



# MOVING TOWARDS A WORLD WITHOUT HUNGER

HONOURABLE SPEAKER

HONOURABLE PREMIER MAGASHULE

HONOURABLE MEMBERS OF THE EXECUTIVE COUNCIL

HONOURABLE MEMBERS OF THE LEGISLATURE

MAYORS, SPEAKER AND COUNCILLORS

CHAIRPERSON OF THE PROVINCIAL HOUSE OF TRADITIONAL LEADERS

TRADITIONAL LEADERS

MME MOTSWADI

REPRESENTATIVES OF ORGANISED AGRICULTURE

FARMERS AND FARM WORKERS

PRIVATE SECTOR PARTNERS

OFFICIALS OF GOVERNMENT

LADIES AND GENTLEMEN

PEOPLE OF THE FREE STATE



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Honourable Speaker, I am honoured to be the first Member of Executive Council to present a Budget Vote for a newly established Department of Agriculture and Rural Development, as announced by the Honourable Premier earlier this year.

I present this budget fourteen days after the celebration of Moshoeshoe day, in honour of one of the greatest icons and philosophers to have ever graced our shores. He was born in a small village called **Menkhoaneng in Lesotho** and went on to unify all the small tribes in 1824 to become the mighty **Basotho Nation**. He later moved to **Thaba Bosiu** to ensure the safety and development of his people. He encouraged his people to use the soil to sustain themselves. We stand here today commemorating 141 years since the death of **King Moshoeshoe the first on the 11th of March 1870**. This great leader is one of our pioneers of peace, unity, freedom, stability and human rights.

As we talk about the establishment and maintenance of **Vibrant, Equitable, Sustainable Rural Communities and Food Security for all...**, we must pause and take a leaf out of the philosophy of this great man. This philosophy forms part of the cornerstone of the birth of our glorious movement, the African National Congress in 1912, which ultimately spearheaded the convention of the Congress of the People in Kliptown in 1955 to adopt the Freedom Charter.

We appreciate the long standing partnership that we have with Traditional Leaders. This relationship is inline with what **His Excellency President Zuma** alluded to the important role our traditional leadership have to play in the planning and implementation of rural development.

It is through the quality of African leadership that most of our tribes still retain indigenous knowledge and practices. This was demonstrated thirteen days ago, when the Kholokoe tribe made us proud by continuing with their annual **Mokete-wa-Mokopu** celebration in Kholokoeng, near Harrismith. This tradition was started by their forefathers many, many years ago. It is during this early years when black people without any outside influence, invented food storage using "**Sesiu**" and "**Ditshese**", that is why we proudly talk about a place called **Tsheseng in Qwa-Qwa**. We can argue today and say the concept of silos and refrigeration are the brainchild of our African forefathers.

Honourable Speaker, as we celebrate the international month of women, let us use this opportunity to create a sense of hope for many rural women in our province. We acknowledge the role played by women in ensuring that agriculture and rural development remain in the forefront of economic development, job creation and sustainable livelihoods. **Mme Noroma Mpinga** from Cornelia, is one of our shining example in the Beautification of gardens programme. She is now selling her produce to the local community and a school. **Re le lefapha, re se re le malala a laotswe ho o tshheheta mmoho le sehlopha seo o sebetsang le sona ka milione ya diranta (R1 million) hore kgwebo ya hao e hole lefatsheng leo mmasepala ao abetseng lona. Re tla tswelapele ho etsa tlhodi sano ya serapa se setle kaho fetisisa, mohlodi o tla thoholetswa ka dikete tse mashome a mahlano tsa diranta (R 50 000).**

We are fresh from **Human Rights Day** celebration graced in our province by the Honourable Bishop Barnabas Lekganyane of the Zion Christian Church (ZCC). **Re le Lefapha, borapolasi, basebeletsi ba mapolasing, mmoho le Lefapha la Sepolesa, Ditsela le Dipalangwang; re tla ntshetsa pele ditokelo tsa botho, ka ho kenya tshebetso diqeto tse nkilweng Sebokeng sa Basebeletsi ba Mapolasing. Ons as `n departement is baie bekommerd oor die plaas aanvale, moorde op boere en plaaswerkers en diefstal.**

Agriculture and Rural Development is about the passion for farming activities and community development. It is critical that our clients and development partners understand that agriculture has challenges that demand commitment and passion which will yield returns over time. This will lead to sustainability and growth of the sector, thereby contributing to Gross Domestic Product (GDP).

It is important to remind the house of the recent floods which adversely affected the farming communities. The farmers suffered great losses in their fields, livestock and supporting infrastructure. We therefore anticipate difficulties in production, profits and markets. It is therefore critical that there be a provincial consideration on how to deal with disasters in future.

The mandate of the department is derived from the five priorities of the ruling party, the government's Medium Term Strategic Framework priorities. During the financial year 2011/2012 our commitment is to achieve the objectives as set out in Outcome 7 which seeks to ensure a **'vibrant sustainable, equitable rural communities and food security for all...'**

Ke nnete taba ya hore bophelo bo qadile tshimong, ke re tshimong motsamaisi wa dipuisano ke moo tsohle di qadileng teng. Jwale re fina seledu, re kenya mohoma mobung, **lerole lea thunya, mesebetsi e a qala, maphelo a fetoha.**

In our efforts to make rural development a reality, we have implemented the framework of Comprehensive Rural Development Programme in Diyatalawa, Jacobsdal and Kgolokoeng. This work will be expanded to other areas such as Thaba Nchu rural areas, Steynsrus, Cornelia and others.

We will work closely with the Department of Rural Development and Land Reform to establish dairy facilities, poultry units, revitalize apple orchards (75 hectares), establish vegetable tunnels, purchase implements for harvesting and planting purposes in Diyatalawa. The total budget for this purpose is R10.5 million from both departments.

Agribusiness sector can contribute to the transformation of the traditional commercial sector by involving black farmers in business opportunities. Rural farmers and small scale entrepreneurs lack reliable and cost effective inputs, credit for running business and guaranteed profitable markets for their outputs. Ke ka hoo re ntlafaditseng maqhama a rona le Vrystaat Ko-operasie Beperk.

Our partnership intends to create a poultry hub in Thabo Mofutsanyana. We will support identified emerging farmers to establish 8 chicken houses with the production capacity of 40 000 each. We will ensure sustainable production and involve them in the supply chain to the abattoir that is currently being constructed in Reitz. The abattoir workers will also benefit as shareholders. Lefapha selemong sena sa ditjhele te lese le nehelane ka R2.6 million mabapi le morero ona. Selemong setlang sa ditjhele te re behelletse ka thoko R10 million ho ka phethahatsa morero ona. The value chain will be completed when the chicken hatchery has been established.



We will enhance agro-processing in partnership with Potato SA, by constructing a potato plant at Kholokoeng and have identified 200 hectares of arable land for this purpose. For the financial year 2011/12 we have set aside R2,5 million for this project.

We have supported Wilhemina agro-processing project at Ficksburg with a total amount of R 3.5 million for processing equipment (Cherry and Peach), dairy animals and milking palour. During the Cherry Festival Season, we assisted the project to establish a stall in order to market their produce nationally and internationally. The project produced its first batch of peach rolls in November, 2010. **In the financial year 2011/12 we will support Wilhemina agro-processing project with R2.0 million.**

We view agro-processing and beneficiation as a high priority and we will continue with the Tripe Dicing and Canning project in Mangaung. For the financial year 2011/12 we have set aside R2 million for this purpose. The project has the potential to create seven (7) job opportunities. **Jwale dijo tsa rona tsa setso ditla fumaneha mabenkeleng dile ka makotikoting ka theko tse tlase.**

We are already enjoying the benefits of agro-processing and we will support Masizakhe project headed by veterans and a group women on small plots in Grassland Mangaung. This project will venture into piggery, poultry and vegetables with a total amount of R3.5 million.

It is a known fact that our Country as a middle income earner with its positive food self-sufficiency, is regarded as food secured, however this is true only at National level. According to the Food and Agricultural Organization "food security exists when all people, at all times have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life". Based on this definition, it is currently not the situation in South Africa. We therefore remain committed to improving house hold food security.

**Re kgaba ka diratswana**, this financial year we have introduced the culture of vegetable gardening in the province. We are beautifying our gardens with flowers, herbs, fruit trees and vegetables. Food insecure households are now yielding the positive results in six towns where we have started. **In the financial year 2011/12 we have set aside R3 million and 32 job opportunities will be created.**

The Fish Hatchery construction in partnership with the government of People's Republic of China has been completed, with a further investment of R2 million fish ponds will be established and it is anticipated that in this financial year production will commence. **Jwale re tla ja ditlhapi ka mefuta ya tsona.**

We have allocated R2.4 million for sunflower oil processing plant in Mangaung and Fezile Dabi, we also wish to appreciate the good work done by Mr Pierre Hugo of Bainsvlei outside Bloemfontein, who saw a gap in the market for high-quality sunflower oil which can create job opportunities and add value at farm level.

Honourable Speaker, the bottles of oil that is in your packages have been donated from his farm. **Baie dankie en geluk Meneer Pierre Hugo.**

We have completed Thitapoho dam construction in Mangaung to the value of R3.4 million and we will further support the project with the installation of a distillation plant and production inputs to the total value of R 1.5 million in the financial year 2011/12.

Our Province is ready to attract investments, I am pleased to announce that we have gone an extra mile to source an investment in agriculture. The Nationwide Agricultural Development Project and the Department of Agriculture Forestry and Fisheries have committed to support grain and vegetable project in our province. There is a commitment of R300 million and R100 million by each entity respectively. This partnership will benefit fifty (50) farmers and about 300 jobs will be created.

In order to address the current low prices faced by milk producers and to promote local processing, the Free State Dairy Co-operative will be assisted with R5 million to construct milk collection depots and processing plants in order to add value to the milk. Fifty farmers have been identified in the Eastern Free State, and 300 job opportunities will be created.

Honourable Speaker, Dorper Sheep International Stud Breed project in Lejweleputswa will address improved livestock production and the current lack of black stud breeders in the sector. An amount of R2.5 million has been allocated and seventeen (17) jobs will be created.

The preservation of indigenous cattle breeds in our Country is critical. We will assist the developing farmers in preserving Nguni breed in partnership with the Industrial Development Cooperative, University of Free State and Central University of Technology. This initiative will enhance the commercial value of the breed and support the integration of black farmers in this niche market. Two million rand has been allocated.

Construction of animal handling facilities in all livestock projects is allocated an amount of R4.6 million and will create 45 jobs opportunities.

To support all these livestock initiatives, we will continue to ensure the health and safety of our people, by implementing the Animal Disease Act and the Meat Safety Act. We shall create opportunities of national and international markets for our farmers. Veterinary Services continue to make a meaningful contribution in promoting a healthy animal population by detecting and controlling major animal disease outbreaks.

Whilst there have been heavy rains in the province, water availability and accessibility continue to be a challenge, and in addressing this, we will construct dams, boreholes & windmills. We will also install appropriate irrigation systems to promote efficient usage of water. An amount of R17.4 million has been allocated and will create approximately 128 job opportunities.



Fencing plays a critical role in protecting crop & livestock value, and ensuring farm security. The department is supporting Re-A-Hola Co-operative in Heilbron with a fence manufacturing plant to the value of R5 million in order to create agricultural entrepreneurs.

To optimize agricultural production, mechanization is core yet unaffordable. In partnership with Department of Agriculture, Forestry and Fishery farmers will be supported with tractors and implements to minimize the costs. An amount of R50 million is committed.

Honourable speaker, in our efforts to transform our rural landscape and revolutionise our farming and land-use, we will enhance our extension and support services through research and development, training, mentorship programme, marketing and monitoring.

Skills development remains essential in improving capacity. We have developed skills of 802 officials in 2010/2011. In the financial year 2011/12 have allocated R3.4 million for skills development. We have allocated bursaries to 21 officials.

Through Extension Recover Plan (ERP), we have enhanced the skills and increased the number of our Extension Officers from 70 to 110. We shall further employ 13 Extension Advisors in the financial year 2011/12 to enhance the overall capacity of the Department.

The College has enrolled 23 first year students in 2011, bringing the total number of students to 56. Subsequent to the national assessment on agricultural colleges, Glen College has been confirmed as a higher education institute and a provider of accredited agricultural training and development. Four million rand (R4 million) has been allocated for that purpose.

In promoting agriculture as a career of choice, we shall work closely with the Department of Education in ensuring that the following five schools introduce agriculture as a subject: UNICOM, Nampo, BO-VAAL, Seotlong Agriculture and Hotel and Weiveld Agricultural School. We will also implement Junior Landcare programme in promoting the culture of conservation of natural resources in schools. We have already, through this programme, provided training to 1000 learners.

Honourable Speaker, the Framework on Rural Development, defines rural areas as sparsely populated areas in which people depend on natural resources for their livelihoods. The challenges facing rural areas include poor or lack of access to socio-economic infrastructure and public amenities, lack of access to clean water or lack of water resources for both household and agricultural development.

The interventions, strategies and resources for the provision of services in rural areas are allocated to different spheres of government. In this regard, our mandate is to lead, co-ordinate and implement all this work in line with the Comprehensive Rural Development and the War on Poverty Programmes. We have allocated R35 million for this purpose.

The National Rural Youth Service Corps Programme aims at skilling rural youth, promotion of patronage and instills discipline. To date our intake of 340 young people have recently graduated. During the 2011/12 financial year we will achieve the target of 1000 candidates. These young people will assist the province to achieve the objectives of a Comprehensive Rural Development Programme.

**Honourable Speaker, let me thank my organisation African National Congress, the Premier of the Free State Government, Members of the Executive Council and Members of the Provincial Legislature for their support.**

**My hat goes off to all those who worked and supported my work, during my tenure as Member of Executive Council (MEC) for Co-operative Governance, Traditional Affairs and Human Settlements.**

**I would like to acknowledge Bultfontein Agriculture Union led by Mr. Herman Meiring, for their contribution in building social cohesion between black and white communities in Bultfontein.**

**My appreciation also goes to organised agriculture and organised labour, National African Farmers Union, Free State Agriculture and Food and Allied Workers Union for the role they continue to play in shaping the agricultural sector in the province.**

**Let me also thank the Head of the Department, Mme Moorosi, Executive Management and all staff members of the Department.**

**Ngizothatha lelithuba ngibonge umndeni wami ngokungiseka ngazonke izikhathi “Khulani Mangwe nidlondlobale”. Informed by what we have said in our Budget Vote today, I wish to quote Li Edelkoort when he said: “All signs indicate that the emphasis will fall squarely on farming as the way forward. Ninety percent of what we need, what we depend on, will be produced by farms. Farmers will clothe us, house us, feed us, fuel us and hopefully heal us. The agricultural community will become the planet’s new elite.”**

***Dutch trend researcher and publisher “Bloom” magazine***

**Honourable Speaker, I therefore table the Budget Vote of the Department of Agriculture and Rural Development as attached to the speech.**

**Kgotso, Pula, Nala**



**Department of Agriculture and Rural Development Budget Vote for 2011/2012 and Medium Term Expenditure Framework:**

Programme	Budget 2011/12 (R'000)	Budget 2012/13 (R'000)	Budget 2013/14 (R'000)
Administration	120 943	126 817	128 351
Sustainable Resource Management	22 252	27 442	28 572
Farmer Support and Development	256 081	270 125	294 344
Veterinary Services	44 618	46 790	50 434
Technology Research and Development Services	55 735	58 486	62 491
Agricultural Economics	5 956	6 260	6 757
Structured Agricultural Training	13 756	14 426	15 382
<b>Total</b>	<b>519 341</b>	<b>550 346</b>	<b>586 331</b>