

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

BUDGET VOTE 2015/2016

Honourable Speaker;

Honourable Premier Magashule;

Honourable Members of the Provincial Executive Council;

Honourable Members of the Free State Legislature;

Executive Mayors, Mayors, Speakers, Mayoral Committee Members and Councillors;

Chairperson of the Portfolio Committee for Agriculture and Rural Development;

Chairperson of the Provincial House of the Traditional Leaders;

Religious and Traditional leaders;

Representatives of Organised Agriculture;

Farmers and Farm Workers;

Private Sector partners;

Heads of Departments, Chief Executive Officers and Officials of Government;

Distinguished guests;

Setjhaba sa Foreistata

Dumelang, Molweni, Sanibonani, Good afternoon

Speaker, it is an honour and a privilege for me to present to this august house the budget vote in this important year of 2015, which marks 60 years since the adoption of the Freedom Charter in 1955, at Kliptown in Soweto. This year has been declared a year of the Freedom Charter and Unity in Action to Advance Economic Freedom.

Honourable Speaker, allow me to congratulate you on your new appointment as Speaker of the Free State Legislature. I know you will serve the province with distinction as you have done in your previous portfolios. You have contributed immensely in the agricultural sector and the provincial government. You have indeed Mme Mamiki Qabathe left an indelible mark. Malibongwe.

Speaker, on the 21st of March we celebrated “Human Rights Day”, this day reminds us of the suffering and loss of life of our people and the farm workers and dwellers. The Freedom Charter clearly states that “***The land shall be shared amongst those who worked it***”, we therefore call upon the farmers to do more to improve the lives of farm workers and dwellers on their farms. As government we will take decisive steps to prevent the evictions of farm workers and dwellers. We appreciate the efforts of trade unions in the agricultural sector, of contributing towards improving working conditions on farms. We also denounce the killings of farmers, farm workers and dwellers in our province.

The Freedom Charter stipulates the following on Agriculture and Rural Development:

“The Land Shall be Shared Among Those Who Worked It!

- Restrictions of land ownership on a racial basis shall be ended, and all the land re-divided amongst those who work it to banish famine and land hunger;

- The state shall help the peasants with implements, seed, tractors and dams to save the soil and assist the tillers;
- Freedom of movement shall be guaranteed to all who work on the land;
- All shall have the right to occupy land wherever they choose and;
- People shall not be robbed of their cattle, and forced labour and farm prisons shall be abolished”

The Free State is considered the bread-basket of South Africa supplying significant portions of the country’s sorghum (51.1%), Sunflower (44%), Soya beans (42%), Wheat (15%), Maize (41%), Potatoes (33%), Groundnuts (38%), Dry beans (32%), and 90% of South Africa’s Cherries are produced. During the 2013 season, soya beans were grown primarily in the Free State (42%), and Mpumalanga (40%) provinces. **For the first time on record, the plantings in the Free State have exceeded those of Mpumalanga.**

Notwithstanding its steady economic decline over the recent past, agriculture dominates the Free State landscape, with agricultural land covering approximately 3.2 million ha, i.e. 90% of the province land area.

The agricultural sector is critical to the well-being of the province, both as the provider of food and as a major employer. About 12% of the Free State’s working age is employed in the agriculture sector.

On livestock the province contributes as follows: milk (22%) and Red meat (15%). The agricultural sector in the Free State can therefore be regarded as one of the most important food hub in South Africa.

Speaker, the NDP 2030, speaks of the inclusivity and integration of rural areas, through successful land reform, job creation and poverty alleviation, and it places Agriculture as the driving force behind this vision. We will align our programmes with this vision. As the primary economic activity, the NDP sees agriculture as having the potential to create 1 million new jobs. To achieve this target we have identified the following key activities:

1. Expand irrigated agriculture; for example revitalization of Thaba Nchu Irrigation.
2. Focus on underutilised land in communal areas and land-reform projects for commercial production. Through Animal and Veld Management Programme (AVMAP).
3. Pick and support commercial agriculture sectors and regions that have the highest potential for growth and employment. Five (5) Black Smallholder Farmers per district and support them through Fetsa Tlala programme.
4. Support job creation in the upstream and downstream industries. Through Poultry Hubs, Fish & Dairy production and processing.
5. Find creative combinations between opportunities.
6. Develop strategies that give new entrants access to product value chains and support from better-resourced players. This is clear in our Strategic and Annual Performance plans.

Speaker, the overarching goal is to increase agricultural production and profitability inclusive of value adding, agro-processing and marketing.

“THE LAND SHALL BE SHARED AMONGST THOSE WHO WORKED IT!”

Speaker, when tabling this 2015/16 Budget Vote we will account for our work over the previous year and table our performance commitments for the year ahead. I am pleased to report the following:

The Honourable Premier in the State of the Province address 2015 has alluded to the successful implementation of Rekgaba Ka Diratswana our food security programme, and the fact that the programme has received interest from different provinces in the country, SADC countries and international organisation such as Food and Agricultural Organisation (FAO). On fighting poverty with household food security, 19 505 vegetable gardens have been established benefiting 24 509 households. I am glad to report that the SADC research programme including Lesotho and Zimbabwe is continuing well with the selected 25 families in Mangaung.

Madam Speaker, the Department of Agriculture and Rural Development hosted the **Re Kgaba ka Diratswana Provincial Awards** on the 30 January 2015, which aims to encourage food production in households, schools, churches and community gardens. This initiative also aims to develop and promote improved food processing, preservation and storage technologies to reduce post-harvest food losses, especially at the local level. Since its inception in 2013, the programme has helped many households and the

interest in this program continues to grow. We are working closely with the municipalities in this regard.

Madam Speaker, I am also pleased to announce the following winners under the **Best Backyard Garden: Elizabeth Mpakhane from Thaba Nchu, Best School Garden: Rebatla Thuto School in new location in Koppies, Best Community Garden: Rebahlodi project in Thaba Nchu, Best Church Garden: St John Church in Botshabelo and Best Street garden: Phuthaditjhaba Street in Qwaqwa.**

Speaker, last year we announced that we will construct two Layer houses (for egg production) with the capacity of 7500 each to top up on the already existing Layers and also construct a 400 capacity pig structure at Brandfort. I am glad to report that we completed the projects.

I am pleased to report that Phase 2 of the Gariep Fish Hatchery which is a Training and Demonstration commenced in September 2014 and 30 officials and 135 farmers were trained in fish production. Moving forward, we will train trainees from other provinces in South Africa and SADC countries. Siyaqhuba.

Speaker, the Honourable Premier has clearly reported in the State of the Province Address that “We take pride in the work we have done so far with regards to the Vrede Integrated Dairy project. We have completed the construction of Phase 1 of this project

with more than 400 dairy cows in lactation. The project runs with 810 dairy cattle. Phase 2 of this project, which is the milk processing plant, is now at 90% completion”.

“We have successfully supported the Grain Field Chicken abattoir in Reitz with broiler houses in Tweeling, with the support of VKB, and we shall continue to develop the Free State as the poultry hub of South Africa” as indicated by the Honourable President in his visit to Reitz.

“People shall not be robbed of their cattle, and forced labour and farm prisons shall be abolished”

Speaker, now is the time to accelerate the active economic role black farmers are playing in agricultural sector in the province. We are also intensifying approaches to ensuring sustainable food safety and security. The livestock sector is one of the best growing parts of the agricultural economy, driven by income growth and supported technological and structural change. The department supported Livestock farmers with 725 quality animal breeds under Fetsa Tlala programme.

Speaker, Food Security is a human rights and a Constitutional mandate. The Bill of rights state clearly that “every citizen has a right to access food and water” and that “the State must take reasonable legislative and other measures, within its available resources, to achieve the realisation of this right”. I am convinced Speaker, that if we garner consensus in this House we will achieve Food Security for all...

Madam Speaker, I am pleased to report on **the National Female Entrepreneur Award Programme**, which is aimed to encourage and increase the participation of women in agricultural activities and to award the efforts of/and contribution of women in activities of food security through backyards, up to large scale production as well as their value chain. The national event was held in Mahikeng, in the Northwest Province on the 22 August 2014, where our provincial winner in the category of Top Entrepreneur in the commercial sector, Me Mponeng Lentoro from Bainsvlei in Mangaung, became a National Winner of R200 000. Malibongwe.

Madam Speaker, may I take this opportunity to recognise and request our special quest the Me Mponeng Lentoro to stand up and be recognised for her efforts in agriculture.

Speaker, I agree with the Honourable Premier when he said in the State of the Province Address I quote “We have indeed, as the Freedom Charter envisaged, provided people on the agricultural land with “...implements, seed, tractors and dams...” through our mechanization packages and will continue to do so” close quote.

“The state shall help peasants with implements, seed, tractors and dams to save the soil and assist the tillers”. A comprehensive support is provided by the state to enhance a sustained cooperative business development. The province has provided support to tillers with seed and fertilizer and has planted 5400 ha of land with maize, beans and sunflower. Two additional tractors and three combine harvesters were

bought over and above the 72 tractors provided to cooperatives to assist tillers to prepare and plant the land. At Diyatalawa we have ploughed and planted maize and soya beans on 753 hectares.

We are saving the soil and assisting the tillers, through the LandCare Programme and we have created 357 temporary jobs through the eradication of invader plants, constructing waterways and contours related infrastructure. Through Junior LandCare we have trained 2464 learners. Training of these learners took place at outdoor centres in Zastron, Willem Pretorius Nature Reserve and Mount Everest in Harrismith.

Speaker, we are continuing with the revitalization of Glen Agricultural College. The revitalization programme is focusing mainly on the upgrading of infrastructure and equipping the college with the necessary resources for education and training. The infrastructure enhancement included the upgrading of the College training facilities and recreational facilities and this project yielded good results as the facilities were old and dilapidated. We have completed the renovation of the cafeteria, student centre, upgrading of a portion of the Glen water pipe line.

To improve the living conditions of the farm workers residing at the Glen village we have completed the construction of 18 houses and have started with the paving of the Glen village road.

Speaker, Glen Agricultural College hosted a very successful Agricultural Colleges Soccer and Netball tournament in September 2014 and ten (10) Agricultural Colleges from six (6) provinces participated. The Glen College soccer team who were the

defending champions for the 2013 tournament managed to defend the cup again and they are the winning champions of 2014 tournament.

Speaker, on the 27 March 2015, at Glen Agricultural College we will be holding graduations where 49 National Diploma students will be awarded.

A total number of 1560 farmers were trained, 46 learners benefitted from 3 learnership programmes, 4 enterprises received mentorship support through the assistance of 17 mentors. In addition for the first time the College through Agricultural Skills Development unit embarked on Recognition of Prior Learning project in partnership with AgriSETA. The project identified 10 farm aids on Glen farm and 8 completed the project.

Speaker, through our Veterinary services we continue to protect the Free State Public from contracting classified diseases such as Rabies, through mass vaccination of 65 394 dogs and cats in the risk areas of Fouriesburg and Qwaqwa. The Animal Health unit has also been hard at work in promoting a healthy animal population through awareness campaigns and targeted disease surveillance against 72 565 Bovine Brucellosis & Bovine Tuberculosis.

Extensive movement control measures were also put in place to control movement of African Buffalo to prevent possible spread of Foot-and-Mouth Disease, Corridor Disease, Bovine Brucellosis and Bovine Tuberculosis. The 100 abattoirs in the Free State Province continue to produce meat that is safe for human consumption, under the supervision of our Veterinary Public Health unit. We have supported export of animals and animal products through certification of health of these consignments. Our two

provincial veterinary laboratories continue to make us proud in terms of passing the annual audit that is conducted to render them accredited to perform prescribed tests.

Last year the Honourable Premier announced that the National Rural Youth Service Coops (NARYSEC) National Training Centre will be based at the Thaba Nchu College. On the 15th of March 2015, in partnership with the department of Rural Development and Land Reform we welcomed 837 NARYSEC at the Thaba Nchu College. Siyaqhuba.

The department will continue to offer support to its employees through the bursary incentives and in-service training programmes of various disciplines. During the current financial year, we have trained 157 Agricultural Field Staff, through a partnership with the University of the Free State.

Speaker, the Department was faced with difficulties in recruiting candidates in some of the scarce skills occupations such as State Veterinarians, Agricultural Engineers, Veterinary Technologists and Aquaculture Specialists. To address these challenges we have allocated bursaries to qualifying applicants over the past few years and the Department is now starting to reap the fruits of this initiative. We have employed 8 bursary holders as State Veterinarians, 2 as Veterinary Technologists, and 3 Agricultural Engineers. We have send students to China to study Aquaculture, Agricultural Engineering and Veterinary Sciences. We have also send students to do post graduate studies in different agricultural fields.

Speaker, the Premier announced that the Free State Provincial Government identified Wilhelmina farm as the second Agri-village in the province following the development of Diyatalawa Agri-village. In Wilhelmina farm we have completed the construction of 14 farm houses, water reticulation and sewer network and the installation of solar panels for lights and geysers for the beneficiaries. This was done in partnership with the Department of Human Settlement and COGTA. The Department of Human Settlement is completing the paving road. We have planted additional 4ha of apples and 1ha of cherries. To date the department has invested R 20 million on this Agri-village.

Speaker, the department in partnership with the Department of Police, Roads and Transport initiated the implementation of the Rural Road Safety Programme with the intention of offering different skills to farm workers and school children on farms.

Through this programme the youth will undergo training of driving licenses of which 133 participants are from Fezile Dabi, 44 from Lejweleputswa, 20 from Xhariep, 70 from Mangaung Metro and 60 from Thabo Mofutsanyana districts. The programme will support farmers with 15 000 reflective necklaces to improve the visibility of stray farm animals to reduce the number of accidents caused by livestock on the road.

Speaker, the province continues to experience disasters in the sector. The Eastern and Southern parts of the province (Mohokare, Dihlabeng and Maluti A Phofung Local Municipalities) were declared a Provincial Disaster Area after the veldfires that destroyed over 93 000 hectares of land. We have received an allocation of The province managed to secure R20.791 (R5 million from Provincial Treasury and R1) million to assist in redressing the impact of these veldfires by the provision of animal feed to

affected farmers who still have livestock to be fed on the affected farms. The first R5 million worth of animal feeds were distributed in November to December to 596 affected farmers. A further R15.791 million worth of animal feed is being distributed to the affected farmers.

Speaker, the province has been hit by low rainfall and severe mid-summer drought which impacts negatively on water resources and cash crop production. The Crops Estimates Committee in March 2015 has predicted that we will obtain 30% less production of maize as a result. The Department is continuously assessing the situation together with other departments and will take appropriate action to mitigate the drought impact and consequences.

Speaker, the department has set-up a Provincial Drought Task Team to do the analysis of the current drought. The Task Team consists of members from relevant sectors including Government Departments, Grain SA, Organized Agriculture, SA Weather Services and members from Institutions of Higher Learning amongst others.

Speaker, let me table plans for the 2015/16 Financial Year as follows:

For the Financial Year 2015/16 the department has a budget allocation of **R 744.542** million to implement the programmes as set out in our annual performance plan.

Since the successful implementation of the Grain Field Chicken (GFC) abattoir in Reitz, we are developing the province as the **Poultry Hub** of the country. We are therefore further expanding the development of the hub into Lejweleputswa and Fezile Dabi.

Speaker, in heeding the call by the Honourable President in the State of the Nation Address, we are partnering with Sparta to enhance Agro-processing value chain in the beef industry. This initiative will benefit in the main black Livestock farmers and further enhance our Agro-processing marketing and export in the meat industry.

An investment of R16.885 million in Mangaung is made to continue with the implementation of Mangaung Beef Value Chain project, Sheep and Goats processing facility, Vegetable production and Fetsa Tlala. We will also start the process of revitalizing the irrigation scheme in Thaba Nchu.

Speaker, we will invest R33.485 million to Xhariep to continue with the implementation of Xhariep Ostriches, Fish Processing Plant, Fish Production and we will expand production on six (6) Fish Tanks/projects, Vegetable production and Fetsa Tlala.

As stated by the Honourable Premier in the State of the Province Address, we will establish a mega Agri-Park in this district, comprising of fish, ostriches, sheep and vegetable production, packaging and marketing facilities.

In the Lejweleputswa we will invest R32.309 million to continue with the implementation of the poultry hub and Fetsa Tlala. We will complete the four broiler houses to the capacity of 40 000 chicks per cycle, the abattoir and the Feed Processing plant to complement the production units.

In Thabo Mofutsanyane we will invest R37.683 million. In responding to the call made by the Honourable President in the State of the Nation Address and the Premier in the State of the Province Address, the Free State is the most appropriate area for the

expansion of the export market in the production of deciduous fruits such as apples. The Thabo Mofutsanyana district has a competitive advantage over the traditional production areas, its apples ripen first and reaches the market earlier. In this regard, we will invest massively in the development of the apple industry in the Free State. We will expand apple production at Diyatalawa and Wilhelmina Agri-Villages. We will also implement a Fodder production and storage plant at Fouriesburg to attend to issues of veldfires and drought and to complete the two Broiler Houses at Reitz.

Speaker, in Fezile Dabi we will invest R29.494 million for the completion of layers houses, broiler houses and vegetable production. We will expand the broiler hub to Parys in Fezile Dabi.

Speaker, our aim is to create more than 745 jobs with these investments in the 2015/16 Financial Year.

Let me conclude this Budget Vote by appreciating the following:

My greatest organization the African National Congress, My ANC, My Vision, My Future.

The Premier for his commitment and support to the development and empowerment of farmers, also his advocacy for the improvement of social conditions of farming communities.

Members of the Executive Council Colleagues for their support, advices and collaboration in the implementation of comprehensive rural development in our province

The chairperson of the portfolio committee, Comrade Thabo Meeko and members of the Portfolio Committee.

Leaders and members of AFASA, Free State Agriculture, NAFU and FAWU for their working relationship and support.

The Head of Department Mr. Peter Thabethe, his Executive Management and the staff of the Department for their commitment to delivery of quality services to our farmers.

Madam Speaker, I therefore table the budget for the financial year 2015/16 of the Department of Agriculture and Rural Development.

Ke ya leboha, Ngiyabonga, Enkosi, Baie dankie.