

NFP Debate on Division of Revenue Amendment Bill 2015

Hon Speaker

Hon Committee Chair

Hon Members

All guests,

The NFP notes the addition of R3.8 billion to the provincial equitable share for increased personnel costs as a result of the wage agreement. It is also stated that provinces will have to reprioritise within their own budgets to make up for any shortfalls. We hope that this will encourage government to fast track the process of not only filling critical vacant posts but also; getting rid of unnecessary posts which result in wasteful expenditure. This is the only way we can reduce spending on personnel and use the bulk of funds to improve service delivery.

At the beginning of this year, the NFP welcomed government's policy proposal to fast track the provision of bulk water and sanitation and the extension of infrastructure to areas without water supply. We all know that the province is facing a water crisis and it is those in rural areas who are affected the most. We are now however concerned to learn that R200 million will be reduced from the Municipal Water Infrastructure Grant following these adjustments. Two weeks ago our province was declared a disaster area in light of the water crisis and many more still do not have adequate water infrastructure. As the NFP we oppose this reduction and we encourage government to lobby national treasury against its implementation.

As far as conditional grants are concerned, the NFP welcomes the amount of R7.7 million which has been allocated from the National Health Grant to the National Health Insurance Grant which will allow certain provinces to implement NHI pilot projects themselves. We hope to see the same being rolled out in our province soon.

We are concerned about the reduction of R7.4 million from the HIV and Aids Life Skills Grant due to projected under spending. KwaZulu-Natal still has the highest level of HIV infections and so we need to increase efforts in skills education and awareness, as well as the rollout of antiretroviral treatment. We urge the provincial department to engage with national treasury and present a plan on which the province can spend the funds if provided to us.

KZN has rising service delivery challenges and high unemployment levels and therefore requires significant funds to address these needs and create opportunities for our people. We call on Provincial Treasury to be very firm on departments going forward, budgets must be spent and for the purposes for which they were intended. This is the only way in which we may overcome the negative effects of the budget cuts we will experience in the coming years.

Presented by: Hon VR Mlotshwa