



**SPEECH PRESENTED TO THE FOURTH MPUMALANGA PROVINCIAL LEGISLATURE BY THE MEC FOR FINANCE, MRS Y.N PHOSA, MPL, ON THE OCCASION OF RE-INTRODUCING THE MPUMALANGA APPROPRIATION BILL 2009**

**Tuesday, 30 June 2009**

Honourable Speaker, Mr J.M Mthembu;

Honourable Premier, Mr D.D Mabuza;

Honourable Deputy Speaker, Ms V.S Siwela;

Chief Whip of the ruling party, Mr M.S.A Masango;

My predecessor, former MEC for Finance, Mr J.L Mahlangu;

Colleagues in the Executive Council;

Honourable Members of the Provincial Legislature;

Members of the House of Traditional Leaders;

The Acting Director General, Mr J.S Mgidi;

The Head of the Department of Finance, Mr R.S Tshukudu;

Other Heads of Departments;

Religious leaders and representatives of business media and civil society;

Distinguished Guests;

Comrades and friends;

Ladies and Gentlemen;

Honourable Speaker, it is befitting to commence this speech by paying tribute to the people of Mpumalanga, for having renewed their contract with the African National Congress. This is an indication that they continue to have solid confidence in the African National Congress, our movement. We are humbled and honoured by their gesture to give us a decisive mandate once more, to continue where we left off. We dare not disappoint them.



Through the budget we are re-introducing this afternoon, we commit to **working together** and even harder, with our stakeholders, as we continue to ensure better life for all our people in the province. Our people expect a lot from us and should therefore take the challenges we are facing, head-on. Delivering his maiden State of the Nation Address on June 3, President Jacob Zuma said, and I quote:

*“For as long as there are South Africans who die from preventable diseases; ... ..For as long as there are communities without clean water, decent shelter or proper sanitation; ... .. For as long as there are children who do not have the means nor the opportunity to receive decent education; we shall not rest, and we dare not falter in our drive to eradicate poverty.”*

Our quest as the provincial administration over the next five years is to realise the ANC’s dream of ensuring that **no one shall go hungry**. We will work together with relevant stakeholders, and leave no stone unturned to realise our commitment of:

1. **Creating decent work and sustainable livelihoods;**
2. **Harnessing rural development, food security and land reform;**
3. **Working towards a free and compulsory education for all children (ensuring that the doors of learning and teaching are opened to all);**
4. **Providing quality health care for all; and**
5. **Fighting crime and corruption.**

Honourable Members, in order to successfully confront the economic realities of our times it is important that we appreciate how the future looks like.

### **Outlook for the South African economy**

We are officially in a recession after two quarters of shrinking economic output. Real GDP growth contracted by 1.8 per cent in the fourth quarter of 2008, and 6.4 per cent in the first quarter of this year.



Seven of the ten industries recorded contractions in the first quarter, most notably mining and manufacturing at 32.8 per cent and 22.1 per cent, respectively. Indications are that the domestic growth will be quite disappointing in the first two to three quarters of this year, due to weaker domestic and international economic conditions. A negative economic growth rate of 2 percent is currently forecast for South Africa this year.

The impact of the global economic recession has already led to a substantial shedding of jobs. This is projected to continue before we see economic recovery that would reverse this undesirable trend as we believe it will.

Honourable Speaker, our biggest challenge as government, is to ensure the creation of more job opportunities in order to help redress the challenge of job losses. We strongly believe that through the second phase of the Expanded Public Works Programme and infrastructure expenditure of billions of rands, we will be able to address some of the challenges we face in this regard and make a positive impact in the current economic climate and job creation. In fact, economists expect the government's infrastructure programme to be almost the only upside factor to economic growth this year.

National Finance Minister, Pravin Gordhan said recently that **“South Africa will continue to pursue fiscal policies that had helped grow the economy.”**

As indicated in February, inflation is expected to trend downward, although the volatility of developments in global markets and elevated levels of uncertainty, subject inflation forecasts to higher risks than usual.

Estimates of inflation expectations for the period 2009 to 2011, obtained from a survey of the Bureau of Economic Research conducted in the first quarter of this year, show that average annual CPI inflation expectations are expected to decline. It will however, remain above the upper limit of 6 per cent of the CPI inflation target.



Average inflation expectations (of financial analysts, business and trade unions) for 2009, are 8.3 per cent. On a positive note, South Africa fortunately does not face the same financial sector troubles as we have seen elsewhere in the world. Even if our banking sector exhibits few of the problems witnessed elsewhere, like we said in February, our banking system remains sound. Financial markets have moved quickly to price in a front loaded rate cutting cycle.

### **Economic prospects of the Province**

In February, we anticipated that the economy of Mpumalanga will grow at a slower growth rate in 2009. However the latest forecast figure is not looking good. The provincial economy grew at only 1.5 per cent in 2008 and is expected to decrease to minus 2.8 per cent this year. The forecasted GDP growth for Mpumalanga for 2010 is however a recovery to a positive growth rate of 1.6 per cent. It is also expected that the provincial economy will experience a growth rate of 3.6 per cent in 2011, 4.2 per cent in 2012 and 4.7 per cent in 2013.

The provincial mining, electricity and agriculture sectors continue to play an important role in the national economy with contributions of 19.6, 14.7 and 9.7 per cent respectively. Our largest contributors to the diverse provincial economy are manufacturing (19.4 per cent), mining (18.2 per cent) community and government services (15.4 per cent), trade (13.1 per cent) and finance (12.4 per cent).

The real GDP growth forecasts for the main economic sectors of Mpumalanga for 2009 indicate negative growth rates for all the sectors with the exception of construction, agriculture and also community & government services. It is however expected that the sectors will recover from 2010. Construction, transport and also community & government services, will experience growth rates of more than 2 per cent in 2010. In the period 2011 to 2013, economic growth rates of 4 per cent and more are expected in sectors like construction, trade and transport. The lowest growth rate is expected in the mining sector.



The impact of the economic meltdown on the province is also reflected in increasing figures of liquidations, retrenchments and job losses. There is a gradual increase in the official unemployment rate of Mpumalanga. Statistics South Africa's Quarterly Labour Force Survey indicates that the provincial unemployment rate increased from 23.1 per cent in the fourth quarter of 2008 to 24.7 per cent in the first quarter of 2009.

The challenge for our province therefore, is to mitigate the negative impact of the economic downturn. Collaboration between the relevant social partners in Mpumalanga will be critical to ensuring that the economic downturn does not damage the social fabric of our society. The provincial response should include the following, among others:

- ✚ Promoting the Mpumalanga Flagship Projects that should impact on job creation, economic growth and poverty reduction;
- ✚ Prioritize public infrastructure and intensify higher levels of investment in infrastructure that provide social benefits and unlock economic growth and viable opportunities, that are spread also to rural areas;
- ✚ Improve the link between public and private infrastructure investment by means of PPPs.
- ✚ Intervention by the Mpumalanga Growth Fund to unlock growth in sectors and areas with potential for economic growth;
- ✚ Promoting and developing SMMEs and viable co-operatives to encourage job creation;
- ✚ Fight poverty by providing a cushion for families living in hardship and to continue to provide a safety net to the poor in the form of social security grants to millions of our vulnerable people;
- ✚ Provision of emergency food relief to the most vulnerable in the province;
- ✚ Maximizing the agricultural potential of the province as well as agricultural support and rural development;
- ✚



- ✚ Maximizing and utilizing the potential and competitive advantage of the tourism industry;
- ✚ Protection of jobs, increasing investment in skills development and training and engaging as a province in the National Jobs Initiative.

### **Economic prospects for the Districts**

The impact of the economic downturn on the districts is already visible in the forecast GDP growth rates for 2009. It is expected that Gert Sibande, Nkangala and Ehlanzeni will experience negative growth rates this year of 3.1, 2.5 and 2.7 per cent, respectively. It will however, recover in 2010 to a positive growth rate of 1.7 per cent for Gert Sibande, 1.4 per cent for Nkangala and 1.7 per cent for Ehlanzeni. It is expected that Ehlanzeni will experience the highest growth rate of the three districts for the period 2011 to 2013.

Nonetheless, Nkangala continues to have the highest contribution to the provincial economy at 37.9 per cent, followed by Gert Sibande at 32.7 per cent and Ehlanzeni at 29.4 per cent. Nkangala is responsible for 65.6 per cent of provincial mining activities and 71.2 per cent of electricity. Gert Sibande is very prominent in the province with agriculture, accounting for 41.6 per cent and manufacturing at 54.1 per cent. The economy of Ehlanzeni is still very diverse and is dominating in the provincial economy with construction (42.8 per cent), trade sector (46.5 per cent), community and government services (45.3 per cent).

### **Budget Policy**

Honourable Speaker, Honourable Members, we cannot as government, hide behind the current global economic downturn and not continue to improve the living conditions of our people. We will have to tighten our belt and adjust our spending patterns in order to provide a cushion for our people.

It is therefore exceedingly significant that as a Province, we take bold steps to improve cash and budget management in order to reduce fiscal risks to the provincial budget. In this regard, all Accounting Officers are urged to monitor spending closely to ensure that the province remains within the allocated budget.

Under these prevailing economic conditions, it is compulsory that cost curtailment measures be implemented and consistently adhered to. The cost curtailment measures should focus on areas of spending that are non-core and would not adversely impact on pro-poor service delivery. Departments are therefore urged to be biased towards the poor by shifting funds from non-core areas of spending into programmes that address the plight of the vulnerable, women and children in our communities. As servants of the people, let us remember the words of Stephen Grellett, who said:

*"I shall pass through this world but once. Any good, therefore, that I can do, or any kindness that I can show any human being, let me do it now. Let me not deter or neglect it, for I shall not pass this way again."*

Honourable Speaker, we wish to caution that no wasteful, fruitless expenditure and roll-over of funds will be tolerated. I do not believe that there is an Accounting Officer who will sleep peacefully at night, knowing that his or her Department has returned the funds allocated to ensure that no one goes to bed on a hungry stomach. We are committed to employ appropriate and necessary available measures to enforce our mandate as the Provincial Treasury; that of ensuring that there is prudent financial management. As already indicated our duty is to ensure that each rand is spent wisely, to create jobs and broaden social security in the communities we serve. It will be important that Accounting Officers adhere to cost curtailment measures and avoid irregular or unauthorised expenditure.

As the President urged, we must all “**cut our cloth according to our size.**” Let’s tighten our belts without compromising quality service delivery.

### **Technical adjustments to the Provincial Fiscal Framework**

In order to **compensate for higher than projected inflation**, an amount of R1.4 billion will be allocated to the Province over the MTEF, that is, R450.803 million in 2009/10; R487.098 million in 2010/11 and R471.056 million in 2011/12 financial years. Out of this amount, higher than anticipated wage settlement allocation is as follows: R384.8 million in 2009/10; R408.3 million in 2010/11 and R423.3 million in 2011/12 financial years.

A total of R28.279 million has been allocated for inflationary adjustment to the learner and teacher support material over the MTEF, that is, R10.050 million in 2009/10; R11.353 million in 2010/11 and R6.876 million in 2011/12 financial years. For medical goods and services, a total of R164.273 million has been allocated over the MTEF, that is, R55.917 million in 2009/10; R67.485 million in 2010/11 and R40.871 million in 2011/12 financial years.

### **Funding of policy priorities (through the equitable share)**

Given the tight fiscal framework, adjustments will be made mainly for education, health, roads infrastructure, housing (human settlement) and agriculture.

#### **Education**

Honourable Speaker, Honourable Members, our investment in education is by far the largest, as education is currently receiving almost 45 per cent of our total budget or R10 billion of our R22.586 billion proposed budget. The following are the key funding priorities in education:

-





- **Extension of the no-fee schools policy to quintile 3 schools:** As from the 2010/11 financial year learners in all quintile 3 schools will be exempt from paying school fees. To cater for this priority area, a total amount of R147.441 million over the MTEF, as follows, R65.610 million is budgeted in 2010/11 and R81.831 million in 2011/12 financial years.
- In order to **reduce the teacher-learner ratio in quintile 1 schools**, a total amount of R167.798 million over the MTEF as follows, R20.503 million has been provided for in the 2010/11 and R147.295 million in the 2011/12 financial years' budget, to appoint more educators. A special allocation of R24.549 million has also been made available in the 2011/12 financial year to **increase the number of places available for learners with disabilities** in both mainstream and special schools.

### **Health Services**

In order to fulfil our promise of **providing quality health care for all**, the following currently funded priorities will be expanded:

- An amount of R270.642 million is allocated over the MTEF as follows, R90.414 million in 2009/10, R90.214 million in 2010/11 and R90.014 million in 2011/12 to address the budget overruns for nursing **OSD (Occupation Specific Dispensation)** for three categories of health workers.
- For the phasing-in of the OSD for doctors and specialists, R41.097 million has been provided in 2009/10, R82.013 million in 2010/11 and R122.746 million in 2011/12. However these funds will only be added to the baseline of the Department of Health after negotiations have been concluded with the Labour Organisations and also the finalisation of guidelines by the National Department of Health, the National Treasury and the Department of Public Service and Administration.



- In order to enhance the **fight against tuberculosis (TB)**, additional funding amounting to R8.219 million in 2009/10; R14.352 million in 2010/11 and R15.793 million in 2011/12 financial years has been provided to fund teams to track down treatment defaulters (of extreme drug resistant and multi-drug resistant TB) and bring them back into treatment. The funding is also meant to strengthen TB programme teams at provincial and district office level for better programme management, support and monitoring.
- Funding amounting to R32.878 million in 2009/10; R49.208 million in 2010/11 and R65.464 million in 2011/12 has been budgeted to introduce three (3) new vaccines, which have proved effective in **reducing the infant and child mortality rate**.
- With regard to general health care, additional funding amounting to R114.563 million is set aside in the 2011/12 financial year, to support various programmes intended to **improve and support the rendering of primary health care services**.

### **Social Development**

In order to improve **Early Childhood Development**, an amount of R40.915 million has been provided for this purpose in the 2011/12 financial year.

In total, the Department of Health and Social Development will receive 27.6 per cent of our proposed overall budget.

### **Economic infrastructure maintenance**

In order to upkeep our provincial roads and perform other economic functions, an amount of R40.915 million has been provided for in the 2011/2012 financial year.



### **Funding of policy priorities (through conditional grants)**

Honourable Speaker, Honourable Members, the baseline for conditional grants has been increased by six (6) per cent over the MTEF starting 2009/10 financial year, to cover inflationary pressures. For the 2009/10 financial year, an amount of R3.1 billion is made available; R3.4 billion in 2010/11 and R3.9 billion in 2011/12.

For the **provision of more classrooms for Grade R**, additional funding amounting to R7.260 million is set aside in the 2010/11, and R29.041 million in the 2011/12 financial years. The allocation of the **Infrastructure Grant** to the province is R771.968 million in 2009/10; R973.877 in 2010/11 and R1 billion, 126 million, and 770 thousand in 2011/12. The grant is made available to **recapitalise schools which form part of the public school system**, including upgrading school infrastructure, secure school facilities, increase maintenance and installation, purchase of new books and equipment in libraries and laboratories.

Included in these allocations, is R50 million in 2009/10; R100 million in 2010/11 and R120 million in 2011/12 to support the **rehabilitation and maintenance of the coal haulage routes** in the province. In order to fund initiatives that support the preservation of road infrastructure by reducing overloading, an amount of R5.519 million has been allocated to the **overload control grant** during 2010-2011 financial year.

The **School Nutrition Programme** will receive additional funding amounting to R229.5 million in 2009/10; R354.3 million in 2010/11 and R440.9 million in 2011/12 to ensure that all quintile 1 to 3 primary school learners receive food every school day and to further progressively expand the programme to secondary schools.

The **comprehensive HIV/Aids grant** will also receive an amount of R200.2 million in 2009/10; R261.5 million in 2010/11 and R281 million in 2011/12, in order “to fight against the devastating impact of HIV/Aids, and ensure that we also improve our capacity to respond to a range of non-communicable diseases.”



The **Ilima/Letsema Campaign Grant** will receive R65 million over the MTEF, as follows: R5 million in 2009/10; R20 million in 2010/11 and R40 million in 2011/12, to help farming communities falling within poor economic and disaster prone areas, to achieve an increase of 10 to 15 per cent in agricultural production. In order to scale up food security, the **Comprehensive Agricultural Support Programme Grant** will increase by R70.892 million in 2009/10 financial year; R85.456 million in 2010/11 and R95.691 million in 2011/12. We believe this will “maximise food production and improve food security for all” as articulated by the Honourable Premier in his State of Province Address.

The **Integrated Housing and Human Settlement Grant** will receive R795.447 million in 2009/10; R975.863 million in 2010/11 and R1 billion, 118 million and 449 thousand in 2011/12 financial year in order to accelerate the provision of houses.

Two (2) new conditional grants, namely the **Expanded Public Works Programme incentive grant** and the **Public Transport Operations Grant**, will be introduced in the current financial year. **The EPWP incentive grant**, which is aimed at incentivising provinces to create more jobs by meeting or exceeding the agreed targets, will be allocated R5.047 million; whereas the Public Transport Operations grant will receive R370.650 million. The latter grant is aimed at improving monitoring and control of expenditure related to bus subsidies and other transport operations.

### **Infrastructure delivery**

Honourable Speaker, the slow delivery and maintenance of infrastructure in the province remains an insurmountable challenge. The Department of Health continues to spend the **Hospital Revitalisation Grant** at a slow pace. This has resulted in the grant being withheld in terms of the Division of Revenue Act. The expenditure of the grant at the end of March 2009 was 42.6 per cent, and 10 per cent as at 31 May 2009.

We will further focus our efforts to assist the Department of Health and Social Development to replace obsolete equipment in our health facilities throughout the province. It is also encouraging, that Departments which are responsible for infrastructure development have already submitted their 2009/2010 infrastructure plans by the end of the previous financial year, thus satisfying the requirements of the Division of Revenue Act.

In order to fast-track and improve infrastructure delivery, we had for the past three (3) years, contracted the services of what we call **Operational Support Teams**. We are however currently working with these teams, to come up with an exit strategy, since we are in the process of withdrawing this support. This is because the supply chain management prescripts do not allow for the extension of their contract to exceed three (3) calendar years. The exit strategy will ensure that Departments are sufficiently capacitated by the time the support is withdrawn.

#### **INSTITUTIONAL RE-ALIGNMENT**

As you are aware Honourable Members, the Honourable Premier re-aligned our administration when he announced the new Executive Council. This was done to enable the ruling party to fulfil all its electoral mandate to the people. The Department of Local Government, which is currently vote 4 in terms of the Division of Revenue Act, has been renamed the Department of **Co-operative Governance and Traditional Affairs**, which is line with the national government. The department will also accommodate the House of traditional leaders currently located in the Office of the Premier.

Vote 5, which is the Department of Agriculture and Land Administration has been renamed the **Department of Agriculture, Rural Development and Land Administration**.

This means that rural development, as a key priority area over the next five years, has been assigned to the department; whereas the function of environmental affairs has been transferred to vote 6 – the renamed **Department of Economic Development, Environment and Tourism**. Votes 8 and 11, Department of Public Works and the Department of Roads and Transport have been merged to form the **Department of Public Works, Roads and Transport**.

The former Department of Safety and Security, which was vote 9 has been renamed the **Department of Community Safety, Security and Liaison**. The two votes namely the Department of Health and Department of Social Development, which is vote 10 and vote 13 respectively, have been merged. The Department of Housing which was vote 14 is now the Department of Human Settlement.

However the House should be acquainted with the new names of the departments that have not yet been proclaimed and approved by the President, and thus they are not yet legal entities, hence the allocation would still be done based on the old names. This is because the Public Finance Management Act and Treasury Regulations/Division of Revenue Act do not allow appropriation and use of public funds by non-existing public entities in terms of the law.

The process to register the new names and have them accented to, by the President, is underway and would be concluded by the time we table the adjustment appropriation Bill in November this year. We will only use the new names for appropriating funds from that time onwards. In the meantime, for administrative purposes, the re-aligned Departments will carry-on as pronounced by the Honourable Premier.

## ALLOCATIONS PER VOTE (DEPARTMENT)

Honourable Speaker, Honourable Members, when we tabled the 2009 Appropriation Bill in this House on 25 February 2009, we proposed a budget amounting to **R22 Billion, 586 Million, 551 thousand**, which was subsequently referred to the Portfolio Committee on Office of the Premier, Finance and Safety and Security for consideration.

In terms of the PFMA and the Division of Revenue Act, our province has fulfilled the requirements of tabling the budget; but we have deemed it significant to re-introduce the Appropriation Bill to the newly constituted fourth legislature for consideration and revival. Like we indicated in February, the budget we are proposing this afternoon has increased by **20.4 per cent or R3 billion, 828 million, 932 thousand**, up from the main appropriation budget of **R18 Billion, 739 Million, 619 thousand** in the 2008/2009 financial year.

I now have the honour to re-introduce per vote, the proposed budget for the 2009-2010 financial year to the House, as mandated by **Chapter 13 of the Constitution of the Republic of South Africa, Act 108 of 1996; and Chapter 4, Sections 26 and 27 of the Public Finance Management Act, Act 1 of 1999, as amended by Act 29 of 1999.**

### **VOTE 1: Office of the Premier**

It is proposed that the Office of the Premier receives a total amount of **R196.689 million** to amongst other things, to fund promotion of cooperative governance, co-ordination of service delivery priorities, performance monitoring and evaluation of service delivery in the Province and implementation of special projects such as, 2010 World Cup.

### **VOTE 2: Mpumalanga Provincial Legislature**

The Provincial Legislature is proposed to receive a total amount of **R158.838 million** to amongst other things, to continue with the oversight role, public participation and education programmes and law making.

### **VOTE 3: Department of Finance**

Honourable Members of this august House, the budget re-introduction will not be complete without allocating to Provincial Treasury for the performance of the constitutional mandate enshrined in the PFMA, Chapter 3. In this regard an amount of **R236.397 million** is hereby proposed.

### **VOTE 4: Local Government**

The Department of Local Government is proposed to receive an amount totalling **R414.775 million** to amongst other things, to fund the implementation of the Mpumalanga Traditional Leadership and Governance Act No. 5 of 2006; construction of the Disaster Management Centre; and Community Development Workers.

### **VOTE 5: Agriculture and Land Administration**

It is proposed that the Department of Agriculture and Land Administration receives a total amount of **R799.635 million** to amongst other things, to fund the Comprehensive Agricultural Support Programme; *Masibuyel' Emasimini*; and for investing in agriculture for economic growth and food security. As indicated, the environment function, with funding, will shift from this vote to Vote 6 (Economic Development, Environment and Tourism) once approved by the President.

### **VOTE 6: Economic Development and Planning**

The Department of Economic Development and Planning will receive the proposed total amount of **R490.443 million** to amongst other things; to fund the provincial ICT (Information Communication and Technology) Strategy; the Small Medium



and Micro Enterprise Strategy; and the identification of business linkages for Project Kusile.

#### **VOTE 7: Education**

The importance of education in this predominantly rural province cannot be over emphasised, to that end an amount of **R10.073 billion** is proposed to assist the department to accomplish its constitutional obligation, amongst other things, appoint additional educators in order to reduce the teacher-learner ratio; ensure greater access to places of education by increasing the number of places for learners with disabilities. The Premier in his articulation in the State of the Province Address emphasised that, I quote: **“the growth and progress of successful nations depend on quality education that is geared towards the development of human capital to drive accelerated economic growth and improved public service delivery.”**

#### **VOTE 8: Public Works**

It is proposed that the Department of Public Works receives a total amount of **R476.899 million** to amongst other things, to fund the Expanded Public Works Programme; to fund the implementation of Government-wide Immovable Asset Management Act; and to finalise the development of own and shared building maintenance plan.

#### **VOTE 9: Safety and Security**

The Department of Safety and Security will receive the proposed total amount of **R90.415 million** to amongst other things, to cater for the integration of municipal safety plans with departmental plans; the assessment of the impact of departmental programmes on communities; and to fund community policing fora.

#### **VOTE 10: Health**

The amount totalling **R5.429 billion** is proposed to be allocated to the Department of Health to cater for amongst other things, the reduction of infant and child mortality rates; funding for teams to track TB treatment defaulters; and to improve and support the rendering of primary health care services.

#### **VOTE 11: Roads and Transport**

The Department of Roads and Transport will receive the proposed total amount of **R2.139 billion** to amongst other things, fund the construction and maintenance of provincial roads infrastructure; the promotion of improved safety on the public transport system; and the implementation of the National Road Traffic Act, Act 93 of 1996, as well as the coal haulage routes.

#### **VOTE 12: Culture, Sport and Recreation**

In order to cater for the provision of libraries, cultural and archive infrastructure; acceleration of sport and school sport mass participation, the Department of Culture, Sport and Recreation is proposed to be allocated a total amount of **R278.696 million**.

#### **VOTE 13: Social Development**

The Department of Social Development is proposed to receive a total amount of **R792.343 million** to amongst other things, fund social welfare services, research and development.

#### **VOTE 14: Housing**

The amount totalling **R968.727 million** is proposed to be allocated to the Department of Housing to cater for amongst other things, the building of houses in terms of the Breaking New Ground Strategy.

## TOTAL PROPOSED BUDGET: 2009-2010

The total budget proposed to be appropriated by this House for the 2009-2010 financial-year, in order to fund the requirements of the Province is **R22 Billion, 586 Million, 551 thousand**.

## RE-INTRODUCTION OF THE BILL AND THE OTHER BUDGET DOCUMENTATION

Honourable Speaker, I now have the honour to re-introduce the Mpumalanga Appropriation Bill – 2009; the 2009 Estimates of Provincial Expenditure; the 2009 Provincial Budget Speech; and the 2009 Budget Made-Easy booklet in terms of **Chapter 4, Section 27, sub-Section 3 of the PFMA, Act 1 of 1999, as amended by Act 29 of 1999**.

## CONCLUSION

We strongly believe that the budget we are re-introducing this afternoon is an indication that we intend to fulfil our electoral mandate as the ruling party. We will work harder to ensure that the most vulnerable are cushioned against the spiralling inflation. This is part of our in response to the Premier's call in his State of the Province Address, when he correctly said, and I quote

**“... Our people expect the democratic government to continue in its quests to reduce poverty, unemployment and inequality ...”**

Indeed it is our commitment to ensure that there are **decent work opportunities and sustainable livelihood; that rural development, food security and land reform is harnessed; that there is free and compulsory education for all; and that there is quality health care for all; and safety and security in all communities.**



As I conclude Honourable Speaker, allow me to register my gratitude to the African National Congress for having afforded me an opportunity once more, to serve our people. My appreciation also goes to the Honourable Premier, Mr D.D Mabuza for entrusting me with the purse of the province. To my colleagues in the Executive Council, your support and cooperation is highly valued.

To the Members of the Legislature and all committees, as a nation at work we look forward to working in cooperation with each other.

My appreciation also goes to the former MECs for Finance for laying a firm foundation we refer to Mr J Modipane, Mr L Chiwayo, Mr J Mabena, Honourable EM Coleman, and Honourable JL Mahlangu.

To Mr Rabeng Tshukudu, the Head of Department, management and all officials in the administration, thank you for your invaluable service. To our esteemed guests your presence is highly appreciated.

Honourable Speaker, Honourable Members, we will work together with civil society and the private sector, to build our economy, to create more job opportunities and to ensure a better life for all our people. It is a responsibility that we are all committed to; and we dare not fail! **Working Together, We Can Do More.**

Suze Orman reminds us that, and I quote:

*"Life is not about money, it's about making every moment count."*

Honourable Speaker, Honourable Members, any good that we can do, any kindness that we can show to the citizens of Mpumalanga, let us do this now. We can only do so by exercising the utmost discipline within the confines of the relevant acts as well as the priorities that we have outlined.

**I thank you!**