

**NATIONAL ASSEMBLY**  
**QUESTION FOR ORAL REPLY**  
**QUESTION NUMBER 27**  
**2 MARCH 2005**

**MR M WATERS TO ASK THE MINISTER OF FINANCE:**

Whether any social services form part of the equitable share formula; if not, (a) why not and (b) when will they form part of the equitable share formula; if so, which services?  
**N219E**

**REPLY:**

(a) and (b)

The question is rather vague as it is not clear what the member means by social services, and whether such definition is limited to school education, health and welfare services. I would also like to refer the member to Parts 4 and 5 of Annexure E of the Budget Review, which provides detailed information on the provincial and local government equitable share formulae. If the member were to read the 2005 Budget Review, you will learn that the provincial equitable share formula includes components for school education and health. Though it does not contain a welfare component anymore, the equitable share allocation also funds welfare services in provinces. In contrast, social grants are now to be funded from a conditional grant rather than from the equitable share allocation.

The honourable member will appreciate that given the division of responsibilities between the three spheres of government, and the fact that the final decisions on actual allocations are made by provincial governments, the actual allocations for school education, health or welfare services must be determined by considering each provincial budget.

If the member has another definition of social services, I would invite him to read Annexure E of the Budget Review or provide more detail to his question.

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER 248**

**DATE OF PUBLICATION: 4 MARCH 2005**

**DUE FOR SUBMISSION TO PARLIAMENT: 17 MARCH 2005**

**MR M SWART (DA) TO ASK THE MINISTER OF FINANCE:**

(a) What total income is currently received by municipalities throughout the country in the form of Regional Services Council Levies (RSC Levies) and (b) how will the loss of income by municipalities be covered when RSCs are abolished in 2006?

**N378E**

**REPLY:**

- (a) About R11.5 billion is budgeted for collection from RSC Levies during the 2004/05 municipal fiscal year.
- (b) A number of alternative sources of revenue are currently being considered as replacements for revenue loss from the scrapping of RSC Levies. These include new taxes, levies and surcharges and grants. Consultations on these alternative revenue sources will be undertaken with the Financial and Fiscal Commission, SALGA and other stakeholders during 2005.