



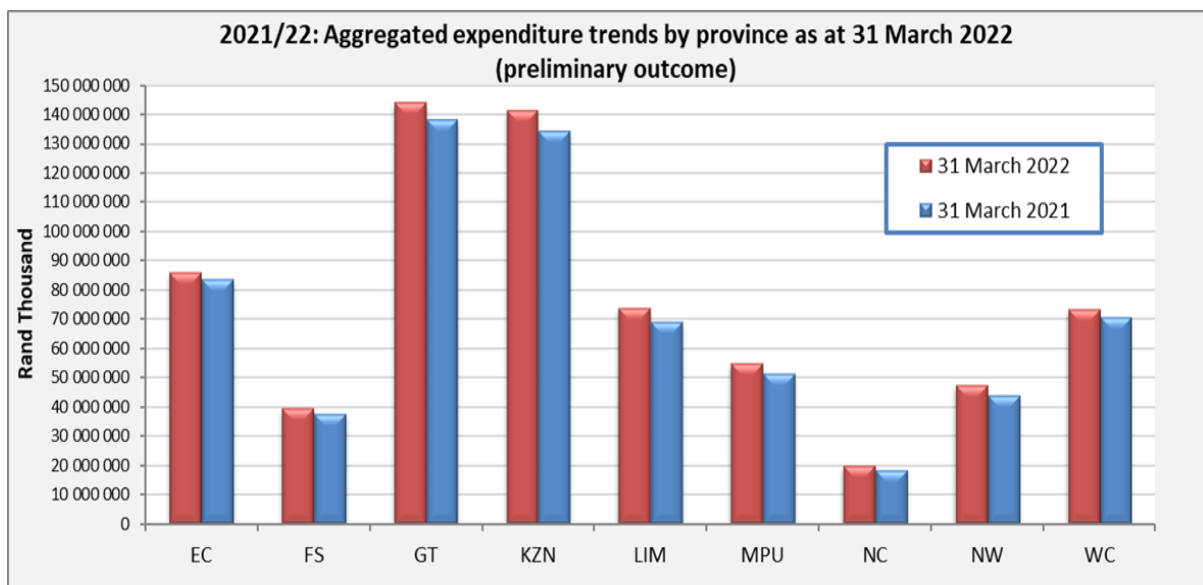
MEDIA STATEMENT

Provincial Budgets and Expenditure: 2021/22 Financial Year Preliminary Provincial Revenue and Expenditure Report

SUMMARY

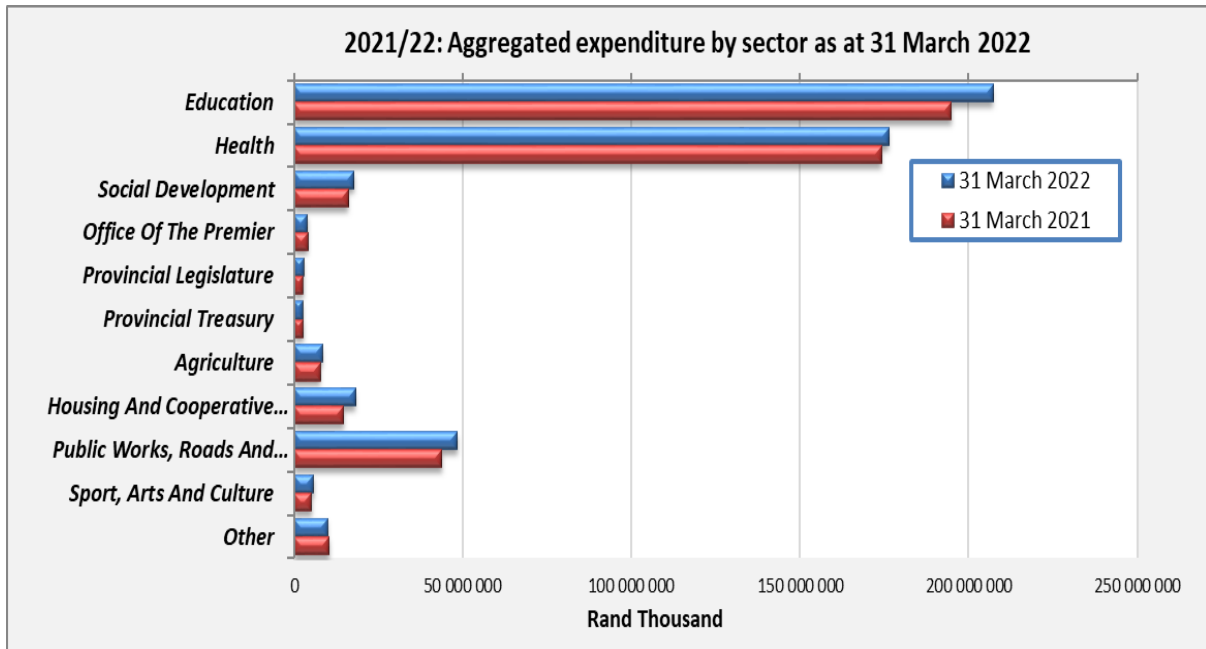
Overall Expenditure Trends: 2021/22 Preliminary Outcomes

1. Provinces have spent 98.3 per cent or R679.2 billion of the R690.7 billion provincial adjusted budgets. As a share of the adjusted budget, spending has increased by 5.2 per cent (R33.4 billion) compared to the same period in the previous financial year (2020/21).

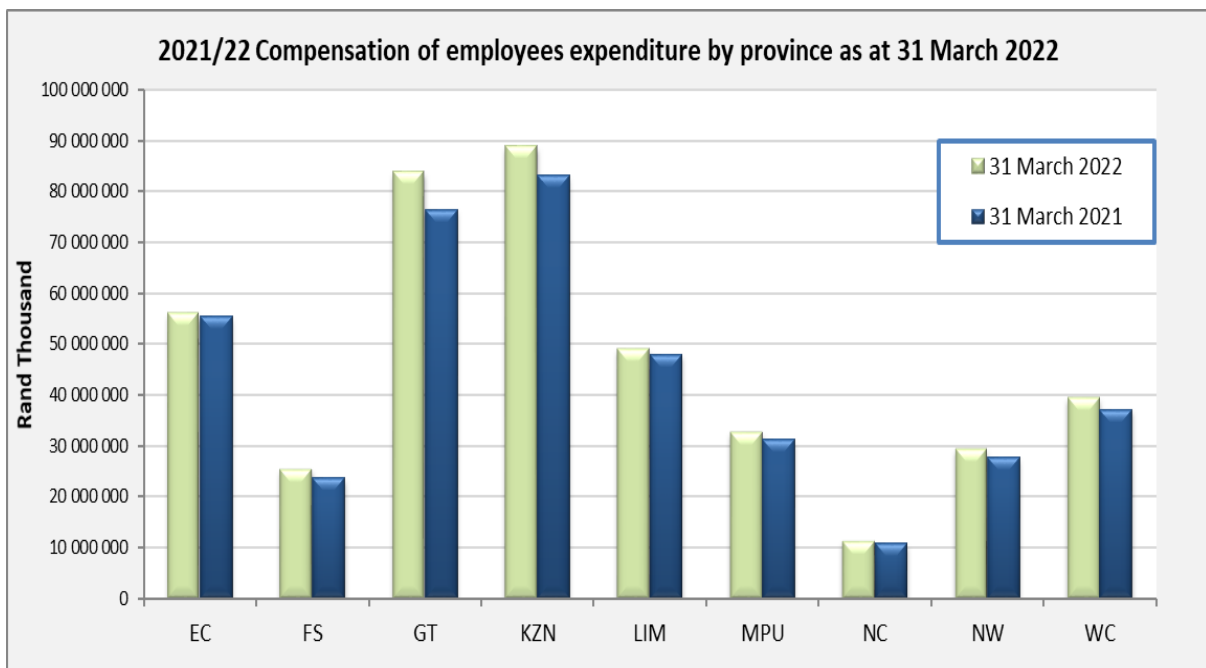


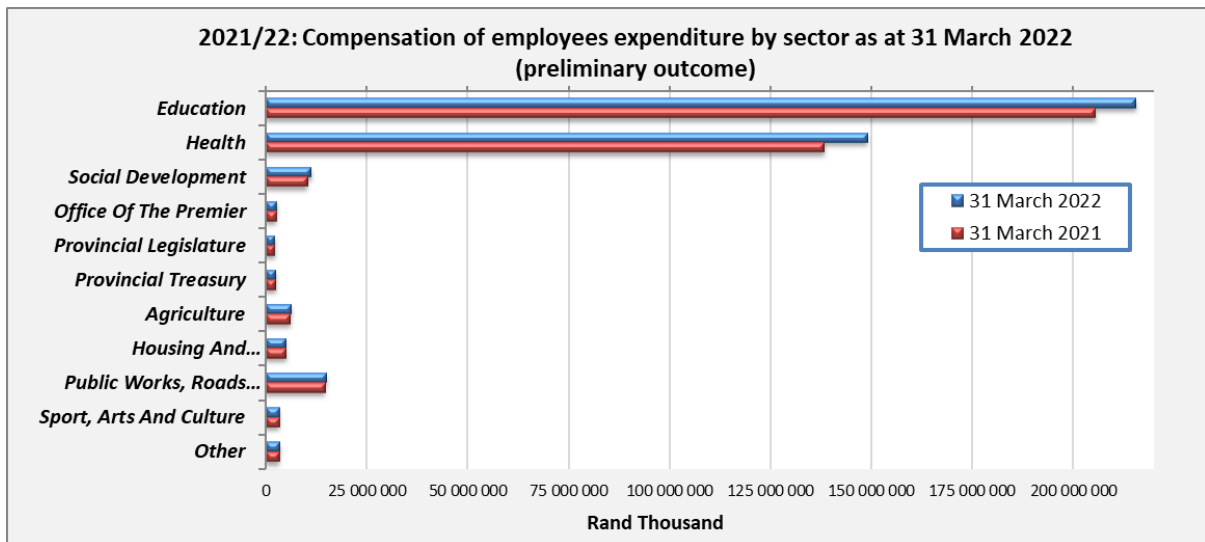
2. Spending on **education** amounts to R278.7 billion or 99.9 per cent of the provincial education's adjusted budget of R279.1 billion. Spending is R15.1 billion (5.7 per cent) higher compared to the same period of the previous financial year. Education remains the largest item of provincial expenditure (41 per cent).
3. Provinces spent R235.9 billion against the adjusted budget of R240.2 billion providing **health** services at the end of the 2021/22 financial year. Spending is R4.5 billion (1.9 per cent) higher than the spending recorded over the same period in 2020/21. This makes Health the second largest item of provincial expenditure (34.7 per cent).
4. **Social development** expenditure at the end of the fourth quarter of 2021/22 amounted to R24 billion or 97.2 per cent of the total provincial social development's adjusted budget of

R24.7 billion. This represents an increase of 5.4 per cent or R1.2 billion compared to the same period in 2020/21.

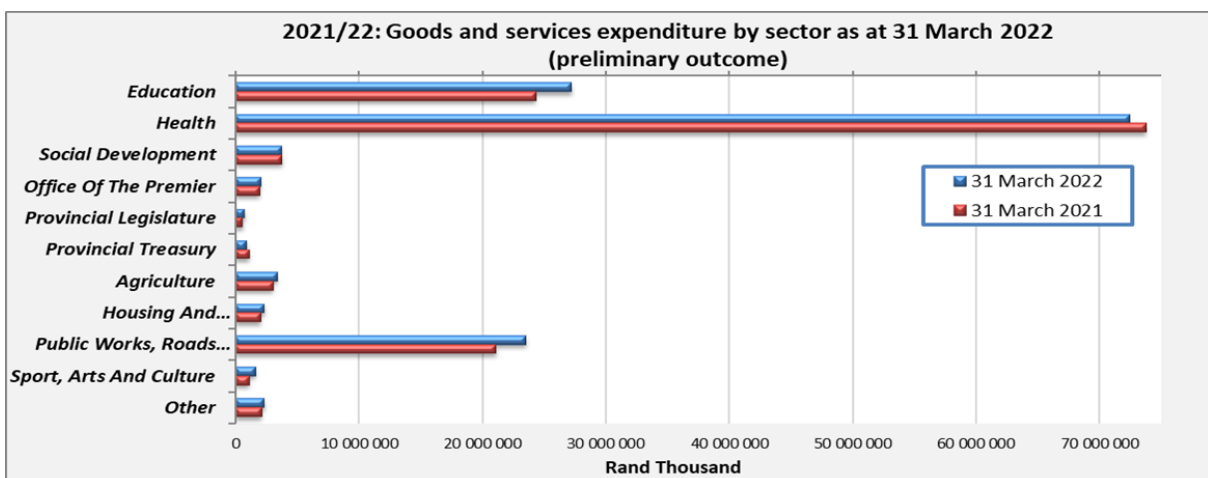
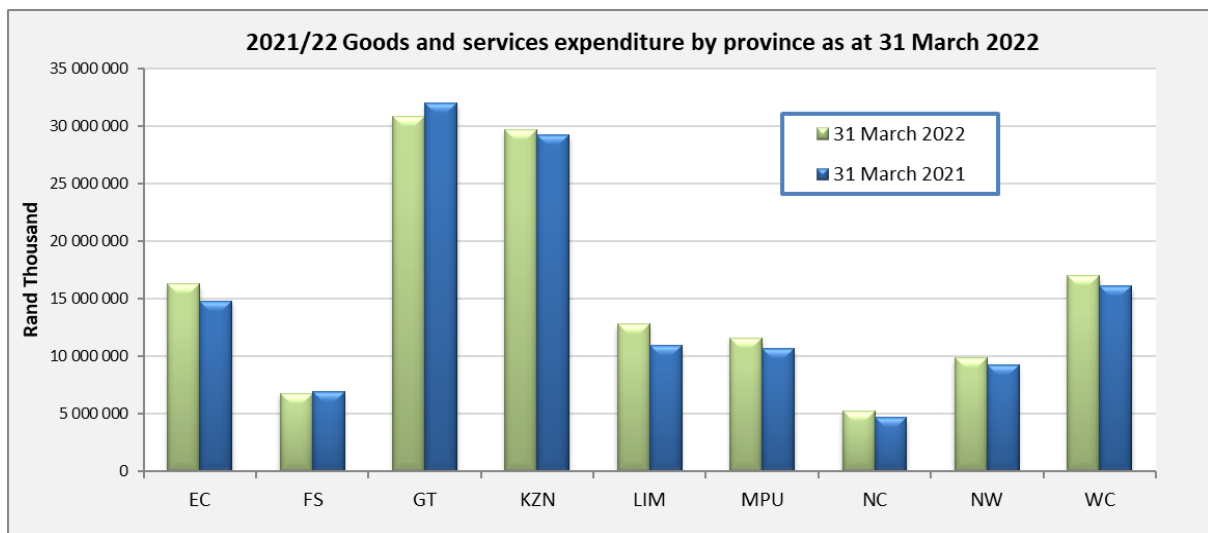


5. **Personnel** expenditure (compensation of employees) amounted to R416.5 billion or 99.9 per cent of the R417.1 billion adjusted budget as of 31 March 2022. This represents an increase of 5.7 per cent or R22.6 billion compared to the same period of the 2020/21 financial year.

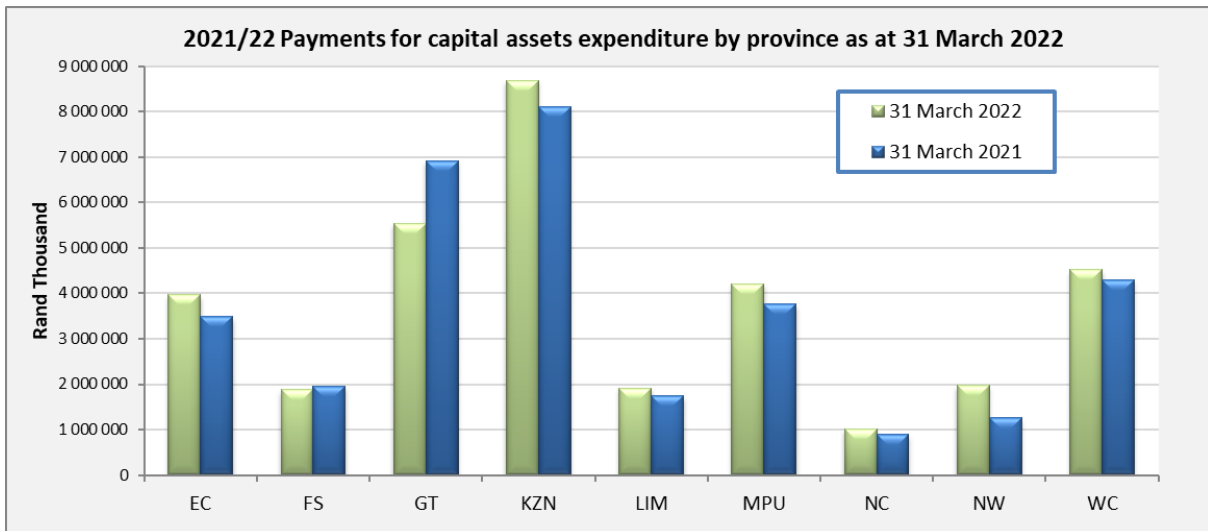




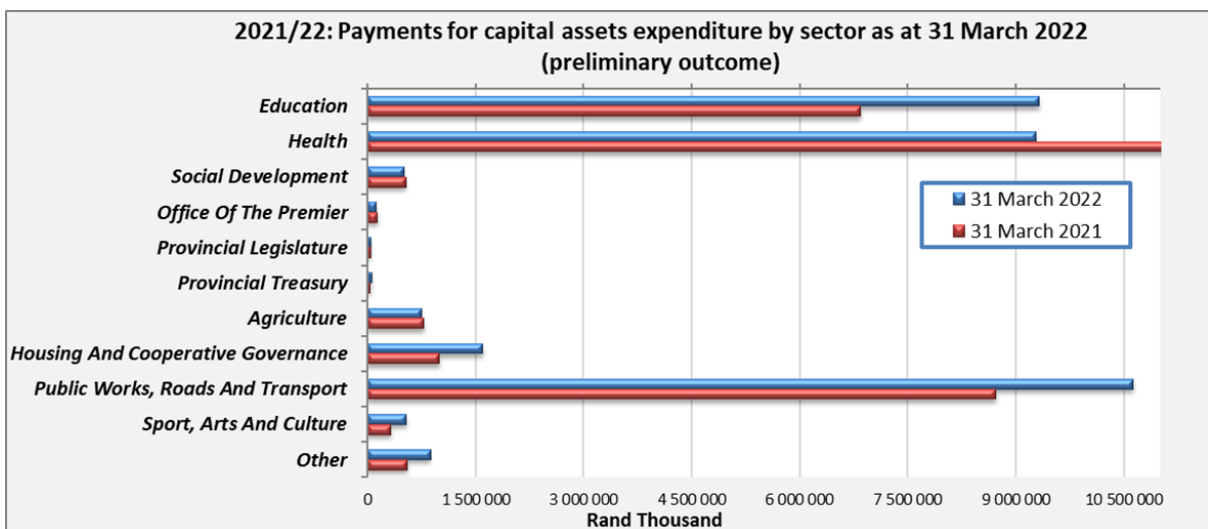
6. Spending on **goods and services** in aggregate amounts to R140.2 billion or 96.3 per cent of the R145.6 billion adjusted budget. This is 4 per cent or R5.4 billion higher than the R134.8 billion spent over the same period in 2020/21.



7. For the year to date, payments for capital assets (**capital**) spending amounts to R33.7 billion or 91.9 per cent of the R36.7 billion provincial payments for capital assets adjusted budgets. The spending rate has increased by 3.9 per cent or R1.3 billion compared to the same period in the previous financial year.



8. Capital expenditure by provincial education departments amounted to R9.3 billion or 94.1 per cent of the R9.9 billion adjusted budget. This is R2.5 billion more or 36 per cent compared to the same period in the previous financial year.
9. As the biggest share of the capital budget, capital expenditure by provincial health departments amounted to R9.3 billion or 78.4 per cent of the adjusted budget of R11.8 billion. This represents a decrease of R4.2 billion or 31.1 per cent compared to the R13.5 billion spent over the same period in 2020/21.
10. Public works, roads and transport departments have spent R10.6 billion or 98.2 per cent of their adjusted capital budgets. This represents an increase in the spending rate by 27.1 per cent or R2.3 billion compared to the same period in the previous financial year.



11. **Provincial revenue** includes equitable share allocations of R544.8 billion, conditional grants of R118.8 billion including rollovers and adjusted budgeted own revenue of R20.8 billion. The total provincial revenue received and collected for the fourth quarter

year to date of the current financial year is R684.4 billion, or 100 per cent, of total adjusted budget revenues. The national government has transferred 100 per cent of the equitable share and 100 per cent of conditional grants allocations to provinces.

12. Provinces have collected R20.7 billion or 99.7 per cent of the adjusted budgeted own revenue amounting to R20.8 billion. Own revenue collections are significantly higher compared to the same period in the previous financial year, and this largely reflects the recovery of revenue as some revenue items such as casinos and motor vehicle licenses were affected by the impact of lockdown of some sectors of the economy.

Notes to editors

- Published by the National Treasury in terms of Section 32 of the Public Finance Management Act (PFMA). This statement of provincial receipts and payments covers the first, second, third and fourth quarter (April 2021 to March 2022) of the 2021/22 financial year. The statement is available on the Treasury website at www.treasury.gov.za.
- The information in the statement comes from Section 40(4) PFMA reports submitted by heads of provincial departments to provincial treasuries, who in turn, submitted the information to the National Treasury. Queries on spending or budget numbers should in the first instance be referred to the heads of the relevant provincial departments, and in the second instance to the head of the relevant provincial treasury. Queries on conditional grants should be referred to the head of the national department that administers the grant.
- The budgeted figures in this publication include the *2021 Adjusted Estimates of Provincial Revenue and Expenditure* documents of provinces, which were presented to their respective provincial legislatures during December 2021, and post adjustments made by provinces up to the end of March 2022. It includes the amounts allocated through the *Adjustments Appropriation Act, 2021 and Division of Revenue Amendment Act, 2021*.

Issued by National Treasury

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