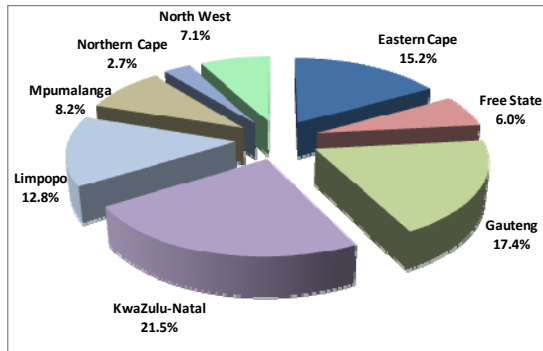
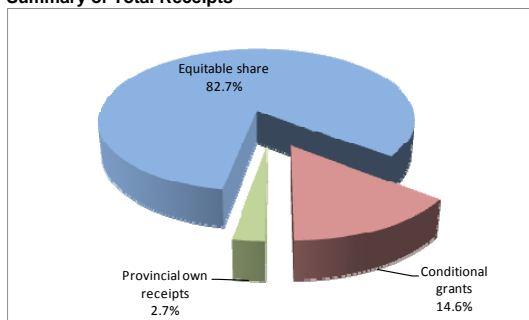


## Budget at a glance: 2009/10



KwaZulu-Natal receives the largest share of equitable share revenue at 21.5 per cent, followed by Gauteng at 17.4 per cent. It is important to note that this trend is declining as population numbers change in favour of GP. The effects are immediate and can be felt in the 2009 MTEF downward revisions.

### Summary of Total Receipts



The KwaZulu-Natal receipts are made up of 82.7 per cent equitable share received from National Treasury, 14.6 per cent as a conditional grant allocation made by national departments and 2.7 per cent revenue collected by provincial departments.

## Extract of Priorities currently funded

### Agriculture

Additional funding was allocated to uplift communities and unlocking the Makhathini Flats area. This includes rehabilitating the existing

irrigation scheme, develop livestock industry, develop a dryland agronomic cropping area that will provide job opportunities for communities and lure tourists to the area.

### Economic Development

Funding was provided for the development of land for the Richards Bay Industrial Development Zone. The Dube TradePort (DTP) was funded the operational and capital costs for the acquisition of a portion of the land at the new airport site, and the roll-out of the DTP capital project. The focus also shifted to the rejuvenation of trading centres in townships and fan parks, in preparation for the 2010 World Cup.

### Education

An additional allocation was made in 2008/09 for learner transport for the first time. The focus was also on Early Childhood Development in terms of National Policy that requires all learners entering Grade 1 in 2010, to go through a Grade R class, and provision was made for the expansion of Grade R. Top-up funding was allocated for textbooks for Grades 10-12 to ensure that the target of one textbook per subject, per learner is achieved. An additional allocation was made for the expansion of Inclusive Education, which relates to accommodating learners that require low, moderate and high levels of support in ordinary, full-service and Special Schools, respectively.

### Health

An additional allocation was made to provide for emergency care and transport for victims of trauma, road traffic accidents, and emergency medical and obstetric conditions. In terms of national policy objectives, funds were allocated to modernise, rationalise and transform the tertiary hospital service delivery platform.

Infrastructure development was continued, which included among others, the completion of 13 clinics and Community Health Centres, the rehabilitation and upgrading of four mortuaries, the replacement of obsolete medical equipment, etc. The focus on the prevention of illness and provision of basic curative health services continued. The department's effort to continue with interventions to address the TB crisis was also supplemented. A comprehensive provincial response to HIV and AIDS was implemented with the

intention to continue with the implementation of the Comprehensive HIV and AIDS strategy.

### Transport

The department was allocated additional funds for the John Ross Highway and the construction and upgrading of the supporting road network to King Shaka International Airport (KSIA) and DTP. Also included are a number of road upgrade projects to ensure efficient road linkages to the KSIA and the DTP, as well as significant investments in the provincial road network, among others. The department's commitment to uplift people's lives has resulted in funds allocated for the construction of community access roads and pedestrian bridges.

### Social Development

The department was allocated funding for the expansion of Early Childhood Development, which has resulted in an increase in crèches and an increase in the subsidies from R11.50 to R12.00 per day per child, and as a consequence this province provides the highest subsidy for children in all ECD centres in the country.

The focus was also on Home and Community Based Care, which has resulted in the reduction of the number of children awaiting trial at Correctional Facilities through the focus on the readiness for the new and proposed legislation. The department also focused on crime prevention programmes to address and expand the services of 'children in conflict with the law'.

## Some of the priorities receiving additional funds in the 2009/10 MTEF

### Office of the Premier

The department is allocated an additional R18.885 million in 2009/10 to fund the commitments in respect of the completion of the Emakhosini Multi-Media Centre project, managed by *Amafa aKwaZulu-Natali*.

### Provincial Legislature

The department is allocated an additional R219.172 million over the 2009/10 MTEF to bring the

budget of the Provincial Legislature in line with the findings of the zero based budgeting exercise carried out jointly with the KZN Treasury. The allocation also includes a once-off special allowance to cater for Members whose tenure of office might be affected by the forthcoming general elections in 2009.

## Education

An additional R3.342 billion is allocated over the 2009/10 MTEF to cover the carry-through costs of the 2008 wage agreement. Provision is also made for a new set of NCS text books for the Grade 10-12 cohort. The allocation includes the expansion of teachers to reduce the Learner: Educator (L:E) ratio in Quintile 1 schools and in support of the extension of the No Fee policy to Quintile 3 schools and inclusive education, to make schooling more accessible to poorer learners and learners with special needs.

## Provincial Treasury

An additional R758.118 million is allocated over the 2009/10 MTEF for the personnel inflationary adjustment in respect of the annual salary increase, Project *Unembeza*, overdraft interest charges, the Municipal Support Programme, and phasing in of OSD for doctors and specialists for the Department of Health. As per National Treasury instruction, the funding for the doctors' and specialists' OSD is kept against the Provincial Treasury's vote, until such time as the costing details of the OSD implementation are finalised.

## Health

An additional R3.041 billion is allocated over the 2009/10 MTEF for health personnel to cover the carry-through costs for the 2008 wage agreement, as well as supplementing the shortfall on the carry-through costs for the OSD for nurses from 2009/10. The allocation includes funding for interventions to address the MDR/XDR TB crisis.

Funding is also in respect of vaccines to reduce the mortality rate of infants and children under five years of age, as well as to alleviate the inflationary pressures on medical goods and services. The allocation also provides for an increase in general health capacity, which will be used to improve health services and to address service delivery challenges, taking into account general and medical inflation.

## Social Development

In the 2009/10 MTEF, R147.236 million is provided to support the early childhood development programmes within the department (a national priority), and to cover the carry-through costs of the higher than expected 2008 wage agreement.

### Summary of Budgets by Departments, 2009/10 MTEF

	Main Budget		Medium-term Estimates R000			Annual Percentage Growth		
	2008/09	2009/10	2008/09	2009/10	2010/11	2009/10	2010/11	2011/12
1. Premise	397 802	474 518	467 626	495 677	19.3	(1.5)	6.0	
2. Provincial Legislature	208 708	294 562	305 192	325 832	41.1	3.6	6.8	
3. Agriculture & Environmental Affairs	1 665 752	2 009 959	2 230 209	2 401 892	20.7	11.0	7.7	
4. Economic Development	2 446 518	2 401 745	1 531 496	1 372 727	(9.2)	(36.2)	(10.4)	
5. Education	21 389 127	24 810 039	27 877 779	30 371 724	16.0	12.4	8.9	
6. Provincial Treasury	522 072	642 777	604 161	753 651	23.1	(6.0)	24.7	
Operational budget	333 795	357 050	365 648	388 245	7.0	2.4	6.2	
Growth and development	188 277	285 727	238 513	365 406	57.8	(16.5)	53.2	
7. Health	15 042 826	17 769 956	20 668 416	22 211 802	18.1	16.3	7.5	
8. Housing	1 799 693	2 577 313	2 978 110	3 429 341	43.2	15.6	15.2	
9. Community Safety and Liaison	104 022	134 894	147 756	156 617	29.7	9.5	6.0	
10. The Royal Household	39 556	42 400	45 202	47 914	7.7	6.6	6.0	
11. Local Govt & Traditional Affairs	1 027 816	1 131 536	1 268 322	1 344 421	10.1	12.3	6.0	
12. Transport	3 755 282	5 267 985	4 851 461	5 257 569	40.3	(7.9)	8.4	
13. Social Development	1 198 113	1 376 681	1 664 207	1 871 577	14.9	20.9	12.5	
14. Works	733 087	884 004	866 319	918 299	20.6	(2.0)	6.0	
15. Arts, Culture and Tourism	355 260	375 226	451 235	417 936	5.6	20.3	(7.4)	
16. Sport and Recreation	215 492	269 268	287 497	304 739	25.0	6.8	6.0	
<b>Total</b>	<b>51 100 926</b>	<b>60 462 953</b>	<b>66 244 990</b>	<b>71 681 718</b>	<b>18.3</b>	<b>9.6</b>	<b>8.2</b>	

The total budget for the 2009/10 financial year is R60.463 billion. This is 18.3 per cent higher than the 2008/09 budget of R51.101 billion.

### Summary of Infrastructure exp by Departments, 2009/10 MTEF

R000	Outcome			Main Budget	Adjusted Budget	Estimated Actual	Medium-term Estimates		
	Audited 2005/06	Audited 2006/07	Audited 2007/08				2008/09	2009/10	2010/11
1. Office of the Premier	3 538	11 623	8 415	8 370	8 370	3 000	600	600	
2. Provincial Legislature	13 248	4 174	3 743	1 754	1 754	1 885	1 999	2 119	
3. Agriculture & Environmental Affs	74 267	53 997	37 895	95 244	156 827	154 535	115 880	174 174	
4. Economic Development	-	431 000	1 493 439	1 493 439	1 499 439	1 533 848	789 528	769 078	
5. Education	747 673	767 496	977 979	1 226 918	1 243 614	1 232 162	1 398 022	2 031 369	
6. Provincial Treasury	-	-	150 000	150 000	150 000	150 000	-	-	
7. Health	726 770	813 208	1 092 807	1 233 427	1 278 175	1 012 884	1 411 029	1 896 576	
8. Housing	753 010	1 054 333	1 288 380	1 555 586	1 570 053	1 562 029	2 310 448	2 494 109	
9. Community Safety and Liaison	-	-	-	-	-	-	-	-	
10. The Royal Household	2 340	3 547	650	2 750	2 750	3 025	3 328	3 528	
11. Local Govt & Traditional Affairs	17 498	35 893	86 493	158 055	163 195	163 195	158 963	14 800	
12. Transport	1 728 918	1 888 685	2 090 943	3 029 651	3 395 962	3 712 007	3 527 691	3 672 955	
13. Social Development	36 692	41 113	32 642	46 752	86 057	84 013	114 879	132 976	
14. Works	114 059	73 479	65 373	64 555	64 555	65 085	78 180	86 071	
15. Arts, Culture and Tourism	16 733	30 666	21 067	38 894	39 863	39 863	31 806	76 999	
16. Sport and Recreation	16 000	18 602	29 121	39 995	40 566	40 566	42 481	44 497	
17. Reconstruction & Development	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>4 257 208</b>	<b>4 787 831</b>	<b>6 179 670</b>	<b>9 145 445</b>	<b>9 494 280</b>	<b>9 726 052</b>	<b>10 881 137</b>	<b>11 619 081</b>	

Transport infrastructure investment occurs largely against the rehabilitation, upgrading and maintenance of the existing road network. Housing's infrastructure investment is mostly on the construction of low-cost houses and hostel rehabilitation. Education's infrastructure investment is on the building, rehabilitation and maintenance of classrooms, sanitation facilities, laboratories and computer centres. Health's infrastructure investment largely focuses on the building of clinics and community health centres in rural areas, and revitalising existing hospitals. The Economic Development infrastructure investment is mainly on DTP and rejuvenating township trading centres.



## Province of KwaZulu-Natal

### 2009/10 MTEF BUDGET

Dr. Z.L. Mkhize, MEC for Finance and Economic Development



*Journey to Prosperity*

### People's Budget 2009

*"A Budget that turns hope into reality, builds the economy through partnership, and fights poverty"*

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