



GAUTENG PROVINCE

PROVINCIAL TREASURY
REPUBLIC OF SOUTH AFRICA

SPEECH BY THE HONOURABLE NOMANTU NKOMO-RALEHOKO, GAUTENG MEC FOR FINANCE AND E-GOVERNMENT ON THE OCCASION OF TABLING THE 2022/23 GAUTENG PROVINCIAL BUDGET, GAUTENG PROVINCIAL LEGISLATURE, 09 MARCH 2022.

Madam Speaker.

Honourable Premier.

Colleagues in the Executive Council.

Honourable Chief Whip.

Honourable Members of this House.

Mayors and MMCs.

HODs of our departments.

CEOs of our public entities.

Private sector representatives

Comrades and Friends

The People of Gauteng

Distinguished guests, and

Ladies and Gentlemen

A very good morning to you all, the People of our beloved Province of Gauteng.

Let me take this opportunity to extend our heartfelt welcome to everyone physically present in this august House and those who are virtually in attendance from the four quadrants of our Province.

Madam Speaker, to capture the essence of this budget and its time in the period of this government, I must just start here by quoting from an outstanding author - Henry David Thoreau:

*"All endeavour calls for the ability to tramp the last mile,
shape the last plan, endure the last hours toil. The fight to the*

finish spirit is the one characteristic we must possess if we are to face the future as finishers."

I am truly humbled, one more time, that history and fate have chanced me with the unique opportunity to present in this esteemed House, the 2022/23 Gauteng Provincial Budget.

Honourable Members, the Budget we are tabling in this House today comes a few months after we reached the half-way mark in November 2021, of the Sixth Administration under Premier David Makhura.

This means that we have now entered the consolidation phase towards walking the **LAST MILE** of the journey we began in 2019.

The 2022 Medium-Term Expenditure Framework (MTEF) budget will be taking the province to the end of the Sixth Administration, and accordingly, the emphasis is on consolidation and delivery of the Growing Gauteng Together 2030 (GGT2030) interventions to realise the goal of building the Gauteng City Region (GCR), despite stresses and strains caused by the outbreak of the COVID-19 pandemic.

Perhaps it may be premature to conclusively measure progress or lack thereof since the start of this Administration. But it is worth paraphrasing the profound words of President Mandela in trying to locate or amplifying a significance of half mile traversed and another completing mile to the finishing line in 2024...in Madiba's words:

"We must, constrained by and yet regardless of the accumulated effect of our historical burden, seize the time to define for ourselves what we want to make of our shared destiny."

The dividing **miles** between the start and the finish line may be an expedient, but still confirms the correctness and appropriateness of our government's sustained policy consistency, spirit of our people and cultural level.

Madam Speaker,

The global public health emergency sparked by the COVID-19 pandemic that began in 2020 may have derailed our original plans, but never deterred our conviction and the resilience of the people of this province, to still work and salvage what was possible when economies all over the world were closing down.

It is the policy consistency that is anchored in our vision of **Growing Gauteng Together 2030**, which, notwithstanding the loss of lives and the attendant devastation of livelihoods brought about by COVID-19, we can at least, still talk of our economy on a re-building phase.

In the same breath, our plans had to reflect the pressures of the time, with tweaking and adaptation to respond to the global pandemic, But the end-state (vision) has always been the same, and remains:

- the ***Economy, Jobs and Infrastructure***, which are core to Re-igniting the Gauteng Economy
- ***Education, Skills Revolution and Health*** to focus on Recalibrating social policy to improve educational and health outcomes
- ***Integrated Human Settlements and Land Release***
- ***Safety, Social Cohesion and Food Security***; as well as
- ***Building a Capable, Ethical, and Developmental State*** to include measures aimed at ***Improving Governance Across the Gauteng City Region***

Premier Makhura said, when presenting the State of the Province Address two weeks ago:

“We must shift our focus and energies to tackle unemployment through economic recovery and reconstruction. After so much death and destruction of lives and livelihoods, it is time to rebuild and do so with the greatest sense of urgency, single-mindedness and

coordination demonstrated during our emergency response to COVID-19.”

Indeed, Premier Makhura’s words reflect the real-life daily concerns of our people who have endured hardship. Their hopes, dreams and aspirations are captured in the words of Mr. Thapelo Mashabela whom we met at the Sebokeng Youth Expo last month and he said:

“I want to see more public funds being directed towards teaching high school learners more about the role of technology in economic growth. If young people learn that they have the ability to contribute to technological improvement, then we will have more sustainable businesses in our townships.”

The 2022 MTEF Budget is the culmination of a protracted planning process, both at National and Provincial level, as well as the deliberations of the Gauteng Provincial Government (GPG) Executive Council (EXCO) Lekgotla, which identified a number of interventions that were necessary to bring the implementation of the GGT2030 back on track, including the establishment of functional war rooms on good governance, fighting corruption, on jobs and the economy, on poverty and food security, on crime and infrastructure delivery, war on youth socioeconomic development, all of which will require resourcing from existing allocations.

Furthermore, this Budget makes provision to support and mainstream the government’s programmes that focus on gender-based violence and support the rights of women, youth, senior citizens, people with disabilities, military veterans and the LGBTIQ+ community. It also includes the amounts allocated to address femicide, gender-based violence as well as violence against women and children.

We remain focused on creating a people-centred society in which millions of our people could celebrate the gains of freedom every day.

In his work, “A Way of Being Free”, the Nigerian novelist and poet Ben Okri said this about the meaning of freedom:

“They tell me that nature is the survival of the fittest. And yet look how many wondrous gold and yellow fishes prosper amongst the silent stones of the ocean beds, while sharks eternally prowl the waters in their impossible dreams of oceanic domination and while whales become extinct; look how many... antelopes, ants and fleas, birds of aquamarine plumage, birds that have mastered Chinua Achebe's art of flying without perching, how many butterflies and iguanas thrive, while elephants turn into endangered species, and while even lions growl in their dwindling solitude.... Nature and history are not about survival of the fittest, but also about the survival of the wisest, the most adaptive and most aware”.

Madam Speaker

The fate our future rests with our ability to, as former President Nelson Mandela said: "Define for ourselves what we want to make of our shared destiny".

The fight to the finish spirit is not based on the sectoral, partisan, and populist postures, but out of a collective character that we all must possess if we are to face the future as strong finishers.

This Budget and associated allocations are nothing but a clear manifestation of the brisk movements we intend to complete in our journey to 2024.

ECONOMIC OUTLOOK

The global economy

Honourable Members, the International Monetary Fund expects the recovery of the global economy to continue, with Gross Domestic

Product growth moderating at an estimated 4.4% in 2022, from 5.9% in 2021.

Although this growth was revised down by 0.6%, advanced economies are projected to return to their pre-pandemic levels this year. But the recovery is expected to remain uneven, because of COVID-19 vaccination rates of different countries. Countries with higher vaccination rates are expected to open more sectors of the economy quicker and longer than those with low vaccination rates.

South Africa's economy

Tabling his National Budget to Parliament recently, Minister of Finance Enoch Godongwana said the country's economic growth for 2021 is expected to level at 4.8% in 2021, down from 5.1% estimate announced during the Medium-Term Budget Policy Statement in November last year.

Statistics South Africa yesterday released the fourth quarter growth rate for South Africa which stands at 4.9%.

Gauteng economic outlook

In Gauteng, which contributes more than 35% to South Africa's Gross Domestic Product, the provincial economy grew by 7.4% in the first half of 2021 compared to the same period last year. The higher than anticipated recovery in the first half of the year was because of supportive global growth, higher commodity prices and the easing of the COVID-19 lockdown restrictions.

Gauteng's economy is projected to grow by 4.9 per cent in 2021, from a revised -6% in 2020, before moderating to 2.2% in 2022 and 2.1% in 2023.

However, overall, the provincial economy is still about 1% smaller than it was in 2019. Gauteng is a service-based economy that is mainly dependent on the tertiary sector. Industries such as agriculture, finance

and government services are expected to recover significantly in 2021 compared to 2019.

FISCAL CLIMATE

Honourable Speaker, we are tabling the 2022 MTEF Budget within a very tight fiscal environment characterised by the economic impact of the COVID-19 pandemic, the negative impact of the July 2021 unrest on the economy and resultant negative investor confidence, and the ever-increasing levels of unemployment.

As such, this Budget is underpinned by the following key principles:

- Resourcing the provincial priorities of winning the battle against the COVID-19 pandemic; re-igniting the Gauteng economy and recalibrating social policy to improve educational and health outcomes.
- Reprioritisation of the budget to resource GGT2030 priorities and the COVID-19 Response Plan.
- Shift of funding from consumption to investment in strategic economic infrastructure to support government's reconstruction and recovery efforts.
- Readiness of departments to implement and capacity to deliver infrastructure projects.

The funding that the Gauteng Provincial Government will receive from national government in 2022/23 financial year in the form of Provincial Equitable Share and Conditional Grants amounts to R146 billion, which increases to R148 billion in 2024/25, which is the outer year of the MTEF.

During the same period, total provincial own revenue collection from, amongst other things, gambling taxes, hospital patient fees, interest earned, and motor vehicle licenses will increase from R7.2 billion in the 2022/23 financial year to R8 billion in the 2024/25 financial year.

In a bid to enhance own revenue in the province to supplement declining national transfers, Gauteng province under the leadership of Gauteng Provincial Treasury developed a revenue enhancement strategy, which is anchored around two pillars – optimisation of current revenue sources, and exploring new revenue streams, such as online Renewal of Motor Vehicle Licences, roadside advertising, Gauteng Broadband Network Commercialisation and automation of casino licence operations.

Honourable Speaker, this Budget comprises R153 billion allocated for 2022/23 financial year, R152 billion for 2023/24 financial year and R156 billion for the outer year which is 2024/25. Therefore, the total Budget that we are allocating to provincial departments over the 2022 MTEF amounts to R462.7 billion. I must emphasise that the funding of the GGT2030 priorities has been carried through in the 2022 MTEF period.

This means that the total new money that will be added to the baselines of provincial department's budgets over the next three years will be just over R15 billion. The social sector comprising of health, education and social development accounting for the largest share as we continue with our efforts to address the triple challenge of poverty, inequality and unemployment.

INFRASTRUCTURE AS KEY ELEMENT OF ECONOMIC RECONSTRUCTION AND RECOVERY

Madam Speaker, the role of infrastructure in economic growth and development is well acknowledged in the National Development Plan (NDP) 2030. The construction industry can play an important role in the South African and Gauteng economy in terms of providing and/or maintaining infrastructure that is fundamental to the development of the country especially in terms of projects related to transport, water, and energy and creating jobs for low skilled persons.

Increasing expenditure on infrastructure will not necessarily lead to economic growth except in cases where infrastructure is provided for

improvements and/or increased efficiencies in services, production, or exports.

Investing in schools, healthcare facilities, libraries, social development facilities and sports facilities, provides the enabling environment required to deliver government services to communities. If these types of facilities are not well planned and not maintained, they place an additional drain on the economy. The same is the case where public infrastructure is developed with substantial cost and time overruns, as well as not meeting quality standards.

Over the 2022 MTEF, a budget of R36.8 billion has been recommended for the GPG infrastructure programme to improve the condition and capacity of the existing stock of infrastructure assets, of which R12.2 billion is allocated for 2022/23 financial year, R12.3 billion for 2023/24 financial year and R12.3 billion for the 2024/25 financial year.

Highlights of the projects to be funded under the auspices of the infrastructure programme over the 2022 MTEF are the following:

- **Roads and Transport:** Upgrading of road K101 Phase 1 from N1 Rooihuiskraal Interchange to road D795 (Olifantsfontein Road) (Midrand), upgrading of R82 phase 3 between Road D1073 (Walkerville) and K164 (De Deur), and construction of new road K60 between Megawatt Park (Maxwell Drive) and Kyalami Road.
- **Health:** Refurbishment of hospitals (Dr Yusuf Dadoo, Edenvale, Jubilee, Kopanong, Leratong Hospital and Chris Hani Baragwanath Academic Hospital).
- **Human Settlements:** Construction of Housing Units and Servicing of stands at Impumelelo Extension 4 - Phase 1, Greenhills Ext 12 Afrivillage, Clayville Ext. 71 and Dan Tlome.
- **Education:** Construction of new schools at Rust-ter-vaal secondary school, Braamfischerville primary school, Dr. W.K. du

Plessis-skool for learners with special education needs and EW Hobbs primary school.

- **Kopanong Precinct Project:** The procurement process for Kopanong Precinct is at the final phase of appointing preferred bidders.
- **Gauteng SEZ Developments:** The Gauteng infrastructure Financing Agency (GIFA) will identify and prepare relevant infrastructure projects within the Gauteng SEZs that require funding from the private sector.

Other key projects funded in the infrastructure allocation include the maintenance of existing health facilities and Occupational Health and Safety (OHS) & refurbishment programme.

The Gauteng Provincial Government invests substantially in infrastructure to respond to service delivery needs. This investment, over many years and multiple generations, has resulted in a huge property portfolio that includes infrastructure that is not only critical in the delivery of services such as education and health but also enables economic development and growth.

Available funds are increasingly becoming scarcer and should be protected in the same manner that a person would look after his/her “own funds”. Unnecessary mistakes throughout the delivery chain of infrastructure should not be the normal way of doing business without consequences.

Underspensing remains a challenge. In Gauteng, the province introduced the concept of first preparing a business case as a minimum requirement for infrastructure projects that are funded from the equitable share, to ensure that key strategic planning issues, cost estimates, risks and related matters are given adequate consideration before allocating funding to a project.

The recent Budget Council took a decision to review the Conditional Grants ecosystem. The grant framework is prepared by the national department responsible for administering the grant to guide provinces and municipalities in planning for its implementation.

The national departments are required to ensure that all the planning requirements for the grant are completed before the financial year begins to avoid delays to the start of the implementation of the programmes.

As part of the proposed review, we will need to focus on management and efficiency in the grant ecosystem, to address, amongst other things, the problem of underspending in infrastructure projects that are funded from the conditional grants

To demonstrate the seriousness of using infrastructure as a means to address economic recovery, we will have to take a very 'bold' course of action, including, but not limited to the following:

- Increasing productivity, efficiency, and willingness in the public sector to accept the responsibility to implement projects on time, budget, and meeting quality standards;
- Allowing adequate time for credible planning, not rushing projects or constantly changing priorities or continuous changes of scope;
- Compensation Events should only be due to 100% unforeseen reasons; and
- Strict and accountable adherence to the preparation of Business Cases, their review for funding requests and monitoring of projects against the business case for continued funding allocation through planning, procurement, and implementation.

As the Gauteng Provincial Government, we are entrusted with this accumulated wealth of infrastructure and have a moral obligation to maintain its value and productive capacity.

Destruction of public infrastructure can no longer be accepted, and if a school is vandalised or a public road is damaged, there should be swift and very stringent measures taken against the responsible individuals.

Our infrastructure consists of multi-generational assets that must be maintained to achieve their expected useful life. It is therefore essential that a portfolio of this size and accumulated over a long duration of time produces an optimum return in infrastructure longevity and is fit for the purpose for which it was developed over the long term.

In fulfilling the legally mandated oversight role of the Gauteng Provincial Treasury to promote and enforce effective management of infrastructure, we have become increasingly concerned about the way the maintenance of provincial infrastructure is being planned and executed.

We do not see the investment in infrastructure maintenance yielding the desired results and impact. It is crucial that our infrastructure is adequately maintained at regular intervals to ensure that they are fit for the purpose. This requires that maintenance must be planned and performed regularly and promptly by competent and qualified persons to ensure quality and to minimise potential health and safety risks.

The Gauteng Department of Education has embarked on a demonstration project, whereby a facility management approach is followed to ensure the optimum operation and maintenance of public schools. Each public school is viewed as a facility that functions as one complex comprising many assets which represents a single management unit for financial, operational, maintenance and other purposes.

Facility Management will therefore become the enabler for sustaining the performance of the assets throughout the life cycle of the assets and also provide supportive business processes. The aim is to bring all public schools to a uniform standard of maintenance following standardised methodologies and steps. A minimum uniform standard has been developed, and maintenance activities will be implemented based on a condition, risk-based and prioritisation approach.

Funding has been provided for this demonstration project, and the lessons learnt will be shared with other provincial departments. If this approach produces the desired results and provides value for money, Gauteng Provincial Treasury would encourage other departments through the relevant implementing agent, to consider following a similar approach.

LOCAL GOVERNMENT SPACE

In the wake of the last local government elections, we acknowledge that the people of our province have spoken. We recognise that our municipal governance landscape has changed, and I reiterated to the new municipal leadership that although our political ideologies and standpoints differ, we have one common purpose, which is to see local government succeeding and fulfilling its obligations as envisioned in our Constitution.

We place great emphasis on Intergovernmental Relations (IGR) to ensure local government is fiscally prudent, self-sustainable and empowered at promoting clean, ethical, and sound municipal financial governance in the province. The MEC – MMC Finance Forum is a key instrument in driving this governance agenda.

Gauteng Provincial Treasury is currently engaged in a recruitment drive to fill critical vacant positions in line with the newly approved organizational structure, which includes the Municipal Financial Management Support unit to further strengthen the intervention and support functions provided to municipalities in dire financial and service delivery distress. Other areas we intend unlocking are long term municipal finance planning and strengthening municipal finance policy.

Municipal revenue protection and sufficient inflow is foremost for municipalities. But everyone has a part to play. As the Gauteng Provincial Government, we remain committed to the settlement of municipal debt. The Debt Management Committee has been instrumental in driving and achieving this. Yes, more can be done, but

we appreciate the IGR cohesiveness and streamlined processes this structure has been able to put in place.

THE PUBLIC SECTOR WAGE BILL

Madam Speaker, in the 2022/23 financial year, a total of R3 billion has been allocated to Gauteng Provincial Government departments to offset the public sector wage settlement that was previously not budgeted for. This is a once-off amount, and it must be borne in mind that the wage negotiation process is underway and expected to conclude in the course of the 2022/23 financial year. The resourcing of this will be communicated to all departments upon conclusion of the process. As a province, we have managed to contain the wage bill at below 60% of the provincial budget, and largely avoiding crowding out resources from other areas, which would hinder the attainment of our GGT2030 ideals.

ECONOMIC AND SERVICE DELIVERY EMERGENCY

Honourable members, the additional resources being tabled today are themed along the following:

- Winning the Battle Against the COVID-19 Pandemic;
- Reigniting the Economy; and
- Recalibrating Social Policy to Improve Education, Health and Other Outcomes

We all heard the Honourable Premier's clarion call in the SOPA, that all hands will be on deck as we move 'From the Public Health Emergency to the Economic and Service Delivery Emergency'.

In ***Reigniting the Economy***, a total of R1.3 billion is being allocated over the 2022 MTEF. The SOPA dwelt extensively on the Tshwane Automotive Special Economic Zone and other Special Economic Zones in the Gauteng City Region, and the urgency required in dealing with the economic challenges that need to be surmounted in recovering from the impact of the COVID-19 pandemic and the sluggish economic growth that has been experienced over the past few years.

Over the 2022 MTEF period, a total of R638 million has been allocated towards the Tshwane Automotive Special Economic Zone to address the internal bulk infrastructure necessary to bring to fruition the second and other phases of this project, as well as to support the operation expenditure shortfall in the intervening period before occupation by tenants, whose rental costs shall offset the operational funding requirements.

The Gauteng Department of Agriculture and Rural Development will be receiving an additional once-off amount of R10 million, which will assist the department to undertake feasibility studies in the thematic areas of Climate Change, Horticultural Production Hub, Egg Aggregation Pack Station and Starch Manufacturing Facility, the latter three having been identified as crucial in developing business cases that will be crucial in obtaining private-sector funding for these projects.

This is in line with the drive to enhance value-add in the agricultural sector and catalyse agro-processing, as outlined in the SOPA, where the Honourable Premier highlighted the work being done in conjunction with the beverage, agro-processing and agribusiness sectors to not only ensure food security and promote urban agriculture as a key sector for employment and economic growth and development.

The Honourable Premier emphasised that our agenda of reversing apartheid spatial transformation remains on track, and the continued issuance of title deeds would be key in providing security of tenure. Given the backlog in the issuance of title deeds, over the 2022 MTEF, in addition to the resources already in the baseline of the Gauteng Department of Human Settlements, an additional R177.2 million has been allocated, to ensure that by 2024, the current backlog is cleared, and new title deeds are issued to beneficiaries of housing projects.

SOPA dwelt at length on the crisis of youth unemployment, and the various initiatives that have over the years been initiated in response to the emergency social conditions that young people continue to be faced with. Indeed, while work opportunities have been created since 2014

saw the increased emphasis on Expanded Public Works Programmes, this is not nearly enough to make a dent in the catastrophic unemployment rate, especially among the youth.

While many initiatives are embedded in the existing baseline targeting the youth, such as procurement from youth-owned enterprises, where R5.6 billion was spent between 2014 and 2019, as well as supplier development training, this budget has set aside a total of R2.4 billion for the following youth-centred opportunities:

- **Youth Brigade:** The Gauteng Department of Education will be receiving an additional R376 million over the 2022 MTEF to employ the youth, as part of the Youth Brigade and ensure that they are placed and employed in critical service areas of the department like Bus Conductors. It is expected that the department will collaborate with the Gauteng Department of Social Development to target young people who are already profiled. Our intention is to reduce the grant dependency of unemployed graduates by hiring them in various service points in schools and district offices. This will be linked with the Premier's policy imperative of implementing the provincial Welfare-to-Work Programme towards reigniting the provincial economy and recalibrating the social compact.
- **Presidential Youth Employment Initiative (PYEI):** The National Government has provided R2 billion for the 2022/23 and 2023/24 financial years for mass public employment intervention, that is focusing on skilling the youth and the schools used as the channel by which the youth can access skills. These resources allocated to the Gauteng Department of Education should see more than 40 000 unemployed youths hired to assist in the implementation of various education sector youth employment programmes like teacher assistants and administrative assistants.
- **COVID-19 Call Centre:** An additional R12.9 million has been allocated in 2022/23 to keep the Covid -19 Call Centre open, as the battle against COVID-19 is not yet won.

- **Patrollers:** An additional R13.1 million has been made available to the Gauteng Department of Community Safety to hire more patrollers in an attempt to fight crime in the province. As a result of this additional funding approximately 400 patrollers will be added to the streets of Gauteng Province.

The Gauteng e-Waste Management Strategy that was recently approved, outlines how electrical and electronic equipment will be disposed of and managed after reaching their end of life. Not only does this strategy protect the environment from further degradation, but it also creates job opportunities, particularly for women, people with disabilities and the youth. R6 million will be used to actualise this strategy.

The utilisation of these resources towards their intended objectives will be our on-going preoccupation. There will also be heightened partnerships with the private sector, under the auspices of the Economic Recovery and Jobs War Room, so that the desired outcomes and impacts are achieved.

The Gauteng Department of Health is at the forefront and leading the quest to ***Win the Battle Against the COVID-19 Pandemic***. The province has seen significant decline in the positive cases as well as the drop in the rates of hospitalisation.

In light of the resource constraints facing the health sector as a whole, a total of R3.4 billion has been made available to GDoH over the 2022 MTEF, consisting of R1.6 billion in 2022/23, R738.2 million in 2023/24 and R1 billion in 2024/25.

While we acknowledge that the pandemic is still in our midst, our response is driven by scientific evidence. Accordingly, in the 2022/23 financial year, it is expected that this additional amount will largely go towards resourcing the Gauteng COVID-19 Response Plan, together with off-setting other budgetary pressures.

In order to ensure that the Gauteng Provincial Government continues to have capacity to fight the COVID-19 pandemic, a once-off amount of

R1.1 billion will enable the Gauteng Department of Health to maintain some of the existing Human Resource capacity for the duration of the 2022/23 financial year.

To address the risks to employees and patients, matters of Occupational Health and Safety will be resourced, with additional funding of R119.7 million over the 2022 MTEF being made available towards the employment of OHS Practitioners. These funds are specifically allocated towards protecting and promoting workers' health, to sustain and improve their working capacity and ability, to contribute to the establishment and maintenance of a safe and healthy working environment, through the:

- Prevention of infections among health sector staff and community through provision of training on effective use of PPE, development of guidelines and monitoring of performance;
- Identification, assessment, implementation of controls and the monitoring of workers exposed to hazards and risks, to prevent occupation injuries, diseases and ensure continuous medical surveillance; and
- Management of Compensation for Occupation Injuries and Diseases (Routine and Vaccine related with multiyear backlogs and management of 29 Occupational Health and Wellness Centres and additional 8 established in district level.

There is also funding allocated towards Goods and Services, in particular, Consumable Supplies and Medical Supplies, which items are at the core of healthcare, and which will ensure that the department is able to provide adequate healthcare.

In ***Recalibrating the Social Compact to Improve Health, Education and Other Outcomes***, a total of R8.1 billion will be allocated towards various aspects. Indeed, as the Honourable Premier emphasised in the SOPA, educational outcomes have been a key area of pride, with significant resources invested in the modernisation and quality delivery of education especially improving educational outcomes in township schools.

Building on this past success, over the 2022 MTEF, the Gauteng Department of Education will be receiving a total of R5.2 billion, allocated towards:

- **Personal Protective Equipment in Public Schools:** R817.8 million has been allocated to enable GDE to provide for personal protective equipment in public schools. This funding will aid in abating the spread of the virus in public schools and protect both learners and educators. Gauteng has about 2 210 public schools with more than 2.6 million learners, which represents a large community. Priority for this intervention will, however, mainly be towards those poorer and most vulnerable public schools within the Quintiles 1 to 3 and Quintiles 4 to 5 categories respectively.
- **Recapitalisation of Township Technical Schools:** The important of market-related technical skills has become more important, particularly in the previously disadvantaged townships. Funding is made specifically for recapitalisation of these technical school to enable them to offer market-related curriculum that is aligned with the 4th Industrial Revolution. R157 million has been allocated over three years towards recapitalisation of township technical schools to revive these schools so that they are able to offer technical and engineering programmes. These will boost the skills that are in high demand and respond to the changing world of technology and the 4th Industrial Revolution.
- **ICT Investment (e-Learning):** Funds are allocated for the continuation and upscaling of the Gauteng e-Learning Strategy, which is a provincial policy priority that will further push ahead the province in leading the country in the use of technology in teaching and learning. Gauteng shall continue to be the national benchmark in as far as technology-based learning is concerned. To this effect, R1.2 billion has been allocated over the MTEF for increasing the number of devices, data and security.

- **Personnel Funding:** The COVID-19 pandemic has left a void that will need additional human resources to be employed to replace those who have been lost to the pandemic and also to provide for additional growth posts as a result of the increase in the learner numbers in the province. Over the 2022 MTEF, an additional R2.2 billion has been made available to ensure that GDE is able to hire and replace educators post COVID-19 to ensure that the challenges of loss of capacity is restored and educators are appointed to continue to classroom-based teaching and learning.

The Gauteng Department of Social Development will be receiving R476 million over the 2022 MTEF, and these resources are specifically for the following:

- **Gauteng City Region Adult Homeless Strategy:** COVID-19 brought to the fore the need for government to improve care towards and protection of the rights to human dignity to the homeless community. It is government's responsibility to care and provide community-specific and relevant programmes to all its citizens, without any discrimination. An amount of R263 million is allocated to continue the implementation of this strategy, in collaboration with municipalities and the Gauteng Department of Cooperative Governance and Traditional Affairs.

About 2 420 beneficiaries across of regions of the province are targeted, where the Gauteng Department of Social Development will, based on lessons from the hard lockdown, continue to implement and monitor the long-term strategy for shelters.

The department will also conduct comprehensive profiling of willing beneficiaries and attach them to particular shelters, where various skills will be provided to enable them to improve their economic opportunities and income-generating programmes. It is also envisaged that the department will provide services that will be focused on substance abuse, dysfunctional families, mental and physical health and those in conflict with the law.

- **Support to the Non-Governmental Organisation Sector:** As a caring government, additional funding to the tune of R212.5 million over three years, has been added to augment the existing allocation in the Gauteng Department of Social Development. budget in the social development sector.

This funding is meant to ensure the sustainability of the relations and collaboration between government and the NGO-sector, which is an extended arm of government.

The Honourable Premier's 2022 SOPA reiterated that we need to expand our interventions in poverty alleviation programmes. These will be specifically prioritised towards the following:

- Increasing the provision of food parcels by increasing reach to 2 million food-insecure and vulnerable people;
- 100 thousand young women by transitioning them from welfare into decent employment with skills and further educational opportunities;
- Launching the Urban Agriculture and Food Movement for townships to grow their food,
- Expanding the coverage of learners who miss school due to lack of dignity packs; and
- Expansion of other social welfare services like substance abuse, care to children and the aged and those affected and living with HIV.

With the Department of Community Safety being in the forefront of ensuring that Gauteng citizens are and feel safe, the department will be receiving a total of R233 million in order to implement the 24/7 model of Traffic Policing in Gauteng from 01 April 2022, as resolved by the Executive Council. A further R125 million has also been made to assist the department with the cost of fleet services, in light of the substantial increase in the number of traffic officers, as the department has endeavoured to reduce road fatalities in the province.

PROMOTING CLEAN GOVERNANCE

Honourable Members, we are committed to promoting clean governance, transparency, and public accountability.

On 16 February 2022, the Constitutional Court handed down the judgement in the application for leave to appeal against a judgement and order of the Supreme Court of Appeal, in as far as the validity of the Preferential Procurement Regulations, 2017 promulgated by the Minister of Finance in terms of the Preferential Procurement Policy Framework Act, No. 5 of 2000. This application was brought by the Minister of Finance against Afribusiness NPC.

The Supreme Court of Appeal (SCA) held that the Minister's promulgation of regulation 3(b), 4 and 9 of the Preferential Procurement Regulations was unlawful. Due to what the SCA held to be the interconnectedness of the regulations, the entirety of the Preferential Procurement Regulations was declared invalid. The declaration of invalidity was suspended for 12 months.

The majority judgement of the Constitutional Court dismissed the appeal against the SCA judgement, but it was silent on the question of remedy as it did not address the issue of the SCA's suspension.

The Minister will, on an urgent basis, seek confirmation from the Constitutional Court that the validity of the Preferential Procurement Regulations, 2017, has been and continues to be suspended for a period of 12 months.

Honourable Members, it has been emphasised to the departments receiving these resources the need for total accountability in their utilisation. Not only will these monies will be earmarked, but Gauteng Provincial Treasury will be tracking expenditure, with a view to reporting to the Executive Council on a quarterly basis.

Let me also echo the Honourable Premier's emphasis on ethical governance, and the need to continue focusing on promoting a responsive, accountable, effective, and efficient public service and

eliminating corruption. It will not bode well if scarce resources that are increasingly difficult to come by, are diverted away from the needs of the marginalised segments of our society who look up unto the government for support and sustenance, towards corrupt and self-enriching behaviour. We owe it to ourselves to be guided by our ethical and moral compass in working for those in whose name we serve.

CONCLUSION

Madam Speaker, we are sure of our success in this chosen path. The citizens of this province need inspiration and hope. Therefore, it is up to us to live to their singular and collective expectations as we walk to traverse the **LAST MILE** of this Administration. We dare not fail!

At this point let me recapture this moment well-articulated 60 years ago, in 1962, by Inkosi Albert Luthuli, in his book "Let my People Go":

"The task is not finished. South Africa is not yet a home for all her sons and daughters. Such a home we wish to ensure. From the beginning our history has been one of ascending unities, the breaking of tribal, wrenched from the whole. There remains before us the building of a new land... from the ruins of the old narrow groups, a synthesis of rich cultural strains which we have inherited... The task is immense."

Honourable Members, let me take this opportunity to express my appreciation to:

- Honourable Premier David Makhura for his leadership and continued guidance and leadership as we continue with our work to serve the people of Gauteng.
- Colleagues in the Executive Council and the Premier's Budget Committee, for your continuous cooperation and participation. Your valuable input is always appreciated in ensuring that our budget responds to the needs of citizens.

- Thank you very much to the Finance Portfolio Committee and the Standing Committee on Public Accounts under the capable leadership of Honourable Joe Mpisi and Honourable Sochayile Khanyile respectively, for their insight and oversight on all budget or financial management matters;
- Head of Department, Ms Ncumisa Mnyani and the entire Treasury team for their hard work and dedication to efficient management of public funds; and
- Last, but not least, I want to thank my family for always being a source of great strength to me, especially my children (Andile and Tumelo) for their continued support in the work I do of serving the people of Gauteng.

Honourable Members, I present the following documents for consideration by this House:

- The Appropriation Bill for 2022.
- The Explanatory Memorandum to the Bill.
- Estimates of Provincial Revenue and Expenditure.
- Estimates of Capital Expenditure.
- The Socio-Economic Review Outlook, and
- A copy of my Speech.

Thank you