

SECOND PROVINCIAL ADJUSTMENTS BUDGET SPEECH

2024/25

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MEC for Finance
05 March 2025

Let's Grow Mpumalanga Together



provincial treasury
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA


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SPEECH BY THE MEC FOR FINANCE, MR BA MAJUBA, MPL, ON THE SECOND MPUMALANGA ADJUSTMENTS BUDGET FOR THE 2024/25 FINANCIAL YEAR TO THE PROVINCIAL LEGISLATURE

05 March 2025

- Honourable Speaker and Deputy Speaker
- Honourable Premier Mandla Ndlovu
- Colleagues in the Executive Council
- Honourable Members of the Provincial Legislature
- Chairperson and Members of the House of the Traditional and Khoi San Leadership
- Director General
- Head Official and all Heads of Department
- Leadership of the Governing Party and Alliance Partners, SACP, COSATU and SANCO
- Esteemed guests
- Ladies and gentlemen

I would like to take this moment to extend my gratitude to the Speaker for allowing us to table the second Mpumalanga Adjustments Appropriation this afternoon.

This budget process is one of the critical steps that reflects our commitment to fiscal responsibility as the province.

The adjustments budget that we have the honour to table today demonstrates our adaptability in navigating changing circumstances, all in the interest of ensuring that government spending carries a legal mandate and thus enforces accounting on the use of public resources.

Context for adjustments budget

Honourable Speaker

The national and provincial budgets face substantial pressure due to various economic challenges, including high inflation rates, low GDP growth, and tax revenue.

We must continue to work hard, guided by the medium-term development plan, to address these economic and fiscal constraints.

Addressing these issues is essential for fostering sustainable development and improving the overall quality of life for residents across the Province.

About the second adjustments budget

The Ministry of Human Settlements allocated R13.6 billion to the Human Settlements Development Grant (HSDG) for 2024/25, with the provincial share amounting to R910 million, or seven (7) per cent of the total budget.

The Provincial Department of Human Settlements has consistently spent well, resulting in the reallocation of funds to accelerate the delivery of housing projects and related infrastructure.

In addition, this budget process permits departments, as listed in the Adjustments Appropriations Bill, to perform virements between economic classifications subject to Section 43 of the Public Finance Management Act (PFMA) provisions.

Changes to the 2024/25 provincial fiscal framework

I will now briefly outline the proposed changes to budgets of votes and the effects these have on the provincial fiscal framework for the year ending 31 March 2025.

The **Department of Human Settlements** receives **R250 million** from the National Government's Human Settlements Development Grant (HSDG), thus increasing the budget for the current year from **R1 billion 529 million 558 thousand** to net **R1 billion 777 million 704 thousand**.

The total budget allocated to all other votes remains unchanged as tabled to this August house on 19 November 2024, except:

- Budget of the Department of Economic Development and Tourism which is reduced from **R1 billion 467 million 518 thousand** to **R1 billion 460 million 518 thousand**.
- The Department of Community Safety, Security and Liaison's budget is also reduced from **R1 billion 956 million 900 thousand** to **R1 billion 934 million 700 thousand**.

- All reduced amounts will be reallocated to these Votes in the new financial year.

The effect of these changes in baseline allocations is an increase in the total provincial budget from **R62 billion 954 million 282 thousand** to **R63 billion 173 million 228 thousand**.

Honourable Speaker

This adjustment budget demonstrates our commitment to the programmes supported by this Legislature when we presented our Annual Performance Plans at the start of the seventh administration.

It is a spending plan that helps the provincial government continue reducing housing inequality and contributing to the progressive attainment of the overall socio-economic development objectives of the state.

We appeal to all departments to ensure that every rand and cent is accounted for at the end of this financial year. We have already issued a circular to all departments to ensure that all valid invoices for services rendered this year must be processed before the end of this month.

The support of this Bill will go a long way in ensuring that this administration builds on the progress made, most of which was highlighted by the Honourable Premier in his first State of the Province Address last week.

In conclusion

Let me once again convey my appreciation to the Legislature for this opportunity. I hereby table the following budget document for consideration:

- Mpumalanga Second Adjustments Appropriation Bill, 2025.
- Second Adjusted Estimates of Provincial Revenue and Expenditure for 2024/25.
- Introductory speech on the Mpumalanga Second Adjustments Budget for 2024/25.

I thank you.