

## **EMBARGOED UNTIL 10:00, 05 MARCH 2013**

SPEECH BY GAUTENG MEC FOR DEPARTMENT OF FINANCE MR.  
MANDLA NKOMFE, ON THE OCCASION OF THE TABLING OF THE  
2013/14 GAUTENG BUDGET TO THE LEGISLATURE, 05 MARCH  
2013

Madam Speaker and Deputy Speaker

Honorable Premier, Mrs. Nomvula Mokonyane

Colleagues in the Executive Council

Honorable Members of the Provincial Legislature

Members of Parliament present here today

Mayors and Speakers from various municipalities

Heads of Department, Government Officials and Leaders of our  
Agencies

Leaders of various Political Parties

Leaders of the business community

Distinguished Guests

Comrades and Friends

The People of Gauteng

Madam Speaker

It is with great pleasure and gratitude that I stand in this revered house, to present the penultimate Budget Speech of the 2009-2014 Political Term of Office, the 2013/14 Appropriation Bill.

Madam Speaker

The budget we table before this house today, narrates a story of how we have fared since the beginning of the 2009-2014 Political Term of office, and how we are intending to consolidate our efforts in funding our priorities in the last mile of the current political term of office.

This Budget, honourable members, tells a story of difficult and often unpopular choices and decisions we have made during the “hours of doubting, and when the heavy veil of words were torn in sobs”. Those difficult choices and decisions have stabilised our finances to the point where, to paraphrase David Diop, in the Poem titled The Hours from the book Hammer Blows, “the seed is more fertile and the equilibrium is born”.

Madam Speaker; we have been prudent about overall spending, putting emphasis firmly on reprioritisation and better quality of expenditure. Through those efforts, now we can reinforce infrastructure and capital expenditure budget without threatening fiscal sustainability and our ability to deliver basic (public) service.

We can now embrace a more confident and positive developmental trajectory. The developmental trajectory that both the Honourable

President in his State of the Nation Address and the Honourable Premier in her State of the Province Address presented.

Madam Speaker; the 2013-2014 Appropriation Bill heralds the beginning of a new cycle and public spending based on the fruits of the “ever more fertile seed, of hours from which equilibrium has been born” - we can now spend in a way that makes a difference and in a way that impacts positively in our people’s lives.

Moving forward towards 2055, we can be able to roll out massive infrastructure programs, such as building of roads; building of and refurbishment of schools and hospitals; and connecting our people through the Gauteng Broadband initiative.

Madam Speaker; the events of 2007/08 that plunged the global economy into a financial crisis and recession have drastically changed the face of the global economy. The economic growth and development has shifted from the developed Nations to the developing Nations; the erstwhile Global South is where major economic activities are taking place, and Africa is at the centre of that reconfiguration.

According to Rand Merchant Bank (RMB)<sup>1</sup>, seven of the world's top ten fastest growing economies between 2012 and 2016 will be in Africa. For the period 2000 to 2011, the highest average growth was experienced in Angola and China, with both at 10.2 per cent.

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<sup>1</sup> This is according to the RMB’s Fixed Income Currency and Commodity (FICC) Research unit, T. de Wet, J. Cairns, C. Fauconnier, 2011, *Where to Invest in Africa 2012 Report*.

The third and fourth highest growth rate was achieved by Cambodia and Rwanda, at 8 and 7.8 per cent respectively. Five countries are expected to increase their average economic growth to higher levels during the same period. All are in Sub-Saharan Africa (SSA): Niger, Zambia, Mozambique, Ghana and Tanzania. Indeed, the African Continent is the future of the Global Economy.

Madam Speaker; exactly 20 days from now, the Developing Nations will be converging at the Durban International Convention Centre (ICC) from 26-27 March 2013 under the auspices of BRICS (Brazil, Russia, India, China and South Africa), for the 5<sup>th</sup> BRICS summit, under the theme: Partnership for Development, Integration and Industrialisation.

The summit will bring together political and business leaders across the BRICS Nations. Member countries have identified several business opportunities, economic complementarities and areas of co-operation. Gauteng, as the economic powerhouse of the Continent, will be central to the economic agreement at the BRICS summit.

We are confident as South Africans, given our impressive track record of hosting big international events, that the BRICS Summit will be a resounding success. We are looking forward to its resolutions and in the spirit of development and co-operation; we will implement them to the latter.

Madam speaker; we table this budget in the context of challenging economic times. Despite South Africa's economy recording positive growth rate in 2012, this has been at a slower rate than expected. This trend has remained so even at a global level.

The European crisis has created a new dimension of economic uncertainty, namely high debt levels coupled with sluggish economic growth. According to the World Economic Outlook 2012; the economic uncertainty weighs heavily on the global outlook. These harsh economic headwinds from Europe have buffeted our economy as well.

Minister Pravin Gordhan reported that “the South African Economy reached 2.5 per cent growth in 2012, and it is expected to grow at 2.7 per cent in 2013, rising to 3.8 per cent in 2015”. Gauteng Province remains the major contributor to the South African national economy, contributing 35.7 per cent. It also contributes approximately 9.5 per cent to Sub-Saharan Africa (SSA).

Madam Speaker; the results of the Census 2011 and NDP 2030 have been a focal point in the way in which we crafted this budget. We know that a nation that ignores its demographic profile on its resource allocation does so to its peril.

The recent census results highlighted that 12.3 million people or 23.7 per cent of the South African population now resides in Gauteng; making Gauteng to be the most populous province in the country. The increase in the population in Gauteng is as a result of natural growth and immigration from other provinces.

The increased number of people in the province has put the provision of social services under tremendous pressure since it has had to cope with more people moving into the region.

Furthermore, census information becomes critical in the manner in which resources are allocated to provinces through the equitable share formula. To this end, the equitable share formula has been revised. This has resulted in Gauteng receiving additional resources amounting to R1.4 billion; R2.9 billion; and R5.2 billion for the respective years of the MTEF after taking into consideration the reductions that have been imposed by national government.

### **The principles informing the provincial budget**

Madam Speaker; the planning and budgeting process continues to be informed by the Outcomes Approach as adopted in 2009. As we enter the last mile of the 2009/2014 political cycle, it is important to take note of the challenges and progress that has been made in terms of implementing the budget reforms that are aimed at achieving our priorities for 2014 such as Outcomes Based Budgeting.

The 2013/14 budget takes us to the new cycle and efforts are being made to ensure continuity. The Outcomes Approach is implemented and informed within the current context. In addition, GPG has committed to ensuring a more output focus when crafting a budget; the 2013/14 Appropriation Bill will reflect this for the respective GPG outcomes. The budget principles for 2013/14 financial year include the following:

- Needs are accommodated within the limited resource envelop;
- Implementation of cost containment leading to spending cuts
- Reallocation of spending cuts to fund key areas linked to outcomes
- Prudent utilisation of resources;
- Restoring sound decision-making principles and embracing fiscal discipline;

- Effective and proactive management of risks;
- Planning and allocations which facilitate effective service delivery; and;
- Allocating resources to social and economic infrastructure projects which improve service delivery and create an environment in which economic growth is stimulated.

Madam Speaker; this budget contains many difficult decisions. All of us should ensure that we do not live beyond our means. We all should do away with the nice to have kind of programmes, and programmes that fail to deliver on our outcomes.

What this Budget delivers are the necessary actions to restore strength and stability to our finances so we can be prepared and have the capacity to act further if needed. We need to build capacity to weather the incoming storms.

The Honourable Premier reminded us of the journey we have travelled since 1994; the story of Thandiswa who is now eighteen years old was shared. This budget gives effect to the rosy prospect that lies ahead for Thandiswa.

Madam Speaker; at a time when households are tightening their belts, government should do the same. We should do more with less. We should take our medicine today, so we can have a healthy future. We should cut our coat according to our cloth. This we should do; not for ourselves but for the interest of our people.

## PROVINCIAL FISCAL FRAMEWORK

Over the 2013 MTEF period, the province received national transfers amounting to R76.9 billion in 2013/14; R81.9 billion in 2014/15; and R89.6 billion in 2015/16. The transfers from national consists of funds from the equitable share allocations and from conditional grants allocations.

The conditional grants constitute approximately 18 per cent of total transfers from national government. Allocations from the equitable share form approximately 82 per cent of the transfer allocations from national government.

Madam Speaker; our own revenue has been growing modestly. We are delighted to inform you that we had exceeded our collection target of the 2012/13 financial year with a staggering amount of R618 million . We also expect to collect R4 billion on our own revenue in 2013/14; which is expected to grow to R4.2 billion in 2014/15 and R4.6 billion in 2015/16. After taking out the first charge deductions on the total revenue; R79.2 billion; R84. 6 billion and R92.7 billion becomes available for spending in the respective years of the MTEF.

In an environment where there will not be any additional resources, as the Minister indicated in his Budget Speech, this necessitates a reorganisation of government expenditure and reprioritisation.

## **FUNDING OUTCOMES**

The 4<sup>th</sup> democratic elections ushered in a new electoral mandate which defined the strategic objectives and targets of government for the period 2009 – 2014. Priorities that give effect to the government's outcome were identified. Nineteen years into democracy, much has been done to eradicate the legacy of apartheid and build a new, just society.

The foundation laid in the first ten years and new initiatives since 2009 have enabled SA to stay on a positive path growth and achieve a faster rate of development. However; we note that there are still challenges.

### **Quality Basic Education**

Madam Speaker; our commitment to deliver quality basic education for all learners in the province is unwavering, primarily because Education is the essential tool that helps us to respond to the societal needs of economic growth and social transformation.

In line with the NDP, improving the quality of education and training is a key foundation of a “more productive and inclusive growth path”. Let me take this opportunity to join others in congratulating the Department of Education, led by MEC Creecy and her team for the achievement that they recorded in the 2012 Matric results. This is an indication that our efforts to turn around public Education are bearing fruits.

In order to improve the quality of education in the province, the Department of Education focuses on the following key priorities and outputs over the 2013/14 MTEF:

- Consolidation and strengthening of interventions to improve the quality of learning
- Consolidation and sustaining of education support services and interventions to improve the quality of learning
- Integration and strengthening of the implementation of the Master Skills Plan with a particular focus on skills development programme for the youth and unemployed

The Department of Education will continue to implement the Senior Secondary School Intervention Programme over the MTEF. The purpose of this programme is to improve performance of Gauteng schools by focusing on areas where significant challenges have been identified. This includes the supplementary tuition programme which is conducted on Saturdays. The total amount set aside for this intervention over the three year period is R352 million.

Madam Speaker; the Department of Education will also continue to work with the Departments of Community Safety and Social development to make our schools safe places for learning. The school safety programme focuses on proactively reducing crime and violence thereby improving school safety in the identified schools.

The support comes in the form of assisting schools to identify security threats; respond effectively and appropriately; reporting on incidents and monitoring progress over time. An amount of R362 million is budgeted over the MTEF to support and strengthen the implementation of this programme.

Prior to the start of each year, the Department of Education carries out a number of systemic checks to assess the readiness for the delivery of learner and teacher support material to schools. This process is critical as it assists our learners to receive relevant material on time.

Madam Speaker; the Learner and Teacher Support Material to support implementation of the curriculum has been prioritised and an allocation of R3.3 billion for three years of the MTEF has been set aside.

In order to improve the socio-economic profile and performance of the province, consideration should be given to the expected output from the schooling system to improve conditions facing the learners from the poorer background. In this regard, the department plans to extend scholar transport to 57 000 learners in 2013/14. An amount of R1.1 billion over the MTEF has been set aside.

In addition, learners in no fee schools will continue to be provided with healthy meals, an amount of R585.2 million in 13/14, R640.5 million in 14/15 and R679 million in 15/16 has been set aside. This is our contribution to ensure that there is a healthy mind in a healthy body. Furthermore; R311 million has been allocated to the Bana Pele programme for the provision of school uniforms to learners for the three years of the MTEF.

The programme responds to poverty afflicted children and offers an integrated package of services including the provision of school uniforms while simultaneously empowering communities through job creation.

Access to education remains one of our major objectives as it also contributes to job creation. To this end, education infrastructure is prioritised by setting aside an estimated amount of R5 billion over the three years of the 2013 MTEF period for the construction, upgrading and maintenance of schools.

The department will continue to appoint additional educators to ensure that the correct learner teacher ratios are achieved for both primary and secondary schools. The total personnel allocation translates to R72.2 billion over the MTEF. Included in this amount is an additional allocation of R88.4 million and R196.6 million for the appointment of additional educators in Quintile 1 schools for the financial year 2014/15 and financial year 2015/16 respectively.

The Department of Social Development, with the support and co-operation of the Department of Education, continues to prioritise early child development (ECD) by increasing access with the construction of partial care facilities as part of the 20 PTP programme over the 2013 MTEF.

These will be located in Mapetla, Soshanguve, Hammanskraal and Bophelong. Funds allocated to the programme amount to R916 million over the MTEF. The Department of Education contributes a sizeable amount towards Early Childhood Development which translates to R635.6 million, R735 million and R923.2 million for the respective years of the MTEF.

## **Long and Healthy life for all South Africans**

Madam Speaker; as the Premier indicated in her State of the Province Address, “We brought high-level expertise, to re-establish effective leadership in the Department of Health and initiated a comprehensive turnaround strategy.

We focus on restoring effective controls and systems and improving efficiencies, capacity and management in key areas”, the Provincial Treasury will work hand in glove with this team to turn around the Department of Health. As part of stabilising the health sector, an additional amount of R1.1 billion has been made available over the MTEF to supplement funding for the non-negotiable items that make the health institutions functional.

Madam Speaker; part of the key priorities of the Department of Health is to focus on primary health care implementation and ensure health system effectiveness through the Health Turnaround Strategy. Delivering primary health care (PHC) is central to our on-going efforts of improving quality health care. Our commitment to deliver this very crucial service is demonstrated by the additional funding of R 430 million to the baseline that is allocated over the MTEF for enhancing PHC.

In addition to these key priorities, the 2013/14 budget makes provision for the HIV and AIDS programme. The programme continues to focus on social mobilisation to increase knowledge, attitudes and protective social norms and media campaigns. The province further plans to extend ARVs to more people through local clinics. An amount of R10.2 billion is allocated for the HIV and AIDS programme over the MTEF.

Madam Speaker; the Department of Sport, Arts, Culture and Recreation (SACR) supports this outcome of healthy lifestyles by implementing educational programmes on HIV and AIDS through the mass participation programmes in various hubs and by awarding grants to sport, arts and culture organisations that provide HIV and AIDS programmes . Funding amounting to R6.8 million has been made available to the department over the MTEF.

Madam Speaker; and honourable members, we are delighted to announce that Helen Joseph, Tembisa and Kalafong hospitals have been reclassified and assume the status of tertiary hospitals while Ntshongweni and Zola hospitals will be commissioned in the 2013/14 financial year.

The department has been allocated an amount of R1.5 billion over the MTEF to cater for operational costs of these hospitals. An additional allocation amounting to R2.2 billion over the MTEF is earmarked and has been made available for personnel.

### **All People in South Africa are and feel safe**

Madam Speaker; the scourge of Women and Child abuse has reared its ugly head again in our society. Every day we hear disturbing stories of domestic violence (that often result in loss of life), child abuse and rape, this cannot go unchallenged.

Rape is a hideous crime that contravenes the basic human rights of women and girls, it should be condemned and we should leave no stone unturned in fighting Rape and abuse against women . No means No. In this regard, we commend the decisive action taken by our government in condemning Rape and raising consciousness around it.

To confront this scourge, funding amounting to R88.6 million has been made available for the implementation of the programmes that support the reduction of incidences of crime/violence against women and children. Madam Speaker; the province continues to monitor the implementation of the Co-Created Policing Strategy and the Detective 10 Point Plan to ensure that there is a reduction in priority crimes.

These strategies have made a significant input in the reduction of priority crimes. These two strategies have been jointly allocated an amount of R18.2 million over the MTEF.

In addition, the Civilian/Provincial Secretariat function has been devolved to the province. The establishment thereof is expected to be completed by June 2013. Its main function includes Monitoring the SAPS compliance with respect to domestic violence and compliance with the IPID Act. A total budget of R39.8 million is allocated over the MTEF.

## **Vibrant and sustainable rural communities and protected and enhanced environmental assets and natural resources**

Madam Speaker; the Department of Agriculture supports the establishment of sustainable vibrant communities and aims to set the province on the path to the realisation of affordable and diverse food and the improvement of rural services to support livelihoods. The Department provides support to farmers by reducing the input costs. The budget under Farmer Support and Development grows from R114 million in 2013/14 to R139.6 million in 2015/16.

Madam Speaker; the Department of Agriculture and Rural Development continues to work towards improved access to affordable, safe and diverse food for all residents of Gauteng through the development and maintenance of community food gardens in most of the poorest 50 wards. These food gardens do not only contribute to the alleviation of food insecurity but also provide produce which is sold to generate the much needed income by households. An amount of R14.2 million is allocated to this output during 2013/14.

Madam Speaker; the department has identified a project for the eradication of alien vegetation and an amount of R5.4 million has been set aside towards this. The department will partner with the Rand Water Foundation for the implementation of this programme in Mogale City and Zuurbeekom small holdings.

Furthermore, this partnership will result in the construction of an agro-processing pack house, the Maize Triangle Project and provide

production inputs in relation to the Bantu Bonke Agricultural project in 2013/14, an amount of R21.6 million has been set aside in this regard.

Madam Speaker; the Department of Roads and Transport supports the DGARD in rural development through the provision, maintenance and upgrading of key roads from gravel to tarred surfaces. During the 2013/14 financial year, the department will be upgrading five rural roads in Nooitgedacht, Rust de Winter in Bronkhorstpruit, Hammanskraal Winterveld in Tshwane and Magaliesburg in Krugersdorp. The combined cost of the upgrade of these roads during 2013/14 amounts to R37 million.

### **Sustainable human settlements and improved quality of household life**

Madam Speaker; accelerated delivery of housing opportunities is one of the means of building sustainable human settlements to ensure improved quality of household life. The Urban Renewal and the Inner City Renewal Programmes are amongst the key programmes that the province will continue to implement to deliver on the provincial outcome that contributes to sustainable human settlements.

The Alexandra Renewal Project is among the Urban Renewal Programmes in the province. The province contributes R192 million towards total funds allocated for this project over the MTEF. There are 450 units that have been planned for the Alexandra rental units at River Park.

Furthermore, the province has allocated an additional amount of R37.8 million over the MTEF for the Inner City Programme that aims to revitalise three cities (viz. Vereeniging, Germiston and Krugersdorp), and a further allocation of R47.3 million over the MTEF to augment operational expenditure has been made.

### **A responsive, accountable, efficient and effective local government system**

Madam Speaker; the Department of Local Government is tasked with the responsibility of ensuring that the People of Gauteng have access to basic services such as water, sanitation, electricity and refuse removal.

Madam Speaker; part of the responsibility of the Department of Local Government is to ensure that municipalities become viable and sustainable in order that they effectively perform their constitutional responsibilities. This is achieved through, amongst other programmes the deployment of Community Development Workers, Revenue Enhancement, Municipal Support and Public Participation.

Madam Speaker; the department of Local Government continues to enhance the deepening of democracy in our communities through a refined ward committee model, by providing monthly visits to municipalities and engaging with public participation officials to improve their policy and operating environment. In 2013/14, R1.7 million has been budgeted for this programme with R5.1 million being allocated over the MTEF.

Madam Speaker; we also welcome the announcement by Minister Gordhan that a new Local Government equitable share formula will be introduced in the coming financial year.

### **Decent employment through inclusive economic growth**

Madam Speaker; the Department of Economic Development -is the custodian of government initiated economic activities. Part of its responsibilities in this financial year is to mainstream job creation in all its programmes, bolster inclusive growth; implement key sector strategy projects; and stimulate trade, investment and export promotion.

Through the implementation of the Youth Employment Strategy, the province will create employment opportunities per hub through the provision of training, capacity building, working space and access to start up grants.

The three hubs to be established will be at Winterveldt which will focus on automotive industry and link the production of vehicles in greater Tshwane; while the hubs in Mohlakeng and Kagiso will focus on youth enterprises through the maintenance of vehicles. The budget allocation for the entire programme is R60 million over the MTEF.

Madam Speaker; the Department Economic Development will refurbish the Garankuwa Hotel School with the aim of equipping young people with the requisite skills associated with the hotel industry. An amount of R60 million for the three years of the MTEF will be reprioritised towards this.

The department focuses on specific tourism projects including tourism infrastructure, with the budget allocation of R5 million, which will be for the feasibility studies and give expression to the provincial Tourism Strategy as well as growing the visitor economy in Gauteng.

Madam Speaker; the Cradle of Human Kind World Heritage Infrastructure will see an upgrade at a budget allocation of R12 million. The Provincial Treasury will work with the Department of Economic Development towards enhancing the financial model for the construction of the Nelson Mandela Centre of Memory. To kick start this programme, R10.1 million has been set aside for the 2013/14 financial year.

The department is working on the establishment of the Gauteng Investment Centre. It is envisaged that the Centre will crowd in investment to the province by providing visitors services which will increase their likelihood investment and therefore job creation and contribute towards reducing the cost of doing business in the province.

Madam Speaker; the Department of Roads and Transport (DRT) supports the Department of Economic Development in the provision of affordable new transport infrastructure and the upgrade of current infrastructure and systems.

The design, construction and maintenance of the roads of Gauteng facilitate the creation of an environment in which the economy is able to grow. The total allocation to be spent on roads infrastructure amounts to R1.4 billion in 2013/14 and R5.4 billion over the MTEF.

This allocation includes both the construction of roads as well as walk ways, cycle lanes, bus lanes and stations as well as the interface between these various forms of transport. DRT also pays bus subsidies to municipalities to subsidise the delivery of this service. Additional money has been allocated to secure and subsidise the provision of these services amounting to R303 million over the MTEF.

### **Efficient, effective and development oriented public service**

Madam Speaker; the Gauteng Planning Commission is hard at work preparing and finalising the Gauteng Vision 2055. This plan, as the Premier alluded to, will provide the Government, Private Sector, civil society and the People of Gauteng at large with a Blue Print of Economic Growth and Development; spatial planning and human upliftment and wellbeing. The operationalisation of this plan will commence in 2013/14 with a budget of R4 million.

Madam Speaker; corruption is the obstacle to the delivery of public services to our people, and it denies them the ability to enjoy the fruits of freedom. In order to eliminate this menace, an estimated amount of R37 million has been made available over the MTEF. This is for improved anti-corruption campaigns, departmental workshops and ethics training, improved accountability and reporting by HODs within different departments.

Madam Speaker; the focus on financial management is towards achievement of a clean administration in provincial departments and entities. It is important for the house to note that this will require collective effort from all key stakeholders. Partnerships have been

strengthened with various stakeholders including the office of the Auditor-General to implement processes that will contribute to clean audit reports.

To this end, various workshops with departments took place on the preparation of measurable targets and indicators in terms of predetermined objectives. The key focus area is on the interventions that the Provincial Treasury will implement working together with departments and the provincial Auditor General's office. We continue to work tirelessly on improving the provincial performance on the payment of suppliers within 30 days. This will call for tightening the administrative loopholes throughout the whole value chain of procurement.

Madam Speaker; it is important to highlight that we are not yet out of the woods. In his budget speech, Minister Gordhan indicated that SARS is projecting an under collection on national revenue. This will have a negative impact on our future funding streams. It is therefore key that we contain provincial spending and invest more resources on infrastructure to ensure that provincial public finances are locked into a positive and sustainable trajectory.

To this end, over the 2013 MTEF, GPG has set aside a budget of R25 billion towards infrastructure investments. In an effort to improve on the delivery of infrastructure, EXCO has formally adopted the Gauteng Infrastructure Delivery Management System (GIDMS) which is structured in terms of portfolio management, programme management, project management, and operations and maintenance. As announced by the Minister, the implementation of GIDMS will be a condition to access infrastructure funding.

## **Empowered, Fair and Inclusive Citizenship**

The Provincial Government, under the leadership of Premier Nomvula Mokonyane remains committed to the responsibility of building social cohesion and national identity.

Madam Speaker; it goes without saying that, there are a number of benefits associated with the implementation of programmes in sport, arts and culture. Participation in various sporting activities is indirectly linked to improved quality of life through increased growth and development of individuals and their wellbeing.

To this end, an amount of R15 million has been allocated to the refurbishment of Bob van Reenen Sports Stadium and the rehabilitation of township sporting facilities. In addition, R50 million has been set aside to preserve and promote heritage sites and to support cultural tourism.

## **ADDITIONAL ALLOCATIONS**

Madam Speaker; I have already indicated that our equitable share has been adjusted upwards in line with the results of Census 2011 data. The additional resources have been distributed as follows:

### **Office of the Premier**

The Office of the Premier receives an amount of R31 million over the MTEF for the operationalisation of Gauteng 2055 vision, the

development of the Infrastructure Master Plan and the capacitation of the Gauteng Planning Commission.

### **Health**

The department is allocated provincial additional funding totalling R572.4 million in 2013/14; R1.2 billion in 2014/15 and R2 billion in 2015/16. These funds will be used over the MTEF for personnel funding, primary health care engineering, and non-negotiable items under goods and services to make the institutions functional.

### **Education**

In the 2013/14, the department receives R730.3 million in 2013/14; R1.8 billion in 2014/15; and R2.8 billion in 2015/16. An average of 70 per cent over the MTEF is allocated towards personnel funding. The rest of the funding has been made available to strengthen scholar transport, psycho-social support for inclusive education, learner and teacher support materials and the appointments of Quintile 1 Schools teachers.

### **Social Development**

The department receives R137.8 million in 2013/14; R392.8 million in 2014/15 and R625 million in 2015/16. The additional funds are specifically to deal with the hiring of additional social workers in the province, support the NGO sector and also to ensure the implementation of sector legislation.

### **Economic Development**

The department receives additional funding from the province for personnel to the tune of R55 million in 2014/15 and R68.5 million in 2015/16.

## **Housing**

Additional amounts of R27 million in 2013/14; R28.4 million in 2014/15 and R29.8 million in 2015/16 are allocated for the inner city renewal and to strengthen operations in the department.

## **Roads and Transport**

In order to improve technical skills, meet costs associated with operational expenditure and the provision of bus subsidies, the Department is allocated additional funding of R80 million in 2013/14; R195.4 million in 2014/15 and R247.7 million in 2015/16.

## **Gauteng Provincial Treasury**

In 2013/14, the department receives an additional R30 million for the Department of Health's intervention strategy. In 2014/15 and 2015/16, Treasury is allocated R60 million and R74.7 million for personnel funding after the approval of the organisational structures and the implementation of business systems.

## **Sport, Arts, Culture and Recreation**

In order to facilitate the construction of the women's monument, ensure the sustainability of community libraries through co-funding, the rehabilitation of township facilities and refurbishment of Bob van Reenen stadium; the Department is allocated a total of R85 million in 2013/14.

## **Finance**

The Department receives R5 million in 2013/14; R5.3 million in 2014/15 and R5.6 million in 2015/16 for the establishment and operations of the PMO for the Broadband.

## CONCLUSION

Madam Speaker; we are living in challenging yet interesting times. Minister Pravin Gordhan indicated that there are signs of improvement in the world economy, and that although the outlook remains troubled, the South African economy recorded positive growth rates in 2012 of about 2.5 per cent. This is a slower rate than what we need if we have to make serious headway in resolving our developmental challenges.

The President indicated that we need to be growing at around 5-6 per cent a year to make headway to our developmental challenges. But we believe that with continuous investment in the Economy such as the R76.9 billion we allocated today and other public and private sector investments, we can turn the corner and reach the economic growth levels that the President alluded to.

But to achieve those economic growth levels, it will require us to strain the mind's eye to do the seemingly impossible, to look even beyond what we conceive as the unseen and think differently and positively. The vision 2055 and the National Development Plan Vision 2030 affords us that possibility.

Let us seize the space, the moment and discover the lodestars that would guide us on our way as we strive to do what no other in our country has done before. Let's rise and be that generation of activists that architected the Blue Print for South Africa's economic growth and development.

Madam Speaker, let me take this opportunity to thank the Premier for her guidance and leadership, the Members of Premiers Budget Committee for their work in putting this Budget together, colleagues in the Executive Committee for their encouragement and continued support.

May I also thank the Chairperson and members of the Finance Portfolio Committee as well as the Committee of Treasury, for the effective oversight and scrutiny to the work of the Treasury and Provincial Government.

Let me not forget the Team Treasury, led by the HOD Ms. Nomfundo Tshabalala for their tireless effort in preparing this budget.

I thank you