

FOREWORD

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Budgets are about allocating resources in line with government policies and priorities. During budget making, invariably the demands on our resources far exceed what we have available and thus we are faced with choices. These choices are guided by government's priorities. The priorities of government are shaped by our desire to transform our country and create a better life for all.

Clearly in making the choices, a balance has to be found with funding of short-term priorities and long-term goals and objectives. This is crucial given the challenges that face our country. A sustained higher level of economic growth is the effective answer to the twin challenges of poverty and unemployment.

Our commitment to improving social service delivery in the form of health care, the provision of education and the payment of social grants are borne out by the increase in spending on these functions. Health, education and welfare still constitute 76 % of the total expenditure budget. This level of spending has resulted in an increasing matriculation pass rate, the stabilization of the incidence of communicable diseases and a substantial growth in the number of beneficiaries on the welfare grants system.

Whilst targeting improved social infrastructure such as hospitals, clinic, schools, sports and recreation facilities and welfare service points, there is an increasing investment in economic infrastructure.

These create the catalyst for growth in the economy, the building blocks for the future. We have put in place a solid foundation over the last ten years and we are now starting to see the fruits of our endeavours with increased access to social services, improved quality of services and a growing economy that is now beginning to create jobs in the formal sector.

The expenditure estimates of departments are the outcome of an arduous administrative and executive process. Treasury team, under the political guidance of the MEC for Finance and Economic Affairs and Executive Council with the budget teams of other provincial departments and agencies have worked closely to ensure that government priorities are appropriately funded.

Thanks are due to all who have cooperated to enable the successful conclusion of the budget process over the last year and so made possible the publication of this critical resource for taking budget process forward.

“SOUTH AFRICA BELONGS TO ALL WHO LIVE IN IT, BLACK AND WHITE”

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