THE WORK OF THE SOUTH AFRICA/CANADA PROGRAMME
ON GOVERNANCE
JANUARY 1998 TO JUNE 2000

Final Report

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Introduction

Under the Contribution Agreement between the Canadian International Development Agency (CIDA) and the International Development Research Centre (IDRC), which defines the responsibilities of the respective parties with respect to the operations of the South Africa/Canada Program on Governance (hereafter the Program), IDRC undertook to provide CIDA with a final report on the Program when it ended. The Program is winding up its activities effective June 1, 2000. This is the final report.

A two stage financial audit has been commissioned. The interim report will be available June 30, and the final report will be prepared in November following a transition period.

This paper reviews and assesses the work which the Program has done since January 1998. It picks up the story of the Program’s activities where the evaluation report prepared by Dr. S. L. Sutherland of Carleton University two years ago (A Review and Assessment of the CIDA/IDRC Program on Governance in the Republic of South Africa, June 1998) left off.

The focus of the Program’s work has remained consistent with both its mandate and the previous work done with the South African provinces and national government departments. The emphasis has been on support to the center of government, planning and budgeting, services delivery, and assistance to provincial legislatures. A review of the framework for evaluation set out by Dr. Sutherland in her report indicates that Program delivery objectives specified in early 1998 have been generally achieved; a few exceptions are noted later in this report.

The Program’s basic methodology has remained the use of experienced public servants to deliver specific projects or assignments, as requested by the South Africans. The Special Advisors’ tasks have continued to be: the identification of public service issues in South Africa; the definition of projects which would assist in meeting the needs of the South African public service; program design and planning; diagnosis and the presentation of recommendations to South African colleagues; and the definition of and preparation for projects undertaken by public servants from the Canadian national and provincial governments through the twinning arrangements.

In the past year, the Program’s work has expanded to include both KwaZulu-Natal and Northern Province, which means that Canadians have been working recently with eight of the nine South African provinces under the auspices of the Program. The work with the national government, on the other hand, has eased off. Although a number of national departments requested the Program’s assistance during the period covered by this report, for various reasons only a limited number of these requests have resulted in the successful completion of projects.
The next section of this paper provides some brief comments on the twinning arrangements through which the Program has carried out much of its work. This is followed by a synopsis of the main activities of the past two years within particular subject-matter areas – support to the centre of government, planning and budgeting, and so on. The paper then looks at the main difficulties we have experienced in bringing particular projects to fruition. It concludes with a series of reflections on a number of aspects of the Program.

Twinning

Readers of this paper are well aware that the twinning arrangements between six South African and six Canadian provinces, and between the respective national Departments of Public Works, have represented one of the Program’s key features. While the term “twinning” suggests a relationship with two partners, there are in the case of the Program actually three participants – the South African province or department, the Canadian province or department, and the Program staff resident in South Africa. Much of the work of the resident Special Advisors is devoted to promoting the next steps and stages in the relationships between the twinned partners, to identifying and planning with the partners the content of specific projects, to ensuring that Canadian participants are well prepared and briefed for their work, to debriefing Canadians and South Africans on specific missions, to ensuring a continuity of focus on areas critical to the development of governance capacity, and to providing logistical support. They also help to re-knit connections which break when senior officials in the twinned public services change jobs.

In the case of each twinning, the arrangements started with visits by and the sponsorship of very senior officials, in most cases the Cabinet Secretaries or Directors General. This level of sponsorship, and the requisite endorsement by Premiers in the case of the provincial arrangements, created the conditions under which very high levels of Canadian knowledge and expertise were made available freely and generously to the South African partners who wished to take advantage of them. They provided to South Africans “their own”, as it were, sources of Canadian practitioners available for specific projects, and their own Canadian counterparts whom they could visit, whose practices they could observe, whose experiences they could draw on. They provided as well the opportunity for the cultivation of personal relationships, which offered ongoing possibilities for the informal exchange of information and advice. That South Africans sometimes did not take full advantage of these various opportunities has been a matter of regret to Program staff.

For the Canadian partners, twinning offered opportunities for learning and growth as well. Canadian participants were able to work and observe in a very different governance environment, and within it to employ their capacities in different ways. Twinning invited and challenged Canadians not only to apply their existing skills but to learn new ones, to gain new
insights and to take advantage of new experiences, and in short to become more widely rounded public servants. The Canadian partners have supported the twinning arrangements not only because of their sincere desires to help South Africans transform their public services, but because they themselves have benefitted through working under them.

The strength of the commitment of Canada’s federal and provincial governments to the twinning arrangements in particular as well as to the other activities of the Program may be gauged by the size of the investment in time and effort which they have made. We estimate that, counting the time spent by Canadian officials working in South Africa and those hosting South Africans in Canada, and the time spent in preparing for study visits and following up after them, Canadian governments have contributed well over 20 staff years of senior officials’ time to the South African endeavour during the past six years.

**Support to the Centre of Government**

The centre of government has always been a crucial focus of the Program’s work. In the past two-and-a-half years, the Program has initiated and sponsored a range of projects aimed at enhancing the understanding in South Africa of the crucial role of the centre of government, and at strengthening the support which provincial Premier’s Department staff provide to their Cabinets.

During 1998, through a series of requests for assistance and projects which are described below, the Program realized that the South African provinces in particular were experiencing problems relating to the organization and functioning of the centre of government. The difficulties arose for four main reasons.

First, the Constitution of South Africa designates provinces as being responsible for the implementation of policy and the delivery of services in most key program areas. In the *realpolitik* of South Africa (as distinct from what the Constitution says), provinces were seen as taking their principal policy directions from the national government, rather than as independent jurisdictions exercising significant powers of their own in key policy areas. The critical decisions which affected provinces would be largely taken by the national government, or in intergovernmental meetings of line function ministers, rather than by provincial Cabinets. Fairly naturally, this view implied that the provision of support to provincial Cabinet decision-making was not a high-priority issue.

Second, and congruent with this perspective, the centre of government in the provincial sphere was defined largely in administrative terms, with the provincial Director General designated as the Chief Accounting Officer for the province, being responsible for the

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management of all of the human resources of the province, being responsible for the implementation of policy, and answerable to the provincial Legislature for expenditures. The strategic role of the Director General (Cabinet Secretary in Canadian terms) in supporting Cabinet was largely overlooked.

Third, the effort to reduce the size of the provincial public services as a whole was thought to require that the Premiers’ Departments in particular set an example by remaining small in size, and by not hiring new staff. This view helped ensure that provincial Premiers’ Departments remained too small to provide Premiers and Cabinets with the support they needed.

Fourth and perhaps most importantly, few of the senior officials in Premiers’ Departments had worked in government before, and thus few had had an opportunity to observe a functioning centre-of-government operation.

But through 1998, it was becoming increasingly apparent at the provincial and national level that Cabinet decision-making as a whole required greater coordination and coherence for the effective delivery of public services to occur. This is the context for the work described in this section.

In early 1998 two human resources specialists from the Director General’s Office in the Free State, Ms. Moteshewa Mabitle and Mr. Sefako Mafoyane, visited Saskatchewan on a study visit to examine a number of aspects of human resources policy there. The visit was arranged in response to a specific request from the Free State’s Director General, who wanted to strengthen the human resources management capacity within his office. As well, Ms. Lynn Minja of Saskatchewan’s Executive Council Office visited the Free State to provide assistance on a number of machinery-of-government issues.

In March and April 1998, British Columbia’s Assistant Deputy Minister for Intergovernmental Relations, Judy Cavanagh, and one of her staff members visited the Eastern Cape for three weeks. The purpose of that visit was to provide advice with respect to the systems, processes and operations of that province’s Cabinet Secretariat and Intergovernmental Relations Office, and on the structure of the reorganized Premier’s and Director General’s Offices. This work led directly to a three-month posting of Donna Sanford, a senior policy advisor in B. C.’s Cabinet Policy and Communications Secretariat, to the Premier’s and Director General’s Offices in the Eastern Cape. From September through December 1998, Ms. Sanford provided advice on Cabinet support systems, including the preparation and content of submissions to Cabinet, and on Cabinet Office communications. She provided a comprehensive final report to Director General Dr. Mvuyo Tom.
In October 1998, Manitoba Cabinet Secretary Don Leitch and one of his Cabinet Office officials visited the North West Province for three weeks, in order to assess the organization and operations of the Premier’s Department. They prepared a comprehensive report with recommendations on how to improve and strengthen the department’s operations, and provided it to Director General Mr. Job Mokgoro. Mr. Leitch also provided advice to MECs, the Director General, and other senior officials, on their various roles and responsibilities. In a somewhat related project several months later, the Program’s Rosemary Proctor prepared a report at the request of Mr. Mokgoro, on the organization and management of information technology, information systems, and information analysis for planning and decision-making.

In November 1998, Mr. Pieter Rootman, the Special Advisor to the Premier of Mpumalanga, visited both Alberta and British Columbia to examine the systems and the structures of the Cabinet and Premier’s Offices of those provinces. He was particularly interested in the organization of the centre of government, the administrative and policy support provided to the Premier and to Cabinet, the relationship of the Premier’s Office to Cabinet, Cabinet committees, the government caucus and the governing party, and the interface between the Premier’s Office and other central agencies. The visit to two provinces was intended to give Mr. Rootman the chance to see and compare two quite different models of centre-of-government organization.

During 1998, the Program’s Special Advisors consulted with provincial Directors General and the national Director of Policy Coordination in the President’s Office, with respect to the wisdom of planning a workshop focused on the centre of government. The advice of the South African colleagues was consistently that this was an extremely important and current topic. At one point, it appeared that both national and provincial governments would participate in this workshop. However, under the auspices of the national Department of Public Service and Administration, the Commonwealth organized a two-day workshop for national Ministers and Directors General on the same topic. While this national initiative was underway, the Program on Governance turned its attention to the needs of the provincial governments.

In late January 1999, the Program convened a workshop on the support required by the Premiers and Cabinets of South African provinces in the making and executing of government decisions. The workshop brought together South African senior officials responsible for providing support to their Premiers and Cabinets, and practitioners with substantial work experience at the centre of government in Canada and elsewhere. Canadian presenters included former Saskatchewan Premier Allan Blakeney, Manitoba Cabinet Secretary Don Leitch, former Ontario Deputy Minister of Finance Jay Kaufman, and the Program’s Dr. Al Johnson and Rosemary Proctor. Mr. Simon James of the OECD’s SIGMA program added insights based on SIGMA’s recent efforts to support centres of government in the emerging democracies of Eastern Europe. During the workshop’s two days, participants explored both the general characteristics of effective
decision-making processes in parliamentary forms of government, and the specifics of how those processes help governments develop and implement the policies and programs which give concrete expression to their respective political visions.

The papers and proceedings of the workshop were published in June 1999 and were well received. A further indication of the success of this session has been the follow-up from two provinces about the issues it raised.

First, Ms. Bennie Monama, Director General of Northern Province, contacted the Program following the workshop and asked for its help in assessing the organization and processes of Cabinet support in her province. The Program's Rosemary Proctor and Harvey Sims spent a week in Northern Province in June 1999, interviewing all Heads of Departments and a number of senior Premier's Office officials in order to provide the diagnostic assessment requested by Ms. Monama. They prepared a comprehensive report on the strengths and weaknesses of the current system and gave it to her in July; this triggered a request for further work, which Rosemary Proctor carried out in August. It also led directly to a further request from Ms. Monama, that the Program provide her the opportunity to observe the working of a Cabinet Office in a Canadian province. This occurred in late March of this year, when Ms. Monama visited the Executive Council Office of New Brunswick for a week. Ms. Monama considered this study visit very useful to her personally, and she identified several projects for continued work with New Brunswick, including collaboration between Northern Cape, Northern Province, and New Brunswick on the one stop service model.

Second, Rev. Lulamile Mbete, Director General of Gauteng and a co-chair of the workshop, also requested that Rosemary Proctor give him and his officials advice on the measures they were intending to implement in order to strengthen the centre-of-government support functions in that province. She provided a written critique of their proposals in May 1999. Then, following the June elections, Gauteng's new House Leader and MEC for Local Government Trevor Fowler asked for similar advice from the Program. He was provided with a report, the advice within which was consonant with the advice already given to the staff of the Premier's Department. The advice was reinforced during a study visit to Ontario made by Director General Mbete and a team of his senior officials in October 1999. The purpose of the visit was to allow the South Africans to review how Ontario's Cabinet Office functions and provides support to Cabinet, to observe how Ontario's Legislature functions, and to obtain a brief overview of the budget process.

Another piece of work in this area involved the Director General of the Northern Cape, Mr. Martin van Zyl. Mr. Van Zyl was invited to speak at the 1999 Institute of Public Administration of Canada (IPAC) national conference held in Fredericton in August 1999. While in New Brunswick Mr. Van Zyl met with New Brunswick Cabinet Secretary Mr. Jean Guy Finn,
then traveled to Ottawa to discuss centre-of-government issues and processes with officials of the Privy Council Office.

In April 2000, the Director General of the Eastern Cape, Dr. Mvuyo Tom, and a colleague, Mr. Thozamila Faba, visited their twinned province of British Columbia to study the organization and functioning of the centre of government in particular. This study visit provided a comprehensive look at the workings of the support to Cabinet and the Premier. Dr. Tom was invited to attend Cabinet and Cabinet committee meetings and the government caucus meeting. Mr. Faba’s work focused on communications and the operation of special offices. Dr. Tom is reporting to the Premier and to his public service colleagues on the results of the trip, and planning with them the next steps in the twinning relationship.

The final project for the Program on Governance in May 2000 was the visit by Premier Direko of the Free State with several colleagues to Saskatchewan. Again, the objective was to understand better the operation of Cabinet government, the role of a premier, the support that senior officials provide to elected officials, and the relationship with the provincial legislature and with the government caucus.

Fiscal and Planning and Budgeting Work

One of the Program’s primary areas of focus has been planning and budgeting and financial management. The Program’s understanding of the history and difficulties associated with budgeting and financial management in South Africa has grown through the many initiatives it has taken in this area, and discussions with both South Africans and Canadians involved in exchange visits. Some of this context is important background for understanding the specific projects the Program undertook.

In 1994 the newly elected government in South Africa inherited an approach to budgeting at the national level which, essentially, lacked a fiscal framework and was based on incremental adjustments to input budget categories. The price of apartheid was very high not only in human terms, but also in fiscal terms, and the new dispensation started with a very large overhang of public debt. Budgets were framed in standard-item categories (personnel, buildings, supplies and livestock, and the like), but not in terms of specific programs, the costs of which are only now beginning to become clear. Further, while South Africa had fairly modern computerized financial management systems (some of the same ones used in Canada), the human capital required to make effective use of these systems shrank considerably during the early stages of the transition to democracy, as many of the more highly skilled public servants took up the offer of severance packages and moved to the private sector. Finally, it appears as though the new dispensation inherited a budget process very different from what Canadians have become used to in recent

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years. In this particular process, budgeting was defined as a technical exercise, with political leadership providing general policy direction, but beyond that leaving much of the detailed policy/budget decision-making in the hands of bureaucrats.

This was the context in which new provinces were created and the process of budget reform began. In 1994 and 1995, the budget continued to be established nationally, with specific allocations of funds for provincial responsibilities determined by “functional committees” involving national and provincial ministers and senior officials. Gradually more responsibility for budgeting was transferred to the provinces, and by 1996 they were beginning to consider the questions of organizing and planning for budget decision-making themselves. As well, the serious difficulties in financial management were becoming very apparent.

The challenge of creating operating treasuries and budget processes was complicated by one additional very important factor. National government departments have major responsibilities for policy development and, during the term of office of President Mandela’s government, issued numerous policy white papers and took many decisions with respect to program reforms and enhancements. Many of these concerned areas such as health, education, and welfare, in which provinces are responsible for implementation. These new nationally-developed policy positions were generally broad in scope and very progressive. Generally as well, however, they were not coupled with assessments of the current costs of delivering programs or services, or the costs of the improvements to be implemented under the new policy directions. The new standards were passed along to provinces to implement, without being accompanied by the funding necessary for effective implementation. These so-called “unfunded mandates” came to represent an enormous budgetary problem for the provinces.

During 1995 and 1996, Dr. Johnson participated in several national workshops and many discussions with respect to budget reform. In October 1996, the Program sponsored with the national and provincial governments a major workshop on planning and budgeting. And by 1997, both requests for assistance, and the Program’s own understanding of the problems facing the provinces, had grown to the point that the Program decided to hire a Special Advisor on Planning and Budgeting. The first such Special Advisor was Anne Evans, an Assistant Deputy Minister of Finance in Ontario, whom the Government of Ontario agreed to second to the Program beginning in November 1997. She left the Program in April 1999, and was replaced by Harvey Sims, a consultant and former senior official of the Government of Canada. He left the Program in May of this year.
The Presidential Review Commission (PRC)

Readers will be aware that during 1996 the Government of South Africa established a Presidential Review Commission with a mandate to review the organization and transformation of the country’s public service, and provide advice to government on these matters. The Government of Canada provided financial support to the PRC through the Program, and Dr. Johnson was appointed one of the PRC’s four foreign commissioners by President Mandela.

The first phase of the PRC’s work, during 1996 and early 1997, was characterized by organizational and management difficulties. Then, in 1997, a new Chair of the Commission was appointed, and in June of that year, he asked Dr. Johnson to lead a Commission task force to examine planning and budgeting and financial administration. Dr. Johnson and the Program’s professional staff agreed to participate, and for the next several months Dr. Johnson, Rosemary Proctor, Anne Evans, and Project Director Keith Ogilvie worked nearly full-time at this task.

Over the months of its involvement with the PRC, the Program prepared a substantial report on planning and budgeting and financial management in South Africa, with recommendations directed towards improving the quality of financial information and financial management, as well as enhancing the process of direct ministerial engagement in the budgeting process. The Commission published its final report in May 1998; this included, under separate cover, the Program’s report on planning and budgeting.

The lessons learned as a result of the Program’s participation in the work of the PRC are reviewed in the final section of this paper.

Financial and Fiscal Commission (FFC)

The Financial and Fiscal Commission is a body established under the Constitution of South Africa with a mandate to make recommendations to the national and provincial governments regarding the allocation of nationally-raised revenue among the different levels of government. The working relationship between the Program and the FFC started in 1995.

Early in 1998 the FFC approached the Program with a request for long-term assistance in a number of its priority areas, including the development of improved formulae to govern the allocation of revenues among the different levels of government. The Program conducted an extensive search for a Canadian with the requisite skills and experience who would be willing to work with the FFC for a year, and finally identified Ron Neumann, Director of Intergovernmental Fiscal Relations with the Government of Manitoba, as a person ideally suited to take on this assignment. The Government of Manitoba agreed to second Mr. Neumann to IDRC for a year, and he started his work with the FFC in October 1998.

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Over the next several months, Mr. Neumann played a lead role in developing the FFC’s work plan, including most particularly that for a major program called Project 2001. This was to be a review of the entire body of the FFC’s work to date coupled with proposed new and improved formulae which could underpin intergovernmental fiscal transfers. Working with the FFC staff and Commissioners, Mr. Neumann developed the terms of reference for the project, helped secure approval of the plans through a series of FFC regional and steering committee meetings, kept key stakeholders including the Budget Council apprised of the initiative, recruited an international team of experts to undertake the required new research, and developed the detailed work plans and schedules needed to support the project.

The entire project team including the international experts met in South Africa three times, in May, August and November 1999. In addition to Mr. Neumann, the team included two other Canadian experts on intergovernmental fiscal relations – Dr. Al Johnson, and Dr. Robin Boadway of Queen’s University. It developed proposals for a fiscal needs/fiscal capacity based approach to revenue sharing which breaks new ground, and put the FFC on the leading edge of developments in the field of fiscal transfers. The team’s final report was endorsed by the FFC and principal stakeholders over a four-month period ending in March 2000; its analysis and recommendations formed the core of the report which the FFC presented to Parliament in April 2000. In late May, the National Assembly endorsed the approach and recommended it to government.

Mr. Neumann’s full-time assignment with the FFC ended in August 1999, and he returned to Manitoba in early September of last year. With the consent of the Government of Manitoba, however, he continued his involvement with this work on a part-time basis, which included his making two trips back to South Africa on FFC business in the latter part of 1999. The Government of Manitoba also made the services of Mr. Michael Rennie available to the FFC for five weeks in early 2000, to help it edit Project 2001’s report to Parliament and to manage a number of the communications and logistical aspects of the project.

The contributions of Mr. Neumann and the other Canadian experts to Project 2001 have been recognized by the Commission as being outstanding. This project stands out as a huge success story for the Program.

National Departments

Responding to a request in early 1998 from the national Department of State Expenditure, Anne Evans prepared a paper on the form of budget estimates and provided it to the department. Later in the year, the national Department of Finance’s Mr. Leslie Maasdorp requested advice from the Program on how to create an expenditure-review function within the department. Rosemary Proctor and Anne Evans discussed with him possible approaches to and the pre-requisites for successful program reviews, and various design considerations. National Finance
also requested that the Program arrange for Mr. Fred Gorbet, former Deputy Minister of Finance of the Government of Canada, to participate in a review and round table on the reform of the regulatory regime governing South African financial institutions. This review took place in March and April 1999, during which period Mr. Gorbet spent several days in South Africa engaged in discussions with officials and other international experts.

Planning and Budgeting Initiatives with Provincial Governments

Much but not all of the planning and budgeting work undertaken by the Program since early 1998 with the various provincial Finance Departments has been done within the context of the Program’s formal twinning arrangements.

The Eastern Cape

The Eastern Cape began requesting assistance in this area in the latter part of 1998, but it took until early 1999 to arrange for the particular kinds of support Eastern Cape officials were looking for. The province of British Columbia was able to provide substantial assistance with respect to other requests from Eastern Cape, in both the centre of government and the Department of Transportation. But it was unable to identify people in the finance and audit areas who could be spared or were suitable for assignments in South Africa. In lieu of assistance from B. C., the Program turned to other sources of expertise.

The Program’s first project here involved bringing consultant and former federal Assistant Auditor General, Len McGimpsey, to the Eastern Cape for four weeks in January and February 1999, to assess the province’s existing internal audit function and to make recommendations on the proposed structure, functions, and operating principles of the new audit unit which was to be established in the Premier’s Department.

Following planning with the Eastern Cape’s Department of Finance by Harvey Sims, in April 1999, the Program placed consultant Doug Allen, a former Deputy Minister in the Government of British Columbia, in the Department of Finance and Provincial Expenditure (DFPE), on a seven-week assignment to provide help on energizing the process of awarding a major contract for upgrades to the financial management system, developing new Treasury regulations, putting in place new performance agreements for senior staff, and a number of other specific issues. Mr. Allen’s visit was followed by a two-week visit in October 1999 by his business partner Ms. Catherine Holt, a former Assistant Cabinet Secretary in B. C. Ms. Holt provided advice on the organizational and planning issues DFPE needed to focus on, to get ready to assume the expanded responsibilities which the new Public Finance Management Act (PFMA) places on all provincial Departments of Finance effective April 1, 2000.

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Mr. Allen’s work also led directly to a month-long study and training visit to B. C. in November and early December 1999 by Pieter Venter, the Eastern Cape’s financial controller. Mr. Venter was hosted by B. C.’s Comptroller’s Department, where he examined financial systems and controls and a variety of management and training issues. He identified a number of ways in which B. C.’s financial management training techniques could be of assistance in the Eastern Cape.

Harvey Sims and the senior officers of the Finance Department then assessed and planned the next stage in the work. This comprised a four-week visit to DFPE early this year by Elaine McKnight of B. C.’s Comptroller’s Department, who gave advice on how to construct training modules, and provided training to those persons in the individual Eastern Cape departments responsible for financial management training. Ms. McKnight was accompanied by Mr. William Bell, Assistant Deputy Minister for Corporate and Ministry Support Services in B. C.’s Ministry of Finance and Corporate Relations, who advised staffing officers in DFPE how to expedite the hiring of the large number of new personnel which the rapidly expanding DFPE requires, and prepared a staffing guide for them. Mr. Bell also reviewed DFPE’s current Human Resource Plan, and developed a five-year strategic plan to guide the department’s human resources development. He provided advice as well on several other related issues. Mr. Allen joined Ms. McKnight and Mr. Bell in the Eastern Cape for the first three weeks they were there, to provide further advice to DFPE on issues flowing principally from the introduction of the PFMA. His work dealt with how DFPE’s new Capital Planning and Control Division should function, what the role of the department’s new Risk Management Section should be, how its Expenditure Control Division should assume and manage its new responsibilities for public entities in the province, and how the province’s proposed new Statistical Unit might best be structured.

The Program’s planning and budgeting work with the Eastern Cape has picked up considerable momentum as the Program has drawn to a close. The key contact in DFPE, Deputy Permanent Secretary Jos te Braake, has expressed a strong desire to maintain and build upon the relationship now established between DFPE and B. C. Finance officials. He hopes that he will be able to visit B. C. himself in the near future, both to further his own professional development, and to establish the direct contacts with B. C. officials which he feels are necessary to sustain the relationship.

KwaZulu-Natal

The Program had long been concerned about the lack of support being provided to the province of KwaZulu-Natal. The situation with respect to KwaZulu-Natal had been awkward politically, given that the government was led by the Inkatha Freedom Party in coalition with the ANC, and given the undertones of separatism which characterized the province in the early years.
of the new dispensation. Over time, however, the political difficulties eased, and the Program began to consider ways and means of assisting the province.

In this regard, the Program approached the province of Ontario informally, to request that it consider helping with projects in provinces other than Gauteng, where the twinning relationship was very slow to develop. Ontario’s Secretary of Cabinet had been and remains very supportive of the Program and its work in South Africa, and it became understood that Ontario would consider specific requests for assistance.

An initial contact with KwaZulu Natal was made in the latter part of 1998 when the province’s MEC for Finance and Local Government, Peter Miller, made a short visit to Toronto. During that visit he examined Ontario’s budget process and a number of local government issues.

In September 1999, Mr. Sipho Shabalala, the Head of the KwaZulu-Natal Department of Finance, approached the Program for assistance. Like his counterparts in several other provincial Finance departments, he was concerned about the implications of the Public Finance Management Act, not only for his own department, but for financial managers in line departments in the province. He requested that the Program provide advice, and exposure to best practices in Canada.

The Program first brought Eric Rosenhek, Manitoba’s comptroller, to KwaZulu-Natal. Mr. Rosenhek’s professional expertise, and the fact that he has been extensively involved with the North West-Manitoba planning and budgeting work (see below) made him the ideal person in our view to make a “diagnostic” visit to KwaZulu-Natal and assess how best the Programme might provide help. Harvey Sims and Mr. Rosenhek spent a week in October with KwaZulu-Natal officials. On the basis of this visit, Mr. Rosenhek wrote an overview paper on financial management which he provided to them, and contributed to the planning for the next steps in this project. Harvey Sims developed the next stage of the work with Ontario officials.

Those next steps began with a two-week study visit to Canada in November and December, for four KwaZulu-Natal Finance officials, and one official from each of the province’s Education and Health Departments. The delegation was headed by Mr. Vishnu Naicker, KwaZulu-Natal’s Chief Director for Financial Management and its Accountant General. The delegation did most of its work in Ontario. Ontario’s Department of Finance took the lead in putting together a program covering a range of financial management and budgeting practices and issues, from both central agency and line department perspectives. Mr. Rosenhek had also invited the KwaZulu-Natal Finance officials to Manitoba to examine particular systems and practices there; the four Finance officials spent the last two days of their visit to Canada in Winnipeg.

Following that visit, Mr. Shabalala requested that the Program bring Canadian experts to KwaZulu-Natal to: advise on the steps required to move the province’s accounting system from a
cash to a modified cash basis; do a critical assessment of its internal audit procedures; and do a critical review of its procurement system. In response to this request, the Program arranged to bring three Ontario government officials to KwaZulu-Natal in February-March. Mr. Rob Siddall, Ontario’s Comptroller, came for a week to provide advice on accounting-system issues. Ms. Julie Wood of the Department of Health came for three weeks to handle the internal audit project, while Ms. Agatha Garcia-Wright also spent three weeks here working on the procurement system issues.

While the Ontario delegation was in KwaZulu–Natal, Mr. Naicker was appointed the province’s Head of Internal Audit. He and Mr. Shabalala asked the Program if it could arrange a study visit for him to Ontario, to examine internal audit practices and procedures there. Ontario officials were very receptive to the idea; the visit occurred during the first two weeks of April.

Mr. Shabalala has expressed his pleasure with the work done under the auspices of the Program, and hopes that the successor program will have the flexibility to enable his department to maintain and build upon the relationship it has established with the Government of Ontario.

Mpumalanga

Almost all of the planning and budgeting work with Mpumalanga occurred under the aegis of the Mpumalanga-Alberta twinning agreement. The engagement of Alberta's Finance Department in the twinning relationship started in 1996, when the department’s Deputy Minister Al O’Brien participated in the planning and budgeting workshop in South Africa. In response to subsequent requests from the Premier’s Office in Mpumalanga for assistance in this area, Dr. Johnson and Rosemary Proctor encouraged the Alberta Finance Department to become actively involved in the twinning arrangement. The necessary senior commitment to assisting Mpumalanga came following a visit to the province in January 1998 by Alberta MPP Mr. Shiraz Sharif and the province’s Chief of Protocol Mr. Rory Campbell.

In early 1998, Program staff and Alberta officials began planning for a month-long study visit to Canada for Mpumalanga Department of Finance officials, and financial administrators from several of the province’s line departments. Alberta’s Comptroller, Mr. Jim Peters, visited Mpumalanga in mid-August of that year for two weeks, in order to increase his understanding of the situation and the problems in Mpumalanga, and his ability to provide guidance to the Alberta officials with whom the South Africans would be working. In mid-September 12 Mpumalanga officials, six from the Department of Finance, six from other departments, traveled to Edmonton. The delegation was lead by Mr. Hamlet Mona, Acting Chief Director, Department of Finance. The officials’ work included a specially-designed six-day course at the University of Alberta, and placements for three weeks in various departments of the Government of Alberta. As part of the visit, they all prepared reports on topics such as business planning, performance measurement,
and the budget process, which were intended to help them focus on problems in Mpumalanga and what might be done about them.

In October 1998 Alberta’s Minister of Finance, Stockwell Day, visited Mpumalanga, in part to reinforce the twinning agreement in general and planning and budgeting work specifically. Subsequently, from late October until late November, the Alberta officials with whom the South Africans had been “paired” in Edmonton each spent two weeks on follow-up visits to departments in Mpumalanga.

While this was occurring, Mr. Tom Forgrave, a former Assistant Deputy Minister in the Alberta Ministry of Municipal Affairs, completed a three-month project with the Mpumalanga Department of Local Government. The purpose of this project was to assess the Department’s approach to working on financial issues with local governments, and to advise provincial staff on how to provide financial management training to local government officials.

As well, Alberta’s Auditor General, Mr. Peter Valentine, had volunteered to provide on-the-job training in the audit function in his department for a senior Mpumalanga official, for a period of up to a year. Planning for that intern visit was well underway.

It seemed at the time that these exchanges and projects had been successful to a greater or lesser extent, or held out the promise of success, and that there was substantial momentum on which to build. This impression was reinforced when the MEC of Finance, Mr. Lassy Chiwayo, and his Head of Department, Mr. Sam Cronje, expressed their desire to examine budget processes and a range of related issues in Canada. The Program accordingly arranged a two-week visit for Mr. Cronje to Alberta (one week), Saskatchewan (three days) and Ottawa (two days); MEC Chiwayo joined Mr. Cronje for the session in Saskatchewan and two of the days in Alberta. These visits occurred in April 1999.

Unfortunately, a political crisis flared in Mpumalanga just at this time. In the fallout, Mr. Cronje lost his job— he was in fact fired while he was in Canada. Shortly afterwards, Mr. Chiwayo was replaced as the MEC for Finance. As far as Program staff could learn, government processes in Mpumalanga then became subject to considerable confusion. The momentum in the planning and budgeting work was lost.

In an effort to re-establish it and identify specific ways of moving the work forward, the Program hosted a two-day retreat in Muldersdrift in July 1999, for the Mpumalanga officials who had visited Alberta in 1998. The working sessions were co-chaired by Mr. Chiwayo; Alberta’s Comptroller Jim Peters and Intergovernmental Affairs official Rockford Lang participated as well. The Mpumalanga officials seemed very interested and excited by the prospect of resuming planning and budgeting work with Alberta, and undertook to write a paper setting out for their

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Premier and MECs the usefulness of the previous work carried out under the exchanges. Mr. Peters and Mr. Lang traveled to Mpumalanga after the retreat, paid a courtesy visit to the new Premier, and expressed Alberta’s willingness and desire to build the relationship.

Despite this, however, nothing further has happened, and in fact, Program staff and Alberta officials both have lost contact with Mpumalanga officials. The abrupt ending of a process and a relationship in which Alberta and the Program had each made considerable investments, represents the single largest disappointment in this aspect of the Program’s work.

North West

Late in 1997, a team of seven Manitoba officials headed by Comptroller Eric Rosenhek, all of whom had planning and budgeting responsibilities within their various departments, visited the North West for four weeks, to provide advice on financial management and control to their counterpart officials. The Executive Council of the North West endorsed many of the recommendations for improvements to financial administration which the Manitoba officials made, and began to implement some of them early in 1998. In addition, Anne Evans was invited to participate in the work of the Medium-Term Expenditure Framework Task Team, a steering committee of senior officials drawn mainly from the Treasury and the Premier’s Department, and charged with the responsibility of integrating planning and budgeting in the province’s budget process.

In August and September 1998, a delegation of nine North West officials led by Mr. Phineas Tjie, the Head of Finance, and Mr. Ernst van Wyk, the Head of Treasury, and including senior financial and planning officers of five other departments, visited Manitoba on a three-week study visit. These officials were assigned to work in the Treasury Board Secretariat and various operating departments, in order to learn how the budget process and financial management systems in Manitoba operate.

These exchanges and the ongoing work of Anne Evans had led to the identification of several discrete planning and budgeting projects which the North West seemed very interested in pursuing, and for which Manitoba stood ready to provide assistance. These included a project aimed at upgrading the skills of the budget analysts in the North West’s Finance department. The proposal here was to send two or three of these officials to Manitoba’s Treasury Board Secretariat for a period of up to three months, where they would work as Treasury Board analysts and acquire the skills demanded by that kind of work. The possible projects also included work to upgrade the North West’s public accounts, training for North West financial managers to enable them to better exploit the reporting capabilities of the province’s financial system, and advice on how to implement a centralized payments system in the province.

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Harvey Sims replaced Anne Evans on the Medium-Term Expenditure Framework Task Team in March 1999, and tried at the same time to move the various proposed projects forward. For reasons which remain unclear, the interest which North West Finance officials had expressed earlier in these projects waned for some time. With respect to the Task Team, it quickly became evident that Treasury officials were reluctant to have officials from the Premier’s Department and other departments engaged as important partners with them in driving the budget process. Harvey Sims prepared a generic paper on the budget process and provided it to North West officials, in an effort to help resolve the impasse at which the Task Team had arrived. The paper appeared to have been well received and indeed accepted as a basis on which the work of the Task Team could proceed. This turned out not to be the case, however. Only two meetings of the Task Team were held after April 1999, before its work was discontinued.

We noted above that Manitoba Comptroller Eric Rosenhek visited KwaZulu-Natal in October 1999. We took advantage of his presence in South Africa to have him visit the North West, to see whether he might be able to re-energize the North West/Manitoba planning and budgeting work. Coincidentally, he arrived just as North West Finance officials were doing their initial planning on how to implement a centralized payments system. Mr. Rosenhek provided valuable on-the-spot advice. One of the results of this was that he was requested to return to the North West, to provide further advice and support at a later stage of the centralized payments system project. He returned for three weeks beginning in late February 2000 to do this, helping finalize the required business plan for submission to the Cabinet, and working on other design issues.

This particular planning and budgeting relationship has had its successes. It has also had its failures, most notably the inability to maintain momentum following the November 1997 visit of the Manitoba delegation to the North West, and the return visit to Manitoba some nine months later. At this point, it appears as though the North West Department of Finance’s earlier interest in pursuing priority projects with colleagues in Manitoba has been rekindled. As well, the province in the future look for advice from Manitoba in developing a plan on how to best exploit the very long runway at Mafikeng International Airport.

**Northern Cape**

In early 1998, the Northern Cape’s MEC for Finance, Mr. G. Akharwaray, expressed interest in receiving planning and budgeting support from the Program. Anne Evans discussed this with him, and agreed to act as a strategic advisor to him and to senior members of his staff on issues related to the budgetary process and the management of current-year budgetary shortfalls. She began this work in mid-1998. That October, she participated as a member of the provincial Medium-Term Expenditure Committee which was chaired by Mr. Akharwaray, in a week-long review of the medium-term spending proposals of all of the province’s departments.

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The close relationship between the Program and Mr. Akharwaray, in terms of the provision of strategic advice on a regular basis, ended with the departure of Anne Evans in April 1999. The Program had thought that in light of the full-time support being provided by Swedish SIDA to the department with respect to improving budgeting practices, that there might be no further interest in any involvement with the Program. However, when Harvey Sims visited the province in July 1999, he learned from senior budget officials that they were eager to work on a project jointly with New Brunswick Department of Finance officials (Northern Cape and New Brunswick have a formal twinning agreement). Specifically, they wanted New Brunswick to send a budget analyst to the Northern Cape during the 1999 Medium-Term Expenditure Committee hearings, to assess the quality of the advice which Northern Cape budget officials were providing during the budget process, then follow this with a visit of a team of Northern Cape budget officials to New Brunswick, to see how their counterparts there did their jobs.

New Brunswick sent former Finance official Mary McDonald to the Northern Cape to help carry out the first stage in the process. She and Harvey Sims spent four days in mid-October with budget analysts there, noting strengths and weaknesses. As it turned out, the Medium-Term Expenditure Committee hearings were postponed two weeks, and Ms. McDonald was not able to participate in them. Rosemary Proctor sat in on those meetings at the request of Mr. Akharwaray. Subsequently, she and Harvey Sims prepared a report covering all aspects of the budget process (including its analytical underpinnings) that they had observed, and provided it to Mr. Akharwaray and his senior officials.

The New Brunswick Department of Finance had agreed to host a study visit for Northern Cape budget analysts in March 2000. Unfortunately, and for reasons which are not clear, Mr. Akharwaray vetoed the proposed visit by his officials. In light of this, it seems unlikely that any relationship between the Departments of Finance of New Brunswick and the Northern Cape will be established in the near future.

Gauteng and the Free State

In the process of assessing the needs of South African provinces for assistance with planning and budgeting, Program staff also consulted with senior officials in Gauteng and the Free State. It was clear from those conversations that Gauteng's Finance Department did not need donor assistance. It is one of the strongest Finance Departments in the country, and provides assistance itself to counterpart departments in other provinces. With respect to the Free State, senior finance and treasury officials had visited Saskatchewan in 1996, but it seemed clear that they had not been able to build upon what they had learned, and there appeared to be little opportunity for the Program to pursue planning and budgeting initiatives further with the Free State.

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Constitutional Affairs

The Program was very actively engaged in this area for several months during 1998. This began in response to a request from the Department of Constitutional Affairs, that the Program put together a seminar on strategic intergovernmental issues for the senior staff of the department. Dr. Johnson and Rosemary Proctor prepared the seminar and delivered it in April. It stimulated an excellent discussion on the responsibility of the Constitutional Affairs for helping the national and provincial governments assume their roles as defined in the South African Constitution.

As a result of the success of this seminar, the department asked the Program to participate in a second workshop held in May. This one focused on a series of issues involving both the national and provincial governments; the Directors General of six of the nine South African provinces attended it.

At this point Constitutional affairs requested a continued and structured relationship with the Program, in order to explore a range of intergovernmental issues on an ongoing basis with Program staff. Dr. Johnson and Rosemary Proctor began these discussions with departmental staff in July, focusing on the question of what role the department should play in terms of developing provincial government capacity.

At that time Constitutional Affairs was planning to sponsor a major national conference on provincial government in November 1998. It asked for the Program's help in putting together the list of topics which the conference should examine. However, the conference was postponed until March 1999. As well, the senior official within the department with whom the Program was in the closest contact and with whom it was doing much of its work, resigned to take a job with a local government.

In early 1999, another senior official of the department made informal overtures to see whether the Program would provide longer-term support along the lines of the assistance given to the FFC. However, further conversations indicated that the main focus of the work for which help was being sought would be the "monitoring" of provincial performance. (Other national departments such as Finance and DPSA also see the monitoring of provinces as part of their responsibilities.) From the Program's perspective, however, this did not appear to be an effective way of building capacity within provincial governments, and the matter was not pursued.

Legislatures

When the provincial legislatures were set up as brand new institutions, the rationale for supporting them seemed obvious, and the Program started providing various forms of assistance
in 1995. Subsequently it sponsored a number of study tours, organized by the Parliamentary Centre in Ottawa, to the Canadian House of Commons and to several provincial Legislatures. South African members of provincial Legislatures as well as legislative staff participated in these visits.

Over time, however, it became apparent that these visits were not addressing a number of concerns of particular interest to South Africans – for example, the process through which legislation is actually developed within the executive branch of government and moved into and through a Legislature, the scope for public participation and involvement with a Legislature, the most effective ways to train staff who have had no experience with legislative processes.

It also became apparent over time that the Canadian legislative model is quite different from the South African system which was developing, and thus was of somewhat less direct relevance than we had initially supposed. For example, the South African Constitution gives extensive legislative powers to the provinces, and the power of legislative over-ride to the national Parliament. But the practice has been that provinces seldom initiate their own legislation, and rather await the passage of national bills. A few members of provincial Legislatures would like to encourage a more active legislative process, but generally the Legislatures seem to consider the “oversight” role as their main purpose. Another complication arose when South Africa’s final Constitution established the National Council of Provinces, modeled on German institutions, as a vehicle to bring provincial perspectives and input to bear on all national legislation affecting the provinces. Consideration of the impacts of national legislation, and the provision of support to NCOP processes, have become major aspects of the work of the provincial Legislatures.

In this context, the second phase of Program support focused on the Gauteng Legislature, which continued to request our assistance on a series of issues. We undertook these projects not only to help Gauteng, but in the hope that the results of the work would prove to be of applicability and usefulness to provincial Legislatures generally.

Gauteng

Responding to a request in early 1998 from the Cabinet of Gauteng, the Program hired Mr. Gordon Barnhart, former Clerk of the Saskatchewan Legislature and Clerk of the Senate, to examine the idea of establishing an oral question period based at least notionally on the Westminster model. Following the completion of his background research in Canada, Mr. Barnhart spent three weeks in South Africa in May 1998, interviewing MECs, Whips (government and opposition), and staff in both the executive and legislative branches of the Gauteng government. He completed his report and sent it to the Government House Leader at the end of May 1998. The report examined then-current practices in the management of written questions, the political dynamics surrounding the implementation of an oral question period, the level of
interest and support within the government itself in instituting such a process, and a number of related questions. It concluded that there was substantial interest in taking this step, and potential advantages to the government in terms of its ability to point to increased transparency in its operations. However, neither the Government of Gauteng which received the report, nor the government formed after the June 1999 elections, acted on Mr. Barnhart’s report. It should be noted that a decision to introduce an oral question period in a provincial legislature would have significant implications beyond the province of Gauteng; the report moved into the realm of this discussion, and there has been no subsequent follow-up.

In April 1998 the Gauteng Cabinet asked the Program to organize and facilitate a workshop with members of Cabinet on the topics of the executive’s role in developing legislation, and how to manage the legislative process. The Program agreed to prepare the workshop based on the legislative processes of several different governments, including the Government of Canada and two Canadian provincial governments. Difficulties within Gauteng forced the postponement of the workshop. However, based on the work it had already done the Program prepared a report on comparative models of the legislative process and options for the Gauteng Cabinet to consider. Little further resulted from this effort.

Later in the year, however, the then Speaker of the Gauteng Legislature, Mr. Trevor Fowler, asked the Program to design and facilitate a workshop for members of the Cabinet, the Legislature, and local councillors. The purpose of the workshop was to explore the achievements of the Legislature since its establishment in 1994, and to develop suggestions to improve its operations in preparation for its second term beginning after the forthcoming elections. In addition to preparing a background paper on the role of provincial Legislatures and providing a guest speaker (former Ontario MPP Ross MacClellan), the Program arranged for the transcription of the workshop proceedings and prepared its final report and recommendations.

Following the 1999 elections, another project – the work with the Gauteng Legislature’s Public Participation and Petitions Office – also resurfaced. The Legislature’s Director of Operations requested the Program’s assistance in evaluating the Office, as well as the petitions process, with a view to taking decisions within the Legislature to ensure the permanence of the Office and its work.

Rosemary Proctor agreed to assist with this work, on the condition that a structured steering committee be established to provide direction – she would participate with and through the steering committee. The committee tendered a terms of reference for an evaluation study, and reviewed three proposals. Program funding was made conditional upon the Legislature’s receiving and approving a report from the research team. The report was finished in late 1999, and the Speaker of the Legislature established a committee to plan for the implementation of its recommendations.
Finally in Gauteng, the Program received a request from the Legislature to help provide training for legislative staff, particularly for committee coordinators who were regarded as being underutilized. The Program agreed to help, and hired Gordon Barnhart to come to Johannesburg in late November 1999 to develop a training program for the staff. The unavailability at the last moment of the Legislature’s Director of Operations forced the cancellation of Mr. Barnhart’s visit. However, working from Canada he prepared an excellent training guide which is generic in nature.

Mpumalanga

In the latter part of 1998, the Program organized a study visit to Alberta for the newly appointed Speaker of the Mpumalanga Legislature, Mr. William Lubisi and five of his senior officials. The Mpumalanga Legislature was at the time experiencing severe financial and management problems. The purpose of the visit, which took place in November, was for the Mpumalanga officials to examine a number of aspects of the operation of the Alberta Legislature and Office of the Speaker – administrative and financial management systems and controls; human resource management and development; research and legal support; legislative rules and processes; and communications practices. The hope was that the South Africans would be able to apply what they learned in Alberta and improve the operating practices of their own Legislature.

Unfortunately, the Mpumalanga Legislature remained plagued with problems. In late 1999, the Program received a further request from Speaker Lubisi for assistance along the lines of his previous request. In light of the apparent political and bureaucratic turmoil in the province, the Program felt unable to respond to this request with much enthusiasm. Nevertheless, it forwarded the request to Alberta, which expressed interest and tried to communicate directly with Speaker Lubisi to define and develop an appropriate intervention. This effort failed.

North West

The North West Legislature’s Public Accounts Committee made information/research visits to the Parliament in Ottawa and the Manitoba Legislature in April 1998. While the cost of travel and accommodation were borne by the Committee itself, the Program put considerable time into organizing the visit. It also contracted with the Institute on Governance to handle the logistical arrangements of the delegation’s visit to Ottawa.

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Services Delivery

The Program has undertaken a number of different projects with both national departments and provincial governments, aimed in various ways at strengthening the capacity of South African governments to deliver services to citizens.

National Departments

Department of Public Service and Administration (DPSA)

After extensive discussions that began in 1997, the Program sponsored a one-week study visit to Canada for seven DPSA officials working in the areas of human resources policy, employment equity, labour relations, conditions of service, and administrative policy. The DPSA delegation was led by Ms. N. Majola-Pikoli, Chief Director of Human Resources Management. It visited both Ottawa, where the Institute on Governance planned and coordinated the visit, and Toronto, where it met with officials of the Ontario government.

This study visit was followed by a series of conversations between DPSA officials and Rosemary Proctor. The officials were enthusiastic about what they had learned in Canada, and wished to promote greater active engagement by South African senior executives in human resources management, especially at the provincial level. The approach they proposed was a conference of Directors General and human resource directors. The Program agreed to sponsor a Canadian speaker, but not to fund the conference itself. However, DPSA’s plans did not bear fruit before the June 1999 election.

Following the election, the DPSA officials requested long-term Program assistance in developing a plan for the training of senior executives in the public service (nationally and provincially) of South Africa. They requested that the Program support a study visit to the Canadian Center for Management Development (CCMD) in Ottawa, and follow-up assistance from CCMD with the design of their implementation plans. CCMD very readily agreed to assist in this effort, and began to make plans for a study visit. However, DPSA was also in the middle of a reorganization and reassignment of senior executives at the time these discussions were occurring. The officials concerned were unable to secure the written approval of their Minister for the visit and it was postponed indefinitely. The Program has not attempted to renew this contact.

Public Works South Africa (PWSA)

In April and May 1998, the Program sponsored a three-week study visit to Public Works and Government Services Canada (PWGSC) by PWSA’s newly appointed Director of Internal Audit, Mr. Sam Molautsi, and a five-week visit to the same department by PWSA’s Chief
Director for Asset Procurement and Operating Partnerships, Mr. Killian Matsipa. The programs for these visits covered audit and review processes and a range of issues associated with real property management including private/public partnering, project management, risk management and program development.

These visits were followed by a return visit to South Africa by PWGSC’s Director of Supply and Real Property Review, Mr. Steve Turner, on a two-week project in November 1998. Mr. Turner consulted with internal audit officials in PWSA and prepared recommendations on financial management and control. Then in May 1999 two senior PWSA officials, Chief Director Ms. Baba Botha and Director of the Director General’s Office Mr. Himnal Mthembu, visited their counterparts in Ottawa for two weeks. The purpose of their visit was to examine strategic planning and the linkage of performance contracts with departmental business plans, and the particular problems associated with ensuring effective planning in a large decentralized department.

Although the South Africans expressed considerable interest in following up these exchanges with further work with its twinned partner in Canada, this did not in the event prove to be possible.

South African Management Development Institute (SAMDI)

In late 1999, Mr. Job Mokgoro, Director General of the North West Province, was appointed head of SAMDI with a mandate to transform and strengthen it, in the process turning it into the South African equivalent of a special operating agency. He asked the Program to arrange a study visit for him to Canada, to help him prepare to take on his new responsibilities. This visit occurred in late November and early December. Mr. Mokgoro first met with CCMD officials in Ottawa. While in Ottawa he also met with Mr. Jim Mitchell, consultant and former senior Privy Council Office official. He then visited Manitoba to explore in particular that province’s experience with special operating agencies. Mr. Mokgoro has expressed interested in continued support from CCMD, and has been referred to the Canadian High Commission.

Eastern Cape

British Columbia’s Superintendent of Motor Vehicles Mr. Mark Medgysei, an expert in transportation operations including traffic and highway safety campaigns, worked for four weeks in the Eastern Cape beginning in mid-September 1998. He undertook assessments of the Traffic Safety and Traffic Control Directorates of the Department of Transport, and of general management issues in the department. His report to the department’s senior management team made recommendations on departmental priorities, human resource development, and a variety of other issues.
Beginning his work in the Eastern Cape at the same time as Mr. Medgysei, Mr. Michael MacDougall, Director of Vehicle Management Services in B. C.'s Ministry of Finance and Corporate Relations, spent two months helping the Department of Transport improve its management of the province's vehicle fleet, and reviewing the four government-owned vehicle repair facilities. His report to the department's senior managers focused on the critical first steps the department needed to take in order to restructure itself effectively.

Free State

In early 1998 Ms. Wynne Young, the Chair of Saskatchewan's Public Service Commission visited the Free State to provide advice on issues relating to the development and maintenance of a professional civil service. She was accompanied by Ms. Carol Klassen of Saskatchewan's Ministry of Health, who provided advice on health policy and associated service-delivery issues. Some follow-up to these visits was expected to occur, particularly in the areas of health and social policy.

A long hiatus ensued, however, to a considerable extent because of an extensive and time-consuming reorganization of Saskatchewan's Executive Council Office which absorbed the attention of the Program’s coordinator there. It was not until October 1999 that the first substantive next steps were taken. In that month a group of four officials and a consultant from the Free State’s Department of Social Welfare and Health, led by Director of Administrative Support Mr. W. Linstrom, visited Saskatchewan. There they examined social-welfare-delivery issues, financial-management systems and issues involved in changing those systems, and policy-development and decision-making processes.

In March 2000 a delegation of Saskatchewan officials led by Ms. Lynn Minja and consisting mainly of officials from the Department of Agriculture, visited the Free State. Their purpose was to explore in general terms the scope for carrying on work between the Free State and Saskatchewan once this Program concluded its activities, and more specifically to prepare for possible future visits to Saskatchewan by one delegation of MECs and senior officials led by Premier Ms. Winkie Direko, and a second comprised of officials of the Free State’s Department of Agriculture.

Mpumalanga

In November 1998 a four-person delegation of Mpumalangan social services officials led by Ms. Pinky Phosa, Assistant Director of the Street Children Program, made a one-week study visit to Alberta. The purpose of the visit was to enable them to examine: how Alberta develops and implements policies and programs for women, the disabled, youth, and other minority groups; the relation between the government on the one hand, and the NGOs which deliver the programs
on the other; and special projects for street children, alcoholics, prostitutes, and people with HIV/AIDS.

North West

In April 1999 two Manitoba officials – Mr. Herb Robertson of the Civil Service Commission and Mr. John Cumberford of Service First Initiatives – visited the North West. Mr. Robertson worked with the Directorate on Training and Development to help develop a strategic plan to guide the province’s training efforts. At the request of the responsible MEC, Mr. Cumberford reviewed the organizational features of the province’s approach to trying to transform the public service, and also assessed the work being done for the province by a South African consultant on transformation issues.

Northern Cape

Several initiatives in the area of services delivery have been undertaken with this province.

The Northern Cape’s One Stop Service Delivery (OSSD) project represents one of the Program’s most successful interventions in the area of support to services delivery. The OSSD initiative is an undertaking of great importance to the Northern Cape, and was endorsed in late 1999 by President Mbeki. The budget of the Northern Cape includes provisions for funding OSSD beginning April 1, 2000. Although Sweden provided much of the original funding for the project, it is New Brunswick’s model of service delivery which the Northern Cape adopted as the basis for OSSD, and it was New Brunswick’s contribution of expertise under the sponsorship of the Program which led to the development of the strategic and, in many instances, the detailed design of the OSSD system.

The Program sponsored a six-week visit beginning in March 1998 by Maggie Henderson-Davis of Service New Brunswick, to work with the OSSD project team preparing for the “roll-out” of Northern Cape’s first pilot facility. This was Ms. Henderson-Davis’ second visit to the Northern Cape in connection with this initiative, and her work contributed enormously to the successful opening of the first centre on May 12, 1998.

The next stage of this work involved a three-week visit to New Brunswick by two of the senior staff members of the Northern Cape OSSD implementation team, Mr. Bashir Fleming and Mr. Michael Ndlokovane. The purpose of this visit, which occurred in September-October 1998, was for these officials to learn more about the design and operation of the New Brunswick One-Stop Service Centres, and to increase their ability to operate the existing centre in the Northern Cape effectively and to plan for and open new centres. The two officials spent time with the staff
and managers of several New Brunswick centres, and also attended complementary management training programs at the University of New Brunswick.

Upon their return to the Northern Cape, they prepared a report for the Premier and the Cabinet recommending the appropriate next steps for the OSSD project. These included the establishment of a call centre in the existing service site, plus the expansion of two other “hub” locations into multi-service centres. In October 1999, Ms. Henderson-Davis returned to the Northern Cape to provide advice regarding a new OSSD centre in Uppington, and to assist with the training of OSSD staff. Ms. Henderson-Davis made a final visit to the Northern Cape to advise on the expansion of the OSSD project in March 2000.

This is the initiative in which the Director General of Northern Province is keen to collaborate with her colleagues in the Northern Cape as well as with New Brunswick.

A short-term services-delivery-related project was carried out in the Northern Cape in April 1998, when New Brunswick officials Ms. Laura Freeman of the Department of Health and Community Services, and Mr. Dale Wilson of the Department of Transport visited the Northern Cape’s Department of Health, Welfare and Environment. The purpose of their visit was to provide advice on service contracts and performance contracts in the newly decentralized administration. Although initial expectations were that there would be substantive follow-up to this visit, this did not occur.

On another project, the head of the Northern Cape’s Department of Agriculture, Mr. Marthinus Saunderson, and two of his colleagues, made a study visit to New Brunswick and Ottawa, to examine provincial and national agricultural services programming.

Finally, the Northern Cape’s MEC for Local Government and Housing Mr. O. P. Dikgetsi, and three of his officials, visited New Brunswick for a week in late 1998 to learn about: that province’s experience with local government reform; what kind of training is provided for local councillors and how that training is delivered; how the province monitors municipal performance; and issues relating to housing cooperatives and other housing associations, including how housing subsidies are distributed and monitored.

Early in 2000 the Northern Cape’s Local Government Department requested further assistance from New Brunswick to help prepare the Northern Cape officials for a local government demarcation exercise to be launched prior to local government elections in 2000. Assistant Deputy Minister Mike McKendy and former ADM Paul O’Connell visited the Northern Cape to assist with planning related to formulating new local government boundaries, the processes of local government reform and related questions. They found substantial communication problems and a lack of readiness to implement the nationally-directed reforms.

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Attrition and Difficulties in Planned Activities

Some of the previous sections have alluded to various chronic difficulties the Program has encountered in doing its work.

The Mpumalanga planning and budgeting work, for example, which started with such promise, foundered in a political storm which broke in the province in early 1999. Political problems in the Free State spelled the end of promising and substantive initial work on centre-of-government issues there. Recently, the Director General of Gauteng province has been redeployed to the national Commission for Corrections, leaving a vacancy in the centre of that province yet again. Political circumstances have affected our work in other ways as well. For instance, and by no means surprisingly, during the run-up to the June 1999 elections it proved to be almost impossible to pursue project ideas with either elected or appointed officials. Their attention was elsewhere.

We have also referred several times to the fact that follow-up activities which we expected to occur in response to initial exploratory conversations, or to a study visit, did not materialize, or happened only with a substantial time lag. This was never for want of effort on the part of the Program’s staff. It generally reflected some combination of factors – senior officials with whom the Program dealt changing jobs, forcing us to rebuild working relationships; the heavy workloads of senior South Africans which often forced the postponement of planning and of initiatives; major reorganizations of government structures or the calling of elections in Canadian provinces, which sometimes forced us to put plans on hold for months at a time; purely technical difficulties in communicating with South Africans in particular provinces (telephones and fax machines not working, email links down, telephones working but allowed to ring indefinitely without being answered, etc.); and South Africans simply changing their minds about what their priorities were.

For example, in mid-1999 the South African Revenue Service (SARS) approached us to learn what kind of assistance the Program provided, and seemed very interested in drawing on the expertise of Revenue Canada for work in a number of subject-matter areas. At about the same time, officials in the criminal justice sector responsible for the National Crime Prevention Strategy asked us to assist them in the business of budgeting for programs which cut across departmental lines.

In response to the SARS request, Revenue Canada willingly agreed to cooperate with SARS in whatever areas it wished to draw on Canadian experience and expertise. SARS subsequently proposed four different subjects on which it thought it could use Revenue Canada’s help, and Revenue Canada agreed in principle to provide this help. SARS then let the matter drop completely. SARS then asked on very short notice for an early December meeting between senior officials of Revenue Canada and SARS Commissioner Pravin Gordhan while Mr. Gordhan was...
visiting North America on other business; no sooner had we set that meeting up than SARS cancelled it.

With respect to the justice field request we identified the Assistant Secretary to the Treasury Board of Canada for Government Operations as the ideal person to advise on budgeting for the National Crime Prevention Strategy. He agreed to make a diagnostic visit to Pretoria in November 1999, and follow that up with another visit in early 2000 to present and discuss his recommendations. Two weeks before the November visit was to occur, senior personnel changes within the criminal justice sector led to a request from the officials we had been dealing with, that the visit be postponed and rescheduled. Shortly after that, they requested that we abandon the project entirely.

Program staff put a lot of time and effort into trying to respond in the best way possible to these requests, and others, which ultimately did not bear fruit. While these occurrences are disappointing for all concerned, they are fortunately the exception rather than the rule in the Program’s experience.

One other area of difficulty concerns the Program’s efforts to develop, within the focus areas, projects which build upon one another and address the systems and processes of governing as well as the management skills of the individuals involved. Work with the Eastern Cape’s finance department is a good example. But it has not always been possible to achieve this objective. In some cases, the South African province or department does not follow up the initial project (Eastern Cape’s transportation department, for example). In other cases, the Canadian province or department is able to host study visits but not to engage in reciprocal projects. This was the situation in the early years with CCMD, and is generally the situation with Saskatchewan.

Reflections

Has the Program “worked”?

The Program was conceived in 1993 as a particular contribution which the Government of Canada could make to support the transition to democracy in South Africa. Since the 1994 elections its core purpose has been to assist, within the terms of its mandate, the officials responsible for making the new institutions of democratic governance in this country work. The specific interventions which the Program has made over the seven years of its existence, the most recent of which we have described above, can all be thought of as means to an end – supporting good governance in the country which appears to represent the best hope for human development and growth in Africa, and whose future is critical to the well-being of the entire continent.
How can we begin to assess whether or not the Program has “worked”, that is, whether or not it has achieved its objectives in whole or in part?

One thing we obviously cannot do is judge the Program by whether or not democracy flourishes or founders in South Africa. The Program is far too small for its impact on the democratic experiment here to be measured. If democracy in this nation of over forty million people goes from strength to strength in the future, it would be silly to suggest that this were attributable to the efforts of an average of three or four Canadians working for the Program over a period of seven years. It would likewise be silly to blame those same Canadians if things turn out badly.

What we have to do is look at more modest indicators of the Program’s effectiveness, or lack thereof. There are two of these which provide at least some insights into whether or not the Program has worked – what those of us involved with the Program have been able to see and assess ourselves, and the feedback we get from those who have participated in its activities such as study visits and workshops.

We start from the premise that the basic systems and processes of governing are fundamentally important to the health and well-being of democracy. Effective Cabinet decision-making matters. Being able to put together a budget matters. Delivering services to citizens efficiently matters.

We can point to important Program initiatives in all three of these areas which our experiences in the senior levels of Canadian governments suggest to us have been successful. Early projects involving New Brunswick and the Northern Cape, and Saskatchewan and the Free State, were instrumental in helping establish functioning processes of Cabinet decision-making in those two South African provinces. As another example, the workshop on support to the centre of government which the Program hosted in January 1999 certainly appeared to us to have “worked”. We noted above that its papers and proceedings were very well received – one official who had just taken over as his province’s Acting Director General in July of last year told us that he found the written record of the workshop of great value in understanding the dimensions of his new job. In addition, it stimulated the further substantive work with the Directors General of other provinces which we described above.

In the Program’s planning and budgeting work, what we have observed is that the nature of the assistance being requested from us has evolved in a significant direction over time. The starting point in many cases was very basic questions such as, “What sort of information is required to do a ‘real’ budget?” and “What exactly is a functional budget process?” Subsequent requests focused on financial management and comptrollership issues, and asked for our participation in estimates reviews and our advice on the re-design of budget processes. Most
recently, several provinces have expressed considerable interest in improving the capacity of analysts within their Finance Departments to assess budgets more critically than they have been doing thus far. There is a logical progression in these various requests, with one stage building on another. Our impression is that substantial progress has been made – in the Northern Cape, for example, where the quality of information informing Cabinet’s budgetary discussions is getting better – and that considerable learning has taken place.

The Program’s support for the Northern Cape’s One Stop Service Delivery (OSSD) project, which is described in some detail above, has been a very successful services-delivery project. The Canadian practitioner advice brought to bear under the auspices of the Program was critical in persuading the officials developing that initiative to reject an inappropriate and unworkable “high-tech” solution to services delivery which they were originally considering, and to move OSSD forward incrementally rather than trying to do too much too quickly. The continuity of support for this project which New Brunswick has provided for several years has been another key ingredient in its success. The most recent development is the proposal by Ms. Monama to collaborate with Northern Cape and New Brunswick and to develop the model further in Northern province.

The Program has also had a few less-than-successful interventions. Take the planning and budgeting work with Mpumalanga as an example. The fact that a political crisis in that province brought the work to an end was obviously not the fault of the Program. The first major stage of the work, which saw a dozen Mpumalanga officials spend four intensive weeks in Edmonton, was a model of good programming. In retrospect, however, it was not a good idea to sponsor two-week follow-up visits in late 1998 by Alberta officials to various Mpumalanga departments, just weeks after the counterpart Mpumalanga officials had completed their study visit to Edmonton. The gap between the visits was too short to allow the Mpumalanga officials to catch up on their work and to do the planning required to get the most advantage from the return visits by the Albertans. We learned an important lesson about program design from this experience, and did not repeat the mistake.

When Dr. Sutherland spoke with South African participants in the Program during the evaluation she carried out in 1998, they consistently told her that they found the Program to be relevant to their needs, easy to access, professional and helpful. They essentially asked for “more of the same,” with modifications such as the assignment of Canadian practitioners for longer periods of time to South Africa (suggestions for improvements such as these influenced the design of the projects executed since Dr. Sutherland’s evaluation).

Since then, the feedback which the Program has received has been consistently positive. Requests for assistance are phrased in ways such as, “Sipho and I went to school together, and when I told him what my problem was, he said, ‘Phone the Program on Governance’”; or, “I know
we can get help from other donors, but it will take six months or more and a nightmare of form-filling, and you just ask, ‘What’s the problem and how can we help?’ It is not unusual for the South Africans who return from study visits to Canada to tell us that these visits were the most useful they had ever been on, as well as the hardest work they had ever done in their lives.

We need to note a caveat here, though. While the feedback we have received is positive, in the case of some projects we have gotten no feedback at all from the South African participants. We are not sure why this is. We know that the odd project has not worked out as well as was anticipated, and the lack of positive responses from participants in these few cases is clearly understandable. But the non-responsiveness has been somewhat greater than we have been able to attribute to problems with projects, and it has puzzled us.

Notwithstanding this caveat, and the fact that a few of our endeavours have failed to achieve their desired results, we think we can say with some confidence that the Program’s work has successfully supported those institutions and processes which much experience teaches are critical to democratic government. In the grand scheme of things, the Program’s contribution to supporting democracy in South Africa has been modest. But its efforts have been in the right directions.

If we had it to do again...

Despite frustrations with aborted projects, such as the work on budgeting with the national criminal justice sector, and with the suspension of work through political crises as in Mpumalanga, there is little, on reflection, that the Program staff would do differently. Hindsight is always able to find ways to smooth a bumpy path; optimistic efforts to move forward are sometimes accompanied by grazed knees.

One area where the effect of our efforts is difficult to define was the work with the Presidential Review Commission. At the outset, the Program was keen to bring a Canadian presence to the PRC, because its work represented a very significant effort at developing the organization of government. In taking on the responsibility for the Commission’s planning and budgeting work (which was complementary to a major focus of our own work), the Program responded to a very directly expressed and urgent request from the PRC’s Chairman. To mitigate the risks of this involvement, and to ensure the factual accuracy and the eventual acceptance of its work, the Program established a reference group of senior public servants (people with whom the Program had already been working in different capacities) to provide guidance and feedback.
In retrospect, it appears as though the advice that Dr. Johnson gave toward the end of the exercise, with respect to the central machinery of government, actually influenced the final recommendations of the PRC’s report substantially. This is the part of the PRC’s report which is being implemented by the national government. The recommendations with respect to financial management – which proposed a concerted effort by South African governments and donor agencies to remedy the serious problems in this area – were not picked up.

This suggests that not every major initiative will come to a successful conclusion, but that some things are accomplished serendipitously. In retrospect, we would likely take the same risk, acknowledging as we do that this is a risky business.

Generally, however, we think that the major areas on which the Program has focused most of its efforts – the centre of government, planning and budgeting, and services delivery – have been the right ones and the critical ones, and we would recommend that the new program should concentrate on these areas too. In this regard, the question of continued support for the centre of government in South African provinces deserves particular mention.

Apart from the requests we continue to receive for assistance in this area, we think there is a strong rationale for continued support. The machinery of government is not static. As we noted earlier, the initial concept of provincial government in a democratic South Africa visualized provincial governments as creatures which were largely administrative in nature. The policy development function was seen as a matter for the national government and for intergovernmental meetings of line ministers, not for provinces. But the situation is changing and will continue to change. The strategic roles of the Premier’s Department and of the Director General/Cabinet Secretary are being recognized, and these roles are evolving.

There are two other reasons. First, the changes of senior officials in the provinces leave gaps in knowledge and experience. Only one of the original Directors General now remains in his position; the others have left government or moved to other portfolios. This movement of people has the effect of transferring knowledge to other venues (witness Mr. Job Mokgoro’s appointment as head of SAMDI and Mr. Mbete to a national commission), but the “bench strength” is thin, and often the new systems and processes are in very rudimentary stages of development. Second, the current strong perception that Premiers report to the national President and that provincial ministers take direction from their national colleagues acts as a counterweight to the development of strong central capacities in the provinces.

This report is not the place to review the extensive literature about the importance of good government to economic development. Despite the CIDA focus on poverty alleviation, however, it remains our firm conviction that what governments do (or do not do) matters very much to the social and economic well being of citizens and countries, and that the core of governing is making...
choices and taking decisions. From this premise, we continue to think that the ability of Cabinets to function effectively is a crucial aspect of pursuing political objectives, including South African governments' critically important goals of alleviating poverty and creating jobs.

Just as we would not shift the main focus of the Program's work if we had it to do again, we would not change the Program's basic operating methodology. The Program's strong professional and administrative presence in South Africa has been crucial to making it function, and to its programming successes. It is one thing for a South African provincial government to make a general request for the Program's assistance in the area of budgeting, for example. It is quite another to translate that general request into a specific plan of action. This requires professional assessment and judgement. It also requires a thorough knowledge of budgeting processes and practical experience in making them work. It also invariably requires extensive follow-up with the South African officials concerned. They are often inaccessible for prolonged periods of time, due to heavy work schedules and the less-than-perfect communication facilities here. This follow-up activity takes time, sometimes considerable time, and in our experience has to be done here. Part of what the Program models is both planning and professional management skills.

The Program's professional staff use their professional experience in government in another way as well. They not only design specific projects, but they foster coherence in the twinning arrangements. This requires analyzing and understanding the developments in governance in South Africa, so that projects can reflect the on-going changes in systems and political dynamics. It also requires working with both the Canadian and South African provinces, as necessary, to keep to a minimum the ad hoc requests for "trips" and to direct resources and energy to core problems and to building upon previous work.

Through the twinning arrangements, the Program has had access to professional expertise in many different aspects of governance and service delivery, from the role of Cabinet Secretary to the intricacies of fleet or property management. The range of areas in which the Program has been able to support projects by drawing on the twinning arrangements has been considerable. However, one of the additional strengths of the current programming flexibility has been the Program's ability to reach beyond the resources of twinned institutions when necessary, and in particular to hire former Canadian public servants to work on particular projects. The Program has always tried to respond to South African requests by providing the most appropriate expertise we can find, and when that expertise has not been available through twinning, we have looked elsewhere.

A further word about method. The Program has an enviable record in South Africa for the quality and quantity of major workshops it has delivered for South Africans at the most senior levels. There have been a total of nine of these workshops, from the conference on constitutional

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development held in Canada in 1994 for the benefit of some of the South Africans who were in the process of framing the country’s final Constitution, to the most recent workshop on support to Cabinet decision-making convened here in January 1999. The workshops have always responded to problems and questions articulated by senior South African officials. They have always been instrumental in expanding the debate among South Africans, and in sparking requests for new or renewed assistance in key processes of governing. We have found no better method of providing intellectual and practical leadership with respect to the critical and difficult questions of governance facing South Africans.

Should the Program have established a South African advisory committee as part of its overall operating structure? We understand that it is standard CIDA practice to establish such committees for all projects, but we have not done so. Organizing and supporting such a committee would have been a very time-consuming operation which was unlikely to result in much of a payoff, in our view. As professional public servants ourselves, with access to the most senior South African public servants, we felt capable of responding to the real needs of the new governments in this country without the guidance of an advisory committee. We still do.

Indeed, most provinces in South Africa have adopted the practice of requiring Cabinet approval of plans for exchanges and projects, and for reports arising from study visits to Canada.

The Program’s access to and its ability to work with the most senior officials in the new provinces and departments has been critical to its success. It has been particularly successful in those instances where there has also been a South African coordinator in the centre of a provincial government or department, through whom the Program has been able to work. In a few instances, the Program has encountered a coordinator who took a personal as well as professional interest in the job, and has been able to provide impetus by chasing colleagues, getting Cabinet approval for exchanges, assessing the effectiveness of projects from the South African perspective, etc. This kind of support has been both welcome and very valuable. On the other hand, when there have been changes in personnel -- as have happened frequently -- impetus tends to be lost, and the effort to identify a new coordinator and bring that individual up to speed can be very time-consuming.

It is our hope that the successor program will be able to draw upon the contacts made by the Program on Governance in continuing the twinning relationships, albeit with a different focus. We also hope that CIDA will reflect upon its understanding of governance programming and on the basic building blocks of good government.