



EASTERN CAPE

BUDGET SPEECH

2021/22



Province of the
EASTERN CAPE
PROVINCIAL TREASURY

EASTERN CAPE 2021 BUDGET SPEECH

HONOURABLE MLUNGISI MVOKO – MEC FOR FINANCE

10 MARCH 2021

**Honourable Speaker,
Honourable Premier,
Honourable Members of the Executive Council,
Honourable Members of the Eastern Cape Provincial
Legislature,
Executive Mayors and Mayors,
Traditional leaders
Religious Leaders,
Leaders of Chapter Nine Institutions,
Leaders of State-Owned Companies,
Leaders of political parties,
Leaders of Labour,
Business Leaders,
Director General, HoDs and Senior Government Officials
Our Esteemed Guests,
Ladies and Gentlemen,**

Molweni, Dumelang, Goeie Middag, Good afternoon...

INTRODUCTION

I am honoured and privileged to present the 2021 Budget. Today I table before this House:

1. 2021 Appropriation Bill;
2. Estimates of Provincial Revenue and Expenditure; and
3. Estimates of Public Entities Revenue and Expenditure

The gazette reflecting transfers to municipalities, hospitals and schools will be published on the Website of Government Printing Works on 15 March 2021.

Honourable Speaker, last year in March I stood before this House and presented a Budget that was crafted to respond to socioeconomic challenges of that time, characterised by reprioritisation and allocative efficacy to protect critical service delivery programmes. At the time, no one had a knowledge of COVID-19 and what impact the pandemic would have in our lives and ultimately our economy. Suffice to say, we were then forced to table a Special Adjustment Budget in July to respond to effects of COVID-19 pandemic, bringing a new dynamic into our plans for the year.

Malungu abekikileyo WeNdlu Yowiso Mthetho, isifo seCorona senze umonakalo omkhulu kwilizwe liphela, sashiya abantu bephulukene nezihlobo nezalamane zabo, satshabalalisa nditsho noqoqosho lwehlabathi.

Our sheer gratitude goes to the frontline workers who stood firm to protect the nation against the invisible but deadly disease.

In doing so, some sacrificed their lives along the way, just so you and I can live longer. History will forever remember the bravery and fortitude that you demonstrated throughout the COVID-19 period. We salute you!

Kuluntu lwase MpumaKapa, sifuna ukwenza umbulelo ongazenzisiyo ngokuzondelela imiqathango emiselweyo ekulawulweni kwesifo seCorona ngu Rhulumente wenu. Nikwenze konke oku phantsi kwemeko ezinzima zokulahlekelwa zizihlobo nezalamane zenu, naphulukana nawo namathuba wokuziphuhlisa. Nibonakalisile ngokwenene ukuba xa sibambisene singenza lukhulu.

We have been given an opportunity to get back up again and fix this economy that almost perished at the hands of COVID-19. As former statesman Dr. Nelson Mandela once said: **“Do not judge me by my successes, judge me by how many times I fell down and got back up again”**.

As we begin a recovery journey, I want to call upon everyone, in all sectors of our economy, to emulate the spirit of togetherness that we have demonstrated at the time when COVID-19 is our common enemy. Our worth lies in our ability to get back up again after we have stumbled.

ECONOMIC OUTLOOK

Honourable Speaker, our economy is responding well as we slowly come out of the shadow of COVID-19 death. Following the country’s contraction of -7.2 per cent in 2020, the expected growth of the real GDP in the country is projected at 3.3 per cent in 2021. This is a signal that we are back up again and ready to reconstruct our economy.

The Eastern Cape economic growth is expected to range between 2 to 3 per cent over the 2021 MTEF.

Although provincial employment numbers increased by 23 000 in the fourth quarter of 2020, the net employment increases were however insufficient to counter the increase in joblessness numbers encountered before that period. The unemployment in the province currently stands at an alarming rate of 47.9 per cent.

Sector performance shows that Agriculture is one sector that has shown resilience, even during the hard lockdowns of the COVID-19 period with about 21 000 jobs created between quarter 1 and 4 of 2020. Although we experienced some losses in other sectors, we remain hopeful that we will rebound as the country eases lockdown regulations, allowing for unrestricted economic activities.

Like all other economic sectors, the automotive industry was severely impacted by the COVID-19 pandemic. Speaker, the Provincial Government, through the AIDC EC, will work closely with The East Cape Automotive Industry Forum and other key stakeholders to support the sector recovery and facilitate the growth and transformation of the industry. It is important that we support this sector in the Eastern Cap as it contributes 43% of the national market.

FISCAL FRAMEWORK

With our renewed hope, we remain committed to our responsibility Somlomo, to serve over 6 million people of the Eastern Cape. The total budget of **R82.6 billion** for 2021/22

financial year and **R245.2 billion** over the MTEF, predominantly earmarked for the social sector, will go a long way to revive the economy, and if utilised effectively, will give impetus to the economic revival of the Eastern Cape. This year's budget is made up of **R68 billion** of the Provincial Equitable Share, **R13.2 billion** of Conditional Grants and **R1.5 billion** of Provincial Own Revenue. It is a budget premised upon the following principles:

1. Investment on projects that will grow the economy;
2. Improve fiscal discipline and governance;
3. Protect and grow critical socio-economic infrastructure;
and
4. Keep public expenditure at sustainable levels.

Honourable Members, strictly adhering to the above principles will boost our economic recovery ambitions.

Honourable Members, we need to work together to safeguard our fiscal resources. This time calls for everyone to join in the path of fiscal consolidation, if we are to find balance between our spending and income. Our spending is already a notch higher than our income. In years to come, Own Provincial Revenue is not going to keep up with the runaway deficit. This problem is further compounded by the budget reductions that we are experiencing as a country. The budget reduction for this year amounts to **R7.2 billion** and **R28.2 billion** over the MTEF. I will later talk to our revenue regeneration and enhancement study that we need to implement to cushion us from this conundrum.

Somlomo, we are grateful at the news by President Cyril Ramaphosa, also supported by Minister Tito Mboweni, that the COVID-19 short term relief packages will be extended. As a province that has high unemployment numbers, these relief measures afford us reasonable time to put our economic recovery plans in motion, more so that the economy is opening up again.

ENABLING ECONOMIC RECOVERY AND JOB CREATION

Honourable Speaker, we believe that the COVID-19 storm that dealt our economy a serious blow is subsiding, and we are now back up again to make amends. The Province has been lagging behind in the delivery of infrastructure, owing to historic economic structural weaknesses. We are happy that the government of today is making progress in implementing economic structural reforms that would enable us to deliver comprehensive and sustainable infrastructure interventions.

The path to build an inclusive economy is in motion. We have allocated **R13.9 billion** for this year and **R40.5 billion** over the MTEF to the Economic Sector, inclusive of Department of Public Works, Agriculture and Agrarian Reform, Economic Development, Environmental Affairs and Tourism, Transport and Human Settlements. This allocation will support five-point plan for economic recovery of the province, to improve the economic trajectory of the Eastern Cape. Our pillars of this plan include Infrastructure Development, Industrialisation and Sector Development, Equitable and Inclusive Transformation, Digital Transformation and Public Finances.

Madam Speaker, **infrastructure delivery** is located at the heart of our economic reconstruction and recovery plan.

We want to affirm Premier's SOPA statement that the Province's long term goal is to invest on bulk infrastructure programmes. As such, the National government has gazetted a list of fifty strategic infrastructure projects with an estimated combined capital investment value of **R340 billion**. Of the fifty, twelve special projects are to be prioritised for immediate implementation, subject to the fast tracking of all necessary regulatory requirements. Within this list, the Umzimvubu Dam, Industrial Scale Marine Tilapia Projects, Student Accommodation programmes and the N2 Nodal Development will directly benefit the province. We are strengthening our infrastructure planning, packaging and implementation capacity, through Coega Development Corporation (CDC) as the project packager so as to improve the level of participation in the alternative funding instruments.

Madam Speaker, in our pursuit for improved infrastructure delivery, it is worth mentioning that we are working on the Investment Fund framework whose main purpose is to mobilise public and private investment funds for the Eastern Cape. We believe this will bring sustainability in service delivery, and will go a long way in augmenting our fiscal envelop and support our economic growth initiatives. We believe that this concept will solidify our position on Public Private Partnerships and their impact on service delivery. Once established, we will identify mega projects that we strongly fill that they can be achieved through partnership.

Madam Speaker, **digital infrastructure** is an integral part of our business operation to connect and network us with the international community. The era of COVID-19 has also reaffirmed our long conceived position to digitalise, as a strategic business journey that we will embark on in preserving our business continuity operations and leveraging on efficiencies in business processes.

Our **broadband** project has for the current financial year connected three major hospitals in the province, namely the Nelson Mandela Academic Hospital, Livingstone Hospital, and Cecilia Makiwane Hospital, to the government Virtual Private Network (VPN). Work is underway to ensure that a provincial VPN is designed and all centres are migrated to it. We have therefore allocated an amount of **R228.4 million** for this year and **R577.1 million** over the MTEF to the Office of the Premier for the rollout of the Broadband.

Madam Speaker, **industries** serve as business centres to unlock economic activities in communities where our people live. Implementation of effective business strategies to operationalise industrial parks will result in massive transformation in the employment front.

Working with the Department of Trade, Industry and Competition (DTIC), the provincial government will continue to invest in industrial infrastructure in the province to enhance local manufacturing capacity. In this regard, an amount of **R76.8 million** has been allocated for the Dimbaza Industrial park and **R985 000** for electrification of Queendustria, through the Provincial Stimulus Fund.

Honourable Members, we are resolute in our policy imperative to promote **local economic development** as supported by our Local Economic Development Framework. Our spending analysis demonstrates that as at the end of Quarter 3 of the current financial year, the Province had spent a total of **R7.6 billion** on Eastern Cape based suppliers, across different commodities.

We are developing capacity programmes for small businesses to increase their participation in Provincial Government procurement opportunities. The promulgation of the Public Procurement Bill will further clarify the permissible scope on preferential procurement practices for the benefit of designated groups.

The ***Have I Been Paid*** online system that we rolled out last year to improve our turn-around time in the payment of service providers is showing positive signs. Since the rollout of this system, and other intervention, we have reduced the average turnaround time for the payment of service providers to 14 days. We are paying special attention to the Departments of Health and Education to improve their turnaround times.

Provincial government has packaged support programmes that will be directed to the **youth**, to address high unemployment rate within this group. Our conviction is that as government, working with private sector, we need to secure a strong financial muscle to support youth owned businesses. In this way, we would make inroads in encouraging our youth to seize the business space so they become employers themselves. Through the Office of the Premier, we have allocated **R34 million** over the MTEF for the Isiqalo Youth Fund to provide targeted support to youth

businesses, from start-up to expansion phases. Furthermore, support will be provided to SMMEs through ECDC's SMME support packages.

We have also allocated **R153.9 million** to the Department of Public Works and Infrastructure to coordinate the creation of 95 718 EPWP work opportunities across provincial departments, municipalities and other public bodies, with particular focus on infrastructure projects. Additionally, the programme also intends not only to increase the number of work opportunities, but to also increase their duration, thus ensuring more decent and sustainable work opportunities.

We are still committed in improving **road infrastructure** that connect our people to basic service delivery and tourism amenities. As such, we have allocated **R2.3 billion** in 2021 and **R6.2 billion** over the MTEF to Department of Transport to improve our road infrastructure. Of that total amount, we have set aside **R314.5 million** for this year and **R1 billion** over the MTEF for completion of three strategic roads, namely Hluleka Nature Reserve that connect to Barnabas Hospital, Dwesa Nature Reserve in Willowvale and DR08125 N2 to Siphethu Hospital. Our latest addition to these flagship road projects is a 12 kilometer road from Sterkspruit to Mlamli Hospital.

Provincial Support to Priority Economic Sectors

Honourable Members, we have set up a wide range of mechanisms to guide our intervention in economic sectors. These include Provincial Economic Development Strategy (PEDS), the Provincial Economic Stimulus Fund (PESF), the COVID-19 economic recovery relief and the provincial Jobs Stimulus fund.

As alluded by Premier in the SOPA statement, funding has been made available in sectors which are enablers of our economic reconstruction and recovery plan.

- Agriculture is one of the sectors that has shown great potential for economic growth and job creation in the Province. For this year, we have allocated **R2.2 billion** to Department Rural Development of Agrarian Reform (DRADAR) and **R6.8 billion** over the MTEF for implementation of their Agricultural Economic Transformation Strategy. Of this year's allocation, **R213.7 million** has been set aside for food security over the 2021 period. Of that amount, **R175.9 million** is allocated for training of emerging farmers, **R172.8 million** for infrastructure for livestock and crop production and **R315.6 million** for veterinary services.
- For the **Oceans Economy**, an amount of **R123.7 million** has been allocated to COEGA SEZ for the abalone farm.
- An amount of **R25 million** has been set aside to support the **Film Development** in the province.
- For **township and rural economies**, an amount of **R186.1 million** for this year and **R632.1 million** over the MTEF is allocated to the Office of the Premier for small town revitalization programme.
- Lastly, to promote **Tourism**, which has been one of the sectors that was severely affected by COVID-19, **R31.6 million** is allocated to ECPTA for game reserve upgrades.

Honorable Premier, I would like to add that the Province has allocated an amount of **R18.3 million** for this year and **R54.9 million** over the MTEF to ECDC through DEDEAT for the job stimulus fund to limit job retrenchments by companies that are struggling due to curtailed operations under the COVID-19 induced economic environment.

Unlocking Business in Special Economic Zones and Industrial Parks

Honourable Speaker, the two Special Economic Zones in the Province, East London and COEGA, are our nodal points for business investment and job creation.

A total of sixteen (16) investments at East London IDZ will be implemented in the 2021/22 financial year, at a rand value of **R2.4 billion**, with over 1400 job opportunities expected to be created. A total of **R118.7 million** for 2021 and **R336.3** over the MTEF has been allocated to the Zone by the provincial government to fund its operational costs, which includes among other things investment promotion and attraction.

Coega Development Corporation has been allocated a transfer budget of **R192 million** in this financial year and **R193.4 million** over the MTEF. These funds will be utilised for Zone development and operational expenditures which include investor attraction and retention. For this year, the Zone is targeting to attract eight (8) local and foreign direct investments worth **R420 million**; and facilitate the creation of approximately 10 382 new job opportunities.

MEDIUM-TERM BUDGET STRATEGY

Honourable Members, times like these call for all of us, in one voice and same intent, to enforce measures that would protect our fiscal envelop, thereby protecting our service delivery programmes. In this regard, together we will implement measures that are aimed at stabilising public debt, contain the budget deficit and restore economic activities. Suffice to say, we will continue to reprioritise and increase efficiency in support of fiscal consolidation.

Our Fiscal Consolidation strategy will target, amongst others, **Management of Wage Bill, Zero-Based Budgeting, Reducing Government Contingency Liability Costs** and **Provincial Own Revenue**. Central to these measures is cost containment. Items targeted to contain costs are office rental, travelling, accommodation and catering as more engagements can be done virtually. We will reprioritise ICT investments so that through technology efficiencies in supporting business processes, non-core costs are reduced.

Somlomo, I must highlight that of the **R28.2 billion** that we are losing to budget reductions over the MTEF, **R22.8 billion** of that comes from the **Compensation of Employees** budget. This necessitates us to come up with mechanisms that would at the end preserve our ability to deliver services.

We have been struggling with a service delivery dilemma where over 60% of our budget in the Province goes to the **Wage Bill** thus crowding out investment spending. We therefore continue to appeal to all provincial departments to prioritise the review process of their organograms to ensure that core service delivery posts are protected and non-core posts minimised so

as to improve the capacity of the state to deliver. In our quest to have an Eastern Cape Public Service that delivers, resourcing of the state with the requisite human capital base and skills in line with priorities of government is essential. Coupled with this, optimal management of Human resources through performance management is critical to ensure maximum value is achieved on the wage bill. We believe that this exercise will augment our efforts of improving service delivery.

Ultimately, we must reach levels of comfort where our wage bill is manageable and supports service delivery imperatives. One of the control mechanism that we have put in place to achieve that, was to establish the PCMT within the Office of the Premier, with the clear mandate of aligning appointments to core service delivery imperatives.

Honourable Speaker, in my Budget Speech in March 2020, I indicated that we would undertake a Zero-Based Budgeting exercise together with provincial departments. I am pleased to report that savings of **R90.3 million** were realised after undertaking this exercise. Consequently, some of these resources formed part of the fiscal consolidation where departments were asked to implement budget cuts.

In his latest budget speech for 2021/22 MTEF, Minister Mboweni indicated that National Treasury is finalising the framework to implement zero-based budgeting across government.

Honourable Speaker, at the centre of our **Contingency Liability Costs** are **Medico Legal Claims**; the litigations that are ordered against the Department of Health. These litigations are a burden, they are compromising government's ability to render services.

We are hard at work to fix this. Multi-pronged teams and strategies, involving Office of the Premier, Provincial Treasury and Health have been set up to deal with this burden. These teams and strategies seek to improve our capacity on administrative systems, legal, clinical and budget aspects. The System Development aspect will focus on data cleansing in respect of patient and legal records, linked to digitalization. The legal aspect will focus on strengthening our defense and investigation of cases. The clinical aspect will focus on care protocols in hospitals, whilst the budget aspect will aim to address liquidity challenges within the department.

Honourable Members, the **Provincial Revenue** budget was reduced from **R1.5 billion** to **R1.1 billion** in 2020/21 due to the impact of lockdown regulations. However, departments are projecting to exceed the adjusted budget. The latest financial performance report for the year under review shows that the province has already collected just over **R1 billion**.

Before I step of this topic, let me now address the issue of our **Revenue Generation and Enhancement** study that I highlighted earlier. For some time now, we have been supplementing our budget deficit through our revenue sources within the Province. We are now going to implement a revenue study that we instituted with an intention to maximise our revenue generation. If implemented correctly, this exercise will provide further funds to assist to cushion our budget shortfall, although this is not sustainable in the long term.

The study has recommended that the progressive execution of new revenue streams as well as strengthening the efficiencies in the current revenue sources over the medium to long term will allow for the increase of own revenue.

The study projects that if we do right, the province can generate about **R7.6 billion** worth of revenue, with **R6.1 billion** expected through the Department of Public Works. Other key departments in the value chain include Transport, Health and Economic Development, Environmental Affairs and Tourism.

KEY ALLOCATIONS TO PROVINCIAL PRIORITIES

Somlomo, we remain fixated to achieving provincial priorities as directed by the Provincial Development Plan. It is against this background that this government, in line with that policy, continue to make huge investment in our Apex priorities; Health and Education. As indicated, this budget that we are tabling will reprioritise the non-negotiables in these priority areas. Once again, the Social Sector, inclusive of **Social Development, Sports, Recreation, Arts and Culture (DSRAC)** and **Safety and Liaison**, has received a lion's share of the budget, with an allocation of **R65.6 billion** for this year and **R195.9 billion** over the MTEF.

Department of Education has been allocated **R35.1 billion** for this year and **R105.8 billion** over the MTEF to provide quality teaching and learning at schools. This include this year's allocation of **R1.6 billion** for 2021 and **R4.9 billion** over the MTEF for infrastructure development. Other programmes funded include Leaner Teacher Support Material, Norms and Standard and Teacher Development.

The **Department of Health** has been allocated **R26.4 billion** for this year and **R77.6 billion** over the MTEF for provision of quality health care. Of that amount, **R1.4 billion** is set aside for this year and **R4.4 billion** over the MTEF for health infrastructure. Other funded programmes include human resource capacitation, tertiary and specialized hospital services and medical supplies.

The commencement of the COVID-19 vaccine rollout programme by **Health** is another signal that something right is happening. The successful rollout of the vaccine in the county and in the Province in particular will get us back up again. This programme will also support our economic rehabilitation and recovery plans. The provincial equitable share has been allocated an additional **R1 billion** to assist with COVID-19 response and vaccination programme rollout.

The individual allocations to various departments is reflected towards the end of this speech.

BUILDING A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE

Somlomo, the quest to achieve an ethical leadership and governance is a crusade. We shall spare no effort to ensure it is achieved in our lifetime. Those who thrive on all forms of illicit practice must know clearly they are enemies of this government and its people.

Somlomo, in the fight against corruption in state institutions, ethical conduct of state officials must not be questionable. We are stepping up our measures to identify and act against officials that conduct business with the State. There is progressive realisation that tackling corruption will need closer collaboration by those institutions that share this mandate.

Provincial Treasury and Office of The Premier are working together to improve oversight on ethics management, as well as collaborating with Law Enforcement Agencies to investigate and act on the allegations of corruption. The model adopted by Standing Committee on Public Accounts (SCOPA), where there is standing invite for all the institutions that share a stake in reversing mismanagement on our public sector systems to attend the SCOPA meeting, gives further impetus in this collaboration. This is at the back of the additional powers given to the Auditor General of South Africa, in terms of the Public Audit Act, and where the benefits are already showing.

We therefore call on everyone at different levels of government to work with us in ridding all questionable elements in the system.

Through interventions by Provincial Treasury, working with departments, we have seen a decrease in cases of officials who are either conflicted or potentially conflicted, by having their businesses registered in government database with in intention to trade. In Quarter One of the year under review, there were 585 government officials that had ownership or directorship in companies that are registered on our Central Supplier Database and this number decreased by 28% to 422 in Quarter Three. Of the 422, only one had been found to have traded with the state, down from six officials that had traded in Quarter One.

As one of the measures currently being undertaken by the Provincial Government in its unwavering stance against fraud and corruption, we have adopted a zero tolerance against officials that conduct business with the State. Provincial Treasury in conjunction with the Office of the Premier will embark on a

training programme on ethics to inculcate a culture of ethical conduct in departments.

The audit outcomes across all provincial departments and public entities are showing signs of improvement. Such improvements are a sign of maturing systems of financial management and the strong commitment by provincial departments to work with Provincial Treasury in developing credible audit improvement plans. Furthermore, the hand-on support provided to all departments during the audit process through continuous engagement with the AGSA technical unit to resolve interpretation issues on accounting standards as well as the PFMA and Treasury Regulations is yielding desired outcomes. The intention is to have unqualified audit opinions in all departments and public entities. Our focus to achieve this will be placed in departments of Health, Education and Public Works.

The Provincial Treasury and the Department of Co-operative Governance and Traditional Affairs will continue with the focused support for municipalities so that there is stability for leadership and governance so that improvements in financial management are sustained, thereby restoring public trust on how the resources by these institutions are managed.

Honourable Members, the spirit of togetherness must prevail to strengthen the effectiveness of the local government sphere. Financial sustainability and the management of net working capital remain a crucial focus areas for provincial municipalities during this tough economic period.

On aggregate, municipal debtors book on business and households continue to increase at an alarming rate. These two categories need to be the major focus areas for municipalities including interventions at political level through awareness campaigns to communities, as the survival of municipalities is dependent on payment for services rendered. We need to support municipalities to strengthen their collecting capacity.

We are concerned by the recurring poor expenditure on conditional grants by the provincial departments and our municipalities. As a province characterised by poverty and unemployment, it is very alarming to discover that year after year, the conditional grants transferred by the national departments to be used for roads, water and sanitation as well as provision of electricity are not spent and at the end are returned back to the fiscus.

Honourable Members, the levels of Unauthorised, Irregular, Fruitless and Wasteful Expenditure in provincial government and provincial municipalities have shown an increasing trend over the years despite the interventions, support, guidance and training given by the Provincial Treasury working with CoGTA, SALGA and National Treasury.

Although Municipalities in the province have established disciplinary boards and MPAC's, the implementation of the recommendations by municipal Councils remains a challenge. Consequence management is not evident despite having a framework in place.

The lack of will to implement consequence management by municipal councils to improve overall institutional municipal good governance is indeed a serious concern.

CONCLUSION

Madam Speaker, Revolutionary Ernesto “Che” Guevara once equipped us on how to navigate through tough political and economic terrains. He said: *“There is a big job to be done. Immense problems confront our two worlds — that of the socialist countries and that called the Third World — problems directly concerning human beings and their welfare, and related to the struggle against the main force that bears the responsibility for our backwardness. In the face of these problems, all countries and peoples conscious of their duties, of the dangers involved in the situation, of the sacrifices required by development, must take concrete steps to cement our friendship in the two fields that can never be separated: the economic and the political. We should organize a great solid bloc that, in its turn, helps new countries to free themselves not only from the political power of imperialism but also from its economic power.”*

Madame Speaker, the expressions thus made above seek to instill a sense to be appreciated that with the road traversed up to this point there lies ahead a series of most relevant and urgent practical tasks that connect the past, the present and the future.

We call upon this congregation and all our people to brace themselves for the renewal of the democratic mandate of the local government sphere as the office term of municipal council heads towards expiry this year. In the same vein, we are more than likely to get busy with Census 2021 this year. There is no need to over-emphasize these programs but hasten to make the call for maximum and genuine participation to them.

All said and done, the battle against the brutal pandemic has not been won yet. Let us be even more vigilante and continue with all the prescribed protection and preventative mechanisms.

I am reminded of an African Proverb that says “if you want to go fast go alone. If you want to go far go together”. In these trying times where the fiscal outlook is uncertain and our sources of income are in duress, it is even more imperative that we work together in exercising financial prudence. In doing that, we will go far.

I would like to thank the Honourable Premier for his invaluable leadership, Portfolio Committee on Finance for its guidance, the Executive Council, Director General and the Provincial Management for the support and the Head of Department for Provincial Treasury Mr. Daluhlanga Majeke and all his staff for the hard that they have put in preparing this budget.

I thank you!

APPROPRIATION BILL 2021 (EASTERN CAPE)

Allocations for 2021 MTEF (R'000)				
Vote	Department	2021/22	2022/23	2023/24
1	Office Of The Premier	1,032,145	942,345	970,125
2	Provincial Legislature	553,250	548,627	547,616
3	Health	26,430,588	25,340,004	25,869,489
4	Social Development	3,054,858	3,075,328	3,122,593
5	Public Works	2,505,503	2,523,946	2,388,936
6	Education	35,076,738	34,833,273	35,894,188
7	Cooperative Governance And Traditional Affairs	991,492	962,702	997,677
8	Rural Development And Agrarian Reform	2,295,544	2,281,141	2,321,495
9	Economic Development, Environmental Affairs And Tourism	1,689,624	1,120,898	1,107,531
10	Transport	5,161,557	4,929,944	5,018,161
11	Human Settlements	2,325,148	2,394,530	2,487,341
12	Provincial Treasury	406,490	421,584	423,945
14	Sport, Recreation, Arts And Culture	980,228	958,761	964,768
15	Safety And Liaison	105,010	103,251	103,458
	Total	82,608,175	80,436,334	82,217,323



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