

Vice Chancellor, Prof Henk De Jager (in absentia)

Honourable Premier of the Province, Me. Sisi Ntombela (in absentia)

Deputy Vice Chancellor, Prof Alfred Ngowi (in absentia)

Dean of Faculty of Management Sciences and standing in Vice Chancellor, Prof Albert Strydom

Management of the Central University of Technology

Colleagues in the Provincial Executive Council

Members of the Provincial Legislature

Chairperson of SALGA, Honourable Councillor Olly Mlamleli

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Ladies and gentlemen,

In this centenary year of the birth of our stalwarts, Tata Nelson Mandela and Mama Albertina Sisulu, we wish to welcome you all to the Third Annual Provincial Research Colloquium. One of the lessons we have learnt from these great leaders was their ability to open themselves to advice by others.

Recently published statistics confirm that our country is indeed experiencing significant challenges. With two successive quarters of negative growth, it is confirmed that our economy is in a technical recession. Related to this is the

increase in the official unemployment rate from 26.7 percent in the 1<sup>st</sup> Quarter of this year to 27.2 percent in the 2<sup>nd</sup> quarter. Whilst this seems like a small increase of 0.5 percentage points, it represents an increase of 103 thousand jobless people, thus increasing the total number of unemployed people to just over 6 million.

Our province continues to experience stagnant economic growth, which makes it very difficult to overcome the triple challenge of poverty, inequality and unemployment. Our municipalities also continue to experience governance as well as financial challenges which often at times manifest in the form of service delivery protests. It is precisely for these reasons that we deliberately decided to focus this year's Colloquium on the following areas:

- inclusive growth and job creation,
- radical socio-economic transformation
- land reform and land restitution
- Manufacturing
- Local government with specific focus on governance

Programme Director, land is very central to economic development in general and to radical socio-economic transformation in particular. The Land Reform process introduced in post-1994 democratic South Africa sought to redress challenges of

land dispossession related to the ***“Native Land Act of 1913”*** and other associated apartheid legislation. The conversation on land restitution, land tenure reform and land redistribution is thus a necessary and unavoidable one. Two years ago, a report by the Financial and Fiscal Commission based on a survey in three provinces, namely Limpopo, KwaZulu-Natal and Eastern Cape, made three key and startling findings:

- **Firstly**, most of the land reform on farms show little or no agricultural activity
- **Secondly**, the land reform beneficiaries earned little to no income; and
- **Thirdly**, the majority of these beneficiaries seek work on surrounding commercial farms instead of actively farming on their own land.

In March this year, Aninka Classens, Director of Land and Accountability Research Centre at the University of Cape Town and a member of high-panel on key legislation, told Parliament’s Portfolio Committee on Land Reform and Rural Development that ***“it would take more than 700 years to complete the land restitution process if claims were reopened and processed at the current pace”***.

Whilst this Colloquium will not be dealing with the issue of land expropriation without compensation as it is being dealt with through a different and separate process, it is prudent that we take stock of how the process of land reform has

unfolded in our province, the successes and failures as well as lessons learnt. Moreover, what interventions would be necessary in order to facilitate progress in this regard. I am happy that both AFASA and Agri-SA are here to help us unravel this pertinent subject.

In an OECD Report on the “Review of Higher Education in Regional and City Development”, four pertinent questions were asked, namely:

- How to develop a more inclusive labour market and education system?
- How to create an economy that can absorb both highly skilled and low skilled members of the labour force?
- How to address the long-term challenges of poverty, inequality and poor health?
- How to turn the potential of Higher Education into an active asset for regional development?

In order to address these, the report recommends that ***“every effort be made to establish a cooperative culture amongst post school education institutions, public and private sectors, as well as society at large”***. The Colloquium is therefore a fitting response to this. It is in fact the only platform that brings together researchers, law-makers and policy-makers under one roof and allows them space

to meaningfully and robustly engage. It represents our noble attempt to enhance evidence-based policy making, with sound and credible research at the heart of policy development.

During the roll-out of the Millennium Development Goals, the then Secretary of the United Nations, Ban Ki-moon, observed that ***“the failure of governments and international donors to recognise the value of universities hampered the achievement of sustainable development”***. Research has shown that innovative and sustainable economic development does not only depend on the presence of a strong government, universities, industries and civil society – i.e. the quad helix partnership, but more so on how they mutually interact for strategic objectives. Sustainable Development Goal (SDG) 17 recognizes the need for partnerships in the successful achievement of all the Sustainable Development Goals. It is for this reason that we have gone out of our way to develop partnerships in the conceptualization and implementation of this Colloquium. **I wish to thank all the institutions that have embraced this partnership as a genuine effort to use our collective resources to advance the development of our beloved province.** We trust that the list of partners will increase over time so we can leverage from all available resources.

During CUT's Seminar held in May this year, we highlighted the following as part of the broader issues that must be teased from a provincial policy development point of view:

**On Radical socio-economic transformation with special focus on the dynamics faced by women, the youth and the disabled**, attention needs to be paid on:

- Responsiveness of resource allocations (e.g. gender responsive budgets)
- Provincial economic structure, ownership and management
- Youth unemployment

**On Economic Growth and Job Creation**

- Strengthening municipalities' capabilities on local economic development
- Expanding manufacturing through exploration and exploitation of value chains
- Revitalization of township economies
- Revitalization of [former] mining towns
- Attracting long-term local and foreign investments
- Infrastructure & Development Financing
- Research and Development for creation of niche sectors/optimization of existing sectors (e.g. mining)

- **On challenges of inadequate revenue at provincial and local government level for excellent service delivery**
  - Equitable share reforms
  - Revenue from municipal services
  - Resorts and reserves
- **On impact assessment of governments interventions and/or programmes**
  - Revenue enhancement allocations
  - Skills Development Programme (Provincial Bursaries)
  - School based programmes (hostels, learner transport, nutrition)
- **On good governance**
  - Capacity building, especially at local government level

Some of these are already receiving attention in this Colloquium.

Programme Director, we must revitalize technological innovation in the province, and the Central University of Technology is playing a leading role in this regard. We are looking forward to the recently launched Transformative Innovation Policy by the DTI, which is said to be a radical and new step in the evolution of innovation policy that seeks to redirect innovation towards transforming our world and delivering on the Sustainable Development Goals. To enable faster competitive

economic growth, we need to expand our infrastructure. The expansion of infrastructure must be informed by an integrated planning between the spheres of government as well as optimization of efficiency gains. To this effect provincial departments and municipalities must therefore strive to prudently spend all their infrastructure grants' allocations with the view of creating the needed economic growth in the province.

Ladies and gentlemen, effective and proper governance is key in attaining all that we aspire for as a province. Our noble goal of ensuring that there is better life for all in the province strongly rely on how we manage and account for resources entrusted on us by our people. I trust and hope that by the end of this colloquium we will emerge as stronger than before, we will emerge with strong conviction of doing good for our people.

**I hereby declare the Third Annual Free State Provincial Research Colloquium open.** We await with unabated breath the discussions and more importantly the policy recommendations that will arise from the Colloquium over the next three days.

**I thank you!**