

FOREWORD BY THE MEC FOR FINANCE

“Our main aim and objective is to ensure that all provincial departments and municipalities in the province adhere to good financial management to maximize delivery through efficient and effective use of limited resources”

**Maureen Modiselle
MEC for Finance**

Challenges with compiling the Provincial Budget:

Each year the compilation of the Provincial Budget poses new challenges. This year was no exception and we had to overcome our fair share of challenges. The economy is growing at a slower pace than what was expected and that resulted in less money that is available for Government Spending. Since 2000 the South African economy has grown at a pace of 5% per annum but in his Budget Speech the Minister said: “.... *the course ahead will be somewhat tougher.*” The expected growth rate has also been adjusted downward, from 6% by 2010 to 4.6%.

The North West Province had to manage another unexpected setback. In the previous financial year the disestablishment of provincial boundaries resulted in a financial loss of more than two billion rand for the province. The province was still busy trying to overcome the setback when STATS South Africa released its Household Survey statistics. According to the statistics many people have migrated from the North West Province to Gauteng and the Western Cape. The migration of people also impacted negatively on the available funds of the North West Province by reducing the province’s funds by more than R400 million per annum. With these challenges we can already confirm what the Minister for Finance has said: “.... *the course ahead will be somewhat tougher.*”

So it is clear that for the North West Province the 2008/09 financial year will be *business unusual*. The shocks in the provincial fiscal system have forced the Provincial Government to take hard decisions to ensure that the negative impact on services is minimized. Departments all had to make sacrifices to ensure that social services are not neglected. Even with the financial pressures the Provincial Government has not deviated from their Constitutional obligation to provide social services. Health, education and social welfare services features prominently in this budget. This is proving that the Provincial Government remains committed to the people of the Province.

Regarding the state of the economy the Minister for Finance said: “*It is time for neither gloom nor panic*”. In her State of the Province Address the Hon. Premier echoed this sentiment and said: “*We are therefore confidently surging forward to intensify the momentum, in order to free the previously suppressed human and economic potential of our people*”.

The Provincial government had to tighten its belt but will not deviate to retract from “*a peoples contract to work and fight poverty*”.

Our aim:

Our aim for the 2008/09 financial year is to support departments with the implementation of their budgets by ensuring *more is done with less money*.

We will not deviate from our responsibilities in terms of the PFMA and we will therefore monitor departments' spending throughout the financial year for compliance with the Public Finance Management Act (PFMA), Treasury Regulations and Provincial Treasury Instructions.

Good governance

In compiling this budget, all relevant stakeholders were consulted. We can therefore confidently say that the 2008/09 MTEF is a true reflection of Government's policies in general and the Provincial Government's policies and priorities in particular. The Provincial Budget was compiled in a consultative and transparent manner, now it is the responsibility of departments to implement the budget in the same manner.

The provincial treasury believes in transparency, honesty, value for money and accountability when dealing with Government's resources. The PFMA provides accounting officers with wide ranging powers to implement their budgets as approved by the Legislature in terms of an Appropriation Act. However, the PFMA also provides for accountability in dealing with Government's resources.

There are current departmental functions for which accounting officers are responsible that are performed by other departments. We will ensure that accountability in terms of the PFMA is complied with. Investigations are currently underway to identify those functions and return them to the responsible accounting officers.

The provincial treasury supports accountability as the basis for good governance. With accountability we are referring to the accountability of accounting officers and all government employees as contained in the PFMA and who are dealing with Government's resources. Therefore, we are requesting the public through our *"Its your budget, become a player"* campaign to become corporate citizens and to ensure that government's resources are used in a transparent and accountable manner. We are also requesting officials to stand up and accept responsibility for their budgets by saying: "It is *"Proudly our Budget"*.

The Budget

The success of the Provincial Budget lies in the Provincial Government's ability to find equilibrium between all the various conflicting demands. In addition, the Provincial Government must comply with their constitutional social responsibilities while addressing our responsibility to ensure economic growth and the creation of job opportunities required by so many of our citizens.

We are sure, when studying this Provincial Budget that the reader will agree that what we have achieved (under difficult financial circumstances) is to find that equilibrium required for a successful Provincial Budget, especially the equilibrium between the funding of social responsibilities and non-social responsibilities. This Provincial Budget in particular raised particular challenges never experienced before. Therefore, total commitment and dedication will be required to overcome the financial challenges. These are not provincial treasury's challenges but challenges that can only be overcome if we work together as a province and every official accept the challenge to "do more with less money".

The Budget Structure

Nationally uniform budget structures have now been implemented for all provincial departments. However, some changes must still be affected on the budget of Agriculture, Conservation and Environment. Due to time constraints these changes could not be fully implemented and the provincial treasury aims to comply during the Adjustments Budget.

The provincial treasury is also continuing to improve the quality and quantity of information provided in the Provincial Budget. Regular readers of the Provincial Budget will therefore immediately realize that the Provincial Budget Book contains more relevant information than in the past.

Conclusion

With this budget we would like to continue to build on a better life for all our citizens. I am therefore thankful for the support of the Hon. Premier, my colleagues in the Executive Council and the heads of department. Without your positive inputs it would not have been possible to table this budget.

Maureen Modiselle
MEC for Finance

BUDGET STATEMENT NO. 1

1. Financial impact of the reduced equitable share allocation

The financial impact occasioned by the disestablishment of the municipal boundaries was discussed in Budget Statement 1 of the 2007/08 MTEF. At that point in time it was calculated that the impact was estimated to be severe but manageable. The loss in the equitable share, calculated according to the Finance and Fiscal Commission (FFC) formula amounted to more than R2 billion per annum over the 2007/08 MTEF period. All departments were affected to some degree and they had to re-plan, re-prioritize and re-strategize for the 2007/08 MTEF period.

With the implementation of the 2007/08 provincial budget, it became clear that the actual financial impact occasioned by the disestablishment of the municipal boundaries was even more severe than what was originally anticipated. A shortfall, additional to the R2 billion original decline in the equitable share resulting from the disestablishment, of almost R1 billion had to be addressed during the 2007/08 Adjustments Budget. Furthermore, the carry-through cost of the budget shortfall also resulted in severe financial pressures during the compilation of the 2008/09 Provincial MTEF Budget. In addition, the Community Survey by STATS South Africa during 2007 revealed that the relative population in the North West Province is declining. This again reduced the equitable share allocation to the North West Province by approximately R400 million per annum over the MTEF period.

2. Budget strategy and aggregates

2.1 Introduction

The most important document for preparing the Provincial Budget is the January 8th Statement of the Governing Party. The important budget issues addressed in the January 8th 2008 Statement are the following:

- *"The People shall share in the County's Wealth"*
- *"Tackling Poverty and Under-development"*
- *"The Doors of Learning and Culture shall be opened"*
- *"The Land shall be shared amongst those who work it"*
- *"There shall be houses, security and comfort"*

2.2 The 8th January Statement

2.2.1 The people shall share in the country's wealth

South Africa is experiencing the longest expansion of the economy in recorded history with an average growth rate of 4.5% since 1994. However, the economic growth rate is not translating in an equal number of new job opportunities. The aim for 2008 is to absorb more unemployed by promoting labor intensive production methods.

2.2.2 Tackling poverty and under-development

The poorest of the poor (living on an income of R3 000 per annum or less) has decreased from 52% in 1994 to 43% in 2007. However, the rate of income for the poor has not matched the increase in income for those who are better off with a result that the income inequality is increasing. The aim for 2008 is to seek to empower people to access economic opportunities.

2.2.3 The doors of learning and culture shall be opened

Education must be evaluated from being a departmental issue to a social issue. Our teachers must commit to be set to a non-negotiable: to be in school, in class, on time, teaching, no abuse of children and no neglect of duty. By 2009, 60% of our school should receive "no-fee" status.

2.2.4 The land shall be shared by those who work it

The land distribution process must be accelerated and the necessary support should be provided to enable them to make optimal use of this national resource.

2.2.5 There shall be houses, security and comfort

Integrated settlement is a critical element of our fight against poverty and improving the quality of life of our people. Obstacles that continue to limit the access of our people to poverty alleviation must be removed during 2008. During 2008 the anticrime campaign must be sharpened and intensify our struggle against crime.

2.3 Policies and priorities addressed in this budget

2.3.1 Infrastructure funding

The negative financial impact occasioned by the disestablishment of the municipal boundaries as well as the reduction of the equitable share occasioned by the Community Survey impacted heavily on the ability of the province to fund infrastructure development. Much more funds are required for infrastructure spending and non-infrastructure spending for non-social departments was reduced to a minimum to maximize infrastructure spending for the social departments, (Health, Education and Social Development) and roads.

Schedule 1: Funding for Education infrastructure

Item	Adjustment Budget 2007/08 R'000	MTEF Allocations		
		2008/09 R'000	2009/10 R'000	2009/10 R'000
School maintenance/renovations	54,130	70,000	75,000	80,000
School infrastructure	43,044	20,000	20,000	20,000
Infrastructure Conditional Grant	84,373	110,000	130,000	150,000
TOTAL	181,547	200,000	225,000	250,000

The infrastructure budget of Education is increasing by 38% over the MTEF period, an average of almost 13% per annum.

Schedule 2: Funding for Health infrastructure

Item	Adjustment Budget 2007/08 R'000	MTEF Allocations		
		2008/09 R'000	2009/10 R'000	2009/10 R'000
Maintenance	45,241	47,030	49,878	52,372
Clinic building (infrastructure)	60,000	50,000	50,000	50,000
Infrastructure Conditional Grant	20,000	40,000	40,000	40,000
Hospital revitalization	176,966	254,030	242,800	310,500
TOTAL	302,207	391,060	382,678	452,872

The health infrastructure increases by almost 50% over a three-year period, an average of almost 17% per annum.

Schedule 3: Funding for roads infrastructure

Item	Adjustment Budget 2007/08 R'000	MTEF Allocations		
		2008/09 R'000	2009/10 R'000	2009/10 R'000
Roads infrastructure	113,299	127,629	277,655	121,085
Infrastructure Conditional Grant	401,740	451,035	505,725	564,038
TOTAL	515,039	578,664	783,380	685,123

The infrastructure budget for 2008/09 is R618.664 million and increases to R980.989 million in 2009/10. The funds for roads are declining in 2010/11 due to the 2010 World Cup.

The infrastructure delivery programme for Spatial Development Initiatives is receiving contribution from the private sector in an effort by Government to mobilize external resources to assist in performing the functions more effectively. The DBSA has already provided R80 million towards funding the bucket eradication programme.

2.3.2 Support to the SMME sector

The Provincial Government responded by establishing a unit in the provincial treasury who is responsible to attract and support SMMEs to participate in government's procurement processes. Furthermore, the provincial procurement process is biased towards Black Economic Empowerment, especially on youth and women as well as SMMEs. At this stage it is estimated that more than 60% of the province's procurement of approximately R4 billion per annum are from these groups.

2.3.3 Expanded public works Programme (EPWP)**Introduction to Expanded Public Works Programme**

The Expanded Public Works Programme (EPWP) is one of a number of Government's initiatives aimed at addressing unemployment and alleviating poverty in South Africa in the short to medium term. The EPWP involves creating temporary work opportunities for the unemployed, using public sector money.

The EPWP is implemented under four sectors – infrastructure, economic, social and environment and culture sectors – thereby expanding the focus of the programme beyond the traditional infrastructure sector.

Infrastructure Sector

The infrastructure sector involves large-scale programmes using labour-intensive methods to deliver government-funded infrastructure. The emphasis is on the construction of rural and low volume roads, municipal pipelines, sidewalks and storm water drains.

Labour intensive infrastructure projects under EPWP involve:-

- Using labour-intensive construction methods to provide employment opportunities to local people

- Providing training or skills development to those locally employed workers;
- Building cost-effective and quality assets.

Economic Sector

The economic sector focuses on entrepreneurial activities. This will be achieved by developing small business through venture learnership. It is assumed that these venture entrepreneurs will employ more people. The venture learnerships address economic, administrative and behavioral barriers that contribute to failures in starting and sustaining an enterprise.

Social Sector

The social sector's initial focus is on the expansion of Home and Community Based Care (HCBC) programmes in the health/social areas and on Early Childhood Development programmes in the social/education areas. These programmes are highly labour-intensive and provide enormous opportunities for the creation of work opportunities, given the large needs for these services.

Environment and Culture Sector

The environment and culture sector involves the employment of people on projects to improve their local environments, under programmes initiated by the Department of Environmental Affairs and Tourism, Department of Agriculture, Department of Sports, Arts and Culture and the Department of Science and Technology.

These programmes include working for water, people and parks, coastal care, land care programmes, growing tourism economy, working on fire and wetlands programmes, and community-based natural resource management.

Up until 2007, the Provincial EWPW programme has created more than 12,000 job opportunities. We will continue to expand this programme and funds have been provided for this purpose.

2.3.4 Community Health Workers (CHW)

The roll-out of the Community Development Workers will be completed during 2008/09.

2.4 **Major policy decisions**

The main provincial objectives for the next ten years were spelled-out in the Hon. Premier's first State of the Province Address, delivered on 28 May 2004. These objectives, as was elaborated on during her address on 18 February 2005 and 8 February 2006, and they remain applicable for her term of office:

- To reduce unemployment to less than 20% by 2014
- To pursue targeted provincial economic growth of 6.6% per annum
- To provide and facilitate skills development
- To generate public and private investment
- To ensure cooperative governance and promote Public/Private Partnerships
- To promote equal and fair access to opportunities and assets
- To enhance competitiveness and profitability
- To ensure sustainable development and poverty eradication through appropriate resources and environmental management

During 2005 the policies resulted in the adoption of the Provincial Growth and Development Strategy (PGDS) and the Growth Fund in 2006.

2.5 **Priorities funded in the 2007/8 MTEF Budget**

2.5.1 Funding of national priorities

In addition to the continuation of the funding of the national priorities of the previous financial years, the following new national priorities are funded in the 2008/09 MTEF Budget: The money was allocated as follows:

Schedule 4: Funding of nationally determined priorities

Department	MTEF Allocations		
	2008/09 R'000	2009/10 R'000	2009/10 R'000
Health			
- TB: Multi drug resistance & extreme drug resistance	17,307	30,874	64,591
- Baseline adjustment	21,114	46,654	101,986
Education			
- Early childhood development	6,923	10,291	30,596
- Textbooks grade 10-12 to support NCS	9,692	13,722	16,998
- Expansion grade R		30,874	88,386
- Expansion of Inclusive Education (learners with disabilities)		13,722	54,393
- Education: Occupational Specific Dispensation (OSD)		27,444	81,589
Social Development			
- Expansion of early childhood development	10,384	20,583	61,192
- Developing monitoring and evaluation capacity	1,385	2,058	2,720
- Expansion of home and community based care	6,923	10,291	20,397
- Occupational Specific Dispensation (OSD)	12,807	14,408	14,958
- Expansion of services of "children in conflict with the law"	3,461	6,861	16,998
TOTAL PRIORITIES	89,996	227,782	554,804

2.5.2 Funding of provincial priorities

Despite the severe financial impact of demarcation as well as the financial pressures experience by the province, the following social provincial priorities were funded over the MTEF period:

Schedule 5: Funding of provincial priorities

Department	MTEF Allocations		
	2008/09 R'000	2009/10 R'000	2009/10 R'000
Health			
- Laboratory costs	40,000	50,000	60,000
- Evaluation research	2,000	2,000	2,000
- Skills development & training	8,929	9,375	9,843
- Additional health professionals	63,979	68,586	70,112
Education			
- Grade R implementation	30,000	33,000	36,300
- No fee schools (additional allocation)	40,000	45,000	50,000
- ABET expansion	40,000	42,000	45,000
- Skills development & training	9,438	9,909	10,404
- Additional textbooks	50,000	63,820	69,216
- Education personnel		27,444	81,589
Social Development			
- Early Childhood Development	10,500	11,025	11,576
- Integrated Social Development	34,650	36,382	38,201
- Management of Secure Care Centres	20,200	35,000	40,000
- HIV/AIDS Home Based Care	10,000	10,000	10,000
- Skills development & training	3,539	3,716	3,901
TOTAL PRIORITIES	363,235	447,257	538,142

2.6 The Provincial Government's contribution to national mandated programmes

The following are some of the national mandated programmes that are fully supported by the Provincial Government:

- Deployment of Community Development Workers
- Deployment of Community Health Workers
- Expanding the health sector
- Expanding social development services
- Expanding educational services
- Improvement of provincial roads
- Preparation for the implementation of the Child Justice Bill, Children's' Bill and the Older Person's Bill

2.7 The Government's National Election Manifesto

A growing economy:

- Ensure lower interest and inflation rates as well as low government debt
- Invest more than R100 billion in improving roads, rail and air transport as well as telecommunications and energy
- Spend over R1.5 billion to facilitate broad-based Black Economic Empowerment
- Take more people through learnerships
- Encourage labour-intensive methods in sectors of the economy
- Conduct research into the full impact of actualization of labour and outsourcing

Sustainable livelihoods:

- Create 1 million job opportunities through the Expanded Public Works Programme
- Access to credit for the establishment of small businesses
- Intensify assistance to youth agencies to provide skills training
- Complete the land distribution programme and speed up land reform
- Ensure the involvement of communities in local economic development initiatives
- Intensify efforts aimed at building a spirit of community, good citizenship, social activism, moral regeneration and solidarity at local level

Access to services:

- Speed up programmes to provide water and sanitation, electricity and telephone services
- Build more subsidized housing
- Improve services in health facilities
- Insure better education facilities and expand the school nutritional programme
- Realise Batho Pele principles and improve government services

Comprehensive social security:

- Ensure that people eligible for social grants receive such grants
- Improve the functioning of the Unemployment Insurance Fund
- Introduce a national health insurance system
- Speed up the programme to provide free basic water and electricity
- Speed up the extension of free health services to persons with disabilities

Crime and Corruption:

- Deploy more than 150 000 police on active duty
- Strengthen the prosecution system
- Improve protection of borders
- Ensure efficient functioning of all anti-corruption structures and systems

Constitutional rights and governance

- Improve interaction between government and the people
- Ensure better cooperation between national, provincial and local governments
- Ensure quicker and more effective intervention in local governments
- Fully integrate the institution of traditional leadership into democratic governance and development
- Improve access to government information
- Strengthen all institutions of democracy

Africa and the world

- Working with others, speed up economic integration in Southern Africa and strengthen democracy, peace, stability as well as economic growth and development
- Ensure realization of the Constitutive Act of the Africa Union and implementation of the New Partnership for Africa's Development (NEPAD)
- Improve cooperation amongst countries of the South
- Strengthen economic and other relations with industrialized countries
- Promote a collective multilateral approach to global challenges

The national and provincial priorities address the priorities stated in the Election Manifesto. As can be seen from Section 2.3, the Provincial Government responded positively to all these priorities.

3. Summary of budget aggregates

Table 1: Provincial Budget Summary

Item (R'000)	Provincial Summary of Receipts and Payments							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
Provincial receipts:								
Transfer receipts from national	11,357,186	12,485,751	14,155,706	13,973,489	14,497,236	16,399,361	18,424,850	20,241,112
Equitable share	10,148,635	11,150,652	12,346,856	11,972,842	12,086,589	13,820,620	15,499,746	16,790,006
Conditional grants	1,208,551	1,335,099	1,808,850	2,000,647	2,410,647	2,578,741	2,925,104	3,451,106
Provincial own receipts	370,344	492,550	517,383	438,869	443,393	538,208	555,803	580,986
Total provincial receipts	11,727,530	12,978,301	14,673,089	14,412,358	14,940,629	16,937,569	18,980,653	20,822,098
Provincial payments:								
Current payments	9,206,341	10,432,721	11,571,319	10,981,576	11,770,457	13,063,974	14,654,368	15,912,354
Transfers and subsidies	1,304,107	1,713,196	2,101,363	2,185,609	2,402,657	2,502,826	2,793,831	3,218,063
Payments for capital assets	594,201	991,081	1,350,990	1,245,173	1,385,337	1,370,769	1,532,455	1,691,681
Unallocated contingency reserve								
Total provincial payments	11,104,649	13,136,998	15,023,672	14,412,358	15,558,451	16,937,569	18,980,653	20,822,098
Surplus/deficit before financing	622,881	(158,697)	(350,583)	-	(617,822)	0	(0)	0
Financing								
Provincial roll-overs	225,841	483,681	273,336		240,640			
Donations and other funds received	26,206	15,167			73,847			
Surplus brought over			623,143		303,335			
Surplus/deficit after financing	874,928	340,151	545,896	-	(0)	0	(0)	0

The North West Province has never budgeted for a deficit and will in the next MTEF period also not be making use of any loan finance.

Although the province has no debt that has to be repaid, various known and unknown contingent liabilities exist. The former Bophuthatswana might have issued guarantees of which the Provincial Government has no knowledge. From time to time commercial banks call upon the province to honour such guarantees.

The following guarantees were issued to the Public Investment Commissioner (PIC) and are known contingent liabilities:

Table 2: Contingent Liabilities

Name of institution	Guaranteed Amount	Maturity Date	Guarantee issued by
North West Housing Corporation	10,000,000	30.9.94	NWPG: R10 million invested as guarantee
	50,000,000	30.11.03	Boph. Government
TOTAL: NW HOUSING CORPORATION	60,000,000		
Signal Development	5,000,000	1.6.95	Boph. Government
	3,000,000	1.5.94	Boph. Government
TOTAL: SIGNAL DEVELOPMENT	8,000,000		
TOTAL	68,000,000		

Note: The amount of R68 million excludes any accrued interest.

The NW Housing Corporation, with the assistance of the Department of Local Government and Housing, has entered into a settlement agreement with the PIC regarding the outstanding debt. Details of the settlement are not yet known but it would reduce the Provincial Government's debt burden.

4. The Budget Process

The severe impact of demarcation which resulted in insufficient funding required a new approach to the budget process. Baseline allocations, which were severely reduced for non-social departments, always impacts on service delivery. Due to the provincial responsibility to fund social departments sufficiently (Education, Health and Social Development), the Provincial Government had

no alternative but to reduce the funding of non-social departments to a minimum. Infrastructure funds were also reduced and there is especially serious concern about the state of our roads in the province.

The following process was followed:

1. The budget process kicked off with an EXCO Planning Lekgotla followed by draft budget inputs from departments based on pre-benchmark allocations.
2. It was firstly important to ensure that stakeholders were aware of the challenges resulting from insufficient funding. The provincial treasury met with EXCO, heads of departments and public entities as well as chief financial officers.
3. The second step was for the provincial treasury to identify possible areas of cost reduction. A standstill on the appointment of staff was introduced and baseline allocations of departments were reduced.
4. After the groundwork has been completed, the provincial treasury had bilateral discussions with individual departments. During these discussions departments were afforded the opportunity to highlight their priorities and also to indicate the impact of the cost reduction measures.
5. Final recommendations on the funding of the budget shortfall was submitted and discussed at EXCO and the EXCO Budget Lekgotla.

The severe reduction in funding to non-social departments will have an impact on service delivery. The impact of the desperate measure to introduce a standstill on the appointment of staff is not yet known although it is expected to have an impact on service delivery. Serious budget pressures are expected during the year.

The lack of sufficient funding is also impacting on social departments. Although the social departments were funded as well as possible, there are still serious risks involved in the 2008/09 Provincial Budget of which the following are the most important:

- Funds for the purchase of pharmaceuticals are expected to be insufficient, especially for AIDS patients.
- Funds for laboratory services are, due to the "know your status campaign", expected to be insufficient.
- The emergency services in the province are not on the required standard.
- The Department of Education may still experience a shortfall in personnel expenditure.

5. Socio-economic outlook

Demographic profile

Based on the new provincial boundaries, the population of the North West Province increased as follows:

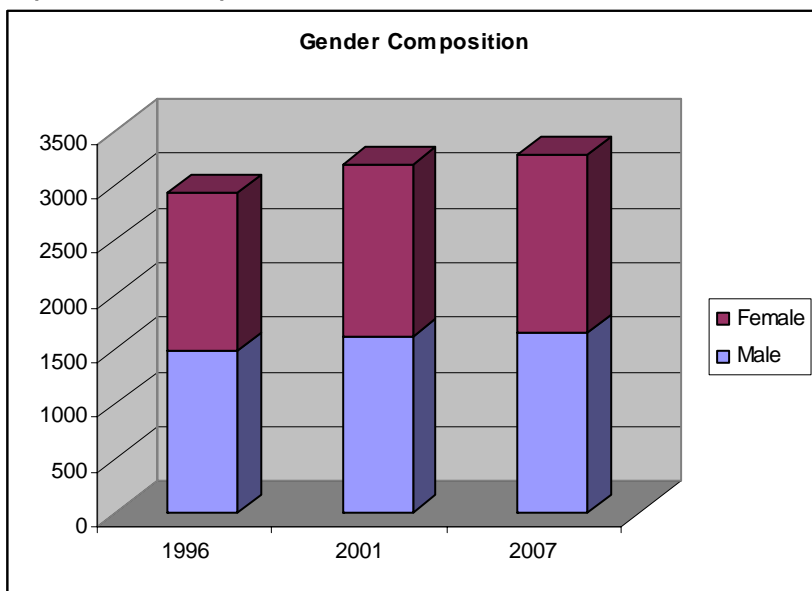
1996: 2 936 554

2001: 3 193 676

CS 2007: 3 271 948

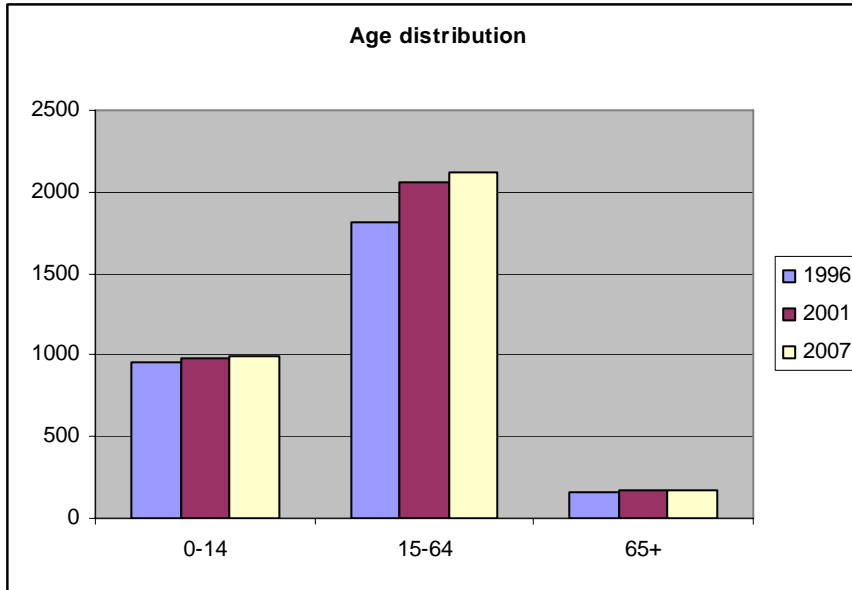
As percentage of the population of the country, the population of the North West province reduced from 7.2% in 1996 to 7.7% in 2001 to 6.7% in 2007. There seems to be a large migration from the North West Province to other provinces. The relative reduction in the number of people in the province resulted in a reduction of the provincial equitable share of approximately R400 million per annum.

Graph 1: Gender Composition



There are more men than women in the province.

Graph 2: Functional age groups

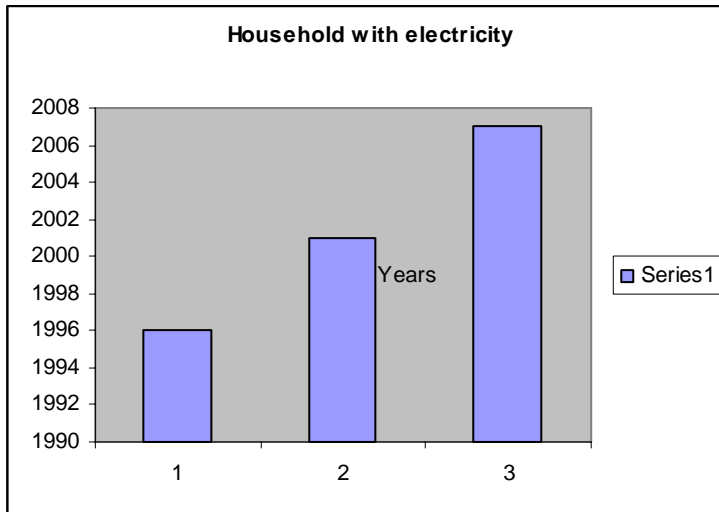


The largest portion of the population is economically active while the children of school going age are increasing slightly.

Socio Economic Indicators

- Most municipalities in the province have responded positively in providing basic services to the people. Free access to water has been implemented in most municipalities in the province. According to the latest information, 2 million people have access to 6kl free water. Municipalities are also subsidizing rural communities to purchase diesel for water pumping engines. More municipalities are joining the drive to ensure minimum free water to the poor. However, municipalities will have to refine their systems to ensure that only the needy are assisted in this regard. Government's intention is not to provide free basic services to all the people of the country but only to those that cannot afford to pay for such services.

Graph 3: Percentage of households using electricity for lighting



Households using electricity for lighting increased from 43.3% in 1996 to 82.3% in 2007.

- **Education:** The education attainment levels of each of the wards affected by demarcation were analyzed using qualification statistics of over-20 year old people in each area.. According to the findings the NW Province will lose 50 000 matriculants and 18 000 people with tertiary education. Due to the high loss of matriculants and people with tertiary education, it is accepted that the distribution of people with education has changed and that the relative share of the population without schooling has increased.
- **Poverty Rates:** The poverty rate in the North West Province is currently (2007) 30% and the unemployment rate 50% of the population.
- **Housing:** Since 1994 125,276 housing units have been constructed in the province. During 2005, 12 new housing projects have been approved and subsidies were granted to 13,495 individuals. The backlog in houses, according to the 2001 statistics, is

241,587 units. Since the census approximately 48,000 housing units were erected and a further 66,000 units are planned over the MTEF period. The Provincial Government still has a long way to travel before the housing backlog is eradicated but currently the momentum is being maintained.

- **Health care:** Since 1994 seven hospitals and 26 clinics were renovated and upgraded. Fifteen new gateway clinics have been built at 12 provincial hospitals. The North West Province currently has 302 clinics and 5,995 hospital beds. Eight additional clinics will be erected over the MTEF period. With the impact of demarcation it is estimated that 69,000 people with medical aid and 521,000 without medical aid were transferred out of the NW Province during demarcation.

Economic indicators

The South African economy continued to flourish in 2006 following almost seven years of uninterrupted positive economic growth. Real growth did decelerate somewhat in the second half of 2005 but regained momentum in the first half of 2006. The average growth rate since 1994 is 4.6%.

For the period 1996 to 2005 the average annual growth rate in the North West Province was about 2.9% annually. Global Insight estimates that the North West economy grew by 5.2% in 2005. The highest annual growth rate recorded for the province since 2004. A growth rate of between 4% and 4.5% was expected for 2006.

Growth and real domestic expenditure outpaced the growth in real domestic production over the past eighteen months, continuing a trend that started in 2001. The real disposable income of households showed a robust rate of increase. Strong growth in expenditure was accompanied by rising debt levels, but the cost of servicing debt remains modest relative to disposal income.

Closer to home, by 2004 the total value of goods and services produced in the North West Province exceeded R87 billion. As a result income per capita increased from R16,000 per annum in 1996 to over R18,000 per annum in 2005. Annual disposable income also increased from R31 billion in 1996 to over R38 billion in 2006.

From the above-mentioned information it is clear that the economy of the North West Province is growing at an rate above the national average and that a growth rate of 6.6% by 2012 is achievable.

However, despite the positive growth rate in the North West Province, some red lights should be noticed:

- Unemployment in the Province increased from 38% in 1997 to 50% by 2007, according to Stats SA. If this trend continues, the North West Province will have 1.2 million poor people by 2014.
- People living in extreme poverty in the North West increased from 4.1% in 1996 to over 8.6% in 2005. The poverty rate in 2007 is, according to Stats SA 30%.

From the information obtained economic growth will not necessarily create job opportunities or alleviate poverty. The Provincial Government has a role to play in ensuring that economic growth filters down to the poor and that it creates more job opportunities.

6. Receipts

Total estimated receipts

Total estimated receipts increase by an average of 8% per annum over the MTEF period. The equitable share increases on average by 6.8%, conditional grants by 14.3% and provincial own receipts by 10.2% over the same period.

Table 3: Summary of provincial receipts

Item (R'000)	Provincial Summary of Receipts							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
Transfer receipts from national:								
Equitable share	10,148,635	11,150,652	13,703,629	11,972,842	12,086,589	13,820,620	15,499,746	16,790,006
Conditional grants	1,208,551	1,335,099	1,808,850	2,000,647	2,417,853	2,578,741	2,925,104	3,451,106
Total transfer receipts from nat'l	11,357,186	12,485,751	15,512,479	13,973,489	14,504,442	16,399,361	18,424,850	20,241,112
Provincial own receipts:								
Tax receipts	152,923	196,754	241,389	195,347	195,347	256,760	273,675	291,256
Casino taxes	22,788	50,787	69,163	24,063	24,063	50,010	52,600	55,660
Horseracing	5,720	2,762	-	6,040	6,040	3,500	3,675	3,896
Liquor licenses	1,436	2,532	2,477	1,516	1,516	550	550	550
Motor vehicle licenses	122,979	140,673	169,749	163,728	163,728	202,700	216,850	231,150

Sale of goods and services non-cap	135,997	153,756	157,750	171,090	174,614	195,768	197,622	200,670
Transfers received								
Fines, penalties and forfeits	14,259	6,124	6,264	15,764	15,764	10,055	11,085	12,145
Interest, dividends and rent on land	39,528	112,953	89,555	41,651	41,651	47,075	51,871	55,365
Sale of capital assets	16,078	17,388	18,562	10,900	11,900	17,500	10,500	10,500
Financial transactions	11,559	5,575	3,863	4,117	4,117	11,050	11,050	11,050
Total provincial own receipts	370,344	492,550	517,383	438,869	443,393	538,208	555,803	580,986
Total provincial receipts	11,727,530	12,978,301	16,029,862	14,412,358	14,947,835	16,937,569	18,980,653	20,822,098

Equitable share

The Community Survey done by STATS SA indicates that the population in the North West Province, as percentage of the country's population has decreased from 7.2% in 1996 to 6.7% in 2007. This has the effect that the provincial equitable share reduced by approximately R400 million per annum. To soften the impact, the reduced equitable share is implemented over a three-year period.

Conditional grants

Table 4: Conditional Grants

Grant (Department)	Conditional Grants							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
Agriculture	51,245	54,594	45,113	57,763	112,763	73,329	86,560	103,395
Comprehensive Agricultural Support	26,875	33,594	40,313	53,091	53,091	68,432	80,390	96,855
Land care programme	6,370	5,000	4,800	4,672	4,672	4,897	6,170	6,540
Disaster Management	18,000	16,000	-	-	55,000	-	-	-
Sport, Arts & Culture	1,000	2,670	10,900	38,500	38,500	64,643	83,968	93,297
Community library services				21,600	21,600	40,560	52,872	59,275
Mass Sport and Recreation	1,000	2,670	10,900	16,900	16,900	24,083	31,096	34,022
Education	82,430	107,122	134,600	128,134	128,134	176,867	131,385	166,774
FET Recapitalisation	-	-	28,000	28,725	28,725	61,494	-	-
HIV and Aids (Life Skills Education)	10,029	10,444	11,071	11,493	11,493	12,229	12,912	13,539
National School Nutrition Programme	72,401	96,678	95,529	87,916	87,916	103,144	118,473	153,235
Health	275,299	324,169	496,364	503,331	503,331	667,770	743,596	907,562
Comprehensive HIV and Aids Grant	70,981	100,921	142,316	156,429	156,429	205,288	264,922	309,710
Forensic Pathology Services Grant	-	11,116	31,220	22,835	22,835	22,158	23,334	26,433
Health Professions Training and Dev't	46,351	62,564	62,564	65,692	65,692	68,977	78,608	83,324
Integrated Nutrition	9,987	10,981	-	-	-	-	-	-
Hospital Revitalisation Grant	105,558	58,056	190,884	176,966	176,966	254,030	242,800	310,500
TB Grant	317	-	-	-	-	-	-	-
Hospital management	-	12,642	-	-	-	-	-	-
National Tertiary Services Grant	42,105	67,889	69,380	81,409	81,409	117,317	133,932	177,595
Housing	436,837	467,880	697,419	766,806	871,806	896,102	1,037,154	1,219,807
Integrated Housing and Human Settlement	436,837	467,880	697,419	766,806	871,806	896,102	1,037,154	1,219,807
Local Government	23,689	-	-	-	-	-	-	-
CMIP programme	2,439							
Disaster Relief Grant	21,250							
Public Works	-	-	-	-	-	58,995	66,107	72,718
Devolution of property rates	-	-	-	-	-	58,995	66,107	72,718
Social Development	49,685	57,529	-	-	-	-	-	-
HIV/AIDS	8,070	15,914						
Food relief	41,615	41,615						
National Treasury	288,366	321,135	424,454	503,113	756,113	641,035	776,334	887,553
Provincial Infrastructure Grant	288,366	321,135	424,454	503,113	506,113	641,035	776,334	887,553
Transitional grant	-	-	-	-	250,000	-	-	-
Total conditional grants	1,208,551	1,335,099	1,808,850	1,997,647	2,410,647	2,578,741	2,925,104	3,451,106

Total provincial own receipts

During the MTEF period provincial revenue is expected to increase on average by approximately 10% per annum.

Table 5: Summary of provincial receipts by vote

Item (R'000)	Provincial Summary of Receipts by Vote							
	2004/ 2005 Outcome	2005/ 2006 Outcome	2006/ 2007 Outcome	2007/2008		2008/ 2009 MTEF	2009/ 2010 MTEF	2010/ 2011 MTEF
				Main App	Adj Estimate			
1. Office of the Premier	467	888	951	700	700	420	420	420
2. Legislature	40	72	-	-	150	-	-	-
3. Health	26,838	25,650	21,174	27,377	27,253	27,620	28,920	30,120
4. Sport, Arts and Culture	506	779	362	326	326	225	240	255
6. Economic Development & Tourism	32,020	58,171	74,513	33,746	33,746	55,988	58,838	62,209
7. Finance	60,160	131,976	114,232	69,475	69,475	77,573	82,573	87,573
8. Education	519	4,621	2,121	3,858	3,858	1,144	1,144	1,144
9. Local Government and Housing	1,752	629	538	651	651	721	721	721
10. Transport, Roads & Community Safety	232,361	244,063	282,275	285,602	285,602	349,554	364,984	380,581
11. Public Works	5,968	16,848	13,228	11,402	15,900	17,000	10,000	10,000
12. Social Development	1,930	3,050	788	-	-	-	-	-
13. Agriculture, Conservation & Environment	7,783	5,810	7,201	5,732	5,732	7,963	7,963	7,963
14. Contingency Reserve	-	-	-	-	-	-	-	-
Total prov own receipts by Vote	370,344	492,557	517,383	438,869	443,393	538,208	555,803	580,986

The estimate of provincial receipts for the 2008/09 MTEF is based on estimates and it might differ with the actual receipts. The provincial treasury is especially concerned about the collection of interest which depends on interest rates and the funds available for investments during the year. If the assumption regarding the availability of funds and interest rates are incorrect, the province might experience a funding shortfall.

Donor Funding

The North West Province is not aware of any substantial donor funding to be received over the MTEF period and no provision was made for such receipts.

7 Payments

Total estimated payments

The total estimated payments over the MTEF period are as follows:

2007/08: R16 937 569

2008/09: R18 980 654

2009/10: R20 822 098

Based on the adjusted 2007/08 Adjustments Budget, departmental allocations increase by 8.8% in 2008/09, 12.06% in 2009/10 and 9.7% in 2010/11.

Payments by vote

Table 6: Summary of provincial payments and estimates by vote

Item (R'000)	Provincial Summary of Payments and Estimates by Vote							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
1. Office of the Premier	151,490	172,877	184,370	246,277	234,997	248,295	257,391	274,460
2. Legislature	65,793	66,554	107,261	97,298	109,534	106,411	112,797	119,515
3. Health	2,592,990	2,968,160	3,479,307	3,754,518	3,916,628	4,222,549	4,596,430	5,143,030
4. Sport, Arts and Culture	154,558	195,087	263,610	320,237	310,206	327,150	350,073	379,047
6. Economic Development & Tourism	135,323	206,992	228,332	272,696	297,486	233,387	261,548	275,440
7. Finance	198,518	209,840	217,465	262,546	254,617	255,287	270,284	286,169
8. Education	5,179,111	5,950,698	6,685,648	5,323,945	6,096,036	6,995,482	7,995,239	8,842,782
9. Local Government and Housing	521,626	785,351	849,856	999,302	1,113,079	1,144,745	1,296,014	1,489,620
10. Transport, Roads & Community Safety	1,059,036	1,451,157	1,624,694	1,534,110	1,564,110	1,661,377	1,932,358	1,903,199
11. Public Works	352,269	438,246	508,912	473,133	494,880	589,943	624,609	660,503
12. Social Development	261,884	324,330	368,432	607,628	490,675	607,523	696,453	814,402
13. Agriculture, Conservation & Environment	422,751	361,876	501,320	505,998	567,876	545,420	587,458	633,931
14. Contingency Reserve	11,300	5,830	4,465	14,670	108,328	-	-	-
Total prov pay'ts/estimates by Vote	11,106,649	13,136,998	15,023,672	14,412,358	15,558,452	16,937,569	18,980,654	20,822,098

Payments and estimates by economic classification

Table 7: Summary of provincial payments and estimates by economic classification

Item (R'000)	Provincial Summary of Payments and Estimates							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
Current payments:	9,206,341	10,432,721	11,571,319	10,981,576	11,770,457	13,063,974	14,654,368	15,912,354
Compensation of employees:	7,275,743	7,985,839	8,586,333	7,845,268	8,286,983	9,515,548	10,648,044	11,782,817
Goods and services	1,930,598	2,446,882	2,984,986	3,136,309	3,483,474	3,548,426	4,006,324	4,129,537
Interest and rent on land	-	-	-	-	-	-	-	-
Financial transactions	-	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-
Transfer and subsidies to:	1,304,107	1,713,196	2,101,363	2,185,609	2,402,657	2,502,826	2,793,831	3,218,063
Provinces and municipalities	93,536	127,641	111,705	99,134	129,268	80,600	81,100	80,600
Departmental agencies and accounts	143,410	209,291	230,640	238,001	251,802	217,893	245,850	256,766
Universities and technikons	175	-	-	-	-	-	-	-
Public corporations and private ent	312,311	396,689	420,838	304,067	323,067	354,240	367,957	373,291
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Non-profit institutions	175,709	199,585	377,573	489,531	464,538	642,339	725,703	913,333
Households	578,966	779,990	960,607	1,054,876	1,233,982	1,207,754	1,373,221	1,594,073
Payments for capital assets	594,201	991,081	1,350,990	1,245,173	1,385,337	1,370,769	1,532,455	1,691,681
Buildings and other fixed structures	469,873	807,619	1,066,260	945,892	1,054,770	1,059,792	1,208,660	1,326,601
Machinery and equipment	124,328	183,197	280,605	298,781	330,567	310,977	323,795	365,080
Cultivated assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	27	4,125	-	-	-	-	-
Land and subsoil assets	-	238	-	500	-	-	-	-
TOTAL ECONOMIC CLASSIFICATION	11,104,649	13,136,998	15,023,672	14,412,358	15,558,451	16,937,569	18,980,654	20,822,098

Payments by policy area

Table 8: Summary of provincial payments and estimates by policy area

Item (R'000)	Provincial Summary of Payments and Estimates by policy area							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
General public services	863,753	975,766	1,097,177	1,274,746	1,387,019	1,396,735	1,468,258	1,550,459
Public order and safety	7,265	12,080	35,476	42,179	40,179	44,262	48,836	50,528
Economic affairs	1,540,875	1,937,096	2,224,333	2,163,487	2,272,785	2,281,975	2,609,083	2,630,589
Environmental protection	68,970	70,849	94,537	107,138	116,509	113,947	123,446	131,453
Housing and community amenities	437,244	702,933	775,152	818,480	928,417	947,947	1,092,837	1,279,808
Health	2,592,990	2,968,160	3,479,307	3,754,518	3,916,628	4,222,549	4,596,430	5,143,030
Recreational, culture and religion	154,558	195,087	263,610	320,237	310,206	327,150	350,073	379,047
Education	5,179,111	5,950,698	6,685,648	5,323,945	6,096,036	6,995,482	7,995,239	8,842,782
Social protection	261,884	324,330	368,432	607,628	490,675	607,523	696,453	814,402
Total provincial payments and estimates by policy area	11,106,649	13,136,998	15,023,672	14,412,358	15,558,452	16,937,569	18,980,654	20,822,098

Infrastructure payments

Table 9: Summary of provincial infrastructure payments and estimates by vote

Item (R'000)	Provincial Summary of Infrastructure Payments and Estimates by Vote							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
1. Office of the Premier	-	4,289	4,274	9,000	9,000	6,000	6,000	6,000
2. Legislature	17,361	6,557	1,186	250	3,732	-	-	-
3. Health	165,495	179,389	359,028	302,207	400,222	391,060	382,678	452,872
4. Sport, Arts and Culture	9,138	15,789	40,557	49,393	51,342	41,400	31,320	32,716
6. Economic Development & Tourism	16,915	13,979	54,070	63,700	81,773	10,000	40,000	50,000
7. Finance	-	-	-	-	-	-	-	-
8. Education	162,739	281,296	372,344	184,547	205,710	240,000	325,609	383,515
9. Local Government and Housing	391,026	683,371	743,973	856,806	967,749	966,102	1,107,154	1,219,807
10. Transport, Roads & Community Safety	277,945	352,117	550,128	515,039	533,939	578,664	783,380	685,123
11. Public Works	45,925	158,582	175,286	151,652	168,669	148,017	152,918	158,064
12. Social Development	-	12,300	32,699	53,000	59,633	50,000	58,000	38,000
13. Agriculture, Conservation & Environment	63,425	88,594	132,993	97,763	156,597	119,829	135,385	154,660
14. Contingency Reserve								
Total provincial infrastructure pay'ts and estimates by Vote	1,149,969	1,796,263	2,466,538	2,283,357	2,638,366	2,551,072	3,022,444	3,180,757

The Infrastructure Development Improvement Programme (IDIP) was developed and implemented with the assistance of the National Treasury. The programme is still being developed and it was only implemented in the Department of Education. Elaborate institutional arrangements were developed and approved by EXCO. The structures include all stakeholders including MECs, heads of department and various Directors and Chief Directors. The Programme is managed and driven by the provincial treasury.

The IDIP is currently being rolled-out to include the Departments of Health and Public Works. The results are already clear and the infrastructure spending in the departments involved has increased compared to the previous financial year. The IDIP does not only assist departments in building capacity to improve infrastructure spending but it also creates a platform for departments to consult with each other.

The provincial treasury has also made funds available over the MTEF period to support IDIP in capacity building in departments.

To expedite the implementation of infrastructure projects, the Executive Council resolved that departments should submit business plans to the Planning Unit in the Office of the Premier not later than 31 March 2008. The Executive Council also retained the right to re-allocate funds should a department fail to submit such business plans. For future financial years, the provincial treasury is planning to have departments submitting business plans as early as September.

Detail of departmental infrastructure budgets is contained in Budget Statement 2 under each vote. The above table shows infrastructure according to the economic classification as well as major maintenance and infrastructure projects included in transfer payments.

Provincial Public-Private Partnerships

At this point in time the provincial treasury is not aware of any Public-Private Partnerships that might be implemented during the MTEF period. Proposals submitted by departments for Public-Private Partnerships were found not to be Provincial Public-Private Partnerships in terms of the Public Finance Management Act.

Transfers to public entities

Table 10: Summary of provincial transfers to public entities per department

Item (R'000)	Provincial Summary of Transfer Payments to Public Entities							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
1. Office of the Premier	500	500	500	500	500	500	500	500
2. Legislature	-	-	-	-	-	-	-	-
3. Health	10,000	10,550	12,630	11,742	11,742	11,742	11,742	11,742
4. Sport, Arts and Culture	32,880	42,956	39,306	37,400	36,098	34,000	35,000	36,000
6. Economic Development & Tourism	93,634	133,488	165,167	175,082	196,844	156,425	182,686	192,023
7. Finance	-	-	-	-	-	-	-	-
8. Education	-	-	-	-	-	-	-	-
9. Local Government and Housing	-	10,000	-	-	-	-	-	-
10. Transport, Roads & Community Safety	-	-	-	-	-	-	-	-
11. Public Works	-	-	-	-	-	-	-	-
12. Social Development	-	-	-	-	-	-	-	-
13. Agriculture, Conservation & Environment	6,000	6,000	6,000	6,000	-	6,000	6,000	6,000
14. Contingency Reserve	-	-	-	-	-	-	-	-
Total prov trf's to public entities	143,014	203,494	223,603	230,724	245,184	208,667	235,928	246,265

Detail of transfers to public entities is contained in Budget Statement 2 under each vote.

Transfers to development corporations

No transfers were budgeted for the North West Development Corporation over the MTEF.

Transfers to Local Governments

Table 11: Summary of provincial transfers to municipalities per category

Summary of departmental transfers to local government by category

Category	Provincial Summary of Transfer Payments to Local Governments							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
Category A	1,200	-	-	-	-	-	-	-
Category B	59,520	82,809	78,465	9,134	34,290	10,600	11,100	10,600
Category C	12,289	12,941	29,413	-	2,407	-	-	-
Unspecified	(116)	697	17,513	90,000	92,571	70,000	70,000	70,000
Total departmental transfer pay's to local governments	72,893	96,447	125,391	99,134	129,268	80,600	81,100	80,600

Details of departmental transfer payments to local governments

Name of recipient (R'000)	Departmental Summary of transfer payments to local governments							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
Type of transfer								
Category A								
Phokwane Local Municipality	1,200	-	-	-	-	-	-	-
Total for Category A	1,200	-	-	-	-	-	-	-
Category B								
Bojanala District Municipality								
Moses Kotane	1,850	1,400	400	450	450	400	400	400
Kgetleng Rivier Municipality	1,199	2,988	250	300	300	300	300	300
Rustenburg Municipality	3,707	6,454	3,681	600	600	600	600	600
Brits/Madibeng	2,689	1,740	735	450	450	500	500	500
Moretele	250	1,350	-	250	350	350	350	350
Tshwane (Cross Border)	500	-	500	-	-	-	-	-
TOTAL	10,195	13,932	5,566	2,050	2,150	2,150	2,150	2,150
Southern District								
Maquassi Hills	2,070	1,609	11,320	400	400	400	400	400
Merafong City	100	3,545	10,100	450	1,950	450	450	450
Ventersdorp	492	2,339	534	300	664	300	300	300
Potchefstroom	5,041	5,089	6,754	400	4,258	400	400	400
Schweizer Reneke TLC	382	505	519	-	577	-	-	-
Klerksdorp	7,439	27,011	10,919	450	9,550	450	450	450
TOTAL	15,524	40,098	40,146	2,000	17,399	2,000	2,000	2,000
Bophirima District Municipality								
Naledi	1,225	1,470	1,253	450	450	460	460	460
Kagisano	150	1,650	1,261	250	2,198	300	300	300
Taung	350	1,350	350	450	600	650	650	650
Phokwane	150	150	150	-	-	-	-	-
Ga-Segonyana	280	280	300	-	-	-	-	-
Moshaweng	200	250	250	-	-	-	-	-
Mamusa	1,750	500	7,030	550	2,050	500	500	500
Molopo	350	200	350	150	250	200	200	200
District Municipality	-	-	-	604	-	-	-	-
Lekwa-Teamane	10,985	1,504	1,652	400	3,329	400	400	400
TOTAL	15,440	7,354	12,596	2,854	8,877	2,510	2,510	2,510
Central District Municipality								
Mafikeng	10,866	3,762	550	650	650	650	650	650
Ditsobotla	612	4,744	200	300	300	300	300	300
Tswaing	1,944	4,498	3,123	250	358	360	360	360
Zeerust	1,169	389	570	-	376	-	-	-
Ratlou	1,120	7,030	540	580	730	730	730	730
Central District	-	145	-	-	-	-	-	-
Ramotshere	2,650	857	350	450	450	500	500	500
TOTAL	18,361	21,425	5,333	2,230	2,864	2,540	2,540	2,540
Other Transfers to Municipalities	-	-	14,824	-	3,000	1,400	1,900	1,400
Total for Category B	59,520	82,809	78,465	9,134	34,290	10,600	11,100	10,600

Category C								
Bojanala Platinum District Municipality	900	500	525	-	-	-	-	-
Central District Municipality	3,021	1,565	15,525	-	-	-	-	-
Bophirima District Municipality	5,495	9,376	12,838	-	2,407	-	-	-
Southern District Municipality	2,873	1,500	525	-	-	-	-	-
Total for Category C	12,289	12,941	29,413	-	2,407	-	-	-
Unspecified								
Bucket Replacement	-	-	-	70,000	70,000	50,000	50,000	50,000
Disaster Management	-	-	17,513	20,000	22,571	20,000	20,000	20,000
RSC levy	(116)	697	-	-	-	-	-	-
Total for unspecified	(116)	697	17,513	90,000	92,571	70,000	70,000	70,000
TOTAL TRANSFER PAYMENTS	72,893	96,447	125,391	99,134	129,268	80,600	81,100	80,600

Category	Provincial Summary of Transfer Payments to Local Governments							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
Category A								
Local Government and Housing	1,200	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Sport, Arts and Culture	-	-	-	-	-	-	-	-
Sub-Total	1,200	-	-	-	-	-	-	-
Category B								
Local Government and Housing	28,473	39,135	19,573	-	-	-	-	-
Health	17,997	21,200	17,237	-	12,708	-	-	-
Sport, Arts and Culture	13,050	22,474	41,655	9,134	21,582	10,600	11,100	10,600
Sub-Total	59,520	82,809	78,465	9,134	34,290	10,600	11,100	10,600
Category C								
Local Government and Housing	10,533	10,865	27,856	-	-	-	-	-
Health	1,756	2,076	1,557	-	2,407	-	-	-
Sport, Arts and Culture	-	-	-	-	-	-	-	-
Sub-Total	12,289	12,941	29,413	-	2,407	-	-	-
Unspecified	(116)	697	17,513	90,000	92,571	70,000	70,000	70,000
Total departmental transfer pay's to local governments	72,893	96,447	125,391	99,134	129,268	80,600	81,100	80,600

Detail of the transfers to municipalities is contained in Budget Statement 2 under each vote.

Transfers to municipalities by region, district and municipal ward are not available during the compilation of the budget. Departments making transfers to municipalities do not want to create expectations to include the detail in the Provincial Budget before allocations are finalized. Some departments provide more information than others but in general the final transfers to municipalities are only contained in the Provincial Division of Revenue Gazette.

Table12: Provincial summary of personnel numbers and costs per department

Item (R'000)	Provincial Summary of Personnel Numbers and Costs by Vote							
	2004/ 2005 Outcome	2005/ 2006 Outcome	2006/ 2007 Outcome	2007/2008		2008/ 2009 MTEF	2009/ 2010 MTEF	2010/ 2011 MTEF
1. Office of the Premier	714	688	650	747	710	670	670	670
2. Legislature	99	130	130	149	149	161	161	161
3. Health	16,581	18,063	15,891	18,037	17,950	18,037	18,545	19,042
4. Sport, Arts and Culture	462	451	795	771	969	1,114	1,114	1,114
6. Economic Development & Tourism	161	119	144	265	206	206	206	206
7. Finance	460	461	534	735	602	581	635	642
8. Education	36,486	37,076	37,143	28,450	33,672	33,672	33,672	33,672
9. Local Government and Housing	433	416	561	666	690	700	700	700
10. Transport, Roads & Community Safety	3,513	3,348	3,460	3,490	3,376	3,494	3,560	3,737
11. Public Works	2,066	2,027	2,168	2,126	2,107	2,106	2,086	2,086
12. Social Development	1,160	1,050	999	1,643	1,140	1,447	1,551	1,897
13. Agriculture, Conservation & Environment	2,039	2,017	1,883	2,090	1,984	1,984	1,984	1,984
Total personnel numbers	64,174	65,846	64,358	59,169	63,555	64,172	64,884	65,911
Total personnel cost (R'000)	7,275,743	7,985,839	8,586,333	7,845,268	8,286,983	9,515,548	10,648,044	11,782,817
Unit cost (R'000)	113.38	121.28	133.42	132.59	130.39	148.28	164.11	178.77

Item (R'000)	Provincial Summary of Personnel Numbers and Costs							
	2004/ 2005 Outcome	2005/ 2006 Outcome	2006/ 2007 Outcome	2007/2008		2008/ 2009 MTEF	2009/ 2010 MTEF	2010/ 2011 MTEF
Total for province								
Personnel numbers (head count)	64,174	65,846	64,358	59,169	63,555	64,172	64,884	65,911
Personnel cost (R'000)	7,275,743	7,985,839	8,586,333	7,845,268	8,286,983	9,515,548	10,648,044	11,782,817
Human Resource Component								
Personnel numbers (head count)	2,935	3,050	2,825	3,226	3,103	3,192	3,274	3,363
Personnel cost (R'000)	316,914	345,787	371,339	406,314	385,813	430,089	480,321	536,554
Head count as % of total	4.57	4.63	4.39	5.45	4.88	4.97	5.05	5.10
Cost as a % of total	4.36	4.33	4.32	5.18	4.66	4.52	4.51	4.55
Finance Component								
Personnel numbers (head count)	5,491	5,763	5,380	6,058	6,054	6,125	6,303	6,465
Personnel cost (R'000)	548,605	614,836	671,187	725,462	709,187	788,942	887,545	1,000,957
Head count as % of total	8.56	8.75	8.36	10.24	9.53	9.55	9.71	9.81
Cost as a % of total	7.54	7.70	7.82	9.25	8.56	8.29	8.34	8.50
Full time workers								
Personnel numbers (head count)	62,281	63,932	62,618	57,192	61,123	61,986	62,698	63,722
Personnel cost (R'000)	7,083,049	7,919,912	8,517,433	7,737,971	8,176,038	9,381,344	10,504,456	11,626,511
Head count as % of total	97.05	97.09	97.30	96.66	96.17	96.59	96.63	96.68
Cost as a % of total	97.35	99.17	99.20	98.63	98.66	98.59	98.65	98.67
Part-time workers								
Personnel numbers (head count)	-	-	-	-	-	-	-	-
Personnel cost (R'000)	-	-	-	-	-	-	-	-
Head count as % of total	-	-	-	-	-	-	-	-
Cost as a % of total	-	-	-	-	-	-	-	-

Contract workers								
Personnel numbers (head count)	1,893	1,914	1,740	1,977	2,432	2,186	2,186	2,189
Personnel cost (R'000)	192,694	65,927	68,900	107,297	110,945	134,204	143,588	156,307
Head count as % of total	2.95	2.91	2.70	3.34	3.83	3.41	3.37	3.32
Cost as a % of total	2.65	0.83	0.80	1.37	1.34	1.41	1.35	1.33

Payments on training

Table 13: Provincial summary of payments on training per department

Item (R'000)	Provincial Summary of Training Expenditure by Vote							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
1. Office of the Premier	367	1,894	2,076	1,965	1,965	3,073	3,571	3,429
2. Legislature	910	880	1,000	1,300	1,300	1,250	1,250	1,250
3. Health	7,791	9,651	7,638	16,960	17,978	23,375	24,617	25,395
4. Sport, Arts and Culture	2,072	2,453	3,937	1,805	1,805	1,073	1,126	2,515
6. Economic Development & Tourism	664	705	1,028	779	779	817	858	901
7. Finance	2,201	2,339	2,596	2,895	2,895	3,038	3,200	3,360
8. Education	6,500	12,780	40,417	117,720	117,720	120,662	123,680	126,770
9. Local Government and Housing	180	184	3,197	3,371	3,371	3,540	3,717	3,902
10. Transport, Roads & Community Safety	1,793	6,250	5,240	6,742	6,742	7,079	7,434	7,843
11. Public Works	2,126	1,852	5,899	5,618	5,618	7,879	7,434	7,880
12. Social Development	2,039	2,071	3,052	3,371	3,884	3,539	3,716	3,901
13. Agriculture, Conservation & Environment	1,800	2,455	4,978	5,618	5,618	5,898	6,192	6,501
Total provincial exp on training	28,443	43,514	81,058	168,144	169,675	181,223	186,795	193,647

ANNEXURES TO BUDGET STATEMENT 1

Annexure 1

Details of information on provincial receipts

Item (R'000)	Provincial own receipts							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
Tax receipts	152,923	196,754	241,389	195,347	195,347	256,760	273,675	291,256
Casino taxes	22,788	50,787	69,163	24,063	24,063	50,010	52,600	55,660
Horseracing	5,720	2,762	-	6,040	6,040	3,500	3,675	3,896
Liquor licenses	1,436	2,532	2,477	1,516	1,516	550	550	550
Motor vehicle licenses	122,979	140,673	169,749	163,728	163,728	202,700	216,850	231,150
Sale of goods & services (non-capl):	135,997	153,756	157,750	171,090	174,614	195,768	197,622	200,670
Sale of goods and serv produced by the province								
Sales by market establishments								
Administrative fees	20,017	20,008	13,482	28,108	28,108	30,919	31,228	32,789
Other sales, of which	115,980	133,748	144,268	142,982	146,506	164,849	166,394	167,881
Rentals	8,133	8,532	6,716	5,238	9,236	9,850	9,850	9,850
Hospital fees	18,957	17,658	16,460	25,217	25,217	15,200	16,200	17,200
Permits/registration	4,020	5,236	6,161	4,159	4,159	2,628	2,713	2,803
Kilometer monies	71,227	80,272	90,704	98,709	98,709	124,104	124,184	124,251
Sale of goods	4,465	6,767	3,853	2,650	2,650	4,807	5,107	5,307
Other	7,715	10,582	16,820	5,688	5,838	6,680	6,760	6,890
Sale of scrap & other current goods	1,463	4,701	3,554	1,321	697	1,580	1,580	1,580
Transfers received from:	-	-	-	-	-	-	-	-
Other governmental units								
Universities and technikons								
Foreign governments								
International organisations								
Public corp's & private enterprises								
Households & non-profit institutions	14,259	6,124	6,264	15,764	15,764	10,055	11,085	12,145
Fines, penalties and forfeits	14,259	6,124	6,264	15,764	15,764	10,055	11,085	12,145
Interest, dividends & rent on land:	39,528	112,953	89,555	41,651	41,651	47,075	51,871	55,365
Interest	38,366	112,347	85,960	41,000	41,000	46,354	51,150	54,644
Dividends	-	-	3,057	-	-	-	-	-
Rent on land	1,162	606	538	651	651	721	721	721
Sale of capital assets	16,078	17,388	18,562	10,900	11,900	17,500	10,500	10,500
Land and subsoil assets	-	-	-	-	-	-	-	-
Other capital assets	16,078	17,388	18,562	10,900	11,900	17,500	10,500	10,500
Financial transactions	11,559	5,575	3,863	4,117	4,117	11,050	11,050	11,050
TOTAL PROVINCIAL OWN RECEIPTS	370,344	492,550	517,383	438,869	443,393	538,208	555,803	580,986

Annexure 2

Details of information on provincial payments and estimates by economic classification

Item (R'000)	Provincial Payments and Estimates							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
CURRENT PAYMENTS	10,510,448	12,145,917	13,672,682	13,167,185	14,173,114	15,566,800	17,448,199	19,130,417
Compensation of employees	7,275,743	7,985,839	8,586,333	7,845,268	8,286,983	9,515,548	10,648,044	11,782,817
Salaries & related costs	6,052,838	7,017,022	7,227,118	6,542,506	6,875,094	8,048,428	9,058,010	10,107,232
Social contributions	1,222,905	968,817	1,359,215	1,302,762	1,411,889	1,467,119	1,590,034	1,675,586

Goods and services, of which	1,930,598	2,446,882	2,984,986	3,136,309	3,483,474	3,548,426	4,006,324	4,129,537
Administrative expenditure	351,021	415,206	504,283	484,590	527,555	556,572	614,500	645,341
Rental of equipment	40,521	23,871	26,456	51,749	52,439	60,498	65,182	69,142
Stores	686,431	841,392	956,845	1,023,350	1,031,578	1,005,187	1,207,086	1,270,345
Rental of buildings	71,436	70,574	73,769	106,647	119,534	121,185	125,356	130,900
Professional & special services	345,701	385,728	533,215	577,985	710,496	692,693	737,165	775,954
Maintenance & repairs	162,289	265,043	350,893	364,246	380,299	492,059	587,889	525,864
Other	273,199	445,068	539,525	527,741	661,573	620,232	669,146	711,991
Interest and rent on land	-	-	-	-	-	-	-	-
Interest								
Rent on land								
Financial transactions in assets & liab								
Unauthorised expenditure								
Transfers and subsidies to:	1,304,107	1,713,196	2,101,363	2,185,609	2,402,657	2,502,826	2,793,831	3,218,063
Provinces and municipalites	93,536	127,641	111,705	99,134	129,268	80,600	81,100	80,600
Provinces								
Provincial revenue funds								
Provincial agencies and funds								
Municipalities								
Municipalities - other	73,093	101,892	106,438	99,134	129,268	80,600	81,100	80,600
Municipalities - RSC levies	20,443	25,749	5,267	-	-	-	-	-
Municipal agencies and funds								
Departmental agencies and accounts	143,410	209,291	230,640	238,001	251,802	217,893	245,850	256,766
Departmental agencies and funds	143,014	203,494	223,603	230,724	245,184	208,667	235,928	246,265
Social security funds								
Other (Pseta)	396	5,797	7,037	7,277	6,618	9,226	9,922	10,501
Universities and technikons	175	-	-	-	-	-	-	-
Public corp's and private enterprises	312,311	396,689	420,838	304,067	323,067	354,240	367,957	373,291
Public corporations								
Subsidies on production								
Other transfers	-	-	-	-	-	-	-	-
Private enterprises								
Subsidies on production	312,311	371,689	353,938	304,067	323,067	354,240	367,957	373,291
Other transfers	-	25,000	66,900	-	-	-	-	-
Foreign govt's and international org.								
Non-profit institutions	175,709	199,585	377,573	489,531	464,538	642,339	725,703	913,333
Households	578,966	779,990	960,607	1,054,876	1,233,982	1,207,754	1,373,221	1,594,073
Social benefits								
Other transfers to households	578,966	779,990	960,607	1,054,876	1,233,982	1,207,754	1,373,221	1,594,073
PAYMENTS FOR CAPITAL ASSETS	594,201	991,081	1,350,990	1,245,173	1,385,337	1,370,769	1,532,455	1,691,681
Buildings and other fixed structures	469,873	807,619	1,066,260	945,892	1,054,770	1,059,792	1,208,660	1,326,601
Buildings	299,855	460,148	649,056	541,131	630,258	602,757	694,935	754,563
Other fixed structures	170,018	347,471	417,204	404,761	424,512	457,035	513,725	572,038
Machinery and equipment	124,328	183,197	280,605	298,781	330,567	310,977	323,795	365,080
Transport equipment	8,279	44,954	72,291	93,017	88,299	77,242	82,548	84,591
Other machinery and equipment	116,049	138,243	208,314	205,764	242,268	233,735	241,247	280,489
Cultivated assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	27	4,125	-	-	-	-	-
Land and subsoil assets	-	238	-	500	-	-	-	-
TOTAL ECON CLASSIFICATION	11,104,649	13,136,998	15,023,672	14,412,358	15,558,451	16,937,569	18,980,654	20,822,098

Capital transfers included in above

Item (R'000)	Provincial Summary of Capital Transfers							
	2004/ 2005 Outcome	2005/ 2006 Outcome	2006/ 2007 Outcome	2007/2008		2008/ 2009 MTEF	2009/ 2010 MTEF	2010/ 2011 MTEF
Vote 6:								
IDZ and other infrastructure projects	-	-	34,312	30,000	43,262	10,000	35,000	45,000
NWDC infrastructure refurbishment	-	-	-	6,500	10,000	-	-	-
Park expansion	-	-	5,000	5,000	5,000	-	5,000	5,000
Community Car Wash Project	-	-	2,090	-	2,061	-	-	-
Hotel School Maintenance & Repairs	-	-	2,100	-	-	-	-	-
Letlamoreng Dam	-	-	4,900	-	-	-	-	-
SDI's & SDI infrastructure	3,488	11,371	-	22,200	32,761	-	-	-
Vote 9:								
Housing Fund	380,601	615,411	696,544	766,806	875,178	896,102	1,037,154	1,219,807
Bucket replacement	-	30,000	30,000	70,000	70,000	50,000	50,000	50,000
Vote 13:								
Agricultural infrastructure	94,429	24,501	138,725	99,113	160,447	123,679	137,420	156,888
Total capital transfers	384,089	626,782	744,946	830,506	968,262	906,102	1,077,154	1,269,807

Annexure 3

Details of provincial payments and estimates by policy area

Item (R'000)	Provincial Payments and Estimates by policy area							
	2004/ 2005 Outcome	2005/ 2006 Outcome	2006/ 2007 Outcome	2007/2008		2008/ 2009 MTEF	2009/ 2010 MTEF	2010/ 2011 MTEF
General Public Service								
Executive and Legislature	217,283	239,431	291,631	343,575	344,531	354,706	370,188	393,975
Office of the Premier	151,490	172,877	184,370	246,277	234,997	248,295	257,391	274,460
RDP								
Provincial Legislature	65,793	66,554	107,261	97,298	109,534	106,411	112,797	119,515
Financial and Fiscal Services	209,818	215,670	221,930	277,216	362,945	255,287	270,284	286,169
Department of Finance	198,518	209,840	217,465	262,546	254,617	255,287	270,284	286,169
Contingency Reserve	11,300	5,830	4,465	14,670	108,328	-	-	-
General Services	436,652	520,665	583,616	653,955	679,543	786,742	827,786	870,315
Public Works	352,269	438,246	508,912	473,133	494,880	589,943	624,609	660,503
Local Government	84,383	82,419	74,704	180,822	184,663	196,799	203,177	209,812
Total General Public Services	863,753	975,766	1,097,177	1,274,746	1,387,019	1,396,735	1,468,258	1,550,459
Public Order and Safety								
Police Services								
Safety and Liaison	7,265	12,080	35,476	42,179	40,179	44,262	48,836	50,528
Total Public Order and Safety	7,265	12,080	35,476	42,179	40,179	44,262	48,836	50,528
Economic Affairs								
General Economic Affairs								
Economic Development	62,149	106,699	119,552	155,794	181,966	116,086	141,614	152,997
Tourism	73,174	100,293	108,780	116,902	115,520	117,301	119,934	122,443
Agriculture								
Dep't of Agriculture	353,781	291,027	406,783	398,860	451,368	431,473	464,013	502,478
Transport								
Dep't of Transport	1,051,771	1,439,077	1,589,218	1,491,931	1,523,931	1,617,115	1,883,522	1,852,671
Total Economic Affairs	1,540,875	1,937,096	2,224,333	2,163,487	2,272,785	2,281,975	2,609,083	2,630,589

Environmental Protection								
Environmental Protection	68,970	70,849	94,537	107,138	116,509	113,947	123,446	131,453
Total Environmental Protection	68,970	70,849	94,537	107,138	116,509	113,947	123,446	131,453
Housing &Community Amenities								
Housing	437,244	702,933	775,152	818,480	928,417	947,947	1,092,837	1,279,808
Total Housing & Comm. Amenities	437,244	702,933	775,152	818,480	928,417	947,947	1,092,837	1,279,808
Health								
Outpatient services	1,370,210	1,585,270	1,793,451	1,844,067	1,897,098	2,052,040	2,245,263	2,408,076
R and D Health (CS)	90,236	83,651	99,628	116,226	92,486	125,288	133,749	147,371
Hospital services	694,102	815,128	908,869	1,065,472	1,105,746	1,202,202	1,358,137	1,628,895
Other	438,442	484,111	677,359	728,753	821,298	843,019	859,281	958,688
Total Health	2,592,990	2,968,160	3,479,307	3,754,518	3,916,628	4,222,549	4,596,430	5,143,030
Recreation, Culture and Religion								
Sporting and Recreational Affairs								
Sport, Arts and Culture	154,558	195,087	263,610	320,237	310,206	327,150	350,073	379,047
Total Recreation, Cult and Religion	154,558	195,087	263,610	320,237	310,206	327,150	350,073	379,047
Education								
Pre-primary/Primary/Public Phases	5,031,108	5,759,434	6,419,078	5,040,342	5,793,659	6,668,636	7,652,689	8,477,401
Secondary Education Phase								
Subsidised Services to Education	31,872	60,792	61,302	57,557	79,631	56,125	58,697	62,302
Education not defined by level	116,131	130,472	205,268	226,046	222,746	270,721	283,853	303,079
Total Education	5,179,111	5,950,698	6,685,648	5,323,945	6,096,036	6,995,482	7,995,239	8,842,782
Social Protection								
Social Security Services								
Social Services and Population Dev't	261,884	324,330	368,432	607,628	490,675	607,523	696,453	814,402
Total Social Protection	261,884	324,330	368,432	607,628	490,675	607,523	696,453	814,402
Total provincial payments and estimatesby policy area	11,106,649	13,136,998	15,023,672	14,412,358	15,558,452	16,937,569	18,980,654	20,822,098

**BUDGET
STATEMENT
NO. 2**

Summary of provincial payments and estimates by Vote

Vote (Department)	Provincial Summary of Payments and Estimates by Vote							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
1. Office of the Premier	151,490	172,877	184,370	246,277	234,997	248,295	257,391	274,460
2. Legislature	65,793	66,554	107,261	97,298	109,534	106,411	112,797	119,515
3. Health	2,592,990	2,968,160	3,479,307	3,754,518	3,916,628	4,222,549	4,596,430	5,143,030
4. Sport, Arts and Culture	154,558	195,087	263,610	320,237	310,206	327,150	350,073	379,047
6. Economic Development & Tourism	135,323	206,992	228,332	272,696	297,486	233,387	261,548	275,440
7. Finance	198,518	209,840	217,465	262,546	254,617	255,287	270,284	286,169
8. Education	5,179,111	5,950,698	6,685,648	5,323,945	6,096,036	6,995,482	7,995,239	8,842,782
9. Local Government and Housing	521,626	785,351	849,856	999,302	1,113,079	1,144,745	1,296,014	1,489,620
10. Transport, Roads & Community Safety	1,059,036	1,451,157	1,624,694	1,534,110	1,564,110	1,661,377	1,932,358	1,903,199
11. Public Works	352,269	438,246	508,912	473,133	494,880	589,943	624,609	660,503
12. Social Development	261,884	324,330	368,432	607,628	490,675	607,523	696,453	814,402
13. Agriculture, Conservation & Environment	422,751	361,876	501,320	505,998	567,876	545,420	587,458	633,931
14. Contingency Reserve	11,300	5,830	4,465	14,670	108,328	-	-	-
Total provincial pay'ts/estimates	11,106,649	13,136,998	15,023,672	14,412,358	15,558,452	16,937,569	18,980,654	20,822,098

Provincial summary of payments and estimates

Classification (R'000)	Provincial Summary of Payments and Estimates							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
Current:								
Compensation of employees	7,275,743	7,985,839	8,586,333	7,845,268	8,286,983	9,515,548	10,648,044	11,782,817
Transfer payments	1,304,107	1,713,196	2,101,363	2,185,609	2,402,657	2,502,826	2,793,831	3,218,063
Administrative expenditure	351,021	415,206	504,283	484,590	527,555	556,572	614,500	645,341
Stores	686,431	841,392	956,845	1,023,350	1,031,578	1,005,187	1,207,086	1,270,345
Professional and special services	345,701	385,728	533,215	577,985	710,496	692,693	737,165	775,954
Other goods and services	547,445	804,556	990,643	1,050,384	1,213,845	1,293,974	1,447,573	1,437,897
Unauthorised expenditure	-	-	-	-	-	-	-	-
Total Current Payments	10,510,448	12,145,917	13,672,682	13,167,185	14,173,114	15,566,800	17,448,199	19,130,417
Capital:								
Equipment	124,328	183,197	280,605	298,781	330,567	310,977	323,795	365,080
Land and Buildings	299,855	460,386	649,056	541,631	630,258	602,757	694,935	754,563
Infrastructure	170,018	347,471	417,204	404,761	424,512	457,035	513,725	572,038
Other capital expenditure	2,000	27	4,125	-	-	-	-	-
Total Capital Payments	596,201	991,081	1,350,990	1,245,173	1,385,337	1,370,769	1,532,455	1,691,681
TOTAL ECONOMIC EXPENDITURE	11,106,649	13,136,998	15,023,672	14,412,358	15,558,451	16,937,569	18,980,654	20,822,098

Provincial summary of payments and estimates according to economic classification

Classification (R'000)	Provincial Summary of Payments and Estimates							
	2004/ 2005	2005/ 2006	2006/ 2007	2007/2008		2008/ 2009	2009/ 2010	2010/ 2011
	Outcome	Outcome	Outcome	Main App	Adj Estimate	MTEF	MTEF	MTEF
CURRENT PAYMENTS								
Compensation of employees:	7,275,743	7,985,839	8,586,333	7,845,268	8,286,983	9,515,548	10,648,044	11,782,817
- Salaries & related costs	5,895,244	6,853,340	6,940,940	6,170,836	6,463,515	7,473,922	8,046,287	8,630,225
- Overtime	63,087	74,073	28,713	98,541	95,872	92,402	95,775	112,158
- Improvement in conditions of serv	94,507	89,609	257,465	273,129	315,707	482,104	915,948	1,364,849
- Social contributions (employer sh)	1,222,905	968,817	1,359,215	1,302,762	1,411,889	1,467,119	1,590,034	1,675,586

Transfer payments:	1,304,107	1,713,196	2,101,363	2,185,609	2,402,657	2,502,826	2,793,831	3,218,063
Provincial agencies	-	-	-	-	-	-	-	-
Departmental Agencies:	-	-	-	-	-	-	-	-
- Public Entities	143,014	203,494	223,603	230,724	245,184	208,667	235,928	246,265
- Other (Pseta)	396	5,797	7,037	7,277	6,618	9,226	9,922	10,501
Municipalities:	-	-	-	-	-	-	-	-
- Regional service council levies	20,443	25,749	5,267	-	-	-	-	-
- Other transfers to municipalities	73,093	101,892	106,438	99,134	129,268	80,600	81,100	80,600
Universities and technikons	175	-	-	-	-	-	-	-
Public Corporations:	-	-	-	-	-	-	-	-
- Subsidies on production	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
Private Corporations:	-	-	-	-	-	-	-	-
- Subsidies on production	312,311	371,689	353,938	304,067	323,067	354,240	367,957	373,291
- Other	-	25,000	66,900	-	-	-	-	-
Foreign gov't and international trf's	-	-	-	-	-	-	-	-
Non-profit organisations	175,709	199,585	377,573	489,531	464,538	642,339	725,703	913,333
Households:	-	-	-	-	-	-	-	-
- Social Benefits	-	-	-	-	-	-	-	-
- Other	578,966	779,990	960,607	1,054,876	1,233,982	1,207,754	1,373,221	1,594,073
Goods and services:	1,930,598	2,446,882	2,984,986	3,136,309	3,483,474	3,548,426	4,006,324	4,129,537
- Administrative expenditure	351,021	415,206	504,283	484,590	527,555	556,572	614,500	645,341
- Rental of equipment	40,521	23,871	26,456	51,749	52,439	60,498	65,182	69,142
- Stores	686,431	841,392	956,845	1,023,350	1,031,578	1,005,187	1,207,086	1,270,345
- Rental of buildings	71,436	70,574	73,769	106,647	119,534	121,185	125,356	130,900
- Professional & special services	345,701	385,728	533,215	577,985	710,496	692,693	737,165	775,954
- Maintenance & repairs	162,289	265,043	350,893	364,246	380,299	492,059	587,889	525,864
- Assets less than R5 000	100	1,848	7,444	11,952	23,136	36,314	36,272	38,136
- Other	273,099	443,220	532,081	515,789	638,437	583,918	632,874	673,855
Unauthorised expenditure	-	-	-	-	-	-	-	-
TOTAL CURRENT PAYMENTS	10,510,448	12,145,917	13,672,682	13,167,185	14,173,114	15,566,800	17,448,199	19,130,417
CAPITAL								
Machinery & equipment	124,328	183,197	280,605	298,781	330,567	310,977	323,795	365,080
Motor vehicles & other transport	8,279	44,954	72,291	93,017	88,299	77,242	82,548	84,591
Equipment:	-	-	-	-	-	-	-	-
- Computers	31,827	38,309	95,555	64,734	72,054	53,889	60,896	87,480
- Office equipment & furniture	31,701	19,229	12,505	39,452	45,365	34,161	32,832	34,474
- Other moveable capital	52,521	80,705	100,254	101,578	124,849	145,685	147,519	158,535
Fixed capital:	469,873	807,857	1,066,260	946,392	1,054,770	1,059,792	1,208,660	1,326,601
- Land and subsoil assets	-	238	-	500	-	-	-	-
- Buildings	299,855	460,148	649,056	541,131	630,258	602,757	694,935	754,563
- Infrastructure	170,018	347,471	417,204	404,761	424,512	457,035	513,725	572,038
Other fixed capital	2,000	27	4,125	-	-	-	-	-
- Cultivated Assets	-	-	-	-	-	-	-	-
- Software and intangible assets	-	27	4,125	-	-	-	-	-
- Other	2,000	-	-	-	-	-	-	-
TOTAL CAPITAL PAYMENTS	596,201	991,081	1,350,990	1,245,173	1,385,337	1,370,769	1,532,455	1,691,681
Current payments	10,510,448	12,145,917	13,672,682	13,167,185	14,173,114	15,566,800	17,448,199	19,130,417
Capital payments	596,201	991,081	1,350,990	1,245,173	1,385,337	1,370,769	1,532,455	1,691,681
TOTAL ECONOMIC CLASSIFICATION	11,106,649	13,136,998	15,023,672	14,412,358	15,558,451	16,937,569	18,980,654	20,822,098

