



Member of the Executive Council
for Finance
FREE STATE PROVINCE

2020/21 ADJUSTMENT

APPROPRIATION

BUDGET SPEECH

Hon. Gadija Brown

MEC for Finance: Free State Province

27 November 2020

Hon. Speaker Sifuba;

Hon. Premier Me. Sefora Ntombela;

Members of the Executive Council;

Members of the Free State Legislature;

Executive mayors, Mayors and Councilors;

Director General of the Province, Heads of the respective Departments,
Chief Executive Officers and leaders of our public and private institutions;

Municipal Mangers;

Special Guests; and

Esteemed Ladies and Gentlemen;

Good morning!

Dumelang!

Goeie morê

Mholweni!

Sanibonani!

INTRODUCTION

Madam Speaker, warm greetings and my sincere gratitude for allowing me to present the 2020/21 Adjustment Budget. I must acknowledge that this was the toughest budget to put together, more that it is prepared in the middle of the pandemic, the declining economic growth and the very uncertain future outlook.

However, Hon. Speaker, we are a resilient nation, we are a nation that has gone through devastating circumstances and at the end we prevailed. I believe that we will overcome the current challenges besetting us.

It is quite evident that the path and speed of our economic recovery will depend on many different factors, and we must continue to enhance and equally develop clear economic recovery strategies to guide the government's actions in a number of areas that would benefit the citizenry.

Hon Speaker, we are Africa and Africa is me. We continue to advise that as leaders, we must provide decisive solutions for the African child for the South African home and the Free State community.

As the ANC led government, we will guide the work of government, working with social partners to generate higher rates of economic growth, investment and job creation in alignment with the election manifesto and the social compact.

“Our aim is to radically transform our society to make it truly non-racial, non-sexist and economically inclusive.” Hence it is of critical importance for us to take a more integrated approach to our development in lieu of building a sustainable Free State economy. It is important that we ensure maximum participation of FS businesses in the economy and circulation of money within the Province before it makes its way out of our borders.

It is thus important for all of us to make our economy thrive under the extreme difficult circumstances, let us re – imagine our economy during and out of this pandemic. Let’s brave ourselves for this tough economic times ahead of us and soldier on.

OVERVIEW OF MACROECONOMIC CONDITIONS AND FORECASTS

National economic performance and outlook

Hon. Speaker, this year’s adjustment budget underlines the mid-year revenue and expenditure framework of the province in the context of a fragile macroeconomic environment and outlook. The global, national and provincial economies have deteriorated further since the outbreak of COVID–19. The International Monetary Fund (IMF) projects that the global economy will shrink by 4.9 percent in 2020, whilst the South African economy is forecast to contract by 7.8 percent in the latest projections by the National Treasury.

Hon. Members, it is prudent to allude to this house that there were already pre-existing challenges that contributed to the low economic growth in

South Africa even before the outbreak of COVID–19 pandemic, inter-alia are the following:

- low business confidence;
- unreliable electricity supply;
- high unemployment rate;
- a ballooning gross debt levels; and
- a growing budget deficit due to reduced revenue.

Consequently, the national economy only grew by 0.2 percent in 2019. The outbreak of the COVID-19 pandemic in March 2020, therefore found an already vulnerable South African economy and deepened the economic crisis.

In order to reignite and grow the economy, the President of the Republic, Mr. Cyril Ramaphosa, outlined the country's Economic Reconstruction and Recovery Plan in his address to the Joint Sitting of Parliament. According to the President, the South African Economic Reconstruction and Recovery Plan has three phases: **Engage and Preserve** - which includes a comprehensive health response to save lives and curb the spread of the pandemic; **Recovery and Reform** - which includes interventions to restore the economy, while controlling the health risks; and lastly, **Reconstruct and Transform** - which entails building a sustainable, resilient and inclusive economy. In terms of the Plan, the following priority interventions will be made:

- Aggressive infrastructure investment;
- Employment orientated strategic localization, reindustrialization and export promotion;

- Energy security;
- Support for tourism recovery and growth;
- Gender equality and economic inclusion of women and youth;
- Green economy interventions;
- Mass public employment interventions;
- Strengthening food security; and
- Macro-economic interventions

Hon. Speaker, it goes without saying that the Free State Province will support this plan as we rebuild our country and economy after the devastation of the coronavirus. We therefore heed the call by the President to “work together to build a new economy”.

Provincial Economic Performance and Outlook

Hon. Speaker, it is no surprise that the economy of the Free State is also projected to plunge in 2020. The province has not been immune to the effects of COVID-19. The provincial economy is projected to contract sharply by 8.3 percent in 2020 (from -0.3 percent in 2019) and to moderately rise to 2.6 percent in 2021. Only the agricultural sector is projected to grow positively in the current year, predominantly due to the fact that this sector was not directly affected by the lockdown measures.

The provincial economy recorded four recessions in the past ten years; averaging just 1.2 percent growth. Hon. Speaker it is concerning that the provincial economy is projected to decline by an average of 0.9 percent over the next five years. These bleak forecasts will make it even more difficult for government to tackle the triple challenges of unemployment,

poverty and inequality. The steep economic decline will further impact negatively on government's ability to generate revenues, thus adversely affecting service delivery and impose constraints of the broader fiscal framework.

Hon. Speaker and Members of the house, the impact of the weak economy is sadly reflected in the deteriorated labour market outcomes. An estimated 33 thousand jobs have been lost in the province between April and September this year. The province's unemployment rate increased to 35.5 percent in the 3rd quarter in 2020 compared to 34.5 percent in the same quarter of 2019. Unemployment remains highest amongst the youth (15 – 34 years) at 53.7 percent.

The provincial government has undertaken to conduct a study on the impact of the COVID-19 pandemic on the provincial economy in our effort to rebuild and promote an inclusive economy. The study will outline detailed, practical and implementable strategies to revive the Free State provincial economy.

In addition to this, through the DESTEA, the province is in a process of developing a Value Chain Economic Recovery Approach. The impact of the value chains approach is expected to bear long-term benefits by increasing sustainability for enterprises participating in the value chains; particularly SMMEs and enterprises owned by previously disadvantaged individuals.

Hon. Speaker, the Free State provincial government will continue to implement projects and programmes that are intended to stimulate the provincial economy, especially infrastructure development, over the 2021

MTEF. The province is confident that the restructuring of several infrastructure development projects will create jobs and increase the province's capacity to generate own revenue.

Presidential Employment Intervention, and the existing ones will be scaled up and this will incalculably address provincial high unemployment rate.

The Department of Trade and Industry will continue to fund the rehabilitation of both industrial parks in the province, Botshabelo and Phuthaditjhaba.

2019/20 AUDIT OUTCOMES

Let me start by sending our condolences to the family of the late AG Kimmi Makwetu, who passed away on the 11 November 2020. We welcome the appointment of the new AGSA Me Tsakeni Maluleke who has been in the environment for many years. Congratulations, we will support you and your team. We welcome the appointment of the new Head of SIU in the province also a woman Me Simangele Tshabalala, Malibongwe Igamalamakozikazi. Congratulations

Hon Speaker the submission of the 2019/20 Annual Financial Statements for the Departments and Public Entities were extended by the Minister of Finance from 31 May 2020 to 31 July 2020, equally the finalization of several of the 2019/20 Public Finance Management Act (PFMA) regularity audits have been delayed as a result of the impact of COVID-19 on the departments, entities and Auditor General South Africa (AGSA).

Hon. Speaker I believe this house will appreciate and allow me not to comment on the 2019/20 PFMA audit outcomes until the Office of the Auditor-General in conjunction with my department has tabled them before the relevant committee of the Provincial Legislature as they have not yet been made public. I can commit upfront to this august House that I will continue to play my oversight role to ensure that the anticipated improvement is realized. I am very excited about the draft report received and would like to thank the teams who have really put in detailed and concerted effort to change the audit landscape of the province. I would further like to commend accounting officers and their financial teams during the completion of the audit of the procurement of PPE's during the pandemic. We have supported more than 300 Free State Companies in our compliance framework of procurement, the accounting officers have worked through all audit processes on all companies together with the various authorities and chapter 9 institutions in adherence to compliance matters during this very short period of audits and investigations. Well done HODs for exercising detail in picking up very few irregularities. We shall strengthen our controls along the process. The reports have been concluded by the AGSA, we are equally satisfied with the draft presented to the executive, which will be tabled shortly.

THE 2020/21 MID-YEAR EXPENDITURE REVIEW

Provincial expenditure

Hon. Speaker, allow me to focus on our provincial mid-year performance of revenue and expenditure. Our initial provincial fiscal framework as tabled on the 7th of July 2020, amounted to R39.055 billion, from this amount R30.017 billion related to provincial equitable share; whilst R7.790

billion and R1.248 billion related to conditional grants and provincial revenue, respectively.

We allocated R39.055 billion to all provincial departments and Provincial Legislature to provide for provincial and national priorities, including Health and Education which accounted for 72 percent of the total fiscal envelope.

The COVID-19 pandemic and National Lockdown negatively affected provincial spending and by the end of the October of the current financial year, the province spent R21.261 billion, which translates to 54.4 percent of our total fiscal purse. Although the province has spent 54.4 percent, our intention is to continue to prudently expedite expenditure on areas where under-expenditure manifests, particularly on conditional grants, with a view to deliver much needed public services.

Hon. Speaker allow me to reiterate that we continue to work with all departments to ensure that all the allocated funds are spent as planned within the current financial year. We are also happy to pronounce that we have been very successful in strengthening our revenue generation capacity through investment of funds. This approach will continue to ensure that the liquidity of the province is enhanced.

Provincial own revenue

Hon. Premier, during the tabling of the revised budget on the 7th of July March 2020, we discussed the possibility of reduction of own revenue

estimates for the province to the tune of R305 million. The decrease of provincial own revenue budget although it is below what we anticipated earlier due to opening of economy and more efforts put by departments to collect own revenue. Provincial own revenue adjustment budget is reduced by from R1.248 billion to R1.126 billion which is adjustment of R122.896 million or 9.8 percent for 2020/21 financial year. This was prompted mainly by the effects of pandemic whereby various government services were partially not operating due to national lockdown rules and regulations. Hon. Speaker, I must congratulate our provincial departments and entities given the determination and courage that they have demonstrated with regard to the stimulation of provincial own revenue during these trying times.

Hon. Premier, it is imperative to outline to this August House that our provincial own revenue plays a pivotal part with regard to additional funding towards provincial own priorities. Thus far, the current performance on provincial revenue as at the end of October 2020 amounts to R627.437 million, which represents a collection of 50.3 percent. Hon. Speaker, I must also indicate to the house that coupled to the challenges with regard to own revenue collection, our economy is also not performing as expected, and this has adverse impact on revenue collection both at local, provincial and national level. The Executive Council has appointed a team of MEC's and Heads of Departments that will specifically focus on revenue enhancement initiatives.

Cost Containment Measures vs COVID-19

Hon. Speaker and Members of this august House, around this time last year I stood before you and pronounced that fiscal consolidation is a key part of this administration's strategy, I pleaded with my colleagues in the executive that we must continue to look for efficiency savings in the face of the continuous budget cuts, I further implored that every cent saved through cost-cutting must be redirect towards core service delivery areas in the province. Little did I know at that stage that along the way, COVID-19 pandemic would affect us as a country.

Hon. Speaker, we soon realised that the funding for COVID-19 would be realised through a dramatic/massive shift in government resources, chief amongst these shifts were in a form of scaling down on non-core items in the budget, in collaboration with all departments we identified funds from non-core items in the budget, such as; catering, entertainment, venues & facilities, traveling, flights and accommodation; and as a result, we realised a reduction of 67 percent or R48.912 million from these non-core items, these are the funds which were meant for 1st and 2nd quarters of this financial year, however due to the lockdown the funds are regarded as savings.

Hon. Speaker, the journey of good financial governance is a continuous one, hence it is our intention to continue to further explore new measures, which would include exploring further cost containment measures where possible and strengthen compliance with existing cost containment measures in the province, in short, cost-cutting measures will remain in place.

Infrastructure Investment

Hon. Speaker, the Minister of Finance in his Adjustment Budget Speech alluded to the fact that, if we put all our efforts into implementing the Economic Reconstruction and Recovery Plan, we can accelerate growth to 3 per cent or more. He further indicated that Infrastructure Investment is at the centre of this Plan as Infrastructure development is recognized world-wide as a key long term driver of economic growth.

While National Government has, in support of the Economic Recovery Plan, made great strides in developing alternative funding models for Infrastructure Investment for all levels of Government. At Provincial level, we need to be resourceful in optimizing the limited resources for Infrastructure Investment at our disposal.

We need to remind ourselves of the massive maintenance backlogs accumulated through years of under-funding of maintenance of government Infrastructure, rendering the government Infrastructure Portfolio in a dilapidated state. This situation is impacting negatively on service delivery across all sectors. At the same time, we are aware of the epidemic levels of unemployment as a result of miniscule economic growth since 2009, exacerbated by the COVID-19 lockdown.

Hon. Speaker, global research into enablers of economic growth in developing countries, provides compelling evidence that establishing sustainable SMME's is a key driver of economic growth through sustainable job creation and stimulation of local economies.

In the interest of continued quality service delivery to the Free State populace and in support of the Economic Reconstruction and Recovery Plan, the provincial government will have to seriously explore redirecting Infrastructure Investment away from New, Upgrade and Additions to existing Infrastructure, to capital and current Maintenance of the existing Infrastructure Portfolio. In the adjusted provincial budget to be tabled during this speech is approximately 34.5% of the provincial Infrastructure budget is allocated to capital and current Maintenance combined. Reprioritisation of the Infrastructure Investment to substantively fund capital and current Maintenance projects, due to the extensive footprint of the provincial Infrastructure Portfolio, the establishment of sustainable emerging local contractors, coupled with utilising Free State based skills and talent and the support to the contractor development plan (CDP's), the creation of sustainable jobs and local economic growth could be facilitated on an unprecedented scale.

Irregular expenditure

The intervention project initiated by Provincial Treasury for the investigation of irregular expenditure incurred in previous financial year's to ensure that the province reduce its accumulated Irregular Expenditure continues until the end of March 2021 when the service provider's contract expires. 673 additional cases of irregular expenditure from various Free State departments to the value of R1.503 billion were handed over for investigation. 622 of these cases to the value of R1.309 billion were finalised and reports issued to the HOD's of the relevant departments to action the investigation outcomes.

MUNICIPALITIES

Hon. Speaker, it is important to note that Local Government is the crucible in which the complex processes of development, governance, transformation of life and living conditions takes place on daily basis. This is the space in which our children grow to adulthood, where our workers find sustenance and rest, and where our aged live out the rest of their lives. It is the place where our talents are shaped, our institutions operate and our wellbeing is determined.

In this term, we want to give attention to municipal budgets and financial management. Honourable Speaker, you would agree with me that this is an important focal point if we want municipalities to achieve a stable financial situation.

It is imperative that Municipal Councils must ensure as oversight bodies that credible and funded budgets are approved. The good news is that the Minister of Finance announced in the supplementary budget that R20 billion was allocated to Local Government. Honourable Speaker, another great news is that Free State Municipalities will receive R5.137 billion in 2020/21 municipal financial year including an amount of R668 million specifically for COVID-19. On the downside, however most of our municipalities are struggling with significant creditors and debtors balances.

We take cognisance of the fact that Free State Province has made remarkable progress in delivering water, electricity, sanitation and refuse removal at municipal level. However, there are areas in which service

delivery is failing, our governance system is not properly functioning, and in certain instances the plight of the masses for effective service delivery have not been met as yet. Our vision of building a capable and development state is priority.

COGTA has done a review of South Africa's municipalities, which has revealed that we still have a journey to reach the ideal municipality we envisage. This requires us to do things differently if we want solutions to our common challenges. Therefore, the back-to-basics programme together with the district model are expected to provide us with the much needed impetus.

Changing strategic orientation is not easy and it requires bold leadership and political will. We need to improve the political management of municipalities and be responsive to the needs and aspirations of our people.

Our aim is to encourage all municipalities to become positively functional centres of good governance, sound financial management and effective service delivery.

With the ongoing support by National and Provincial Treasuries and the dedication of SALGA, my colleague in Cooperative Government and Traditional Affairs, MEC T. Nxangisa as well as committed municipal and community leaders there is no reason why we cannot change the municipal landscape to deliver the services our people deserve.

2020/21 ADJUSTMENT BUDGET

Madam Speaker, I must concede that this adjustment budget was expected to be a difficult one. However, Madam Speaker, we have in-year fiscal reforms that impact on the current financial year budget as well as provincial budget pressures that must be addressed.

Madam Speaker, we have requested departments and public entities to indicate their respective in-year and MTEF budget pressures in line with PFMA prescripts that regulates adjustment budget process. In the absence of additional funds and provincial reserves, we had to prioritize budget pressures that could be catered through this adjustment process.

Madam Speaker, during the tabling of the 2020 Budget the Minister of Finance announced a reduction of R160 billion on equitable share as part of managing the wage bill going forward. The implementation of these reductions are included in the 2020/21 adjustment budget tabled on the 28th of October 2020 by the Minister. The provinces account for R25.3 billion in 2020/21, R36.7 billion and R45.1 billion in 2021/22 and 2022/23 respectively. The remainder of the R160 billion is accounted by national departments. I need to reiterate to the House that the R25.3 billion reduction has implications for the current budget and is therefore part of the provinces' adjustment budgets.

The implication for Free State province in this regard is a reduction of R1.522 billion in 2021/22, R 2.032 billion in 2021/22 and R2.496 billion in 2022/23. These funds, Madam Speaker, were meant for payment of annual salary adjustments. This year we have reviewed critical posts and placed a moratorium on non-critical posts to achieve these savings.

Furthermore, the possible appointments that are currently in the system we analyzed when they would be appointed and calculated the salary expenditure for the 3 months left during this financial year. Our processes will continue to be that methodical during the outer years to ensure that no employee is impacted negatively.

In addition to the above reduction, the provincial budget will be cut by another R11.791 billion over the MTEF period and this cut relates to Provincial Equitable Share formula updates and further reductions on compensation of employees to support fiscal consolidation macro-economic stance.

Hon. Speaker, these are tough times and calls for stringent measures in how we manage our public resources. The irony Madam Speaker is that our resources are finite as compared to the infinite needs of our people. The test for us is how we respond to this dilemma. There is evidently a need for us to make hard choices; choices that will deliver tangible services to our people.

Hon. Premier, I am however delighted to mention that the province will receive more than half a billion rand to address some of the pressing matters in the province. Allow me to provide details of these additional allocations:

- R27.853 million will be added to the equitable share of Social Development for extension of Food Relief programme;

- R38.880 million is added to the Early Childhood Development grant to top-up salaries in early childhood development facilities and for employment risk support in registered and unregistered facilities;
- R74.491 million is added to Provincial Roads Maintenance grant for creation of job opportunities through road maintenance projects;
- R9.921 million is added to Statutory Human Resources, Training and Development grant for appointment of enrolled nurses and assistant/auxillary nurses; and
- R411.622 million from the Presidential Employment Intervention fund is allocated to Department of Education for—(i) appointment of assistant teachers, and (ii) funding of School Governing Bodies' posts that were affected by salary cuts due to the impact of COVID-19 and non-payment of school fees at fee-paying schools and government subsidized independent schools.

Madam Speaker, a total amount of R12.744 million has been added to the Community Outreach Programme component which is part of the HIV, TB, Malaria and Community Outreach grant. These are no new funds to the province though; they have been reprioritized from other components of the main grant.

The absence of additional funds and reserves for the province necessitated reprioritization of the current provincial baseline to fund the identified key pressures. Madam Speaker, we have reprioritized R107.454 million from the baselines of provincial departments, these funds mainly emanate from infrastructure enhancement allocations and

goods and services of the various departments. I must also mention that we have tried hard to protect Health and Education in this regard.

2020/21 PROPOSED ADJUSTED ALLOCATIONS

Hon. Speaker, our dream to build fiscal sustainability for the province depends on the choices we make today. The choices that direct the finite public resources towards production of tangible services for our people, choices that creates employment opportunities, choices that improves the wellbeing of the people of this province.

Madam Speaker, our adjusted provincial fiscal purse amounts to R38.190 billion and is constituted as follows:

R28.934 billion relates to equitable share;

R8.131 billion to conditional grants and

R1.125 billion to provincial own revenue

Conditional grants include rollovers of R227.005 million, whilst revenue includes R53.260 million from Housing Development Agency. Madam Speaker, in essence, there is no new discretionary money allocated to the province; instead there is a net decline of R865.368 million on our provincial fiscus. We had to dig deeper into our provincial baseline to identify savings that could be reprioritized towards pressing priorities.

Hon. Speaker, we consulted all the affected departments, individually and through the Forum of Heads of Departments and the proposals were finally approved by the Executive Council. Through this exercise we identified an amount of R107.454 million that could be directed towards

in-year budget pressures. Additional to outward reprioritization of budgets, departments were urged to implement internal reprioritization to address other pressing in-year pressures.

Re-allocation of reprioritized funds

Madam Speaker, as mentioned earlier on, the needs are bigger than the available funds and accordingly we had to prioritize the pressures that could be funded in this adjustment budget.

An amount of R10 million is allocated to Public Works and Infrastructure for procurement of land for Batlokwa-ba-Mokgalong Traditional Community as pronounced by the Hon. Premier Me. Sefora Ntombela and my colleague MEC Nxangisa in the 2020/21 State of the Province Address and the 2020/21 Budget Vote Speech, respectively.

R33.454million will be received by Department of Public Works and Infrastructure to partially address the in-year budget pressures on municipal services. Our provincial bursary programme remains key in ensuring that deserving students in the province get access to tertiary education. We have therefore decided to allocate an additional R34.000 million to address provincial commitments on this programme.

Hon. Speaker, the Department of Social Development is allocated R30.000 million to address ENGO court judgment. We have further shifted an amount of R35 million from Department of Health towards Provincial Treasury; these funds, Madam Speaker, relates to PPEs procured by the latter on behalf of Health.

Conditional Grants Roll-overs

Madam Speaker, as indicated earlier, the province received rollovers of R227.005 million to be spent in the current financial year. I will now briefly give details of these allocations.

- Health will receive R88.157 million which relates to commitments funded by the Health Facility Revitalization grant;
- R115.651 million for Education and relates to the following conditional grants:
 - ✓ R109.203 million for Education Infrastructure Grant;
 - ✓ R1.017 million for HIV and AIDS (Life Skills Education) Grant;
 - ✓ R2.578 million for Learners with Profound Intellectual Disabilities Grant;
 - ✓ R1.519 million for Maths, Science and Technology Grant; and
 - ✓ R1.326 million for National Schools Nutrition Programme Grant;
- R18.019 million is allocated towards Comprehensive Agricultural Support Programme Grant, whilst R1.929 million goes to Ilima/Letsema Projects Grant;
- R3.249 million is rolled over to the current financial year for Community Library Services Grant.

Hon. Speaker; these are rolled over funds and must be expended in the current financial year to avoid further loss of funds; we therefore urge all the departments that have received rollovers to expedite spending and ensure that there is value for money spent in this regard.

2021 MEDIUM TERM EXPENDITURE FRAMEWORK

Madam Speaker, the 2021 MTEF period is going to be more challenging, fiscally. The economy is projected to contract by 7.8 percent in 2020 and to rebound by 3.3 percent in 2021. The GDP growth is expected to average 2.1 percent over the MTEF ahead. Added to the worrying economic outlook, is the impact of COVID-19 that has caused havoc for public finances and its impact is expected to remain over the years ahead. These gloomy projections have dire impact on our provincial MTEF fiscal framework.

Based on the unfavorable economic outlook and the need to stabilize the debt-to-GDP ratio and fiscal deficit; fiscal consolidation stance will thus continue over the MTEF period. Madam Speaker, the continuation of the said macro-economic stance is evident by the declining allocations to provinces. In the MTEF period ahead, Free State's budget will be reduced by R11.791 billion; these reductions include budget cuts on compensation of employees aimed at supporting fiscal consolidation.

Hon. Speaker, in the next five years National Government plans to stabilize debt-to-GDP ratio to around 95 percent; and this plan includes realigning composition of spending from consumption towards capital investments. This, Madam Speaker, is in support of Economic Reconstruction and Recovery Plan presented by President Ramaphosa. Equally, we must align our own provincial plans towards achieving the noble goals of the said plan.

There is an increasing need to firmly do more with less resources at our disposal. A need to be fiscally disciplined and a need to thoroughly evaluate performance of our respective programmes and redirect resources to key programmes. The road ahead is going to be fiscally difficult, but I believe, working together and anchored by one vision, we will rise above these challenges.

Hon. Members, for the MTEF ahead the Provincial Government proposes to spend an aggregated amount of R115.559 billion, this budget will continue to fund projects and programmes that are intended to stimulate the provincial economy, especially infrastructure. The province will further invest funds towards learning & culture; health and social development related programmes.

CONCLUSION

Hon. Speaker, in conclusion, I would like to extend my word of gratitude to our Hon. Premier, Me. Sefora Ntombela for her sterling work in directing us as her Executive Committee. My sincere gratitude to my esteemed Provincial Executive Council colleagues for their support in putting together this mid-term budget in very trying times. We had robust and tearful discussions in putting this budget, but our focus in all these discussions and decisions taken was to put the people of the province first. I thank them very much for that.

I would also like to extend my deepest appreciation to Members of the Provincial Legislature and Members of the Finance Portfolio Committee

for their support, continuous engagement and demand for accountability in the utilization of government resources.

I thank the Heads of Departments, Chief Financial Officers and all provincial government officials for the role they play in managing their budgets prudently as well as assisting us to put together this budget.

I would also like to thank my family for their unwavering support as well as HOD, Mr. Mahlatsi, and his dedicated team for the sterling work undertaken in putting together this budget, indeed your work ethic and dedication is truly appreciated.

My heartfelt gratitude to the people of the Free State for the opportunity and honor given to us, as Members of the Executive Council, to implement government policies and priorities aimed at improving the wellbeing of our communities within the province.

Hon. Speaker, I hereby table the 2020/21 Adjustment Budget together with the associated Adjusted Appropriation Bill.

I thank you.