



PARLIAMENTARY RESEARCH UNIT

2023/24 Budget Bulletin

27 February 2023

This Budget Bulletin is the part of a series on the Budget published by the Parliamentary Research Unit (PRU).

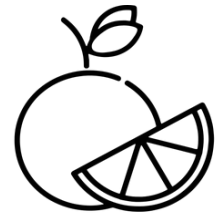
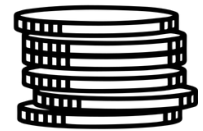
Part 1 of the Bulletin provides an overview of the 2023/24:

- Economic and Fiscal outlook
- Medium Term expenditure priorities
- Revenue allocation among the three spheres of government.

Part 2 of the Bulletin provides high-level information from the Estimates of National Expenditure (ENE) on 2023/24 budget allocations per Parliamentary Research Unit Cluster and per Vote within each Cluster. It includes a focus on:

- Allocations to personnel (compensation of employees)
- Priority areas for spending
- Alignment of these priorities with the 2023 State of the Nation Address
- Oversight areas for Parliament.

In support of Committee oversight, in-depth analyses of the 2023/24 budget allocations to departments and entities are in progress and will be made available in line with the Parliamentary programme.



PART 1: 2023/24 BUDGET OVERVIEW

The Budget is an important policy, planning and monitoring instrument that can be used by Parliament to check if proposed expenditure is aligned with Government policy priorities, such as the National Development Plan (NDP) and other short-term goals. The Budget can also be used as an oversight tool for monitoring the implementation and achievement of priority service delivery outputs towards the realisation of the NDP goals.

The 2023 Budget focuses on providing substantial relief to ESKOM in order to alleviate prolonged and debilitating power failures that have a direct impact on economic growth and employment. Power shortages and weak performance among the world's largest economies and persistently higher inflation are expected to reduce South Africa's GDP growth from 2.5 per cent in 2022 to 0.9 per cent in 2023. Gross tax revenue increased significantly than previously anticipated.

The relief to ESKOM will establish a competitive electricity market that will enable the country to transition to a clean energy future. ESKOM will be able to pay its debt and interest obligations thereby increasing the Government borrowing requirements. Economic reforms through liberalising the electricity sector will enable businesses and municipalities to have greater freedom to generate power and implement greener solutions.

The budget supports economic growth through higher public infrastructure investments. Investments in infrastructure development supported by Government spending will increase in the MTEF period, followed by spending on measures to fight corruption and financial crimes through significant allocations to the peace and security function. The majority of the consolidated spending budget is allocated to the *social wage*. Most budget resources are distributed to provincial and local government shown by a notable increase in local government's share of nationally raised revenue coupled with municipalities' revenue raising powers.

Please click on the link below to access the full research paper-

2023/24 Economic and Fiscal Outlook, Medium Term expenditure priorities, and Overview of Revenue allocation

[Click here](#)

PART 2: 2023/24 CLUSTER ALLOCATIONS

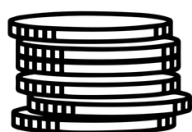
Please click on the links below to access the full research papers



Education & Recreation

2023 Cluster allocation for Education & Recreation

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Finance & Public Accounts

2023 Cluster allocation for Finance & Public Accounts

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2023 Cluster allocation for Intergovernmental & Resource Matters

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2023 Cluster allocation for Justice & Security

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Social Equity

2023 Cluster allocation for Social Equity

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Social Services & Infrastructure

2023 Cluster allocation for Social Services & Infrastructure

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Trade & Economic Affairs

2023 Cluster allocation for Trade & Economic Affairs

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What we do:

The Research Unit offers research support to individual Members of Parliament, to Committees and to the Houses. Researchers proactively provide:

- ✓ Summaries and analysis of Bills
- ✓ Analysis of the State of the Nation Address (SONA), Budget Votes, Annual Performance Plans, Quarterly Performance and Expenditure Reports, and Annual Reports
- ✓ Briefing papers in support of Committee meetings on topical oversight issues
- ✓ Comparative studies and international best practices
- ✓ Briefing papers to prepare for oversight visits and on-site oversight visit support
- ✓ Papers in support of House debates

On request, researchers will provide briefings and presentations to Committees, as well as research support to individual Members of Parliament.

Useful links:

Budget speech, ENE, MTBPS and Bills

- ✓ 2023 Budget Speech, [click here](#)
- ✓ 2023 Budget Review, [click here](#)
- ✓ 2023 Estimates of National Expenditure, [click here](#)
- ✓ Appropriation Bill, 2023 [B3-23], [click here](#)
- ✓ Division of Revenue Bill, 2023 [B2-23], [click here](#)
- ✓ 2022 Medium Term Budget Policy Statement (MTBPS) Full Document, [click here](#)
- ✓ Individual Votes, [click here](#)

Our Values

Non-partisan
impartiality
Objectivity
Confidentiality
Quality:
Methodological
soundness and
timeliness

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