



GAUTENG PROVINCE
PROVINCIAL TREASURY
REPUBLIC OF SOUTH AFRICA

SPEECH BY HONOURABLE JACOB MAMABOLO, GAUTENG MEC FOR FINANCE ON THE OCCASION OF TABLING THE 2024/25 GAUTENG PROVINCIAL BUDGET, GAUTENG PROVINCIAL LEGISLATURE, 05 MARCH 2024.

Madam Speaker and Deputy Speaker
Premier Panyaza Lesufi and fellow Members of the Executive Council
Chief Whip of the Majority Party
Leaders of Political Parties
Members of the Provincial Legislature
MMCs of Finance and Councillors
Distinguished Members of the Diplomatic Community
Representatives from the Auditor General's Office
Senior Officials of Government and Municipalities
Representatives of Business, Organised Labour, and Civil Society
Distinguished guests
Comrades and Friends

INTRODUCTION

Madam Speaker, I am honoured to be given the opportunity to present the 2024/25 Gauteng Provincial Budget to the Legislature today.

This budget comes after the presentation of the State of the Nation Address by President Cyril Ramaphosa, State of the Province Address by Premier Panyaza Lesufi and the National Budget by the Finance Minister Enoch Godongwana.

We are tabling the budget a day after the launch of the Human Rights Month under the theme: *“Three Decades of Respect For and Promotion of Human Rights”*.

We join calls by the government to urge all South Africans to use Human Rights Month to foster greater social cohesion, nation-building, and a shared national identity, and to strive for inclusive socio-economic development while ensuring that we combat the scourge of racism, racial discrimination, xenophobia, and all related intolerances as well as gender-based violence (GBV) and femicide, which are undermining our human rights culture.

Honourable Members, this budget also comes a takes place on the 30th year of our democracy, commemorating the historic day of 27th April 1994, when millions of South Africans exercised their right to vote for the first time in their lives.

Reflecting on the journey we have traversed over the past 30 years, President Ramaphosa aptly and correctly stated: "We have transformed the lives of millions of South Africans, provided the necessities of life and created opportunities that never existed before."

It was for this reason that when delivering his State of the Province Address, Premier Panyaza Lesufi correctly stated, and I quote: "Today 30 years later, the Province of Gauteng has changed beyond recognition from the racialised spatial nightmare of our past".

There is no greater, clear demonstration of the strength of our maturing democratic system than the fact that as we celebrate 30 years of freedom, this country will be going to yet another General Election on 29 May, where more than 27 million people will once again exercise their right to vote for the government of their choice.

Let freedom continue to reign in our country!

Madam Speaker, it was on 5 March 2020 when the first budget of the Sixth Administration was tabled to this House.

Today, on 5 March 2024, exactly five years later, we are presenting the last budget of the Sixth Administration.

This is therefore an opportune time for us to briefly reflect on how we used the budget during the 2019-2024 political term of government to implement our priorities, firmly focused on improving the living conditions of people in Gauteng.

Honourable Members, the total combined budget of the provincial government over the past five years amounted to R744 billion. This translates into an average of R149 billion per year in the last five years, inclusive of the current financial year.

The largest share of these resources went to the social cluster, which accounted for 81 per cent of the total budget. We also significantly invested in supporting the township economy, provision of decent housing for communities, youth development and women empowerment initiatives.

Over the years, we allocated these resources as follows:

- In the 2020 Medium Term Expenditure Framework (MTEF) budget, our theme was ***“Doing more with less”*** and we responded decisively to the COVID-19 pandemic by funding large-scale health interventions, economic relief measures and protected the most vulnerable people in difficult times.
- The 2021 MTEF was tabled under the theme ***“Renewing the economy and restoring the public finances”***. Our focus in that budget was to support a rapid return to economic growth, provide additional resources to the health sector to address the COVID-19 pandemic, vaccine rollout and provincial own revenue enhancement.
- The theme of the 2022 MTEF budget was ***“Supporting the recovery and building for the future”*** with a focus on consolidation and delivery of the GGT2030 initiatives, special economic zones and increased infrastructure expenditure.
- The 2023 MTEF budget was tabled under the theme ***“Improving socio-economic conditions and enhancing revenue collection”*** and prioritised 82 per cent of our resources for the Social Cluster, tackling youth unemployment and gender-based violence amongst other things.

However, Honourable Members, we must express our concern about the expenditure performance of departments in this period which was characterised by underspending. This leaves a room for the province to improve the quality of spending for both conditional grants and equitable share.

As we present this final budget of the Sixth Administration, we stand at a pivotal juncture in the history of Gauteng, reflecting on 30 years of democratic governance, but mindful of the fact that we must lay a strong foundation for the future.

This budget therefore is not merely a financial statement; it is a strategic framework that underscores our solid commitment to the enduring principles of stabilising finances, protecting the vulnerable and economic growth.

It represents our collective vision for a Gauteng that is prosperous and equitable, where the benefits of growth are shared by all residents.

Indeed Honourable Premier, ***“No sunrise will find us where sunset left us. Days are never counted backwards!”***

ECONOMIC OUTLOOK

Honourable Members, let me now turn to the economic outlook and state that the world is experiencing subdued economic performance.

We live in an interconnected world and the weak global economic performance has negatively affected the economies of both South Africa and Gauteng.

That is why we support the urgent implementation of structural reforms that the President spoke about during his State of the Nation Address to enhance the economic performance of our country and indeed Gauteng.

To this end, we proudly noted that at the end of January, South Africa launched the country’s first preferential trading shipment under the African Continental Free Trade Area (AfCFTA) agreement.

This was an important milestone, and as Gauteng, we remain fully committed to take full advantage of the opportunities provided by AfCFTA to boost trade and economic growth in the province.

Honourable Members, let me take this opportunity to congratulate Mr Wamkele Mene for being reappointed for another four years as Secretary General of AfCFTA Secretariat by the African Heads of State and Government at the African Union’s Summit two weeks ago.

Positive Indicators

Other positive developments in the country that if, maintained, could fast-track our recovery and set this economy on a sustained growth trajectory include the following:

- South Africa has made progress towards meeting the international standards on preventing money laundering, which led to the country being grey listed by the global financial watchdog, the Financial Action Task Force.
- There has been an improvement in logistical constraints, easing the transportation of goods to boost the economy.
- There is increased private sector appetite to collaborate with government to address growth inhibiting challenges.

PROMOTING TRANSPARENCY AND COMPLIANCE IN FINANCIAL MANAGEMENT

Honourable Members, as we march towards the end the Sixth Administration, it is absolutely important that we reflect on some of the key achievements of this term in relation to our work of managing the public purse.

The 2022/23 audit outcomes were the best of the Sixth Administration. All departments in the province achieved unqualified audits outcomes. Six of these departments achieved clean audit outcomes. There were no disclaimers.

These outcomes demonstrated progress made on governance and financial management, due to amongst other things, compliance with rules and regulations, performing risk-based audits that assisted departments to improve the internal control environment, risk management and governance processes.

We have maintained the implementation of the Open Tender system and ensured that all bids over R2 million are subjected to probity audit.

A total of 428 projects have been awarded through Open Tender since 2014 amounting to R41.6 billion. The provincial government has never incurred irregular expenditure on Open Tender transactions.

Madam Speaker, in adhering to the call of professionalising supply chain management, we partnered with National Treasury and the Transport Sector Education and Training Authority, we have trained 246 supply chain management officials from departments, municipalities and entities who have now been accredited with a standard based NQF Level 05 qualification termed the Higher Certificate: Supply Chain Management. This is to ensure sound financial management and improve compliance levels within the public sector.

The intergovernmental Debt Management Committee has assisted municipalities to collect R15.6 billion from departments and entities for services, rates, and taxes. The three metropolitan municipalities followed by Emfuleni Local Municipality received the largest share of these funds.

We have decided to extend the mandate of the Debt Management Committee to include national departments and parastatals.

LEVERAGING PROCUREMENT TO DRIVE ECONOMIC TRANSFORMATION

Madam Speaker, let me now make a point about how this government is using its massive procurement spent to fundamentally transform the township economy, and set it on a faster growth trajectory.

Throughout this term of government, **Gauteng Provincial Treasury**, the **Gauteng Department of Economic Development** and other partners have been crisscrossing the province, providing supplier development workshops and registering businesses on the Central Supplier Database (CSD).

These efforts led to the registration of more than 30 700 township suppliers on the CSD. To demonstrate our confidence in these township-based companies, provincial government went on to conduct business with 22 725 of these companies owned by blacks, women, youth, people with disabilities and military veterans, to the value of over R14.2 billion during this term of government.

We welcome the passing of the Public Procurement Bill by the National Assembly. In its current form, the Bill is aligned to the progressive transformative procurement approach that we are striving towards achieving guided by the ground-breaking Township Economic Development Act (TEDA).

PAYMENT OF SUPPLIERS

Honourable Members, payment of suppliers on time is not only a requirement in terms of the Public Finance Management Act; this also assists businesses to improve cash flow that is important for their sustainability and expansion.

In 2019, the EXCO Lekgotla took a resolution that the Electronic Invoice Submission (EIS) system must be utilised as a platform to submit invoices to provincial departments.

Since issuing this directive, we can report that as at the end of January, the province had received more than 1 million invoices through the system.

For the first time in January 2024, all service providers submitted their invoices via the EIS platform allowing them to track the status of their invoices leading to payment stage.

We are delighted to announce that this led to most departments and several entities achieving 100 per cent payment of invoices within 30 days.

We know fully well that we still have a long way to go to achieve our goal of paying all suppliers on time, particularly by the **Gauteng Department of Health**. However, we remain optimistic that through the implementation of initiatives such as the EIS, we will achieve our objective.

FISCAL ENVIRONMENT AND STRATEGY

Madam Speaker, the 2024 MTEF Budget that we are presenting today was compiled under challenging circumstances than ever before.

This is due to deep fiscal constraints and a weak economic outlook.

In this context, this budget strikes a balance between the fiscal constraints that continue to be a drag on resource allocation, and the protection of the social wage, while at the same time striving towards the Gauteng of our dreams.

We reaffirm our commitment to the vision articulated in the Growing Gauteng Together (GGT2030) Plan and the elevated priorities anchored on Township, Informal Settlements and Hostels (TISH).

Therefore, the 2024 provincial budget is centred on ensuring sustained resourcing of the following policy priorities:

- Accelerating economic recovery and reconstruction.
- Strengthening the battle against crime, corruption, vandalism, and lawlessness in the province.
- Improving the living conditions in townships, informal settlements, and hostels (TISH).
- Prioritising the health and wellness of people and
- Strengthening the capacity of the state to deliver effectively and efficiently.

This budget is guided by the following principles, amongst others:

- Protect elevated provincial priorities from baseline reductions and target cost containment budget line items.
- Curbing the growth in the provincial budget deficit.
- Responding to fiscal consolidation and absorbing the implications of the unfunded public sector wage agreement within the existing baselines.
- Ensuring long-term fiscal sustainability in the challenging socio-economic environment.
 - Protecting the most vulnerable.

Honourable Members, the provincial budget for 2024/25 amounts to R165.8 billion. It will grow to R171.5 billion in 2025/26 and R176.8 billion in 2026/27.

To put it differently, we are injecting R514.1 billion over the 2024 MTEF into the Gauteng space.

The budget comprises transfers from National Government, of which the Provincial Equitable Share amounts to R127.9 billion, R133.7 billion and R139.9 billion for each respective year of the 2024 MTEF.

Conditional Grant allocations, which have also been subjected to fiscal consolidation, will amount to R27.8 billion in 2024/25, R27.7 billion in 2025/26 and R27.8 billion in 2026/27 financial years respectively.

Provincial own receipts during the MTEF are expected to grow by 3 per cent, realising R8 billion, R8.3 billion and R8.7 billion for each respective year of the 2024 MTEF.

Over the 2024 MTEF, provision has been made for the carry-through costs of the implementation of the Public Sector Wage Agreement. Of the R14.5 billion made available to the Health and Education sectors that account for over 90 per cent of the provincial workforce, Health will be receiving an additional R8.7 billion over the next three years, while Education is in line for an injection of R5.8 billion.

Further to these amounts, National Government made additions of R7.9 billion to partially offset the particularly debilitating impact of fiscal consolidation on the Health and Education sectors, which are a primary function of provinces.

While these increases appear modest, they reflect the dynamic interplay between long-term fiscal sustainability of the budget due to the ever-increasing binding structural constraints in our economy.

PROVINCIAL OWN REVENUE

Madam Speaker, in the current depressed fiscal environment, revenue maximisation has become more critical to mitigate fiscal consolidation reductions.

It is therefore essential that departments must follow a multi-prong approach in optimising revenue by being cognisant of risks that result in reduced revenue such as tax fatigue, tax evasion, rising household debt, increased cost of living and rising social needs.

This can be achieved through amongst others:

- Transparent and accountable service delivery assuring citizens that their contributions lead to better outcomes.
- Improvements in service delivery so that citizen can value the impact of their tax contributions and regulatory fees.
- Tailored communication to highlight how citizens benefit from public services funded from tax contributions or regulatory fees.
- Incentives to encourage citizens to willingly honour their tax contributions and regulatory fees. Participatory governance by including citizens in decision making related to public spending.

Honourable Members, the revenue that the province has collected from the beginning of the term until end of January 2024 amounts to R34.9 billion. This performance for the period under review was mainly driven by the **Gauteng Departments of Roads and Transport, Economic Development, Gauteng Department of Health and Gauteng Provincial Treasury**. The current revenue trends indicates that we are on course to achieve the appropriation target of R7.6 billion for the current financial year.

THE 2024 MTEF BUDGET ALLOCATIONS

Madam Speaker, I now come to the allocations.

The 2024 MTEF Budget addresses the priorities outlined in the State of the Province Address, and following resources, which are already in the baselines of GPG departments.

According to the World Bank's report "*The Economic Cost of Crime in South Africa*" published last year, the high level of violent crime in our country consumes an estimated 10 per cent of our Gross Domestic Product amounting to R700 billion in 2023, comprising of stolen property, protection costs and opportunity cost.

In 2023, the estimated figure of R700 billion was nearly three times the amount government spent on healthcare and R600 million more than the entire budget of the South African Police Service. This has a negative impact on commercial activity and investment into the province.

That is why when delivering the State of the Province Address, Premier Lesufi said this government will continue to increase the budget substantially to fight crime.

Therefore, the **Gauteng Department of Community Safety** is allocated R2.3 billion in 2024/25 and R7.2 billion over the 2024 MTEF to bolster law enforcement capabilities such as the Crime Prevention Wardens, helicopters and drones to take crime fighting into the skies, Provincial Integrated Command Centre, community policing initiatives, fighting Gender-Based Violence and crimes against children through the GBV Response Plan, as well as crime prevention programmes aimed at fostering safer communities.

In this regard, let me take this opportunity Madam Speaker to congratulate and welcome the new Gauteng Police Commissioner, Lieutenant-General Tommy Mthombeni, who officially took up this position on the 1st of March. As the provincial government, we look forward to working with Lieutenant-General Mthombeni to increase crime fighting efforts, particularly in TISH areas, and stamp out lawlessness and vandalism in Gauteng.

Honourable Members, Premier Lesufi said the “township economy is our new gold” to drive economic development and job creation in the province.

In the 2024/25 financial year, we are giving R1.7 billion to the **Gauteng Department of Economic Development**, and R5.3 billion over the 2024 MTEF to specifically address, amongst others, job creation initiatives as well as revitalising the landscape of our township economy including industrial parks and transform Gauteng into a single, multi-tiered mega special economic zones to attract investment, attract tourism, including through the #VisitGauteng - *Zwakala* brand communications campaign and bolster business activity for the net benefit of our residents.

In addition, the Nasi iSpani Mass Recruitment Programme, which was launched by the Premier in June last year will continue to facilitate access to job openings for the youth within departments and their entities and enhance service delivery.

In the 2024/25 financial year, this will be done through initiatives such as the Green Army, Sawubona Mhlali and Civic Ambassadors, which have been funded by internal reprioritisation in respective departments.

Enhancing Education, Health and Wellness and provision of Social Services to improve the overall quality of life for residents of Gauteng are at the heart of our functions as a provincial government, and account for 83 per cent of the 2024 MTEF budget that I table today.

Therefore, the **Gauteng Department of Education** receives R65.8 billion in 2024/25 and a total of R205.9 billion over the 2024 MTEF to expand access, quality education, and skills development opportunities to empower individuals, enhance workforce readiness, and drive socio-economic progress.

The allocation to the department includes R8.6 billion and nearly R24.7 billion to implement a number of interventions – School Nutrition, Scholar Transport, Psycho-social support for inclusive education, Learning and Teaching Support Material (LTSM), Schools of Specialisation, expansion of universal access to Grade R, Public and Independent School Subsidies, Norms and Standards.

Madam Speaker, navigating the complexities within our healthcare system and striving for excellence in enhancing the well-being of our residents necessitates a steadfast commitment to prioritising Health and Wellness.

We are therefore allocating a total of R64.8 billion in 2024/25 and R202.7 billion over the MTEF to the **Gauteng Department of Health** to implement health and wellness interventions particularly in townships, informal settlements, and hostels.

A total of R14.2 billion has been allocated in the 2024/25 financial year and R43.4 billion over the 2024 MTEF towards, amongst others, broadening access to quality public healthcare, Primary Health Care re-engineering, extension of 24-hour services at Community Health Centres and reduction of radiation oncology backlog in facilities.

We are fully aware of the challenges faced by young unemployed doctors. We would like to assure doctors that this matter is receiving full attention. In this regard, we will be working with the Department of Health to ensure that this matter is addressed. The MEC of Health and Wellness will provide updates on this issue from time to time.

Madam Speaker, addressing homelessness and supporting vulnerable populations is a humanitarian imperative.

The **Gauteng Department of Social Development** is allocated R5.4 billion in 2024/25 and a total of R16.9 billion over the MTEF to implement broad initiatives related to addressing societal problems including providing funding for shelter programmes, social services, and housing support initiatives to assist vulnerable populations and combat homelessness.

In addition, this department is allocated R190.6 million and R588.2 million over the MTEF towards treatment centres in Randfontein, Witpoortjie and Sedibeng, as well as the overall Drug and Substance Abuse programme.

Honourable Members, Premier Lesufi emphasised during SOPA government's unwavering commitment to improve the living conditions of our people in townships and informal settlements.

Madam Speaker, a total of R5.8 billion in 2024/25 and R16.9 billion over the MTEF is allocated to **Gauteng Department of Human Settlements** to provide, amongst other things, housing enhancements and infrastructure advancements through the Human Settlements Development Grant (HSDG), Rapid Land Release Programme and Urban Renewal Programme, demonstrating our strong resolve to improve living conditions in the townships, informal settlements and hostels.

When we talk about Strengthening the Capacity of the State, Honourable Members, it means enhancing the capabilities and effectiveness of our GPG departments and entities to streamline the delivery of services within a framework of good governance.

In the 2024 SOPA, the Honourable Premier reiterated the need to promote transparency and accountability within GPG departments, as well as commitment to responsible financial management and ethical governance. The **Office of the Premier**, which is responsible for, amongst others, provincial forensic audits and integrity management, has been allocated R61.3 million in 2024/25 and R189.3 million over the 2024 MTEF for this purpose.

Honourable Members, we are proud of our diversity as a province, and indeed, the motto “*Unity In Diversity*” embraces the melting pot of South Africa’s cultures. Accordingly, the promotion of social cohesion, diversity, and community involvement through sports and arts endeavours is a fundamental goal that we always strive to achieve.

Therefore, we are making an allocation of R1 billion in 2024/25 and R3.3 billion over the 2024 MTEF to the **Gauteng Department of Sport, Arts, Culture and Recreation** for cultural programmes, sports development, and arts projects that promote social cohesion, celebration of diversity, and fostering community engagement.

Turning now to Eradicating Hunger and Food Security – Honourable Members, GPG remains focused on implementing programmes that provide access to nutritious food, support local agriculture, and address food insecurity among vulnerable populations, as a way of alleviating hunger, improving nutrition, and enhancing food sustainability in the province.

This is seen in the 2024/25 allocation of R1 billion and R3.3 billion over the 2024 MTEF to the **Gauteng Department of Agriculture, Rural Development and Environment**, to fund agri-parks and milling plants, as well as agro-processing and the mainstreaming of urban agriculture.

I must emphasise that these funds are in addition to the Comprehensive Agricultural Support Programme (CASP), Ilima/Letsema and Land Care Conditional Grants, of which the department receives R141.5 million, R155.3 million and R163.5 million for each respective year of the 2024 MTEF.

Honourable Members, in the 2023 Budget Speech, I highlighted the threat to our economic recovery and any potential future growth that the energy supply challenge posed over the short and medium-term.

The **Gauteng Department of Co-operative Governance and Traditional Affairs** has been allocated R1 billion in 2024/25 and R2.3 billion over the MTEF to enhance the existing raft of initiatives outlined in the SOPA including those focused on the energy crisis response plan in collaboration with the national energy committee, local government and energy experts.

As Premier Lesufi said, we are ready intervene to provide services to our communities. In this regard GPG is, through various legal instruments, such as section 154 of the Constitution, endowed with statutory powers to monitor and support municipalities, and equally to intervene in instances where municipalities are failing to fulfil their constitutional obligations. The provincial government will do so within the spirit of co-operative governance and importantly, within the confines of the Constitution. The areas of focus will be the provision of water and refuse removal as these are the basic services that affect communities.

Madam Speaker, in the 2023 Budget Speech I announced that the Gauteng Infrastructure Financing Agency has issued a Request for Proposals notice to the market for the development of a Merafong Solar Farm.

We are pleased that the Sibanye-Stillwater Board has approved the allocation of land leases to six Independent Power Producers (IPPs). The signing by the IPPs will be completed by end of March 2024, triggering the permitting processes within the next 12 months. Gauteng government is facilitating municipal offtake of the 800MW which will contribute to bringing construction timelines closer.

Madam Speaker, **Gauteng Department of Roads and Transport** receives a total of R9.4 billion in 2024/25 and R28.1 billion over the 2024 MTEF. The department will utilise these resources to, amongst other things, focus on the completion of infrastructure projects and launch new number plates that include the track and trace system. A total of R4.2 billion is made available from the National Department of Transport via conditional grants for Provincial Roads Maintenance Grant, Public Transport Operations Grant, and EPWP Integrated Grant, which over the MTEF amounts to R12.1 billion.

The **Gauteng Department of Infrastructure Development** is allocated R3.2 billion in 2024/25 and R10 billion over the MTEF to, amongst other things, provide quality maintenance services for the assets within its custodianship. The department intends to reduce youth unemployment through various job creation interventions such as the National Youth Service Programme which receives R104 million in 2024/25 and R301 million over the MTEF, while the Expanded Public Works Programme (EPWP) receives R171 million in 2024/25 to create 4500 work opportunities.

Gauteng Department of e-Government is allocated R1.7 billion in 2024/25, which accumulates to R5.1 billion over the MTEF, to work towards modernising the provincial ICT infrastructure and government services. An additional R50 million within the budget of the department has been allocated in 2024/25 and R73.7 million over the 2024 MTEF towards the expansion of WiFi hotspots in all townships, Furthermore, there is a R50 million allocation in 2024/25 and R111.4 million over the 2024 MTEF within the budget that is dedicated towards the installation of CCTV cameras to monitor crime hotspots within the TISH areas. An allocation of R10 million has been made available to rollout the e-Panic buttons in line with Premier Lesufi's commitments.

Gauteng Provincial Treasury receives R817 million in 2024/25, and R2.6 billion over the MTEF to lead provincial departments towards fiscal prudence and good governance in the delivery of services to Gauteng citizens. The process that the department is engaged in to establish the state owned Pharmaceutical Company is progressing as planned, with an independent Advisory Panel appointed to advise the MEC on the creation of this entity. We have noted the developments at national to establish a state-owned bank. We will work with the national state-owned bank to ensure that it addresses the needs of people in Gauteng including township entrepreneurs.

Madam Speaker, **Gauteng Provincial Legislature** is allocated R844.9 million in 2024/25 and R2.6 billion over the MTEF to propel confidence in democracy and improve the quality of life of Gauteng's citizens. This total budget includes R122.2 million allocated in 2024/25 for funding political parties and constituency support. This is to support political parties represented in the Gauteng Provincial Legislature to fulfil their role as public representatives.

INFRASTRUCTURE DELIVERY

Madam Speaker, let me now update this House about how we have used our massive infrastructure budget to improve service delivery to communities, create jobs and boost local economic activities and skills development.

The total budget allocated for infrastructure since 2019 amounts to R58.6 billion. We used this budget to maintain the existing stock of infrastructure assets and provide additional capacity in response to the growing need for service delivery.

The following are some of the key infrastructure projects completed during the Sixth Administration.

- **Health** completed the Sebokeng Zone 17 Clinic, Finetown Clinic, Philip Moyo Clinic, and the Greenspark Clinic.
- In **Social Development**, the Hammanskraal Social Integrated Facility was completed during this period as well as the Mabopane Social Integrated Facility and the Devon Early Childhood Day Care.
- **Education** built new schools including the Golden Gardens Primary School, Noordgesig Primary School, Tsakane Ext.22 Primary School, Tshepiso Primary School, Abram Hlophe Primary School, Setlabotjha Primary School and the Mapenane Secondary School.
- **Human Settlements** completed a total of 41 981 housing units and provided 42 685 stands/sites to enable people to build houses for themselves.
- **Roads and Transport** completed many key projects including the upgrading of K73 between Woodmead Drive and Allandale Road, rehabilitation of road P175/1 from Vanderbijlpark to Potchefstroom Phase 2, rehabilitation of road P158/2 (N14) from Diepsloot to Brakfontein and the rehabilitation of road P39/1 from Diepsloot to Muldersdrift.
- **Agriculture, Rural Development and Environment** completed the fencing of Abe Bailey Nature Reserve and the installation of the Diepkloof Farm Museum fence.
- **Sports, Arts, Culture and Recreation**, the Boipatong Library, Rust Ter Vaal Community Library, Akasia Library and Impumelelo Library were completed.

Madam Speaker, in the 2024 MTEF budget, we are allocating R37.2 billion for the delivery of infrastructure. These resources will be used to continue with the implementation of projects that commenced with construction in the previous financial years and projects that have met the minimum planning requirements for funding for implementation in the 2024 MTEF.

ADDRESSING THE E-TOLL DEBT

Honourable Members, following the 2022 MTBPS where the Minister of Finance, Enoch Godongwana made a policy pronouncement “to resolve the funding impasse the Gauteng provincial government has agreed to contribute 30 per cent to settling SANRAL’s debt and interest obligations, while national government covers 70 per cent”.

The province has accepted the 30 per cent debt contribution and provision for honouring this commitment is part of the fiscal framework that we are presenting today. This is part of the province’s arrangements to service the debt.

The province has approached financial institutions to raise money required to honour its contractual obligations noting that the target date for ending the tolling of GFIP 1 is 31 March 2024.

Honourable Members, let me reaffirm Premier Panyaza Lesufi’s commitments in the State of the Province that by the 31st of March 2024 we should have resolved the issue of E-Tolls once and for all.

Whilst provision has been made to settle the E-Toll debt, Gauteng Provincial Government strongly believe that all other matters relating to road maintenance be concluded through a separate process.

Madam Speaker, we have held engagements with SANRAL and they confirmed the E-Tolls maintenance backlog of R4.1 billion, and the fact that funding will be required over a period of four years. This demonstrates beyond reasonable doubt the province’s commitment to comply with National Treasury’s requirements and bring us closer to exiting the Gauteng Freeway Improvement Project (GFIP).

As part of the winding down process, statutory authorities at national level – National Treasury, National Department of Transport and SANRAL – will carry out all the necessary steps to cease the collection of E-Tolls and gazette accordingly.

With regards to the cancellation of the E-Tolls, fourteen days after the publishing of the deregulation gazette, Gauteng road users will no longer be charged for the use of the Gauteng freeways. Various processes will

be in place leading up to the date, including turning the tag beeps off and stopping invoices to road users.

The gantry lights and cameras will remain on as they will continue to be operated for other law enforcement purposes but will no longer be used for E-Toll collection.

Road users can continue to use their eTags at all other toll plazas in the country, as long as their accounts are active. Further details on this process will be communicated to all road users in due course.

CONCLUSION

In conclusion, Honourable Members, over the past three decades, our democracy has been shaped by the contributions and sacrifices of countless individuals who envisioned a society based on justice and equality. This budget pays tribute to their legacy by ensuring that our policies and allocations are geared towards reducing disparities, enhancing access to essential services, and fostering an environment where every citizen can thrive.

To Premier Lesufi, thank you for the hard work and the guidance that you always provide to me and fellow members of the Executive Council.

I express my appreciation to the Premier's Budget Committee for the valuable insight that you always provide to us as we prepare the budget.

Thank you to both the Finance Portfolio Committee and the Standing Committee on Public Accounts under the capable leadership of Honourable Paul Malema and Honourable Sochayile Khanyile respectively, for your oversight on all budget and financial management matters.

I want to thank the **Gauteng Provincial Treasury** team under the leadership of HOD, Ms. Ncumisa Mnyani and the **Gauteng Infrastructure Financing Agency** led by the CEO Mr. Oupa Seabi for the hard work and dedication to the cause of improving financial management in the public sector in South Africa.

Lastly, I express my appreciation to the residents of Gauteng and all our stakeholders for continued support, advice and criticism. You keep us on our toes to always strive to serve the people better.

Madam Speaker, I now table the following documents for consideration by this House.

- The Appropriation Bill for 2024.
- The Explanatory Memorandum to the Bill.
- Estimates of Provincial Revenue and Expenditure.
- Estimates of Capital Expenditure.
- The Socio-Economic Review and Outlook and;
- A copy of my Speech.

Thank you.