



GAUTENG PROVINCE

PROVINCIAL TREASURY
REPUBLIC OF SOUTH AFRICA

SPEECH BY GAUTENG MEC FOR FINANCE, HONOURABLE JACOB MAMABOLO, ON THE OCCASION OF TABLING THE 2023/24 MEDIUM TERM BUDGET POLICY STATEMENT, GAUTENG PROVINCIAL LEGISLATURE, 28 NOVEMBER 2023.

Madam Speaker and Deputy Speaker
Premier Panyaza Lesufi
Fellow members of the Executive Council
Chief Whip of the Majority Party
Leaders of Political Parties
Members of the Provincial Legislature
MMCs of Finance and Councillors
Representatives from the Auditor General's Office
Senior Officials of Government and Municipalities
Representatives of Business, Organised Labour, and Civil Society
Distinguished guests
Comrades and Friends

INTRODUCTION

Honourable Members, we are presenting the Medium-Term Budget Policy Statement (MTBPS) at a time when the country is observing the 2023 16 Days of Activism for No Violence against Women and Children Campaign which was launched on Saturday, 25 November, under the theme: "Accelerating Actions to End Gender-Based Violence & Femicide: Leaving No One Behind".

Let us focus our energies and unite on raising awareness on the devastating impact that gender-based violence and femicide (GBVF) has on women and children, and the social fabric of our society.

In just a few days, we will be observing World Aids Day on the 1st of December, which will be followed by the International Day for Persons with Disabilities on December 3.

Madam Speaker, I am honoured today to present to this House, the fifth and final Medium Term Budget Policy Statement (MTBPS) of the 6th Administration under the leadership of Premier Panyaza Lesufi.

Let me start by tabling the following documents for consideration.

- The Medium-Term Budget Policy Statement 2023 (18th Edition).
- The Adjusted Estimates of Provincial Revenue and Expenditure 2023.
- The Adjusted Estimates of Capital Expenditure 2023; and
- A copy of my Speech.

In the context of many socio economic challenges before us, preparation of this 2023 MTBPS and the Adjustments Budget has been a formidable task.

This is because, **Madam Speaker**, we are presenting the 2023 Gauteng MTBPS in a global and domestic macro-economic environment correctly summed up by the Honourable Minister of Finance, Mr. Enoch Godongwana.

When tabling the National MTBPS to Parliament earlier this month, the Minister of Finance told us that the economic outlook for 2023 has worsened, mainly due to amongst other things, the damaging impact of intense loadshedding, persistent domestic logistical constraints, lower commodity prices and subdued global demand.

“The weaker growth outlook for China, South Africa’s largest trading partner; the lower commodity prices; and the risk that the US interest rates will remain higher for longer, means the global economic environment is less supportive of South Africa’s growth prospects.”

As a result, Gross Domestic Product (GDP) is projected to slow from 1.9 per cent in 2022 to 0.8 percent in 2023.

The Minister summed up the elevated risks to the fiscus when he said: “Our public finances are significantly weaker.”

Honourable Members, without any shadow of doubt, this paints a gloomy picture for our fiscus.

Also contributing to the complexity of analysing our economic outlook are the two recently released reports on the state of our country.

The "**Safety First: The Economic Cost of Crime in South Africa**" report came from the World Bank **and** stated that crime is currently costing the country more than 10 per cent of its GDP per year.

The second report was issued by Harvard University with a title "Growth Through Inclusion in South Africa". This report stated that poor performance of the South African economy can be attributed to the collapse of state capacity and the over-burdening of state organisations. **Honourable Members,** we believe that the full story about the elevated risks and threats to the economy and the fiscus has been adequately told, and therefore there is no need to belabour the point any further. In other words, the point has been made, and adequately so.

It is for this reason that we believe, given our position as the economic hub of the country and the leading contributor to the GDP, Gauteng 2023 MTBPS should focus on the following three key areas:

- **Firstly, the growth trajectory of the Gauteng economy based on Growing Gauteng Together 2030 and the elevated priorities.**
- **Secondly, the revenue growth of the Gauteng Provincial Government (GPG) to build a sustainable fiscus.**
- **And lastly, the actual adjustments to the current Budget that was tabled in March this year.**

Honourable Members, having said that, therefore, allow me to share with you the growth trajectory of Gauteng's economy.

In other words, let us take you through the journey of how we are going to grow the economy of Gauteng in the adjustment period.

This, we believe, can only ignite a sense of hope among residents of our province.

CONTEXT OF THE GAUTENG'S ECONOMY

Gauteng economy

Madam Speaker, based on the recent Census conducted by Stats SA in 2022, the South African population has grown to 62 million people, increasing from 51.8 million in 2011, with Gauteng maintaining its position as the most populous province with 15 million residents.

According to Stats SA, our province contributed R1.42 trillion to South Africa's GDP of R4.16 trillion in 2022. In other words, the province was responsible for R33 out of every R100 the South African economy produced. The Gauteng economy is primarily driven by the finance, real estate, and business services sectors, as well as the transport and communication industry.

It is important to note that, as we gather here today, the economy of Gauteng is larger than the economies of KwaZulu-Natal and the Western Cape combined.

As the economic hub, Gauteng is an important channel for the transportation of goods to the rest of the country. We are a gateway to the rest of the African continent and the global export markets.

In the period between 1995 and 2022, this province accounted for the largest share of the country's exports. On average, Gauteng exports as a share of total South African exports was 61.1 per cent. In 2022, the share was 71.3 per cent, the most significant for the province since 1995.

Much of South Africa's exports of manufactured goods are also purchased by other African countries. Manufacturing is another industry which Gauteng accounts for a significant share of. Therefore, if the African economy performs well, demand for Gauteng's exports will likely grow.

That is why we are excited about the opportunities presented by the African Continental Free Trade Area (AfCFTA) to boost trade and economic growth. We believe that the deep integration that AfCFTA promises, will build resilience and lower the barriers that currently impede economic growth in our continent.

Honourable Speaker, much of South Africa's finance and business services industry is concentrated in Gauteng. Exports of services (like banking services) are accounting for a growing share of global trade due to digitisation. South Africa already exports banking services to the rest of Africa. As the continental economy grows, Africa's need for banking services expands, which increases the market for Gauteng's digital services.

It therefore comes as no surprise that Gauteng is currently regarded as the premier destination for employment opportunities, as confirmed by Stats SA.

However, while the Gauteng economy is growing, it is at a slower pace than in the previous quarter. Gauteng economy is estimated to have grown by approximately 0.6% during Q2:2023, following a 0.8% growth in Q1:2023.

Furthermore, the Economic Barometer states that 6 out of 10 sectors are estimated to have experienced positive growth in the second quarter of 2023.

Meanwhile, mining, and quarrying activity is estimated to have continued strong in, while agriculture rebounded strongly in the first quarter of 2023.

On the jobs front, unemployment rate for the youth in Gauteng decreased by 0.8 percentage points from 48.91 per cent to 48.09 per cent.

According to the Economic Barometer, young people, especially women, remain the most vulnerable cohort in the Labour market in Gauteng.

Youth unemployment in Gauteng is a challenge that limits earning potential of youth, business growth and threatens social cohesion.

Honourable Members, while the unemployment rate is proving to be complex, I am pleased to announce that the unprecedented and most decisive initiative of the Gauteng Provincial Government jobs programme, also known as **Nasi Ispani**, is already making a huge impact in addressing the unemployment rate in the province, especially among the youth.

Honourable Members, one of the strongest potential and key area of focus is our continued support on Small Medium and Micro Enterprises (SMMEs), especially women and youth entrepreneurs in the townships.

Gauteng remains the only province that has passed the Township Economic Development Act (TEDA) which prioritises economic development of township entrepreneurs.

I am very pleased to announce that one of the key achievements is that the Gauteng Provincial Government has teamed up with UberEATS SA to create job opportunities for young people in the province.

The collaboration involves an investment of over R200 million from UberEATS SA and the Gauteng Department of Economic Development to create 2 000 jobs for delivery personnel and add 700 more restaurants to the platform. In total, the programme will result in 10 000 people being placed in jobs.

We also crisscrossed the province over the past four years registering township businesses on the Central Supplier Database and enabled them to access opportunities in the public sector.

Through these efforts, we have significantly increased the number of companies registered on the CSD. Then we spent more than R12.7 billion of provincial resources procuring goods and services from these township enterprises.

Madam Speaker, 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.

Honourable Members, having summed up the positive achievements and successes of the Gauteng economy, let me share with you some of the adjusted interventions leading to the next Budget in 2024.

In other words, these will receive financial support in the Adjustment Budget in the remaining period of this financial year.

It is also important to mention that these adjusted interventions will also serve to plant the seed and lay the basis for sustainable economic development.

Madam Speaker, the initiatives we are announcing as adjusted interventions to grow the economy calls for all of us to make a positive contribution and put a “brick to build” the economy of the province.

As a province that gives concrete and practical meaning to the golden principle from our country’s Constitution of “Unity in Diversity”, thus making us a culturally diverse province, or, as our martyrs called it, the Rainbow Nation, it is important that we build an economy that can only serve to unite the diverse nation.

Failure to put a “**Brick to Build**” carries the elevated risk of imploding the Rainbow Nation, instead of harmonising it.

Only by increasing the 35 per cent GDP contribution can we achieve this objective.

Madam Speaker, the Gauteng Provincial Government has entered into an agreement with City Power, an entity of the City of Johannesburg Metropolitan Municipality , and have already concluded Memorandum of Understanding (MOU) for City Power to act as the implementing agent In providing residents of the province with power generation solutions to improve the on- and off-grid solutions such as leveraging renewable technology. As part of this MOU, we are also seeking to support infrastructure systems to ensure a stable supply of water.

Furthermore, as part of our effort to ensure that our support to energy and water infrastructure is implemented efficiently and effectively, we will be appointing a Transaction Advisor (TA) to assist us with technical skills to determine the feasibility, viability and cost-effectiveness of City Power's proposed solutions. Once we have received professional advice, we can determine the next steps.

The Gauteng Department of Infrastructure Development (DID) is also leading our initiatives in our province for rooftop solutions, particularly on government facilities but with immediate focus on health facilities.

There is no doubt that energy and water infrastructure remain critical to boost positive investor sentiment and to grow the economy.

Madam Speaker, it is an established fact that infrastructure delivery in the medium to long term enable investments and guarantees sustainable economic development.

The provincial infrastructure budget is adjusted upwards from R12.1 billion to R12.3 billion after effecting the conditional grant cuts. The upward adjustment is mainly driven by the Department of Roads and Transport based on performance to date and this includes an amount of R280 million allocated for rehabilitation/maintenance of roads located in Emfuleni Local Municipality.

Honourable Members, we will be adjusting our delivery process by establishing within the Gauteng Provincial Treasury, the Infrastructure Finance Lab, as an oversight technical capability to monitor financial performance of infrastructure with a focus on value for money to avoid fruitless and wasteful expenditure.

Already in this period we are conducting a serious clean-up of the book that we table before this House, known as the Estimates of Capital Expenditure.

This is to ensure that we do not put before this House projects that have no potential of being completed in time and within cost, including those projects that are perpetually brought before this House, year after year, without completion.

It is important that we end the practice of bringing projects before this House that are ageing in the ECE, even surpassing the term of any Administration.

We are streamlining our enterprise development initiatives including enhancing contract management capabilities working with different partners.

As part of improving our capacity for acquiring infrastructure in the province, we are also repositioning the role of the Gauteng Infrastructure Financing Agency (GIFA) to use the design and build model in accelerating the procurement and implementation of infrastructure. Through this model, GIFA working together with the Gauteng Department of Education is now finalising the procurement of developers for the construction of 18 schools across the province.

In addition, GIFA will be given a special mandate for the acquisition of strategic properties for special space requirements within the Gauteng Province. These needs will include healthcare, education, office accommodation and other requirements, as dictated by user departments from time to time.

Let me also take this opportunity to report that in our last two meetings with Members of the Mayoral Committee (MMCs) of Finance in this Province, with massive evidence provided by National Treasury, it is clear that municipalities are also struggling with the same problem of perpetual inability to spend infrastructure budgets.

Honourable Members, failure to spend money on energy, water, roads, and water management systems as such storm water drainage systems, only serve to deter and push back investors.

We have agreed with municipalities that spending money on infrastructure, but also quality spending on infrastructure, is the best way to sustain Gauteng as the economic hub of the country.

Those municipalities not spending their infrastructure money are pulling down the rest of the province and perpetuating the poor investment drive that is critical for job creation.

Madam Speaker, during the launch of the CFO Roundtable between Provincial Treasury and the private sector CFOs, represented by Chartered Institute of Business Accountants (CIBA), Standard Bank and the Chartered Institute of Government Finance Audit and Risk Officers (CIGFARO) in September 2023, it was emphasized that good governance and well-managed public institutions have a great potential to enhance investor confidence and grow improved GDP.

We are therefore pleased to announce that as part of this CFO Roundtable, tomorrow, Wednesday, 29 November 2023, we will be receiving signed pledges by the private sector CFOs as a gesture of confidence in the province.

We are also pleased to announce that the Gauteng Provincial Government has significantly improved audit outcomes for the previous financial year, with most Departments and entities, either sustaining or receiving clean audits, and with many others improving their audit outcomes.

We would like to assure the people of the province that public finances and our institutions in this province are in good hands.

Having said that, we are concerned about the deteriorating audit environment in our municipalities.

In our engagements with municipalities, we have agreed to introduce the principle of interim financial statements as the best way to improve and to focus our municipalities on clean audit outcomes.

We are looking forward to all our municipalities introducing interim financial statements in and around February 2024.

We hope they will keep to this commitment.

We have also agreed that as part of good governance, all our municipalities should as a matter of urgency appoint **Chief Financial Officers**.

We also commend those municipalities that have applied for Eskom's debt relief programme, and we will be supporting them to make sure they manage their finances better. It is anticipated that this will facilitate to restore financial best practice and could free some revenue in the municipalities owing Eskom, to be able to maintain their current bulk accounts other creditors and provide a reliable basic level of services.

Honourable Members, in our engagement with the MMCs of Finance at the CFO Roundtable, cutting red tape in municipalities carries a great potential to improve investor sentiment and make it easier to do business in municipalities.

I am pleased to announce that Gauteng Provincial Treasury commissioned a project manager to analyse the details of improving red tape in municipalities.

We are interested in the details such as the number of days it takes for certain municipal approvals to be made. That is the turnaround times, either in days, weeks, or months it takes to conclude certain compliance with municipal laws affecting the investment space in our municipalities.

Once Gauteng Provincial Treasury completes the baseline assessments on the ease of doing business in our municipalities, we will embark on wider consultations with MMCs of Finance and the Gauteng Department of Co-operative Governance and Traditional Affairs to then decide on a pilot programme on how to cut red tape.

Without pre-empting the conversations on this matter, one of the best practices could be to introduce a concierge of business support services in municipalities to promote the ease of doing business, including leveraging smart technologies in this regard.

We believe this could only provide the comfort of ease of doing business for our investors.

We strongly believe that promoting investment in municipalities is not only critical to growing the economy, but also to build a sustainable revenue base for municipalities.

Investments in real estate, manufacturing plants, automotive plants, residential properties, industrial parks, just to mention but a few, are critical for the financial sustainability of municipalities.

It is important that municipalities be deliberate in promoting positive investor sentiment. Anything that harms investor confidence must be discouraged at all costs.

GROWING A SUSTAINABLE FISCUS FOR THE GAUTENG PROVINCIAL GOVERNMENT

Honourable Members, the increasingly constrained fiscus resulting from fiscal consolidation measures means that it has become more important to seek alternative sources of funding to ensure that we maintain spending on key priorities and projects of the provincial government.

Today, I have the pleasure to report to this House that our own revenue enhancement efforts during the current Administration, from 2019 until the end of the second quarter of the current financial year, have resulted in us collecting a cumulative total of R32 billion over the period.

This is a remarkable effort that sets us on a path to finish strong, taking into consideration that it was achieved during the period characterised by the global health emergency of the COVID-19 pandemic and the severe energy crisis.

In recognition of the increasing imperative to do more with less resources given the in-year cuts on Conditional Grants and even more deeper cuts on Equitable Share in the 2024 medium term period, revenue collecting departments must intensify revenue enhancement efforts and explore alternative sources.

Therefore, we are currently working with departments and municipalities to enhance own revenue collection in the province by implementing the following initiatives:

- ***Enhancement of banking initiatives for revenue collected to ensure*** motor vehicle license revenue collected is immediately deposited and reflect into the provincial government fiscus.
- ***Pilot DLTCs where*** the Department of Road and Transport in partnership with Road Traffic Management Cooperation allow their at Waterfall offices and Gautrain Management Agency (GMA) at Centurion, Midrand and Sandton, to offer services including driver license testing, renewals, professional driver 'permits.

- **Smart DLTC Expansion** entails the expansion of smart DLTCs to 65 licensing sites in the Tshwane, Ekurhuleni, Johannesburg, Sedibeng and West Rand to improve service delivery in TISH areas.
- **New Casino regulations** is about transitioning from a flat tax structure regime of 9 per cent to a proposed flexible sliding scale tax structure ranging from 8 to 15 per cent, applied to Gross Gaming Revenue (GGR) levels.
- **New Bingo Licences:** The Gauteng Gambling Board has issued new 9 Bingo licenses, 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.

Honourable Members, one of the risks to our fiscus, which is becoming even more pronounced, is that of resolving two related challenges of raising revenue to settle the R12.9 billion or 30 per cent of Gauteng contribution of absorbing the e-Tolls debt as was announced by the Minister of Finance in the 2022 MTBPS.

Madam Speaker, it is imperative and necessary that working together with national government, we bring to finality the implementation of the directive announced by the Minister of Finance in the 2022 MTBPS as it relates to the E-toll debt.

To complete and conclude this policy pronouncement by the Minister of Finance, the gantries should be switched off, and be repurposed and repositioned for security, crime prevention and roads-related law enforcement services.

It is this context, that as a Province, we are strengthening our revenue-generation capacity to put a compelling case to national government to switch off the gantries.

We reaffirm our longstanding commitment to pay the debt, including augmenting our own provincial revenue without burdening the equitable share, especially priorities for social services such as education, health, and social welfare.

We believe the time is now to conclude the modalities of the settlement of the debt. To this extent, we will submit our concrete proposal to national government before 15 December 2023, and expect feedback and finality before the State of the Province Address (SOPA) next year.

Honourable Members, our medium to long-term strategy for revenue generation includes the establishment of the State-owned Bank and the Pharmaceutical Company as part of our interventions to improve the capacity of the State.

Currently, the Gauteng Provincial Government budget is more focused on social services, with a small percentage funding economic interventions, particularly economic infrastructure.

Given the fact that we are an economic hub of the country, we need more resources that are commensurate to the total value of Gauteng's economy.

This is also critical to diversify, transform and broaden the base of financial services and inclusion to provide credit facilities necessary for SMMEs, especially township entrepreneurs.

Following our thorough legal due diligence on the establishment of the provincial State-owned bank, and the various alternatives that it has provided on the type and model of the bank, we presented these options to the Executive Council in September this year.

I am now pleased to announce that after EXCO applied its mind, it resolved to adopt a development finance bank as the best model to lay the foundation for other options in the legal due diligence, moving forward.

We believe that this bank will play a critical role in mobilising development finance to augment our limited resources while also providing other financial services for SMMEs.

Another major intervention related to this, which we believe will improve the delivery of pharmaceutical and medical products, is the State-owned pharmaceutical company which we also believe has a great potential to generate sustainable revenue for the provincial government. In this regard, let me take the opportunity to thank the Advisory Panel led by Mr Amos Monyela for the good work that they are doing as part of the

consultation process towards the establishment of the pharmaceutical company.

With respect to these two entities, we have approached the markets to solicit competent skills and technical knowhow to conclude the business case as a critical area of full compliance with the legislative framework such as the PFMA and the Public Service Act, just to mention but a few.

We are confident that by the end of the financial year, we would have submitted sound and compelling business cases for both entities for consideration by national government.

ADJUSTMENT BUDGET

Honourable Members, the Adjustments Budget allows for changes to the Main Appropriation, primarily in response to unforeseen and unavoidable circumstances.

Together with Provincial Equitable Share and Conditional Grant rollovers, plus targeted allocations towards expediting progress in accomplishing the Five Elevated Priorities of the GGT2030 as the Sixth Administration draws to a close,

The 2023 Main Budget is today being adjusted by a net R4.551 billion from R158.9 billion to R163.5 billion. The net adjustment consists of allocations of the rollovers, national and provincial funding as follows:

- Wage settlement.
- Conditional grant reductions.
- Rollovers of both equitable share and conditional grants
- Provincial funding

Honourable Members, the Adjustments Budget is seldom about the introduction of new priorities. It is primarily about providing for unforeseen and unavoidable expenditure, as well as the formalisation of commitments that were not pencilled into the Main Appropriation, such as the Energy Projects, for which consideration has been given to those that will achieve effective, efficient, economical and transparent use of resources. In other words, value for money.

Therefore, the following departments have made a case for unforeseen and unavoidable circumstances, and receive additional resources as follows:

- **Gauteng Office of the Premier:** A total amount of R86 million is allocated, of which R79 million is for the Life Esidimeni claims and R7 million is for a commission of enquiry. The R79 million for Life Esidimeni is to settle the claims from mental health care users as well as legal fees. The R7 million is for a commission of inquiry into the Usindiso Building fire that resulted in seventy-seven deaths and injury to many people in Marshalltown, Johannesburg on 31 August 2023.
- **Gauteng Department of Health:** An amount of R2.5 billion is allocated to the department to respond to the cost of implementing the 2023 wage agreement for public servants.
- **Gauteng Department of Social Development:** The department receives an additional amount of R70 million for the acquisition of a new building which will be repurposed into a shelter for the homeless.
- **Gauteng Department of Cooperative Governance and Traditional Affairs:** The departments receive an amount of R441 million earmarked for energy projects within the province, working with City Power within the context of the MOU that has been concluded between the province and the entity.
- **Gauteng Department of Human Settlements:** The department receives a total additional amount of R160 million for interim sanitation services including chemical toilets and honey suckers.
- **Gauteng Department of Roads and Transport:** A total amount of R80.7 million is allocated of which R25 million is for the payment of municipal services and R55.7 million additional funding is allocated for several items including gazetting of operating licensing, new number plate project, the expansion of frontline services to TISH as part of revenue incentives. Furthermore, an amount of R40 million is reallocated from the Department of Community Safety to the Department of Roads and Transport to operationalise the provincial integrated command centre as part of the function shift and suspensions.
- **Gauteng Department of Community Safety:** An amount of R10 million is reallocated to the department from receivables to reimburse the department for receipts from the SANRAL that were

surrendered to the provincial revenue fund at the end of the 2022/23 financial year.

- **Gauteng Department of Agriculture and Rural Development:** An amount of R159.1 million is availed for wages, unemployment insurance fund and Compensation for Occupational Injuries and Diseases Act (COIDA) for Green Army EPWP Programme. The department has recruited 6000 EPWP Green Army to participate in the Bontle ke Botho Gauteng's Clean and Green programme. The EPWP participants will reduce poverty and unemployment including skills development for the poor citizens of Gauteng particularly in TISH areas.
- **Gauteng Department of Sport, Arts, Culture and Recreation:** The department receives a total additional amount of R37 million, of which R10 million is for the Gauteng Film Summit to support of the development of film makers and to empower creatives to be sustainable entrepreneurs, R20 million is for Gig Trucks to be used by all 13 Gauteng Government Departments, especially within township, informal settlement, and hostel areas. The remaining R7 million is for the Monate December Programme to improve social cohesion and nation building and strengthen the battle against crime, corruption, vandalism, and lawlessness through commissioned and prescribed work.
- **Gauteng Department of e-Government:** The R10 million additional funding is allocated for the implementation of the e-Panic button project.
- **Gauteng Department of Infrastructure Development:** The department receives a total additional amount of R429 million, of which R100 million is for operational leases and R329 million is earmarked for alternative energy projects.

CONCLUSION

Honourable Members, the MTBPS and the Adjustments Budget that we are presenting today does the following:

- It sets out how this provincial government plans to achieve fiscal sustainability by reducing the budget deficit and stabilizing the debt to GDP ratio over the medium term.

- It supports growth by maintaining a sustainable fiscal stance and providing on-budget allocations to infrastructure and pro-growth policy priorities.
- It emphasises that reducing fiscal and economic risks should be complemented by rapid and decisive implementation of economic reforms, including urgently addressing the challenge of loadshedding, improving the efficiency of social and economic services and the capability of the state.

In conclusion, **Honourable Members**, I would like to thank Premier Lesufi for his leadership and guidance.

I extend my gratitude and appreciation to colleagues in the Executive Council and the Premier's Budget Committee. Your active participation and valuable input are always welcomed, as it ensures that we allocate budgets with the needs of our people in mind.

Thank you to both the Finance Portfolio Committee and the Standing Committee on Public Accounts under the capable leadership of Honourable Paul Malema and Honourable Sochayile Khanyile respectively, for your insight and oversight on all budget or financial management matters.

I thank the Head of Department, Ms. Ncumisa Mnyani and the entire Treasury team for their dedication to effective and efficient management of public funds.

Lastly, let me express my appreciation to the residents of Gauteng and all our stakeholders. Throughout this term of government, you continued to provide us with important advice on where and how we should deploy public resources to improve the living conditions of people in this province.

Let us continue to work together to implement programmes and projects to grow our economy and create jobs, fight crime and other social ills, with the focus on building the Gauteng of our dreams.

Thank you.