

**FREE STATE DEPARTMENT OF AGRICULTURE AND
RURAL DEVELOPMENT**

BUDGET VOTE: 2018/2019

HONOURABLE SPEAKER

HONOURABLE PREMIER SEFORA NTOMBELA

MEMBERS OF THE EXECUTIVE COUNCIL

CHAIRPERSONS OF PORTFOLIO COMMITTEES

HONOURABLE MEMBERS OF THE FREE STATE LEGISLATURE

MAYORS, SPEAKERS AND COUNCILLORS OF OUR MUNICIPALITIES PRESENT

TRADITIONAL LEADERS

DIRECTOR GENERAL, HEADS OF DEPARTMENTS AND CEOS OF ENTITIES

BORAPOLASI AND FARM WORKERS' ORGANISATIONS

BASEBETSI BA MAPOLASING

MEMBERS OF THE MEDIA

DISTINGUISHED GUESTS

LADIES AND GENTLEMEN

1. **Honourable Speaker**, I am deeply humbled to stand here to present this Budget Vote for the Department of Agriculture and Rural Development in order to oil our machinery to position the department as a necessary fulcrum in the Industry.

2. **Honorable Speaker**, as we celebrate the life of the stalwart and the heroine of our struggle, Me Albertina Sisulu, we do so with vigour enthusiasm because this Provincial government is commanded by Mbhokodo, Me MaNtombela. Like Manthatisi who commanded the Batlokoa warriors to the battlefield, like Emily Hobhouse who demonstrated compassion that characterise the woman's heart, like Charlotte Maxeke, Katie Louw, Georgina Taaibosch and Maria Molisapoli who filled the frontline trenches for women's rights, like Winnie Mandela marshalling masses to render Apartheid system unworkable, like Makhosi Nyoka, Lindiwe Mthembu, Phila Ndwandwe and Nontsikelelo Cotoza whose heroic deeds have left an indelible mark in the hearts of all freedom fighters that women are at the cutting edge of every struggle. In the same spirit, Me MaNtombela shall lead her team of soldiers to fight against the scourge of poverty, unemployment and underdevelopment. Agriculture is strategic as a weapon to fight these struggles. **Mme o tshwara tipa ka bohaleng!**

3. **Honourable Speaker**, as we celebrate the 100 years of Nelson Mandela, we have to bring the new normal in the way in which we have been delivering services to communities. We have to be driven by that spirit of selflessness and service to the people.

4. As we are assembled here today, it is just a couple of hours to commemorate a historic day in life our nation, Freedom Day. This day came about through the supreme sacrifice by Chris Hani. The day symbolises the sacrifice by many many martyrs who laid down their lives or for us to live free and enjoy prosperity in this land. We dare not fail their sacrifice but serve the people to the best of our ability.
5. Flowing from January 8 statement, as well as the State of the Nation Address by, His Excellency, **Matamela Cyril Ramaphosa**, he indicated that we should pursue the enormous potential of agriculture in order to promote industrialization, job creation and transformation of the economy. Therefore, we are expected to modernize agricultural production and develop substantial pool of skills in the sector to improve food security, develop agro processing, manufacturing from agricultural inputs and also increase exports. This can be realised by working with farmer s and all stakeholders.
6. We can realise this vision if we rid our society of crime on farms. The intolerable murder of farmers negatively affects the agricultural industry. Farmworkers who contribute immensely in development of the Industry also deserve to be treated like employees in other industries.
7. In efforts to encourage people to produce food for themselves, we have an annual programme Provincial Hlasela Tlala Ka Diratswana Awards, initiative by Mamiki Qabathe in recognition of the robustness of this programme the National Department of Agriculture Forestry and Fisheries hosted the World Food in Qwa-Qwa last year. The Department should provide the socio

economic impact of this programme in Food Security and to what extent it has developed these producers to increase their production.

8. On **Fetsa Tlala** we have delivered **1 152** livestock which include **759** cattle, **206** sheep and **187** goats, benefiting **21** farmers including Verkeerdevlei commonage farmers. We have extended a helping hand by supporting our farmers to plough and plant **2 168** hectares of maize, soya beans and vegetables. The Department has not done enough to follow up on assistance to ensure that this investment turns around the lives of small scale farmers towards commercial farmers. In this case also we must provide measurable impact of the programme.
9. **Honourable Speaker**, women are very good with grouping themselves with one vision to invest for the future. This is demonstrated in women Corporative called Ficksburg Ladies Asparagus. We therefore call upon other women groupings involved in this industry to emulate these pathfinders and turn their lives around.
10. As the department we are working tirelessly to rehabilitate and protect Agricultural land in order to improve the production as a result we have eradicated invader species such as Slangbos and Satanbos on **6 721** hectares. We also aware about the challenges faced by farmers in the Zastron area whose land is infested by these invader species.
11. Honourable Speaker the transferal of Karee Nursery from DESTEA to our department last year came as a boost. We will assist in using the facility in growing seedlings for farmers and should work closely with our Research.

- 12.** We are making an effort to fulfil Veterinary Services needed by communities and farmers by recruiting and training more professionals in this field. We are going to equip our veterinary facilities with necessary equipment to be able to fulfil this goal.
- 13. Honourable Speaker,** this effort will go a long way in assisting the province to strengthen disease surveillance, prevention as well as disease control programmes and intervention. We do this in collaboration with our sister departments, at the moment we are dealing with listeriosis cases working together with Health department, the same way as we do during other outbreaks such as African Swine Fever and Highly Pathogenic Avian Influenza.
- 14.** Last year we recruited **30** Extension officers to increase capacity in extension services much needed by the sector. This resulted in assistance to **2 119** Small holder farmers through extension and Veterinary services, engineering and economic support.
- 15.** Honourable Speaker through Operation Phakisa we are committed to commercializing black farmers to this end we have supported **11** black farmers with the intention to support at least **50** black farmers for the period of 5 years.
- 16.** In order to reposition the Free State province for Agricultural Value Adding and processing towards 2030 we have hosted the Agro Processing Summit and we have approved the identification, planning and designs for five Agri-parks in order to promote Agricultural manufacturing and marketing. I wish to confirm that we are currently in the process of finalizing feasibility studies and business

plans to develop, fertilizer plant, feeding plant, meat deboning facility, grain breakfast production facility to produce cereals, feedlot and beef abattoir..

17. Furthermore we will continue to enhance the strategic leadership and establish partnership because it is very critical if we are to turn the economic growth of the province around and we restore credibility within the sector.
18. We pledged to improve skills and knowledge in the sector and we have achieved **142** diploma graduates and **6416** skills development beneficiaries, and **42** officials received bursary opportunities in the current financial year, whilst bursaries from previous years to **85** officials are still being maintained. We also provided **123** bursaries to students to study in scarce agricultural related fields, such as Veterinary Science, Veterinary Technology and Engineering.
19. **Honourable Speaker**, for the Youth in Agriculture we have afforded **173** students to study internationally since 2014. We are proud to announce that three of those have already obtained their Masters qualifications and as we speak, they have been placed in the Department. Other **16** Masters students will be completing their Masters qualifications this coming July
20. Honourable without our foot soldiers there can be no meaningful impact in improving the lives of the masses. In this instances we ref to the employees of the department, we therefore have to ensure that they have tools of trade to be able to provide professional and quality services to the people. We shall

ensure that the budget addresses these needs and align the organizational structure to meet the goals of the department.

21. It is within this context that we declare that we are ready to position the department appropriately in the Agricultural industry and set its wheels ready as an instruments for Rural Development.
22. **Honourable Speaker**, we are engaging with the department of Rural Development and Land Reform to ensure programmes of the two departments find cooperative expression through projects in addressing challenges facing the communities. We must work hard to fulfil our goal of turning Cornelia, Tweeling and Tweespruit in to areas symbolizing Agri-Villages. They should turn their resources and build their local economies.
23. **Honourable Speaker**, the department has received a budget allocation of **R810 479 million** for the 2018/19 and the overall increase to the departmental fiscal allocation is **5.2%**. Our core programmes under CASP, Ilima/Letsema, Land Care and Mohoma Mobung have been allocated R316 304 million for this financial year.
24. As announced in the Premier's State of the Province Address, we will also improve farm production sustainability through provision of production inputs, skills development and technical support. The department has set aside R5 million from Ilima/Letsema grant and R6 million from Equitable share for the mechanization support programme. This is to ensure that tractors are

ready during the planting season and our Mechanisation Cooperatives are fully functional.

25. The department is intending to commercialize **50** black farmers in the province within the next five financial years starting from current financial year. This will translate to **250** black commercial producers to be commercialized by the end of 2021/22 financial year. This can be achieved through CASP and ILIMA/LETSEMA grants, Mohoma Mobung working closely with key role-players such as Land Bank, IDC, DTI, DRDLR and Commodity Groups etc.
26. **Honourable Speaker**, the Livestock sector has a huge potential in agricultural economic growth as it contributes 4% of global value of agricultural output, it supports livelihoods and food security for almost billion people – globally. Due to the fact that our province is suitable for extensive beef and sheep production, we have set-aside R40 000 million to support livestock production and value chain in Thabo Mofutsanyana district municipality. This should be done working together with Marena.
27. With regards to Maize production, almost 90% of maize in South Africa is produced under dry land condition and the remaining 10% is under irrigated conditions, therefore the Free State, being one of the three provinces such as Mpumalanga and North West, participate largely in the production to account for approximately 83% of the total production combined.
28. At the moment, the usage of soybean products is showing growth because of the health benefits associated with it, its consumption in the country is

estimated at 32% for oil and oilcake, 60% for animal feed especially in the broiler, including egg industries and 8% for human consumption. Therefore we have set aside R14 045 million to support grain farmers to plough and plant more than 2500 hectares.

- 29.** The department will continue to support the Food Security programme, through initiatives such as the Female Entrepreneur Awards. In addition we will work closely with the National Department of Agriculture and Forestry Fisheries to ensure that we complete the Baseline Food Security Socio impact study in this financial year and we have set aside R18 502 million in order to achieve this mandate.
- 30.** Our Traditional leaders have a critical role to play in Agriculture and Rural Development as custodians of communal land for the benefit of the people and food security. We therefore pledge to work together with them to initiate sustainable and commercially viable projects. For this initiative, we have set aside R7 million to effectively implement one Household—two Dairy cows programme around Thaba Nchu and Kgolokoeng. We will also continue with our program of turning Tweeling into an Agri-village, as we had resolved previously, by including it in this program and providing pother supporting instruments to make this a success. We started in Cornelia, and we have to monitor and evaluate the projects running there in order to make the program successful.
- 31.** We shall intensify collaboration with institutions of Higher Learning and other Skills development providers, as we upgrade the standards of teaching and

learning at Glen College of Agriculture. We will also support **52** diploma students and provide **1 380** skills development opportunities for our farmers, students, and field workers. We will expand training and skills development initiatives and create opportunities for unemployed graduates. As a result, we have agreed with Agri-business and commercial farmers to absorb 120 unemployed graduates for a period of two years. They will be placed to get work experience in various enterprises and that program will be fully funded by government and coordinated by Agri-Free State.

32. Honourable Speaker, we are committed to the open-door policy when coming to enrollment of our students and we fully appreciate the socio economic challenges that are confronting parents, especially those who are earning less than **R350 000 per annum**. It is for this reason that we will ensure that we are ready for the fourth industrial revolution in the sector and that public funds are made available for free education and skills development. Revenue enhancement opportunities are critical for the financial sustainability of any institution and we have identified areas with opportunities to expand the Departmental revenue collection and contribution. About **R 9 million** has been set aside for Karee Nursery upgrade; **R21 677 million** for Glen infrastructure upgrade and **R8 598 million** for College Revitalization. In this financial year we will invest in developing feasibility and business plans towards realizing the improvement of our revenue.

33. Allow me to announce that in September this year, the Free State Province shall host the 8th bi-ennial National Land Care Conference which seeks to

address the challenges of local management on farms, communal land and commonages. Furthermore, the conference will focus on sustainable job creation, conservation agriculture, awareness towards challenges created by alien plants and enhance partnerships towards total community awareness and involvement.

- 34. Honourable speaker,** I therefore present before the house the budget vote of the Department of Agriculture and Rural Development for the financial year 2018/2019, which seeks to achieve strategic goals of the department.
- 35.** As I conclude, I take this opportunity to thank my organisation, the African National Congress and its alliance partners in guiding us to be of service to the people.
- 36.** Our responsibility to the people is an honour to serve, we have to ensure that whatever is done has the credence of the people. Che Guevara noted by saying that: *'The road is long and full of difficulties. At times we wander from the path and must turn back; at other times we go too fast and separate ourselves from the masses; on occasions we go too slow and feel the hot breath of those treading on our heels. In our zeal as revolutionists we try to move ahead as fast as possible, clearing the way, but knowing we must draw our sustenance from the mass and that it can advance more rapidly only if we inspire it by our example.'*
- 37.** Let me also acknowledge the unwavering support and commitment by the Management of the Department led by HOD Peter Thabethe for always

putting an extraordinary effort and going beyond the call of duty to be at the disposal of improving the lives of the masses.

38. To farmers, Agri-business and farmworkers, thank you for being such an inspiration in ensuring that there is employment and food even under difficult conditions.

39. Honourable Speaker I thank my family for the unwavering support during difficult times and turbulences. To my wife, your love and inspirational support always give me courage never to betray the cause of Freedom, as Maya Angelou indicated that: *“We have lived a painful history, we know the shameful past but (let’s) keep on marching forward”*.

“Forward Always is our battle-cry”

I THANK YOU.