government. We are pleased that the tests are set to become part of national education policy as announced both by President Zuma in this State of the Nation address, and by Minister Pravin Gordhan in his budget speech. (We warmly welcome this growing trend of the National government taking over DA policies).

Speaker, we realise that policy-making and target-setting on their own will not achieve results. We know that turning our education system around depends on every principal, teacher, official, parent and pupil in our province.

Parents have a particular role to play - many children from disadvantaged backgrounds do succeed against the odds because of a stable and supportive home environment. But, while we cannot make parents accountable for their children's performance, we can certainly ensure that principals and teachers are.

As announced at the end of last year, we are in the process of directly linking the performance contracts of principals and officials to learner outcomes. And we are aiming to go further than this.

Later this month, a draft bill to amend the Western Cape Education Act will be sent to Cabinet for approval. This legislation will, amongst other things, give provincial government greater powers to conduct school inspections and to directly assess teacher performance in the classroom, where it counts.

Another prong of our education plan is to address the infrastructure backlogs that result in school overcrowding and a lack of learner resources.

Soon, tenders will be advertised to build 12 new schools and 200 new classrooms at 50 schools, starting in 2011. A priority list for the allocation of 126 additional mobile classrooms to help alleviate overcrowding will be finalised by the end of February, with delivery of the new classrooms to begin in March.

An important part of this infrastructure plan is to create four Science, Technology, Engineering and Mathematics or STEM centres of excellence, advancing the vision that we started under the brief DA tenure of 1999 to 2001. We are incorporating the Cape

Academy in Tokai and the Centre of Science and Technology in Khayelitsha into the STEM programme and we will establish two new STEM centres in disadvantaged communities.

These schools will be managed along the lines of a public benefit school. They will remain state schools, but have greater freedom and autonomy, amongst other things, to reward teachers for good performance and remove teachers who don't perform.

This initiative underscores our entire approach to education. We believe that the better a school's performance, measured by the literacy and numeracy of their pupils, the less the state should interfere.

Accordingly, we have informed the principals of the 167 schools that achieved a 90% or more grade 12 pass rate last year that we will not bother them unless they request assistance. I would like to thank these outstanding teachers and principals, they deliver greater value for money, in my view, than any other category of professional in the country. They don't need interference from officials.

We prefer to focus maximum attention and resources on schools and learners that under-perform, establish the reasons, and help them overcome them.

We are also placing special emphasis on providing better educational opportunities to learners with special needs. This means, in some cases, integrating classes. We will do so by increasing the number of full-service schools from 68 to 100 by the end of next year.

But our 73 dedicated "special needs" schools remain integral to our plan and we will draw on their expertise to assist non-special needs schools. 48 additional staff posts, including therapists, psychologists and learning support teachers have already been allocated for this purpose.

The province is also leading the development of a draft curriculum for sign language. This curriculum will be piloted for Grades 1-9 in 2010, with work underway on the draft curriculum for Grades 10-12.

None of the components of our education plan will succeed without the full support of learners, parents, educators, school governing bodies and the trade unions. I appeal to all of these role-players to work as a team to turn around education in our country. None of us, anywhere in South Africa, can be confident of the future if we cannot get education right.

Speaker, learners and teachers cannot get to school on time if their buses, trains and taxis are unreliable or if roads are congested.

We cannot boost economic growth and create jobs unless every citizen of the Western Cape has access to safe and efficient transport and every business can transport their goods reliably.

We cannot build an opportunity society unless we increase access to safe and efficient transport.

For some commuters, public transport is prohibitively expensive and inconvenient because the various modes are not integrated. Others don't use public transport because they don't feel safe on our trains, buses and taxis. Congestion, mainly because of private vehicle usage in Cape Town, is costing us millions in inefficiencies. And cars are the biggest source of air pollution in the province.

The response to beat congestion in the past was to build more lanes and roads. But international experience has shown that building new roads and adding new lanes simply encourages more cars.

We are changing this.

We are not going to build any new major roads for the next four years. Funds earmarked for new roads will instead be invested in public transport.

If we can roll back the infrastructure backlog and make public transport safer, more efficient and cheaper, we will get people out of their cars and onto trains and buses. By 2014, we want to see a significant shift from private to public transport, and from road to rail freight.

We also want to cut road deaths by half in the next five years. This will be helped, in part, by a shift from private to public transport.

To help us reach this target we have launched the Safely Home campaign in partnership with the City of Cape Town to reduce speeding and drunken driving, which together result in 80 percent of deaths on our roads.

As part of this initiative, we created the SHADOW centre which is equipped to accurately measure the concentration of alcohol in a driver's breath through a single sample.

In December, 114 suspected drunk drivers were tested at the SHADOW centre. 101 tested positive, some of whom were 7 times over the legal limit. Thirteen of these were off-duty SAPS members; one was a lawyer and another was a magistrate.

It is a matter of concern that, due to backlogs and inefficiencies in the criminal justice system, not one of the 1 000 cases opened as a result of the SHADOW tests have been

heard in court. We are currently in discussion with the National Prosecuting Authority to expedite this process.

We are determined that those who risk others' lives are punished appropriately for their actions.

Our zero tolerance approach to drinking and driving is matched by our approach to perpetrators of taxi violence. When a rival taxi driver was murdered by a member of the Vrygrond Taxi Group this month, Minister Carlisle immediately suspended all negotiations with the association and put a moratorium on applications for licences from its members until the area had been free of violence for six weeks.

The latest violence will cause Minister Carlisle to harden his position. We cannot concede at gunpoint. That is the law of the jungle.

Speaker, you cannot build an open, opportunity society if citizens live in fear of criminals and gangsters which is why one of our ten strategic objectives is to reduce violent crime in the Western Cape.

We are limited in what we can achieve in this regard because policing is the preserve of the National Police Commissioner and national Minister of Police. Our role in the province is to monitor police performance and optimize civilian oversight of the police.

In the past, for what I believe are political reasons, the province has not taken its oversight role as seriously as it should have. It may also be related to the absence of any clear provincial legislation pertaining to oversight of the police.

This is why we are currently considering the enactment of provincial legislation to regulate oversight of the police service in the province, as contemplated in section 67 (1) of the provincial constitution.

This will introduce legally-binding mechanisms for police oversight which could include an intergovernmental forum on oversight to meet once a month, monthly reporting by the police service on performance and the achievement of targets, random inspections to evaluate the functioning of the police services, regular reporting and analysis of crime statistics as well as mechanisms to investigate police inefficiency and abuse of power.

These measures, taken together, will introduce a far more effective and rigorous schema for police oversight and enable us to measure the performance of police against the crime reduction targets set out in the Annual Police Plan.

Speaker, in the open, opportunity society law enforcement agencies must protect innocent citizens against power abuse. Unfortunately, in our society, there are some cases where the police themselves are accessories to power abuse.

When we assumed office nine months ago, one of the first things we did was to instruct the VIP Protection Services to desist from using blue lights and sirens on ministerial vehicles unless in exceptional circumstances, very narrowly defined. We did this because we don't believe that politicians should have special rights and privileges that other citizens don't have. We share the public's disgust at being forced off the road by blue light bullies escorting self-important politicians.

This week, we again saw an example of this abuse. On Tuesday, Chumani Maxwele was detained overnight and interrogated by the President's VIP protection officers, who allegedly put a bag over his head, after he gestured at the President's convoy.

We are not a police state. We are a constitutional democracy. We will therefore introduce legislation, in terms of our constitutional competencies for provincial roads and traffic, as well as road traffic regulation, to prevent any politician - from any sphere of government - using blue-light convoys and sirens in the Western Cape, unless a genuine emergency arises.

And being late for a meeting does not constitute an emergency.

Speaker, we are acutely aware of the divisions in our province. Violent crime, income disparities, lingering racial tension and flare-ups of xenophobic violence all expose our threadbare social fabric.

One of our strategic objectives for the next five years is to improve social cohesion in our province. By this we mean a state of affairs where citizens live together harmoniously, where they feel a common sense of belonging and participate in the civic and social life of their communities.

As government, our role is limited in this regard. But we must do everything we can to incentivise socially cohesive behaviour and to inculcate values that bind us together.

We have to start with the children of this province. So we are doubling the opportunities for learners, particularly in rural areas, to participate in after-school sports and other activities. We are paying special attention to child poverty through well packaged programmes including early-childhood development, after school care, and nutrition intervention. And we are in the process of developing a comprehensive range of services aimed at strengthening families.

To this end, I recently appointed a person in my office to co-ordinate projects aimed at improving the well-being of young people and women in the province. I will make a full announcement on her specific role and responsibilities in due course.

Speaker, drunk driving accidents, violence associated with intoxication, Foetal Alcohol Syndrome and mental and physical disease caused by drug and alcohol abuse are taking a devastating toll on our citizens. They are also costing the provincial government more than R6 billion a year in health, policing, emergency and criminal justice services. In the last seven years, drug-related crime in the Western Cape increased by 150%.

The provincial government currently spends about R100 million per year on initiatives to address substance abuse, but the actual outcomes of these projects are not measured, and the quality of services not properly monitored. There are also serious gaps in our services, and a general lack of capacity to meet the growing need.

I am pleased to announce today that we are in the final development stage of a comprehensive drug and alcohol abuse strategy for the province which will be driven from my office. It will co-ordinate all interventions and ensure alignment across departments. Projects that are duplicated in different departments will be linked, and projects that are not delivering will be reviewed.

As part of this strategy, we will build the capacity of addiction recovery and after-care services, which are currently almost non-existent. This is critical to save funds on repeated intensive treatment for relapsed cases.

To reduce the onset of drug and alcohol abuse amongst the youth, we will place a greater emphasis on detecting early experimentation with drugs - and preventing addiction - by increasing the number of social workers and psychological counsellors in our schools.

We will also introduce random testing in schools. I have little doubt that the calamitous plunge of grade 12 results in some schools will be found to be directly linked to the escalation of drug abuse, often starting in primary school.

We will establish networks between our drug treatment service providers and key points - such as, courts, police stations, hospitals and clinics - where people using drugs can be identified and referred for treatment.

Speaker, it is a priority of this government to do all it can to support effective community-based organisations in this field and all other areas of social development work. If we are to succeed in our goals, we need to have every social partner on board. But we must develop a culture of mutual trust, respect and accountability.

We will not, for example, allow ourselves to be abused by so-called 'non-profit' organisations or NPOs that do less for the poor and marginalised than they do for themselves.

We recently conducted an audit of the 1 800 NPOs that we are in partnership with to determine which service providers are providing the best quality of service to the people of the Western Cape.

We discovered that a good number were doing excellent work but still receiving the same amount of funds they were three years ago, while others were doing very little but still getting paid.

As a result of our audit, there may be fewer NPOs and NGOs funded by the department in the coming financial year. But this does not mean that we are turning our back on organisations that add value.

We will continue to fund service providers, and increase funding in some cases, for those institutions that deliver and whose services most closely correspond with the strategic objectives of the province.

One example of a successful ongoing social partnership is that between the Western Cape, local NGOs, and the Global AIDS Fund to dispense anti-retroviral (ARV) medication.

This year we will accelerate ARV provision from 68 000 people to over 90 000 with an increased roll-out in years to come. In April, we will commence with a new policy to offer treatment to people whose CD4 count has dropped below 350 instead of the current 200.

We will also place renewed emphasis on HIV/Aids prevention programmes to reach our target of reducing prevalence from 16% to 8% by 2014. We aim to offer HIV testing to all adults and adolescents in health facilities and children in pediatric facilities.

Combating HIV/Aids falls within our strategic objective of maximising health outcomes in the province.

Speaker, we must be honest that, although the Western Cape offers the best public healthcare in the country, there is still much to be done before all our citizens have access to quality healthcare.

I would like to take this opportunity to pay tribute to our many excellent doctors and nurses who operate under difficult conditions. We are currently devising ways to retain their services by making the Western Cape Health Department a more rewarding work environment. We will also be appointing some 500 additional healthcare professionals within the next year to alleviate staff shortages.

Speaker, our health services are buckling under increased demand as a result of in-migration, we have an R800 million maintenance backlog and we need around R6 billion for new infrastructure. Funds allocated for health services in the Western Cape have historically been inadequate to meet the needs and expectations of the people who use them, many of whom have come from other provinces to receive better care.

To counter the funding shortfall, we are exploring the viability of public-private partnerships for the building and expansion of healthcare facilities. We have, for example, identified the rebuilding of the Tygerberg Hospital as a potential mega-project to be built in partnership with the private sector. It will be the first of its kind in South Africa.

Despite severe funding constraints, we must extend quality healthcare to those who need it most. We started construction on the new Mitchells Plain hospital in January this year and the new Khayelitsha hospital is on track for completion by 2013. Three rural hospitals and more new clinics are in the pipeline.

We are also developing a plan to eradicate the R800 million maintenance backlog within 36 months. Minister Botha will be making an announcement on this in due course.

Speaker, another area where we face severe financial and other constraints is housing. As part of our strategic objective plan to develop integrated human settlements we are looking at a number of innovative ways to provide more people with access to shelter and basic services than ever before.

There are number of constraints to housing delivery in the province. I will list them briefly. One is that demand drastically outstrips supply. The current backlog of 500 000 households is growing year-on-year due to in-migration and barriers to delivery.

Another is that onerous planning legislation is hampering delivery to the point of paralysis in some cases.

We are also constrained by a lack of funding for housing from the national government and a scarcity of well-located housing land in the province.

If we carry on like this, the housing backlog will double in the next thirty years.

Since we have been in office, we have cultivated good relations with the City of Cape Town and the national Department of Housing - the lack of which have compromised delivery in the past.

All three spheres of government are working together to re-conceptualise the next phase of the N2 Gateway in a way that avoids the previous policy mistakes we in the City of Cape

Town warned about. This co-operation cannot happen if the national government cuts off funding for the project, and seeks to pass on the cost to the ratepayers of the City.

We are also working with the City and the national Housing Development Agency (HDA) on an integrated plan to develop Joe Slovo phase 2 which will not require mass evictions, despite the court order that was obtained for this purpose by the previous government.

But this improvement in intergovernmental relations will only take us so far. The truth is that the current main mode of housing delivery simply cannot address the current and future need for housing in the province.

Speaker, as I said at the beginning of my address, we believe in expanding opportunities to as many people as possible and allowing them to take responsibility for maximising those opportunities.

This shapes our approach to housing just as it does every other policy area. When resources are as scarce as ours are, it is fairer to do something for many rather than a lot for very few. The latter approach encourages abuse and corruption and leaves most people with nothing.

We will therefore increase our focus on the provision of serviced sites.

We are introducing a municipal database support programme to ensure that accurate data is captured onto the national Housing Subsidy System for verification. This will enable us to develop a standardised, transparent and fair selection process of beneficiaries to be applied across the province.

As I mentioned earlier, besides the financial constraints on housing delivery, there is a scarcity of well-located land for housing. New housing developments tend to be built away from economic opportunities and social amenities, reinforcing the impact of apartheid-era spatial planning.

To tackle this, we are lobbying national departments and state owned enterprises to make land available for human settlement development in our province. We are also developing clear guidelines which set out the minimum densities for low-cost and GAP housing projects.

Speaker, we simply have to build upwards if we are to prevent more urban sprawl and bring people closer to economic opportunities. By 2014, we aim to triple the average density of housing projects on well-located land to 90 units per hectare. This is also crucial to secure the viability of public transport systems.

There are a number of other components to our strategic plan for housing, which I will leave for the Minister to announce in his budget vote.

I will say one thing about the onerous red tape and planning legislation that can stall housing projects for years. Many of the regulations, such as the Environmental (and other) Impact Assessments, fall under national legislation which is why I have presented them as part of a package to President Zuma requesting their review.

Others, such as the Land Use Planning Ordinance, are provincial laws. We are currently in the process of reviewing all provincial spatial planning legislation with the aim of consolidating all of it into one Act that simplifies and clarifies roles and responsibilities regarding land use planning.

We are also seriously exploring the viability of alternative building materials and methods for house construction. Some of these alternatives are much cheaper than conventional brick and mortar to build and maintain. They are also more environmentally sustainable. By 2014, we aim to increase the percentage of units built using energy-efficient methods and materials, from 10% to 40%.

This brings me to another of our ten strategic objectives: optimising resource efficiency and sustainability.

We know that if we are to compete globally, we need to make more efficient use of our resources.

As more and more people migrate to the Western Cape, so our carbon footprint increases. Currently, 95% of the energy generated in the province is generated by burning fossil fuels. If we do nothing, greenhouse gas emissions will increase by 20% in the next decade.

We cannot go on like this. We have to take proactive steps to improve the quality of the air we breathe.

I have already mentioned our commitment to green low cost housing programmes. This will form part of a broader renewable energy programme including the harnessing of wind and solar power as well as generating energy from alternative sources such as sewerage sludge, biogas and agricultural waste.

Climate change and in-migration to the province mean that there is less water for more people. So, as part of our commitment to resource sustainability, we are making water management a special focus area.

We are currently in the development phase of a provincial integrated water resource management plan which will improve catchment management and make the province more water efficient through the recycling and reuse of wastewater.

Speaker, all of the policy programmes and interventions I have mentioned today contribute to the final strategic objective of poverty reduction and alleviation.

This is our single biggest challenge and underpins all we do. Let me summarise our approach.

To alleviate poverty in the short term:

We must provide as many people as we can with basic services, access to clean water, sanitation and electricity. We must find a range of ways to deliver sustainable housing opportunities.

We must encourage entrepreneurship and self-sustainable income-generating projects that give people the opportunity to break the cycle of dependency on the state.

We must increase access to quality healthcare and antiretroviral medication.

We must ensure that the funds directed to our social partners are used to improve people's lives.

To reduce poverty in the long term:

We must create an enabling environment for job-creating economic growth and ensure the skills we produce are matched to the needs of the economy.

This includes combating social ills such as crime, which scares off investors, and substance abuse, which renders many people irresponsible and unemployable.

We must fight corruption which makes poor people poorer.

And, above all, we must focus on getting our education system right so that the children of this province can prosper in the future, whatever their circumstances in the present.

But, as Minister Pravin Gordhan made so abundantly clear in his budget address this week, it is up to the people themselves to make use of their opportunities. We have to become a country of self-motivated agents shaping the future, not passive victims of the past.

Speaker, it is an understatement to say that we have a lot of work to do to achieve all our strategic objectives in the next five years.

In some areas, we are already implementing our plans. In others, we are still finalising our plans.

But the show is on the road.

Within five years we will have tangible results to show for our efforts. We will be much closer to creating the open, opportunity society that the people of the Western Cape voted for.

I have no doubt we will make mistakes along the way. When we do, you can be sure they will be pointed out to us. When we genuinely err, we will admit it, take remedial action and plot a new course.

But we will, at all times, be honest with the citizens of the Western Cape. If we do not meet the targets we have set for ourselves, we won't try and spin the statistics, shift the goal posts or blame others.

We understand that integrity is the most powerful asset of any government. And we know that once the people of this province lose faith in you, your days are numbered.

This is how it should be. The politicians should be scared of the people, not the other way around.

This is why the Western Cape is at the vanguard of democracy in South Africa. It is why this province, under this government, will one day be a beacon of hope for every South African.

I would like to end with a sincere thank you to the people who have worked so hard during the past year to bring us to this point, which is a great advance from where we were when I stood here last year. The Acting DG, Mr Brent Gerber, the senior management team, and particularly the outstanding professionals in my office.

And the last word always goes to the team - and yes it now is a team - who nurture me in my new home environment. My husband and all of you who are here today: thank you very much for your unfailing support and commitment to this office, to which I hope to do justice.

I thank you.