



KWAZULU-NATAL PROVINCE

TREASURY
REPUBLIC OF SOUTH AFRICA

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Friday, 26 July 2024

Response to the statement made by Action SA on the Provincial Budget tabled yesterday by KZN Finance MEC, Francois Rodgers.

The MEC for Finance in KwaZulu-Natal, Mr Francois Rodgers has noted with dismay the unfortunate and ill-informed position on his budget speech by Action SA accusing him of plagiarism and lack of innovative leadership.

This unguided “missile” does not warrant a response, but ethical and responsible leadership, which MEC Rodgers subscribes to, compels him to educate Action SA on this matter so that they do not display their ignorance publicly in future.

Plagiarism is defined as the **practice of taking someone else's work or ideas and passing them off as one's own** -the budget presented yesterday is that of the government of the province of KwaZulu-Natal irrespective of the political executive representative.

The provincial budget for the 2024/25 MTEF was tabled in the Provincial Legislature on 7 March 2024. In this regard, the 2024/25 Estimates of Provincial Revenue and Expenditure (EPRE), the Estimates of Capital Expenditure (ECE) and the Appropriation Bill, 2024 (in English, isiZulu and Afrikaans) were tabled.

The Legislature was prorogued ahead of the 2024 general elections thus requiring all matters still before the Provincial Legislature at the time to be taken forward when the Seventh Administration was sworn into office.

While the provincial budget was tabled in the Provincial Legislature prior to the 2024 elections, there was no time for the individual departments to table the budgets of their respective Votes. The General Budget Debate and voting on this Bill thus did not occur prior to the elections, which is the norm in an election year.

In the interim, departments have been spending their budgets in line with Section 29 of the PFMA which allows for 45 per cent of the total amount appropriated to a Vote in the previous annual budget to be spent in the first four months of the financial year, and spending may not exceed 10 per cent during each of the following months until the budget is passed into law.

In terms of Rule 250, all business before the House or any committee on the last Sitting day of the Term of the Legislature lapses at the end of the day. In other words, the Appropriation Bill tabled on 7 March 2024 lapsed in the last Term and Treasury is thus required to table a new Bill or to revive the Bill that was tabled on 7 March 2024. This was dealt with in a similar manner in 2009, 2014 and 2019, when the then-MECs for Finance were given a slot on the Sitting Programme to revive the Appropriation Bills.

Two options were presented to the Provincial Executive Council being a revival (i.e. re-tabling if previous budget) or table a new budget where substantive changes take place.

Given that the 7th administration has recently held their Lekgotla wherein discussions have begun on the establishment of priorities which will be announced by the Honourable Premier in the SOPA, the budget was required to be approved in order that government can continue to operate. Should there be any significant shifts in the current year, these will be processed in the adjustment budget in November and



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revised Annual performance plans will be tabled, but for the sake of continued service delivery, the Executives agreed to revive and complete the March budget process. Given that there have been no additional changes from national the numbers remain the same.

Therefore, the budget that was presented was purely a revival of the budget tabled in March for thorough analysis and approval by the committees and legislature.

In terms of funding for SMMEs – various departments and public entities have initiatives to support SMME development and these will be announced by the respective members of the executive including the honourable Premier of the Province of KwaZulu-Natal.

eThekweni Municipality is owed R1,2b by various organs of state (provincial, national, state owned entities). COGTA have a team that assist the municipalities in recovery outstanding amounts from government and have been working closely with the City to resolve outstanding disputes and payments. In certain instances provincial treasury assisted in providing additional cashflow to departments to ensure that payments were honoured. This area still requires additional support and focus.

We encourage constructive criticism by any organisation or citizen of our Province, but would encourage such organisations to engage the department or undertake research on the matter to avoid misrepresentation of facts and misleading the public.

Issued by KZN Treasury. For clarity, contact Director for Corporate Communication, Musa Cebisa on 071 6878 777.