



provincial treasury

MPUMALANGA PROVINCE  
REPUBLIC OF SOUTH AFRICA



# SECOND ADJUSTMENTS BUDGET FOR 2019/20 FINANCIAL YEAR



Let's Grow Mpumalanga Together

**SPEECH BY THE MEC FOR FINANCE, ECONOMIC DEVELOPMENT AND  
TOURISM, MR PS NGOMANE, MPL, ON THE SECOND ADJUSTMENTS BUDGET  
FOR 2019/20 FINANCIAL YEAR AT THE MPUMALANGA PROVINCIAL  
LEGISLATURE**

**10 MARCH 2020**

**Honourable Speaker and Deputy Speaker  
Honourable Premier Refilwe Mtshweni-Tsipane  
Colleagues in the Executive Council  
Honourable Members of the Provincial Legislature  
Esteemed guests**

Thank you very much, Honourable Speaker

I rise to table the Second Provincial Adjustments Appropriation Bill for 2019/20 to the House.

This Bill complies with the requirements as set out in Section 31(2)(a) and (e) of the PFMA which provides for the adjustments to the appropriation under certain conditions.

This Adjustments Appropriations Bill takes into account some of the pressing budget matters that occurred after the tabling of the 2019 Adjustments Budget in November 2019.

**ADJUSTMENTS TO THE 2019 PROVINCIAL FISCAL FRAMEWORK**

Honourable Speaker

The Second Adjustments Appropriation Bill increases the total budget of the Province for the year ending 31 March 2020 from **R51.116 billion to R51.671 billion**.

I will now reflect on the changes as indicated in the Bill:

**CHANGES TO BASELINES OF DEPARTMENTS**

**EDUCATION**

The Department of Education received additional **R313.3 million** towards Education Infrastructure Grant (EIG), which increases the baseline for 2019/20 financial year from **R22.052 billion to R22.365 billion**.

**DEPARTMENT OF HUMAN SETTLEMENTS**

The Department of Human Settlements also received additional funds in the form of a Conditional Grant from National Department amounting to **R98.5 million** in November

2019. The budget of the department will also be reduced by **R20 million** for High Altitude Centre which is being rescheduled to 2020/21 financial year, resulting in a net increase of budget from **R1.878 billion to R1.957 billion**.

## **OFFICE OF THE PREMIER**

In the 2019/20 Adjustments Budget, we allocated **R10 million** towards the establishment of the Youth Fund. These funds will be rescheduled and reallocated in the 2020/21 financial year for the same purpose. Accordingly, the budget of the Office of the Premier decreases from **R304 million to R294 million**.

## **DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM**

We are also proposing to reschedule **R35 million** for Special Economic Zone project to the next financial year, thereby reducing the current allocation to the Department of Economic Development and Tourism from **R 1.081 billion to R1.046 billion**

## **COMMUNITY SAFETY, SECURITY AND LIAISON**

The budget of the Department of Community Safety, Security and Liaison received **R208 million** will increase the budget from **R1.367 billion to R1.575 billion** to cover the budget shortfall on security management which resulted from the implementation of PSIRA determination to move security personnel from Grade D and E to Grade C, and increase in number of security personnel to address the issue of concerns about safety in our public facilities.

Honourable Speaker, other Departments will not have adjustments to their baselines, these will remain as they were as at the 1<sup>st</sup> adjustment budget. Departments are therefore urged to ensure that virements between projects are done guided by section 43 of the PFMA.

## **CONCLUSION**



As I conclude, let me assure the Honourable Members that we remain committed to fiscal discipline and ensuring that the Provincial budget is utilized to improve the socio-economic situation in the Province.




I thank you.



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