

**ADDRESS TO THE PROVINCIAL LEGISLATURE ON THE TABLING OF
THE NORTHERN CAPE ADJUSTMENT APPROPRIATION BILL 2016
AND PROVINCIAL MEDIUM TERM BUDGET POLICY STATEMENT BY
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23 NOVEMBER 2016

HONOURABLE SPEAKER, Mr KENNY MMOIEMANG

HONOURABLE PREMIER, Ms SYLVIA LUCAS

HONOURABLE DEPUTY SPEAKER

MEMBERS OF THE EXECUTIVE COUNCIL

MEMBERS OF THE NORTHERN CAPE LEGISLATURE

MAYORS AND COUNCILLORS

THE DIRECTOR-GENERAL

HEADS OF DEPARTMENTS AND MUNICIPAL MANAGERS

LADIES AND GENTLEMEN

Introduction

Honourable Speaker, it is my privilege to present the Provincial Medium Term Budget Policy Statement for consideration of the House and the people of the Northern Cape.

Two days from now (On Friday), Honourable Members, our province will join the rest of the country and the international community during the 16 Days of Activism for No Violence Against Women and Children campaign.

The 16 Days of Activism is an international awareness-raising campaign which takes place every year from 25 November, on the International Day for the Elimination of Violence Against Women to 10 December, which is the International Human Rights Day. The period includes Universal Children's Day and World AIDS Day.

The theme for this year is; "Count me in: together moving a non-violent South Africa forward."

South Africa adopted the campaign in 1998 as one of the intervention strategies towards creating a society free of violence. The campaign continues to raise awareness amongst South Africans about the negative impact of violence against women and children on all members of the community.

At the launch of the 16 Days Campaign on 25 of November 2014, President Jacob Zuma said that activism against gender-based violence should be a year long campaign and not limited to 16 days. The Department of Women heeded the President's call and launched the "365

Days for No Violence Against Women and Children-using the hashtag #365Days campaign and hashtag #CountMeIn.

Two weeks ago an incident of violence and brutality happened in De Aar, where a family was wiped out by an alleged young man. We need to harshly fight criminality from our streets, areas and our communities.

Honourable Speaker, at the presentation of the twentieth Medium Term Budget Policy Statement to parliament in October, Minister Pravin Gordhan, raised an important issue that as a nation, we seem to be at a crossroad, politically and economically.

As the minister indicated in the 2016 mid-term budget speech, we need to look at ourselves and ask what works for us, and what does not, and what needs to change. He amongst others alluded to the following challenges:

- Issues related to the possibility of credit ratings downgrades, and the cost of debt, over and above the distressed economic outlook;
- The rising prices of food, as a result of the protracted droughts in South Africa; and
- Court challenges and the unsettling legal matters.

Honourable speaker, the minister further deliberated that these challenges can be addressed rationally through deliberate and appropriate procedures and even more disturbing is the discontent, and rise of community anger of our communities resulting in destructive and violent protest. Thus resulting in additional work for our overstretched police and security personnel and the destruction of property.

He went further and detailed issues that put our social contract under pressure, and these include:

- Unclear or conflicting policy statements;
- Commitments made without a clear resource plans;
- Institutional instability resulting in derailed implementation;
- Uncertainties and erosion of trust resulting in investors holding back on their investments; and
- Political contestation and vested interest interfering with decision making.

Honourable Speaker, our country's economy is facing considerable challenges that have serious implications on our revenues. The Provincial Medium Term Budget Policy Statement is about balancing the needs of our people for essential programmes with strategic investments in infrastructure to help deliver these programmes and to support the economy without compromising our financial sustainability.

Honourable Members, to maintain our fiscal sustainability, it is clear that we must align our expenditures to revenues and reinforce this commitment throughout the Medium Term Expenditure Framework (MTEF). Our revenue outlook is flat while programmes and demands for services continue to put pressure on expenditure growth. As it is well known that revenue is largely from national transfers, and our small tax base cannot fund the gap in expenditure needs. Borrowing is also a limited option and at some point the debt must be repaid, which is why actions to carefully

manage our expenditures are the foundation of our strategy to ensure fiscal sustainability.

As I highlighted earlier, we have limited revenue options and we cannot spend what we do not have. If we do not bring our operating expenditures to be in line with revenues, our ability to address infrastructure backlogs will continue to be constrained.

Failure to make the difficult budget choices and say no to non-core activities, will result in us not been able to fund the priorities in our mandate like affordable health care services, provision of sustainable human settlements, renewable energy and efficient public transport system. We need to maintain our financial discipline and eliminate unnecessary spending now in order to protect our fiscas in future. In so doing resources will be available to fund essential programmes and services.

Honourable Speaker and Members, the National Development Plan's main objective is to ensure that the economy continues to grow and there is transformation to eliminate poverty as well as reducing inequality. To ensure that the vision of the National Development Plan (NDP) is realized and sustained, we need to continuously assess progress. This is partly due to the difficult economic situation facing the global economy that South Africa is part of. Just to mention briefly, there has been continued subdued commodity prices, weak global demand and a lack of structural reforms that are impeding South Africa's economic growth from reaching its potential.

However, it is not all lost as said by Bo Bennett I quote "As sure as the spring will follow the winter, prosperity and economic growth will follow

recession". There have been a number of factors that are supporting economic recovery. These are among others, the depreciating exchange rate that is creating the opportunity for South Africa to increase export, lower inflation, real wage growth and improved household balance sheets which are expected to boost consumer spending.

Honourable Speaker, on the recently released data on Business Confidence Index in South Africa, the BCI surged to **42 per cent** in the third quarter of 2016 from **32 per cent** in the previous period and reaching the highest since the second quarter of 2015. It was the first improvement in seven quarters although it is below **50 per cent**.

Economic Outlook

Honourable Speaker, it is anticipated by the International Monetary Fund (IMF) that the global economic growth in 2016 will slow to **3.1 per cent** from **3.2 per cent** in 2015, and to improve to **3.4 per cent** in 2017. Advanced economies are expected to grow at **1.6** and **1.8 per cent** in 2016 and 2017 while emerging and developing economies are projected to grow at **4.2** and **4.6 per cent** over the same period. The South African economy is projected to grow by only **0.1 per cent** in 2016 and **0.8 per cent** in 2017 down from **1.3 per cent** in 2015.

Honourable Speaker, the latest official economic growth rate available for the Northern Cape was **2.8 per cent** in 2014. With the adverse conditions impacting on the global and national economies, it is expected that the Northern Cape economy will also be negatively affected. Mining continues to be the largest contributor to the provincial economy, while the community

and social services industry was the largest employer. The national unemployment rate stood at **26.6 per cent** for the quarter from April to June 2016, while the provincial unemployment rate was at **27.4 per cent**, which is **0.4** improvement from the previous quarter's **27.8 per cent**. To support employment in the mining sector, the province will hold a mining indaba with all stakeholders to formulate relevant strategies to mitigate the impact of the job losses in the sector.

The agriculture industry throughout the country continues to suffer severely under the drought conditions. This also impacts on our food security and quality and quantity of our exports. With agriculture being a large employer in the province, this can also lead to job losses and job insecurity having an even larger social impact.

Honourable Members, lower demand and prices of commodities mined in the country and the province also has the potential to cripple the provincial economy. As mining makes up about **22 per cent** of the provincial economy, one can see what a large impact a decline in this industry can have on the province.

Honourable Speaker, consumer price inflation stood at **6.1 per cent** in September 2016 which is slightly above the target band of the Reserve Bank. This could put pressure on increasing interest rates putting further financial strain on consumers and businesses. The weakening of the Rand against the dollar and other major currencies has an adverse effect on importers and together with the increase in the oil price has an even larger impact on consumers and businesses.

Elimination of wasteful expenditure and inefficiencies

Honourable Members, in December 2013, the Minister of Finance announced the introduction of Cost Containment Measures for the whole country which were further refined and customised for the province. During the main budget, I also announced that the Executive Council resolved to impose a moratorium on funded vacant posts. These fiscal measures are meant to cushion the province against budgetary cuts that reduced our equitable share baseline over the 2016 medium term period with an amount in excess of **R400 million**, but most importantly to instil a culture of accountability for spending tax payer's money and prudent financial management by departments.

Honourable Speaker, I can confirm that the province saved **R80 million** in the previous financial year (2015/16) on funded vacant posts as a result of the moratorium. This money was shifted towards other areas within departments including cushioning against the impact of the unfunded 2014 Improvement in Conditions of Services (ICS). There is a directive from the Office of the Premier and Provincial Treasury that departments must follow in filling posts that are extremely urgent and critical and these are subjected to a thorough assessment by both these offices before approval is granted.

Honourable Speaker, we cannot spare municipalities from the general cuts across government, to this end National Treasury has introduced cost containment measures for municipalities from the 2016/17 financial year. These measures were supposed to be tabled together with the current year's budgets and endorsed by Council. Since most of the previous councils did not comply with this directive, Provincial Treasury is in the

process of facilitating that these cost containment measures are tabled and endorsed by the new councils. These include amongst others savings on travel, appointment of consultants, catering, staff study, perks and suspension costs.

Municipal Support

Honourable Speaker, we have set aside an amount of **R27 million** in the form of a grant for various municipalities across the province to assist with asset management, annual financial statements and shared internal audit services. Provincial Treasury has assisted the municipalities with finalization of business plans to access this grant and will further assist them to enter into service level agreements (SLAs) with potential service providers to ensure transfer of skills and value for money.

To date, the intervention in Renosterberg Municipality is yielding results and of the 32 disclaimer issues raised by the Auditor General for the 2013/14 financial year, 16 were cleared in the 2014/15 financial year audit. All 5 asset related disclaimer issues in the 2013/14 audit were also cleared.

As part of the hands on intervention in Dikgatlong, which also involved securing source documents for audit purposes, scope limitation was reduced from **R79 million** in the 2014/15 audit to less than **R5 million** in the 2015/16 audit.

Municipal Standard Chart of Accounts (mSCOA) Readiness

Honourable Speaker, Municipal Standard Chart of Accounts (Mscoa) has been introduced during April 2014 to streamline the disjuncture amongst municipalities and other spheres of government on the classification and reporting of revenue and expenditure. mSCOA is a complete business reform that affects the whole municipality and the biggest challenge is its compatibility to the current municipal Information and Communication Technology (ICT). Municipalities are expected to implement the new mSCOA on the 1st of July 2017.

Honourable Speaker and Members, for the year under review various support initiatives were undertaken to assist municipalities towards the implementation of mSCOA. These include among others, hands on support to establish governance structures, practical training on the alignment of the current chart of accounts to the new chart, awareness and change management sessions to further build on understanding of the new chart of accounts and developing a checklist to assist municipalities to compile their audit files. In addition, a special training session was undertaken for risk officers and internal auditors to capacitate them to assist with providing assurance that municipalities remain on par with the prescripts for mSCOA.

We will continue to build capacity within municipalities to become compliant with mSCOA prescripts and to assist them to deal with institutional barriers that hamper progress, therefore being bold where there is need for change, promoting innovation and doing things differently.

Honourable Speaker, our municipalities are struggling to comply with the requirements of the prescripts due to lack of capacity (skills and resources) in financial management. The following were some of the deliverables that municipalities should have complied with to date: ICT infrastructure and capturing Integrated Development Plan (IDP) and budget in the mSCOA classification. Unfortunately, these were not complied with by most of the municipalities in the province, at a national level **46** municipalities are categorized as being in the “red” of which **21** or **46 per cent** are from the province and this means that of the total **31** municipalities in the province only **10** is showing progress in meeting the deadline. This represents significant risks on those that are lacking behind, as municipalities will not be able to transact on the system including withholding of transfers from national. Let me once more take this opportunity to appeal to mayors to put urgent interventions in place and ensure that all our municipalities are in a position to go live come 1st July 2017.

Honourable Speaker, we remain committed to supporting the municipalities to achieve their objectives and will work tirelessly to ensure that they remain abreast with developments and build capacity with regards to the reforms through training on various topics, assistance with the application of the reforms and sharing best practices. For us to be able to achieve this goal, all stakeholders’ commitment and performance of their duties as prescribed by legislation is of great importance.

Audit outcomes

Honourable Speaker, good audit outcomes are a reflection of government's commitment to improved accountability. The Auditor General audited annual reports of thirteen departments for the financial year ended 31 March 2016 and good results were attained. Twelve (12) departments received unqualified audit opinions of which three received clean audit reports namely: Office of the Premier, Provincial Treasury and the Provincial Legislature with the Department of Social Development maintaining its clean audit status. Only one department was qualified but with reduced qualification paragraphs. Eight (8) public entities were also subjected to an audit and the results were as follows: three public entities received clean audit (Housing Fund, Northern Cape Tourism Authority and the Gambling Board), three (3) were unqualified with matters and two entities were qualified.

Internal Audit

Honourable Speaker, the report of the Auditor-General indicates noticeable improvement in respect of governance and internal controls in provincial departments, however the same cannot be said with regards to the entities.

I reported during the budget speech earlier this year that internal audit services have been extended to listed public entities with effect from 1 April 2016. An additional amount of **R1.9 million** was allocated to Provincial Treasury to extend the internal audit services to the following entities:

- Gambling Board
- Kalahari Kid Corporation
- Liquor Board
- Mc Gregor Museum
- Northern Cape Economic Development, Trade and Investment Promotion Agency
- Tourism Authority

Fiscal Framework

Honourable Speaker, we need to maintain our fiscal stance and promote a more inclusive growth for our people. These allocations demonstrate the choices that we have made after robust and consultative budget processes leading up to the tabling of this mid-term budget. This framework represents some of the commitments emanating from the provincial medium term expenditure committee and the provincial budget Lekgotla.

We have implemented expenditure ceiling since 2012, limiting growth to specific priorities that could not be funded within the baselines. Most of the priorities funded in these proposals are non re-curring and will therefore not compromise the fiscal sustainability of the province. However, they respond to commitments made from the recently held youth summit and provide immediate relief for job opportunities especially to the youth of our province.

Honourable Speaker, these adjustments do not include all the pressures presented during the budget process. Consequently, it builds on the

budget context presented in the main budget and informed by current expenditure trends and own revenue performance.

Honourable Speaker, we are tabling this medium term budget amid weak economic growth and IMF's downward growth revision of **0.5 per cent** in 2016 from **0.9 per cent** in 2015. However, the National Treasury forecasts a moderate recovery over the next three years with GDP growth reaching **2.2 per cent**.

The average growth of the provincial budget over the 2017 MTEF is **6.5 per cent** whilst the equitable share grows with an average of **6.5 per cent** and conditional grants shows slow growth of **4.5 per cent** and own receipts grows with an average of **5.7 per cent** over the MTEF.

Adequate infrastructure investment alleviates pressure on network industries and expand capacity for development. To progressively work towards the achievement of this objective, the 2017 MTEF budget allocates **R7 billion** over the term this include:

- **R1.4 billion** for shool infrastructure;
- **R1.1 billion** for Healsth facilities;
- **R3 billion** for Roads and Public Worsks programmes.

Honourable Speaker, revisions to the provincial equitable share formula are informed by data from Statistics South Africa and have resulted in the province receiving an additional amount of **R29 million** over the 2017 MTEF. However, the province has further seen a reduction of **R42 million** over the 2017 MTEF as a result of a fiscal framework reduction.

Honourable Speaker, there are various interventions across departments to optimise provincial own revenue. Of the total provincial budget amounting to **R15.8 billion**, an amount of **R322 million** which is **2.4 per cent** represent provincially collected own revenue.

Honourable Speaker, the province continues to experience an increase in the number of learners annually and this requires appointment of additional educators, the expansion of school infrastructure and the provision of other services. To address this continuous pressure, the province is allocated an amount of **R165.7 million** in the outer two years of the 2017 MTEF.

Honourable members, the Department of Health faces various challenges in rendering medical services, these includes among others the foreign exchange rate when procuring antiretrovirals. Therefore, in an effort to cover for the costs resulting from volatile exchange rates an amount of **R26.5 million** has been allocated to the province in the 2019/20 financial year.

Honourable Speaker, I reported in the past that the 2014 Improvement in Conditions of Service (ICS) shortfall was not funded by National Treasury, we wish to also report that the 2016 ICS shortfall amounting to **R38 million** is also not funded by national. We expect all the departments to re-prioritise within baselines to fund the shortfall. However, I also want to present to the house that the 2017 MTEF framework makes provision for a baseline adjustment for wage inflation of **R188 million** in the 2019/20 financial year. This will assist the province to mitigate the historical impact of unfunded ICS shortfalls.

The total original budget of **R14.8 billion** will be increased with an additional amount of **R560 million**, resulting in an adjusted budget of **R15.4 billion**. This is a net increase of **4.1 per cent**. The **R560 million** additional amount include the following adjustments:

- **R64 million** relates to approved national conditional grant roll overs;
- **R18 million** for approved equitable share roll overs;
- **R259 million** from the provincial own resources;
- **R10 million** in respect of donor funding;
- **R181 million** will be raised through other revenue sources; and
- **R28 million** is available as self-financing.

Departmental Allocations

Honourable Speaker, we need to maintain our fiscal stance and promote a more inclusive growth for our people. These allocations demonstrate the choices made after robust and consultative budget processes leading up to the tabling of this mid-term budget. This framework represents some of the commitments emanating from the provincial medium term expenditure committee and the provincial Budget Lekgotla.

The Department of Education has been allocated an additional amount of **R6.5 million** of which an amount of **R3 million** relates to an approved roll over in relation to the examination delivery vehicles. An additional amount of **R3.5 million** has been provided to deal with the budget pressure as a result of the costs relating to marking fees for matric examinations.

Honourable Speaker, a successful turn-around strategy in the Department of Health is in the interest of the province. The current intervention in the leadership of Department of Health has not been without its own challenges. Whilst we acknowledge that there is still a lot of inefficiencies in the department, we also need to agree that accruals is a sign of poor financial management.

Provincial Treasury is in full support of the current intervention in Health and we will do everything in our power to stabilise the department. Whilst we respect the right of people to protest, we cannot promote anarchy and destruction of property which the poor need so desperately.

Honourable Speaker and Members in an effort to provide immediate relief to the department, an additional amount of **R239.3 million** is made available through this appropriation of which **R200 million** is meant to reduce the accruals of the department which will to a great extent will stabilise the financial position of the department of Health, an amount of **R20 million** is earmarked for Emergency Medical Services fuel cards and **R19.3 million** is provided for other pressures in the department.

Furthermore, amounts of **R50.1 million** and **R7.1 million** have been approved as roll overs in respect conditional grants and equitable share respectively.

The Department of Social Development has been allocated an additional amount of **R2 million** to augment the shortfall in the budget of the operational costs of De Aar and Upington Secure Care Centres.

Department of Sport, Arts and Culture has been allocated an additional amount of **R10.4 million** of which **R5.3 million** is in respect of conditional

grants and **R0.980 million** in respect of equitable share approved roll overs.

Honourable Speaker, a further amount of **R4.1 million** is provided to the department for the operational requirements of the Northern Cape Theatre.

Honourable Speaker, the Mass Participation Sport Development Grant has been reduced with an amount of **R2.2 million** as part of the correction and an erroneous allocation to the province.

Department of Agriculture, Land Reform and Rural Development has been allocated an amount of **R2.8 million** of which **R1.7 million** and **R1.1 million** relates to approved conditional grant and equitable share roll overs.

Honourable Speaker a total amount of **R87.5 million** has been allocated to the Department of Roads and Public Works to address various priorities. Of this amount, **R20 million** is allocated for the Expanded Public Works Programme (EPWP) which will result in **900** job opportunities for our people. A further amount of **R20 million** is also provided for conditions assessments as the last tranche of a three year project that started in 2013.

Honourable Speaker, an amount of **R35 million** has been allocated to the Department of Roads and Public Works to address office accommodation for the Department of Agriculture, Land Reform and Rural Development. This is in line with the future approach that the province will embark upon in terms of moving away from leasing to owning office accommodation. This will result in significant savings in the long term which could be directed to other priorities of the province.

Honourable Speaker, in the 2015 MTBPS we announced that we had received donor funding for the construction of a road between Hotazel and Tsineng in the JTG district as well as the resealing of the MR751 road between Koinaas and Kleinzee. As we indicated previously that we will continue to partner with the private sector to deliver infrastructure, we have received an additional amount of **R10 million** in the form of donor funding from Sishen Iron Ore and Down Town Investments for the Beeshoek and Hotazel / Tsineng Projects.

Department of Cooperative Governance, Human Settlement and Traditional Affairs has been allocated an amount of **R29.8 million**, of which **R3.8 million** is in respect of approved conditional grant rollovers from the 2015/16 financial year and an amount of **R26 million** is allocated to the department to compensate for expenditure incurred for the local government elections as well as the rolling out of the municipal IT system in ZF Mgcawu district.

Department of Economic Development and Tourism has been allocated an additional amount of **R6.7 million**, of which **R1.4 million** is in respect of approved equitable share roll overs from the 2015/16 financial year. An amount of **R3.2 million** is allocated for the infrastructure and operational costs relating to Special Economic Zone (SEZ). An amount of **R1.5 million** is allocated to the Liquor Board to strengthen its regulatory function. Furthermore, amounts of **R0.600 million** is allocated to the public entities for the ICS shortfall.

Department of Environment and Nature Conservation has been allocated an amount of **R0.920 million** as a general baseline adjustment for the maintenance of nature reserves.

Office of the Premier has been allocated an additional amount of **R18.5 million**, of which **R3.4 million** is in respect of approved equitable share roll overs from the 2015/16 financial year.

Honourable Speaker, during the State of the Province Address in February, the Honourable Premier Ms Sylvia Lucas indicated that the youth will amongst other be a focal point in our implementation of the 9-point plan. To give effect to this commitment included in the additional allocation is an amount of **R14.8 million** to train 2500 youth around the province in different skills.

This Honourable Members, will assist youth particularly those most in need to acquire the necessary skills that will prove their employability, enhance the educational, occupational and citizenship skills in a community service environment.

The Provincial Legislature is allocated an amount of **R28.7 million** of which **R10 million** is in earmarked for the rehabilitation of the Legislature precinct, **R11 million** is for the procurement of the ERP system and **R3 million** is provided for temporary office accommodation while the Legislature precinct is being renovated **R4 million** is in respect of pressures on goods and services and as well as the procurement of capital assets. A further amount of **R1.8 million** is made available for Members of the Provincial Legislature (MPLs) for the developmental programmes to enhance their oversight responsibilities.

Provincial Treasury has been allocated an additional amount of **R57.8 million** of which an amount of **R39.6 million** is allocated as part of the municipal support programme, **R23 million** is set aside to assist with asset management and GRAP compliant annual financial statements. **R4.4 million** is earmarked for Pixley ka Seme District Municipality to pilot shared internal audit services and a further **R12 million** is for hands-on support technical team.

An amount of **R6 million** is allocated to Provincial Treasury for specific interventions in Ubuntu and !Kheis Municipalities. An amount of **R2.2 million** has been allocated for the appointment of data capturers as part of the intervention in the Department of Health to centralise payments. A further amount of **R8.9 million** is allocated for the Supply Chain Management reforms as well as the mSCOA roll out programme in municipalities.

Department of Transport, Safety and Liaison has been allocated an additional amount of **R7.9 million** of which **R3 million** is in respect of conditional grants roll overs have been approved from the 2015/16 financial year. An amount of **R4.9 million** is allocated for the procurement of equipment in relation to the function shift of Motor Vehicle Licence renewal from certain local municipalities to the South African Post Office (SAPO).

Ultimately, this Medium Term Budget Policy Statement indicates that this budget will allocate limited resources as effectively as possible. It will also ensure that government programmes and services are paid for in order to realize our vision of a strong economy that allows people to prosper by creating jobs and opportunities.

Conclusion

Honourable Speaker, the vision of NDP will only be realized if we are accountable, responsive, transparent and clean governance that is committed to active citizenry and fighting fraud and corruption in all its forms and manifestation.

Honourable Speaker, allow me to quote once more from the Honourable Minister of Finance, Mr Pravin Gordhan and I quote “ if we do the right things, we will achieve a just and fair society, founded on human dignity and equality”. We need to work together as a collective to ensure that we put the needs of the people of the Northern Cape first to encourage active citizenry.

Let me also take this opportunity to congratulate the newly elected councillors in the province and also remind them of their oversight responsibilities to bring about service delivery to our people. Those who are called upon to serve must do so with integrity and dedication as well as pursuing the right course and not put partisan interest first.

As I conclude, I would like to express my gratitude to the Honourable Premier Me Sylvia Lucas for the guidance and support provided.

I am indebted to my colleagues in the Executive Council who share with me the collective responsibility for the overall integrity and the coherence of this budget.

I am especially indebted to members of the Treasury Committee, who have set aside their time reviewing lengthy budget recommendations and

engaged with insight and energy in discussions that contributed in refining the spending proposals tabled here today.

I wish to express my appreciation for their support and dedication to the cause of sound public finances in our province.

It is also important to appreciate the efforts of the provincial departments' Head of Departments and Chief Financial Officers for their cooperation in finalising this budget. Furthermore, I am thankful to the Provincial Treasury staff responsible for the preparation of the adjustment estimates, their commitment and professionalism for the quality work that they continuously produce under the leadership of the Acting HOD, and also the ministry for their endless support.

Honourable Speaker, I hereby table the Provincial Medium Term Budget Policy Statement, Adjustment Estimates of Provincial Revenue and Expenditure and the Adjustment Appropriation Bill 2016 and this Speech.

I thank you