

Province of KwaZulu-Natal

Address by MEC for Finance – Ms N. Dube-Ncube

25 March 2022

Second Adjustments Appropriation Bill, 2022

Madam Speaker

Honourable members of the Legislature

Honourable Premier Sihle Zikalala

Colleagues in the Executive

Distinguished guests

Fellow citizens

Thank you for the opportunity and space afforded to us as the Provincial Treasury to table the Second Adjustment Appropriation Bill 2022.

Madame Speaker, the Province of KwaZulu-Natal is required, in terms of three Government Notices, to table an amended Adjustments Appropriation Bill for 2021/22 referred to as the Second Adjustments Appropriation Bill, 2022. In this regard, three Government Gazettes were issued by National Treasury and these affect the conditional grant allocations under Vote 5: Education, Vote 8: Human Settlements and Vote 12: Transport. I provide further detail here:

- Government Gazette No. 45 649 was published on 17 December 2021 and this Gazette was issued in terms of Section 25 of the Division of Revenue Act, 2021. This Gazette sees the allocation of a portion of an unallocated Schedule 7 grant to the Free State (R10.375 million) and **KwaZulu-Natal (R3.802 million)**. These funds are allocated to the **Provincial Emergency Housing grant** under Vote 8: Human Settlements and relate to storm damage experienced in the province.
- Government Gazette No. 45 954 was published on 25 February 2022 and this Gazette was issued in terms of Sections 18 and 19 of the Division of Revenue Act, 2021. This Gazette sees the

stopping of funds from the **Provincial Roads Maintenance grant** under Vote 12: Transport and the allocation of these funds to other provinces. In this regard, **R47.691 million was stopped from KwaZulu-Natal**, R51.773 million from Gauteng and R45.190 million from the Free State. These funds are re-allocated to Mpumalanga (R43.396 million), Northern Cape (R28.931 million), North West (R28.931 million) and Western Cape (R43.396 million). These funds were moved from provinces that were showing lower spending, to those that were showing higher levels of spending.

- Government Gazette No. 46 046 was issued on 16 March 2022 and this Gazette was issued in terms of Sections 18 and 19 of the Division of Revenue Act, 2021. This Gazette sees the stopping of funds from the Education Infrastructure grant from the Eastern Cape (R205.122 million), and the allocation of these funds to **KwaZulu-Natal** with the province receiving the full amount of **R205.122 million**. In KwaZulu-Natal, the funds are allocated to the **Education Infrastructure grant** against Vote 5: Education. This funding was allocated following extensive discussions between the Department of Basic Education and the affected provincial Departments of Education. In this regard, the Department of Education was able to provide proof to the national department that they will be able to spend these funds before the end of the financial year.

The attached Second Adjustments Appropriation Bill, 2022 highlights the effects of these changes on Vote 5: Education, Vote 8: Human Settlements and Vote 12: Transport in grey shading in the Schedule to the Bill.

I therefore table in this House the **Second Adjustments Appropriation Bill, 2022** with its explanatory memorandum and the associated schedule. The Bill is tabled in English, isiZulu and Afrikaans.

Thank You.