

## **BUDGET STATEMENT 1: BUDGET OVERVIEW**

# 1. Budget Strategy and Aggregates

## 1.1. Introduction

The Eastern Cape Provincial Government's policy direction is as set out in the Provincial Growth and Development Plan. This policy is informed by the following national policies, RDP, GEAR, Urban Renewal Programme as well as feedback from initiatives like community outreach programmes. The various policy pronouncements including District Development made by the Executive Council, come from resolutions of various workshops and in summits and all seek to give substance and meaning to the overall policy framework.

In accordance with the governing party's election manifesto, the government is geared towards fulfilling the mandate as given by the electorate during the June 1999 elections. In so doing, various government administrative and political clusters have been formed to coordinate the planning and implementation of programs.

For the financial year 2004/05, all government departments will seek to deploy resources and coordinate their planning in a manner that gives effect to the priorities as outlined, namely: Poverty eradication, Agrarian transformation and household security, Manufacturing growth and diversification, Tourism Development, Human Resource Development, Infrastructure Development as well as Public Sector Transformation. These are also the key priority areas for the next three years medium term expenditure framework.

As part of the national political, economic and socio-cultural set up, our provincial government is committed towards building a better life for all, more especially those who have not been integrated in the economic development activities of our province. The integrated rural development strategy remains the key instrument in tackling this challenge.

## 1.2 Summary of budget aggregates

Table 1.1 presents estimates of the main budget components for the 2004/05 financial year as well as the MTEF up to 2006/07.

**Table 1.2.1: Provincial budget summary**

	Outcome			Main appropri	Adjusted appropri	Revised estimate	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2004/05	2005/06	2006/07
<b>R thousand</b>									
<b>Provincial receipts</b>									
Transfer receipts from national	18,315,867	20,214,540	24,018,314	24,446,947	26,825,248	26,829,503	30,128,623	33,151,807	35,813,470
Equitable share	16,749,624	18,170,630	22,555,205	24,227,559	24,604,860	24,609,115	26,990,177	28,986,381	30,816,480
Conditional grants	1,183,446	1,661,961	1,462,640	2,219,347	2,220,347	2,220,347	3,138,446	4,165,426	4,996,990
Other	382,797	381,949	469	41	41	41	0	0	0
Provincial own receipts	394,542	556,035	639,046	517,375	517,375	509,045	457,861	505,954	528,873
<b>Total provincial receipts</b>	<b>18,710,409</b>	<b>20,770,575</b>	<b>24,657,360</b>	<b>26,964,322</b>	<b>27,342,623</b>	<b>27,338,548</b>	<b>30,586,484</b>	<b>33,657,761</b>	<b>36,342,343</b>
<b>Provincial payments</b>									
Current payments	12,385,693	13,434,767	15,424,633	16,917,664	17,352,080	17,352,080	18,376,107	19,953,493	21,192,455
Transfers and subsidies	5513,857	5,805,882	8,450,968	9,875,846	2,201,959	10,427,467	10,869,297	11,495,556	12,759,379
Payments for capital assets	262,611	354,677	839,647	1,312,243	1,520,155	1,240,375	1,903,608	2,208,712	2,309,509
Unallocated contingency reserve	-	-	-	-	-	-	-	-	-
<b>Total provincial payments</b>	<b>18,162,161</b>	<b>19,595,326</b>	<b>24,715,248</b>	<b>27,932,535</b>	<b>20,639,778</b>	<b>29,019,922</b>	<b>31,149,012</b>	<b>33,657,761</b>	<b>36,342,343</b>
<b>Surplus/(deficit)</b>	<b>548,248</b>	<b>1,175,249</b>	<b>-57,888</b>	<b>-968,213</b>	<b>6,702,845</b>	<b>-1,681,374</b>	<b>562,528</b>	<b>0</b>	<b>0</b>

### 1.3 Financing

The increased obligatory pressures on provincial resources, over the MTEF period indicate a number of areas that can impact on the MTEF Budgets 2004 to 2007 and the financing thereof.

The province is budgeting for a deficit of R563 million for 2004/05. The deficit is as a result of the cost pressures in the social services sector. The deficit will be partly financed from the Revenue Fund (R137 million) and from possible surplus in the MTEF, arising from over collection of interest revenue that is currently budgeted conservatively.

It is important to note that the deficit could be higher if the cost pressures from social grants materialise, as the budget is based on low estimate of growth in beneficiary numbers.

## 2. Budget Process and the Medium-Term Expenditure Framework

### 2.1. Preparatory work on the budget by the government.

- ❑ The preparatory work in the budget process starts around April each year. At this time the departments review their expenditure outcomes for the previous year as well as their strategic plans for the following budget year. The strategic plans are reviewed in relation to the priorities as identified by the political executive. The departments use the MTEF baselines to determine their resource envelopes and this helps with the reprioritization, which is a critical part in the budget process. The departments submit the first budget submission to Provincial Treasury around July, after which budget analysts from Treasury work closely with the departments in evaluating the budget submissions for linkages with provincial and national priorities as well as consideration of resource envelopes.
- ❑ The submission by departments helps Provincial Treasury to review the current forecasts for the coming three years, which is very important for the budget formulation. The evaluation of the departmental submissions is enhanced by the clear identification of priorities, which are often contained in the Ministerial letter that is issued at the beginning of the budget process. The political priorities are translated into departmental spending plans and these form the basis of discussions between Treasury and departments on how the departmental budgets give effect to budget priorities. The evaluation of budgets also forms the basis of recommendation to the Cabinet Budget Committee, and subsequently to EXCO on how resources for the coming year should be allocated.
- ❑ The overall objective of government preparatory work at this stage is to examine whether the estimated revenue and expenditure makes it possible to achieve the fiscal policy targets for the next three years. The most important fiscal targets are the ceiling for the government expenditure.

### 2.2. Medium Term Budget Policy Statement.

- ❑ The Minister of Finance tables the *Medium Term Budget Policy Statement* (MTBPS) before Parliament at the end of October each year.
- ❑ The MTBPS is a significant step forward in public transparency and accountability as it sets out Government's medium-term macroeconomic and fiscal position and its broad policy and spending priorities over the next 3-year period three months before

the detailed Budget is presented to Parliament. Parliament and the public are therefore able to actively engage with Government's medium-term priorities and spending plans.

### 2.3. Integrated Development Planning (IDP), as a support to the budget process.

- ❑ The key objective of the IDP's is to link the planning processes so that better and cost effective service delivery is achieved, through implementing projects jointly or in complement of each other. Within the provincial government the coordination of plans is managed through the clusters.
- ❑ As it relates to the local government sphere, the IDP is co-ordinated through the Inter Government Forum (IGF). This is supported at high level as it is driven by the Office of the Premier. The structure is made of representatives from the national, provincial and local government spheres. The intention is to share information on the priorities and develop integrated strategy towards the realisation of those priorities. The initiative is however still meeting challenges in terms of co-ordination and these are often caused by different planning cycles.

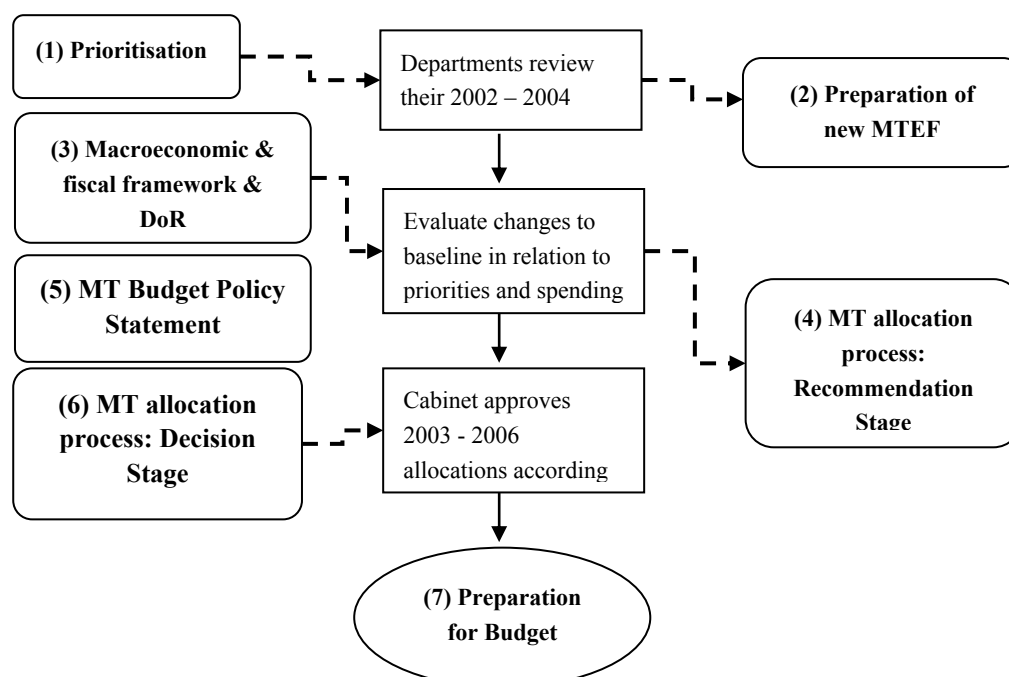
### 2.4. Budget Indibano.

The Budget Indibano is crucial to the recommendation stage of the budget process. This is an annual gathering that last for a day or two, wherein the cluster departments review progress in meeting the priorities agreed to during the previous year, as a basis of identifying new spending priorities for the following year. After this event the departments are expected to align their strategic plans to the set priorities and this is debated in the Budget hearings.

### 2.5. Linkage to National Processes.

The budget process makes provision for early consideration of any new spending pressures, especially where these relate to an expansion of existing and new conditional grants. Treasuries and national and provincial departments will participate in the relevant technical committees to examine, research and formulate recommendations regarding key provincial spending pressures as well as the administration and implementation of conditional grants.

### 2.6. Diagrammatic representation of the budget process.



### 3. SOCIO-ECONOMIC OUTLOOK

The distribution of demographic and socio-economic characteristics in the Eastern Cape Province reflects severe spatial imbalances and racial inequalities that stem from the effects of decades of apartheid policies. While these circumstances are deeply entrenched, and will continue to affect the nature and distribution of economic development for many years, significant procedures have been initiated to identify and address their effects through integrated and constructive planning at the macro and micro levels. These procedures are embodied in the Provincial Growth and Development Plan and the Integrated Development Plans formulated by District, Local and Metro Municipalities. Taken together, these plans form a comprehensive framework within which public and private sector initiatives regarding the development of the Province can be organised and co-ordinated.

#### Demographic Characteristics

The total population of the Eastern Cape Province, as at the 2001 Census, was 6 436 763, compared to 6 302 525 in the 1996 Census, which represents an annual growth rate of 2.2% over the five-year period. The composition of the population in 2001 is indicated in Table 3.1.

**Table 3.1.1: Total Population, by population group and gender, 2001**

Population Group	Male	Female	Total	%
Black African	2 589 197	3 045 882	5 635 079	87.5
Coloured	229 890	248 917	478 807	7.4
Indian/Asian	9 310	9 062	18 372	0.3
White	147 109	157 396	304 505	4.8
<b>Total</b>	<b>2 975 506</b>	<b>3 461 257</b>	<b>6 436 763</b>	<b>100.0</b>

Source: StatsSA, Census 2001

The distribution of the population in the Province by District Municipality and in urban and rural areas is indicated in Tables 3.2 and 3.3.

**Table 3.2: Distribution of Population by Municipality, 2001**

Municipality	Population	Area (sq km)	Density/sq km
Metro: Nelson Mandela	1 005 776	1 969	510.0
District: Cacadu	388 224	58 166	6.7
District: Amatole	1 664 258	23 545	70.7
District: Ukahlamba	341 339	25 276	13.5
District: O R Tambo	1 676 477	15 753	106.4
District: Alfred Nzo	550 389	7 976	69.0
District: Chris Hani	810 300	36 895	22.0
<b>Total</b>	<b>6 436 763</b>	<b>169 580</b>	<b>37.9</b>

Source: Based on Census 2001 and Municipal IDPs

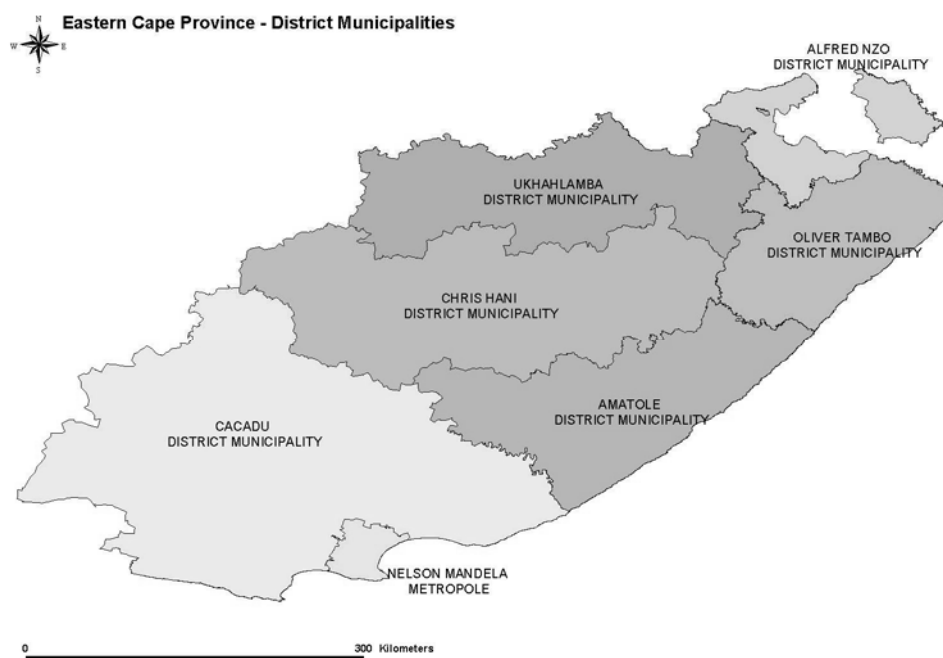
**Table 3.3: Distribution of Urban/Non-Urban Population, 2001**

Municipality	Total	% of Total	% Urban	% Non-Urban
METRO: NELSON MANDELA	1 005 776	16	97.9	2.1
District: Cacadu	388 224	5	27.2	72.8
District: Amatole	1 664 258	26	39.0	61.0
District: Ukahlamba	341 339	5	37.9	62.1
District: O R Tambo	1 676 477	26	8.9	91.1
District: Alfred Nzo	550 389	9	2.0	98.0
District: Chris Hani	810 300	13	39.0	61.0
<b>Total</b>	<b>6 436 763</b>	<b>100</b>	<b>30</b>	<b>70</b>

Note: Census 2001 does not provide data on urban-rural distributions of population. The percentage distributions indicated above are based on information contained in the Provincial Spatial Development Plan: 2000, and estimated for the province as a whole.

The District Municipalities in the Province are indicated in Figure 3.1.

**FIGURE 3.1: Eastern Cape District and Metro Municipalities**



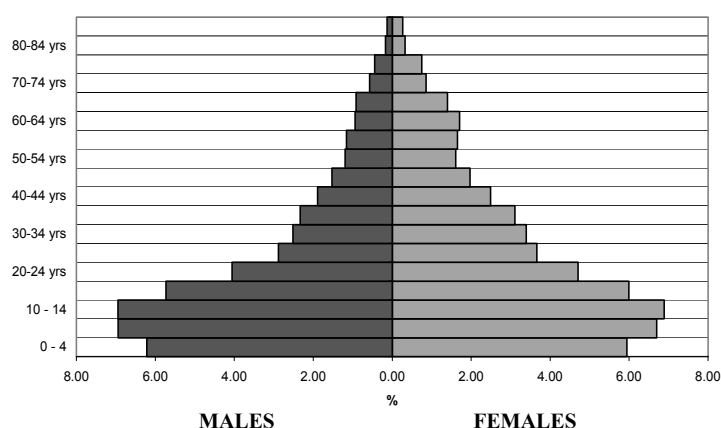
The Nelson Mandela Metro and the Amatole District Municipality areas contain more than 40% of the total population in the Province, most of whom live in the two major urban agglomerations of Port Elizabeth-Uitenhage and East London-King William's Town. Consequently, the population density in these areas is well above the overall average density of 38 persons per sq km. The O R Tambo and Alfred Nzo Districts

also have high population densities (106 and 69 persons per sq km, respectively), which are related to dense rural settlement that characterised the previous bantustans in the Province. On the other hand, population density in the Cacadu District is under 7 persons per sq km, largely as a result of semi-arid climatic conditions and the extensive livestock grazing that predominates in the area. It should be noted, too, that many thousands of Black Africans were removed from this area and relocated in the bantustans during the 1970s, which also contributed to the relatively higher population densities in the Districts indicated above. The distribution and density of population in the Province in 2003 is the outcome of many decades of socio-economic policies, coupled with deliberate socio-political engineering designed to regulate and control the lives and livelihoods of Black Africans. It is now well known that these policies failed completely, but their legacies will linger in the Province for some time to come. This represents one of the most significant challenges for the Provincial Government: to ensure that the provincial space economy is re-shaped and organised to meet the needs of all the people in the Province.

The Nelson Mandela Metro region and the Amatole, Chris Hani and Ukahlamba Districts have the highest proportions of urban population, while the O R Tambo and Alfred Nzo Districts are dominated by much higher proportions of non-urban population. Overall, around 70% of the Province's population live in non-urban areas. This, too, is largely a result of prior policies that have generated significant rural-urban migratory pressures in recent years. Adequate planning and budgetary provision for the delivery of facilities and services ranging from housing, schools and clinics to water, sanitation, electricity and waste management are key imperatives for the Provincial Government under such circumstances.

The overall age-gender structure of the Provincial population is shown in Figure 3.2.

**FIGURE 3.2: EASTERN CAPE AGE-GENDER STRUCTURE. 2001**



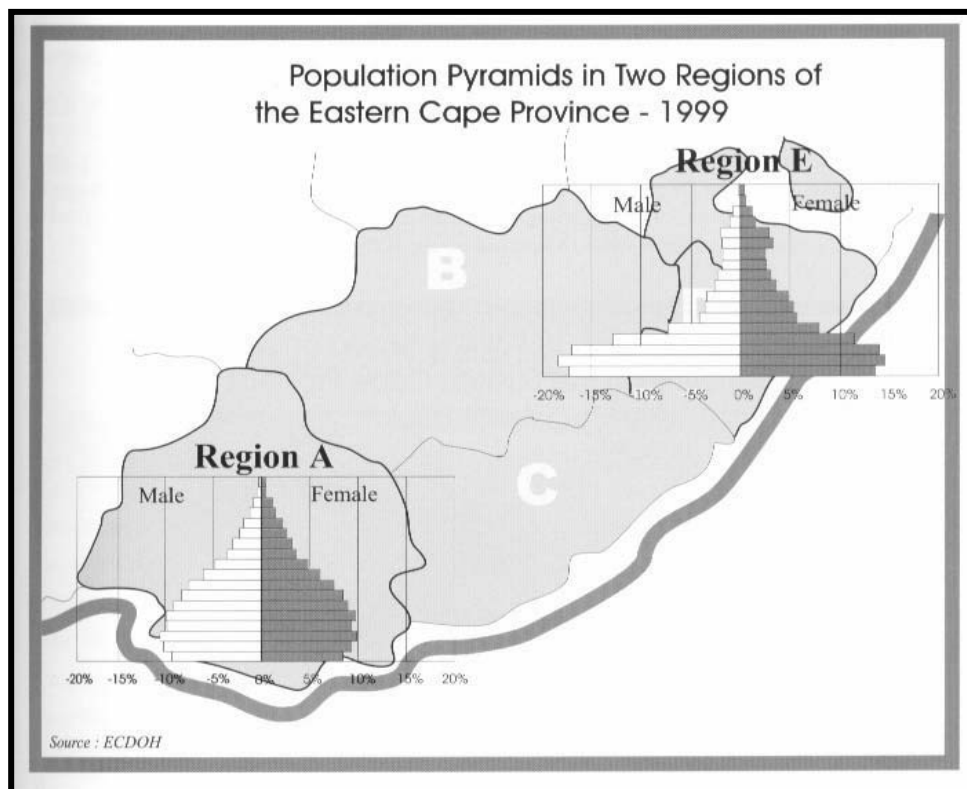
The following observations arise from the age-gender structure:

- There is a noticeable disparity between males and females in the age groups ranging from 20 to 60 years old, with proportionally fewer males than females. This is largely attributed to the migratory labour propensity of Black African males, particularly from rural areas, who are constrained to seek employment outside of the Province.

- The bulge reflected in the distribution of both males and females in the 5 to 14 year old age categories suggests a substantial growth potential over the next 10 years.
- The narrowing of the base of the population pyramid suggests a decline in the total fertility rate which could result in a more stable population growth when the bulge in the 5 to 14 year age cohorts has worked through the structure.
- The impact of HIV and Aids on the population structure is difficult to assess, but may be a contributory factor to both the reduced proportion of males in the 20 to 60 age cohorts and the narrower base of the population pyramid.

There are significant differences in the age-gender population structure in the eastern and western areas of the Province. This reflects the effects of a largely rural and underdeveloped eastern area and a more urbanised and developed western area of the Province. These differences are indicated in Figure 3.3.

**FIGURE 3.3: COMPARATIVE POPULATION PYRAMIDS FOR THE EASTERN AND WESTERN AREAS OF THE EASTERN CAPE, 1999**



The age-gender pyramid for the eastern areas of the Province, designated as Region E in Figure 3.3, has a broadly-based structure with between 15% and 20% of both males and females in the younger age categories. This is indicative of a younger and more dynamic population structure with a significant growth potential, albeit that there is an emerging narrowing in the youngest age cohorts. The age-gender distribution in the western area of the Province, on the other hand, reflects a more mature population structure with a more stable growth potential.

Such differences have clear implications with respect to planning for effective service delivery and support strategies that focus attention on the eastern area of the



Province in terms of housing, basic services and social infrastructure such as schools and health facilities.

The extent to which households in the Province have access to basic services constitutes an important indicator of their development status. The distribution of access to toilet facilities, refuse removal and water supplies is shown in Tables 3.4, 3.5 and 3.6, respectively.

**Table 3.4: Household access to toilet facilities, by population group, 2001**

Facility	Black African	Coloured	Indian/ Asian	White	Total	RSA
Flush toilet sanitation	26.4	74.3	97.5	98.8	34.8	53.8
Pit latrine (VIP and other)	32.7	8.3	1.2	0.5	28.8	28.5
Bucket latrine	5.8	10.0	0.3	0.1	5.6	4.1
None	35.1	7.4	1.0	0.6	30.8	13.6
<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>

Source: StatsSA, Census 2001

In terms of household access to toilet facilities, the Eastern Cape is considerably below the national average with some 35% of all households having access to flush sanitation, compared to the national average of 54%. The incidence of bucket latrines and households with no access to toilet facilities is of considerable concern, since these circumstances create conditions which are conducive to unhygienic community living. Thus, almost 6% of all households have access only to bucket latrines and over 30% have no toilet facilities at all, compared to the national averages of 4% and 14%, respectively. The distribution of access to toilet facilities among population groups in the Province reflects wide disparities that are a direct consequence of previous policies of neglect and exclusion. The difference between Black African households and all other households, in this regard, is significant and provide clear direction regarding the priorities for provincial and local government budgetary resource allocations in the short and medium terms.

**Table 3.5: Household access to refuse removal, by population group 2001**

Removal system	Black African	Coloured	Indian/Asian	White	Total	RSA
Local Authority Removal	30.8	83.6	96.5	88.4	38.4	56.9
Communal and Own Refuse Dump	50.0	14.0	3.1	11.1	44.8	34.4
No refuse disposal	19.2	2.4	0.4	0.5	16.8	8.7
<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>

Source: StatsSA, Census 2001

In terms of refuse removal, Eastern Cape households are also considerably below the national average with around 38% having access to local authority removal services, compared to almost 57% at the national level. In this regard, the distribution across population groups also reflects significant inequalities, with less than one-third of Black African households having access to local authority services, compared to

well over 80% among all other households in the Province. In particular, nearly 20% of Black African households have no access to refuse removal services.

**Table 3.6: Main household water supply, by population group, 2001**

Supply source	Black African	Coloured	Indian/ Asian	White	Total	RSA
Piped water to dwelling	28.4	85.0	95.4	95.2	37.0	61.5
Communal stand piped water	28.3	11.3	3.7	3.7	25.4	22.8
Borehole/Spring/Tank	12.3	1.3	0.4	0.8	10.6	5.0
Dam/Pool/River/Vendor	29.3	1.6	0.5	0.2	25.4	8.3
Other	1.7	0.8	-	0.1	1.6	2.4
<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>

Source: StatsSA Census 2001

Access to water supplies by Eastern Cape households reflects similar differences between the Province as a whole and the national average; while Black African households are uniformly less well provided for among the Province's population groups. Fewer than 30% of Black African households are serviced with piped water to the dwelling, compared to well over 80% in the case of other population groups. Moreover, more than 29% of Black African households in the Eastern Cape have access only to natural sources of water which are often polluted to the extent that they constitute further health hazards to the affected households.

These three basic indicators demonstrate the extent of overall inequality between the Province and the RSA as a whole; and also provide an indication of the extent to which there are severe disparities between Black African households and all other households in the Province. It is imperative that such statistics should form the basis for effective service delivery planning and resource allocation by the Provincial Government and local authorities.

### 3.2 Socio-Economic Characteristics

#### *Employment*

The key socio-economic indicator for the Eastern Cape is the status of people regarding employment. Table 3.7 indicates the employment status among population groups in the Province in 2001.

**Table 3.7: Employment status by population group, 2001**

	Employed	Unemployed	% Unemployed	National Average %
Black African	507 422	830 404	62.1	50.2
Coloured	116 332	68 080	36.9	27.0
Indian/ Asian	7 092	1 089	13.3	16.9
White	123 483	8 411	6.4	6.3
<b>Total</b>	<b>754 329</b>	<b>907 984</b>	<b>54.6</b>	<b>41.6</b>

Source: StatsSA Census 2001

More than half (54.6%) of the economically active population in the Eastern Cape was unemployed in 2001, compared to the national average of around 41% unemployed. Among Black Africans, the situation is considerably more serious, both in the Province and in the country as a whole. More than 62% of the Black African labour force in the Eastern Cape was unemployed in 2001, while over 50% of the Black African labour force in the country was unemployed in 2001. Unemployment rates among the other population groups in the Province were relatively lower in 2001, but this does not detract from the overall severity of the challenge for sustainable job creation in the Province.

Unemployment among Black Africans, combined with other indicators that reflect conditions of severe inequality affecting Black Africans, emphasises the extent to which this segment of the Province's population remains marginalised. Without gainful employment, it is very difficult for any household to secure an improved quality of life in terms of basic services.

### *Income*

The percentage distribution of monthly income, by population group, is shown in Table 3.8, and is a further indicator of the disadvantaged position of Black Africans in the Province. Income distribution for the Coloured population indicates a marginally better position, while the Indian/Asian and White population groups are substantially better off in terms of income distribution. Some 59% of the total employed persons aged between 15 and 65 years old earn less than R1,600 per month. Among Black African and Coloured earners, 69% and 61%, respectively fall into this category, while for the Asian/Indian and White earners, the proportion in the under R1,600 per month category is around 19% and 16%, respectively.

**Table 3.8: Monthly income by population group, 2001**

Income group	Black African	Coloured	Indian / Asian	White	Total
Under R1600	69.2	61.4	18.8	16.3	<b>58.9</b>
R1601 to R6400	26.7	33.4	52.6	52.1	<b>32.1</b>
R6401 to R12800	3.2	4.3	18.9	20.7	<b>6.3</b>
R12801 to R51200	0.7	0.7	8.5	9.9	<b>2.2</b>
Over R51201	0.2	0.2	1.2	1.8	<b>0.5</b>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: StatsSA Census 2001

### *Education*

The highest educational level attained among people over 20 years of age is indicated in Table 3.9. It is clear that part of the reason for the relative marginalisation and exclusion of Black African and Coloured people, which is evident in terms of employment, income and access to basic services, lies in the educational inequalities reflected in Table 3.9. Nearly half of Black Africans and 28% of Coloured people over 20 years old have had no schooling or only some primary education. This is probably indicative of the proportion of these population groups that are functionally illiterate,

which is a severe impediment in terms of finding and keeping gainful employment and earning an adequate living. On the other hand, 7% of the Indian/Asian population and 2% of Whites fall into this educational category. At the other end of the educational attainment scale, 5% and 4% of Black Africans and Coloured people, respectively, have a tertiary or post-secondary school level of education, while the proportion for the Indian/Asian and White population groups in this educational category is 26% and 24%, respectively.

In order to plan adequately for the future, human resource development is a key priority for the Provincial Government. Hence, it is imperative to address the inequities that are evident in Table 3.9, because they affect all other aspects of the Province's social and economic development prospects. It is evident, too, however, that the educational situation cannot be reversed overnight. It can only be addressed in the context of an overall Provincial development planning initiative that recognises the fundamental importance of human resource development.

**Table 3.9: Highest level of education, by population group, 2001**

Educational category	Black African	Coloured	Indian/Asian	White	Total	RSA
No Schooling + Some Primary	48	28	7	2	43	34
Primary + Some Secondary	36	51	33	33	37	37
Grade 12 (Matric)	11	17	34	41	14	20
Higher (Post-Matric)	5	4	26	24	6	9
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: StatsSA, Census 2001.

Universe: All persons 20 years of age and above.

### 3.3 Economic circumstances

The distribution of economic activity in the Province, by sector, is shown in Table 3.10, together with an indication of annual growth between 1995 and 2002 and between 2001 and 2002. In 2002, the total value of goods and services produced in the Eastern Cape amounted to R52.3bn, compared to R51.9bn in 2001 and R45.3bn in 1995. This indicates an overall economic growth rate of 0.8% per annum in 2001-2002, and a longer-term growth rate of 2.1% per annum between 1996 and 2002. which is somewhat below the overall growth in national GDP over the same periods.

The provincial economy is dominated by tertiary production sectors, which accounted for over 68% of GDP in 2002 with an overall growth rate of 2.2% per annum between 1996 and 2002. Within the tertiary production sector, the principal sectors are General Government Services (19.6% of total GDP), Finance and Business Services (18.5%) and Wholesale/Retail Trade and Hotels/Restaurants (12.9%). The secondary production sectors contributed over 20% towards GDP in 2002 and primary production sectors accounted for 2.4% of GDP. In the secondary production sector, Manufacturing is the leading sector and constituted 17.1% of GDP. The relative importance of the Manufacturing sector is indicated by sustained growth of over 2% per annum between 1996 and 2002.

The Agriculture and Construction sectors recorded decreases of 12.1% and 13.1%, respectively between 2001-2002. These are significant declines in sectors that are crucial to the development of the Provincial economy and provide an indication of where priority attention should be devoted by the Provincial Government.

**Table 3.10: Gross Domestic Product per Region (GDPR) 1995-2002**

Economic Sector	GDPR (R million)			% growth		% contribution by sector 2002
	1995	2001	2002	2001-2002	1996-2002	
Agriculture, Forestry and Fishing	1,420	1,740	1,529	-12.1	1.1	2.3
Mining and Quarrying	52	51	55	8.9	0.8	0.1
<b>Sub-Total: Primary Production</b>	<b>1,472</b>	<b>1,791</b>	<b>1,584</b>	<b>-11.5</b>	<b>1.1</b>	<b>2.4</b>
Manufacturing	8,243	9,303	9,512	2.2	2.1	17.1
Electricity and Water	853	1,080	1,078	-0.2	3.4	1.4
Construction	860	1,154	1,003	-13.1	2.2	1.7
<b>Sub-Total: Secondary production</b>	<b>9,955</b>	<b>11,536</b>	<b>11,593</b>	<b>0.5</b>	<b>2.2</b>	<b>20.2</b>
Wholesale/Retail Trade/ Hotels/ Restaurants	6,815	6,994	7,158	2.3	0.7	12.9
Transport, Storage and Communication	3,518	4,908	5,303	8.0	6.0	8.4
Finance, Real Estate and Business Services	7,136	8,844	8,723	-1.4	2.9	18.5
Community, Social and Personal Services	3,637	4,151	4,261	2.6	2.3	9.1
General Government Services	8,825	9,283	9,298	0.9	0.7	19.6
<b>Sub-Total: Tertiary Production</b>	<b>29,931</b>	<b>34,180</b>	<b>34,743</b>	<b>1.6</b>	<b>2.2</b>	<b>68.5</b>
<b>All Industries at Basic Prices</b>	<b>41,359</b>	<b>47,508</b>	<b>47,920</b>	<b>0.9</b>	<b>2.1</b>	<b>91.1</b>
<i>Taxes less subsidies on products</i>	<b>3,973</b>	<b>4,404</b>	<b>4,388</b>	<b>-0.4</b>	<b>1.4</b>	<b>8.9</b>
<b>Total GDPR at Market Prices</b>	<b>45,331</b>	<b>51,912</b>	<b>52,308</b>	<b>0.8</b>	<b>2.1</b>	<b>100.0</b>

GDPR at constant 1995 prices

Source: StatsSA Gross Domestic Product estimates per Region 1995-2002, November 2003

Employment across industrial sectors in the Province for 2001 is indicated in Table 3.11. The tertiary production sectors provided the largest proportion of employment opportunities in 2001 (62.2% of total employment), while the secondary and primary production sectors employed 17.4% and 10.2%, respectively, of the total employment in 2001.

In the secondary production sector, Manufacturing provided employment for 12% of the labour force. Given that the Manufacturing sector produced nearly 18% of GDPR in 2001, this suggests that overall productivity in the sector is sound. On the other hand, the Agriculture and Construction sectors accounted for 9.6% and 4.9%, respectively, of total employment, and contributed 2.3% and 1.7%, respectively, of GDPR in 2002, which is probably a reflection of more labour intensive activities in these sectors. It is anticipated that major infrastructure developments in the Province during 2003, such as those associated with the Industrial Development Zones, will have positive effects on the Construction sector GDPR in subsequent years.

**Table 3.11: Employment by economic sector, 2001**

Economic Sector	Employees	
	Number	%
Agriculture, Forestry and Fishing	72 123	9.6
Mining and Quarrying	4 574	0.6
<b>Sub-Total: Primary Production</b>	<b>76 697</b>	<b>10.2</b>
Manufacturing	90 864	12.0
Electricity and Water	3 763	0.5
Construction	36 761	4.9
<b>Sub-Total: Secondary Production</b>	<b>131 388</b>	<b>17.4</b>
Wholesale/Retail Trade/Hotels/Restaurants	104 647	13.9
Transport, Storage and Communication	27 587	3.7
Financial, Real Estate and Business Services	51 451	6.8
Government, Community, Social and Personal Services	196 345	26.0
Private Households	89 337	11.8
<b>Sub-Total: Tertiary Production</b>	<b>469 367</b>	<b>62.2</b>
<b>Undetermined and Other</b>	<b>76 886</b>	<b>10.2</b>
<b>TOTAL</b>	<b>754 338</b>	<b>100.0</b>

Source: StatsSA Census 2001

### 3.4 Conclusion

This brief review outlines the dimensions of the significant challenges that must be addressed in the Eastern Cape. Development planning procedures that identify priority programmes and that are clearly aligned with the Province's budget allocations are imperative. Towards this end, the Province has formulated the Eastern Cape Provincial Growth and Development Plan (PGDP), which consists of a ten-year programme designed to address poverty and inequality through social and economic development and job creation. The PGDP will be launched in the 2004/05 to 2006/07 MTREF period and this budget is the first step towards institutionalising the PGDP as an integral component of Provincial planning for effective service delivery and economic growth.

The PGDP is based on six strategic objectives that were derived from extensive consultation among public and private sector interests in the Province. The PGDP strategic objectives are the following:

- Poverty eradication.
- Agrarian transformation and household food security.
- Manufacturing growth and diversification and tourism development.
- Human Resource Development.
- Infrastructure Development.
- Public Sector Transformation.

Short-term PGDP programmes were devised on the basis of the following initiatives:

- The overall PGDP strategic framework was adopted by the Provincial Executive Council in June 2003.
- Priority programme interventions were adopted by the Budget Indabano in August 2003 as an essential framework for allocating provincial resources for the 2004/05 to 2006/07 MTREF period.
- Provincial Departmental Strategic Plans were reviewed during September 2003 in order to facilitate the incorporation of priority PGDP programmes into the MTREF period.
- Prospects for incorporation and alignment were discussed with sector Departments at the Medium Term Expenditure Committee (MTEC) hearings during October 2003.
- District, Local and Metro Municipality Integrated Development Plans (IDPs), and their associated five-year budgets, will constitute a fundamental basis through which the PGDP process will be implemented.

The Provincial budgeting process is about effective planning for the efficient allocation of government resources towards spatial and sectoral areas where their impact will be maximised. In the Eastern Cape, this process is now firmly linked to the ten-year vision of the PGDP within the context of Departmental Strategic Plans and the Municipal IDPs. This is a dynamic process that will be reviewed during the course of each MTREF cycle to ensure that planning and budgeting is responsive to changing social, economic and political circumstances in the Province.

## **4. Receipts**

### **4.1 Overall position**

Table 4.1 presents a summary of provincial revenue and the split between national sourced and own revenue, i.e. actual revenue for 2000/01, 2001/02 and 2002/03, the preliminary outcome for 2003/04, voted revenue for 2004/05 and budget estimates for 2005/06 and 2006/07. National sourced revenue consists of equitable share transfers and conditional grants.

There are slight changes between the current year and the MTEF for both the national and provincial sourced revenue. The changes from national sourced revenue are due to slight increases in allocations to take account of higher inflation than assumed. There are also increases in the conditional grants as shown in table 1.7. below. Total provincial revenue is calculated to be R30,586 billion in 2004/05, which is 11,7% more than the 2003/04 estimated actual. Between 2003/04 and 2006/07, provincial revenue is expected to grow at an annual average rate of 10% (i.e. 11,7% in 2004/05, 10% in 2005/06 and 7,9% in 2006/07. Based on this analysis, it is clear that the growth rates in national transfers are on a declining scale, even though they are above official inflation estimates. This can be attested by the percentage growth rates between 2003/04 and 2004/05 financial years, wherein a decline in growth of 5,% is evident (i.e. 17% in 2003/04 and 11,7% in 2004/05). This state of affairs is not assisting in resolving the financial obligations that the province is faced with in relation to the social security growth rates, wherein the province has continuously subsidised the allocation to the social security to the detriment of other equally deserving sectors. In the 2004/05 financial year, the additional social security obligation of close to a R2 billion outlay, if not accompanied by any national transfers, is bound to lead the province into a financial

quagmire. With effect from 2000/01 to 2003/04 overall provincial revenue grew at an annual average rate of 13% (i.e. 11% in 2001/02, 12% in 2002/03 and 17% in 2003/04. Growth in equitable share and conditional grants in 2003/04, which was 98% of the total revenue contributed to the growth in provincial revenue. In 2004/05 Budget and over the MTEF, national transfers comprise on average 98,5% of the total provincial revenue, of which 86,3% is through the equitable share (i.e. 88%, 86% and 84,8% respectively). The remaining 13.7% flows as conditional grants. More details of national transfers are discussed in paragraphs 4.2 and 4.3 below.

The changes in own revenue are due to downward revision of interest budget as a result of various economic factors, which amongst others includes the interest rates, diminishing capital base and an acceptable improved spending of departments in their service delivery obligations. Because of these myriad factors, the Provincial Treasury has accordingly adjusted its forecasted interest income which as a matter of consequence affects the MTEF period, inclusive of the current year.

Provincial own revenue sources comprise of motor vehicle licenses, gambling and casino taxes, horseracing and betting, health patient fees and interest revenue. Own revenue remains an important source of marginal funding, although sources are fairly limited. In 2001/02 provincial own revenue formed 2,7% of the total provincial revenue envelope being 0,6% higher than 2000/01. This raises a concern as the national average is approximately 4%. In 2002/03 own revenue as a percentage of provincial revenue envelope was approximately 2,7%. Overall, own revenue projections for 2003/04 reflect that the target of R517m will be achieved and even be exceeded by approximately 7%, and this is attributed to once off amounts received from departments of Economic Affairs, Environment and Tourism and Transport.

In 2004/05 own revenue is expected to decline by approximately 18,%. As a result of this decrease, on average own revenue growth is expected to be 1% between 2003/04 and 2006/07 (i.e.-18%, 10,5% and 4.5% respectively). Provincial own revenue is discussed in more detail in paragraph 4.4.

**Table 4.1: Summary of provincial receipts**

	Outcome			Main apprpr	Adjusted apprpr	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03	2003/04			2004/05	2005/06	2006/07
<b>R thousand</b>									
<b>Transfer receipts from national</b>									
Equitable share	16,749,624	18,170,630	21,166,007	24,227,559	24,626,849	24,626,849	26,990,176	29,082,907	30,913,625
Conditional grants	1,566,243	2,043,910	1,548,110	2,219,347	2,220,347	2,220,347	3,138,446	4,165,426	4,996,990
<b>Total transfer receipts from national</b>	<b>18,315,867</b>	<b>20,214,540</b>	<b>22,714,117</b>	<b>26,446,906</b>	<b>26,847,196</b>	<b>26,847,196</b>	<b>30,128,622</b>	<b>33,248,333</b>	<b>35,910,615</b>
<b>Provincial own receipts</b>	<b>394,542</b>	<b>554,242</b>	<b>637,282</b>	<b>517,416</b>	<b>517,416</b>	<b>555,568</b>	<b>457,861</b>	<b>505,954</b>	<b>528,837</b>
<b>Tax receipts</b>	<b>87,165</b>	<b>90,594</b>	<b>106,707</b>	<b>190,388</b>	<b>190,388</b>	<b>190,388</b>	<b>190,755</b>	<b>198,668</b>	<b>202,654</b>
<i>Gambling &amp; Casino Taxes</i>	16,808	23,579	30,461	41,105	41,105	41,105	37,371	40,769	43,215
<i>Horseracing and Betting</i>	7,047	1,154	3,617	3,378	3,378	3,378	3,733	4,018	4,259
<i>Liquor Licenses</i>	1,681		1,980	1,500	1,500	1,500	2,400	3,000	3,180
<i>Motor vehicle licenses</i>	61,629	65,861	70,649	144,405	144,405	144,405	147,251	150,881	152,000
<b>Non-tax receipts</b>	<b>284,780</b>	<b>458,626</b>	<b>524,742</b>	<b>324,338</b>	<b>324,338</b>	<b>269,948</b>	<b>264,356</b>	<b>307,286</b>	<b>326,183</b>
<b>Sale of goods and services other than capital assets</b>									
<i>of which:</i>	95,091	125,225	125,416	102,080	102,080	102,080	111,862	111,648	118,777



**Table 4.1: Summary of provincial receipts**

R thousand	Outcome			Main appropri	Adjusted appropri	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited	2003/04	2003/04	2003/04	2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
Fines, penalties and forfeits	422	268	814	657	657	657	676	717	790
Interest, dividends and rent on land	189,267	333,133	398,512	221,601	221,601	167,211	151,818	194,921	206,616
Transfers received									
Sale of capital assets	262	4,339	-	2,690	2,690	2,690	2,750	-	-
Financial transactions, Assets and Liabilities	22,335	683	5,833	-	-	92,542	-	-	-
<b>Total provincial own receipts</b>	<b>394,542</b>	<b>554,242</b>	<b>637,282</b>	<b>517,416</b>	<b>517,416</b>	<b>555,568</b>	<b>457,861</b>	<b>505,954</b>	<b>528,837</b>
<b>Total provincial receipts</b>	<b>18,710,409</b>	<b>20,768,782</b>	<b>23,351,399</b>	<b>26,964,322</b>	<b>27,364,612</b>	<b>27,364,612</b>	<b>30,586,483</b>	<b>33,754,287</b>	<b>36,439,452</b>

## 4.2 Equitable share

The provinces receive almost all of their revenue from the National fiscus

The Constitution under section 214(1) of the Constitution requires an Act of Parliament to provide for an equitable division of revenue between the three spheres of government in accordance with their expenditure assignments and fiscal capacities. The review of the equitable share formulae as a result of the 2001 Census data has affected several components with implications for provincial allocations.

The formula used in dividing funds amongst provinces has, amongst others, the following components:

- 1) An education share of 41 %, based on School Age Cohort (6 to 17) years and enrolment.
- 2) The department of Health with 19%. The FFC recommendation for 2004 MTEF covers wide range of areas including issues pertaining to HIV and AIDS funding.
- 3) A social security share of 18 %.

The equitable share formula is reviewed taking into account the recommendations of the Financial and Fiscal Commission.

The amount of equitable share funding in the forthcoming budget for the Eastern Cape Provincial Government is R26 990 176 (R24 626 849 for 2003/04). The province will be getting R29 082 907 and R 30 913 625 for 2005/06 and 2006/07 respectively.

## 4.3 Conditional grants

Table 4.2 provides an analysis of the conditional grants voted, received and expensed over the MTEF years.

Priority areas to be addressed by the forthcoming financial year conditional grants, include, amongst others, Anti-Retroviral Program, Food Relief Grant, Child Support Grant, Flood Rehabilitation an increase in Integrated Nutrition Program.

**Table 4.2: Summary of conditional grants by Vote**

R'000	Outcome			Main appropri	Adjusted appropri	Estimated outcome	Medium-term estimates		
	Audited	Audited	Audited	2003/04	2003/04	2003/04	2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
<b>Vote 3</b>	<b>463,170</b>	<b>322,910</b>	<b>451,252</b>	<b>592,080</b>	<b>1,000</b>	<b>593,080</b>	<b>628,286</b>	<b>811,448</b>	<b>892,084</b>

**Table 4.2: Summary of conditional grants by Vote**

R'000	Outcome			Main appropri	Adjusted appropri	Estimated outcome	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2004/05	2005/06	2006/07
Central hospitals	13,000	13,201							
Health Professions Training and Development	52,830	55,865	72,049	79,873		79,873	97,464	127,566	127,566
Redistribution of specialised health services grant	67,437	46,725							
Hospital Revitalisation	84,000	69,000	84,000	90,751		90,751	116,354	121,008	146,291
Nelson Mandela Academic Hospital	111,852								
Comprehensive HIV and Aids	2,213	6,281	28,253	38,934		38,934	98,970	159,005	218,021
Integrated Nutrition Programme	131,838	131,838	131,838	172,465		172,465	23,933	26,316	
National Tertiary Services			125,779	195,504		195,504	272,036	353,022	374,203
Hospital Man. & Quality Improvement.			9,333	14,553		14,553	19,529	24,531	26,003
Medico-legal					1,000	1,000			
<b>Vote 4</b>	<b>9,417</b>	<b>451,807</b>	<b>5,998</b>	<b>372,921</b>		<b>372,921</b>	<b>1,004,199</b>	<b>1,808,644</b>	<b>2,404,523</b>
Welfare Financial Management	5,067	642	1,200						
Food Relief				94,133		94,133	94,133	94,133	99,781
HIV and Aids Community-Based Care	950	1,500	4,798	6,658		6,658	7,089	7,514	7,965
Women Flagship Programme	200	150							
Welfare Child Support	3,200			272,130		272,130	902,977	1,706,997	2,296,777
Regulation 11-Arrear payments		449,515							
<b>Vote 6</b>	<b>43,426</b>	<b>55,037</b>	<b>79,283</b>	<b>81,935</b>		<b>81,935</b>	<b>199,503</b>	<b>217,867</b>	<b>258,875</b>
Financial Management & Quality enhancement	38,854	39,405	42,240	43,367		43,367			
Early Childhood Development		3,885	9,805	16,280		16,280			
HIV and Aids (Lifeskills Education)	4,572	11,747	27,238	22,288		22,288	22,244	23,579	24,993
National School Nutrition							177,259	194,288	233,882
<b>Vote 7</b>	<b>577,292</b>	<b>545,136</b>	<b>649,470</b>	<b>707,738</b>		<b>707,738</b>	<b>654,913</b>	<b>593,915</b>	<b>629,550</b>
R293 towns	43,392								
Subsidy to develop land in poor rural areas									
DPLG support	17,965	28,800	31,200						
SA Housing Fund	494,800	508,011	580,806	641,757		641,757	598,900	569,448	603,615
Housing capacity building grant	1,000								
Local Gov Capacity Building				46,338		46,338	35,184		
Human Settlement	2,170	8,325	10,198	11,000		11,000	11,660	14,697	15,579
Management Support Programme	12,400								
Municipal Financial Assistance	5,565								
Consolidated Municipal Infrastructure Programme (CMIP)			27,266	8,643		8,643	9,169	9,770	10,356
<b>Vote 8</b>	<b>3,613</b>	<b>5,896</b>	<b>6,000</b>	<b>8,000</b>		<b>8,000</b>	<b>41,543</b>	<b>55,552</b>	<b>65,561</b>
Poverty Relief and Infrastructure	3,613	5,896	6,000						
Comprehensive Agriculture Support Programme							38,043	47,552	57,061
Land Care Grant				8,000		8,000	3,500	8,000	8,500
<b>National Treasury</b>	<b>90,000</b>	<b>277,275</b>	<b>356,107</b>	<b>456,673</b>		<b>456,673</b>	<b>609,002</b>	<b>675,330</b>	<b>742,057</b>
Flood Disaster	40,000	130,000	70,000	23,000		23,000			
Provincial Infrastructure	50,000	147,275	286,107	433,673		433,673	609,002	675,330	742,057
<b>Finance: Supplementary Alloc.</b>	<b>397,289</b>	<b>386,431</b>							

**Table 4.2: Summary of conditional grants by Vote**

R'000	Outcome			Main appropri	Adjusted appropri	Estimated outcome	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2004/05	2005/06	2006/07
Supplementary allocation: for general allocation	389,622	347,448							
Housing: Capacity building		1,100							
Housing: R293		29,883							
Transport: NLTTA		1,000							
Health: Financial Management Systems		2,000							
Finance: PFMA Implementation	7,667	5,000							
<b>Sports and Recreation S.A.</b>							<b>1,000</b>	<b>2,670</b>	<b>4,340</b>
Sports and Recreation S.A.							1,000	2,670	4,340
<b>Total conditional grants</b>	<b>1,584,207</b>	<b>2,044,492</b>	<b>1,548,110</b>	<b>2,219,347</b>	<b>1,000</b>	<b>2,220,347</b>	<b>3,138,446</b>	<b>4,165,426</b>	<b>4,996,990</b>

#### 4.4 Total provincially receipts (Own Revenue)

**Table 4.3: Trends in provincial own revenue**

Department	Outcome			Estimated Actual 2003/04	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03		2004/05	2005/06	2006/07
Health	30,432	31,631	52,079	70,154	44,000	46,677	49,477
Econ	49,112	31,529	49,895	77,732	54,630	58,010	61,490
Transport	90,164	76,260	78,381	151,015	152,042	153,062	154,357
Treasury	117,537	291,422	398,512	167,211	150,081	193,097	204,683
Other Departments	107,296	123,400	58,415	89,456	57,108	55,108	58,830
<b>TOTAL</b>	<b>394,541</b>	<b>554,242</b>	<b>637,282</b>	<b>555,568</b>	<b>457,861</b>	<b>505,954</b>	<b>528,837</b>

Listed below are the main contributors to provincial own revenue. In this section, own revenue budgeted and collected is discussed.

##### **Main own revenue sources**

##### **Department of Health (Health Patient Fees):**

Between 2000/01 and 2002/03 financial years, the total revenue for the Department of Health has been increasing slightly (i.e. 3,94% in 2001/02 and 12,5% in 2002/03), excluding R16m in 2002/03 in respect of Financial Transactions (Refunds previous years). The main revenue driver for this department is Health Patient Fees, which is not reflecting any visible increase due to non-revision of tariffs. The slight increase is only due to increased number of patients visiting the hospitals, resulting in increased payments. The budget for 2003/04 is R41,5m and the department is projecting to collect R44m by end March 2004, which is only 6% over-collection, hence the 6% growth for 2004/04.

In an endeavor to increase revenue capacity, the Eastern Cape Province is in the process of developing a Revenue Retention Policy, whereby the departments will be allowed to retain a portion of what they have collected over and above the agreed target. This will however require departments to revise their targets after the tariffs have been revised and approved by Treasury. The department is hoping to have finalised the process of implementing the Uniform Patient Fee Structure by the end of March 2004, which will see the department increasing the revenue budget. The increased revenue budget will be done via the Adjustment Estimates for 2004/05.

## Economic Affairs, Environment and Tourism (Gambling and Casino Taxes)

The main revenue drivers for this department are Gambling Taxes and Horse Racing and Betting. Table 4.4.1 reflects that in 2001/02 the overall collection for this department declined by 36%, and again increased by 58% in 2002/03. The increase however was due to once off amounts in respect of Game Sale. The budget for 2003/04 is R56,5m, and the department is projecting to over-collect by 34% due to once off amounts in respect of Gambling Taxes. There are three casino's currently operating in the Eastern Cape namely; Zone 1-Boardwalk (Port Elizabeth), Zone 2-Hemingways (East London) and Zone 5-Wild Coast Sun (Mzamba). The ECGBB has resolved not to re-institute the licensing process for Zones 3 and 4 pending the rollout of the route and site operator licensing processes during the period 2003-2005. Although the Board is certain that successful site operator applicants are expected to be licensed towards the end of this financial year, no revenue projections have been made for this source for 2004-05.

The main contributors are slot machine play and the remainder ascribed to play on tables.

### Motor vehicle licences

This revenue source represent the second biggest proportion of provincial own revenue in the province, representing 10% of total revenue in 2002/03. According to National Treasury report, the average benchmark on Motor vehicle collection is 39% of the total own provincial revenue. However, the Eastern Cape Provincial Department of Transport is on an average of 30% between 2003/04 and 2006/07. We are however, optimistic that the intervention by Treasury through the project which is going to start early 2004/05 to assist the department among other things in collecting outstanding debts from municipalities as well as from unlicensed motor vehicles will enable the department to attain the 39%.The department reviewed motor vehicle licence fees by 20% in 2002 and it is projected that the next review will be in 2004. However, if the increase over the MTEF can be linked to the rate of infrastructure inflation, this approach can lead to some fee stability without excessive fee increases transferred to the consumer. The responsibility for collecting motor vehicle license fees rests with local authorities with a commission of 15%, however five municipalities have not yet signed the agreements with the department, which poses a major threat for the province as some of these municipalities are not paying over the money that they have collected on behalf of the department, hence the aforementioned intervention by Provincial Treasury. Concerted efforts by all responsible parties are ongoing to resolve this issue.

### Provincial Treasury (Interest Revenue):

A large portion of this item is in respect of interest earned on committed funds not spent as yet and more specifically from improved cash and investment management strategies of maximising temporarily unused funds during any period in time.

Interest income was relatively high in 2002/03, but is projected to decline during 2003/04, 2004/05 and over the MTEFF. This decline is due to downward revision of interest budget as a result of various economic factors, which amongst others includes the interest rates, diminishing capital base and an acceptable improved spending of departments in their service delivery obligations.

**Table 4.4: Summary of provincial receipts by Vote**

R thousand	Outcome			Main appropri	Adjusted appropri	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
					2003/04				
Vote 01: Office of the Premier	1,025	1,572	581	280	280	110	360	360	360
Vote 02: Provincial Legislature									
Vote 03: Health	30,433	31,631	52,079	41,543	41,543	70,154	44,000	46,677	49,477

**Table 4.4: Summary of provincial receipts by Vote**

R thousand	Outcome			Main appropri	Adjusted appropri	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
Vote 04: Social Development	944	42,433	563	700	700	1,213	2,000	746	791
Vote 05: Roads and Public Works	5,438	11,089	12,741	13,502	13,502	7,581	13,772	14,199	15,699
Vote 06: Education	13,016	14,101	31,556	24,844	24,844	66,725	28,100	26,481	28,070
Vote 07: Housing, Lc Govt & Trad. Affairs	6,068	5,720	4,580	4,064	4,064	8,433	7,735	7,943	8,420
Vote 08: Agriculture	8,813	7,613	7,484	4,680	4,680	4,948	4,774	4,989	5,100
Vote 09: Econ. Aff., Env., & Tour.	49,113	31,530	49,895	56,500	56,500	77,732	54,630	58,010	61,490
Vote 10: Transport	90,165	76,260	78,381	149,061	149,061	151,015	152,042	153,062	154,357
Vote 12: Provincial Treasury	189,267	331,675	398,512	221,601	221,601	167,211	150,081	193,097	204,683
Vote 14: Sports, Rec., Arts & Culture.	154	693	762	600	600	441	367	390	390
Safety and Liaison	106	-75	148	41	41	5	-		-
<b>Total provincial own receipts by Vote</b>	<b>94,542</b>	<b>554,242</b>	<b>637,282</b>	<b>517,416</b>	<b>517,416</b>	<b>555,568</b>	<b>457,861</b>	<b>505,954</b>	<b>528,837</b>

## 4.5 Donor funding

The Province has received the following donor funds:

**Table 4.5 Summary of Donor Funding in foreign currency (except where indicated) and in thousands**

Department	Donor Country	Purpose of funding	Cur	Outcomes			Est. Actual	Medium-term estimates		
				2000/01	2001/02	2002/03		2004/05	2005/06	2006/07
				000	000	000		000	000	000
<b>Health</b>	Belgium	Management Training	BF	100,000						
<b>Agriculture</b>	Netherlands Embassy	Emerging Farmers' support programme	DG		1,535					
<b>Education</b>	Japan	School Building	Yen			50,000				
	EU	School Building	Euro	33,000						
	Luxumberg	Phandulwazi Agricultural School	Euro		8,000					
	USAID	Boreholes	USD			300				
	UK	Improvement of quality of education in Primary schools and district development	GBP	10,500	8,500	48,500	450,600	55,455		
	Switzerland	Improvement of quality of education in Primary schools and district development	SF	4,008	5,682	5,432	5,801	2,684		
	USAID	Improvement of quality of education in Primary schools and district development	USD	4,010	4,500	3,460				
	RSA	Improvement of quality of education in Primary schools and district development	R	3,428	3,665	4,890	3,942			
<b>Provincial Treasury</b>	Sweden	Financial Management Support	SEK	4,943	4,469	5,470	7,000	9,000	9,000	
<b>Office of The Premier</b>	Sweden	Human Resource Development	SEK	11,400						
	Germany	Rural Livelihoods	R	4,800						
	Canada	Strengthen governance	CAD	150						

**Table 4.5 Summary of Donor Funding in foreign currency (except where indicated) and in thousands**

Department	Donor Country	Purpose of funding	Cur	Outcomes			Est. Actual	Medium-term estimates		
				2000/01	2001/02	2002/03		2004/05	2005/06	2006/07
				000	000	000	000	000	000	000
	Dept for Int. Development (DFID)	Enhance Service Delivery	R	12,000						

## 5. Expense

### 5.1 Overall position

Total outlays for provincial programmes are budgeted at:

Financial year 2004/05: R31, 149, 011

Financial year 2005/06: R33, 506, 517

Financial year 2006/07: R36, 183, 385

### 5.2 Expense by Vote

Table 5.1 shows audited outcome for 2000/01 to 2002/03 and estimated expense for 2003/04 and budgets for the MTEF period, per vote.

**Table 5.1: Summary of provincial payments and estimates by Vote**

R thousand	Outcome			Main appropri	Adjusted appropri	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
Vote 01: Office of the Premier	90,031	138,630	173,603	227,919	227,919	227,919	232,615	250,797	262,621
Vote 02: Provincial Legislature	64,236	74,023	74,018	75,133	79,388	79,388	85,549	90,064	93,787
Vote 03: Health	3,789,628	3,892,453	4,493,242	5,117,886	5,118,886	5,118,886	5,410,294	6,210,891	6,622,472
Vote 04: Social Development	4,067,474	4,663,014	6,425,476	7,465,339	7,842,660	8,250,626	9,146,029	10,117,678	11,219,780
Vote 05: Roads & Public Works	727,092	1,041,656	1,727,825	1,687,945	1,970,329	1,990,512	1,846,930	1,985,787	2,113,249
Vote 06: Education	7,191,331	7,863,492	9,148,768	9,912,190	9,912,190	9,952,212	10,857,872	11,819,802	12,662,551
Vote 07: Housing, Local Govt	764,489	606,384	844,601	1,123,203	1,123,203	1,107,946	1,060,864	1,030,263	1,085,651
Vote 08: Agriculture	450,885	563,298	571,590	735,440	735,440	753,913	897,529	781,406	821,653
Vote 09: Econ. Aff, Envir & Tour	192,101	255,409	658,601	833,397	833,397	833,247	849,529	475,313	498,281
Vote 10: Transport	186,447	207,337	237,125	309,037	309,037	305,450	312,507	339,000	354,438
Vote 12: Provincial Treasury	479,541	117,523	147,220	175,600	197,569	133,234	171,164	259,257	296,012
Vote 14: Sports, Recr, Arts & Cult	154,038	166,381	206,410	258,148	258,148	257,607	266,342	284,988	298,800
Vote 15: Safety & Liaison	4,868	5,725	6,769	11,298	11,298	8,982	11,788	12,515	13,048
<b>Total</b>	<b>18,162,161</b>	<b>19,595,325</b>	<b>24,715,248</b>	<b>27,932,535</b>	<b>28,619,464</b>	<b>29,019,922</b>	<b>31,149,012</b>	<b>33,657,761</b>	<b>36,342,343</b>

### 5.3 Expense by economic classification

Table 5.2 shows audited outcome for 2000/01 to 2002/03 and estimated expense for 2003/04 and budgets for the MTEF period by economic classification.

**Table 5.2: Summary of provincial payments and estimates by economic classification**

R thousand	Outcome			Main appropri	Adjusted appropri	Estimate actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2004/05	2005/06	2006/07
<b>Current payments</b>	<b>12,385,691</b>	<b>13,432,598</b>	<b>15,424,848</b>	<b>16,700,734</b>	<b>16,829,521</b>	<b>17,268,333</b>	<b>18,303,088</b>	<b>19,936,460</b>	<b>21,067,481</b>
Compensation of employees	10,661,728	11,198,177	12,208,959	13,274,486	13,264,339	13,388,779	14,211,839	14,739,357	15,288,335
Goods and services	1,720,717	2,225,884	3,154,479	3,446,571	3,630,186	3,890,881	4,122,787	5,170,375	5,857,733
Interest and rent on land	3,246	10,707	61,195	22,740	23,162	72,443	41,481	43,762	46,388
Financial transactions in assets and liabilities									
Unauthorised expenditure									
<b>Transfers and subsidies to:</b>	<b>5,513,857</b>	<b>5,747,198</b>	<b>8,450,968</b>	<b>9,875,846</b>	<b>10,181,645</b>	<b>10,427,467</b>	<b>10,869,297</b>	<b>11,495,556</b>	<b>12,759,379</b>
Provinces and municipalities	277,435	248,893	305,577	398,600	398,600	377,933	358,504	382,903	514,999
Departmental agencies and accounts	1,329,797	893,919	1,587,370	2,013,197	2,065,031	1,974,048	1,696,419	1,418,229	1,483,860
Universities and technikons									
Public corporations and private enterprises	40,935	31,218	23,685	24,050	54,050	64,489	94,204	104,214	109,320
Foreign governments and international organisations			158,100	182,500	151,300	151,300	172,000	181,460	192,347
Non-profit institutions	152,833	159,826	193,445	191,971	174,936	169,584	198,434	210,662	220,981
Households	3,712,857	4,413,342	6,182,791	7,065,528	7,337,728	7,690,113	8,349,736	9,198,088	10,237,872
<b>Payments for capital assets</b>	<b>262,613</b>	<b>413,361</b>	<b>839,647</b>	<b>1,312,892</b>	<b>1,520,132</b>	<b>1,240,352</b>	<b>1,903,608</b>	<b>2,208,712</b>	<b>2,390,508</b>
Buildings and other fixed structures	81,537	103,223	166,137	292,482	291,833	225,262	1,055,940	1,250,591	1,344,778
Machinery and equipment	109,353	66,314	161,075	414,095	404,123	302,860	209,551	247,362	266,058
Cultivated assets									
Software and other intangible assets							5,608	5,743	6,036
Land and subsoil assets	71,723	243,824	512,435	606,315	824,176	712,230	632,509	705,016	773,636
<b>Total economic classification</b>	<b>18,162,161</b>	<b>19,595,325</b>	<b>24,715,248</b>	<b>27,932,535</b>	<b>28,619,464</b>	<b>29,019,922</b>	<b>31,149,012</b>	<b>33,657,761</b>	<b>36,342,343</b>

## 5.4 Expense by policy area

Table 5.3 shows audited outcome for 2000/01 to 2002/03 and estimated expense for 2003/04 and budgets for the MTEF period by policy area.

**Table 5.3: Summary of provincial payments and estimates by policy area**

R thousand	Outcome			Main appropri	Adjusted appropri	Estimate actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2004/05	2005/06	2006/07
				2003/04					
General public services	1,426,168	1,543,190	2,327,556	2,407,686	2,716,294	2,654,481	2,531,316	2,779,693	2,964,903
Public order and safety	4,868	5,725	6,769	11,298	11,298	8,982	11,788	12,515	13,048
Economic affairs	769,758	945,425	1,371,740	1,763,488	1,763,488	1,780,109	1,948,288	1,473,854	1,540,535
Environmental protection	59,675	80,619	95,576	114,386	114,386	112,501	111,277	121,865	133,837
Housing and community amenities	699,221	435,027	639,711	882,114	882,114	884,518	865,806	836,475	886,417
Health	3,789,628	3,892,453	4,493,242	5,117,886	5,118,886	5,118,886	5,410,294	6,210,891	6,622,472
Recreation, culture and religion	154,038	166,381	206,410	258,148	258,148	257,607	266,342	284,988	298,800
Education	7,191,331	7,863,492	9,148,768	9,912,190	9,912,190	9,952,212	10,857,872	11,819,802	12,662,551
Social protection	4,067,474	4,663,014	6,425,476	7,465,339	7,842,660	8,250,626	9,146,029	10,117,678	11,219,780
<b>Total</b>	<b>18,162,161</b>	<b>19,595,326</b>	<b>24,715,248</b>	<b>27,932,535</b>	<b>28,619,464</b>	<b>29,019,922</b>	<b>31,149,012</b>	<b>33,657,761</b>	<b>36,342,343</b>

## 5.5 Transfers to public entities

Table 5.5 shows summary of all transfers to Public Entities for 2000/01 to 2002/03 and estimated expense for 2003/04 and budgets for the MTEF period, by Vote.

**Table 5.5: Summary of provincial transfers to public entities by transferring department**

Table 6.6: Summary of provincial transfers to public entities by transferring department									
R thousand	Outcome			Main appropri	Adjusted appropri	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited						
	2000/01	2001/02	2002/03				2003/04		
							2004/05	2005/06	2006/07
Vote 01: Office of the Premier	11,028	17,338	17,400	22,000		22,000	26,416		
Vote 03: Health	325,278	205,300	357,038	404,292		404,292	337,213	374,039	390,197
Vote 05: Public Works		58,684	158,100	182,500		182,500	172,000	181,460	192,347
Vote 06 Education		155,721							
Vote 07 Housing				10,000	10,000	10,000	10,000	11,035	11,598
Vote 08: Agriculture	19,100	17,974	14,320	27,000	27,000	27,000	28,000	30,500	34,170
Vote 09: Economic Affairs, Environment & Tourism	99,779	163,843	563,514	705,605	705,605	705,605	708,166	314,845	330,264
Vote 10: Transport	36,524	28,600							
Vote 12: Provincial Treasury	363,574			17,187	68,810		17,299	37,667	45,521
<b>Total</b>	<b>855,283</b>	<b>647,460</b>	<b>1,110,372</b>	<b>1,368,584</b>	<b>811,415</b>	<b>1,351,397</b>	<b>1,299,094</b>	<b>949,546</b>	<b>1,004,097</b>



## 5.6 Transfers to local government

Table 5.6 shows summary of all transfers to local government, for 2000/01 to 2002/03 and estimated expense for 2003/04 and budgets for the MTEF period, by category.

**Table 5.6: Summary of provincial transfers to local government by category**

R thousand	Outcome			Main appropri	Adjusted appropri	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2004/05	2005/06	2006/07
Category A	36,468	88,758	65,289	73,063	71,644	70,063	70,014	76,927	71,105
Category B	59,300	61,718	64,389	70,583	91,742	66,683	94,025	94,177	99,862
Category C	9,795	54,068	69,169	98,722	71,346	67,606	93,122	68,916	83,987
Unallocated Payments	1,032	25,962	86,141	116,933	90,550	154,949	94,115	95,505	95,826
<b>Total</b>	<b>106,595</b>	<b>230,506</b>	<b>284,988</b>	<b>359,301</b>	<b>325,282</b>	<b>359,301</b>	<b>351,276</b>	<b>335,525</b>	<b>350,780</b>

## 5.7 Personnel numbers and costs

Table 5.7 provides a summary of personnel numbers and the cost thereof by Vote.

**Table 5.7: Summary of personnel numbers and costs by Vote<sup>1</sup>**

Personnel numbers	As at 31 March 2000	As at 31 March 2001	As at 31 March 2002	As at 31 March 2003	As at 31 March 2004	As at 31 March 2005
Vote 01: Office of the Premier	223	392	296	308	462	462
Vote 02: Provincial Legislature	167	203	195	241	241	241
Vote 03: Health	31,951	31,077	29,433	30,927	30,927	30,927
Vote 04 Social Development	1,554	1,663	1,736	1,861	1,897	1,897
Vote 05 Public Works		4,013	4,744	5,871	5,578	5,299
Vote 06 Education		76,221	71,946	75,327	73,207	76,101
Vote 07 Housing	2,778	2,030	1,586	1,171	1,054	949
Vote 08 Agriculture	6,373	5,876	5,674	5,462	5,477	5,578
Vote 09 Economic Affairs	1,185	1,157	1,132	1,061	1,077	1,178
Vote 10 Transport	1,330	1,200	1,173	1,242	1,244	1,975
Vote 12 Treasury	291	319	320	329	339	352
Vote 14 Sport, Arts and Culture		1,005	1,134	1,075	1,075	710
Vote 15 Safety and Security	27	27	29	29	61	61
<b>Total provincial personnel numbers</b>	<b>45,879</b>	<b>125,183</b>	<b>119,398</b>	<b>124,904</b>	<b>122,639</b>	<b>125,730</b>
Total provincial personnel cost (R thousand)		10,710,879	11,198,201	12,208,590	13,278,262	14,211,839
Unit cost (R thousand)		86%	94%	98%	108%	113%

1) Full-time equivalent

## 5.8 Expense on training

Table 5.8 provides a summary of expense on training by Vote.

**Table 5.8: Summary of provincial expenditure on training by Vote**

R thousand	Outcome			Main appropri	Adjusted appropri	Estimated actual	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2004/05	2005/06	2006/07
				2003/04					
Vote 01: Office of the Premier		8,752	33,311	35,399		35,399	35,399	35,399	35,399
Vote 02: Provincial Legislature		482	185	566		566	616	639	664
Vote 03: Health		1,799	9,972	10,381		10,381	11,296	12,489	15,304
Vote 04 Social Development		1,039	1,562	2,550		2,550	593	624	655
Vote 05 Public Works		959	2,219	2,499		2,499	8,403	8,366	8,868
Vote 06 Education		37,067	57,411	127,868		125,116	114,543	150,317	159,597
Vote 07 Housing		1,463	308	1,479		418	1,760	1,825	1,893
Vote 08 Agriculture		2,100	2,200	2,500		2,500	6,878	7,253	7,798
Vote 09 Economic Affairs		896	804	983		983	681	1,000	1,000
Vote 10 Transport		440	776	980		980	2,255	1,364	2,495
Vote 12 Treasury		528	542	651		651	689	726	770
Vote 14 Sport, Arts and Culture		135	151	44		44	14	14	15
Vote 15 Safety and Security		160	127	42		42	50	50	50
<b>Total</b>		<b>55,820</b>	<b>109,568</b>	<b>185,942</b>		<b>182,129</b>	<b>183,177</b>	<b>220,066</b>	<b>234,508</b>

## **Annexure A to Budget Statement 1**

**Table A.4(a): Details of expense by policy area**

**Payments summary by policy area**

FUNCTION	CATEGORY	DEPARTMENT	PROGRAMME
GENERAL PUBLIC SERVICES	Legislative	Premier	Administration Management services
		Provincial Legislature	Administration National Council of Provinces Management services
	Financial and fiscal affairs	Finance	Administration Financial planning and resource management Financial management Procurement Management services
PUBLIC ORDER AND SAFETY	Police services	Provincial Safety and Liaison	Administration
ECONOMIC AFFAIRS	General economic affairs	Economic Affairs	Administration Trade, industry and tourism development Economic and development services Consumer protection and inspectorate services Management services
	Agriculture	Agriculture	Administration Agricultural development and research Veterinary services Conservation management Environmental management Specialist environmental services Management services
	Transport	Transport	Roads Road traffic and law enforcement Transport
	Communication	Tourism	Tourism
ENVIRONMENTAL PROTECTION	Environmental protection		Conservation management Environmental management Specialist environmental services
HOUSING AND COMMUNITY AMENITIES	Housing development	Housing	Technical service Planning and development
HEALTH	Outpatient service	Health	District health services Primary nutrition programme
	R&D health (CS)		Health science
	Hospital services		Provincial hospital services Specialised hospital services
RECREATION, CULTURE AND RELIGION	Recreational and sporting services	Sport, recreation, arts and culture	Sport and recreation
	Cultural services		Art, culture and heritage Facility development
EDUCATION	Pre-primary and primary	Education	Pre-primary Primary Secondary
	Secondary education Subsidiary service to education Education not definable by level		Provision of subsidiary ABET
SOCIAL PROTECTION	Social security services	Social service and population development	Administration Social security Social assistance Social welfare services Social development Population development Management services

**Province of the Eastern Cape**  
**Summary Receipts and Payments Statement - Indicative Budget**

RECEIPTS AND PAYMENTS R thousand	Outcome			Main	Adjustments	Adjusted	Estimated	Variance	% Variance	0		
	Audited	Audited	Audited	Appropriations	0	Appropriations	Actual	0	0	Medium-term estimates		
	2000/01	2001/02	2002/03	0	0	2003/04	0	0	0%	2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Receipts</b>												
<b>Treasury funding</b>	18,315,867	20,214,540	24,018,314	26,446,947	378,301	26,825,248	26,829,503	(4,255)	(0)	30,128,623	33,151,807	35,813,470
0 Equitable share	16,749,624	18,170,630	22,555,205	24,227,559	377,301	24,604,860	24,609,115	(4,255)	(0)	26,990,177	28,986,381	30,816,480
0 Conditional grants	1,183,446	1,661,961	1,462,640	2,219,347	1,000	2,220,347	2,220,347	-	-	3,138,446	4,165,426	4,996,990
0 Other	382,797	381,949	469	41	-	41	41	-	-	-	-	-
<b>Departmental receipts</b>	394,542	556,035	639,046	517,375	-	517,375	509,045	8,330	0	457,861	505,954	528,873
0 Tax receipts	85,484	90,594	104,274	188,888	-	188,888	152,702	36,186	0	188,355	195,668	199,474
0 Non-tax receipts	286,461	458,626	527,346	325,797	-	325,797	332,746	(6,949)	(0)	266,756	310,286	329,399
0 0 Sale of goods & serv. other than cap. assets	167,558	117,081	128,957	102,920	-	102,920	162,019	(59,099)	(1)	112,343	113,992	121,256
0 0 Fines, penalties and forfeits	422	268	1,042	657	-	657	657	-	-	676	717	790
0 0 Interest, dividends and rent on land	118,481	341,277	397,347	222,220	-	222,220	170,070	52,150	0	153,737	195,577	207,353
0 Transfers received	-	-	-	-	-	-	-	-	-	-	-	-
0 Sales of capital assets	262	4,339	2,130	2,690	-	2,690	23,597	(20,907)	(8)	2,750	-	-
0 Financial transactions	22,335	2,476	5,296	-	-	-	-	-	-	-	-	-
<b>Total receipts</b>	18,710,409	20,770,575	24,657,360	26,964,322	378,301	27,342,623	27,338,548	4,075	0	30,586,484	33,657,761	36,342,343
<b>Payments</b>												
<b>Current payments</b>	12,385,693	13,434,767	15,424,633	16,744,446	173,218	16,917,664	17,352,080	(434,416)	(0)	18,376,107	19,953,493	21,192,455
Compensation of employees	10,661,729	11,198,175	12,208,959	13,274,486	(10,147)	13,264,339	13,388,779	(124,440)	(0)	14,211,839	14,739,357	15,288,335
Goods and services	1,720,718	2,225,885	3,154,479	3,446,571	183,615	3,630,186	3,890,881	(260,695)	(0)	4,122,787	5,170,375	5,857,732
Interest and rent on land	3,246	10,707	61,195	23,389	(250)	23,139	72,420	(49,281)	(2)	41,481	43,762	46,388
Financial trans. related to policy execution	-	-	-	-	-	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	5,513,857	5,805,882	8,450,968	9,875,846	305,799	2,201,959	10,427,467	106,563	0	10,869,297	11,495,556	12,759,379
Local government	277,435	248,893	305,577	398,600	-	398,600	377,933	20,667	0	358,504	382,903	514,999
Departmental agencies and accounts	859,324	600,059	1,121,323	1,387,912	51,834	1,439,746	1,342,859	96,887	0	1,097,519	848,781	880,245
Universities and technikons	-	-	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	40,935	31,218	23,685	24,050	30,000	54,050	64,489	(10,439)	(0)	94,204	104,214	109,320
Foreign govts & international orgs.	-	58,684	158,100	182,500	(31,200)	151,300	151,300	-	-	172,000	181,460	192,347
Non-profit institutions	152,833	159,826	193,445	175,298	(17,035)	158,263	158,815	(552)	(0)	198,434	210,662	220,981
Households	4,183,330	4,707,202	6,648,838	7,707,486	272,200	-	8,332,071	-	-	8,948,636	9,767,536	10,841,487
<b>Payments for capital assets (1)</b>	262,611	354,677	839,647	1,312,243	207,912	1,520,155	1,240,375	279,780	0	1,903,608	2,208,712	2,390,509
Buildings and other fixed structures	81,537	103,223	166,137	291,833	-	291,833	225,262	66,571	0	1,055,940	1,250,592	1,344,778
Machinery and equipment	109,351	66,314	161,075	414,095	(9,949)	404,146	302,882	101,264	0	209,551	247,362	266,058
Cultivated assets	-	-	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	5,608	5,743	6,036
Land and subsoil assets	71,723	185,140	512,435	606,315	217,861	824,176	712,231	111,945	0	632,509	705,016	773,637
<b>Total payments</b>	18,162,161	19,595,326	24,715,248	27,932,535	686,929	20,639,778	29,019,922	(48,073)	(0)	31,149,012	33,657,761	36,342,343
<b>Surplus/(deficit)</b>	548,248	1,175,249	(57,888)	(968,213)	(308,628)	6,702,845	(1,681,374)	52,148	0	(562,528)	-	-
<b>Financed by:</b>	726,585	1,646,659	1,592,339	968,213	286,659	1,254,872	1,250,617	4,255	0	562,528	-	-
Roll overs	145,257	604,215	1,145,793	-	-	-	-	-	-	-	-	-
Reallocated Treasury Reserve	581,328	1,042,444	446,546	968,213	286,659	1,254,872	1,250,617	4,255	0	562,528	-	-
<b>Surplus/(deficit) after financing</b>	1,274,833	2,821,908	1,534,451	-	(21,969)	7,957,717	(430,757)	56,403	0	-	-	-

**EASTERN CAPE**

**EXPENDITURE SUMMARY**

Departments	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
	Audited		Preliminary outcome	Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Education	7,191,331	7,863,493	9,148,768	9,912,190	9,912,190	9,952,212	10,857,872	11,819,802	12,662,551
Health	3,789,628	3,892,453	4,493,242	5,117,886	5,118,886	5,118,886	5,410,294	6,210,891	6,622,472
Social Development	4,067,474	4,663,014	6,425,476	7,465,339	7,842,660	8,250,626	9,146,029	10,117,678	11,219,780
Office Of The Premier	90,031	138,630	173,603	227,919	227,919	227,919	232,615	250,797	262,621
Provincial Legislature	64,236	74,023	74,018	75,133	79,388	79,388	85,549	90,064	93,787
Roads and Public Works	727,092	1,041,656	1,727,825	1,687,945	1,970,329	1,990,512	1,846,930	1,985,787	2,113,249
Housing, Local Government And Traditional	764,489	606,385	844,601	1,123,203	1,123,203	1,107,946	1,060,864	1,030,263	1,085,651
Agriculture And Land Affairs	450,885	563,298	571,590	735,440	735,440	753,913	897,529	781,406	821,653
Economic Affairs, Environment And Tourism	192,101	255,409	658,601	833,397	833,397	833,247	849,529	475,313	498,281
Transport	186,447	207,337	237,125	309,037	309,037	305,450	312,507	339,000	354,438
Provincial Treasury	479,541	117,523	147,220	175,600	197,569	133,234	171,164	259,257	296,012
Sport, Arts And Culture	154,038	166,381	206,410	258,148	258,148	257,607	266,342	284,988	298,800
Safety	4,868	5,725	6,769	11,298	11,298	8,982	11,788	12,515	13,048
<b>Total</b>	<b>18,162,161</b>	<b>19,595,327</b>	<b>24,715,248</b>	<b>27,932,535</b>	<b>28,619,464</b>	<b>29,019,922</b>	<b>31,149,012</b>	<b>33,657,761</b>	<b>36,342,343</b>
<b>Current payments</b>	<b>12,385,691</b>	<b>13,434,768</b>	<b>15,424,633</b>	<b>16,743,797</b>	<b>16,917,687</b>	<b>17,352,103</b>	<b>18,376,107</b>	<b>19,953,493</b>	<b>21,192,456</b>
Compensation of employees	10,661,728	11,198,177	12,208,959	13,274,486	13,264,339	13,388,779	14,211,839	14,739,357	15,288,335
Salaries and wages	10,628,678	11,181,206	12,187,661	13,248,355	13,238,208	13,362,493	14,185,739	14,711,786	15,256,253
Social contributions	33,050	16,971	21,298	26,131	26,131	26,286	26,100	27,571	32,082
Goods and services	1,720,717	2,225,884	3,154,479	3,446,571	3,630,186	3,890,881	4,122,787	5,170,375	5,857,733
Interest and rent on land	3,246	10,707	61,195	22,740	23,162	72,443	41,481	43,762	46,388
Rent on land	3,246	10,707	61,195	22,740	23,162	72,443	41,481	43,762	46,388
Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>5,513,857</b>	<b>5,747,198</b>	<b>8,450,968</b>	<b>9,875,846</b>	<b>10,181,645</b>	<b>10,427,467</b>	<b>10,869,297</b>	<b>11,495,556</b>	<b>12,759,379</b>
Municipalities	277,435	248,893	305,577	398,600	398,600	377,933	358,504	382,903	514,999
Municipalities	277,435	248,893	305,577	370,600	370,600	349,933	330,504	382,903	514,999
Municipal agencies and funds	-	-	-	28,000	28,000	28,000	28,000	-	-
Departmental agencies and accounts	1,329,797	893,919	1,587,370	2,013,197	2,065,031	1,974,048	1,696,419	1,418,229	1,483,860
Entities	1,329,797	893,919	1,587,370	2,013,197	2,065,031	1,974,048	1,694,288	1,416,024	1,481,573
Public corporations and private enterprises	40,935	31,218	23,685	24,050	54,050	64,489	94,204	104,214	109,320
Subsidies on production	15,765	-	18,000	-	30,000	30,000	75,971	84,687	88,971
Other transfers	25,170	31,218	5,685	24,050	24,050	34,489	10,000	11,035	11,598
Private enterprises	-	-	-	-	-	-	8,233	8,492	8,751
Other transfers	-	-	-	-	-	-	8,233	8,492	8,751
Private Enterprises	-	-	158,100	182,500	151,300	151,300	172,000	181,460	192,347
Non-profit institutions	152,833	159,826	193,445	191,971	174,936	169,584	198,434	210,662	220,981
Households	3,712,857	4,413,342	6,182,791	7,065,528	7,337,728	7,690,113	8,349,736	9,198,088	10,237,872
Social benefits	3,682,377	4,215,960	5,825,587	6,720,469	6,992,880	7,421,577	8,205,958	8,978,841	9,939,544
Other transfers to households	30,480	197,382	357,204	345,059	344,848	268,536	143,778	219,247	298,328
<b>Payments for capital assets</b>	<b>262,613</b>	<b>413,361</b>	<b>839,647</b>	<b>1,312,892</b>	<b>1,520,132</b>	<b>1,240,352</b>	<b>1,903,608</b>	<b>2,208,712</b>	<b>2,390,508</b>
Buildings and other fixed structures	81,537	103,223	166,137	292,482	291,833	225,262	1,055,940	1,250,591	1,344,778
Buildings	80,037	103,223	164,054	280,509	279,860	222,489	1,033,414	1,231,069	1,325,697
Other fixed structures	1,500	-	2,083	11,973	11,973	2,773	22,526	19,522	19,081
Machinery and equipment	109,353	66,314	161,075	414,095	404,123	302,860	209,551	247,362	266,058
Transport equipment	877	-	-	-	-	-	7,538	7,954	8,430
Other machinery and equipment	108,476	66,314	161,075	414,095	404,123	302,860	202,013	239,408	257,628
Software and other intangible assets	-	-	-	-	-	-	5,608	5,743	6,036
Land and subsoil assets	71,723	243,824	512,435	606,315	824,176	712,230	632,509	705,016	773,636
<b>Total economic classification</b>	<b>18,162,161</b>	<b>19,595,327</b>	<b>24,715,248</b>	<b>27,932,535</b>	<b>28,619,464</b>	<b>29,019,922</b>	<b>31,149,012</b>	<b>33,657,761</b>	<b>36,342,343</b>

<b>Training</b>	-	<b>12,166</b>	<b>40,698</b>	<b>40,554</b>	<b>1,025</b>	<b>40,554</b>	<b>49,039</b>	<b>56,614</b>	<b>59,713</b>
<b>Personnel numbers as at ...</b>	<b>31 Mar 2001</b>	<b>31 Mar 2002</b>	<b>31 Mar 2003</b>	<b>31 Mar 2004</b>			<b>31 Mar 2005</b>		
Personnel numbers	440,688	116,156	312,603	251,028			41,033		
Total personnel cost	10,661,728	11,198,177	12,208,959	13,274,486			14,211,839		
Unit cost	709	994	1,066	920			989		

**Table A.5: Information relating to section 5.5: Details of expenditure for infrastructure by category (R thousand)**

Table A-9: Information relating to Section 6.9: Details of expenditure for infrastructure by category (R thousand)						
Category/type of structure	Vote	No. of projects	Total costs	Medium-term estimates		
				2004/05	2005/06	2006/07
NEW CONSTRUCUTIONS (Buildings and Infrastructure)						
Clinic	3	190	80,562	80,562	89,079	94,411
Community Health Centre	3	2	4,083	4,083	4,514	4,785
District Hospital	3	35	235,655	235,655	260,542	276,173
Regional Hospital	3	16	62,707	62,707	69,328	73,487
Specialised Hospital	3	3	3,482	3,482	3,850	4,081
<b>Vote Sub - Total</b>		<b>246</b>	<b>386,489</b>	<b>386,489</b>	<b>427,313</b>	<b>452,937</b>
Engcobo S.O.	4	1	3,000	3,000	-	-
Mdantsane One Stop Centre	4	1	4,000	4,000	-	-
Sterkspruit Com.Dev. Centre	4	1	3,500	3,500	-	-
Peddie Com. Dev. Centre	4	1	3,500	3,500	-	-
Cradock Plac of Safety	4	1	350	350	-	-
Mt.Frere Multi Purpose Centre	4	1	3,500	3,500	-	-
Butterwoth Old Age Home	4	1	1,200	1,200	-	-
Qumbu Secure Centre	4	1	800	800	-	-
Grahamstown Mult.purpose centre	4	1	4,500	4,500	-	-
M.Flethcer Multipurpose centre	4	1	3,500	3,500	-	-
Ngqamakhwe Multipurpose centre	4	1	3,500	3,500	-	-
Humansdorp multipurpose centre	4	1	400	400	-	-
Social Security Pay points	4	1	45,000	45,000	-	-
<b>Vote Sub - Total</b>		<b>13</b>	<b>76,750</b>	<b>76,750</b>	<b>0</b>	<b>0</b>
Bridges	5	9	12,655	12,655	250	0
FET Colleges	6	6	12,494	12,494	7,902	-
GET Schools	6	86	94,244	94,244	21,133	-
Special Schools	6	9	27,704	27,704	45,167	22,680
<b>Vote Sub - Total</b>		<b>110</b>	<b>147,097</b>	<b>147,097</b>	<b>74,452</b>	<b>22,680</b>
Animal Facilities	8	1	150	150	-	-
Crop Production	8	2	330	330	-	-
Diptank	8	30	3,550	3,550	-	-
Drainage	8	2	310	310	-	-
Electrification	8	1	200	200	-	-
Erosion	8	26	2,740	2,740	-	-
Farmstall	8	1	70	70	-	-
Fencing	8	108	19,439	19,439	-	-
Hydroponic	8	1	200	200	-	-
Infrastructure	8	9	3,425	3,425	-	-
Irrigation	8	60	13,405	13,405	-	-
Landcare	8	1	800	800	-	-
Marketing Facilities	8	1	120	120	-	-
Milling plant	8	6	1,500	1,500	-	-
Nursery	8	11	1,980	1,980	-	-
Piggery	8	5	1,855	1,855	-	-
Poultry	8	13	3,210	3,210	-	-
Salepen	8	5	580	580	-	-
Shearing Shed	8	6	1,498	1,498	-	-
Soil Conservation	8	6	1,285	1,285	-	-
Stockwater	8	12	1,323	1,323	-	-
Various	8	2	350	350	-	-
Vegetables	8	1	150	150	-	-
Water Run-off	8	1	600	600	-	-
Weir	8	2	950	950	-	-
<b>Vote Sub - Total</b>		<b>313</b>	<b>60,020</b>	<b>60,020</b>	<b>0</b>	<b>0</b>
East London/Umtata rail line	10	1	590	45	50	-
East London Testing Station	10	8	43	10	11	-
<b>Vote Sub - Total</b>		<b>9</b>	<b>633</b>	<b>55</b>	<b>61</b>	<b>0</b>
Swimming pool	14	2	-	-	4,089	-
Arts centres	14	7	7,000	7,000	4,000	5,784
Indooe Sports Centre	14	2	-	-	2,500	2,700
Archives	14	1	-	-	3,000	3,000
Musiums	14	5	7,000	7,000	1,000	3,365
<b>Vote Sub - Total</b>		<b>17</b>	<b>14,000</b>	<b>14,000</b>	<b>14,589</b>	<b>14,849</b>
<b>Total of New Construction</b>		<b>598</b>	<b>537,892</b>	<b>537,314</b>	<b>441,963</b>	<b>467,786</b>
<b>REHABILITATION / UPGRADING</b>						
General clinic maintanace	3	6	5,903	5,903	6,527	6,919
Consulting and Management	3	1	1,876	1,876	2,074	2,199

**Table A.5: Information relating to section 5.5: Details of expenditure for infrastructure by category (R thousand)**

Category/type of structure	Vote	No. of projects	Total costs	Medium-term estimates		
				2004/05	2005/06	2006/07
Hospital maintenace	3	8	57,966	57,966	64,087	67,934
<b>Vote Sub - Total</b>		<b>15</b>	<b>65,745</b>	<b>65,745</b>	<b>72,688</b>	<b>77,052</b>
<b>Roads</b>	<b>5</b>	<b>16</b>	<b>529,088</b>	<b>529,088</b>	<b>466,422</b>	<b>70,000</b>
<b>GET and FET Schools</b>	<b>6</b>	<b>122</b>	<b>245,779</b>	<b>245,779</b>	<b>428,446</b>	<b>547,747</b>
Library	14	5	4,200	4,200	2,000	5,564
Stadium	14	4	9,000	9,000	3,000	3,500
Opera House	14	2	2,150	2,150	-	-
Guild Theatre	14	1	2,150	2,150	-	-
Cultural Centre	14	1	1,835	1,835	-	-
Art Gallery	14	1	-	-	-	800
Camp Site	14	1	-	-	-	1,500
Musiums	14	1	-	-	-	-
<b>Vote Sub - Total</b>		<b>16</b>	<b>19,335</b>	<b>19,335</b>	<b>5,000</b>	<b>11,364</b>
<b>Total of Rehabilitation / Upgrading projects</b>		<b>169</b>	<b>859,947</b>	<b>859,947</b>	<b>972,556</b>	<b>706,163</b>
<b>OTHER CAPITAL PROJECTS</b>						
EC Hospital design guide	3	1	276	276	305	323
Project Management	3	1	1,324	1,464	1,464	1,552
<b>Vote Sub - Total</b>		<b>2</b>	<b>1,600</b>	<b>1,740</b>	<b>1,769</b>	<b>1,875</b>
Umzimkhulu Service ffile	4	1	2,500	2,500	-	-
Ngqeleni Service Office	4	1	2,500	2,500	-	-
Lusikisiki Service office	4	1	2,500	2,500	-	-
Port St.Johns Service office	4	1	2,500	2,500	-	-
Graff Reinet Service office	4	1	2,500	2,500	-	-
Libode Service office	4	1	2,500	2,500	-	-
Mqanduli Service Office	4	1	2,500	2,500	-	-
Idutywa Service Office	4	1	2,500	2,500	-	-
Khayaletumba service office	4	1	2,500	2,500	-	-
Lady frere Service office	4	1	2,500	2,500	-	-
Day to day maintainance	4	1	1,000	1,000	-	-
<b>Vote Sub - Total</b>		<b>11</b>	<b>26,000</b>	<b>26,000</b>	<b>0</b>	<b>0</b>
<b>National Infrastructure Grant</b>	<b>5</b>	<b>15</b>	<b>535,646</b>	<b>535,646</b>	<b>78,098</b>	<b>2,000</b>
Toilet Programme (CDC) Phase I	6	1	8,000	8,000	25,000	25,000
Minor Repairs and Renovations (Section 20& 21 schools)	6	1	26,000	26,000	25,000	30,000
School Collaboration Programme - Cluster Projects	6	1	4,000	4,000	8,000	6,000
Phandulwazi Agric HS (Budget Cut)	6	1	4,000	4,000	-	-
Head Office/District Office/CSC	6	1	10,375	10,375	10,000	10,000
Exams centre	6	1	18,000	18,000	26,000	4,000
Youth care centre	6	1	24,256	24,256	54,192	40,166
<b>Vote Sub - Total</b>		<b>7</b>	<b>94,631</b>	<b>94,631</b>	<b>148,192</b>	<b>115,166</b>
<b>Total of Other Capital Projects</b>		<b>35</b>	<b>657,877</b>	<b>658,017</b>	<b>228,059</b>	<b>119,041</b>
<b>Total provincial infrastructure</b>		<b>802</b>	<b>2,055,716</b>	<b>2,055,278</b>	<b>1,642,578</b>	<b>1,292,990</b>



**Annexure A.6: TRANSFERS TO LOCAL GOVERNMENT (BY CATEGORY AND MUNICIPALITY)**

Annexure A.6: TRANSFERS TO LOCAL GOVERNMENT (BY CATEGORY AND MUNICIPALITY)										
Category	Municipality	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
		Audited		Preliminary outcome	Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R'000										
Office of the Premier		-	1,334	1,435	3,000	-	3,000	3,172	3,346	3,547
Category A			1,334	1,435	3,000		3,000	3,172	3,346	3,547
Department of Transport		9,470	4,146	-	-	-	-	-	-	-
Category A	Vehicle testing stations									
Category B	Drivers, Learners, testing centres									
Category C	Improvement of public Infrastructure facilities in local authc	9,470	4,146							
Department of Roads and Public Works		1,842	35,305	2,250	3,019	-	3,019	3,500	3,745	3,971
Category A	Local Municipalities	1,842	35,305	2,250	3,019		3,019	3,500	3,745	3,971
Department of Housing, Local Govt and Trad. Affairs		18,847	92,369	125,497	175,342	175,342	175,342	146,610	141,527	145,700
Category A,B, & C		18,847	92,369	125,497	175,342	175,342	175,342	146,610	141,527	145,700
Department of Health		76,436	97,352	123,598	134,420	134,420	134,420	150,000	165,842	175,792
Category A	NelsonMandela Metro	25,056	47,893	45,589	49,584	49,584	49,584	55,723	61,608	65,304
Category B	Camdeboo	1,017	1,082	2,406	2,616	2,616	2,616	2,941	3,252	3,447
Category B	Blue Crane Route	3,109	1,534	1,883	2,048	2,048	2,048	2,302	2,545	2,698
Category B	Ikwezi	184	234	713	775	775	775	871	963	1,021
Category B	Makana	2,816	2,772	3,486	3,791	3,791	3,791	4,261	4,711	4,993
Category B	Ndlambe	1,470	1,381	2,169	2,360	2,360	2,360	2,651	2,931	3,107
Category B	Sunday'sRiver Valley	652	688							
Category B	Baviaans	208	229	693	755	755	755	851	941	997
Category B	Kouga	1,357	959	2,905	3,160	3,160	3,160	3,550	3,925	4,161
Category B	Mnquma	2,360	2,166							
Category B	Amahlati	886	746							
Category B	Buffalo City	9,444	9,166	11,735	12,763	12,763	12,763	13,278	14,680	15,561
Category B	Nkonkobe	1,020	992	4,169	4,534	4,534	4,534	5,096	5,634	5,972
Category B	Nxuba	1,156	1,090							
Category B	Inxuba Yethemba	3,306	2,813	3,423	3,723	3,723	3,723	4,184	4,626	4,904
Category B	Tsolwana	336	404							
Category B	Lukanji	3,663	2,741	3,311	3,601	3,601	3,601	4,048	4,475	4,744
Category B	Sakhisizwe	724	670	871	947	947	947	1,065	1,178	1,248
Category B	Senqu	232	276	322	350	350	350	393	435	461
Category B	Malethswai	1,504	1,357	965	1,050	1,050	1,050	1,180	1,305	1,383
Category B	Gariep	1,403	1,137	961	1,045	1,045	1,045	1,174	1,298	1,376
Category B	King Sabata Dalindyebo	4,738	4,073	10,233	11,122	11,122	11,122	12,496	13,816	14,645
Category C	Cacadu District Municipality	-	-	14,990	16,303	16,303	16,303	18,322	20,256	21,472
Category C	Amathole District Municipality	1,592	4,846	4,491	4,885	4,885	4,885	5,492	6,070	6,434
Category C	Chris Hani District Municipality	3,434	3,369	2,506	2,725	2,725	2,725	3,062	3,386	3,589
Category C	Ukhahlamba District Municipality	4,769	4,734	5,777	6,283	6,283	6,283	7,060	7,807	8,275
Department of Economic Affairs, Environment Affairs and		-	-	1,000	28,000	28,000	28,000	28,000	-	-
Category A				1,000	28,000	28,000	28,000	28,000		
Department of Sport, Recreation, Arts and Culture		6,096	3,022	3,670	3,286	-	-	3,467	-	-
Category A	Municipal 1	6,096	3,022	3,670	3,286			3,467		
Total transfers to local government		112,691	233,528	257,450	347,067	337,762	343,781	334,749	314,460	329,010

# EASTERN CAPE :

## ANNEXURE A7:DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

ANNEXURE A7: DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES									
Entity name	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
R'000	Audited		Preliminary outcome	Main approp	Adjusted approp	Revised estimate	Medium-term estimates		
<b>Office of the Premier</b>	<b>11,028</b>	<b>17,338</b>	<b>17,400</b>	<b>22,000</b>	<b>-</b>	<b>22,000</b>	<b>26,416</b>	<b>28,843</b>	<b>29,263</b>
Eastern Cape Socio-Economic Council (ECSECC)	2,293	7,018	5,900	8,000		8,000	8,458	8,915	9,370
Eastern Cape Appropriate Technology Unit (ECATU)	8,755	10,000	6,500	8,000		8,000	8,458	9,915	9,370
Eastern Cape Development Corporation	-20		5,000						
Disabled people of South Africa (public entity)		320							
Eastern Cape Youth Commission				6,000		6,000	9,500	10,013	10,523
National Student Financial Advisory Services (public entity)	-	-	-	-	-	-	-	-	-
<b>Department of Transport</b>	<b>36,524</b>	<b>28,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Public Transport	17,000	27,000							
Taxi Registrar	1,600	1,600							
Bus Operators	17,924								
<b>Department of Agriculture</b>	<b>19,100</b>	<b>17,974</b>	<b>14,320</b>	<b>-</b>	<b>-</b>	<b>27,000</b>	<b>28,000</b>	<b>30,500</b>	<b>34,170</b>
Uvimba Finance Corporation	8,400	7,000	6,320			15,500	17,500	19,000	21,600
Fort Cox Agricultural College	10,700	10,974	8,000			11,500	10,500	11,500	12,570
<b>Department of Health</b>	<b>325,278</b>	<b>205,300</b>	<b>357,038</b>	<b>404,292</b>	<b>-</b>	<b>404,292</b>	<b>337,213</b>	<b>374,039</b>	<b>390,197</b>
Entity 1 Municipalities	247,278	109,915	141,467	134,420		134,420	150,000	157,103	164,066
Entity 2 Provincial Aided Hospital	78,000	95,385	215,571	175,160		175,160	79,386	87,769	93,035
Entity 3 Lifecares	-	-	-	-		-	61,798	68,324	72,423
Entity 4 Santas	-	-		94,712		94,712	46,029	60,843	60,673
<b>Department of Education</b>	<b>-</b>	<b>155,721</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
IDT		155,721							
<b>Department of Housing, Local Government &amp; Traditional Affairs</b>			<b>-</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>11,035</b>	<b>11,598</b>
Eastern Cape Municipal Dev. Corporation				10,000	10,000	10,000	10,000	11,035	11,598
<b>Department of Public Works</b>	<b>-</b>	<b>58,684</b>	<b>158,100</b>	<b>182,500</b>	<b>-</b>	<b>182,500</b>	<b>172,000</b>	<b>181,460</b>	<b>192,347</b>
SANRA		58,684	158,100	182,500		182,500	172,000	181,460	192,347
<b>Provincial Treasury</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Departmental age	-			-	-		-	-	-
Public Corporations	-								
Households				-					
<b>Department of Economic Affairs, Environment and Tourism</b>	<b>99,779</b>	<b>163,843</b>	<b>563,514</b>	<b>705,605</b>	<b>705,605</b>	<b>705,605</b>	<b>708,166</b>	<b>314,845</b>	<b>330,264</b>
ECTB (Tourism)	19,877	11,385	17,000	22,000	22,000	22,000	21,060	23,000	23,395
ECDC (Promotion of SMME's)		47,598	55,067	81,000	81,000	81,000	72,000	76,500	81,415
ECDC (Investment, Marketing and Industrial Promotion)	10,248	7,938	9,000	11,900	11,900	11,900	12,531	13,200	13,947
ECDC (Trade Development)		1,000	3,000	4,000	4,000	4,000	4,212	4,500	4,600
EGCBB	8,000	10,000	13,130	12,400	12,400	12,400	14,364	15,082	15,746
ECDC (Coega IDZ)	56,440	60,000	378,000	375,145	375,145	375,145	359,431	-	-
ECDC (EL IDZ)	-	1,500	50,000	99,141	99,141	99,141	125,000	131,750	138,469
Economic Development	-	-	1,029	28,000	28,000	28,000	28,000	-	-
DRISA & AIDC	-	-		29,000	29,000	29,000	25,000	-	-
ECTB (Conservation)	5,214	24,422	37,288	43,019	43,019	43,019	46,568	50,813	52,692
<b>Total provincial transfers to public entities</b>	<b>491,709</b>	<b>647,460</b>	<b>1,110,372</b>	<b>1,324,397</b>	<b>715,605</b>	<b>1,351,397</b>	<b>1,281,795</b>	<b>940,722</b>	<b>987,839</b>