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Minister Aaron Motsoaledi: Health Dept Budget Vote 2025/26

09 Jul 2025

Debate on the Health Budget Vote - 18 Dr Aaron Motsoaledi, Minister of Health National Assembly Health Infrastructure

Honourable House Chairperson
My Colleague Deputy Minister Joe Phaahla
My Cabinet Colleagues and Deputy Ministers present
Chairperson of the Portfolio Committee on Health, Dr Sibongiseni Dhlomo, and Members of your Committee
Heads of Public Health Entities Honourable Members Distinguished Guests

It is a privilege to present to you the 2025/26 Budget of the National Department of Health, and to outline our plans for the new financial year and even beyond.

This Budget is being presented at a very challenging time in the history of our country, including geopolitical events of recent days.

However I must assert that challenging as the moment is, there is a lot we should be excited about.

We have three (3) main objectives in this Budget:

- To lay a strong foundation in preparation for improvement of the public health system of our country, in preparation for the National Health Insurance (NHI). There are people who believe that we have no plans nor inclination to do that. We want them to listen very attentively today.
- To lay a strong foundation and toe embark on the journey towards the elimination of certain diseases, especially Communicable diseases, but not leaving non-Communicable diseases behind.
- To implement serious reforms in the private health sector – please ignore those who want us to believe that there is nothing to fix in that sector.

HEALTH INFRASTRUCTURE

One of the biggest problems that the public health system encountered and was severely criticised for is the health infrastructure. The broadside the sector received is exemplified by the encounter of Helen Joseph Hospital. The complaints lodged with the Health Ombud were seven (7). Five (5) of them were dismissed and the two (2) which

were upheld are infrastructure and Human Resources. The five (5) dismissed are about clinical protocols. We need to fix the two (2) for the whole country and we shall do so.

For the record, the following new facilities were completed during the 2024/25 financial year:

- Siphethu Hospital in Eastern Cape
- Ladysmith Clinic in KwaZulu Natal
- Heuningvlei Clinic in Northern Cape
- Boegoeberg Clinic in Northern Cape
- Bankhara / Bodulong Clinic in Northern Cape

Additionally, during the reporting period of the 2024/25 financial year, 47 existing clinics and Community Health Centres, as well as 45 hospitals, were substantially revitalised, while 403 public health facilities were maintained, repaired or refurbished.
The following new and replacement hospitals are already under construction, representing a significant step in strengthening the public healthcare system and improving service delivery in provinces:

Limpopo Central Hospital

As you would you know, our country has ten (10) Central or Academic Hospitals –

- 1 in Eastern Cape
- 1 in Free State
- 2 in KwaZulu Natal
- 2 in Western Cape
- 4 in Gauteng

We are busy adding the 11th Central Hospital, which is the Limpopo Central Hospital. It is a flagship hospital for the Province and the Health Sciences Faculty of the University of Limpopo. This hospital is at 26% of construction.

- Siloam District Hospital in Vhembe in Limpopo to replace an aged facility. This hospital is at 90% of completion.
- Dihlabeng Regional Hospital in the Free State. It is undergoing significant revitalisation. It is 30% of construction.
- Bambisana District Hospital in the Eastern Cape – a new hospital in the OR Tambo District. It is at 82% of construction.
- Zithulele District Hospital in the Eastern Cape in the OR Tambo District. It is at 50% of construction.
- Bophelong Psychiatric Hospital under construction in North West.

In addition to the hospitals currently under construction, the National Department of Health has prioritised several key hospital projects placed strategically to strengthen South Africa's public health hospital network, particularly in high demand areas in Gauteng, but also in underserved areas.

These include seventeen (17) major hospital projects which have been identified for development. They are in various stages of design and development.

The biggest of these huge projects are total replacement of three (3) major Central or Academic Hospitals:

- Dr George Mukhari Academic Hospital under Sefako Makgatho Health Sciences University in Gauteng.
- Nelson Mandela Academic Hospital under Walter Sisulu Medical University in Mthatha in the Eastern Cape.
- Victoria Mxenge Hospital (formerly King Edward VIII Hospital) under the University of KwaZulu Natal.

We wish to add three (3) new Central Hospitals in provinces where they never existed before. This will be –

- Mpumalanga Academic Hospital
- North West Academic Hospital, and
- Northern Cape Academic Hospital

These three (3) are still in very early planning stage.

Their entry into the health network will ramp up our academic hospitals from ten (10) to fourteen (14).

The extreme overcrowding in our public health facilities is caused by rapid population growth and rapid urbanisation.

Please remember that the public health system is utilised by 86% of South Africa's population. Throw in the mix our neighbouring countries. If we do nothing, the demeaning scenes we see often on national TV like the pregnant women sleeping on floors and chairs will unfortunately be the order of the day. We have clear evidence of this in the Eastern Cape with repeated problems at Dora Nginza Hospital in Qqeberha.

Our analysis of Dora Nginza hospital also analysed by the Public Protector, both reached a conclusion that the perennial problem can only be solved by building additional District Hospitals.

Hence we wish to add totally new District Hospital in strategic and overburdened areas.

When Bheki Mlangeni Hospital was built, it was meant to relieve Chris Hani Baragwanath Hospital, it is woefully inadequate.

- Diepsloot District Hospital in Gauteng.
- Eldorado Park District Hospital in Gauteng.
- Soshanguve District Hospital in Gauteng.
- Dobsonville / Meadowlands Hospital in Soweto, Gauteng.
- Holomisa Hospital.

We are also on the verge of total replacement of old mission hospitals that cannot be refurbished, like:

- Elim Hospital near Makhado in Limpopo (a former Presbitirian Mission hospital).
- Furthermore, Tshilidzini hospital near Thohoyandou in Limpopo is also in dilapidated state.

Five (5) new Community Health Centres are also mooted:

- Genge Community Health Centre in the Eastern Cape.
- Kraaifontein Community Health Centre in the Western Cape.
- KwaMakhuto Community Health Centre in KwaZulu Natal.
- Cato Manor Community Health Centre in KwaZulu Natal.
- Metlokong Community Health Centre in the Free State.

We will conclude our programme with a totally new Psychiatric Hospital in Mpumalanga.

Needless to say, these are substantial projects that will take several years to plan, design, construct and commission.

We do not necessarily have all the money for this massive infrastructure injection, but we are speaking to international financial institutions, local financial institutions and other financiers.

These facilities and their placement is just not a thumbsuck. We are using a digital system called HIPS (Health Infrastructure Portfolio System).

This digital system has GIS (Geographic Information System) District Information System and other information systems and data that help us to understand and plan the health system.

We do not have any options but to plan in this manner. If we do not, we foresee us experiencing the same problems that Eskom experienced, which led to perennial loadshedding, caused by lack of infrastructure planning.

OTHER MEASURES TO STRENGTHEN THE HEALTHCARE SYSTEM

House Chairperson, apart from our allocated budget of R64 207 200 000, National Treasury added R6,7 billion to

try and reverse years of austerity measures which have crippled the Public Health System.

We have met as the National Health Council (NHC) and decided that the money will be deployed in four (4) different ways to help strengthen the Public Health System:

- Hiring of 1 200 doctors, 200 nurses and 250 other health professionals. This will cost R1,7 billion.
- Acquiring 1,4 million articles to make public hospitals hospitable. There will be beds, mattresses, pressure mattresses, bassinets for babies and new hospital linen and towels. This will cost R1,3 billion.
- The permanent employment of 27 000 community health workers who have been in the system for close to two (2) decades but hired through NGOs. This will cost R1,4 billion.
- To start a journey to pay accruals which have accumulated over the years due to tough austerity measures. These will be oxygen supply, blood and blood products, laboratory services, medical equipment and pharmaceuticals. This will cost R3,75 billion and increase annually for the next three (3) years.

The figures I have presented to you, is what we call our option C. Our options are based on the commencement time of these projects, which in turn depend on the Budget process.

Elimination of certain diseases.

Honourable House Chairperson, let me now deal with our second major objective, which is elimination of certain diseases:
As I said earlier, this is to do away with or elimination of certain diseases as public health threats.

We wish to warn that South Africans must not get used to us living side by side with certain diseases like HIV/AIDS, TB, Malaria and even some cancers as if it is our predetermined destiny.

The time has now arrived to start dreaming about a future with certain diseases gone from our country.
- HIV/AIDS and TB

We have already started this journey of eliminating HIV/AIDS as a public health threat by 2030. On the scale of 95-95-95 we are now at 96-79-94 towards achieving this goal. To get 95% of HIV positive people on ARVs we have to reach 1,1 million people. On the 25 February 2025, we launched a project to look for these 1,1 million people who are known to be HIV positive but are not on ARVs. We are making substantial progress. I know that the withdrawal of PEPFAR funding made some people to believe that our massive – actually the world's biggest HIV counselling, testing and treatment campaign has collapsed or is on the verge of collapsing.

I have noticed with regret that in South Africa we seem to like the word "collapse". Everytime something meets headwinds, it is said to be have collapsed. The Public Health System suffers this tag quite a lot. It is said to have collapsed so many times that I do not know how many lives it has.

Anyway, there is no way we are going to allow the world's biggest HIV/AIDS Programme to collapse – never.

In the aftermath of the withdrawal of PEPFAR, we presented our plans to National Treasury and asked for help. At the same time we approached other funders, both domestic and globally.

National Treasury requested us to prepare ten (10) plans – one for each province and the tenth for National. Then they requested that we also pitch a plan for researchers in our universities and research institutions who are known to have played a major part in the fight against HIV/AIDS and TB.

I am happy to announce today that we finally got a response. As a starting point, National Treasury has released R753 528 000.00 which is divided as follows:

- R590 407 000.00 for service delivery in provinces to be allocated via the comprehensive HIV/AIDS Component of the District Health Programme Grant.
- R32 121 000.00 to the National Department of Health to support the Central Chronic Medicine Dispensing and Distribution (CCMDD) Programme and pharmaceutical supply chain management.
- R132 000 000.00 to be transferred to the South African Medical Research Council (SAMRC) to support Health Researches around the country. This is how it is going to work:

The Bill and Melinda Gates Foundation and the Wellcome Trust have pledged R100 000 000.00 each. They put a condition – that each R100 million they contribute be matched by R200 million from our own Treasury, and that money be given to researchers. Treasury duly agreed!!

This means we are going to have a total of R600 million offered to researchers despite PEPFAR having pulled the plug off their work. Hence the Bill and Melinda Gates Foundation and the Wellcome Trust will together immediately release R200 million. On the other hand the matching R400 million by Treasury will be released over a period of three (3) years – hence the first tranch of R132 million I have mentioned.

These amounts are intended to cover the most urgent needs and further allocations may be considered later.

Yesterday, we met the South African Medical Research Council and our researchers from various research institutions and our universities to discuss how the South African Medical Research Council will make disbursements to them because we will simply transfer the money to the South African Medical Research Council.

The South African Medical Research Council and the researchers will hold their own press conference this week or early next week.

House Chairperson, we are determined more than ever before to end the scourge of HIV/AIDS as a public health threat. Today is a historic day in this regard. As I am speaking to you now, the Global Fund in Geneva is making an announcement to the effect that it has signed an access agreement with a Gilead Sciences to procure lenacapavir.

As you know lenacapavir is a long-acting injection for HIV prevention.

House Chairperson, this represents one of the most significant advances in HIV prevention in decades. As a first long-acting injectable for pre-exposure prophylaxis (PrEP) which is applied twice a year, lenacapavir expands the HIV prevention choice basket to the highest level ever.

As the Executive Director of Global Fund Mr Peter Sands said, this is not just a scientific breakthrough – it is a turning point for HIV/AIDS. It is a tool that for the 1st time can fundamentally change the trajectory of the HIV epidemic.

For South Africa, we regard this as a game changer in our fight against HIV/AIDS.

As such, as South Africa we have agreed when offered to be one of the first countries in the starting blocks for lenacapavir.

It is envisaged that the 1st shipment will reach at least one African country by the end of 2025 – we intend to be such a country and we have already started putting the plan together. Our plan is to offer lenacapavir to young women, and everyone at risk to stay HIV-free.

We all know that for far too long women and girls in our country have carried the greatest burden of this epidemic.

House Chair, tomorrow, Thursday 10th July is another important day in this journey of ending HIV/AIDS. The UNAIDS will be in South Africa at Bertha Gxowa Hospital in Ekurhuleni, to release their annual Global HIV/AIDS Report. This is the second time our country has been chosen for such a release. This Report is a mirror through which we view ourself as far as the pandemic is concerned.

House Chair, we have already announced plans to screen 5 million people for TB as part of ending this scourge together with HIV/AIDS.

House Chair, our 3rd and last objective is to bring the much needed transformation to the Private Health Sector. The Report of the Section 59 Committee chaired by a prominent Senior Counsel, Adv Thembeka Ngqukayitobi speaks volume. Taken together with the Health Market Inquiry of former Chief Justice Sandile Ngcobo, you can see that we have a lot to do ahead of us.

It is not surprising that the people fingered are seriously denying wrongdoing and rejecting the findings.

The findings are an indictment on our healthcare financing system and hence call for urgent action. As I said on Monday, the Department is still studying the Report and will soon be releasing a statement.

Honourable Members, I hereby present to this House the Budget of the National Department of Health, of R64 807 200.00 (Sixty four billion, eight hundred and seven million rand) for the consideration of this House.

I Thank you

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