

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1233 [NW1374E]
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1233. Ms A L A Abrahams (DA) to ask the Minister of Finance:

- (1) With reference to the Department of Social Development's third quarter expenditure as at 31 December 2022, what were the detailed reasons that (a) R755,303 million was approved by the National Treasury to be transferred to the Department of Defence and (b) R2,937 billion was approved by the National Treasury to be transferred to the Department of Public Enterprises;
- (2) whether this was a once-off shift of funds; if not, what is the position in this regard; if so, what are the relevant details;
- (3) whether any other department had funds shifted for this purpose; if not, what is the position in this regard; if so, what was the Rand value thereof;
- (4) what (a) is the total value of funds shifted from the Department of Social Development in the 2022-23 financial year and (b) was the purpose thereof?

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REPLY

- (1) The National Treasury regularly revises or transfers funds of different programmes, when allowed by the law, via the Budget or Adjustment processes, published in various Adjusted Appropriation Bills and the Adjusted Estimates of Expenditure. Information is available in such Budgetary documents.
 - (a) R755.303 million was transferred from the Department of Social Development to the Department of Defence to cater for the extended deployment of about 1 495 members of the South African Defence Force members in Mozambique until 15 April 2023. These funds will be used for compensation of employees and for items such as food rations, fuel, ammunition and transport. Additional details on the funding shift are provided on page 80 and 202 of the 2022 Adjusted Estimates of National Expenditure.
 - (b) R2.937 billion was shifted to the Department of Public Enterprises to assist Transnet SOC Limited to repair infrastructure and assets that were damaged by the floods that occurred in April 2022 in KwaZulu-Natal. The National Treasury has put conditions on the allocation, to ensure that funds are spent

towards approved areas and this will be monitored through monthly meetings to be held between the National Treasury, the Department of Public Enterprises and Transnet.

- (2) The shift was approved by Parliament through the Adjusted Appropriation Act. This was done after the Department of Social Development (DSD) declared savings. This was once-off adjustment.
- (3) No other departments had funds shifted for these purposes.
- (4) (a) A total of R9.162 billion savings was declared by DSD in 2022/23 and approved by parliament through the Adjusted Appropriation Act and the 2nd Adjusted Appropriation Act. R5.462 billion in the Adjusted Appropriation Act and R3.7 billion in the 2nd Adjusted Appropriation Act. The shifts in the adjustment budget are described above. (b) In the 2nd adjustment budget:
 - i. R2.4 billion was shifted to the Department of Communication and Digital Technologies for the recapitalisation of the South African Post Office;
 - ii. R1 billion was shifted to the Department of Public Enterprises for settlement of business rescue plan obligations; and
 - iii. R300 million was shifted to the Department of Home Affairs for political party funding.

Despite these shifts, it is likely that DSD has underspent in 2022/23, to be confirmed when DSD submits its Section 32 Report (and the statement) in terms of the Public Finance Management Act.