

# Agriculture and land

## Introduction

Agriculture is an important catalyst in rural economic development and for bringing the previously excluded black community into the mainstream economy. Government seeks to empower rural communities through its land reform programme, which is complemented by a comprehensive agricultural support programme.

Land reform is important in addressing the skewed land ownership patterns in the country. Since the inception of the land reform programme, R1,7 million hectares of land have been redistributed to 251 862 households. This is supported by the sharp growth in the agriculture budgets, which double from R3 billion in 2003/04 to R6 billion by 2009/10.

*Land reform programme complemented by agrarian support*

This chapter:

- gives an overview of national agriculture and land reform, and budgets and expenditure trends
- analyses provincial budgets and expenditure trends, giving a detailed account of expenditure by programme.

## National agriculture and land reform

Two separate national departments deal with agriculture and land affairs under one ministry. The Department of Land Affairs mainly drives the land reform programme, while the Department of Agriculture is responsible for, among others, farmer settlement and support.

The national Department of Agriculture is responsible for creating an enabling environment that seeks to ensure the equitable access to agricultural opportunities, establishing norms and standards for service delivery, and providing financial assistance and other forms of support to farmers.

Important organisations within the agricultural sector include the Agricultural Research Council, the National Agricultural Marketing Council, the Land Bank; Onderstepoort Biological Products Limited, the Perishable Products Export Control Board, and Ncera Farms (Pty) Ltd.

When formulating policies for the sector, the Department of Agriculture frequently consults other key stakeholders. These include farmers' unions, cooperatives and voluntary associations, non-governmental organisations and the agri-industry.

### **Budgets and expenditure trends in national agriculture**

The national Department of Agriculture's budget increased from R1,2 billion in 2003/04 to R2,3 billion in 2006/07 and is projected to reach R2,4 billion in 2009/10.

*The livelihood, economics and business development programme grows phenomenally*

The largest growth is in the *Livelihoods, economics and business development* programme, whose share in the national budget grows from 5,9 per cent in 2003/04 to 30,3 per cent by 2006/07, and is expected to be 36,8 per cent by 2009/10. The sharp growth in expenditure is in line with the sector's vision to ensure equity in the sector, improve the commercial viability of emerging farmers and ensure food security and rural development. This is achieved through AgriBEE, the comprehensive agricultural support programme (CASP) and the Micro Agricultural Finance Institutions of South Africa (MAFISA).

The *Bio-security and disaster management* programme develops and implements policies for food safety, agricultural risk and disaster management, and for controlling animal and plant diseases. Expenditure fluctuated from R421 million in 2003/04 to R530 million in 2006/07 before declining to R244 million in 2007/08.

*Resource management is key to sustainability*

The *Production and resource management* programme seeks to manage productivity and sustainability in agriculture, monitor and control genetically modified organisms, and develop and implement policies and legislation on the sustainable use of agricultural land and water resources. On average, this programme makes up 11 per cent of the national budget. Expenditure grew 15,9 per cent annually from R136 million in 2003/04 to R212 million in 2006/07 and is budgeted to reach R266 million by 2009/10.

The *Sector services and partnerships* programme, which currently makes up 27,8 per cent of the national department's budget, manages and coordinates stakeholder and international relations, agricultural education and training, extension and advisory services, and scientific research and development. To compliment the land redistribution for agricultural development programme (LRAD), expenditure on this programme grew from R375 million in 2003/04 to R641 million in 2006/07. This will go towards providing training programmes for emerging farmers, among other things.

**Table 6.1 National agriculture and land reform expenditure by programme, 2003/04 – 2009/10**

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
	Outcome			Preliminary outcome	Medium-term estimates		
<b>R million</b>							
<b>Agriculture</b>							
Administration	192	210	217	240	283	290	310
Livelihoods, economics and business development	71	269	629	704	887	918	883
Bio-security and disaster management	421	343	388	530	244	261	274
Production and resources management	136	162	195	212	248	258	266
Sector services and partnerships	375	424	477	641	619	657	666
<b>Subtotal</b>	<b>1 195</b>	<b>1 408</b>	<b>1 907</b>	<b>2 328</b>	<b>2 281</b>	<b>2 385</b>	<b>2 400</b>
<b>Land Affairs</b>							
<i>of which</i>							
Restitution	839	1 183	1 789	2 011	3 327	2 500	1 251
Land reform	454	454	645	801	1 697	2 896	3 304
<b>Subtotal</b>	<b>1 293</b>	<b>1 636</b>	<b>2 434</b>	<b>2 812</b>	<b>5 024</b>	<b>5 396</b>	<b>4 555</b>
<b>Total</b>	<b>2 488</b>	<b>3 045</b>	<b>4 341</b>	<b>5 140</b>	<b>7 305</b>	<b>7 781</b>	<b>6 955</b>
<b>Percentage of total national agricultural expenditure</b>							
Administration	16,1%	14,9%	11,4%	10,3%	12,4%	12,2%	12,9%
Livelihoods, economics and business development	5,9%	19,1%	33,0%	30,3%	38,9%	38,5%	36,8%
Bio-security and disaster management	35,3%	24,4%	20,4%	22,8%	10,7%	11,0%	11,4%
Production and resources management	11,4%	11,5%	10,2%	9,1%	10,9%	10,8%	11,1%
Sector services and partnerships	31,4%	30,1%	25,0%	27,5%	27,2%	27,6%	27,8%
<b>Total</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>

Source: 2007 Estimates of National Expenditure; 2006/07 Vulindlela

### Budgets and expenditure trends in land affairs

To redress the skewed ownership patterns of productive agricultural land, South Africa's land reform programme focuses primarily on land restitution, tenure reform and land redistribution.

- Land restitution restores rights to land to people who have been victims of land dispossession. A key outcome of this reform programme is to ensure that previously disadvantaged communities are fully integrated into the mainstream commercial agricultural economy.
- Tenure reform is about enabling individuals, farm workers or communities to gain legal tenure to the land that they already occupy.
- Redistribution involves redistributing land to individuals or communities for agricultural production and settlement.

*The land reform programme focuses on land restitution, tenure reform and land redistribution*

**Budget for land reform and restitution grows sharply**

Table 6.1 shows that the land reform and restitution budget more than doubled from R1,3 billion in 2003/04 to R2,8 billion in 2006/07 and is expected to reach R5,4 billion in 2008/09 before levelling off to R4,6 billion by 2009/10. Since the inception of the programme, government spent R5,8 billion on land restitution up to 31 March 2007. Accelerated delivery, in both the restitution and land reform programmes, accounts for the observed growth. Approximately R7,1 billion is set aside for the programme over the next three years to finalise all outstanding restitution claims.

**R7,9 billion set aside to finalise land redistribution over the next three years**

Approximately R7,9 billion is set aside for the programme over the next three years to finalise and accelerate land redistribution. It is important that this level of land redistribution be accompanied by an accelerated farmer support programme to sustain productivity in land use.

**A large proportion of land claims have been settled**

Table 6.2 shows that out of a total of 79 696 claims that were lodged in 1998, 74 417 claims had been settled by the end of March 2007. While the overall land reform programme focuses on the redistribution of agricultural land, some restitution claims, mostly urban claims, are settled through cash compensation.

Table 6.2 also shows that the estimated number of households that have benefited to date varies across provinces. Soaring property costs saw compensation costs for land double from R2,4 billion in 2006 to R5,2 billion by the end of March 2007. During the same period, the number of claims increased by 3,9 per cent, while the number of households increased by 28,1 per cent or 55 000 to just above 250 000. The number of beneficiaries increased by 26,8 per cent or about 269 000, from 1 million to about 1,3 million by the end of March 2007.

**Table 6.2 Provincial settled restitution claims<sup>1</sup> as at March 2007**

	Claims	Households	Beneficiaries	Hectares <sup>2</sup>	Land cost (R thousand)	Financial compensation (R thousand)
Eastern Cape	16 116	47 826	173 387	72 075	216 811	811 247
Free State	2 582	4 875	37 246	44 464	7 703	79 988
Gauteng	13 148	14 333	64 859	7 557	89 633	628 524
KwaZulu-Natal	14 576	51 417	314 299	435 190	1 006 829	1 080 868
Limpopo	2 789	34 777	196 434	356 042	1 290 419	84 771
Mpumalanga	2 429	36 821	166 550	213 360	1 846 400	202 724
Northern Cape	3 623	14 817	81 709	305 389	176 012	293 712
North West	3 655	26 656	134 089	213 659	601 959	177 260
Western Cape	15 499	20 340	104 470	3 115	8 216	695 330
<b>Total</b>	<b>74 417</b>	<b>251 862</b>	<b>1 273 043</b>	<b>1 650 851</b>	<b>5 243 982</b>	<b>4 054 424</b>

1. These statistics have been compiled based on the information reflected in the Database of Settled Restitution Claims. In order to improve the accuracy of our statistics, the Database of Settled Restitution Claims is subjected to internal auditing on an ongoing basis.

2. The number of hectares restored is currently under review, both for existing data as well as outstanding data on state land.

Source: Department of Land Affairs

## Budgets and expenditure trends

Provincial departments of agriculture implement agricultural policies and programmes. They ensure the optimal use of agricultural land and agricultural extension services to beneficiaries of land redistribution for agricultural development.

*Provincial departments of agriculture implement policies and programmes*

At a microeconomic level, agriculture is important not only in ensuring food security but also in ensuring viable rural economies. To stem the tide of urban migration it is becoming critical that the sector not only settle farmers benefiting from land reform, but also ensures that rural economic activity around agriculture is stimulated. Spending by the predominantly rural provinces like Eastern Cape, KwaZulu-Natal and Limpopo is relatively higher than in the more urban provinces. Collectively these three provinces spent 62,9 per cent of total agriculture spending in 2006/07.

**Table 6.3 Provincial agriculture expenditure by programme, 2006/07**

	Adminis- tration	Sustain- able resource manage- ment	Farmer support and develop- ment	Veteri- nary services	Tech- nology research and develop- ment services	Agricul- tural eco- nomics	Struc- tured agri- cultural training	Total
<b>R million</b>								
Eastern Cape	231	70	365	118	50	8	30	<b>872</b>
Free State	76	19	75	26	19	2	11	<b>227</b>
Gauteng <sup>1</sup>	65	13	28	18	3	3	–	<b>130</b>
KwaZulu-Natal <sup>1</sup>	114	70	459	70	80	–	46	<b>840</b>
Limpopo	202	139	579	15	42	13	34	<b>1 025</b>
Mpumalanga <sup>1</sup>	52	30	210	44	24	17	25	<b>402</b>
Northern Cape	34	26	52	18	16	3	–	<b>148</b>
North West <sup>1</sup>	78	35	219	49	24	4	32	<b>440</b>
Western Cape	39	44	72	28	49	8	26	<b>266</b>
<b>Total</b>	<b>892</b>	<b>445</b>	<b>2 058</b>	<b>385</b>	<b>309</b>	<b>58</b>	<b>204</b>	<b>4 351</b>
<b>Percentage of provincial agriculture programme expenditure</b>								
Eastern Cape	26,5%	8,0%	41,9%	13,5%	5,7%	0,9%	3,4%	
Free State	33,3%	8,4%	32,9%	11,5%	8,4%	0,8%	4,7%	
Gauteng	50,2%	10,2%	21,1%	14,0%	2,7%	1,9%	0,0%	
KwaZulu-Natal	13,6%	8,3%	54,7%	8,3%	9,6%	0,0%	5,5%	
Limpopo	19,8%	13,6%	56,5%	1,4%	4,1%	1,3%	3,3%	
Mpumalanga	13,0%	7,4%	52,2%	10,9%	5,9%	4,2%	6,3%	
Northern Cape	22,9%	17,4%	35,0%	11,9%	10,9%	1,9%	0,0%	
North West	17,7%	7,9%	49,6%	11,0%	5,5%	1,0%	7,2%	
Western Cape	14,7%	16,6%	27,0%	10,5%	18,5%	3,1%	9,7%	
<b>Total</b>	<b>20,5%</b>	<b>10,2%</b>	<b>47,3%</b>	<b>8,9%</b>	<b>7,1%</b>	<b>1,3%</b>	<b>4,7%</b>	

1. Programme 1: Administration has been calculated on a pro rata basis as a result of the combination of the agriculture function with other provincial functions.

Source: National Treasury provincial database

## Provincial agriculture expenditure by programme

Total expenditure on agriculture by provinces is set to double from R3 billion in 2003/04 to R6 billion by 2009/10. Table 6.4 shows that the majority of expenditure is for *Administration* and *Farmer support*

*Farmer support and development prioritised*

and development, mainly to unlock and improve the agricultural potential of the provinces. In general, these two programmes account for approximately 66 per cent of provincial agriculture spending.

**Table 6.4 Provincial agriculture expenditure by programme, 2003/04 – 2009/10**

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
	Outcome			Preliminary outcome	Medium-term estimates		
R million							
Administration <sup>1</sup>	663	773	809	892	981	1 078	1 152
Sustainable resource management	238	260	495	445	574	705	714
Farmer support and development	1 423	1 616	1 872	2 058	2 323	2 513	2 887
Veterinary services	308	341	350	385	443	472	507
Technology research and development services	256	230	334	309	353	364	394
Agricultural economics	33	48	86	58	97	118	127
Structured agricultural training	123	157	167	204	225	248	264
<b>Total</b>	<b>3 044</b>	<b>3 424</b>	<b>4 113</b>	<b>4 351</b>	<b>4 997</b>	<b>5 498</b>	<b>6 045</b>
<b>Percentage of provincial agriculture expenditure</b>							
Administration <sup>1</sup>	21,8%	22,6%	19,7%	20,5%	19,6%	19,6%	19,1%
Sustainable resource management	7,8%	7,6%	12,0%	10,2%	11,5%	12,8%	11,8%
Farmer support and development	46,8%	47,2%	45,5%	47,3%	46,5%	45,7%	47,8%
Veterinary services	10,1%	9,9%	8,5%	8,9%	8,9%	8,6%	8,4%
Technology research and development services	8,4%	6,7%	8,1%	7,1%	7,1%	6,6%	6,5%
Agricultural economics	1,1%	1,4%	2,1%	1,3%	1,9%	2,1%	2,1%
Structured agricultural training	4,0%	4,6%	4,1%	4,7%	4,5%	4,5%	4,4%
<b>Total</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>

1. Programme 1: Administration has been calculated on a pro rata basis as a result of the combination of the agriculture function with other provincial functions.

Source: National Treasury provincial database

### **Sustainable resource management**

#### **Sustainable resource management important for agricultural development**

The *Sustainable resource management* programme provides support services to research units; provides for the sustainable use of natural agricultural resources; deals with conservation of the environment; plans and develops agricultural engineering products; and gives advice to farmers and agricultural institutions.

Total expenditure on this programme by provinces in 2006/07 was R445 million and is budgeted to increase to R714 million in 2009/10.

Table 6.3 shows that in 2006/07, expenditure on this programme as a percentage of total expenditure ranges from 7,4 per cent in Mpumalanga to 17,4 per cent in Northern Cape.

### *Farmer support and development*

The *Farmer support and development* programme provides for training and other technical support to farmers with special emphasis on developing or emerging farmers. It also oversees the implementation of the land reform and agricultural rural development programmes. Specifically, the programme aims to ensure that:

*Training of farmers is key to development and rural sustainability*

- land is optimally used and farmers are developed to become efficient and ready to enter the mainstream commercial agriculture sector
- quality extension services are provided to farmers
- mentorship and support programmes are provided to emerging farmers, particularly those benefiting from the land reform programme
- emerging farmers are provided with infrastructure to improve their production capacity and farming operations.

Table 6.4 shows that budgets on this programme grow by 24,3 per cent to R2,9 billion between 2007/08 and 2009/10. Table 6.4 further shows that in 2006/07, provinces spent 47,3 per cent or R2,1 billion of their agriculture budgets on expenditure to the *Farmer support and development* programme. Limpopo, KwaZulu-Natal and North West have the highest expenditure levels of 56,5 per cent, 54,7 per cent and 49,6 per cent respectively. Gauteng and Western Cape have expenditure levels of below 30 per cent on this programme.

### *Veterinary services*

In 2006/07, expenditure on the *Veterinary services* programme was 8,9 per cent of total provincial spending, at R385 million. Expenditure is expected to increase to R507 million by 2009/10. This level of spending should put the sector in a better position to monitor and minimise animal health risks and improve the hygiene management of animal products in line with national and international standards.

*There is a need to minimise and monitor animal health risks*

### *Technology, research and development services*

The purpose of the programme is to provide agricultural research services and develop information systems in relation to crop and animal production technology and technology for resource utilisation. Spending on the *Technology, research and development services* programme increases from R309 million in 2006/07 to R394 million in 2009/10. Expenditure per province ranges from 18,5 per cent in Western Cape to 4,1 per cent in Limpopo.

*Improved crop and animal production technology*

### *Agricultural economics*

The *Agricultural economics* programme serves to provide effective agricultural economic support services to internal and external clients.

Expenditure on this programme is mainly used to fund marketing services and to develop a database on various economic statistics and trends on the sector. This programme has the lowest share of total expenditure on programmes, at R58 million or 1,3 per cent in 2006/07.

### Structured agricultural training

*Continued capacity building key for the sustainability of the sector*

The *Structured agricultural training* programme facilitates and provides agricultural training to and creates training opportunities for practising and prospective farmers, advisors, technicians and farm workers. Expenditure on this programme rose substantially from R123 million in 2003/04 to R204 million in 2006/07 and is budgeted to increase to R264 million in 2009/10.

**Table 6.5 Provincial agriculture expenditure by economic classification, 2003/04 – 2009/10**

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
	Outcome			Preliminary outcome	Medium-term estimates		
<b>R million</b>							
Current payments	2 599	2 728	3 198	3 373	3 687	4 072	4 330
<i>of which:</i>							
<i>Compensation of employees</i>	1 910	1 907	1 953	2 115	2 381	2 527	2 687
<i>Goods and services</i>	684	819	1 244	1 257	1 306	1 545	1 643
Transfers and subsidies	212	485	474	598	811	756	1 020
Payments for capital assets	233	210	441	380	499	670	695
<b>Total</b>	<b>3 044</b>	<b>3 424</b>	<b>4 113</b>	<b>4 351</b>	<b>4 997</b>	<b>5 498</b>	<b>6 045</b>
<b>Percentage of provincial agriculture expenditure</b>							
Current payments	85,4%	79,7%	77,8%	77,5%	73,8%	74,1%	71,6%
<i>of which:</i>							
<i>Compensation of employees</i>	62,7%	55,7%	47,5%	48,6%	47,6%	46,0%	44,5%
<i>Goods and services</i>	22,5%	23,9%	30,2%	28,9%	26,1%	28,1%	27,2%
Transfers and subsidies	7,0%	14,2%	11,5%	13,7%	16,2%	13,8%	16,9%
Payments for capital assets	7,6%	6,1%	10,7%	8,7%	10,0%	12,2%	11,5%
<b>Total</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>	<b>100,0%</b>
<b>Percentage growth (average annual)</b>		<b>2003/04 – 2006/07</b>				<b>2007/08 – 2009/10</b>	
Current payments		9,1%				8,4%	
<i>of which:</i>							
<i>Compensation of employees</i>		3,5%				6,2%	
<i>Goods and services</i>		22,5%				12,1%	
Transfers and subsidies		41,2%				12,2%	
Payments for capital assets		17,7%				17,9%	
<b>Total</b>		<b>12,6%</b>				<b>10,0%</b>	

Source: National Treasury provincial database

### Compensation of employees

*Personnel spending gradually being brought under control*

Provinces have succeeded in reducing the share of agriculture spending going to personnel. It decreases from 62,7 per cent in 2003/04 to 44,5 per cent by 2009/10. The decrease is mainly due to some provincial departments of agriculture, who inherited a large



number of unskilled staff from former homelands, reducing excessive personnel costs. The most notably improved province is North West, where the share of personnel was reduced from 68,3 per cent in 2005/06 to 51,9 per cent in 2006/07.

**Table 6.6 Provincial agriculture compensation of employees expenditure, 2003/04 – 2009/10**

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
	Outcome			Preliminary outcome	Medium-term estimates		
<b>R million</b>							
Eastern Cape	450	459	408	445	500	528	557
Free State	116	124	133	136	160	177	193
Gauteng <sup>1</sup>	35	41	47	63	83	89	100
KwaZulu-Natal <sup>1</sup>	285	336	359	385	424	453	486
Limpopo	592	478	484	520	519	548	573
Mpumalanga <sup>1</sup>	126	134	154	169	229	242	260
Northern Cape	35	40	42	52	63	66	69
North West <sup>1</sup>	185	204	220	229	246	259	275
Western Cape	85	93	107	117	156	165	175
<b>Total</b>	<b>1 910</b>	<b>1 907</b>	<b>1 953</b>	<b>2 115</b>	<b>2 381</b>	<b>2 527</b>	<b>2 687</b>
<b>Percentage of provincial agriculture expenditure</b>							
Eastern Cape	59,9%	55,8%	51,8%	51,1%	50,6%	47,8%	48,1%
Free State	63,2%	70,0%	44,5%	59,8%	58,5%	57,2%	57,0%
Gauteng	42,1%	41,2%	45,9%	48,2%	46,5%	46,5%	45,0%
KwaZulu-Natal	58,6%	52,8%	45,7%	45,8%	42,1%	41,1%	37,8%
Limpopo	75,3%	65,2%	49,3%	50,7%	47,4%	45,6%	43,6%
Mpumalanga	46,2%	44,1%	34,7%	41,9%	40,4%	38,8%	38,3%
Northern Cape	54,1%	43,6%	31,5%	34,9%	38,7%	35,5%	34,4%
North West	72,8%	55,9%	68,3%	51,9%	56,7%	55,6%	54,7%
Western Cape	53,2%	47,0%	41,4%	44,0%	53,6%	53,0%	50,6%
<b>Total</b>	<b>62,7%</b>	<b>55,7%</b>	<b>47,5%</b>	<b>48,6%</b>	<b>47,6%</b>	<b>46,0%</b>	<b>44,5%</b>
<b>Percentage growth (average annual)</b>							
	<b>2003/04 – 2006/07</b>			<b>2007/08 – 2009/10</b>			
Eastern Cape	-0,3%			5,5%			
Free State	5,6%			9,9%			
Gauteng	22,0%			9,7%			
KwaZulu-Natal	10,5%			7,1%			
Limpopo	-4,3%			5,0%			
Mpumalanga	10,1%			6,6%			
Northern Cape	13,8%			4,3%			
North West	7,3%			5,6%			
Western Cape	11,1%			6,0%			
<b>Total</b>	<b>3,5%</b>			<b>6,2%</b>			

1. Programme 1: Administration has been calculated on a pro rata basis as a result of the combination of the agriculture function with other provincial functions.

Source: National Treasury provincial database

### *Non-personnel expenditure*

Non-personnel expenditure funds the provision of crucial support services to farmers, including farm infrastructure and sustainable resource management. This comprises, among others, land care and management of communal land.

*Growth in non-personnel spending earmarked for improving the quality of agricultural services*

Total provincial non-personnel expenditure has more than doubled from R1,1 billion in 2003/04 to R2,2 billion in 2006/07 and is budgeted to increase to R3,4 billion in 2009/10. As the provinces continue to streamline their core functions and reduce personnel related costs, spending on non-personnel continues to increase rapidly. This trend is evident in all provinces, with Northern Cape showing the most improvement, with a 31,5 per cent and 68,5 per cent split.

**Table 6.7 Provincial agriculture non-compensation of employees expenditure, 2003/04 – 2009/10**

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
R million		Outcome		Preliminary outcome	Medium-term estimates		
Eastern Cape	302	363	380	426	489	577	600
Free State	67	53	166	91	113	132	146
Gauteng <sup>1</sup>	48	58	56	68	96	102	122
KwaZulu-Natal <sup>1</sup>	202	301	428	455	583	649	801
Limpopo	194	255	497	505	575	655	740
Mpumalanga <sup>1</sup>	147	171	290	234	338	382	419
Northern Cape	30	51	91	97	101	119	132
North West <sup>1</sup>	69	161	102	212	188	207	227
Western Cape	75	104	152	149	135	146	171
<b>Total</b>	<b>1 134</b>	<b>1 517</b>	<b>2 160</b>	<b>2 236</b>	<b>2 617</b>	<b>2 971</b>	<b>3 358</b>
<b>Percentage of provincial agriculture expenditure</b>							
Eastern Cape	40,1%	44,2%	48,2%	48,9%	49,4%	52,2%	51,9%
Free State	36,8%	30,0%	55,5%	40,2%	41,5%	42,8%	43,0%
Gauteng	57,9%	58,8%	54,1%	51,8%	53,5%	53,5%	55,0%
KwaZulu-Natal	41,4%	47,2%	54,3%	54,2%	57,9%	58,9%	62,2%
Limpopo	24,7%	34,8%	50,7%	49,3%	52,6%	54,4%	56,4%
Mpumalanga	53,8%	55,9%	65,3%	58,1%	59,6%	61,2%	61,7%
Northern Cape	45,9%	56,4%	68,5%	65,1%	61,3%	64,5%	65,6%
North West	27,2%	44,1%	31,7%	48,1%	43,3%	44,4%	45,3%
Western Cape	46,8%	53,0%	58,6%	56,0%	46,4%	47,0%	49,4%
<b>Total</b>	<b>37,3%</b>	<b>44,3%</b>	<b>52,5%</b>	<b>51,4%</b>	<b>52,4%</b>	<b>54,0%</b>	<b>55,5%</b>

1. Programme 1: Administration has been calculated on a pro rata basis as a result of the combination of the agriculture function with other provincial functions.

Source: National Treasury provincial database

## Conclusion

Through its land reform and agricultural development programmes, government is succeeding in bringing the historically disadvantaged section of the population into the mainstream of the agriculture sector. By March 2007, 1,7 million hectares of land had been redistributed to over 250 000 households. Complemented by the comprehensive agricultural support programme, the land reform programme should ensure that vibrancy returns to South Africa's rural economies. It is critical that government continues to step up agricultural support to ensure sustained productive land use.