SUMMARY OF MINISTER RONNIE KASRILS MP'S BUDGET ADDRESS

15 May 2001 Embargo 2pm

Introduction:

The theme of the Minister's speech is summarised in his opening statement:

"Amanzi Ayimpilo – Water is Life – It is indispensable to survival and there can be no livelihood, no growth, no economic development in its absence. In this drought prone, water scarce country, it is our responsibility to ensure water security for all time."

The speech covers the three functions of his Department:

- 1. Community Water and Sanitation Service;
- 2. Water Resources; and
- 3. Forestry.

1. The Community Water Service Programme:

Although water resource development is the core business of the Department the democratic Election of 1994 "set the task of" ensuring that "millions of our formerly ignored citizens receive clean water and adequate sanitation."

Since 1994 6.5 million people have been provided with clean water at a cost of R4 billion. Almost one million were reached in the last financial year.

This year, for the first time since 1997, over one billion Rand is available for this programme alone, which will enable its acceleration.

The Minister spells out what this means: "At this rate of progress, within seven years we should be celebrating the fact that virtually all our people at last have access to clean drinking water. Around 2008 a shameful legacy of the past will have been wiped out and government's pledge to provide all with clean water will be achieved."

Free Basic Water:

This section of the speech deals with the implementation of the Free Basic Water Policy for the Poor which was a pledge made in his last year's Budget address. The minister congratulates 21 municipalities which have already

initiated the programme. A Programme of support and guidelines is underway to help all local government structures implement the policy from 1st July – Local Government Budgetary Day.

Cholera:

Despite the achievements of his Department, outlined in the speech, the Minister repeats a refrain: "We will not be complacent".

The cholera outbreak is referred to, both with regard to its causes and the Government's response.

The Minister spells out three key requirements for eradicating cholera and other water-borne diseases:

- * Provision of safe water
- * Adequate sanitation
- * Health and hygiene education.

Crisis Management of Cholera Included:

- * R35m was provided for emergency water and sanitation services in KwaZulu-Natal
- * Over 100 000 people provided with safe water in the cholera-effected areas
- * Sanitation for 52 000 people provided
- * Disused boreholes repaired and springs protected
- * Bleach distributed for household water treatment
- * Safe water delivered by tankers

To prevent Cholera:

- * R100 million will be spent annually to speed-up services in cholera-prone areas.
- * 59 Water and sanitation projects will be implemented in vulnerable areas this year.
- * Provision of sanitation and a programme of hygiene education to be intensified.

Prioritising a Sanitation Programme:

It is estimated that three million households are without sanitation. But over 80% rural people have home-built toilets.

"What is required?" Minister Kasrils asserts, "is an innovative strategy that helps households improve their home-built toilets so that these are more adequate, environmentally friendly and hygienic.

The Minister adds: "Simultaneously we will mount a massive programme to provide safe toilets for those most vulnerable to cholera. And we will spread the message of personal hygiene far and wide.

An element of this strategy, to focus on schools, will be instituted together with the Minister and Department of Education.

During the last financial year R75m was spent on sanitation with 13 770 toilets built (provision for 100 000 people) and 150 000 were reached with the hygiene message.

The Minister pledges, as he did with the free water issue last year, to give, "top priority to getting an effective sanitation programme underway" because "previous efforts have not been good enough."

2. <u>Water Resource Management:</u>

Whilst a great deal of the speech focuses on the Community Water and Sanitation Programme, its achievements and intention to speed-up delivery in response to cholera, the Minister stresses: "It is one thing to deliver clean water but unless we take care of our water resources, we may find one day that there is just not enough to go around and many a tap could run dry." These are stated as being "to protect conserve, develop, utilise and manage our precious water resources" so as to provide water security for the generations to come.

The following statistics about South Africa's available water resources are provided:

"Every year South African rivers receive perhaps 50 billion cubic metres of water with a further six billion cubic metres available from underground aquifers. This translates into 1 400 kilometres per person per annum making us

almost a water-stressed country. Of this 56 billion cubic metres 21 billion is utilised. Of this volume 52 percent is used for agriculture and irrigation, eight percent for forestry, 11 percent for industry, 10 percent for domestic use, with 19 percent allocated to ensure a sustainable environment"

The essential message of the speech then follows:

"Management of these water resources is a strategic task concerning the very prosperity of our country and security of our people. We dare not be complacent. We must have in place an effective strategy to ensure that our water needs are met for generations to come".

The Minister declares: "I can confidently say that because of the steps taken by government since 1994 South Africa will not run out of water!"

An outline of the framework and steps in place to ensure South Africa's Water Security is given:

- * The National Water Act
- * Publication this year of a National Water Resource Strategy
- * Registration of commercial water use to provide a data base for the management of our water resources
- * Establishment of Catchment Management Agencies

To Dam or Not to Dam:

This section of the speech then goes on to express the Minister's approach to the often controversial issue of whether to build dams or not. He states: "In South Africa we know that without dams to store water from one year to the next, as well as to meet our needs in all too frequent years of drought, we would face disaster."

The question of whether to alleviate Cape Town's water shortage by building a new dam at Skuifraam is raised. The answer is that the project will go ahead "as long as I am convinced that the water conservation and demand management measures have been taken by the City of Cape Town and that funding can be raised without prejudicing our community water programme."

The Minister gives his impression of a recent visit to China, and of seeing the colossal Three Gorges Dam under construction. He contrasts the pros and cons of dam construction which "highlight the challenges faced by water managers" but provides his clear support for this undertaking which will be the world's biggest dam.

3. <u>Forestry</u>:

The Minister reported delays in the restructuring the state's commercial forests, which lost R216 million last year but the termination of 27 of the 29 so-called "evergreen contracts" did see revenue rise from R46m in 1995 to R83m. The US Global Environment Fund is investing an estimated US\$50 million in the sector citing a supportive policy framework.

In the area of indigenous forestry, it was reported that the battle to save Dukuduku Forest is almost won. The community has agreed to resettle and with provincial government support housing should be completed within six months. 200 resettled people will be employed on the R3,5-million forest rehabilitation programme.

A practical contribution to Minister Valli Moosa's rationalisation of nature conservation was the transfer of Departmental forests to the St. Lucia Wetlands Park and the Cape Peninsula National Park.

The Minister emphasised the great potential for forestry to contribute to rural development and enterprise strategies particularly in KwaZulu-Natal and the Eastern Cape.

Eradicating Alien Vegetation:

The Minister pays tribute to the Working for Water Programme, which employs 20 000 people to clear invading alien plants.

He makes it clear that he is against uprooting jacarandas and gum tress from city street and Picnic spots.

4. <u>Conclusion</u>:

The Minister concludes his speech with acknowledgements to his Department and with the saying:

Pula Nala Kgotso! From rain comes the greenery that creates peace.