

# **BUDGET STATEMENT 3**

## **2008/09**

Gauteng Provincial Government







**Paul Mashatile**

MEC for Finance and  
Economic Affairs

# Infrastructure Foreword

## 2008/09 MTEF

This 2008 MTEF Budget allocates R37 billion for capital expenditure over the next three years. These resources are made available to ensure continued investment in critical social and economic infrastructure.

The 2008 MTEF makes provision for the following key investments in infrastructure:

### Education

- 32 new schools to be completed in 2008/09;
- 22 new schools and 23 schools to be rehabilitated and upgraded 2008/09;
- 19 projects for school improvements such as fencing and other security enhancement projects to be completed in 2008/09;
- Part of the budget will be used for sanitation of newly incorporated former North West Schools;
- Funds are made available for dolomite management and land acquisition;
- 15 percent of the 2008/09 budget is earmarked for maintenance of existing facilities.

### Health

Several major projects will be completed in the course of 2008/09 financial year making additional health care facilities available and thus enabling the state to increase its capacity in provision of a better life for all, they include:

- Chris Hani Baragwanath revitalisation programme – phase one construction to be completed this year;
- Mamelodi hospital;
- Kalafong Hospital – upgrade of ICU and operating theatres;
- Eesterus community health care centre;
- Soshanguve community health care centre;
- Eesterus community health care centre;
- Johan Deo clinic;
- Mandela Sisulu community health care centre;
- SG Lourens Nursing College – new administration block and students' facilities;
- Aan Latsky Nursing College – new administration block and students' facilities.

This Budget further provides funding for the continuation of major construction of additional new and major upgrades of Gauteng Hospital and clinics including:

- Germiston Hospital - new facility under construction;
- Natalspruit Hospital - new facility under construction;

- Zola Hospital - new facility under construction;
- Heidelberg Hospital – refurbishment of a pharmacy;
- Randfontein community health care centre;
- Braamfischerville community health care centre;
- Eldorado community health care centre;
- Hillbrow regional pharmacy;
- Upgrading of ODI Hospital.

### **Social Development**

In order to give effect to the mandate outlined in the Gauteng Social Development strategy, provisions of the Children's Act and the Older Persons Act among others, it has become imperative that Gauteng creates additional infrastructure that would enable government to increase the speed of implementation of social development mandates. The 2008 MTEF Budget provision is made for the following investments in this regard:

- 20 new Early Childhood Development centres will be constructed;
- 20 day care for the aged centres will be constructed;
- 20 places for Orphaned and Vulnerable Children will be constructed;
- 12 Substance abuse centres will be constructed;
- 3 Homes for the Aged will be constructed.

### **Housing**

Provision is made for the department of housing to accelerate provision of proper shelter for citizens, improvements of Gauteng townships, eradication of informal settlement and provision of proper human settlement alternatives. Thus this Budget provides for the following projects to be implemented:

- Continuation of the Alexandra Urban Renewal Project- 30 projects;
- 20 area improvement projects for Evaton- including installation of public light and street lighting and resurfacing of roads;
- 20 area improvement projects for Bekkersdal- resurfacing of roads, rehabilitation of local business centres and other provincial health infrastructure;
- Mixed Housing Developments – Chief Albert Luthuli and Leeuwpoot projects at Ekurhuleni;
- Social Housing Development – Planning and early works for upgrading of hostels;
- Upgrading of 750 backyard dwellings;
- Coordination of Gauteng wide projects under the cluster of the Top 20 Prioritised Township improvement programme.

### **Roads and Transport**

The 2008 budget makes provision for gradual construction of additional road infrastructure to alleviate road congestion. The following projects are provided for in the budget:

- Continuation of Gautrain works;
- Routine Maintenance of roads;
- Upgrading all gravel roads to surfaced roads within the 20 prioritised townships;
- R21 - Phase 1: Upgrading of the Albertina Sisulu Highway from Pomona Interchange to the Benoni off ramp;
- R21 - Phase 2: Planning and early works for the upgrading of the Albertina Sisulu Highway from Benoni off ramp to the Olifantsfontein Interchange;
- K71 - Phases 2: Upgrading of the existing road to a dual carriageway from Wierda Rd. to Ladium;
- K29 Phase 2: Upgrading of the existing road to a dual carriageway from Cosmo City to N14;
- K29 Phase 3: Upgrading of the existing road to a dual carriageway from N14 to Ashanti Rd. (Access to Lanseria Airport);
- K102 Phases 1 & 2: Completing the link between Hopewell str. and Roodepoort Rd;
- 374: Upgrading of the existing road to a dual carriageway from Honeydew to the N14;
- K60: Construction of a new road linking Tembisa with Sunninghill and later with Fourways.

### **Economic Development**

Gauteng agencies for economic growth will continue to pursue projects aimed at growing the economy and creating jobs. This budget provides for incremental investment to be made at the Innovation Hub, expansion of the automotive supplier park – including creating space for additional manufactures, the Dinokeng project, Blue IQ and the Cradle of Humankind.

## **Conclusion**

We have deliberately given impetus for increased efficiency in delivery of infrastructure. As a result, we have implemented the Infrastructure Delivery Improvement Programme (IDIP) and created institutional frameworks to ensure its implementation. Resource requirements as captured in our infrastructure plans however clearly exceeds available resources. Therefore Gauteng Treasury has been tasked to explore alternative mechanisms for funding infrastructure to allow infrastructure delivery to reach optimum levels. The province is also focusing pro-active preventative maintenance to ensure that our facilities are safe and cost-effectively managed.

I trust that information provided in this and other budget documentation will prove useful and that it will enable all stakeholders and citizens to be better informed of government plans.

A handwritten signature in black ink, appearing to read 'Paul Mashatile', is written over a light blue horizontal line.

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