

NATIONAL COUNCIL OF PROVINCES
QUESTION FOR ORAL REPLY
QUESTION NUMBER: 57 [NO184E]

★57. Mr D R Ryder (Gauteng: DA) to ask the Minister of Finance:

- (1) Why the big increase in this year's Budget allocation to the Treasury compared to almost all other departments, which have had decreases (details furnished);
- (2) whether such an increase marks a move towards the centralisation of power and increased oversight and control by the Treasury over spending and procurement; if not, what is the position in this regard; if so, what are the relevant details?

CO184E

REPLY:

- 1) The budget of the National Treasury was reduced in line with all other departments, with the same percentage being applied. However, a majority of the National Treasury's budget includes many transfers to entities and institutions as well as direct charges. In this regard, a number of strategic recommendations are included in Budget 2021, including additions to the budget of the South African Revenue Service (SARS), the Land Bank and the BRICS bank. These institutions receive transfers from government through the vote of National Treasury. In addition, provinces receive additional funding in 2021/22 to combat the impact of COVID-19 on health facilities. This funding is made available through the provincial equitable share, which is a direct charge within the vote

of National Treasury. Therefore, there is no increase in the budget of the National Treasury. The incremental growth observed is in respect of transfers to entities that are incidentally located under the vote of the National Treasury mainly for administrative or oversight purposes. This has no relationship to the spending decisions of the National Treasury as a department.

- 2) See response to question 1) above. The National Treasury does not receive additional funding as a department and is indeed reduced like all other departments. Only entities, which are incidentally located within the vote of National Treasury receive increases in line with the strategic intent of government (e.g. SARS).