

Budget Review

2005



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Foreword

The previous budget welcomed the dawn of a second decade of democracy. The 2005 Budget exclaims the hope of a coming decade of economic progress, social development and freedom from want, tempered by our understanding that we must exert ourselves ever more forcefully to ensure that those hopes are fulfilled. The optimism with which we entered this new year must be balanced by the extent of the challenges lying before us.

The 2005 Budget articulates Government's intention to accelerate economic growth, advance social development and reduce inequality. In doing so, we endeavoured to understand the economic and social changes that our fiscal stance and expenditure have achieved.

This budget draws on the broad developmental vision expressed in the State of the Nation address and the central message of delivery and implementation. Social delivery and redistribution has significantly improved over the last 10 years, and we have found that a greater focus on providing resources and implementation should continue to deliver the outcomes that we want. For those reasons, this budget entails significant additional allocations across a wide spectrum of Government's programmes.

In this first full year of leading the National Treasury, preparing the Medium Term Budget Policy Statement and the 2005 Budget, the scale of the responsibility placed on Government to achieve the aspirations of all South Africans appears enormous. My own strength and determination is encouraged by the support and hard work of my colleagues.

A large thanks goes to the hundreds of dedicated Treasury officials, national and provincial colleagues, employees of the South African Revenue Services, Statistics South Africa, the Financial and Fiscal Commission and the South African Reserve Bank. A debt of gratitude goes to members of Cabinet and the Ministers' Committee on the Budget for their constant probing of options presented at various stages of the budget process.

Last, but not least, my thanks go to the Minister Trevor Manuel and Deputy Minister Jabu Moleketi, who when the going got slow, they got tough. We can only draw strength from your leadership and guidance.



Lesetja Kganyago
Director-General: National Treasury

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