

Overview

Traditionally, statements of Provincial Expenditure (Budget Statement 2s), were published together with Budget Statement 1 as an all inclusive Provincial Budget Statement. In a quest to improve the quality and use of information, promote transparency and improved legislative oversight and to move much closer to the Estimates of National Expenditure format, a decision was taken that in respect of Budget 2006, a separate publication called Estimates of Provincial Expenditure 2006 will be tabled. This publication will provide a summary of spending and performance plans of provincial departments including measurable objectives, three-year receipt and payment estimates and policy developments, service delivery indicators and targets, detailed infrastructure expenditure information, a review on recent outputs and trends and an outlook for the ensuing year. The Estimates also cover detailed financial information on receipts and payments estimates of all public entities falling within the governing framework of a department. This budget reform imposes additional financial accountability on accounting officers having public entities under the control of their department.

This publication should be read together with other complimentary budget documents, which contextualises these plans, tabled with the annual Budget Speech, in Parliament by the Provincial Minister of Finance and Tourism, most notably the Budget Overview and Allocations to Local Government. The Budget Overview presents an overview of the 2006 Budget, discusses and anticipates budget trends and developments over the current and forthcoming Medium Term Expenditure Framework (MTEF) periods. It also provides a snapshot of the departmental objectives linked to the nascent provincial growth and development (iKapa Elihlumayo) strategy and the link to the socio-economic and demographic profile of the Province, while taking care to isolate salient features. In addition, it devotes a section to analysis of the Province's fiscal performance over recent years, drawing attention to its fiscal challenges.

Medium-term expenditure framework

The Medium-term expenditure framework (MTEF) allows for a three-year planning and spending framework, but still retains an annual appropriation by Provincial Parliament. The MTEF planning horizon allows departments to improve planning and to project the impact of policy choices in future budgets.

The Estimates provide details on the revenue and spending estimates over the MTEF (2006/07 – 2008/09); audited expenditure outcomes for the past three years (2002/03 – 2004/05) and main, adjusted and revised estimates for the current financial year based on November 2005 in-year expenditure outcomes and projections. Information on service delivery achievements and commitments are also provided for each of the 13 votes in the Province.

Table 1 overleaf reflects the consolidated picture of revenue, financing and expenditure for the period 2002/03 – 2008/09 as well as the annual net surplus or deficit position of the Province for this period.

Table 1 Provincial budget summary: 2002/03 to 2008/09

R'000	Outcome			Medium-term estimate						
	Audited	Audited	Audited	Main appropriation	Adjusted appropriation	Revised estimate	% Change from Revised estimate			
	2002/03	2003/04	2004/05				2005/06	2005/06	2005/06	2006/07
Provincial receipts										
Transfer receipts from national	10 640 356	12 259 105	13 666 485	14 682 609	15 118 065	15 037 541	16 407 132	9.11	18 177 114	20 004 421
Equitable share	8 622 422	10 039 487	11 237 570	12 072 470	12 299 051	12 299 051	13 459 403	9.43	14 906 049	16 546 427
Conditional grants	2 017 934	2 219 618	2 428 915	2 610 139	2 819 014	2 738 490	2 947 729	7.64	3 271 065	3 457 994
Financing	6 260			386 039	524 498	524 498	625 936	19.34	290 294	300 000
Provincial own receipts	1 115 423	1 330 079	1 460 774	1 372 846	1 382 401	1 538 546	1 435 680	(6.69)	1 501 667	1 534 683
Total provincial receipts	11 762 039	13 589 184	15 127 259	16 441 494	17 024 964	17 100 585	18 468 748	8.00	19 969 075	21 839 104
Provincial payments										
Current payments	9 262 360	10 308 590	11 391 460	12 705 061	12 887 468	12 827 426	14 325 692	11.68	15 447 401	16 813 418
Transfers and subsidies	1 739 275	1 850 135	2 133 937	2 238 341	2 537 446	2 596 833	2 417 596	(6.90)	2 798 947	3 103 237
Payments for capital assets	822 993	942 079	1 055 704	1 430 625	1 532 583	1 487 652	1 616 771	8.68	1 592 153	1 688 196
Direct charge	11 340	12 164	12 892	14 917	14 917	13 299	15 531	16.78	16 308	17 124
GEMS							71 224		141 750	211 578
Unallocated contingency reserve				52 550	52 550	52 550				
Total provincial payments	11 835 968	13 112 968	14 593 993	16 441 494	17 024 964	16 977 760	18 446 814	8.65	19 996 559	21 833 553
Surplus (Deficit)	(73 929)	476 216	533 266			122 825	21 934	(82.14)	(27 484)	5 551

Total revenue

Total provincial revenue consists of transfer receipts from national government i.e. equitable share and conditional grants, as well as provincial own receipts and provincial financing. Total provincial receipts grow nominally by 7,89 per cent from 2005/06 to 2006/07. Over the MTEF it grows nominally at an annual average rate of 8,46 per cent. Transfers from national grows year on year at a rate of 8,98 per cent between 2005/06 and 2006/07 whilst provincial financing (from the asset financing reserve) grow strongly at 19,61 per cent over the same period. Provincial own receipts decline between 2005/06 and 2006/07 but recovers to stabilise at more or less the same level over the MTEF.

Total expenditure

The main budget provides for total expenditure of R18,447 billion in 2006/07, increasing to R19,997 billion and R21,834 billion in 2007/08 and 2008/09 respectively. This implies that expenditure grows nominally at a rate of 8,65 per cent year-on-year between 2005/06 and 2006/07 and nominally at an annual average rate of 8,75 per cent over the MTEF. Current payments, transfers and subsidies and payments for capital assets grows nominally between 2005/06 and 2008/09 at an annual average rate 9,44 per cent, 6,12 per cent and 4,31 per cent respectively. Total provincial payments include a provision in respect of the Government

Employee Medical Scheme (GEMS) for 2006/07 and over the MTEF which has not been allocated to provincial departments as yet as the Province are awaiting National direction to enable the finalisation of allocations to the different votes. The allocation in respect of GEMS is expected to be finalised soon and will be allocated in the adjustments estimate 2006/07. Total payments also include the allocation for direct charges on the Provincial Revenue Fund.

Summary tables

Information on conditional grants is summarised in Table 2. Table 3 sets out a summary of provincial own receipts by vote whilst Table 4 sets out the summary of provincial payments and estimates by department for the seven-year period from 2002/03 to 2008/09 and amounts to be voted for 2006/07. Table 5 details expenditure estimates by economic classification and Table 6 summarises infrastructure spending by vote and category whilst the summary of departmental transfers to public entities by transferring department are depicted in Table 7. Table 8 provides information relating to transfers to Local Government per municipality and category. Table 9 indicates training expenditure by vote and number of staff to be trained, training opportunities, etc. whilst Table 10 provides a summary of provincial payments and estimates by policy area.

Table 2 Summary of conditional grants by Vote and grant: 2002/03 to 2008/09

Vote and grant R'000	Outcome			Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	Medium-term estimate		
	Actual transfer 2002/03	Actual transfer 2003/04	Actual Transfer 2004/05				2006/07	2007/08	2008/09
Vote 5: Education	82 987	101 880	84 714	106 562	143 091	143 091	192 012	223 456	229 709
Provincial infrastructure	24 053	36 326	38 709	55 229	82 565	82 565	61 829	80 263	85 881
Financial management and quality enhancement	18 037	18 519							
Early childhood development	4 187	6 952							
HIV and Aids (Lifeskills education)	11 376	9 518	9 814	11 198	11 205	11 205	11 870	12 464	13 303
Disaster management		70							
Further education and training college sector recapitalisation							70 000	80 000	77 305
National school nutrition programme	25 334	30 495	36 191	40 135	49 321	49 321	48 313	50 729	53 220
Vote 6: Health	1 467 022	1 555 421	1 684 382	1 870 576	1 861 159	1 816 047	1 991 725	2 051 224	2 139 039
Provincial infrastructure	24 052	36 324	38 693	55 229	55 229	57 259	61 829	80 262	85 880
Hospital revitalisation	45 000	81 939	124 115	172 038	148 038	104 748	149 703	107 897	124 244
Hospital management and quality improvement ^a	19 000	16 376	15 179	17 608	17 608	17 608			
National tertiary services	1 047 438	1 076 724	1 104 087	1 214 684	1 214 684	1 214 684	1 272 640	1 322 744	1 388 881
Health professions training and development	316 364	314 696	327 210	323 278	323 278	323 278	323 278	339 442	356 414
Integrated nutrition programme	3 455	4 158	4 704	5 288	5 288	5 288			
Comprehensive HIV and Aids	11 713	24 204	70 394	82 451	82 451	93 182	115 670	121 454	128 085
Medico-legal		1 000							
Forensic pathology services ^b					14 583		68 605	79 425	55 535
Vote 7: Social Development^c	1 067	22 934	6 984	26 123	43 139	30 898			
Social security backlog									
HIV and Aids (community-based care)	1 067	2 900	3 088	6 089	6 089	10 864			
Food emergency relief		20 034	3 896						
One stop child justice					794				
Integrated Social Development Services Grant ^d				20 034	36 256	20 034			
Subtotal Conditional grants	1 551 076	1 680 235	1 776 080	2 003 261	2 047 389	1 990 036	2 183 737	2 274 680	2 368 748

Table 2 Summary of conditional grants by Vote and grant: 2002/03 to 2008/09 (continued)

Vote and grant R'000	Outcome			Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	Medium-term estimate		
	Actual transfer 2002/03	Actual transfer 2003/04	Actual Transfer 2004/05				2006/07	2007/08	2008/09
	Vote 8: Local government and housing	417 453	460 803				551 698	466 113	598 270
Housing subsidy	378 860	423 282	510 951						
Human resettlement and redevelopment	13 250	13 500	16 179	9 373	29 738	25 984			
Integrated housing and human settlement development				456 740	533 249	533 249	598 800	748 548	822 426
Disaster relief					24 500	24 500			
Local government support	16 500								
Local government capacity building fund		20 714	21 141		10 783				
Provincial project management capacity for Municipal infrastructure (MIG) [previously CMIP]	8 843	3 307	3 427						
Vote 9: Environmental affairs and development planning		2 400							
Disaster damage		2 400							
Vote 10: Transport and Public Works	43 322	67 076	64 645	92 557	95 857	95 857	126 329	190 891	203 511
Provincial infrastructure	43 322	67 076	64 645	92 557	95 857	95 857	126 329	190 891	203 511
Vote 11: Agriculture	6 083	9 104	35 492	45 538	74 828	66 194	26 763	41 936	43 934
Land care programme: Poverty relief and infrastructure development	1 300	1 800	3 166	2 500	3 174	3 174	3 115	3 270	3 428
Drought relief/Agriculture disaster management grant			366		26 634	18 000			
Comprehensive Agriculture support programme			11 705	17 206	19 264	19 264	20 648	33 426	35 030
Provincial Infrastructure	4 783	7 304	20 255	25 832	25 756	25 756	3 000	5 240	5 476
Vote 13: Cultural Affairs and Sport			1 000	2 670	2 670	2 670	12 100	15 010	19 375
Mass sport and recreation participation programme			1 000	2 670	2 670	2 670	12 100	15 010	19 375
Subtotal Conditional grants	466 858	539 383	652 835	606 878	771 625	748 454	763 992	996 385	1 089 246
Total Conditional grants	2 017 934	2 219 618	2 428 915	2 610 139	2 819 014	2 738 490	2 947 729	3 271 065	3 457 994

^a As from 1 April 2006 the Hospital Management and Quality Improvement Grant will merge with the Hospital Revitalisation Grant.

^b Includes the shift of R5 million to Vote 10: Transport and Public Works for the purchasing of vehicles for the forensic pathology services by the Government Motor Transport trading entity.

^c Conditional grants in respect of this vote has been phased into PES as from 2006/07.

^d The revised estimate of R20,034 million in 2005/06 excludes an amount of R16,222 million which was rolled over from 2004/05 and which is expected to be spent by the end of 2005/06.

Table 3 Summary of provincial own receipts by vote: 2002/03 to 2008/09

Provincial department R'000	Outcome			Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2002/03	2003/04	2004/05				2006/07	2005/06	2007/08	2008/09
1. Department of the Premier	847	1 910	1 516	538	538	718	510	(28.97)	510	510
2. Provincial Parliament	136	224	158	58	58	106	58	(45.28)	58	58
3. Provincial Treasury	389 207	388 934	385 312	285 541	285 541	428 992	290 000	(32.40)	309 153	310 579
4. Community Safety	335	2 402	1 647	518	1 154	1 154	646	(44.02)	685	740
5. Education	17 093	15 585	9 962	18 640	11 092	11 092	11 641	4.95	12 217	12 821
6. Health	119 872	165 011	236 541	233 027	254 410	254 410	297 080	16.77	315 209	320 875
7. Social Development	6 688	18 212	21 276	7 260	1 100	1 100	272	(75.27)	275	280
8. Local Government and Housing	1 691	28 474	39 084	25 090	25 090	25 090	25 090		25 090	25 090
9. Environmental Affairs and Development Planning	1 475	559	767	28	28	122	58	(52.46)	88	88
10. Transport and Public Works	560 642	691 175	744 423	781 766	783 082	794 479	783 285	(1.41)	806 847	832 107
11. Agriculture	11 476	12 224	13 385	10 720	13 170	13 577	11 620	(14.41)	12 110	12 110
12. Economic Development and Tourism	3 700	4 040	5 937	9 000	4 000	4 000	15 000	275.00	19 000	19 000
13. Cultural Affairs and Sport	2 261	1 329	766	660	3 138	3 706	420	(88.67)	425	425
Total provincial own receipts by Vote	1 115 423	1 330 079	1 460 774	1 372 846	1 382 401	1 538 546	1 435 680	(6.69)	1 501 667	1 534 683

Table 4 Summary of provincial payments and estimates by vote: 2002/03 to 2008/09

Provincial department R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised	% Change from Revised estimate			
	2002/03	2003/04	2004/05	appropriation 2005/06	appropriation 2005/06	estimate 2005/06	2006/07	2005/06	2007/08	2008/09
1. Department of the Premier	335 724	312 936	288 662	298 112	298 068	298 068	310 927	4.31	326 905	343 093
2. Provincial Parliament	23 887	28 840	30 707	40 681	41 081	37 930	47 891	26.26	49 072	52 207
3. Provincial Treasury	60 533	65 421	102 333	125 914	115 409	115 409	134 246	16.32	145 340	152 448
4. Community Safety	118 751	141 187	164 256	173 724	178 796	178 796	181 257	1.38	189 548	199 292
5. Education	4 802 240	5 304 807	5 690 709	6 259 846	6 504 659	6 504 659	6 988 131	7.43	7 592 595	8 211 663
6. Health	3 951 022	4 547 304	5 169 199	5 742 503	5 776 822	5 733 567	6 323 493	10.29	6 774 319	7 332 905
7. Social Development	465 442	518 964	603 003	678 578	694 526	694 526	727 143	4.70	867 121	1 034 957
8. Local Government and Housing	482 554	426 692	665 872	632 805	811 808	806 914	776 962	(3.71)	935 510	1 020 001
9. Environmental Affairs and Development Planning	120 470	120 622	135 468	158 720	159 020	159 020	175 525	10.38	165 865	173 991
10. Transport and Public Works	1 081 737	1 216 208	1 258 628	1 712 012	1 797 365	1 798 197	2 064 326	14.80	2 093 836	2 346 450
11. Agriculture	131 168	160 591	196 893	238 185	269 226	274 108	254 034	(7.32)	287 217	304 989
12. Economic Development and Tourism	142 622	122 755	126 439	145 148	142 405	142 405	188 433	32.32	206 709	214 749
13. Cultural Affairs and Sport	108 478	134 477	148 932	167 799	168 312	168 312	187 691	11.51	204 464	218 106
Total provincial payments and estimates by vote	11 824 628	13 100 804	14 581 101	16 374 027	16 957 497	16 911 911	18 360 059	8.56	19 838 501	21 604 851

Note: This table excludes direct charge and the GEMS provision.

Table 5 Summary of provincial payments and estimates by economic classification: 2002/03 to 2008/09

Economic classification R'000	Outcome			Main appropriation 2005/06	Adjusted appropriation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
							2006/07	2005/06	2007/08	2008/09
Current payments	9 262 360	10 308 590	11 391 460	12 705 061	12 887 468	12 827 426	14 325 692	11.68	15 447 401	16 813 418
Compensation of employees	6 963 902	7 458 955	8 164 939	9 221 911	9 186 466	9 090 636	10 195 098	12.15	10 950 664	11 708 015
Goods and services	2 291 647	2 834 378	3 213 949	3 475 963	3 693 233	3 727 729	4 125 839	10.68	4 491 753	5 100 195
Interest and rent on land	1 922	2 243		2 588	2 588	2 588		(100.00)		
Financial transactions in assets and liabilities	4 889	13 014	12 572	4 599	5 181	6 473	4 755	(26.54)	4 984	5 208
Unauthorised expenditure										
Transfers and subsidies to	1 739 275	1 850 135	2 133 937	2 238 341	2 537 446	2 596 833	2 417 596	(6.90)	2 798 947	3 103 237
Provinces and municipalities	299 343	359 368	352 436	393 743	494 889	497 435	293 196	(41.06)	334 539	354 159
Departmental agencies and accounts	155 679	188 099	139 420	154 904	153 547	153 547	147 980	(3.63)	135 701	141 366
Universities and technikons	41 075	42 723	57 799	60 083	58 723	58 723	2 664	(95.46)	2 494	2 782
Public corporations and private enterprises	3 911	23 793	37 924	32 742	40 206	40 184	26 841	(33.20)	25 740	25 755
Foreign governments and international organisations	100	67	120	100	150	150	163	8.67	170	173
Non-profit institutions	774 353	805 086	899 391	1 018 915	1 038 992	1 099 749	1 207 954	9.84	1 397 970	1 595 073
Households	464 814	430 999	646 847	577 854	750 939	747 045	738 798	(1.10)	902 333	983 929
Payments for capital assets	822 993	942 079	1 055 704	1 430 625	1 532 583	1 487 652	1 616 771	8.68	1 592 153	1 688 196
Buildings and other fixed structures	587 648	693 505	813 045	1 146 882	1 189 569	1 144 852	1 314 026	14.78	1 256 144	1 351 146
Machinery and equipment	233 490	240 428	229 718	260 831	279 166	279 445	284 646	1.86	317 746	314 415
Cultivated assets			112	52	132	132	36	(72.73)	110	110
Software and other intangible assets		5 909	8 944	9 460	10 316	9 823	7 563	(23.01)	6 953	6 025
Land and subsoil assets	1 855	2 237	3 885	13 400	53 400	53 400	10 500	(80.34)	11 200	16 500
Total economic classification	11 824 628	13 100 804	14 581 101	16 374 027	16 957 497	16 911 911	18 360 059	8.56	19 838 501	21 604 851
Direct charge	11 340	12 164	12 892	14 917	14 917	13 299	15 531	16.78	16 308	17 124
Total economic classification (including direct charge)	11 835 968	13 112 968	14 593 993	16 388 944	16 972 414	16 925 210	18 375 590	8.57	19 854 809	21 621 975

Note: Audited 2003/04 and 2004/05 - Changes made to align with Chart of Accounts.

Table 6(a) Summary of provincial infrastructure payments and estimates by vote: 2002/03 to 2008/09

Provincial department R'000	Outcome			Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2002/03	2003/04	2004/05				2006/07	2005/06	2007/08	2008/09
1. Department of the Premier										
2. Provincial Parliament										
3. Provincial Treasury										
4. Community Safety										
5. Education	144 795	161 007	239 337	188 972	373 808	373 808	279 476	(25.24)	171 038	138 941
6. Health	100 794	196 176	288 464	296 805	273 725	273 725	324 946	18.71	315 217	323 720
7. Social Development										
8. Local Government and Housing										
9. Environmental Affairs and Development Planning										
10. Transport and Public Works	650 529	721 427	762 896	1 112 617	1 170 307	1 170 307	1 343 518	14.80	1 393 616	1 604 939
11. Agriculture	5 331	5 363	28 314	45 538	32 188	32 188	50 535	57.00	67 957	69 719
12. Economic Development and Tourism										
13. Cultural Affairs and Sport										
Total provincial infrastructure payments and estimates by vote	901 449	1 083 973	1 319 011	1 643 932	1 850 028	1 850 028	1 998 475	8.02	1 947 828	2 137 319

Table 6(b) Summary of provincial infrastructure per category: 2002/03 to 2008/09

Category R'000	Outcome			Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2002/03	2003/04	2004/05				2006/07	2005/06	2007/08	2008/09
New Construction	98 935	123 917	169 813	241 972	327 728	327 728	334 374	2.03	268 892	182 578
Rehabilitation/Upgrading	261 992	367 371	400 973	544 843	541 144	541 144	544 414	0.60	554 780	641 474
Other capital projects	259 138	232 690	311 917	492 452	555 008	555 008	623 662	12.37	663 522	772 076
Maintenance	281 384	359 995	436 308	364 665	426 148	426 148	496 025	16.40	460 634	541 191
Total provincial infrastructure payments and estimates	901 449	1 083 973	1 319 011	1 643 932	1 850 028	1 850 028	1 998 475	8.02	1 947 828	2 137 319

Table 7 Summary of departmental transfers to public entities by transferring department: 2002/03 to 2008/09

Public entities (transferring department) R'000	Outcome			Main appro- pria- tion 2005/06	Adjusted appro- pria- tion 2005/06	Revised estimate 2005/06	Medium-term estimate		
	Audited 2002/03	Audited 2003/04	Audited 2004/05				2006/07	2007/08	2008/09
Major public entities:									
1. Independent Development Trust: Vote 10: Transport and Public Works				5 000	10 000	10 000	1 000		
National Government Business									
Enterprises:									
2. South African Rail Commuter Corporation Vote 10: Transport and Public Works		14 982		10 000					
National public entities:									
3. Agricultural Research Council Vote 11: Agriculture	4 954	5 686	2 796	541	350	350	191	200	200
Provincial Government Business									
Enterprises:									
4. Casidra (Pty) Ltd.	3 678	8 750	35 204	27 994	29 911	29 911	24 794	24 794	24 794
Vote 11: Agriculture	2 928	4 500	17 954	10 694	9 511	9 511	4 694	4 694	4 694
Vote 10: Transport and Public Works				2 000	2 000	2 000			
Vote 12: Economic Development and Tourism	750	4 250	17 250	15 300	18 400	18 400	20 100	20 100	20 100
Western Cape public entities:									
5. Western Cape Cultural Commission Vote 13: Cultural Affairs and Sport	9 114	7 855	7 920	8 497	8 497	8 497	7 997	8 302	8 883
6. Western Cape Gambling and Racing Board Vote 3: Provincial Treasury	4 000	4 700							
7. Western Cape Investment and Trade Promotion Agency (Wesgro) Vote 12: Economic Development and Tourism		7 461	31 700	23 800	19 500	19 500	9 000	9 000	9 000
8. Western Cape Language Committee Vote 13: Cultural Affairs and Sport	602	602	602	602	602	602	602	602	602
9. Western Cape Liquor Board Vote 12: Economic Development and Tourism									
10. Western Cape Nature Conservation Board Vote 9: Environmental Affairs and Development Planning	61 861	61 365	61 767	71 216	71 682	71 682	81 535	70 156	73 178
11. Western Cape Provincial Development Council Vote 1: Department of the Premier	3 092	3 262	3 428	3 579	5 000	5 000	6 419	6 574	7 042
12. Western Cape Destination Marketing Organisation Vote 12: Economic Development and Tourism	6 340	14 741	20 532	25 850	25 850	25 850	26 570	24 570	25 570
13. Western Cape Environmental Commissioner Vote 9: Environmental Affairs and Development Planning				1	1	1			
14. Artscape Vote 13: Cultural Affairs and Sport				116	116	116	120	125	133
15. Council for Scientific and Industrial Vote 12: Economic Development and Tourism		7 600					5 000	5 000	5 000
Not listed in PFMA, but indicated as a public entity in Budget Statement 2:									
15. Heritage Western Cape		800	950	950	950	950	950	950	950
Total	93 641	137 804	164 899	178 146	172 459	172 459	164 178	150 273	155 352

Table 8 Transfer to local government by category and municipality: 2002/03 to 2008/09

Municipalities R'000	Outcome			Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
							2006/07	2005/06	2007/08	2008/09
Category A	157 031	202 362	150 312	450 717	677 208	672 314	537 714	(20.02)	744 646	831 729
City of Cape Town	157 031	202 362	150 312	450 717	677 208	672 314	537 714	(20.02)	744 646	831 729
Category B	59 138	78 303	90 979	241 780	255 685	256 517	301 535	17.55	267 271	283 039
Beaufort West	1 819	4 067	4 132	4 691	10 961	10 961	11 592	5.76	6 474	6 647
Bergrivier	1 045	1 752	636	4 281	6 425	6 425	2 898	(54.89)	4 181	4 671
Bitou	2 197	2 712	3 520	11 758	15 243	15 243	14 879	(2.39)	11 880	13 272
Breede River/Winelands	1 433	2 242	4 701	7 394	13 780	14 196	7 567	(46.70)	8 492	9 488
Breede Valley	2 166	9 198	7 197	20 539	15 490	15 490	45 889	196.25	24 789	27 694
Cape Agulhas	697	727	913	4 523	3 413	3 413	2 156	(36.83)	3 200	3 575
Cederberg	729	1 312	738	4 992	6 070	6 070	6 285	3.54	1 648	1 841
Drakenstein	4 571	5 633	10 152	24 031	24 459	24 875	15 537	(37.54)	23 354	26 091
George	8 624	8 164	9 778	30 442	31 872	31 872	23 220	(27.15)	27 250	17 186
Kannaland	504	1 095	461	2 518	2 931	2 931	2 854	(2.63)	1 209	1 351
Knysna	2 138	3 145	3 778	12 003	16 346	16 346	7 754	(52.56)	11 607	12 967
Laingsburg	285	1 144	1 656	2 475	2 538	2 538	1 549	(38.97)	2 271	2 538
Hessequa	2 548	3 363	4 586	4 818	6 613	6 613	3 780	(42.84)	5 562	6 213
Matzikama	2 051	2 488	2 026	2 719	5 004	5 004	8 763	75.12	1 721	1 923
Mossel Bay	2 944	3 275	4 102	13 059	13 676	13 676	5 897	(56.88)	12 254	13 104
Oudtshoorn	4 165	2 037	3 652	11 024	14 351	14 351	5 139	(64.19)	7 639	8 534
Overstrand	2 823	5 413	5 107	6 553	7 853	7 853	12 063	53.61	7 356	8 218
Prince Albert	539	722	1 201	3 269	5 654	5 654	689	(87.81)	959	1 071
Saldanha Bay	1 770	3 193	6 573	8 695	9 689	9 689	6 089	(37.16)	12 378	13 242
Stellenbosch	3 056	4 577	4 941	17 477	10 619	10 619	15 451	45.50	23 389	26 126
Swartland	6 013	3 366	4 384	4 638	6 172	6 172	10 163	64.66	2 801	3 129
Swellendam	839	1 824	1 925	3 260	3 285	3 285	3 580	8.98	4 904	5 478
Theewaterskloof	4 720	3 849	3 470	14 235	16 768	16 768	27 863	66.17	18 448	20 610
Witzenberg	1 462	3 005	1 350	5 318	6 473	6 473	9 972	54.06	6 369	7 116
Unallocated				17 068			49 906		37 136	40 954
Category C	43 168	49 025	59 870	82 104	77 895	77 895	23 975	(69.22)	21 404	20 509
Cape Winelands	10 358	10 587	21 610	19 094	20 576	20 576	4 893	(76.22)	3 835	4 796
Central Karoo	4 767	4 771	4 914	7 567	14 574	14 574	2 520	(82.71)	1 568	3 072
Eden	10 391	14 946	9 994	14 793	17 695	17 695	7 032	(60.26)	4 396	2 855
Overberg	8 041	8 284	10 370	10 787	11 432	11 432	3 815	(66.63)	2 619	1 571
West Coast	9 611	10 437	12 982	16 931	13 618	13 618	5 715	(58.03)	5 408	4 383
Unallocated				12 932					3 578	3 832
Unallocated	387 549	281 865	527 122	51 500	196	196			3 500	3 500
Total transfers to local government	646 886	611 555	828 283	826 101	1 010 984	1 006 922	863 224	(14.27)	1 036 821	1 138 777

Note: Excludes regional services council levy and discontinued transfers.

Table 9(a) Summary of provincial payments on training by vote: 2002/03 to 2008/09

Provincial departments R'000	Outcome			Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2002/03	2003/04	2004/05				2006/07	2005/06	2007/08	2008/09
1. Department of the Premier	5 106	3 990	3 275	4 408	5 552	5 552	2 123	4.31	3 713	3 947
2. Provincial Parliament	66	110	131	176	205	207	255	26.26	274	291
3. Provincial Treasury	599	571	296	457	1 142	1 088	1 084	16.32	1 138	1 194
4. Community Safety	125	242	486	344	344	344	430	1.38	463	498
5. Education	19 814	31 967	41 700	42 771	42 771	42 771	57 181	7.43	76 299	93 592
6. Health	66 263	73 549	81 226	99 244	100 904	100 904	121 809	10.29	154 968	188 682
7. Social Development		256	282	310	310	310	340	4.70	374	374
8. Local Government and Housing	1 389	680	849	3 121	3 121	3 121	3 204	(3.71)	4 224	4 254
9. Environmental Affairs and Development Planning	460	669	726	1 389	1 389	1 389	1 429	10.38	1 601	1 680
10. Transport and Public Works	1 349	1 824	1 362	4 458	5 000	5 000	7 560	14.80	12 555	13 555
11. Agriculture			1 575	1 420	1 420	1 420	1 490	(7.32)	1 565	1 565
12. Economic Development and Tourism			345	377	377	377	481	32.32	493	517
13. Cultural Affairs and Sport	189	315	567	677	677	677	766	11.51	819	856
Total provincial payments on training	95 360	114 173	132 820	159 152	163 212	163 160	198 152	21.45	258 486	311 005

Table 9(b) Information on training 2002/03 to 2008/09

Description	Outcome			Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2002/03	2003/04	2004/05				2006/07	2005/06	2007/08	2008/09
Number of staff	67 718	67 442	68 207	71 037	70 048	70 100	73 628	5.03	74 244	75 042
Number of personnel trained	22 214	46 857	57 673	58 723	58 849	58 814	60 298	2.52	61 495	61 495
<i>of which</i>										
Male	8 380	16 045	23 362	20 129	20 242	20 224	20 611	1.91	21 137	21 137
Female	13 834	30 812	34 311	38 594	38 607	38 590	39 687	2.84	40 358	40 358
Number of training opportunities	10 944	19 711	19 678	20 635	20 798	20 798	21 865	5.13	22 502	22 848
<i>of which</i>										
Tertiary	425	549	390	883	896	896	1 538	71.65	1 758	2 096
Workshops	388	1 226	1 717	1 532	1 545	1 545	1 616	4.60	1 670	1 670
Seminars	15	31	78	112	124	124	123	(0.81)	126	130
Other	10 116	17 905	17 493	18 108	18 233	18 233	18 588	1.95	18 948	18 952
Number of bursaries offered	435	885	1 365	1 950	1 975	1 975	2 647	34.03	3 369	3 434
Number of interns appointed	181	176	250	289	618	618	737	19.26	422	422
Number of learnerships appointed	28	41	1 008	1 493	1 330	1 330	3 903	193.46	4 883	5 863
Number of days spent on training	40 120	40 669	41 154	43 648	43 752	43 752	43 912	0.37	43 997	43 997

Table 10 Summary of provincial payments and estimates by policy area

Policy Area R'000	Outcome			Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
							2006/07	2005/06	2007/08	2008/09
General public services	468 869	461 753	474 699	513 332	543 466	538 695	540 346	0.31	570 157	599 677
Public order and safety	48 257	51 486	74 601	72 307	79 586	79 586	87 720	10.22	91 760	96 437
Economic affairs	1 408 587	1 553 701	1 645 264	2 164 413	2 273 892	2 279 606	2 567 731	12.64	2 651 205	2 933 014
Environmental protection	120 470	120 622	135 468	158 720	159 020	159 020	175 525	10.38	165 865	173 991
Housing and community amenities	445 169	384 300	625 767	599 097	737 817	732 925	745 211	1.68	902 978	985 196
Health	3 958 378	4 556 799	5 180 258	5 755 438	5 789 757	5 746 502	6 337 235	10.28	6 788 850	7 348 209
Recreation, culture and religion	108 478	134 477	148 932	167 799	168 312	168 312	187 691	11.51	204 464	218 106
Education	4 810 615	5 314 129	5 701 523	6 271 760	6 521 573	6 521 573	7 003 988	7.40	7 609 409	8 229 388
Social protection	467 145	535 701	607 481	686 078	698 991	698 991	730 143	4.46	870 121	1 037 957
Total payments and estimates by policy area	11 835 968	13 112 968	14 593 993	16 388 944	16 972 414	16 925 210	18 375 590	8.57	19 854 809	21 621 975

Explanatory notes

The chapter for each of the thirteen votes contains information under the following headings:

Vote name and number

A vote is one of the main segments into which an appropriation act is divided and specifies the total amount appropriated per department in that act. Each vote follows the same format.

To be appropriated by vote

The amount to be appropriated by a vote reflects the expenditure allocation to be voted for the 2006/07 financial year. Expenditure for the two outer-years of the Medium-term expenditure framework (MTEF) is also included as indicative allocations, but is not yet appropriated/voted by the Provincial Parliament.

Accountability information

The responsible provincial minister, accounting officer and administering department are identified to enhance accountability.

Overview

The overview provides a brief description of the core functions and responsibilities of the department, as well as its vision and mission statements (strategic objectives and strategic policy directions); a short overview of the main services that the department intends to deliver, with details of the quantity and the quality of service; a brief analysis of the demands for and expected changes in the services, and the resources (financial, personnel, infrastructure, etc.) available to match these; the Acts, rules and regulations the department must consider; and brief information on external activities and events relevant to budget decisions.

Review of the current financial year (2005/06)

This section corresponds with the "Outlook for the coming budget year" as presented in the Provincial 2005/06 budget statement two. It reports on the implementation of new policy priorities, main events, and challenges from the past. It addresses problems experienced in the past, which may relate to establishing/determining the departmental estimates.

In all tables, the 2005/06 financial year has three columns (Main Appropriation, Adjusted Appropriation and Revised Estimates). The in-year-expenditure (actual and projected) as at end of November 2005 is used to indicate the 'revised estimates'.

Outlook for the coming financial year (2006/07)

This section reviews the activities of the department for the coming year, focusing on new policy priorities, significant events, legislative changes and challenges that frame departmental spending plans over the MTEF. In essence, it provides an analysis of what the department will deliver in 2006/07.

Receipts and Financing

The section distinguishes between tax receipts; sales of goods and services other than capital assets; transfers received; fines, penalties and forfeits; interest, dividends and rent on land; sales of capital assets; and financial transactions in assets and liabilities.

Payment summary

This section contains information by programme, economic classification in the *New Economic Reporting Format*, infrastructure payments, departmental public-private partnership projects, transfers, etc. It presents the main programmes, structural changes and expenditure trends in the Vote over the 7-year period (2002/03 to 2008/09) and also reflects policy developments and departmental priorities.

The numbers included in 2005/06 under the revised estimates column refer to the actual position as at 30 November 2005 (in year monitoring report) and realistic projections for the remaining months of the 2005/06 financial year.

Transfers

Transfers to selected categories are indicated, which are as follows:

- Departmental transfers to public entities falling within the governing framework, by entity;
- All other departmental transfers to entities other than transfers to public entities and local government, for example transfers to Non-Governmental Organisations (NGOs), by entity;
- Departmental transfers to local government (municipalities), by category A, B and C

Programme description

In this section the different programmes are presented, beginning with an overall description of respective programmes and their objectives. Policy developments specific to each programme is detailed in this section with most of the information relating to the information in the strategic and annual performance plan. Each programme is listed individually alongside its purpose, as in the Appropriation Bill. The main measurable objectives are also included, in terms of section 27(4) of the PFMA. After the introduction of the programme, each sub-programme is discussed, showing the payments and estimates, as well as the service delivery measures.

Programme 1: Administration has an internal focus. It delivers a support function to the various programmes within a particular Vote, whilst all the other programmes deliver particular services to communities, hence Programme 1 only present amounts and is not required to publish key measurable objectives.

Description and objectives

In this section the discussion focuses on the following, mostly taken from strategic plans i.e. purpose, service rendered, policy changes, payment pressures, and receipts collection, among other issues and may include:

- Objectives regarding changes in policies, structures, service establishments, geographic distributions of service, etc; and
- Operational objectives for the planned output in terms of quantity and quality.

Service delivery measures

This section contains planned outputs that are shown in a tabular format and reflect the core business of the department. This section focuses on outputs that are underpinned by key measurable objectives and performance indicators delivered by the department for public consumption by individuals, organisations or enterprises.

This section shows “planned outputs” for the coming financial year.

Personnel numbers and costs

Personnel numbers per programme for full-time equivalent positions are disclosed at the end of each departmental chapter for the previous and current financial years, along with estimates over the MTEF.

Training information

This section provides for a high-level aggregation of provincial spending on training, inclusive of information on the number and gender profile of persons trained and those to be trained, number of bursaries awarded, interns, learnerships and the mode of training in the budget year and over the MTEF.

Structural changes reconciliation

In this section structural changes between programmes in the department or between programmes in the department and another department are indicated to amongst others cater for the transfer of responsibility for the provision of services between programmes or between departments.

Annexure tables to each Vote

Standard detailed tables are included in the annexure to each vote. These include:

- Table B.1: Specification of receipts
- Table B.2: Payments and estimates by economic classification (summary and per programme)
- Table B.3: Details on public entities
- Table B.4: Transfers to local government by transfers/grant type, category and municipality
- Table B.5: Provincial payments and estimates by district and local municipality
- Table B.6: Summary of details of expenditure for infrastructure by category