

# Gauteng's R500 billion budget in a NUTSHELL

Gauteng Provincial

**BUDGET** 24|25

**SPECIAL REPORT**

MEC of Finance Jacob Mamabolo announced that the Gauteng Provincial Government will spend more than R500 billion over the next three years to boost economic activity in townships, fight crime, expand basic services to the public and address the energy crisis.

The MEC was presenting the provincial budget for 2024/25 financial year to the legislature, the last one of the sixth administration.

He said: "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".

"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," he said.

The social cluster accounted for the largest share of the budget, with the gauteng department of education receiving R65.8 Billion in 2024/25 and a total of R205.9 Billion over the 2024 mtef.

The funds will be used to expand access, quality education, and skills development opportunities to empower individuals, enhance workforce readiness, and drive socio-economic progress.



The MEC also provided R50 million in 2024/25 and R111.4 million over the 2024 MTEF to the Gauteng Department of e-Government for the installation CCTV cameras to monitor crime hotspots within the TISH areas.

An additional allocation of R10 million has been made available to rollout the e-Panic buttons in line with Premier Panyaza Lesufi's commitments," MEC Mamabolo.

Township entrepreneurial activity is key to fast-track the growth of the provincial economy. That is why the MEC said: "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". These resources will be specifically used

MEC Mamabolo said a total of R64.8 Billion in 2024/25 and R202.7 Billion over the 2024 mtef is allocated to gauteng department of health to implement health and wellness interventions particularly in townships, informal settlements, and hostels.

"This budget includes a total of R14.2 Billion 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," he said.

To strengthen the fight against crime, vandalism and lawlessness, the budget of gauteng department of community safety has increased to R2.3 Billion in 2024/25 and R7.2 billion over the 2024 MTEF.

"These resources will be used 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," MEC Mamabolo said.

to 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 and tourism.

MEC Mamabolo also said the successful Nasi iSpani Mass Recruitment Programme 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," he said.



Gauteng Gambling Board as part of a strategy to infuse transformation in the industry by introducing new players from previously disadvantaged groups and secondly as a form of revenue enhancement strategy.

- E-Commerce/Cashless Rollout allows liquor traders to view their bills electronically and make payments online through a mobile payment application.

Empowerment of Township Businesses  
On the issue of economic transformation, the MEC said the provincial government continues to leverage procurement to drive the empowerment of township enterprises.

"Over the past four years, we registered thousands of township businesses on the Central Supplier Database (CSD). This move has tremendously increased the number of township-based companies registered on the CSD. We then spent more than R12.7 billion of provincial resources procuring goods and services from these township enterprises," he said.

"This shows that through the township SMME support, liquidity and cash inflows into Township Enterprises and households,

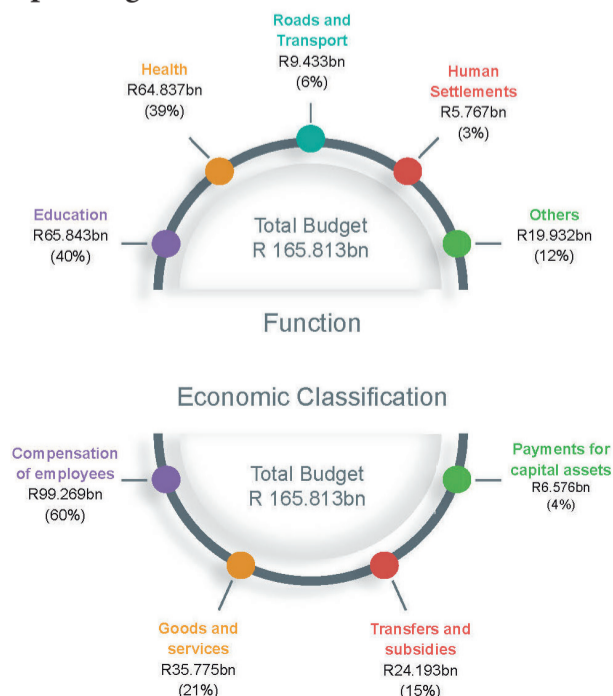
especially among the most vulnerable individuals, such as the youth, women and people living with disabilities, we are eradicating poverty, inequality, and unemployment," MEC Mamabolo added.

### Payment of suppliers

MEC Mamabolo says, 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", he said.

### Provincial Spending



# Gauteng Government celebrates its five-year miltones

## REFLECTION ON THE LAST FIVE YEARS

MEC Mamabolo reflected on how funds were used in the last five years “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”, he said.

**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.
- The total budget allocated for infrastructure since 2019 amounts to R58.6 billion. This budget was used 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.

Over the next three years, the Gauteng Provincial Government will spend R37.2 billion on the delivery of public infrastructure. This entails building of new public infrastructure such as clinics, schools, roads and shelters or maintaining the existing assets.



## Addressing the E-Toll debt ...

MEC Mamabolo commits to resolving the E-Toll matter “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.

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 the Gauteng Freeway Improvement Project (GFIP) 1 is 31 March 2024.

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.