

# Executive Summary

## Overview

The South African economy is recovering from the 2009 global recession which resulted in the increase in unemployment of about 1 million. In the North West the disestablishment of municipal boundaries increased the fiscal challenges. The changes resulted in a sharp decline in the Provincial equitable share allocation the 7.1 percent to 6.7 percent. The reduction in the equitable share and the impact of the recession resulted in serious challenges of allocation and management of the limited resources. Despite these challenges the Provincial Treasury managed to ensure that resources are equitably allocated and managed by departments and the affected institutions. Prioritization, re-assessment of programmes in terms of services delivery and value adding and non-essential items were the order of the day to secure resources to fund core mandates.

Looking forward into 2011, the Province will give more focus on the public health system which is under extreme pressure as a result of increasing demand for quality health services, pressure on education system arising as a result of the backlogs on school building and classroom provision and maintenance. The growing number of people in need of shelter in informal settlements presents a challenge for the province to provide proper basic service delivery and provision of formal housing.

The provincial disaster as a result of the heavy rainfalls during the late part of the 2010 financial year increased the pressure on the limited resources available for distribution.

In 2010, the Community Survey by Statistics South Africa revealed that the relative population in the North West Province is declining. The reduction in population reduced the equitable share allocation to the province by R267 million over the MTEF. This requires the Province to find innovative ways of increasing the size of the envelope and do things differently.

The budget addresses key issues contained in the State of the Nation Address, State of the Province Address and in line with the outcome approach. The important priorities that the budget attempt to address among others include the key service delivery issues such as education, health, crime prevention, rural development and job creation.

### ***“Job creation through meaningful economic transformation”***

The year 2011 has been declared by the President as the year of job creation through meaningful economic transformation. This priority attempts to deal with unacceptable high levels of poverty and inequality found in the country and therefore the government will strive to provide decent and sustainable jobs through the New Growth Path that will:

- *Identify areas where employment creation is possible on a large scale as a result of substantial changes in conditions of South Africa and globally.*
- *Develop a policy package to facilitate employment creation through a comprehensive drive to enhance both social equity and competitiveness*
- *Systemic changes to mobilize domestic investment around activities that can create sustainable employment and;*
- *Strong social dialogue to focus all stakeholders on encouraging growth in employment creating activities*

### ***“Continue to implement the 10 Point Plan on health”***

The government will work tirelessly to create a health system that promotes women's health as a fundamental human right and will strive to promote the provision of sanitary towels to women on the indigent list of municipalities. Addition to that, accelerated work shall be undertaken to further revitalize and improve public health care system and to attend to intense pressure and challenges facing health services in some provinces. Intervention must include appointing qualified personnel and improving infrastructure such as rebuilding dilapidated clinics and hospitals. The implementation of the National Health Insurance needs to be fast-tracked.

**“Education:** Further Education and Training has been prioritized and provide resources including expanding bursary schemes for supporting attendance at FET Colleges. For 2011, Students who have registered at public universities in their final year of study and who qualify for funding from the National Student Financial Aid Scheme will receive a loan equivalent to the full cost of study, which is the full fee and the necessary living expenses. The government will also put efforts in promoting the role of State Owned Enterprise in the training of artisans to promote skill development.

The schools must provide text books and all materials on the first day of the school. The government shall improve the infrastructure; including attending to the more than 3000 schools that need to be brought up to the basic safety functionality levels by 2014.

**“Peace and Stability”**

There are number of structures whose task is to prevent, fight and deal with corruptions.

Various investigations are currently underway in the public service designed to help thus ensuring clean governance

**“Rural Development and Land Reform”** - *To enact legislation that will give greater protection to farm workers and farm dweller and monitor the enforcement of that legislation. The government is looking at three forms of land holding. That is, these are the state lands that can only be held through leasehold, freehold with limited extent on private land and foreigners will be allowed to lease land but ownership will revert to South Africa.*

**“Social Transformation** - *Provision of sports and recreational facilities in poor and rural communities must receive a priority.*

**“Local Government** - *Place systems that allows greater community participation in choosing candidates for the 2011 local government elections.*

Political Prioritization linked to the National Spatial Development Perspective (NSDP) and Provincial Growth and Development Strategy (PGDS). The National Spatial Development Perspective states that the National Government is committed to economic growth, employment creation, sustainable service delivery, poverty alleviation and eradication of historic inequities.

Efforts to provide integrated and sustainable growth and development showed that a common policy, planning and delivery framework for integrated and sustainable development and growth in the province lies at the heart of improved and focused delivery through national and provincial government, district and municipal councils and other partners in development. It also showed that integrated and sustainable development is only possible and feasible if all partners in development depart from one common and standardized framework and approach.

The Provincial Growth and Development Strategy will be reviewed during 2010/11, specific focus on the sectoral and spatial targets based on the amended municipal boundaries within the province and the achievements made so far. This review process also needs to incorporate new challenges and policies that have been developed since the first version of the Provincial Growth and Development Strategy in 2004.

The NSDP and the Provincial Growth and Development Strategy proposed certain normative principles to use as guide when making the decisions on infrastructure investments and development spending to meet the overall provincial objectives.

Economic growth which is a prerequisite for the achievement of other policy objectives, key among others would be poverty alleviation.

Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and educational facilities), should therefore be focused on localities of economic growth and/or economic potential in order to attract Private-sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities.

Efforts to address past and current social inequalities should focus on people not places. In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low

development potential, government spending, beyond basic services, should focus on providing social transfers, human resource development and labour market intelligence. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities.

In order to overcome the previous spatial distortions, future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or link the main growth centers. Infrastructure investment and development spending should primarily support localities that will become major growth nodes in the province.

## **Chapter 1: Economic Outlook**

### **1.1 Introduction**

This chapter provides a snapshot of the economic development since the third quarter of 2009 for the global and local economies. In addition, it also provides a summary of the income, expenditure patterns and poverty situation of the North West Province.

The overall economic recovery has strengthened in the first half of the year, with real GDP growth expanding at an estimated rate of 3.9 per cent when compared with the second half of 2009. That is, the real GDP growth is projected to grow to rise from 3 percent in 2010 to 3.4 percent in 2011, 4.1 percent in 2012 and 4.4 percent in 2013. While the level of the real GDP returned to pre crisis levels it will take time before the economy reaches full capacity.

The recent economic growth has been characterized by the three imbalances. One, economic growth which is uncertain following the recent economic meltdown, growth which has been driven by a combination of strong commodity prices, strong capital inflows and strong domestic consumer demand. All these rooted in antipoverty measures, growing employment and rising asset prices. It is unfortunate that the effects of this combination has been a strengthening of the currency which makes it difficult for exports outside of the commodity sector and those who compete with imports to remain competitive.

The second imbalance relates to the fact that, yet the government is continuing to do its utmost best to make South Africans benefiting from the relative economic success, through social grants which intends to give some impetus to poverty reduction and income redistribution, to cover at least a third of the affected population remains a challenge due to the influx of the immigrants.

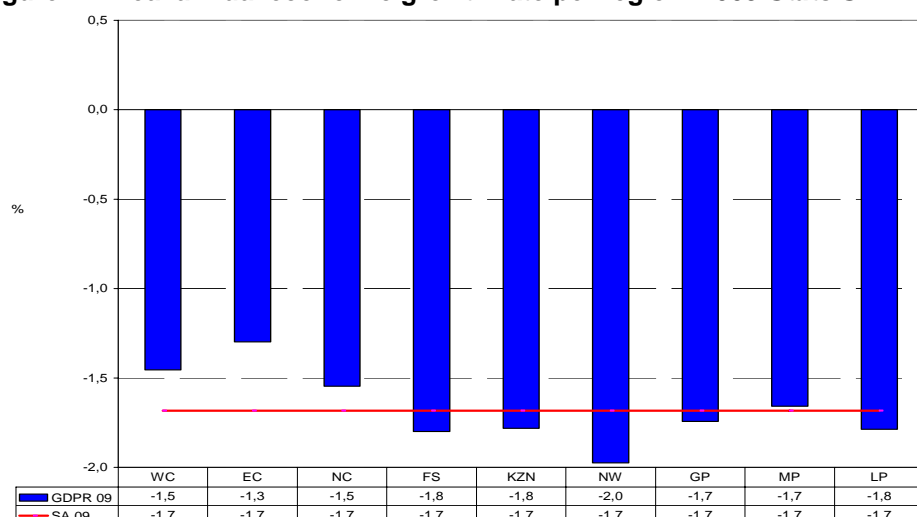
The third imbalance is the climatic changes that have caused a great loss on the assets as a result of unanticipated floods, life threats due to environmental diseases and definite loss of lives.

### **North West Province Economic Perspective**

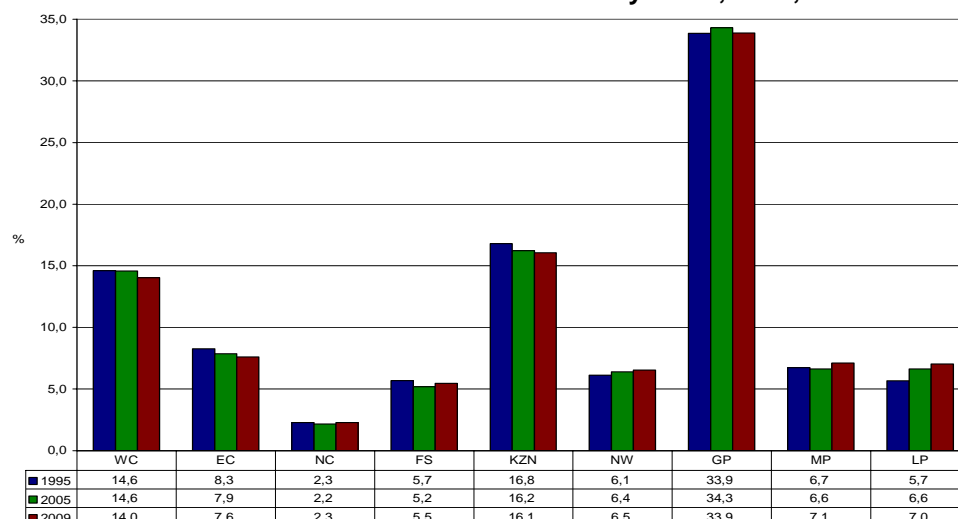
In order for the government to achieve its social objectives, the GDP growth needs to grow at least at an average of 5 percent per annum between 2004 and 2014. Due to the uncertainty of economic changes, this might be just a pipe dream.

The poor performance in the South African economy in 2009 was evident in all provincial economies with all provinces recording negative growth rates. The North West province with (-2.0 percent) recorded the lowest economic growth rate in 2009, followed by the Free State, KwaZulu-Natal and Limpopo provinces (-1.8 percent each). This is illustrated in Figure 3. The decrease in North West was supported by its largest industry, the Mining and quarrying (30.3 percent of total value added) which recorded a decrease of 5.5 percent. The decrease was also evident in the manufacturing (-6.9 percent), wholesales, retail, motor trade and accommodation (-2.3 percent) and electricity, gas and water industries (-1.1 percent).

**Figure 1 – Real annual economic growth rate per region: 2009 Stats SA**



**Figure 2- Provincial contribution to South African economy: 1995, 2005, and 2009**



**Table 1: Regional distribution of economic activity: 2009**

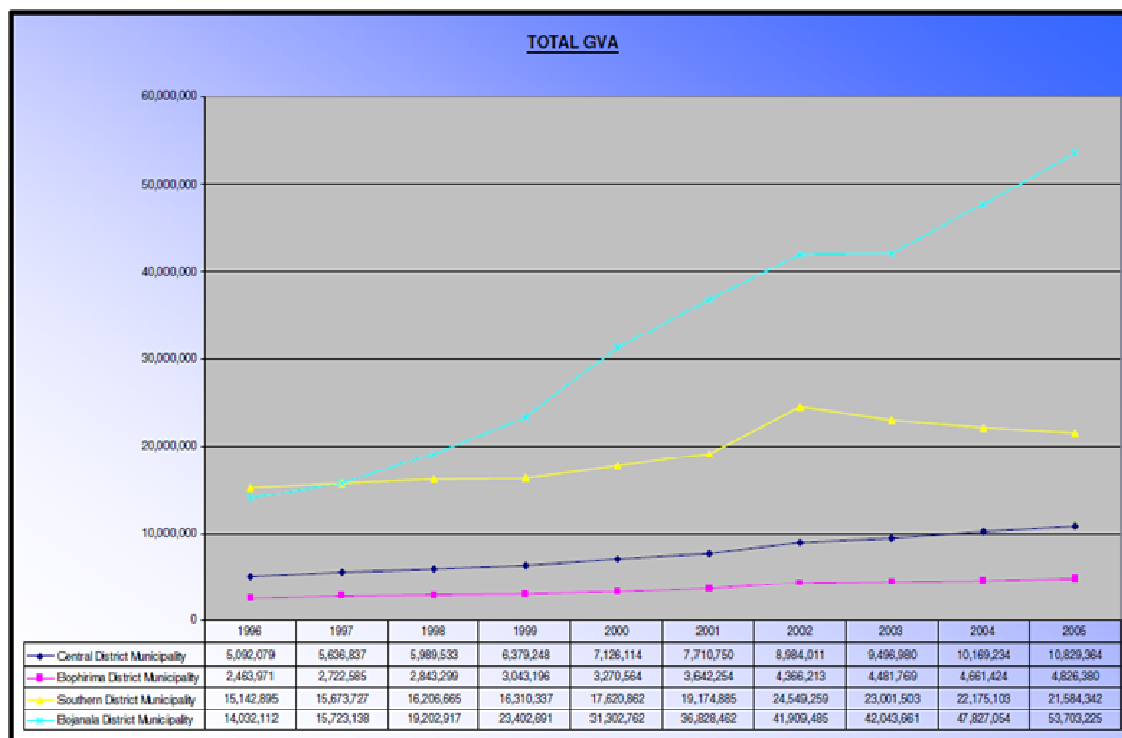
Industry	Western Cape	Eastern Cape	Northern Cape	Free State	KwaZulu-Natal	North West	Gauteng	Mpumalanga	Limpopo	SA
Agriculture, forestry and fishing	21,9	5,1	6,4	11,0	26,7	6,1	5,8	9,1	7,8	100
Mining and quarrying	0,4	0,3	7,2	8,7	3,5	23,9	13,5	19,6	22,8	100
Manufacturing	14,5	7,7	0,4	4,1	21,4	2,6	40,6	7,3	1,4	100
Electricity, gas and water	11,0	4,1	2,5	6,8	16,0	3,0	33,2	15,0	8,5	100
Construction	17,0	5,9	1,2	3,8	15,6	5,0	41,9	5,0	4,6	100
Wholesale, retail, motor trade and accommodation	17,4	8,1	1,9	4,8	16,8	5,4	34,8	5,4	5,6	100
Transport, storage and communication	15,0	7,1	2,0	4,5	22,1	5,8	32,0	5,9	5,6	100
Finance, real estate and business services	19,5	7,5	1,5	4,1	14,2	4,0	39,7	4,2	5,4	100
Community, social and other personal services	12,3	13,3	3,3	10,3	16,8	8,5	24,1	6,0	5,5	100
General government services	9,7	10,9	2,0	5,2	14,7	5,4	38,8	4,8	8,4	100

Having witnessed the overall growth performance of the North West Province's economy vis-a-vis the rest of South Africa, it is fundamental to investigate the underlying sectoral contributions, looking at Table 1 above. As is to be expected the Agricultural sector is losing share overtime when compared with Northern Cape and Limpopo. Mining which is a major contributor to the North West Province economy has substantially improved its standing much over time as compared to all other provinces.

From comparative provincial figures to the economic structure within the four districts in the NW Province and the various sectors of the provincial economy, the total GVA per district for the period 1996 to 2005 as well as the projected figures for 2010 is outlined in Figure 3. These figures clearly indicate the dominance of the Bojanala Platinum District Municipality within the overall NW economy. The total estimated Gross Value Added (GVA) of the Bojanala Platinum District was approximately R50 billion in 2005, which represented 57 percent of the total provincial GVA. This figure is also more than double the total GVA of the Southern District Municipality, (R21.5 billion), 5 times higher than the figure for the Central District Municipality and nearly 10 times as much as that of the Bophirima District Municipality (R4.8 billion).

The proportional contribution of the Bojanala Platinum District Municipality has also increased significantly from 35 per cent in 1996 to 57 percent in 2005. It is furthermore expected that the proportional contribution of the Bojanala Platinum District to the provincial economy will increase further to 64 percent by the year 2010. These figures imply that the overall performance of the provincial economy will to a large extent be influenced by the performance of the Bojanala Platinum District economy. It also implies that the provincial performance will be very sensitive to trends and occurrences in the District economy of Bojanala Platinum District Municipality.

**Figure 3- Gross Value Added per District**



Source: Global Insight, 2006

## 1.2 Socio-economic outlook 2011/12

### 1.2.1 Introduction

This Chapter provides a snapshot of how the demographic factors have affected the development and economy of the province. The information was sourced from the latest Census (2001) data used are the socio economic developments since the third quarter of 2008 for the global and local economies. In addition, it also provides a summary of the income, expenditure patterns and poverty situation of the North West Province.

**Table 2: Demographic profile of the North West Province**

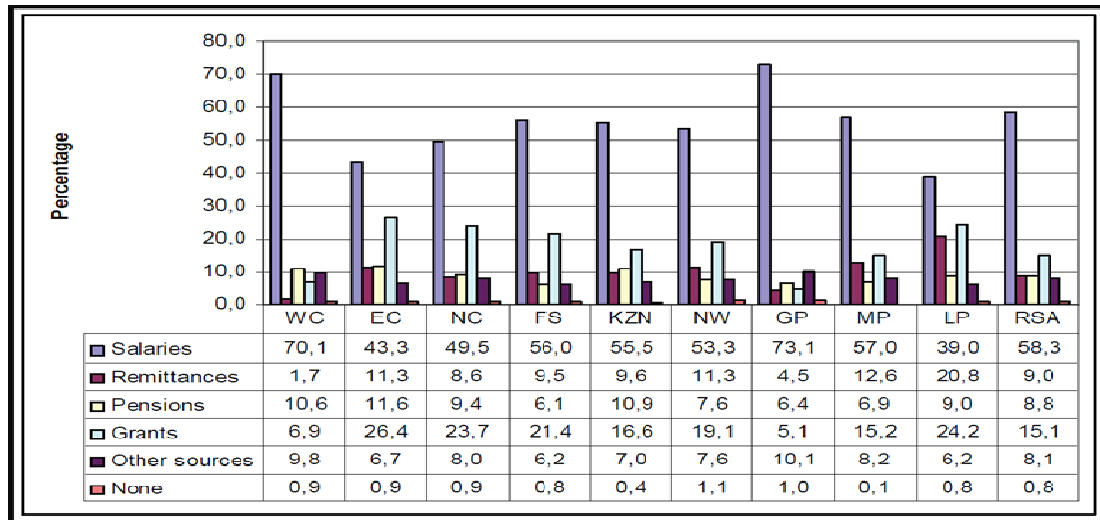
NORTH WEST POPULATION STATISTICS									
Year	Date	Source	Estimate Including Additional Deaths due to HIV/AIDS			Change		Total SA Population	
			Male	Female	Total	Total	%	Total	NW %
<b>2001</b>	<b>2004</b>	<b>Census</b>			<b>3,669,349</b>			<b>44,819,778</b>	<b>8.19%</b>
2001	02-Jul-01	Stats SA Mid Year Estimates	1,770,059	1,834,413	3,604,472			44,328,322	8.13%
2002	01-Jul-02	Stats SA Mid Year Estimates	1,796,770	1,863,132	3,659,902	55,430	1.54%	45,171,908	8.10%
2003	24-Jul-03	Stats SA Mid Year Estimates			3,791,984	132,082	3.61%	46,429,823	8.17%
2004	27-Jul-04	Stats SA Mid Year Estimates	1,938,913	1,868,556	3,807,469	15,485	0.41%	46,586,607	8.17%
2005	31-May-05	Stats SA Mid Year Estimates	1,941,500	1,882,400	3,823,900	16,431	0.43%	46,888,200	8.16%
2006	01-Aug-06	Stats SA Mid Year Estimates. Includes New Provincial Boundaries	1,730,700	1,643,500	3,374,200	-449,700	-11.76%	47,390,900	7.12%
2007	03-Jul-07	Stats SA Mid Year Estimates	1,739,100	1,655,100	3,394,200	20,000	0.59%	47,849,800	7.09%
2008	31-Jul-08	Stats SA Mid Year Estimates	1,668,800	1,756,200	3,425,000	30,800	0.91%	48,687,300	7.03%
2009	27-Jul-09	Stats SA Mid Year Estimates	1,699,200	1,751,200	3,450,400	25,400	0.74%	49,320,500	7.00%
2010	20-Jul-10	Stats SA Mid Year Estimates. Includes Adjustment for Merafong	1,565,400	1,635,500	3,200,900	-249,500	-7.23%	49,991,300	6.40%

ESTIMATED NORTH WEST MIGRATION STREAMS				
Period	Source	Emigration	Immigration	Net
2001-2006	Source: Stats SA 2007 Mid-Year Population Estimates	213,534	171,713	-41,821
2006-2011	Source: Stats SA 2007 Mid-Year Population Estimates	189,535	143,092	-46,443

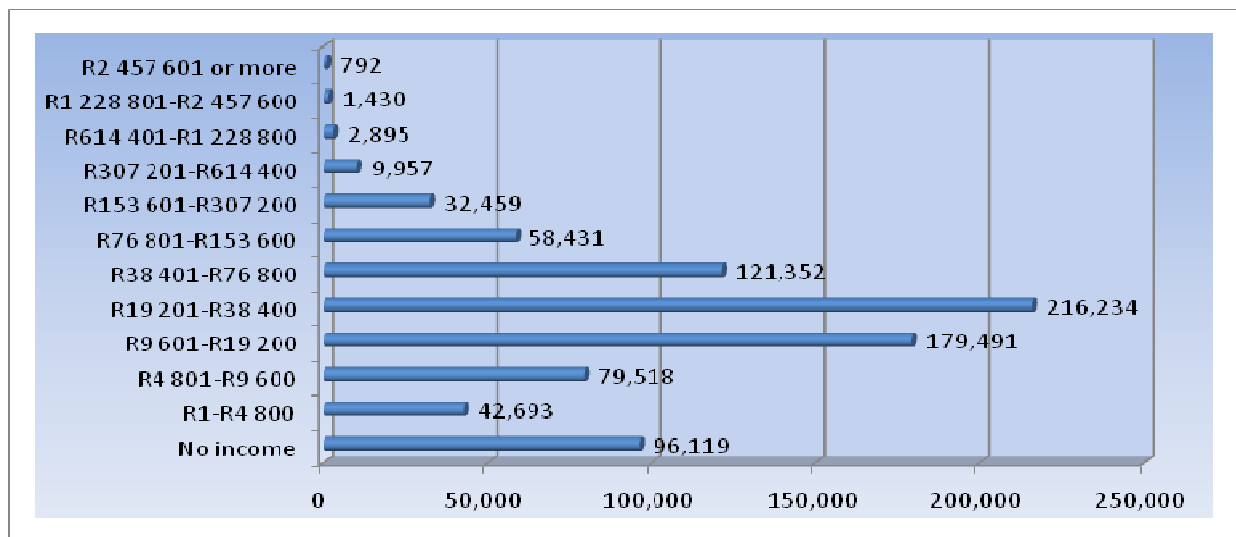
### 1.2.2 Income and Expenditure Survey

Most households in South Africa are dependent on incomes from salaries. Nationally, salaries (63.5 per cent) and grants (43.7 per cent) were received by the highest percentages of households. Provincially, Western Cape (76.6 per cent) and Gauteng province (76.0 per cent) had the highest percentage of households who earned an income from salaries. Grants were more prevalent than salaries as a source of income in Limpopo (57.7 per cent), Eastern Cape (55.7 per cent), Northern Cape (51.9 per cent) and Free State (50.5 per cent). Based on outcome of research conducted previously, the main source of income for the households in the Eastern Cape was (26.4 per cent), Limpopo (24.2 per cent), Northern Cape (23.7 per cent) and Free State (21.4 per cent) that is, they depend solely on social grants as the main source of income.

**Figure 4: Main sources of Households Income by Province**



**Figure 5: Income Distribution: North West**

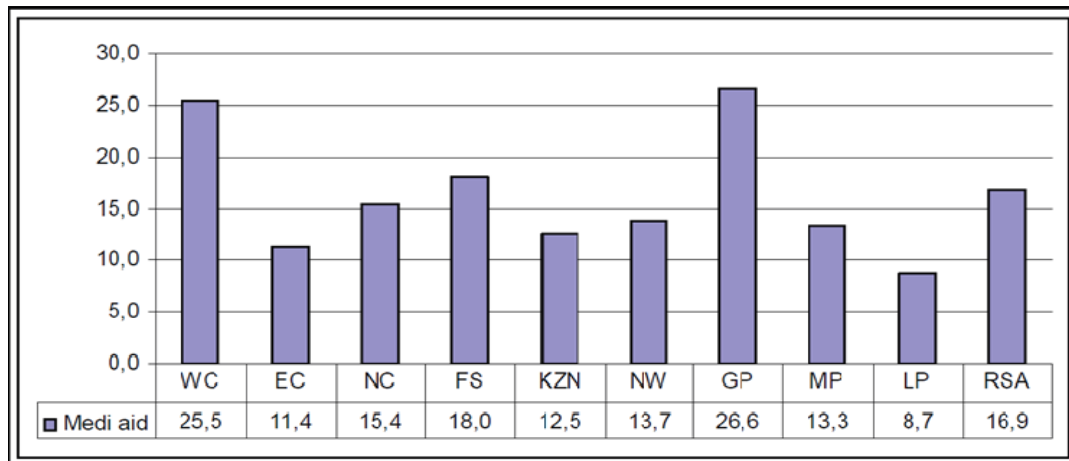


Source: Statssa 2007 Community Survey

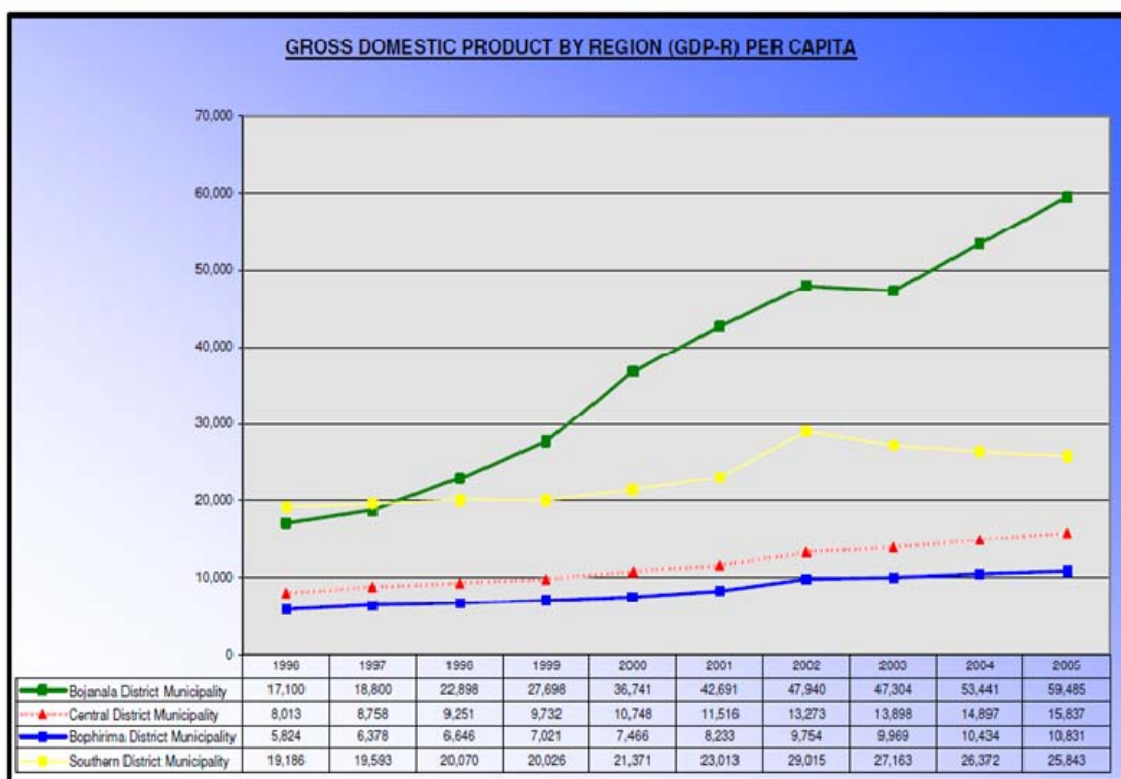
### 1.2.3 General Household Survey- 2009 (Medical Aid Data, etc);

Nearly a quarter (24.3 percent) of South African households has at least one member who belongs to a medical aid scheme. Figure 6 show that 16.9 percent of individuals in SA had medical aid scheme coverage in 2009. This is well above the 2002 levels and is better than in any previous year. In 2009, the GHS included for the first time a question about the reasons why households do not belong to medical aid schemes. The findings suggest that 90.0 percent of households that do not belong to a medical aid scheme say that they do not belong to a scheme because they do not have money to pay for it.

**Figure 6: Medical Aid data per Province**



**Figure 7: Gross Domestic Product- by Region (GDP-R)**



Source: Global Insight, 2006

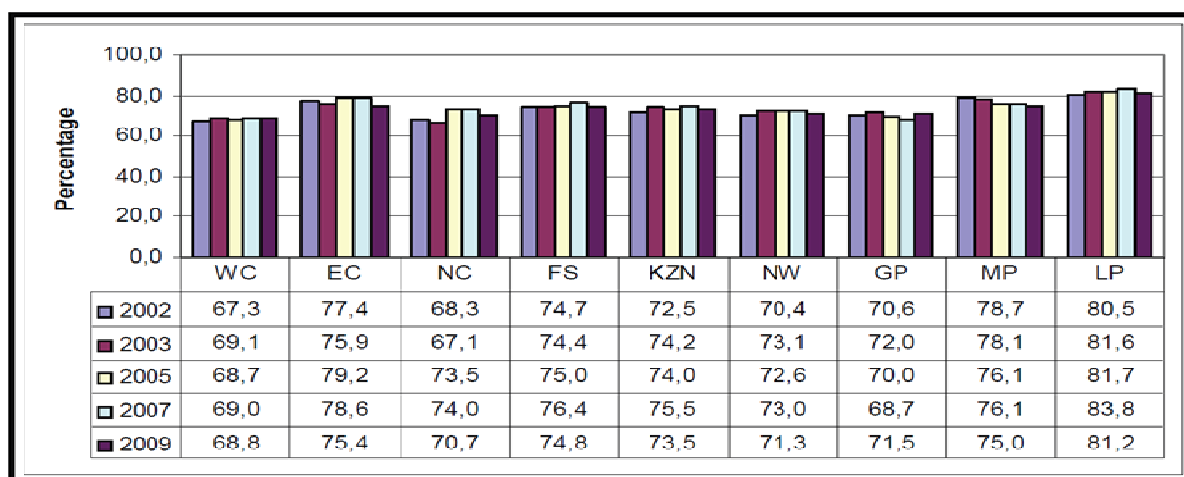
The per capita GVA figures for the various District Municipalities in the Province over the period 1996 to 2005 are outlined in Figure 7 above. This information indicates that the per capita GVA figure for the Bojanala Platinum District Municipality increased from R17 100 in 1996 to R59 485 by 2005. This figure is significantly higher than the comparative 2005 figures for the Southern District Municipality (R25 843), the Central District Municipality (R15 837) and the Bophirima District Municipality (R10 831). The comparative district figures changed significantly over this period. The Southern District Municipality had the highest per capita GVA figure in the province in 1996 (R19 186). However, by 2005 the per capita figure in the Bojanala District was more than double the figure of the Southern District Municipality.



**Table 3: Gross Domestic product by Region: North West**

a. Current prices - Rand million

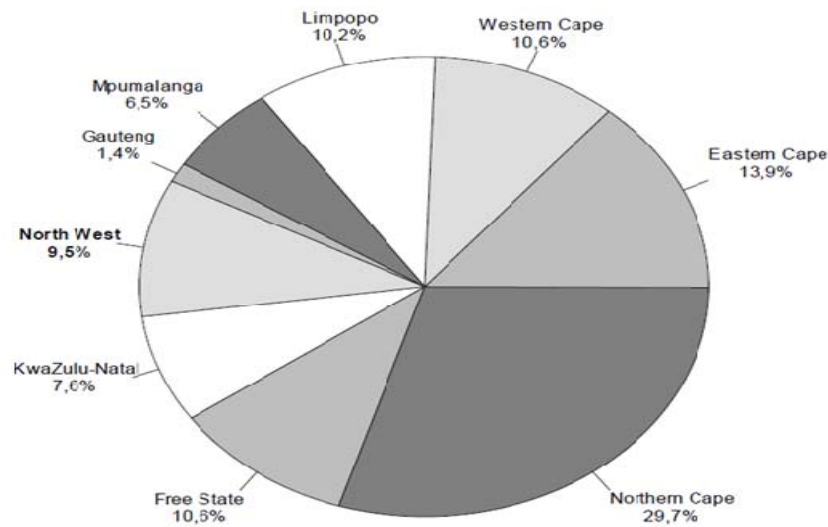
Industry	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Primary Industries</b>	<b>17 744</b>	<b>21 813</b>	<b>25 043</b>	<b>22 455</b>	<b>24 136</b>	<b>29 275</b>	<b>35 090</b>	<b>41 427</b>	<b>51 954</b>	<b>51 329</b>
Agriculture, forestry and fishing	2 059	2 539	4 797	2 213	2 336	2 797	3 132	3 541	4 024	3 902
Mining and quarrying	15 686	19 274	20 246	20 242	21 800	26 478	31 959	37 886	47 929	47 427
<b>Secondary Industries</b>	<b>5 784</b>	<b>6 243</b>	<b>7 361</b>	<b>8 033</b>	<b>9 138</b>	<b>9 567</b>	<b>10 526</b>	<b>12 070</b>	<b>13 090</b>	<b>14 560</b>
Manufacturing	4 101	4 432	5 191	5 736	6 686	6 677	7 165	8 070	7 693	8 428
Electricity, gas and water	599	602	769	910	894	971	1 039	1 134	1 353	1 783
Construction	1 084	1 208	1 401	1 386	1 559	1 918	2 322	2 866	4 044	4 349
<b>Tertiary industries</b>	<b>30 879</b>	<b>33 348</b>	<b>37 722</b>	<b>42 167</b>	<b>45 622</b>	<b>51 092</b>	<b>55 864</b>	<b>62 227</b>	<b>69 699</b>	<b>75 995</b>
Wholesale, retail, motor trade and accommodation	7 275	7 091	7 935	8 672	9 654	10 529	11 518	12 612	14 711	15 946
Transport, storage and communication	4 688	5 420	6 088	6 859	7 216	7 889	8 856	9 227	10 588	11 455
Finance, real estate and business services	6 740	7 709	8 904	10 277	11 034	13 117	13 999	16 233	17 588	18 523
Personal services	4 587	5 034	5 739	6 453	7 116	7 957	8 552	9 445	10 379	11 560
General government services	7 589	8 094	9 056	9 906	10 602	11 599	12 940	14 710	16 433	18 511
<b>All industries at basic prices</b>	<b>54 407</b>	<b>61 404</b>	<b>70 126</b>	<b>72 654</b>	<b>78 896</b>	<b>89 934</b>	<b>101 481</b>	<b>115 723</b>	<b>134 743</b>	<b>141 885</b>
Taxes less subsidies on products	5 490	6 129	6 984	7 428	9 036	10 695	12 588	14 348	15 205	14 489
<b>GDPR at market prices</b>	<b>59 898</b>	<b>67 533</b>	<b>77 110</b>	<b>80 082</b>	<b>87 933</b>	<b>100 628</b>	<b>114 069</b>	<b>130 072</b>	<b>149 948</b>	<b>156 374</b>

**Figure 8: Percentage of persons aged 7 to 24 who attended educational Institutions by Province****Table 4: Matric Pass Rate- North West Province**

North West: Matric Pass Rate	
Financial Year	Percentage (%)
2000	58.30%
2001	62,5%
2002	67,8%
2003	70,5%
2004	64.90%
2005	63,0%
2006	67,0%
2007	67.20%
2008	68.00%
2009	67.50%
2010	75.70%

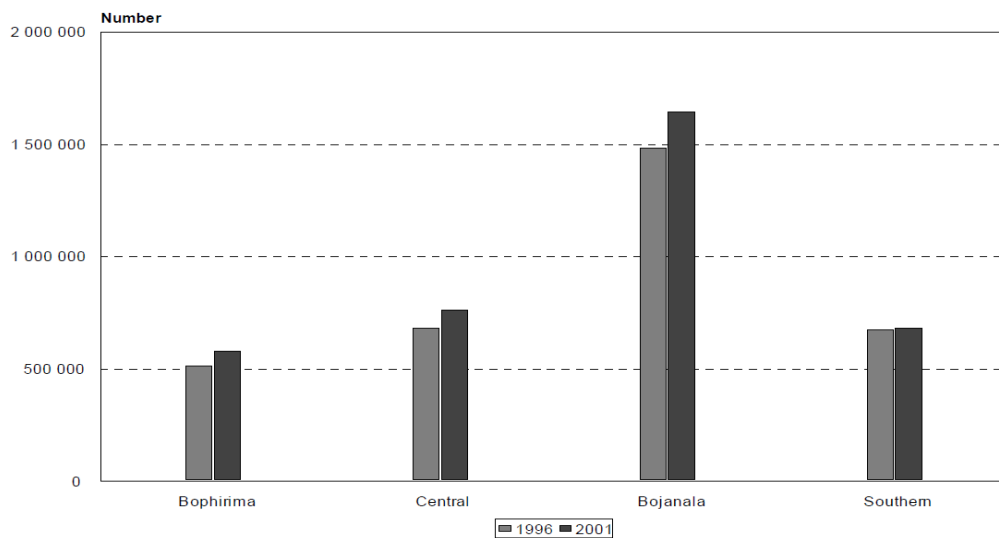
From the above table it is evident that the North West Province has improved its position as it is in position three (3) in the country. This is a major achievement since there is a movement from position 7 to position 3 over the past 7 years.

**Figure 9: Population Size and Distribution between Provinces**



Source: Statistics South Africa, Population Census 2001

**Figure 10: Population Size and Distribution between North West Districts**



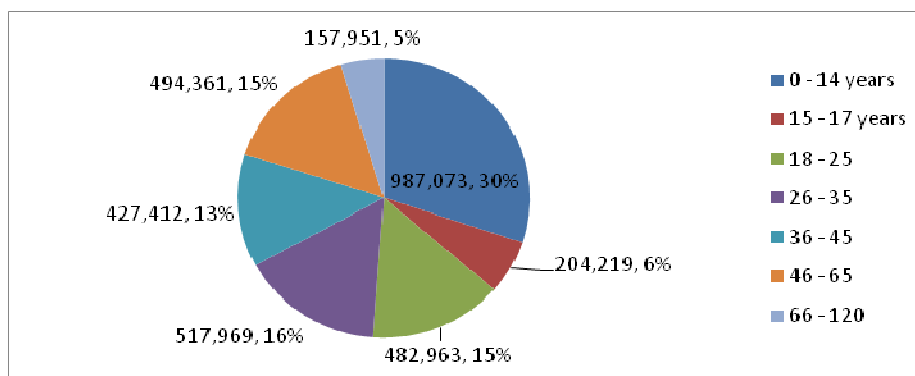
Source: Statistics South Africa, Population Census 2001

Figure 10 above, compares the population of North West district councils in 1996 and 2001. It is observed that Bojanala had the largest population among all district councils during both censuses, followed by Central, and then Southern (although this had a slight decrease in 2001). The lowest populated district council was Bophirima.

**Table 5: Gender and Age Distributions: North West Province**

Description	Population size	per cent of total
North West	3,271,949	100
Bojanala	1,268,619	38.77
Central	798,785	24.4
Bophirima	354,554	10.84
Southern	849,990	25.98

Age	Male	Female	Total
0 - 14	490,152	496,921	987,073
15 - 17	102,091	102,128	204,219
18 - 25	247,070	235,893	482,963
26 - 35	271,988	245,981	517,969
36 - 45	222,606	204,806	427,412
46 - 65	251,742	242,620	494,361
66 - 120	60,253	97,698	157,951
Total	1,645,902	1,626,047	3,271,948



Since the dawn of democracy in 1994, South Africa has had two censuses in 1996 and 2001 to provide demographic statistics to inform the country's policy and development programmes.

In 2007, Statistics South Africa carried out a Community Survey (CS) at National and Provincial levels with the aim of generating new data that could provide some information on the current population and development status of South Africa. In 2011, the third census will be conducted for the country. In 2005, the Demarcation Board approved new municipal boundaries for the country. This decision affected the area size as well as the population size of some Provinces and municipalities.

As the project CS 2007 made use of the new boundaries, some of the Provinces now have different population sizes from the census figures. Before the demarcation the North West population stood at 3,666,348 and after the stats reflected 3,271,948

### Educational attainment of persons 20 years and older

Figure 11: Qualification of people Older than 20 Years and above

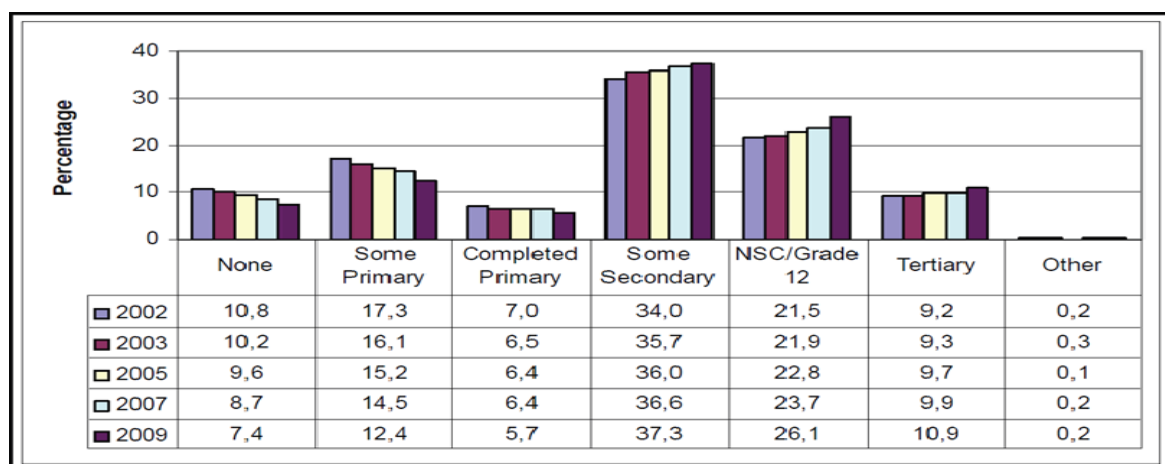


Figure 11 shows that there has been a steady and significant increase in the percentage of individuals aged 20 years and older who have attained a Grade 12 or higher qualification as their highest level of education. The percentage of individuals with a tertiary education increased from 9.2 percent in 2002 to 10.9 percent in 2009 and those with Grade 12 from 21.5 percent to 26.1 percent.

**Figure 11.1: Summary: Population aged 20 years and above by educational level group, North West, 2001**

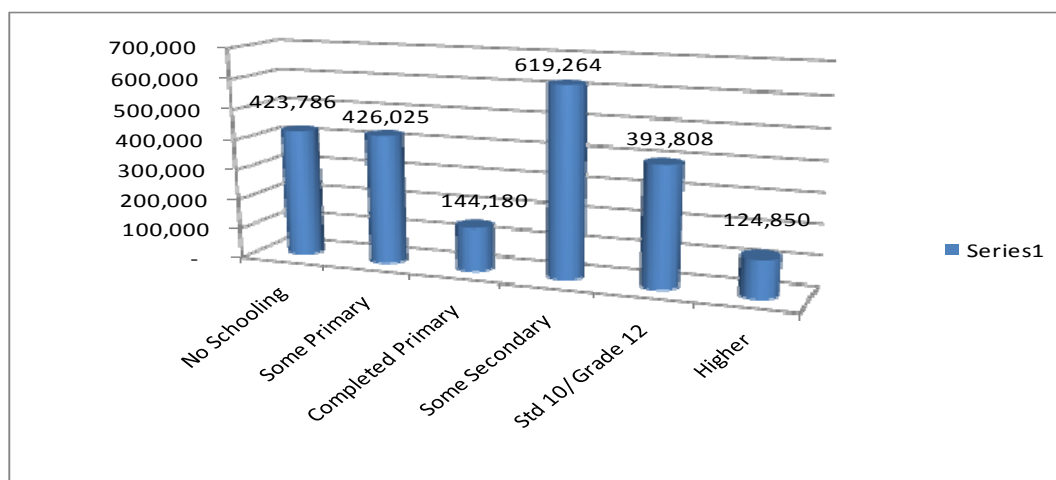


Table 11.1 above gives information on the educational attainment of the North West population in the four districts according to the above categories. The province has a high number of the pupil attending secondary which is 619 264 when compared with higher education which is the lowest at 124,850.

#### Summary per District

District council	No schooling	Some primary	Complete primary	Some secondary	Std 10/ Grade 12	Higher	Total
Central	110 147	87 309	24 215	97 945	67 147	24 014	410 777
Bophirima	95 001	71 373	17 179	63 922	32 068	11 902	291 445
Southern	71 076	79 000	30 202	135 089	85 972	28 155	429 494
Bojanala	147 562	188 343	72 584	322 308	208 621	60 779	1 000 197

Source: Statistics South Africa, Population Census 2001

### 1.3 Socio-economic indicators

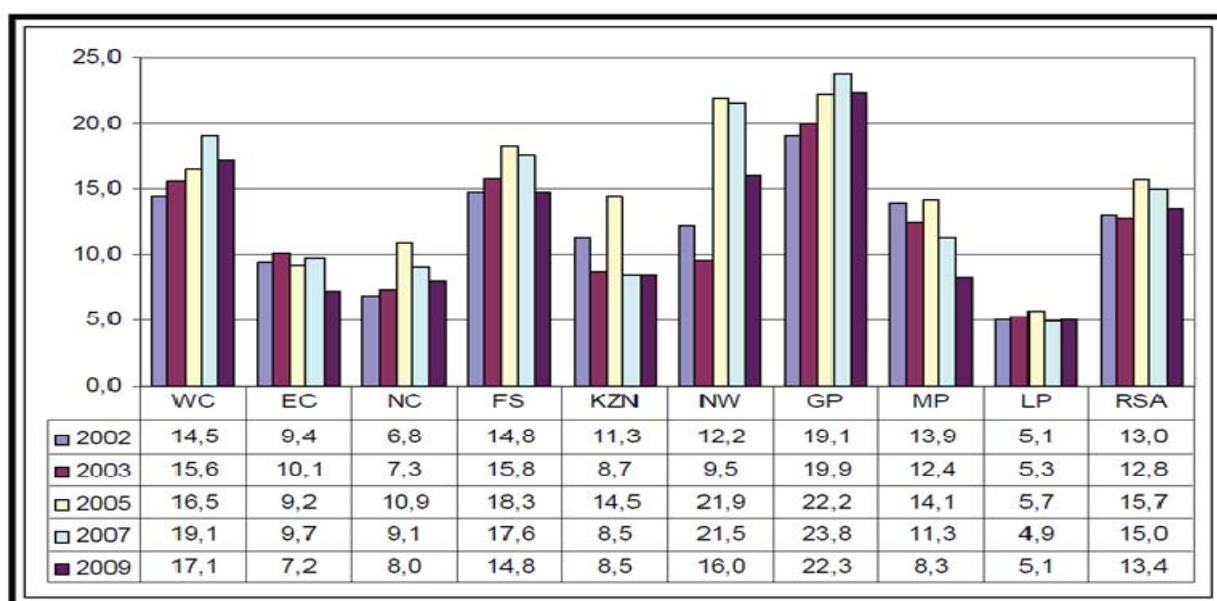
#### 1.3.1 Introduction:

In this section the data from the recent household survey has been used to indicate the quality of life of the provincial households. Socio economic factors such as water, electricity and pipe latrines have been covered to determine the improvement of the province in terms of service delivery.

#### 1.3.2 Housing: Informal dwellings

There has been a slight, but not statistically significant increase in the percentage of households that live in informal dwellings. The proportion of households living in informal dwellings peaked between 2005 and 2007 at 15.7 percent and 15.0 percent respectively;

**Figure 12: Percentage of households living in informal dwellings per province**



The provinces with the highest percentage of households whose main dwelling was informal in 2009 were Gauteng (22.3 percent), Western Cape (17.1 percent), North West (16.0 percent) and Free State (14.8 percent). Of these provinces, North West has shown a significant increase in the percentage of shack dwellers from 12.2 percent in 2002 to 21.5 percent in 2007. This may partially be attributed to changes in the housing policy of several mines. During recent years, they introduced a housing subsidy to workers who live in their own accommodation. An assumption is that many workers opted to erect a shack and use the extra money for the erection of houses in their places of origin or for activities other than housing. More recently these policies have been reviewed and the figure has reduced again to 16.0 percent in 2009, which is still well above 2002 levels, but down from 2007.

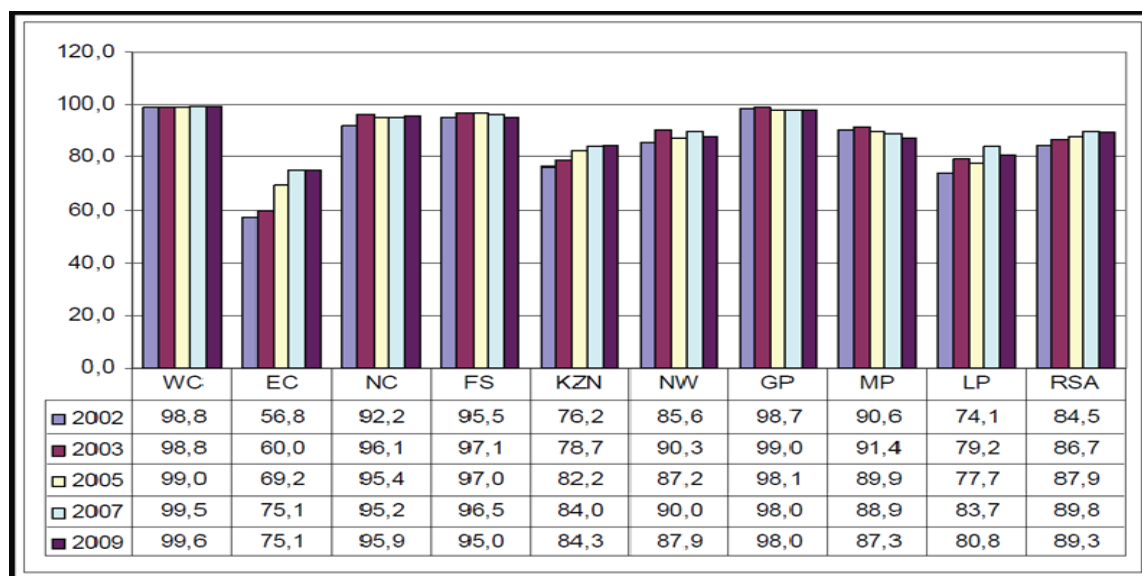
**Table 6: North West Perspective: Budget and Expenditure for Housing- Financial Year 2004/05 - 2010/11 February**

Year	No. of Units	Main App	Adjusted	Expenditure	% Spending Main APP	% Spending Adjusted
2004/05	6870	429,858	532,129	371,014	86%	70%
2005/06	14825	467,880	609,795	607,796	130%	100%
2006/07	21578	613,405	699,915	696,483	114%	100%
2007/08	7470	766,806	875,178	785,516	102%	90%
2008/09	15685	896,102	1,004,125	952,024	106%	95%
2009/10	16557	1,100,055	1,100,055	1,099,809	100%	100%
2010/11	14274	1,288,770	1,188,973	873,365	68%	73%
Total	97,259	5,562,876	6,010,170	5,386,007	97%	90%

### 1.3.3 Piped Water in the dwelling

Figure 13 below shows that the province with the poorest access to piped or tap water (on- or off-site) is the Eastern Cape where only about 75 per cent of households had access. The situation was slightly better in Limpopo (80.8 percent), KwaZulu-Natal (84.3 percent) and Mpumalanga (87.9 percent). Even though the 'access to piped water' profile in the Eastern Cape was the worst in the country, the number of households with access to piped or tap water increased significantly since 2002, when only 56.8 percent of households had access. This represents an increase of 19.3 percentage points in 7 years. The other two provinces where considerable progress has been made since 2002, were Limpopo with an increase from 74.1 percent to 80.8 percent (an increase of 6.7 percentage points) and North West with an increase from 85.6 percent to 87.9 percent.

**Figure 13: Percentage of households with access to pipe water/ tap water in the dwelling**



#### 1.3.4 Toilet facilities under used by households, NW and SA, 2004

Table 7 below shows that South Africa had higher proportions of households with sanitation inside their dwellings. There were a high proportion of households who were using pit latrines without ventilation in both North West and nationally (33.5 percent and 22.4 percent respectively).

**Table 7: Flash toilet or chemical toilets (Flash toilet)**

	North West	South Africa
<b>Sanitation in dwelling</b>		
Flush toilet (public sewerage)	18,9	35,5
Flush toilet (septic tank)	2,2	1,5
<b>Sanitation on site</b>		
Flush toilet (public sewerage)	22,9	17,1
Flush toilet (septic tank)	2,1	2,0
Chemical toilet	0,1	0,4
Pit latrine (ventilation pipe)	11,7	7,0
Pit latrine ( without ventilation pipe)	33,5	22,4
Bucket toilet	2,1	1,8
<b>Sanitation off-site</b>		
Flush toilet (public sewerage)	0,1	0,7
Flush toilet (septic tank)	0,1	0,1
Chemical toilet	0,0	0,1
Pit latrine (ventilation pipe)	0,6	0,5
Pit latrine ( without ventilation pipe)	1,1	1,8
Bucket toilet	0,0	0,2
None	4,7	9,0
Unspecified	0,0	0,1
<b>Total</b>	<b>100,0</b>	<b>100,0</b>

Source: Statistics South Africa, General Household Survey, 2004



**Table 8: Toilet Facilities by District Council**

Toilet facility	Bophirima		Central		Southern		Bojanala	
	N	%	N	%	N	%	N	%
Flush or chemical toilet	29 799	21	55 248	30	144 151	70	143 272	32
Pit latrine	75 875	55	108 046	58	16 793	8	271 279	60
Bucket latrine	6 599	5	4 646	3	28 687	14	1 890	0
None of the above	26 739	19	16 815	9	15 830	8	33 180	7
Unspecified/Dummy	-	0	16	0	8	0	16	0
<b>Total</b>	<b>139 012</b>	<b>100</b>	<b>184 771</b>	<b>100</b>	<b>205 469</b>	<b>100</b>	<b>449 637</b>	<b>100</b>

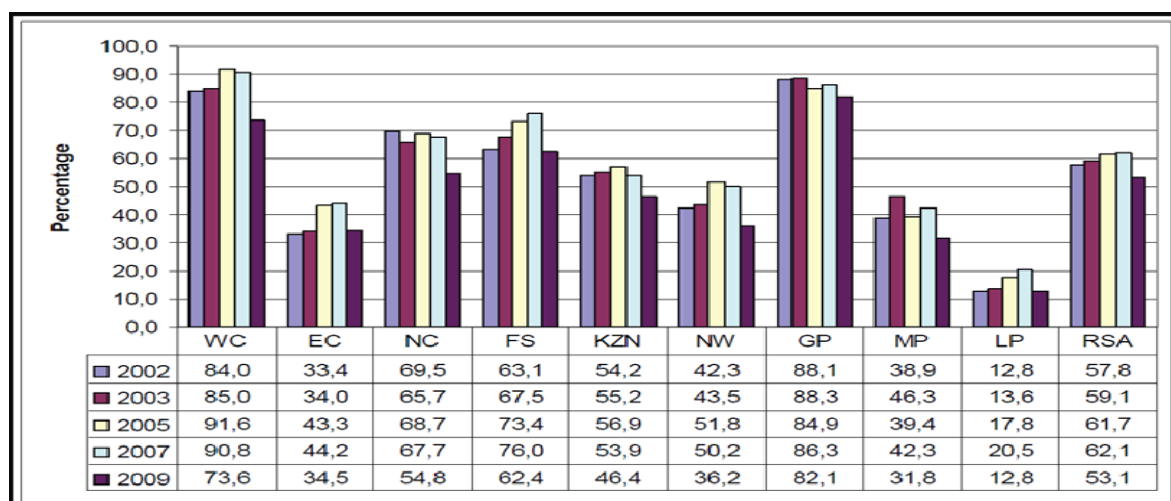
Source: Statistics South Africa, Population Census 2001

From Table 8 above, it can be seen that among the district councils of North West, Southern had the highest proportion of households (70 percent) who were using flush or chemical toilets, while in the rest of the district councils, households mainly used pit latrines.

### 1.3.5 Refuse Removals by Local Authority at least once a week (“Refuse”)

Figure 13 shows that refuse removal services provided by municipalities throughout the country were increasingly being used by households from 2002 to 2007 but then dropped again between 2007 and 2009. The percentage of households that used the refuse disposal services of their municipality increased steadily – from 57.8 percent in 2002 to 62.1 percent in 2007 then decreased drastically to below 2002 levels to 53.1 percent in 2009. Access and use of refuse removal services are the lowest in Limpopo where only 12.8 percent of the population have their refuse removed by the municipality. According to Statssa findings less than 40 percent of the households in Mpumalanga (31.8 percent) Eastern Cape (34.5 percent) and North West (36.2 percent) said that their refuse was removed by the municipality.

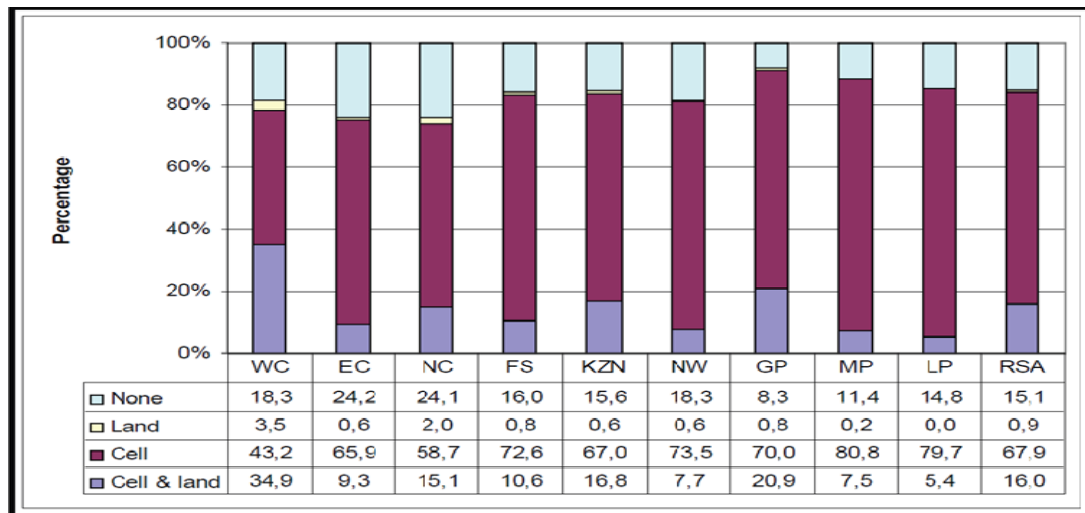
**Figure 13(b): Percentage of households whose refuse is removed by Local Authority at least once a week (“Refuse”)**



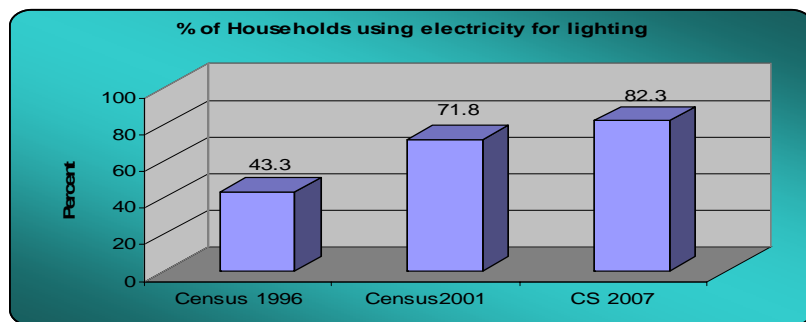
### 1.3.6 Telephone in the dwelling/ cellular phone

Figure 14 below summarizes statistics collected on access to functional landlines and cellular phones within the sampled dwelling units in 2009. Households with no access to any phone services were mainly found in the Eastern Cape (24.2 percent), Northern Cape (24.1 percent), Western Cape (18.3 percent) and North West (18.3 percent). The provinces with the highest percentages of households using only cellular phones in their dwelling were: Mpumalanga (80.8 percent), Limpopo (79.7 percent), North West (73.5 percent) and Free State (72.6 percent). Western Cape had the lowest percentage of households who had only cellular phones in their dwellings (43.2 percent) and the highest percentage of households that were using only landlines (3.5 percent). The use of a combination of both cellular phones and landlines in households were most prevalent in the more affluent provinces namely Western Cape (34.9 percent) and Gauteng (20.9 percent).

**Figure 14: The percentage of households who have a functional landline and cellular telephone in their dwellings by province**

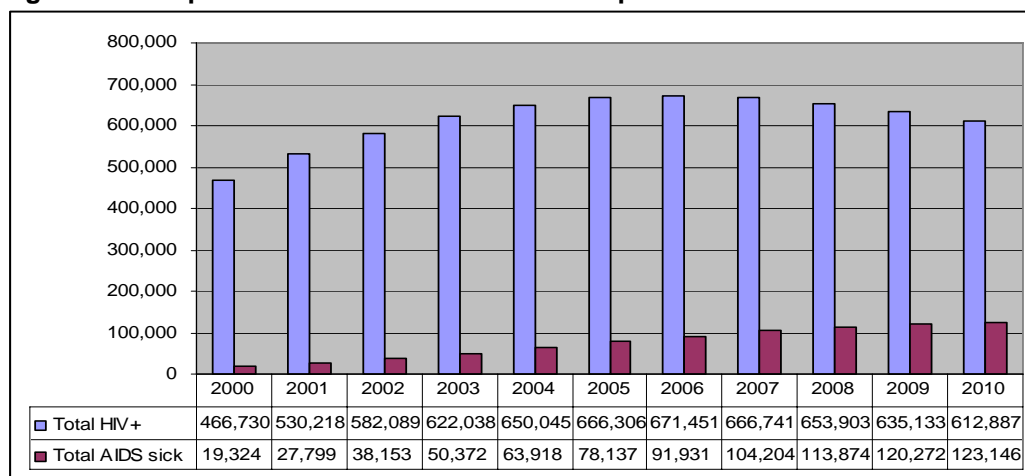


**Figure 15: Percentage of Households using electricity for lighting. Source: StatsSA, 2007**



- National average for households using electricity is 80.0 percent in 2007.
- The North West has a higher percentage of Households using electricity (82.3 percent) for cooking than the national average.
- The number of households using electricity for lighting almost doubled between 1996 and 2007.

**Figure 16: HIV prevalence for North West for the period 2000 to 2010**





North West Total HIV+ and AIDS sick (2000-2010). Source: ASSA 2002

- According to ASSA, infection rate in the North West will continue to increase till 2006.
- From 2007 however, the number of HIV+ people will start to decline.
- The number of those who are sick with AIDS will continue to increase from 2005 to 2010 because of cumulative effect.

The recent statistics, 2010 revealed that the provincial TB screening rate is at 86.9 percent, which is a gradual increase. TB screening per district:

- Bojanala = 72 percent
- Dr. Kenneth Kaunda. = 69.7 percent
- Ngaka Modiri Molema = 86.8 percent
- Dr. Ruth Segomotsi Mompati = 130 percent

The TB screening rate is above 100 percent in Dr. RSM followed by Bojanala and Ngaka Modiri Molema. This is a cause for concern.

The provincial HIV positivity rate is currently 17.4 percent (projected positivity rate is <10 percent)  
The HIV positivity rate per district is as follows:

- Bojanala = 19.8 percent
- Dr. K. K. = 21.6 percent
- NMM = 13.8 percent
- Dr. RSM = 12.6 percent

## **1.4 Economic Indicators**

### **1.4.1 Introduction**

This section reflects the economic indicators status of the provinces such as income distribution, gross geographic product and the level of investment. Aspects such as the new direct investment both local and foreign expected per sector have been covered as well as the envisaged job opportunities.

In the main the discussion will focus on the three economic factors that largely contribute to the economy of the North West. Apart from these, tourism is also one of the sectors that boost the economy of the Province. The North West Province is one of the country's major maize farming areas, producing about one third of the country's maize crop. Agriculture forms an integral part of the Northwest economy. It contributed to approximately 8 percent of the country's Gross Domestic Product (GDP) in the agriculture sector and approximately 8 percent to the countries employment in the agriculture sector during 2008. The agriculture sector contributed to approximately 4 percent of the North West Provinces' GDP and 7 percent of formal employment in the North West Province.

### **1.4.2 Agricultural enterprise trade**

This sub section provides a trade analysis of imports and exports in the agriculture sector. That is, less than 4 percent of all agricultural enterprises surveyed in the Province obtain some of their materials or input stock through imports. This shows that inputs required by agricultural enterprises are mostly available locally and that the agriculture sector makes use of local resources and inputs. It thus appears as if the agriculture sector is not reliant on other countries for their input requirements.

For the agricultural sector firms that do undertake imports, on average approximately 53 percent of inputs are imported and the remaining 47 percent obtained domestically. In other words the 4 percent of agricultural enterprises that do obtain materials and stock through imports on average obtain slightly more than half of their materials or stock through imports. The country of origin for imported materials and stock in the agriculture sector is America, Asia, Czech Republic, Far East Countries, Germany, India, Indonesia, Malawi, Saudi Arabia, Zimbabwe, Taiwan, Turkey and Uganda. Percentage of local sale is 58 whilst export is 42.

Regardless of the current economic condition, most agricultural businesses expect to record turnover and employment increases. More than a quarter of importing and exporting agricultural enterprises are however expecting decreases in both imports and exports. Employment is expected to grow with at least 14 percent.

### **1.4.3 Mining Sector**

The North West Province is one of the country's major mining areas. The mining sector of the North West Province contributed to approximately 26 percent of the country's mining sector Gross Domestic Product (GDP) in 2008 and was responsible for more than half (52 percent) of the country's formal mining sector employment. The economic importance of the North West mining sector to the South African economy is clearly significant.

Within the North West Province, the mining sector is also a key contributing sector and represents the largest sector in the North West Province. Mining contributed to approximately 38 percent of GDP and 30 percent of formal employment in the North West Province during 2008. The main mining activities in the area are gold, diamond, and platinum.

Since the main mining activities in the area are gold, diamond, and platinum, the provincial economy is largely dependent on the demand for the minerals created by the foreign countries and fluctuation of the commodity prices. The mining sector, an export-based sector, is thus feeling the impact of the economic crises. Large commodity producers are cutting back on output while smaller miners are struggling to survive. This has meant that the mining sector has also been exposed to the drying up of finance, volatile commodity prices and retrenchments.

### **1.4.4 Manufacturing Sector**

Manufacturing is defined as the physical or chemical transformation of materials or components into new products, whether the work is performed by power-driven machines or by hand, whether it is done in a factory or in the worker's home and whether the products are sold wholesale or retail. The manufacturing sector provides a focus for stimulating the growth of other activities, such as services, and achieving specific outcomes, such as employment creation and economic empowerment. This platform of manufacturing presents an opportunity to significantly accelerate the Province's growth and development.

Some of the secondary activities of the manufacturing industries in the North West Province are dominated by the following sub-industries that can create jobs in the medium and long term;

- Agro processing: Abattoir, juice manufacturers, maize and sorghum milling, processing of dairy products, production of spices, etc
- Agriculture packaging material manufacturing
- Bakery / confectionery
- Bio chemical/ cleaning materials manufacturing
- Bricks manufacturing
- Clothes manufacturing, tailoring and sewing
- Furniture manufacturing and timber treatments
- Hand crafting

**Table 9: Gross Geographic Product by Sector**

<b>Sector</b>	<b>Percentage</b>
Mining and quarrying	23,9%
Agriculture, forestry and fishing	6,1%
Manufacturing	2,6%
Electricity, gas and water	3,0%
Construction	5,0%
Wholesale, retail, motor trade and accommodation	5,4%
Transport, storage and communication	5,8%
Finance, real estate and business services	4,0%
General government services	5,4%
Other: Community, social and other personal services	8,5%

#### 1.4.5 SIZES AND RESOURCES OF RECEIPTS TO MEET THE PRIORITIZED OBJECTIVES

The effects of the economic meltdown had an impact on the provincial revenue collection as well. Therefore, there has been no material growth in terms of revenue collection. During the re-incorporation of Merafong in to Gauteng in 2010, the revenue of the province was also affected mainly due to the transfer of Carletonville Hospital back to Merafong where the province has lost R2 million of its patient fees (revenue source).

The projected growth in departmental revenue collection for the 2011/12 financial year is expected to be around 9.2 percent and the expected growth in the outer two years, are estimated at 4.8 percent and 1.8 percent respectively. In monetary terms the province expect the provincial revenue to grow by R55.1 million in 2011/12 financial year and by R31.5 million and R12.6 million in the outer years respectively.

Around 96.5 percent of the North West provincial own receipts is collected by five provincial departments, namely Public Safety, Public Works, Roads and Transport, Economic Development and Tourism, Health and the Provincial Treasury.

The Department of Public Safety is required to collect 39.4 percent of the expected provincial revenue and the projected growth expected in the budget for 2011/12 is around 20 percent. Motor Vehicle License Fee is expected to increase to 5 percent.

The Department of Public Works, Roads and Transport is required to collect 30.2 percent of the expected provincial revenue although 77.5 percent of the expected revenue is collected from departments in respect of kilometer moneys. There is no real growth projected for the 2011/12 financial year mainly due to the budget constraints imposed on all departments.

The Department of Economic Development, Environment, Conservation and Tourism is required to collect 12.9 percent of the expected provincial revenue and the projected growth expected in the budget for 2011/12 is around 21.8 percent. This is mainly due to the North West Gambling Boards successes in cracking down on illegal gambling in the Province, the Roll out of 3 licences for Route Operators (LPM's) plus 1 Independent Site Operator and the granting of licences for 3 Bingo operators during 2010. The gambling levies are also expected to be increased during 2011.

The Department of Health is required to collect 7.4 percent of the expected provincial revenue and there is no real expected growth projected for the 2011/12 financial year, as the adjustment estimates for 2010/11 was already adjusted upwards by 28.6 percent from the 2010/11 main appropriation.

The Department of Finance is required to collect 6.5 percent of the expected provincial revenue and the projected decline in the budget for 2011/12 is around 16.2 percent. This is mainly due to the decentralization of the collection of commissions on insurance and garnishee deductions on employee salaries and a decline in expected interest earnings on surplus funds.

#### **1.4.6 Funding of a deficit or utilization of a surplus if possible**

The North West Province has never budgeted for a deficit and will in the next MTEF period also not be making use of any loan finance. At this stage there is no debt that has to be repaid.

### **Chapter 2: Budget Strategy and Aggregates**

#### **2.1 Introduction:**

This section set out the provincial government's main strategic policy direction underlying the budget and Provincial Growth and Development Strategy (PGDS) linked to the initiatives of the National Spatial Development Programme. To implement the provincial development agenda, the province should proceed from a premise that co ordinate the government priority setting, resource allocations and implementation thereof.

##### **2.1.1 The Government's National Election Manifesto**

The 2009 Election Manifesto highlighted many social and economic achievement of the leading government over the last 15 years. In particular the manifesto reflects on the major challenges facing the South African society. That is high unemployment, poverty deepening inequality and rural marginalization. To respond to the challenges the Manifesto identified the following five priorities areas of the government led in the next five years

- Creation of decent work and sustainable livelihoods
- Education
- Health
- Crime
- Rural development, including land reform and food production and security

##### **Creation of decent work and sustainable livelihoods**

In this regard, the creation and retention of decent work and sustainable livelihoods will be the primary focus of all economic policies of the government. It also means that there must be a direct connection between the economic programmes and the developmental priorities. Economic policies must support the developmental priorities and in turn development priorities must support the economic programmes.

The fiscal and monetary policy mandates including interest rates and exchange rates need to take into account employment considerations, economic growth and other developmental imperatives

- *The state shall recognize the right and duty of all to work, and to draw full unemployment benefits where men and women of all race shall receive equal pay for equal work;*
- *There shall be a forty-hour working week, a national minimum wage, paid annual leave, and sick leave for all workers and maternity leave on full pay for all working mothers;*
- *Miners, domestic workers, farm workers and civil servants shall have the same rights as all others who work;*
- *Child labour, compound labour, the tot system and contract labour shall be abolished.*

The expansion of the economy in the last six years has developed at a faster rate than new entrants to job market. However, unemployment remains unacceptably high and the present slowdown in economic growth will have a direct impact on the growth rate of employment and requires us to act decisively. Further, the quality of jobs which have been created has not yet met our goal of creating decent work.

The government is committed to building a more equitable, sustainable and inclusive economic growth path, centered on the creation of decent work opportunities and sustainable livelihoods. We need to ensure that the majority of our people benefit meaningfully from economic growth. Decent work is broadly defined by International Labour Organization (ILO) as work that provides for workers rights and adequate protection by legislation, and provides for access to social security and social

dialogue. Decent work is the foundation of the fight against poverty and inequality and its promotion should be the corner-stone of all our efforts. Decent work embraces both the need for more jobs and for better quality jobs

### **Sustainable livelihoods:**

To achieve the objectives of decent work and sustainable livelihoods and to ensure a labour-intensive growth path, the government will pursue well resourced and strengthened state-led industrial policy programme by:

- a major up scaling of industrial policy with significant resources. To do this, Government will use all means at its disposal to leverage productive assets in the economy, to achieve decent work outcomes, to meet basic needs, promote technological innovation and improve beneficiation and local value;
- investing in research and development programmes and information communication technology;
- supporting investment in the productive sectors, especially manufacturing and agricultural production;
- targeting labour-intensive production sectors and encouraging activities that have high employment opportunities.
- completing the review of the mandates of the development finance institutions to ensure that they are clear and truly developmental and that their programmes contribute to investment finance, job creation and sustainable livelihoods; and
- providing systematic support for the co-operative sector by way of a dedicated support institution and small business

### **Education and Training**

Education is aiming to promote good citizenship as well as preparing our people for the needs of a modern economy and a democratic society. Building on the achievements in education, the ANC government will aim to ensure progressive realization of universal schooling, improving quality education and eliminating disparities. This requires a major renewal of our schooling and education system, by taking the following steps:

- Work together with educators, learners, parents, school governing bodies and other stakeholders, to make education the priority of all.
- The ANC is committed to a free and compulsory education for all children. As the immediate step it will ensure that at least 60 per cent of schools are no-fee schools.
- Ensuring that South Africa is completely liberated from illiteracy by 2014.
- Introduce a sustainable Early Childhood Education system that spans both public and private sectors and gives children a head start on numeracy and literacy. The ANC government will also train and employ 15,000 trainers per annum and strengthen support for crèches and pre-schools in rural villages and urban centers
- Improve the quality of schooling, particularly performance in mathematics, science, and technology and language development. Measures will include provision of incentives for mathematics and science teachers.
- Promote the status of teachers, ensuring the employment of adequate numbers, and improving their remuneration and training, as an important part of our drive to ensure that quality teaching becomes the norm, rather than the exception. Together with the trade unions, we need to ensure that teachers are in school, in class, on time, teaching, that there is no abuse of learners and no neglect of duty.
- Increase graduate output in areas of skills shortages. This will include measures to streamline Sector Education and Training Authorities (SETAS) and other institutions to addressing existing and forecast skill shortages
- Embarking on the re-opening of teacher training colleges where appropriate.
- Revive the role of state owned enterprises in skills development to support the economy.
- Place Further Education and Training colleges at the centre of a popular drive to transfer skill to the people

- Encourage students from working class and poor communities to go to tertiary institutions by reviewing and improving the National Student Financial Aid Scheme.
- Extending school feeding schemes to all poor primary and high schools
- Strengthening the relationship between government and organised labour, at all levels of the education system, to ensure that public sector workers play a central role in achieving of objectives of transforming and improving quality education.

## **Health:**

Improving the quality of health care is an integral part of implementing NHI for the achievement of access to healthcare for all. An independent quality improvement and accreditation body will be established to set the quality national standards in both the public and private sectors. The body will be tasked with inspecting and sanctioning health facilities in line with professionally determined standards of health care, including staffing rations, management, etc. Furthermore the government has identified the following ten priorities for a major improvement in our health care system:

- Implement the national health insurance plan
- Improve quality of health services
- Overhaul management system
- Improved human resource management
- Physical infrastructure revitalization
- Accelerate implementation of the HIV and AIDS and STI plans
- Attaining better health for the population
- Social mobilization for better health
- Drug policy review
- Research and development

The principles of NHI will include the following:

- NHI will be publicly funded and publicly administered and will provide the right of every South African with access to quality health care, which will be free at the point of delivery. People will have a choice of which service provider to use within a district.
- The social solidarity principle will be applied and those who are eligible to contribute will be required to do so, according to their ability to pay, but access to health care will not be according to payment
- Participation of private doctors working in other health facilities, in group practices and hospitals, will be encouraged to participate in NHI system

Other interventions include the following:

- Specifying staff targets for key health personnel needed over the next 5 years.
- Increasing bursaries for health care professions;
- Increasing the employment of community health workers, which will be linked to the improvement of the district health system.
- Improving working conditions and the provision of decent wages for health workers

## **Fight against crime and corruption**

It was observed that the level of crime in this country is unacceptable. There is a need to overhaul the criminal justice system to ensure that crime and corruption is drastically reduced.

The government aims to pursue with the following objectives:

- Establish a new modernized, efficient and transformed criminal justice system to enhance the capacity for fighting and reducing crime in real terms. Government will review the functioning

of the police, the judiciary and the correctional services to achieve integration and coordination.

- Actively combat serious and violent crime by being tougher on criminals and organized syndicates. In this respect, we will increase the capacity of the SAPS through recruitment, rigorous training, better remuneration, equipping and increasing the capacity of especially the Detective Services, forensics, prosecution and judicial services;
- Establish and strengthen the new unit to fight organized crime.
- Provide greater support for the SAPS, especially to combat the attacks on the members of the SAPS, including through introducing legislative measures to protect law-enforcement officials in the execution of their duties.
- Combat violence and crimes against women and children by increasing the capacity of the criminal justice system to deal with such violence.
- Mobilize communities to participate in combating crime through establishing street committees and community courts, amongst others.
- Step up measures in the fight against corruption within society, the state and private sector, including measures to review the tendering system to ensure politicians do not tamper with the adjudication of tenders. Measures will also be taken to ensure transparent process of the tendering system as well as ensuring much stronger accountability of the public servants involved in tendering process.

## **Rural Development and Agrarian Reform**

The government is committed to a comprehensive rural development strategy linked to agrarian reform, which builds the potential for rural sustainable livelihoods, particularly for African women.

Economic development in the rural areas needs to go beyond land and agrarian reform. It must include affordable financing to promote economic development; support programmes and training in assisting co-operatives and small enterprises; public sector ventures; and strategies to develop appropriate industries including light manufacturing, handicrafts, services, tourism etc; This requires the putting in place of the necessary economic infrastructure including IT services, roads and rail.

Part of the government measures to support rural development includes infrastructure development to produce thriving rural economies and ensure sustainable development. The expansion of basic infrastructure, which includes roads, electricity, water connections and public toilet systems in rural areas, has become the central point of the leading government. The aim of the government is to ensure that by 2014, all rural schools and health facilities will have adequate basic infrastructure

Government will improve its support to the traditional leadership, so that it can fully implement the legislation on traditional leadership playing its appropriate role, with necessary public resources. The partnership between government and this institution will be strengthened to focus more directly on rural development and fighting poverty.

In terms of food security, the government aims to create an environment which ensures that there is adequate food available to all, now and in the future, and that hunger is eradicated. In the next five years, government will also introduce a “food for all” programme to procure and distribute basic foods at affordable prices to poor households and communities. Government will consider appropriate institutional approach to implement to this programme. Government will also expand access to food production schemes in rural and peri-urban areas to grow their own food with implements, tractors, fertilizers and pesticides.

### **2.1.2 Main Policy Decisions**

The main provincial strategic policy direction takes cue from both the President State of Nation Address and from the Premier’s State of Provincial Address. The main provincial objectives for the next 5 years were spelled-out in the then Premier’s first State of the Province Address, delivered in May 2009 and from the recent Premier’s State of Provincial Address delivered on the 18 February 2011. These objectives were elaborated and they remain applicable for her term of the Office. Taking

from the previous President's priorities that were announced in 2009 namely education, health, rural development and agrarian reform, fight against crime and creating decent work it was declared that the performance on all has been impeccable.

In His recent address, the President pronounced on six priorities that can steer job creations namely;

- Infrastructure development
- Agriculture
- Mining and Beneficiation
- Manufacturing
- Green economy and tourism

All provincial departments should align their programmes with job creation imperatives. This will also be applicable to the local spheres of the government. The business sectors, labour and community constituencies must come to the party for the success of this initiative.

Another key priority of the government for the 2011 is to finalize and adopt the beneficiation strategy to become a government policy. Government must still continue to provide financial and non financial support to the small, medium and micro enterprises, small scale agriculture as well as cooperatives. The government has introduced a New Growth Path to guide work in achieving these goals and in the center is the creation of decent jobs which must be given the first priority.

#### **2.1.3 Flowing from the State of the Nation Address, the Premier has supported the national priorities and pronounced achievements made by the province, to reflect on a few:**

- Achieved an 8.2 percent increase in grade twelve learner pass rate and thus giving us a total of 75.7 percent
- Assisted one-hundred-and-ninety-four (194) emerging social service organizations to register as Non-Profit Organizations
- Created an anti poaching unit and ensured that rhinos are micro-chipped and an electronic tracking device is installed on most Rhino horns
- Integrated environmental and biodiversity sensitivity layers of the province into the Provincial Spatial Development Framework. About six (6) local municipalities are already in the process of aligning theirs to the Framework.
- Distributed 1947 bicycles to 45 schools and also implemented scholar transport operations in four districts to provide mobility to rural learners
- Trained 620 farmers in the three District Municipalities as part of the Western Frontier Beef Beneficiation Programme.
- Upgraded roads D511 Brits to Thabazimbi and D96 Kalhoek to Mantsire.
- Ensured that 239 health facilities implement Basic Ante Natal Care Strategy.

#### **2.1.4 Province contribution to the National Priorities;**

Although the province supports the five (5) national priorities not much has been achieved in developing the rural development initiatives, however it is fundamental to strengthen the partnership with the stakeholders thus ensuring that rural landscape is transformed with speed.

#### **Other Major Policy Decisions of the Executive Council that have been publicly announced**

- The Province intends to introduce the no plan, no budget, use it or loose it principle to address under-spending, encourage and enforce improvement in spending and commitment to service delivery.
- Need to ensure that supply chain management processes are reliable and accessible.
- Province should commit itself to clean public administration and the eradication of corruption and fraudulent.
- The province will as part of the National roll out plan, implement the Administrative Adjudication of Road Traffic Offences (AARTO) Act by March 2011. The implementation of the Act will have positive effects for the road offenders as it will promote quality, safety and



discipline on the roads. It will discourage road traffic contraventions and facilitate the adjudication of road traffic infringements using the new demerit points system.

- Disaster management plan has been developed and currently in the processes of deploying capable personnel and identify a central place for the physical infrastructure.
- Youth must use the multi-purpose centres and the Mmabana facilities optimally. It must be ensured that Mmabana return to its former constructive role, make strong links with other stars or products of Mmabana
- The Province aims are working towards the establishment of a Planning Commission. The Commission would coordinate the planning systems and ensure that performance is guided towards the goals as set. A capable Commissioner has already been appointed to centralise planning in the province.

## **Education Sector**

- Strive to eradicate all mud schools and provide decent shelter to all our learners, rid our schools of gangsterism and drugs, provide learner transport to schools and ensure that the schools nutrition programmes run desirably.
- An amount of R17 million has been committed to reconstruct schools that were damaged as result of storms in the next financial year.

## **Health Sector**

- Government has gone in to a partnership with Impala Platinum, PPC and ARM in building and renovating several schools in our province
- To ensure maximization of revenue collection and ensuring that the revenue target is met a Pay- Fine- On- Line strategy has been introduced
- The mining sector is involved in the development of health infrastructure in the Province. Anglo Platinum and Xstrata Mines have offered to build clinics for Sesfikile and Bethani communities. Sun City will also build a clinic for Lesetlheng community.
- Province is planning to build one of the biggest revitalization projects (the new Bophelong Psychiatric Hospital). This project will create temporary and permanent jobs and more details will be released in the next financial year.
- One way to improve on human resource challenge the province is planning to produce 1592 health professionals in the next five years.
- Expedite the construction of Brits Hospital with an estimated value of R475 million is due to be completed in June 2012. This hospital has already created approximately 180 jobs. Also forging ahead with the construction of Tlhabane Community Health Centre (CHC). The project is 95percent complete and due to be completed by the end of this financial year, 2010. The value of the project is R108 Million and has created approximately 102 jobs.

## **Roads Infrastructure and other Public Works Related Matters**

- The province is aiming to complete the construction of the ten roads that were suspended and also built three more roads including the long awaited Tlakgameng road in the Dr. Ruth Segomotsi Mompoti District. Construction of a road between Schweizer – Reneke and Wolmaranstad shall commence in the new financial year 2011. The Extended Public Works projects will include maintenance of road, filling of potholes, etc and R33 million has been set aside to support the efforts of municipalities to fix potholes and improve roads infrastructure.
- An amount of thirty million rands (R30 million) has been set aside to attend to the medium term challenges of the Mahikeng Airport. The government further intent to unveil a clear programme that will enable us to respond to the long term challenges of the airport revamping project.
- The Infrastructure projects, Mini Garona offices in Dr. Ruth Segomotsi Mompoti District (Vryburg) need to be completed. The government is further planning to implement government building renovation programme which will cost R45 million.
- The maintenance of infrastructure is being given priority this year.
- More attention will be given to the revamping of the capital city, Mahikeng, which shall include improvement of the Parks and Recreational Facilities, renovation of the Old Historical

Schools, declaring war on potholes in the townships and improving tourist attraction areas. An additional R25million has been allocated for the revamping project. The project is set to create 5000 jobs.

- More focus will be on the implementation of the integrated transport strategy. The National Department of Rural Development and Land Reform and PPC Dwaalboom respectively have collaborated with government to construct the roads that connects Maatlametlo and Mokgalwaneng. An agreement was concluded with PPC, Limpopo province for the road that connects Dwaalboom and Limpopo Province. An amount of R75 million has been set aside for these road constructions.

## Economic Sector

- The provincial government has launched Iterele Job creation and contract development initiatives with the aim to create 10 000 labour intensive jobs in the next financial year with priority given to youth, women and people living with disabilities.
- The government has identified the facilitation of access to business opportunities, financing, and provision of affordable infrastructure for SMMEs that have the to operate in Small Industries as a key priority to creating jobs. Twelve million rands (R12 million) have already been transferred to the relevant state entity to assist with SMME development. We also intend to spend R10 million rands on light industries and two million rands (R2 million) on car wash, sisal and wild silk projects.
- The province will implement the North West Water Provisioning and Management Plan, as a comprehensive plan, that will ensure that water supply to both industry and households is improved in a sustainable manner. Areas to be given attention are Setlagole, Dinokana and Hartbeespoortdam and the Dr Ruth Mompati District Municipality. The provincial government has set aside an amount of R50 million for water and sanitation projects to assists (seven) 7 municipalities.

### 2.1.5 Decision on Infrastructure Investment and Development Spending

One of the major policy decision taken on this subject at the EXCO Budget Lekgotla of the 15-16 February 2011 was to establish an Infrastructure Development Committee that will work in collaboration with the Planning Unit in the Office of the Premier. This Committee will have to assist and ensure that the infrastructure budget is fastracked on the approved project plans.

## Infrastructure Funding

Regardless the negative financial impact that was occasioned by the reincorporation of Merafong in to Gauteng and the reduction of the equitable share that was occasioned by the National Community Survey, the province has experienced a very slow spending on infrastructure during the 2010 financial year. The overall expenditure registered was 68 percent as at February the 15<sup>th</sup> 2011. The main reason being lack of capacity to fastrack projects implementation. There has been an improvement in building the necessary capacity by appointing more Technical Assistants. A noble decision taken by National Treasury to unpack the infrastructure funding for Health, Education and Roads and to gazette the project list is appreciated. This would improve transparency, accountability and oversight which is lacking in these departments.

**Table 10: Infrastructure funding: Health**

NWPG 2010-11 to 2011-14 MTEF Infrastructure Allocations	Main Appropriation '2010/11	Adjusted Budget '2010/11	MTEF 2011/2012	MTEF 2012/2013	MTEF 2013/2014
	R'000	R'000	R'000	R'000	R'000
<b>Department of Health</b>					
Infrastructure Grant to Provinces [IGP]	60,246	60,301	145,466	159,656	168,437
Health Routine Maintenance	52,509	52,509	56,553	59,946	63,063
Hospital Revitalization Conditional Grant	326,303	326,303	370,074	401,150	377,375
Clinic Building	90,000	90,000	20,000	25,000	26,300
<b>Total Health</b>	<b>529,058</b>	<b>529,113</b>	<b>592,093</b>	<b>645,752</b>	<b>635,175</b>

The infrastructure budget of the Department of Health is increasing by 12 percent over the MTEF period, an average of almost 6 per cent per annum

**Table 11: Infrastructure funding: Education**

NWPG 2010-11 to 2011-14 MTEF Infrastructure Allocations	Main Appropriation '2010/11	Adjusted Budget '2010/11	MTEF 2011/2012	MTEF 2012/2013	MTEF 2013/2014
	R'000	R'000	R'000	R'000	R'000
<b>Education</b>					
School Building Programme: Sanitation /Maintenance (M)	20,000	100,000	60,000	58,000	60,200
School Maintenance (M)	80,000	-			
Technical Secondary School Recapitalisation Grant (M)	8,697	6,105	17,015	17,867	18,850
Full Service Schools Infrastructure (Public Ordinary Special Sch)	12,250	12,250			
Infrastructure Grant to Provinces [IGP]	277,867	281,305	469,967	515,812	544,182
<b>Total: Education</b>	<b>398,814</b>	<b>399,660</b>	<b>546,982</b>	<b>591,679</b>	<b>623,232</b>

The Education infrastructure increases by almost 37 per cent over a three-year period, an average of almost 17 per cent per annum.

**Table 12: Infrastructure funding: Sports, Arts and Culture**

NWPG 2010-11 to 2011-14 MTEF Infrastructure Allocations	Main Appropriation '2010/11	Adjusted Budget '2010/11	MTEF 2011/2012	MTEF 2012/2013	MTEF 2013/2014
	R'000	R'000	R'000	R'000	R'000
<b>Sports, Arts and Culture</b>					
Libraries Conditional Grant	15,500	15,500	8,500	8,500	8,942
Library (CT)	6,000	6,000	8,000	8,000	7,558
Maintenance of museums / Arts (M)	1,000	1,000			-
Upgrading and maintenance of facilities			7,000	4,500	8,000
Infrastructure Sport	6,000	6,000			
Multi purpose Sport Field			18,000	18,000	18,000
Upgrading of Mmabatho Stadium, PVA's & 2010 Matters		1,200			-
<b>Total: Sport, Arts &amp; Culture</b>	<b>28,500</b>	<b>29,700</b>	<b>41,500</b>	<b>39,000</b>	<b>42,500</b>

The infrastructure budget for this department has decreased by 39 per cent in the first year of the MTEF and decreased to 6 per cent in the second year and increased to 10 per cent in the last year. This is an average of 14 per cent per annum.

**Table 13: Infrastructure funding: Public Works, Roads and Transport**

NWPG 2010-11 to 2011-14 MTEF Infrastructure Allocations	Main Appropriation '2010/11	Adjusted Budget '2010/11	MTEF 2011/2012	MTEF 2012/2013	MTEF 2013/2014
	R'000	R'000	R'000	R'000	R'000
<b>Public Works Sector</b>					
New Government Buildings (N)	120,962	128,875	128,099	135,400	142,441
Government Building-Major Renovations (CU)	32,051		33,589	35,302	37,138
Government Building- Day to day (EPWP) (M)	20,605		21,594	22,695	23,875
Emerging Contractor Development (N)	32,000		40,000	42,000	44,184
Public Works Infrastructure Maintenance (M)	75,425	38,372	79,045	83,077	87,397
<b>Total: Public Works Sector</b>	<b>281,043</b>	<b>167,247</b>	<b>302,327</b>	<b>318,474</b>	<b>335,035</b>
<b>Roads &amp; Transport Sector</b>					
IGP: EPWP	-	-	34,000	36,000	38,000
Infrastructure Grant to Province) [IGP] (N)	602,959	635,810	467,826	554,067	598,795
Road Construction: Schweizer-Reneke to Wolmaranstad	-	-	15,000	40,000	58,000
Road Construction: Dwaalboom to Limpopo	-	-	64,000	73,000	77,000
Damaged Roads and Bridges	-	-	11,181	32,909	37,190
Poverty Eradication/Community Dev't (M)	21,203	21,203	-	-	-
Maintenance Project Yellow Fleet (M)	7,596	-	-	-	-
Roads Infrastructure Maintenance /Yellow Fleet (M)	213,874	243,550	162,991	171,304	180,211
Weighbridges	-	-	-	-	-
<b>Total: Roads &amp; Transport Sector</b>	<b>845,632</b>	<b>900,563</b>	<b>754,998</b>	<b>907,280</b>	<b>989,196</b>
<b>Total: Public Works, Roads &amp; Transport</b>	<b>1,126,675</b>	<b>1,067,810</b>	<b>1,057,325</b>	<b>1,225,754</b>	<b>1,324,231</b>

The infrastructure budget for this department has increased by 7 per cent in the first year of the MTEF and substantially increased to 16 percent in the second year and eight percent in the last year. This is an average of 6 percent per annum.

**Table 14: Economic Development, Environment, Conservation and Tourism**

NWPG 2010-11 to 2011-14 MTEF Infrastructure Allocations	Main Appropriation '2010/11	Adjusted Budget '2010/11	MTEF 2011/2012	MTEF 2012/2013	MTEF 2013/2014
	R'000	R'000	R'000	R'000	R'000
<b>Economic Development, Conservation, Environment &amp; Tourism</b>					
MIDZ Infrastructure [DEDT,DTI,Private sector]	19,227	18,300	21,210	24,771	28,659
Tourism Development [DEDT,NWPTB,Tribal Authority, Private Sector]	11,684	5,000			-
Light Industrial Parks [DEDT,NWDC,IDC]	16,589	23,200	8,000	10,510	11,057
Madikwe Sisal Project			1,000		
Mahikeng Bio-Diesel			500		
Ganyesa Wild Silk Projects [DEDT,DST,DTI] (C-U)	3,500	3,500	500	-	-
Provincial Industrial Development Strategy (PIDS)		1,000	500	-	-
<b>Total: Economic Development, Conservation, Environ &amp; Tourism</b>	<b>51,000</b>	<b>51,000</b>	<b>31,710</b>	<b>35,281</b>	<b>39,716</b>

This department's infrastructure budget is showing a decline of 38 per cent in the first year of the MTEF and registered a substantial increase of 11 percent in 2012/13 and 13 per cent in year 2013/14. Amongst others, a decline of 38 per cent resulted due to once off allocation and lack of the necessary capacity to spend the allocations.

**Table 15: Local Government and Traditional Affairs**

NWPG 2010-11 to 2011-14 MTEF Infrastructure Allocations	Main Appropriation '2010/11	Adjusted Budget '2010/11	MTEF 2011/2012	MTEF 2012/2013	MTEF 2013/2014
	R'000	R'000	R'000	R'000	R'000
<b>Local Government and Traditional Affairs</b>					
New / Upgrading TL's Properties (N)	9,000	9,814	8,000	9,000	9,468
Bucket Replacement (CT)	50,000	50,000	50,000	50,000	52,600
Disaster Management Fund (CT)	20,000	20,000	20,000	20,000	21,040
<b>Total: Local Government &amp; Traditional Affairs</b>	<b>79,000</b>	<b>79,814</b>	<b>78,000</b>	<b>79,000</b>	<b>83,108</b>

A negative growth of 2 per cent in the first year of the MTEF resulted due to the delay in the implementation of projects. 1 per cent increase over the MTEF period has been marked.

**Table 16: Social Development, Women, Children and Persons with Disability**

NWPG 2010-11 to 2011-14 MTEF Infrastructure Allocations	Main Appropriation '2010/11	Adjusted Budget '2010/11	MTEF 2011/2012	MTEF 2012/2013	MTEF 2013/2014
	R'000	R'000	R'000	R'000	R'000
<b>Social Development , Women, Children and Persons with Disability</b>					
Secure Care Centres and VEP	23,500	22,262	4,500	-	630
Childrens Home Shelters	32,000	10,359			
Victim Empowerment Centres	9,890	7,769	12,029	-	2,261
Old Age & Children Home	10,000	10,000	23,515	2,501	1,040
<b>Total Social Development</b>	<b>75,390</b>	<b>50,390</b>	<b>40,044</b>	<b>2,501</b>	<b>3,931</b>

The infrastructure budget for the department of Social Development declined by 21 per cent in 2011, further decline of 94 per cent in 2012 and stabilized in the last year of the MTEF at 57 per cent. Reason being that, the feasibility study and planning were not carried out on time culminated by failure to secure land for preparation and implementation of projects.

**Table 17: Human Settlements**

NWPG 2010-11 to 2011-14 MTEF Infrastructure Allocations	Main Appropriation '2010/11	Adjusted Budget '2010/11	MTEF 2011/2012	MTEF 2012/2013	MTEF 2013/2014
	R'000	R'000	R'000	R'000	R'000
<b>Human Settlement</b>					
Integrated Housing and Human Settlement (N)	1,288,770	1,188,973	998,376	1,042,529	1,099,868
<b>Total: Human Settlement</b>	<b>1,288,770</b>	<b>1,188,973</b>	<b>998,376</b>	<b>1,042,529</b>	<b>1,099,868</b>

In the first year of the MTEF there has been a decline of 16 per cent and a slight growth of 4.4 per cent in the last outer years. The reason for decline emanated as a result of non submission of emergency project list to National.

**Table 18: Agriculture and Rural Development**

NWPG 2010-11 to 2011-14 MTEF Infrastructure Allocations	Main Appropriation '2010/11	Adjusted Budget '2010/11	MTEF 2011/2012	MTEF 2012/2013	MTEF 2013/2014
	R'000	R'000	R'000	R'000	R'000
<b>Agriculture and Rural Development</b>					
Land Care Grant (N)	6,540	6,944	6,932	11,557	10,552
Post Settlement Support (N)	40,000	10,000	20,000	20,000	22,080
Comp. Agric Support Programme (N)	100,745	113,024	133,812	149,277	170,930
Rural development (Water and Sources of Energy)			52,100	65,516	88,956
Rural Development Programme (N)	25,000	25,000	36,180	31,728	33,379
Agricultural Disaster Management (N)	-	512		-	
Ilima/Letsema Projects (N)	20,000	20,627	40,000	42,000	44,310
<b>Total: Agric and Rural Development</b>	<b>192,285</b>	<b>176,107</b>	<b>289,024</b>	<b>320,078</b>	<b>370,207</b>

The infrastructure budget for this department has decreased by 64 per cent in the first year of the MTEF, an average of 30 per cent per annum. Lack of proper planning and late implementation of projects.

## Chapter 3: Summary of Budget Aggregates

### 3.1 Introduction

This section includes general discussions on the total provincial receipts with reference to growth rates, real growth rates and comparisons thereof. Apart from that a brief description on changes between the estimates receipts for the 2011 financial year and the receipts over the MTEF has been clearly illustrated below. A clear picture on receipt items experiencing a negative growth between financial years as well as the once-off receipt items has been demonstrated. The discussion will first depart with sectors priorities that were funded by national and the province, they are as follows;

#### 3.1.1 Priorities funded in 2011/12 MTEF Budgets

In addition to the continuation of the funding of the national priorities of the previous financial years, the following new national priorities are funded in the 2011/12 MTEF Budget: Funds were allocated as follows:

#### Schedule 4: Funding of nationally determined priorities- Department of Health

Description	R'000	R'000	R'000
	2011/12	2012/13	2013/14
1. Health Technology	1.3	2.0	2.7
2. Nursing Colleges upgrading and maintenance	2.1	2.2	2.2
3. OSD doctor- top up	7.3	8.0	8.5
4. OSD therapeutic- top up	24.2	28.7	30.4
5. Maternal and Child Health	15.2	33.7	47.4
6. Personnel and goods stabilization	34.9	72.2	97.8
7. HIV:ARV 350 threshold	-	33.6	33.9
8. Registrars esp paed, obs and critical posts	6.8	13.5	20.3
9. Family Health teams pilots/model	6.8	26.9	47.4
10. Public hospital norms and standards	16.0	32.6	36.0
<b>Total Policy Priorities</b>	<b>114.6</b>	<b>253.4</b>	<b>326.6</b>

The Province has received an amount of R115 million in 2011/12, R253 million in 2012/13 and R327 million in 2013/14. These amounts are earmarked and intended to support a healthy service delivery throughout the province.

#### Priorities Funded in 2011/12 – Department of Education

National Priorities: Education	Priority source	MTEF			
		2010-2011 R'000	2011-2012 R'000	2012-2013 R'000	2013-2014 R'000
QIDS-UP	National	12,156	12,727	13,363	14,031
Systemic Evaluation	National	5,045	5,298	5,562	5,840
Quality Learning @Project (QLT)	National	1,000	1,050	1,103	1,158
EMIS	National	9,110	10,784	11,182	11,741
LTSM	National	306,110	321,415	337,486	354,360
GET Curriculum	National	4,127	4,333	4,550	4,778
FET Curriculum	National	2,299	2,414	2,534	2,661
Mathematics and Science kits	National	6,500	6,750	7,000	7,350
Teacher Development	National	9,311	9,749	10,236	10,748
Expansion of Inclusive@ Education	National	54,393	56,949	59,796	62,786
Strengthening of Special Schools	National	12,075	12,800	13,567	14,246
Pre Grade R (0 - 4)	National	30,596	32,034	33,636	35,318
Resources of Grade R@ in Primary schools(Grade Incorporation)	National	37,031	38,883	40,827	42,868
Reduction of class sizes	national	17,544	127,132	134,760	141,498
Computerisation of schools	National	-	-	-	-
<b>Total National Priorities</b>		<b>507,297</b>	<b>642,318</b>	<b>675,602</b>	<b>709,382</b>

There has been a significant growth in terms of education priorities. These monies were allocated in the 2009/10 and 2010/11 baselines of the department of Education. An increase of 39 per cent over the MTEF has been realized.

### Provincial Priorities Funded in 2011/12 – Department of Education

Provincial Priorities: Education		2010-2011 R'000	2011-2012 R'000	2012-2013 R'000	2013-2014 R'000
Skills Development@ Development	Provincial	10,404	10,893	11,438	12,010
HIV/AIDS: EAPA programme(Office based)	Provincial	750	788	827	868
LAIP(Leaner Attainment Improvement Plan)	Provincial	39,249	41,211	43,272	45,436
School library services	Provincial	3,996	4,196	4,406	4,626
School Safety	Provincial	1,843	1,935	2,032	2,134
In-School Sports	Provincial	8,673	9,106	9,562	10,040
Maintenance	Provincial	80,000	85,000	90,000	95,000
School Building projects	Provincial	20,000	20,000	20,000	20,000
ABET Earmarked funding	Provincial	32,699	34,334	36,051	37,854
Farm school subsidies	Provincial	15,770	16,716	17,719	18,605
Provision of school security	Provincial	-	-	-	-
<b>Total Provincial Priorities</b>		<b>213,384</b>	<b>224,179</b>	<b>235,307</b>	<b>246,573</b>

The departmental priority allocations were increased as well by 16 per cent over the MTEF period

### 3.1.2 Other Specific Policies and Priorities addressed in this budget

#### Department of Economic Development, Environment, Conservation and Tourism

This department is one of the economic sectors that one expects to have muscles in steering the economic growth in the province. The sector focuses on entrepreneurial activities which have labour intensive capacity to create jobs. One way to achieve this is through the development of small business through venture learnership. The venture learnerships address economic, administrative and behavioral barriers that contribute to failures in starting and sustaining the enterprise. In an attempt to support some of the entrepreneurial activities the Provincial Treasury has made available a budget of R12 million in 2011 to support and sustain the establishment of Provincial Micro Lending Fund and R2 million for Madikwe Sisal, Ganyesa Wild Silk and Mafikeng Bio- Diesel. In 2012/13 and amount of R5 million was also allocated to sustain the established North West Small Industries. Money should be injected to resuscitate the Taung Skull to be turned in to a tourist destination. This would also create some jobs for the youth.

## **Department of Public Works, Roads and Transport**

Due to the labour intensive services that this department provides through the Expanded Public Works Programme, the unemployed youth, men and women were attracted since the establishment of this Programme in 2007/08. In 2011 the Provincial Treasury has allocated an amount of R83 million over the MTEF for reconstruction of damaged roads and bridges. The amount of R363 million over the three year period have been provided for road reconstruction between Dwaalboom and Limpopo as well as Schweizer- Reneke and Wolmaranstad..

## **Department of Education and Training**

As from 2009 MTEF budget cycle a significant stride has been made by both the Province and National fund key education sector priorities as reflected in the two tables above. A budget for security at schools has been topped up with an amount of R5 million in 2011, R5 255 million in 2012/13 and R5 528 million in 2013/14 respectively. Addition to that an amount of R54.7 million over the MTEF period has been allocated for storm damaged schools.

## **Department of Health**

An improvement in terms of funding the priorities of Health has been made. A schedule 4 table above is showing key and earmarked priorities funded by National in an attempt to support provincial health sector whose overall budget is the lowest when comparing with the rest of the provinces. In the baseline for 2010/11 the Provincial Treasury has allocated an amount of R206 364 million and R288 068 million for OSD for doctors including therapists, pharmaceutical, NHLS, patients catering, litigations and forensic pathology.

It must be pointed out that this department has started with a low base budget since 2004 and the situation was worsened by the disestablishment of the Municipal cross borders in 2007 and 2010 respectively. The Provincial Treasury has however made available a budget of R108 million over the 2011 MTEF period for the appointment of Health Professional staff, Doctors and Nurses. An amount of R15 783 over the three years period of the MTEF was also allocated for the appointment of security in hospitals

## **Department of Social Development, Women, Children and Person with Disabilities**

The social sector's initial focus is on poverty eradication and to re-engineer the Masupatsela Youth Pioneer Programme. The Provincial Treasury has injected an amount of R28 million in 2011, R29 million in 2012 and R31 million in 2013 respectively. The mission is simply to reduce poverty by half by 2014. Through this programme, the province will strive towards self reliant and sustainable communities through a growing that creates jobs for the citizens. The Masupatsela Youth Pioneering Programme is also a national priority and an amount of R3.8 million has been availed in the first year of the 2011 MTEF, R4.1 million for 2012 and R4.3 million in the last outer year of the MTEF. These programmes are labour-intensive and would create some job opportunities, given the large needs for these services.

This department received an amount of R23 455 million in 2011/12, R28 000 million in 2012/13 and R34 000 million in 2013/14 as a reimbursement for compensation of employees that relocated back to this department from the Department of Human Settlements.

## **Department of Agriculture and Rural Development**

This is another labour intensive sector to create jobs especially in farming industry. In 2011, the Provincial Treasury has availed an amount of R207 million over the three years of the MTEF for rural development (water and sources of energy) .

## **Department of Local Government and Traditional Affairs**

An improvement has been made by this department to turn around and support the performance of the Municipalities. An amount of R25 million was made available in 2010 for the turnaround strategy aiming to improve the quantity and quality of municipal basic services to the people in the areas of access to water, sanitation, electricity, waste management, roads and disaster management. Apart from that an amount of R210 million over the three years of the 2011 MTEF period was allocated to



fastrack the completion of the bucket replacement programme and partly address the impact of the disaster in the province. These funded programmes, which some are labour intensive would create some job opportunities.

### 3.1.3 Summary of Budget Aggregates

**Table: Provincial budget summary**

Table: 1.1 Provincial budget summary

R thousand	outcome			Main Appropriatio	Adjusted Appropriatio	Revised Estimate	Medium term estimates		
	2007/08	2008/09	2009/10	2010/11	2010/11	2010/11	2011/12	2012/13	2013/14
<b>Provincial receipts</b>									
Transfer receipts from National	14,455,867	16,948,631	19,964,214	21,517,068	21,678,952	21,678,952	23,812,530	25,537,353	27,294,850
Equitable share	11,972,842	14,230,119	16,704,562	17,314,124	17,567,122	17,567,122	19,271,431	20,562,274	21,912,710
conditional grants	2,483,025	2,718,512	3,259,652	4,202,944	4,111,830	4,111,830	4,541,099	4,975,079	5,382,140
Provincial own receipts	510,173	568,548	614,907	597,310	597,310	597,310	652,169	683,702	696,271
<b>Total provincial receipts</b>	<b>14,966,040</b>	<b>17,517,179</b>	<b>20,579,121</b>	<b>22,114,378</b>	<b>22,276,262</b>	<b>22,276,262</b>	<b>24,464,699</b>	<b>26,221,055</b>	<b>27,991,121</b>
<b>Provincial payments</b>									
Current payment	12,076,604	13,575,262	15,375,277	16,585,154	16,953,596	16,973,930	18,720,627	20,088,522	21,407,408
Transfer of subsidies	2,232,690	2,726,676	3,199,456	3,908,218	3,809,371	3,807,145	3,925,001	4,123,459	4,419,596
Payment of capital assets	1,037,421	1,412,130	1,759,679	1,620,730	1,667,323	1,768,187	1,818,791	2,008,779	2,163,816
Payment of financial assets	143	-5,068	1,069	275	254	254	280	295	300
Unallocated contingency reserve									
<b>Total provincial payments</b>	<b>15,346,858</b>	<b>17,709,001</b>	<b>20,335,481</b>	<b>22,114,378</b>	<b>22,430,544</b>	<b>22,549,516</b>	<b>24,464,699</b>	<b>26,221,055</b>	<b>27,991,121</b>
<b>Surplus/(deficit)before financing</b>	<b>-380,818</b>	<b>-191,822</b>	<b>243,640</b>		<b>-154,282</b>	<b>-273,254</b>			
<b>Financing</b>									
Provincial rollovers	168,262	27,687			41,214	41,214			
National Rollovers		156,450	46,569		53,453	53,453			
Donor Funding	40,750	72,344	15,589		31,197	31,197			
Other funding					28,418	28,418			
Previous year surpluses	469,340	33,774							
<b>Surplus/(deficit)after financing</b>	<b>297,534</b>	<b>98,433</b>	<b>305,798</b>			<b>-118,972</b>			

### 3.1.4 Financing

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

### 3.1.5 Budget Process and Medium- Term Expenditure Framework

#### The Budget Process

The effects of the demarcation which resulted in insufficient funding required a new approach to the budget process. Baseline allocations, which were severely reduced for both social and non-social departments, always impacts on service delivery. On the 08 December 2010 National has also reduced the provincial equitable share by 0.3 percent this also created a further reduction on the budgets of all provincial departments. Due to the provincial responsibility to fund provincial priorities that were pronounced by the Premier in her speech and at the Budget Lekgotla , the Provincial Government had no alternative but to reduce the funding of almost all departments to a minimum. Infrastructure funds were also reduced and there is especially serious concern about the state of our roads in the province.

#### **The following process was followed:**

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

*The severe reduction in funding to social departments especially Health will have an impact on service delivery. Serious budget pressures are expected during the year.*

The lack of sufficient funding is also impacting on social departments. Although the social departments were funded where possible, there are still serious risks involved in the 2011/12 Provincial Budget of which the following are the most important:

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

## **4. Receipts**

### **4.1 Overall Position**

The annual growth rate in the province is expected to grow at 4.8 per cent in 2011/12 however the growth has been increased to 9 per cent due to the revised allocations on some of the conditional grants and infrastructure payments. However, under normal circumstances the growth is expected to increase by an annual average growth of 6 per cent

**Table 9: Summary of provincial receipts**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised Estimate	Medium-term estimates		
	Audited	Audited	Audited				2011/12	2012/13	2013/14
	2007/08	2008/09	2009/10						
<b>Transfer receipts from National</b>									
Equitable share	12 595 957	14 357 760	16 424 859	17 314 124	17 667 951	17 786 923	19 271 431	20 562 274	21 912 710
Conditional grants	2 290 768	2 776 393	3 305 518	4 202 944	4 165 283	4 165 283	4 541 099	4 975 079	5 382 140
<b>Total Transfer receipts from National</b>	<b>14 886 725</b>	<b>17 134 153</b>	<b>19 730 377</b>	<b>21 517 068</b>	<b>21 833 234</b>	<b>21 952 206</b>	<b>23 812 530</b>	<b>25 537 353</b>	<b>27 294 850</b>
<b>Provincial Own receipts</b>									
Tax receipts	226 645	270 713	291 143	265 763	265 763	265 763	318 653	335 256	347 447
Casino taxes	57 288	51 320	63 522	60 638	60 638	60 638	74 413	84 055	83 611
Horse racing taxes	3 626	3 648	4 343	4 189	4 189	4 189	4 884	5 178	5 488
Liquor licencess	2 076	2 105	2 726	2 312	2 312	2 312	2 453	2 610	2 754
Motor vehicle licences	163 655	213 640	220 552	198 624	198 624	198 624	236 903	243 413	255 594
Sales of goods and services other than capital assets	203 856	255 462	248 248	242 660	245 592	245 592	241 624	262 220	269 446
Transfer received									
finer, penalties and forfeits	23 630	17 078	11 862	9 022	10 222	10 222	14 062	14 483	14 917
Interest, dividends and rent on land	45 898	66 620	50 653	49 115	44 583	44 583	43 475	37 231	31 958
Sales of capital assets	9 761	16 001	13 001	20 000	20 000	20 000	8 489	7 520	4 406
Transactions in financial assets and liabilities	383	593		10 750	11 150	11 150	25 866	26 992	28 097
<b>Total Provincial own receipts</b>	<b>510 173</b>	<b>626 467</b>	<b>614 907</b>	<b>597 310</b>	<b>597 310</b>	<b>597 310</b>	<b>652 169</b>	<b>683 702</b>	<b>696 271</b>
<b>Total Provincial Receipts</b>	<b>15 396 898</b>	<b>17 760 620</b>	<b>20 345 284</b>	<b>22 114 378</b>	<b>22 430 544</b>	<b>22 549 516</b>	<b>24 464 699</b>	<b>26 221 055</b>	<b>27 991 121</b>

## 4.2 Equitable Share

According to the FFC formula the North West provincial equitable share for the financial year 2011/12 is 6.7 percent which is the same percentage growth as in the second year. However the last outer year has registered 6.8 per cent.

## 4.3 Conditional Grants

## Summary of conditional grants by grant

Table 1.8: Summary of conditional grants by grant

R thousand	Outcome			Main Appropriatio	Adjusted Appropriatio	Revised Estimate	Medium term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
<b>Vote 3</b>	<b>573,381</b>	<b>759,967</b>	<b>920,151</b>	<b>1,156,397</b>	<b>1,161,702</b>	<b>1,162,702</b>	<b>1,442,973</b>	<b>1,591,892</b>	<b>1,744,408</b>
National Tertiary Services Grant	80,119	118,433	134,383	179,280	179,280	179,280	194,280	209,280	224,280
Health Professional Training & Development Grant	65,483	68,977	78,033	83,324	83,899	83,899	88,323	93,522	98,666
Hospital Revitalisation Grant	208,873	254,030	254,621	326,303	326,303	326,303	370,074	401,150	377,375
Comprehensive HIV/AIDS (Health) Grant	152,144	245,997	375,448	475,838	479,809	480,809	599,437	705,969	848,533
Forensic Pathology Service Grant	27,913	32,530	23,321	26,433	26,433	26,433	28,019	-	-
EPWP Inclusive Grant - social sector	-	-	-	4,972	5,677	5,677	17,374	22,315	27,117
2010 World Cup Health preparation strategy grants	-	-	4,345	-	-	-	-	-	-
Health Infrastructure Grant	38,849	40,000	50,000	60,247	60,301	60,301	145,466	159,656	168,437
<b>Vote 4</b>	<b>32,429</b>	<b>59,477</b>	<b>72,802</b>	<b>93,297</b>	<b>110,301</b>	<b>110,301</b>	<b>97,956</b>	<b>102,853</b>	<b>108,510</b>
Mass Sport & Recreation Participation Programme	16,900	20,218	31,391	34,022	37,593	37,593	35,124	36,880	38,909
Community Library Services Grant	15,529	39,259	41,411	59,275	72,708	72,708	62,832	65,973	69,601
<b>Vote 07</b>	<b>250,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transitional Grant	250,000	-	-	-	-	-	-	-	-
Infrastructure Grant to Provinces	-	-	-	-	-	-	-	-	-
<b>Vote 8</b>	<b>188,392</b>	<b>339,684</b>	<b>397,502</b>	<b>764,074</b>	<b>782,644</b>	<b>782,644</b>	<b>1,065,108</b>	<b>1,161,620</b>	<b>1,240,316</b>
HIV/AIDS (Life Skills Education) Grant	10,498	12,017	10,412	12,912	16,619	16,619	14,700	15,685	16,555
National School Nutrition Programme Grant	87,916	117,093	158,716	249,599	260,410	260,410	305,935	329,301	347,412
FET College Sector Recapitalisation Grant	28,725	61,494	-	-	-	-	-	-	-
Education Infrastructure Grant	61,253	149,080	228,374	277,867	281,305	281,305	469,967	515,812	544,182
FET College Conditional Grant	-	-	-	214,999	215,613	215,613	236,178	254,511	280,449
Technical Secondary Schools Recapitalisation Grant	-	-	-	8,697	8,697	8,697	17,015	17,867	18,850
Social Sector EPWP Incentive Grants for Provinces	-	-	-	-	-	-	13,893	17,844	21,685
Dinaledi Schools Grant	-	-	-	-	-	-	7,420	10,600	11,183
<b>Vote 11</b>	<b>401,376</b>	<b>509,174</b>	<b>693,977</b>	<b>770,989</b>	<b>779,129</b>	<b>779,129</b>	<b>744,987</b>	<b>859,281</b>	<b>946,147</b>
Public Transport Operations Grant	-	-	101,236	60,416	60,432	60,432	77,211	89,230	103,111
Devolution of Property Rate Funds Grant to Provinces	-	58,326	66,776	72,718	79,990	79,990	160,192	179,984	206,241
EPWP Inclusive Grant to Provinces	-	-	-	-	-	-	-	-	-
EPWP Incentive Grant to Provinces for the Infrastructure sector	-	-	-	2,897	2,897	2,897	5,758	-	-
Provincial Roads Maintenance Grant	401,376	450,848	525,965	634,958	635,810	635,810	501,826	590,067	636,795
Social Sector EPWP Incentive Grants for Provinces	-	-	-	-	-	-	-	-	-
<b>Vote 12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,132</b>	<b>1,427</b>	<b>1,427</b>	<b>10,955</b>	<b>14,070</b>	<b>17,099</b>
EPWP Inclusive Grant - social sector	-	-	-	2,132	1,427	1,427	10,955	14,070	17,099
<b>Vote 13</b>	<b>58,326</b>	<b>156,018</b>	<b>121,154</b>	<b>127,285</b>	<b>141,107</b>	<b>141,107</b>	<b>180,744</b>	<b>202,834</b>	<b>225,792</b>
Land Care Programme Grant: Pov Rel&Infr	5,812	5,226	6,321	6,540	6,944	6,944	6,932	11,557	10,552
Comprehensive Agricultural Support Programme Grant	47,309	78,217	86,747	100,745	113,024	113,024	133,812	149,277	170,930
Ililima/Letsema	-	32,487	11,886	20,000	20,627	20,627	40,000	42,000	44,310
Agriculture Disaster Manage Grnt	5,205	40,088	16,200	-	512	512	-	-	-
<b>Vote 15</b>	<b>785,516</b>	<b>952,060</b>	<b>1,099,917</b>	<b>1,288,770</b>	<b>1,188,973</b>	<b>1,188,973</b>	<b>998,376</b>	<b>1,042,529</b>	<b>1,099,868</b>
Integrated Housing & Human Settlement Dev. Grant	785,516	952,060	1,099,917	1,288,770	1,188,973	1,188,973	998,376	1,042,529	1,099,868
<b>Total conditional grants</b>	<b>2,289,420</b>	<b>2,776,380</b>	<b>3,305,503</b>	<b>4,202,944</b>	<b>4,165,283</b>	<b>4,166,283</b>	<b>4,541,099</b>	<b>4,975,079</b>	<b>5,382,140</b>

The total conditional grants available over the 2011 MTEF is R4 541 million in 2011/12, R4 975 million in 2012/13 and R5 382 million in 2013/14.

## Analysis of discrepancies between budgets, actual transfers and actual payments: From Financial Year 2007/08 to 2010/11.

### Department of Agriculture and Rural Development

In 2007/08 this department was allocated a total amount of R112 763 million for three conditional grants as reflected in the table above plus a rollover of R3 834 million. The department spent 50 percent of the total available budget of R116 597 million. The poor spending pattern was worsened by the receipt of R55 million that only came late towards the end of the 2007/08 financial year.

In 2008/09 the department received a total amount of R125 052 million plus a rollover of R58 265 million. All the monies were received as approved in the payment schedule. At the end of the 2008/09 financial year an amount of R156 029 million or 85 percent was spent from the total available budget of R183 317 million.

For the financial year 2009/10 total grants received was R107 688 million plus a rollover of R27 288 million. The department spent R121 154 million which translated in to 90 percent, all funds were received.

In the financial year 2010/11 the department received a total amount of R127 285 million plus a rollover of R13 822 million. The department spent R81 019 million which is 57 percent as at January 2011.

### **Department of Education and Training**

In 2007/08 the department was allocated a total amount of R462 507 million being the budget for conditional grants. All earmarked grants were received as planned and the department spent R438 728 million or 95 percent of the allocated funds.

In 2008/09 the department received a total amount of R349 280 million plus a rollover of R995 thousand for its conditional grants. All transfers were received and spending amounted to R339 684 million or 97 percent.

For the financial year 2009/10 total grants received was R404 584 million plus a rollover of R9 671 million. The department spent an amount of R397, 219 million or 97 percent of the allocated conditional grants budget.

During the financial year 2010/11 the department received a total amount of R764 074 million plus a rollover of R17 956 million. The department spent R539 467 million as at January 2011 which is 69 percent.

### **Department of Health**

The department received a budget of R523 331 million for conditional grants during 2007/08 plus a rollover of R65 172 million totaling R588 503 million. The expenditure at the end of the financial year was R574 723 which translated in to 98 percent.

In 2008/09 the department received a total budget amounted to R761 901 million including the rollover of R6 857 million of which R759 969 million was spent or 99.7 percent.

During the financial year 2009/10 the total amount allocated to Health was R923 770 million including the rollover of R1, 932 million as well as R99 023 million provided to cover unforeseen and unavoidable expenditure. Actual spending was R920 111 million or 99.6 percent.

For the financial year 2010/11 total grants received were R1 156 397 million plus a rollover of R3 601 million. As at January 2011 the department spent R967 439 million or 83 percent.

### **Department of Human Settlements**

During 2007/08 the grant allocated to the department was R875 178 million which included the rollover of R3 372 million plus an additional amount R105 000 million. The end of that financial year

the department spent R785 516 million or 90 percent. All funds for this given year was received from the National Department.

In 2008/09, the department received R896 102 million plus a rollover of R89 662 million. The National Department reduced the allocation by R52 million which was transferred to Northern Cape. The Adjustment Budget then equaled to R952 125 million and the amount spent at the end of the financial year was R952 060 million or 99.9 percent.

During the financial year 2009/10, the department received R1 100 055 million plus a rollover of R65 thousand. All funds were received for the year under review and the spending amounted to R1 099 917 million or 99.9 percent.

During the financial year 2010/11 total grant received was R1 288 770 million plus a rollover of R203 thousand. This amount was reduced by National with R100 million. As at January 2011 the expenditure incurred equaled R833 698 million or 70 percent of the allocated conditional grant.

### **Department of Sport, Arts and Culture**

The total grant received in 2007/08 was R38 500 million with expenditure at the end of the year amounting to R32 536 million or 85 percent.

In 2008/09, an amount of R64 643 million was allocated plus a rollover of R671 thousand. Funds were all received as approved and the department spent R59 477 million or 91 of the total available budget.

During the financial year 2009/10, the department was allocated R83 968 million plus a rollover of R5 837 million. All transfers were received but the department incurred an expenditure of R72 801 million or 81 percent.

For the financial year 2010/11 the total grants received were R93 297 million plus a rollover of R17 004. As at January 2011 the department has incurred expenditure of R57 790 million or 50 percent.

### **Department of Public Works, Roads and Transport**

During 2007/08 an amount of R401 740 was allocated of which an amount of R401 377 was spent at the end of the financial year.

In 2008/09, an amount of R510 030 million was allocated and all funds were received as approved in the payment schedule. The Department managed to spent an amount of R509 174 million that is 98 percent of the allocated funds.

During the financial year 2009/10 the total amount for conditional grants equaled R702 375 million which included a rollover of R856 thousand as well as an additional amount of R60 million transferred during March 2010 to address the budget pressure on the public transport operation grant. An amount R7 192 million in respect of EPWP incentive Grant was not transferred to the province. Spending at the end of the Financial year was R694 million or 99 percent.

In 2010/11 this department received an amount of R770 990 million plus a rollover of R867 thousand. As at January 2011 an amount of R583 516 million was spent or 75 percent.

## **4.4 Total provincial own receipts (own revenue)**

The estimate of provincial receipts for the 2011/12 MTEF is based on estimates and it might differ with the actual receipts as the year progresses. The provincial treasury is concerned about the collection of

interest which depends on interest rates and the funds available for investments during the year. However, there are three departments that their 2010/11 revised estimates cannot be compared with the expected revenue growth for the 2011 MTEF. They are department of Health which is decreasing by 1 percent. department of Sports, Arts and Culture its revenue for 2011 is declining by 4.9 per cent due to poor marketing of the departmental facilities on camping sites and stadia. In the department of Finance the revenue figure for 2011 is showing a decline as well. This is mainly due to the decentralization of the collection of commissions on insurance and garnishee deductions on employee salaries and a decline in expected interest earnings on surplus funds.

## Summary of provincial own receipts by Vote

Table 11: Summary of provincial own receipts by vote

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Office Of The Premier	383	593	368	420	420	420	300	300	300
Provincial Legislature									
Health	31 961	55 621	46 131	38 095	48 982	48 982	48 479	50 380	53 200
Sports, Arts And Culture	192	593	888	381	931	931	887	898	911
Public Safety And Liaison	190 315	236 286	258 228	212 524	212 524	212 524	257 069	264 403	277 440
Economic Development, Environment, Conservation And Tourism	64 997	63 253	72 234	69 344	69 344	69 344	84 449	94 848	95 170
Finance	57 506	80 279	63 569	70 909	50 909	50 909	42 672	36 333	30 963
Education And Training	795	1 028	1 352	1 144	10 106	10 106	11 457	12 373	13 357
Local Government And Traditional Affairs	729	648	796	880	880	880	1 183	1 283	1 398
Public Works, Roads & Transport	155 524	180 916	165 931	195 218	195 218	195 218	196 867	213 623	213 398
Social Development, Women, Children And Persons With Disabilities	16	7	71				76	79	81
Agriculture And Rural Develpment	7 755	7 243	5 243	8 395	7 996	7 996	8 630	9 062	9 923
Human Settlement			96				100	120	130
<b>Total Provincial own receipts</b>	<b>510 173</b>	<b>626 467</b>	<b>614 907</b>	<b>597 310</b>	<b>597 310</b>	<b>597 310</b>	<b>652 169</b>	<b>683 702</b>	<b>696 271</b>

## 4.5 Donor funding

The North West Province is not aware of any substantial donor funding to be received over the MTEF period and no provision was made for such receipts. However, during the financial year 2007, 2008 and 2009 respectively only two departments, namely Health and Education received donor funding

In 2007 department of Education received R13 871 million and R39 466 million in 2009. These amounts were donated by Royal Netherlands Embassy for establishing education centers that serve as decentralized nodes for delivery of quality education and other social economic programmes.

In 2008, department of Health received R10 000 million and R15 200 million in 2009. In 2010 the donated amount received was R31 197 million. These funds were donated by the European Union as a partnership against HIV/AIDS and TB to support NGO's in Health Home Based Cares.

## 5. Payments

### 5.1 Overall Position

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

2011/12: R24 464 699  
 2012/13: R26 221 055  
 2013/14: R27 991 121

Based on the adjusted 2010/11 Adjustments Budget, provincial allocations increase by 9.1 per cent 2011/12, 7.2 per cent in 2012/13 and 6.8 per cent in 2013/14.

### 5.2 Payments by vote

**Table: Summary of provincial payments and estimates by vote****Table 1.10: Summary of provincial payment and estimates by Vote**

R thousand	outcome			Main Appropriatio	Adjusted Appropriatio 2010/11	Revised Estimate	Medium term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Vote 01: Office of the Premier	150,425	170,537	182,033	213,118	210,210	213,317	234,921	237,234	249,577
Vote 02: Provincial Legislature	108,430	119,432	152,961	143,156	161,221	161,221	151,659	156,640	164,769
Vote 03: Health	3,847,301	4,485,187	5,195,574	5,582,752	5,704,786	5,820,650	6,321,446	6,932,480	7,462,892
Vote 04: Sport, Arts and Culture	302,833	337,149	363,450	399,243	426,030	426,030	433,259	456,943	480,993
Vote 05: Human Settlements, Safety and Liaison (Public Safety and Liaison Sector)	447,039	298,550	295,497	336,862	338,795	338,795	350,132	364,924	383,721
Vote 06: Economic Development, Environment, Conservation and Tourism	318,907	304,967	337,275	401,639	408,703	408,703	455,850	450,445	476,166
Vote 07: Finance	242,896	249,253	258,306	318,727	304,052	304,052	331,782	388,748	513,790
Vote 08: Education and Training	6,205,613	7,178,646	8,390,526	9,050,791	9,176,639	9,176,639	10,261,488	10,859,804	11,443,808
Vote 09: Local Government and Traditional Affairs	262,908	275,231	286,729	302,326	344,844	344,844	317,085	333,300	350,656
Vote 11: Public Works, Roads and Transport	1,735,710	2,136,617	2,504,476	2,593,915	2,657,393	2,657,394	2,827,075	3,098,873	3,327,707
Vote 12: Social Development, Women, Children and People with Disabilities	408,709	535,471	607,623	756,371	747,058	747,058	882,196	937,921	994,013
Vote 13: Agriculture and Rural Development	433,968	559,068	555,280	613,605	614,050	614,050	758,835	813,093	887,377
Vote 05: Human Settlements, Safety and Liaison (Human Settlements sector)	882,119	1,058,895	1,204,585	1,401,873	1,336,763	1,336,763	1,138,971	1,190,650	1,255,652
<b>Total provincial payment and estimates by vote</b>	<b>15,346,858</b>	<b>17,709,001</b>	<b>20,334,315</b>	<b>22,114,378</b>	<b>22,430,544</b>	<b>22,549,516</b>	<b>24,464,699</b>	<b>26,221,055</b>	<b>27,991,121</b>

The table below shows the provincial payments and estimates by vote over the MTEF period. The budget increase from R22.4 billion to R24.4 billion in 2011/12 or by 9 per cent year-on-year and by 7 per cent over the MTEF.

With the exception of the Provincial Legislature, Sport, Arts and Culture, Human Settlement and Public Safety and Local Government and Traditional Affairs', all departments' budgets increased above the CPIX targets as published in the 2010 Medium Term Budget Policy Statement.

### **Vote 1: Office of the Premier**

R235 million in the first year of the MTEF, 2011, R237 million in 2012 and R250 million in 2013 has been allocated to this Department. An increase of R25 million has been registered as compared with 2010/11 adjusted budget. This increase is mainly attributable to two key events:

- An amount of R10 million has been allocated for the establishment of planning commission monitoring and evaluation.
- An amount of R7 million was received to assist in fight against corruption.

### **Vote 2: Provincial Legislature**

R152 million in 2011, R156 million in 2012 and R165 million in 2013 have been allocated to this Department. The budget of the Provincial Legislature has dropped by R9 million when comparing the baseline amount of R143 million in 2010. However in 2011 an additional amount of R5.4 million was made available to address shortfall on parliamentary operations and public participation.

### **Vote 3: Department of Health**

R6.3 billion in the first year of the MTEF 2011, R6.9 billion in 2012 and, R7.5 billion in 2013 has been allocated to this Department. An increase of R617 million when compared with allocation of R5.7 billion of the adjustment budget allocation during 2010/11 financial year. The increase resulted mainly to assist with the appointment of health professionals and provision for security in hospitals.

### **Vote 4: Department of Sport, Arts and Culture**



R433 million in 2011, R457 million in 2012 and R481million in 2013 has been allocated to this Department. Compared with the 2010 Adjustment budget the budget increased by R7 million to fund Mmabana plus an amount of R4.3 million for improvement in condition of service.

#### **Vote 6: Department of Economic Development, Environment, Conservation and Tourism**

R456 million in 2011, R450 million in 2012 and R476 million in 2012 has been allocated to this Department. Comparatively, an increase of R47 million has been registered in 2011. The reasons are mainly over the MTEF, R76 million for Gambling Board, SMME development, Light Industrial Projects and Provincial Growth Fund.

#### **Vote 7: Department of Finance**

R331 million in 2011, R389 million in 2012 and R514 million in 2013 has been allocated to this Department. An increase of R28 million when compared with the allocation of R304 million during the 2010 adjustment budgets. Key items driving this increase are an amount of R18 million for learnerships which must still be allocated to the provincial department during the cause of the year

#### **Vote 8: Department of Education and Training**

R10.3 billion in 2011, R10.9 billion in 2012 and R11.4 billion 2013 has been allocated to this Department. The department received additional allocation of R317 million for OSD in 2011. Addition to that the department received an amount of R5 million for security at schools.

#### **Vote 9: Department of Local Government & Traditional Affairs**

The amount of R317 million in 2011, R333 million in 2012, R351 million in 2013 has been allocated to this Department. Compared with the 2010 Adjustment Budgets the department's budgets declined by R28 million as result of reprioritization and implementation of the Cost Reduction Policy Measures An amount of R4.3 million was made available for the improvement in condition of service.

#### **Vote 10: Department of Public Works, Roads and Transport**

R2.8 billion in 2011, R3.1 billion in 2012 and R3.3 billion in 2013 has been allocated to this Department. The budget is to be spent on the following key areas:

- Road construction to Dwaalboom and Limpopo and between Schweizer-Reneke and Wolmaranstad. An amount of R79 million has been allocated in this regard.
- Damaged roads and bridges received an allocation of R11 million
- The department received an amount of R18 million for improvement in condition of service.

#### **Vote 12: Department of Social Development, Women, Children and Person with Disabilities**

R883 million in 2011, R938 million in 2012 and R994 million in 2013 has been allocated to this Department over the three years of the MTEF. The department has also received an amount of R23 million as a reimbursement for personnel related back to this department from Department Human Settlements plus improvement in condition of service and OSD for Social Workers to an amount of R20 million.

#### **Vote 13: Department of Agriculture and Rural Development**

R758 million in 2011, R813 million in 2012 and R887 million in 2013 has been allocated to this Department. The key assumption around these increases resulted due to a fresh allocation for rural development (water and sources of energy. An amount of R9 million was also provided for the improvement in condition of service.

### Vote 15: Department of Human Settlements, Public Safety and Liaison

R1.1 billion in 2011, R1.2 billion in 2012 and R1.3 billion in 2013 have been allocated to this department. The main component of the budget of this department is a conditional grant of R998 million in 2011.

### 5.3 Payments and estimates by economic classification

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

Table 1.11: Summary of departmental payments and estimates by economic classification

R thousand	outcome			Main Appropriation	Adjusted Appropriation 2010/11	Revised Estimate	Medium term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
<b>Current Payments</b>	12,076,604	13,575,262	15,375,277	16,585,154	16,953,596	16,973,930	18,720,627	20,088,522	21,407,408
Compensation of employees	8,440,159	9,964,646	11,325,243	12,025,035	12,338,847	12,356,940	14,030,736	14,753,705	15,561,579
Goods and services	3,636,076	3,609,867	4,049,570	4,559,364	4,614,021	4,616,262	4,689,504	5,334,409	5,845,406
Interest and rent on land	369	750	464	755	728	728	387	408	424
<b>Transfers and subsidies to:</b>	2,232,690	2,726,676	3,198,290	3,908,218	3,809,371	3,807,145	3,925,001	4,123,459	4,419,596
Provinces and municipalities	668,418	213,311	94,824	100,543	106,596	106,596	186,035	205,838	232,105
Departmental agencies and accounts	490,710	233,430	333,897	378,717	340,445	340,445	345,835	350,253	367,496
Universities and technikons	-	-	3,890	11	-	-	-	-	-
Foreign government and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	347,219	409,504	500,069	620,758	640,300	640,300	689,989	710,150	739,529
Non-profit institutions	553,272	758,621	969,450	1,243,347	1,292,574	1,291,226	1,366,615	1,447,573	1,579,408
Households	173,071	1,111,811	1,296,160	1,564,842	1,429,456	1,428,578	1,336,527	1,409,645	1,501,059
<b>Payment for capital assets</b>	1,037,421	1,412,130	1,759,679	1,620,730	1,667,323	1,768,187	1,818,791	2,008,779	2,163,816
Buildings and other infrastructure	796,058	1,186,417	1,487,483	1,409,694	1,341,638	1,527,178	1,571,323	1,741,149	1,810,599
Machinery and equipment	240,535	225,602	271,608	211,036	324,935	240,259	247,268	267,417	352,992
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	828	111	588	-	750	750	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	200	212	225
<b>Payment for financial assets</b>	143	-5,068	1,069	275	254	254	280	295	300
<b>Total economic classification</b>	15,346,858	17,709,001	20,334,315	22,114,378	22,430,544	22,549,516	24,464,699	26,221,055	27,991,121

### 5.4 Payments by Policy Area

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
General public services	764 660	814 452	880 029	983 825	1 027 125	1 030 232	1 035 447	1 115 922	1 278 791
Public order and safety	447 039	298 550	295 497	336 862	338 795	338 795	350 132	364 924	383 721
Economic affairs	2 442 514	2 950 391	3 339 166	3 544 046	3 613 633	3 613 634	3 975 609	4 292 698	4 616 657
Environmental protection	46 166	50 260	57 865	65 113	66 513	66 513	66 151	69 713	74 593
Housing and community amenities	882 119	1 058 895	1 204 585	1 401 873	1 336 763	1 336 763	1 138 971	1 190 650	1 255 652
Health	3 847 301	4 485 187	5 195 574	5 582 752	5 704 786	5 820 650	6 321 446	6 932 480	7 462 892
Recreation, culture and religion	302 833	337 149	363 450	399 243	426 030	426 030	433 259	456 943	480 993
Education	6 205 612	7 178 646	8 390 526	9 050 791	9 176 639	9 176 639	10 261 488	10 859 804	11 443 808
Social protection	408 709	535 471	607 623	749 873	740 260	740 260	882 196	937 921	994 014
<b>Total provincial payments and estimates by policy area</b>	<b>15 346 954</b>	<b>17 709 000</b>	<b>20 334 315</b>	<b>22 114 378</b>	<b>22 430 544</b>	<b>22 549 516</b>	<b>24 464 699</b>	<b>26 221 055</b>	<b>27 991 121</b>

### 5.5 Infrastructure Payments:

## Summary Payments and Estimates of provincial infrastructure by Votes

Table 16: Summary of payments and estimates of provincial infrastructure by vote

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10	2010/11	2010/11	2010/11	2011/12	2012/13	2013/14
Office Of The Premier									
Provincial Legislature	3 482								
Health	388 880	442 013	466 106	529 058	529 058	529 058	592 093	645 752	635 175
Sports, Arts And Culture	48 657	59 267	57 111	28 500	28 500	28 500	41 500	39 000	42 500
Public Safety And Liaison									
Economic Development, Environment, Conservation And Tourism	67 613	20 352	37 500	51 000	41 000	41 000	73 210	74 771	78 883
Finance									
Education And Training	204 762	255 997	327 610	421 222	421 222	421 222	576 068	620 168	650 382
Local Government And Traditional Affairs	99 400	76 000	76 186	79 000	79 000	79 000	88 500	90 130	91 210
Public Works, Roads & Transport	708 832	765 903	1 073 784	1 125 315	1 125 315	1 125 315	1 057 325	1 225 754	1 324 231
Social Development, Women, Children And Persons With Disabilities	21 133	50 893	61 723	75 390	75 390	75 390	40 000	20 000	25 000
Agriculture And Rural Devepment	99 949	184 029	142 623	192 285	192 285	192 285	290 807	256 966	271 099
Human Settlement	785 516	952 060	1 099 917	1 288 770	1 288 770	1 288 770	998 376	1 042 529	1 099 868
<b>Total provincial infrastructure payments and estimates</b>	<b>2 428 224</b>	<b>2 806 514</b>	<b>3 342 560</b>	<b>3 790 540</b>	<b>3 780 540</b>	<b>3 780 540</b>	<b>3 757 879</b>	<b>4 015 070</b>	<b>4 218 348</b>

### 5.5.2 Provincial Public- Private Partnership

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

### 5.6 Transfers to Public Entities

#### 5.6.1 Summary of Provincial Transfers to Public Entities by transferring department

Table 19: Summary of provincial transfers to public entities by transferring department

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10	2010/11	2010/11	2010/11	2011/12	2012/13	2013/14
Office Of The Premier	500	500	500	12 242	12 242	12 242	12 242	12 242	12 903
Health	11 742	11 742	11 742						
Sports, Arts And Culture	42 564	40 713	45 718	41 513	46 813	46 813	51 827	53 448	54 861
Economic Development, Environment, Conservation And Tourism	143 182	157 216	168 189	175 272	249 272	249 272	214 538	224 486	231 432
Agriculture And Rural Devepment		6 000	6 000						
<b>Total provincial transfers to public entities</b>	<b>197 988</b>	<b>216 171</b>	<b>232 149</b>	<b>229 027</b>	<b>308 327</b>	<b>308 327</b>	<b>278 607</b>	<b>290 176</b>	<b>299 196</b>

#### 5.6.2 Summary of Provincial Transfers to Public Entities by transferring department

Table 20: Summary of provincial transfers to development corporations by entity

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10	2010/11	2010/11	2010/11	2011/12	2012/13	2013/14
North West Gambling Board	12 277	12 277	12 314	20 277	20 277	20 277	28 505	29 938	31 559
Invest North West	14 956	15 487	16 416	17 402	17 402	17 402	19 627	20 824	21 969
Mafikeng Industrial Development Zone (MIDZ)	5 208	8 311	12 482	8 969	28 269	28 269	10 578	10 693	11 281
Mmabana Arts , Culture and Sports Foundation	42 064	38 513	43 718	38 513	43 813	43 813	48 827	50 448	51 861
North West Provincial Council on Aids (PCA)	11 742	11 742	11 742	11 742	11 742	11 742	11 742	11 742	12 353
North West Development Corporation (NWDC)				10 000	48 600	48 600	29 500	27 071	23 219
North West Parks and Tourism Board (NWPBTB)	111 141	121 141	126 977	118 624	134 724	134 724	126 328	135 960	143 404
North West Provincial Arts and Culture Council (PACC)	100	2 200	2 000	3 000	3 000	3 000	3 000	3 000	3 000
North West Youth Development Trust (YDT)	500	500	500	500	500	500	500	500	550
Directorate Enterpreneurial Development		6 000	6 000						
<b>Total provincial transfers to development corporations</b>	<b>197 988</b>	<b>216 171</b>	<b>232 149</b>	<b>229 027</b>	<b>308 327</b>	<b>308 327</b>	<b>278 607</b>	<b>290 176</b>	<b>299 196</b>

The following Departments that did record transfers to public entities are summarised below:

#### Office of the Premier

**Youth Development Trust:** Included in transfer payments is an amount of R500 000 to the schedule 3C public entity, Youth Development Trust. The Youth Development Trust is operating under Act No. 7 of 1997: North West Youth Development Trust Act, 1997. The main purpose for this entity is to assist in the promotion and development of the youth in the province to enable them to fully realize their own potential through the funding of their educational needs. The objectives of the Youth Development Trust are to:

- Promote the economic, cultural and artistic skills, educational, health and physical development of the youth.
- Create an environment conducive for such development.
- Support other organizations with the same objectives.
- Support any other initiatives aiming at the development of youth

The future and mandate of this entity is being reviewed. There is currently an interim Board but administrative functions are being performed by the Office of the Premier. Services will continue as normal until a decision is taken. Funds transferred to this entity have been unchanged over the past and for the coming MTEF period.

**Are Ageng:** This entity operates as the provincial growth and development advisory forum and was established by the Executive Council during 1998. The provincial government contribute R790 000 towards the administration of the forum through an annual financial grant.

**Provincial Council on AIDS:** Included in this departments transfer payment is an amount of R11 742 million in the first year of the MTEF, same allocation in the second year and R11 353 million in the last year of the MTEF.

The Provincial Councils on Aids was previously located in the department of Health and has been transferred to the Office of the Premier with effect from 2010 financial year. It derives its mandate from the North West Provincial Council on Aids Act, Act no 5 of 2001

- PCA advises the government on HIV/AIDS/ STI's and related matters.
- Monitor and co-ordinate activities of the District and Local Aids Councils.
- Monitor and Co ordinate implementation programmes and strategies of the provincial multi-sectoral response to the epidemic
- Provide overall guidance on the implementation of the National HIV/AIDS/STI's strategic and other related matters
- Ensure periodic review of the Province's HIV/AIDS/ STI's strategic plan and other related matters
- Mobilise resources for the implementation of HIV and AIDS programmes and strategies in the province
- Recommended appropriate research around HIV/AIDS

#### **Department of Sport, Arts & Culture**

- Included in Transfer Payments are two public entities namely Mmabana Arts, Culture and Sports Foundation (MACSF) as well as the Provincial Arts and Culture Council (PACC). Mmabana Arts, Culture and Sports Foundation was established by Act no 7 of 2000. Their main purpose is to ensure the development of arts, culture and artistic disciplines within the North West Province. This Foundation has three fully-fledged centres in Mafikeng, Taung and Lehurutshe. It also functions as a Production House as well as an Academy of Arts. The artists present performances in music, dance, drama and dance sport and the same tuition is also offered at the Academy.
- Funding for Mmabana is R151 million over the MTEF
- Funding for PACC is R9 million over the three years of the MTEF.

#### **Department of Economic Development, Environment, Conservation and Tourism**

This department has five Public Entities as follows:

### **Invest North West:**

The Public Entity amongst others aims at facilitating trade and investment, ensure sustainable economic development and BBBEE within the Provincial economy in pursuit of the objective of the PGDS. Apart from that they facilitate trade and fixed direct investment opportunities that create value for investors and jobs for the people of the North West Province. Funding allocated to this Public Entity is R62.4 million over the three years of the MTEF.

### **North West Parks and Tourism Board**

This Public Entity aims at directing and developing the integration of tourism and nature conservation in a manner that uplifts the people of the province by creating value where the market would not intervene on its own. It was established by Act no 3 of 199. Funds allocated over the three of the MTEF is R406 million.

### **Mafikeng Industrial Development Zone**

Amongst others, the role of the MIDZ is to prepare and submit the applications for a provisional Industrial Development Zone Operator Permit and when successful to operate the IDZ as part of the Provincial Growth and Development Strategy. This Entity has receives a transfer payment of R33 million over the three years of the MTEF.

### **North West Development Corporation**

The NWDC role is to establish strategic partnership with both public and private sector institution in order to draw on their relevant expertise and resources for the benefit of the manufacturing, trade and SMME sectors throughout the province. Identify and initiate viable development projects in relevant industries within the province, align to the PGDS strategy. Facilitate access to business opportunities, financing and other resources to SMME's in order to make them ready for 2011 and beyond. The establishment of this Public Entity is governed by Act no 6 of 1995. The entity received a budget of R79 million over the three years of the MTEF period.

### **Gambling Board**

The Gambling Board has been established in terms of the North West Gambling Act 2 of 2001 as amended and the National Gambling Act of 2004. Their main role is to oversee gambling activities in the Province by providing effective and efficient regulatory services and maintaining a gambling industry that is socially responsible and free from illegal activities. The entity will receive a transfer payment of R90 million over the three years of the MTEF.

### **Department of Agriculture and Rural Development**

The Directorate of Entrepreneurial Development (DED) was functioning under Act no 23 of 2003 and is called the North West Directorate of Entrepreneurial Development in Natural Resources Utilisation Act. This Entity is in the processes of winding down. The other Entity is the Housing Corporation and is also under the process of being wind down.

## **5.6.3 Transfers to Local Government**

### **Summary of Provincial Transfers to Local Government by Category**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised Estimate	Medium-term estimates		
	Audited	Audited	Audited				2011/12	2012/13	2013/14
	2007/08	2008/09	2009/10						
<b>Category A</b>									
<b>Category B</b>									
NW371 Moretele	71 388	16 889	6 100	22 201	22 201	22 201	22 584	26 558	27 939
NW372 Mafikeng	32 255	42 039	9 546	88 927	88 927	88 927	96 020	101 458	106 733
NW373 Rustenburg	111 489	25 150	13 497	99 160	99 160	99 160	100 774	106 780	112 333
NW374 Kgetleng Rivier	6 084	5 300	5 300	4 000	4 000	4 000	4 500	4 500	4 734
NW375 Moses Kotane	20 125	15 730	40 461	54 632	54 632	54 632	59 171	59 169	62 246
NW381 Ratlou	46 743	14 793	1 278	30 440	30 440	30 440	32 169	34 054	35 825
NW382 Tswaing	6 096	14 465	7 602	20 872	20 872	20 872	19 378	22 959	24 153
NW383 Mafikeng	650	650	2 257	84 979	84 979	84 979	93 979	96 338	101 348
NW384 Ditsobotla	53 860	300	1 200	93 733	93 733	93 733	95 073	100 757	105 996
NW385 Ramotshere Moiloa	450	500	500	3 278	3 278	3 278	3 382	3 555	3 739
NW391 Kagisano	2 516	11 527	25 775	38 615	38 615	38 615	40 901	43 332	45 585
NW392 Naledi	3 609	60 527	28 330	73 703	73 703	73 703	78 098	82 756	87 059
NW393 Mamusa	21 040	22 955	9 076	24 173	24 173	24 173	25 594	27 100	28 509
NW394 Taung	578	6 194	21 283	47 972	47 972	47 972	54 295	55 302	58 178
NW395 Molopo	250	200	200	450	450	450	456	468	492
NW396 Lekwa-Teemane	16 034	1 300	3 153	1 507	1 507	1 507	1 573	1 644	1 729
NW401 Ventersdorp	26 543	1 127	6 355	14 782	14 782	14 782	20 850	24 269	25 531
NW402 Tlokwe	21 584	30 341	35 441	71 673	71 673	71 673	75 950	80 483	84 668
NW403 Matlosana	5 452	47 663	42 338	2 950	2 950	2 950	2 950	2 950	3 103
NW403 Matlosane				89 026	89 026	89 026	94 367	100 029	105 231
NW404 Maquassi Hills	46 430	33 927	19 275	18 873	18 873	18 873	10 439	11 038	11 612
NW405 Merafong	19 501	224 131	53 082	100	100	100			
OPSCAP 5% of Conditional Grant: Human Settlement				64 439	64 439	64 439	78 908	65 746	69 165
Unspecified / Unallocation: Human Settlement	243 280	362 866	840 456	405 993	405 993	405 993	629 801	327 542	344 574
Thubelisha Homes	18 764	32 596	2 112						
<b>Category B</b>									
DC37 Bojanala Platinum	250	2 750		2 338	2 338	2 338	2 338	2 338	2 459
DC38 Ngaka Modiri Molema	23 034	750	3 500	19 738	19 738	19 738	19 738	19 738	20 764
DC39 Dr Kenneth Kaunda	250	10 250		2 338	2 338	2 338	2 338	2 338	2 459
DC40 Dr Ruth S. Mompati	28 750	17 750	19 880	19 038	19 038	19 038	20 038	20 038	21 079
<b>Total provincial transfers to local government</b>	<b>827 006</b>	<b>1 002 671</b>	<b>1 197 998</b>	<b>1 399 929</b>	<b>1 399 929</b>	<b>1 399 929</b>	<b>1 685 661</b>	<b>1 423 235</b>	<b>1 497 243</b>

To give effect to the legislative requirements of both the MFMA and DORA, the Provincial Treasury has institutionalised a process through which the Provincial Government will start to engage with municipalities on strategic, delivery and budgetary issues through the Municipal Support Unit. .

The provincial allocations per municipality will be made public by means of the of a Gazette. The gazette outlines the allocations to recipient municipalities for each grant, in both the Provincial and Municipal financial years. Allocations are provided for the three-year MTEF period.

The public release of this information, firstly, enables municipalities to better plan, budget and implement associated programmes over a three-year budgeting cycle. Sources and levels of provincial funding are made predictable and criteria on which these allocations are based would be made transparent for municipalities by their public disclosure. Secondly, the release of information would assist the provincial and local spheres of government to better align their plans and spending priorities.

## 5.7 Personnel numbers and costs

## 5.8 Summary of personnel numbers and costs by vote

**Table.1.18:summary of personnel numbers and costs by Vote**

R thousand	as at 31 march 2006	as at 31 march 2006	as at 31 march 2006	as at 31 march 2006	as at 31 march 2006	as at 31 march 2006	as at 31 march 2006
Vote 01: Office of the Premier	339	321	333	330	364	364	364
Vote 02: Provincial Legislature	204	193	192	192	239	239	239
Vote 03: Health	16,294	16,986	17,309	19,040	19,040	19,040	19,040
Vote 04: Sport, Arts and Culture	916	955	971	980	979	979	979
Vote 05: Human Settlements, Safety and Liaison (Safety and Liaison Sector)	876	1,012	1,012	877	1,082	1,082	1,082
Vote 06: Economic Development, Environment, Conservation and Tourism	409	417	433	454	453	454	455
Vote 07: Finance	639	610	599	678	685	685	685
Vote 08: Education and Training	30,322	28,633	28,855	30,516	32,575	32,883	33,193
Vote 09: Local Government and Traditional Affairs	640	700	811	888	888	888	888
Vote 11: Public Works, Roads and Transport	4,512	4,622	4,646	4,756	5,594	5,785	5,851
Vote 12: Social Development, Women, Children and	951	975	1,762	2,278	2,453	2,528	2,562
Vote 13: Agriculture and Rural Development	1,610	1,741	1,744	1,942	2,000	1,992	1,996
Vote 05: Human Settlements, Safety and Liaison (Human Settlements sector)	385	385	385	483	506	506	506
<b>Total provincial Personnel numbers</b>	<b>58,097</b>	<b>57,550</b>	<b>59,052</b>	<b>63,415</b>	<b>66,858</b>	<b>67,425</b>	<b>67,840</b>
Total provincial Personnel cost(R thousand)	8,440,159	9,964,646	11,325,243	12,338,847	14,030,736	14,753,705	15,561,579
<b>Unit cost(R thousand)</b>	<b>145</b>	<b>173</b>	<b>192</b>	<b>195</b>	<b>210</b>	<b>219</b>	<b>229</b>

## 5.8.1 Summary of provincial personnel numbers and costs

**Table 1.19:Summary of Personnel numbers and costs**

R thousand	outcome			Main Appropriatio	Adjusted Appropriatio 2010/11	Revised Estimate	Medium term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
<b>Total for province</b>									
Personnel numbers (head count)	58,097	57,550	59,052	63,433	63,433	63,433	66,858	67,425	67,840
Personnel cost (R'000)	8,440,159	9,964,646	11,325,243	12,025,035	12,338,847	12,356,940	14,030,736	14,753,705	15,561,579
<b>Human Resource Component</b>									
Personnel numbers (head count)	371	407	411	431	431	441	484	513	534
Personnel cost (R'000)	84,625	95,325	100,446	117,059	115,011	115,011	129,765	137,252	148,859
Head count as % of total province	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%	0.8%
Personnel cost as a % of total province	145.7%	165.6%	170.1%	184.5%	181.3%	181.3%	194.1%	203.6%	219.4%
<b>Finance Component</b>									
Personnel numbers (head count)	369	391	532	506	511	521	588	598	691
Personnel cost (R'000)	93,735	98,953	110,302	111,081	114,658	114,658	131,653	141,197	152,331
Head count as % of total	0.6%	0.7%	0.9%	0.8%	0.8%	0.8%	0.9%	0.9%	1.0%
Personnel cost as a % of total province	161.3%	171.9%	186.8%	175.1%	180.8%	180.8%	196.9%	209.4%	224.5%
<b>Full time workers</b>									
Personnel numbers (head count)	57,631	56,997	58,491	62,892	62,929	62,929	66,337	66,896	67,309
Personnel cost (R'000)	8,425,093	9,925,827	11,280,699	11,949,598	12,264,349	12,282,442	13,949,210	14,666,805	15,468,530
Head count as % of total	99.2%	99.0%	99.0%	99.1%	99.2%	99.2%	99.2%	99.2%	99.2%
Personnel cost as a % of total province	14501.8%	17247.3%	19103.0%	18838.3%	19334.5%	19363.0%	20864.1%	21752.7%	22801.4%
<b>Part time workers</b>									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R'000)	-	-	-	-	-	-	-	-	-
Head count as % of total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Personnel cost as a % of total province	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Contract workers</b>									
Personnel numbers (head count)	466	553	561	541	504	504	521	529	531
Personnel cost (R'000)	15,066	38,819	44,544	75,437	74,498	74,498	81,526	86,900	93,049
Head count as % of total	0.8%	1.0%	1.0%	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%
Personnel cost as a % of total province	25.9%	67.5%	75.4%	118.9%	117.4%	117.4%	121.9%	128.9%	137.2%

## 5.9 Payments on training

### Summary of provincial payments on training by vote

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised Estimate	Medium-term estimates		
	Audited	Audited	Audited				2011/12	2012/13	2013/14
	2007/08	2008/09	2009/10						
Office Of The Premier	1 295	2 643	1 991	2 122	2 122	2 122	1 880	1 882	2 004
Provincial Legislature	1 305	1 645	1 645	1 066	1 066	1 066	3 466	3 755	4 029
Health	17 887	17 887	17 887	17 887	17 887	17 887	17 887	17 887	17 887
Sports, Arts And Culture	5 457	4 284	2 641	5 682	5 682	5 682	5 385	5 422	5 454
Public Safety And Liaison	322	399	431	431	431	431	509	542	583
Economic Development, Environment, Conservation And Tourism	907	2 943	1 650	2 992	2 992	2 992	3 142	3 310	3 486
Finance	2 879	3 010	3 038	3 000	3 000	3 000	3 177	3 358	3 542
Education And Training	29 574	36 301	34 557	9 491	9 492	9 492	13 594	13 373	12 310
Local Government And Traditional Affairs	2 008	2 815	3 631	3 735	3 735	3 735	3 738	3 738	3 944
Public Works, Roads & Transport	4 143	4 264	1 071	3 044	4 094	5 144	5 050	5 303	5 558
Social Development, Women, Children And Persons With Disabilities	3 052	3 179	2 252	1 536	1 536	1 536	3 858	4 093	4 318
Agriculture And Rural Devepment	3 246	4 769	4 211	5 017	5 017	5 017	5 267	5 549	6 036
Human Settlement	3 052	3 089	3 716	3 901	3 901	3 901	3 188	3 363	3 549
<b>Total provincial payments on training</b>	<b>5 652</b>	<b>7 377</b>	<b>7 352</b>	<b>7 089</b>	<b>7 089</b>	<b>7 089</b>	<b>8 534</b>	<b>9 000</b>	<b>9 582</b>

The Skills Development Levies Act, 1999, requires that department's set aside one per cent of payroll for the training and education of departmental employees. It is not mandatory for a public service employer to contribute directly to a Sectoral Education and Training Authority (SETA).

However, 10 per cent of the minimum 1 per cent of the payroll should go to the line-function aligned SETA to support its administrative costs. This provision is legislated, despite the fact that the requirements are not mandatory ensures that government departments maintain high levels of investment in human capital build on the required skills and inculcate a culture of lifelong learning.



## **Annexure to the Overview of Provincial Expenditure**

**Table A.2: Details of total provincial own receipts**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
<b>Tax receipts</b>	<b>226 645</b>	<b>270 713</b>	<b>291 143</b>	<b>265 763</b>	<b>265 763</b>	<b>265 763</b>	<b>318 653</b>	<b>335 256</b>	<b>347 447</b>
Casino taxes	57 288	51 320	63 522	60 638	60 638	60 638	74 413	84 055	83 611
Horse racing taxes	3 626	3 648	4 343	4 189	4 189	4 189	4 884	5 178	5 488
Liquor licences	2 076	2 105	2 726	2 312	2 312	2 312	2 453	2 610	2 754
Motor vehicle licences	163 655	213 640	220 552	198 624	198 624	198 624	236 903	243 413	255 594
<b>Sales of goods and services other than capital assets</b>	<b>203 856</b>	<b>255 462</b>	<b>248 248</b>	<b>242 660</b>	<b>245 592</b>	<b>245 592</b>	<b>241 686</b>	<b>262 284</b>	<b>269 511</b>
<b>Sale of goods and services produced by department (excluding capital assets)</b>	<b>195 165</b>	<b>247 255</b>	<b>223 794</b>	<b>236 360</b>	<b>239 292</b>	<b>239 292</b>	<b>225 791</b>	<b>245 122</b>	<b>250 739</b>
Sales by market establishments									
Administrative fees	12 520	14 369	13 741	22 628	7 608	7 608	657	670	694
Other sales	182 645	232 886	210 053	213 732	231 684	231 684	225 134	244 452	250 045
<i>Of which</i>									
<i>Health patient fees</i>	23 882	36 554	33 183	18 782	18 782	18 782	23 104	23 354	24 990
<i>Personalised registration numbers</i>	1 396	1 075	819	1 555	1 555	1 555	3 116	3 831	4 119
<i>Abnormal loading permits</i>	4 693	6 948	7 548	5 445	5 445	5 445	5 173	4 970	5 228
<i>Casino licence fees</i>	1 483	5 672		2 205	2 205	2 205	1 503	1 593	1 689
<i>Horse racing licence fees</i>	80	5					1 035	1 245	1 455
<i>Rental of houses</i>	9 943	16 160	14 289	18 500	18 500	18 500	19 000	19 950	21 047
<i>Kilometer money Provincial &amp; National Department</i>	133 217	143 891	134 165	148 600	148 600	148 600	152 610	168 692	169 530
<i>Sale of matric certificates</i>	148	248	284	55	163	163	177	191	204
<i>Other (Bursary debt repayments)</i>			368	420	420	420	300	300	300
<i>Other (Miscellaneous)</i>	7 803	22 333	19 397	18 170	36 014	36 014	19 116	20 327	21 483
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	8 691	8 207	24 454	6 300	6 300	6 300	15 895	17 162	18 772
<b>Transfers received from:</b>									
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>	<b>23 630</b>	<b>17 078</b>	<b>11 862</b>	<b>9 022</b>	<b>10 222</b>	<b>10 222</b>	<b>14 062</b>	<b>14 483</b>	<b>14 917</b>
<b>Interest, dividends and rent on land</b>	<b>45 898</b>	<b>66 620</b>	<b>50 653</b>	<b>49 115</b>	<b>44 583</b>	<b>44 583</b>	<b>43 475</b>	<b>37 231</b>	<b>31 958</b>
Interest	44 957	65 844	49 760	48 203	43 571	43 571	42 507	36 166	30 786
Dividends	20	13	24	32	132	132			
Rent on land	921	763	869	880	880	880	968	1 065	1 172
<b>Sales of capital assets</b>	<b>9 761</b>	<b>16 001</b>	<b>13 001</b>	<b>20 000</b>	<b>20 000</b>	<b>20 000</b>	<b>8 413</b>	<b>7 441</b>	<b>4 325</b>
Land and sub-soil assets	4 653	1 768	2 545	5 500	5 500	5 500	2 089	1 396	
Other capital assets	5 108	14 233	10 456	14 500	14 500	14 500	6 324	6 045	4 325
<b>Transactions in financial assets and liabilities</b>	<b>383</b>	<b>593</b>		<b>10 750</b>	<b>11 150</b>	<b>11 150</b>	<b>25 880</b>	<b>27 007</b>	<b>28 113</b>
<b>Total provincial own receipts</b>	<b>510 173</b>	<b>626 467</b>	<b>614 907</b>	<b>597 310</b>	<b>597 310</b>	<b>597 310</b>	<b>652 169</b>	<b>683 702</b>	<b>696 271</b>

**Table A.3: Details of provincial payment and estimates by economic classification**

R thousand	outcome			Main Appropriatio	Adjusted Appropriatio 2010/11	Revised Estimate	Medium term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
<b>Current Payments</b>	<b>12,076,604</b>	<b>13,575,262</b>	<b>15,375,277</b>	<b>16,585,154</b>	<b>16,953,596</b>	<b>16,973,930</b>	<b>18,720,627</b>	<b>20,088,522</b>	<b>21,407,408</b>
Compensation of employees:	8,440,159	9,964,646	11,325,243	12,025,035	12,338,847	12,356,940	14,030,736	14,753,705	15,561,579
Salaries & wages	7,176,106	8,519,902	9,691,455	10,380,828	9,165,557	9,183,650	12,099,388	12,699,469	13,366,963
Social contributions (employer share)	1,264,053	1,444,744	1,633,787	1,644,207	3,173,290	3,173,290	1,931,348	2,054,236	2,194,616
Goods and services	3,636,076	3,609,867	4,049,570	4,559,364	4,614,021	4,616,262	4,689,504	5,334,409	5,845,406
<i>of which</i>									
Administrative fees	18,439	14,422	14,581	20,409	20,380	22,830	12,616	13,399	14,237
Advertising	33,907	35,126	45,146	37,925	54,721	52,661	38,551	36,493	38,840
Assets <R5000	79,216	65,144	51,000	87,236	114,524	116,134	82,222	102,089	131,033
Audit cost: External	29,469	39,508	62,957	74,117	52,217	42,217	57,946	73,917	78,808
Bursaries (employees)	19,423	9,266	7,617	9,059	5,324	9,860	8,236	8,948	9,460
Catering: Departmental activities	45,033	70,227	70,639	81,909	83,552	81,423	75,011	79,899	84,576
Communication	106,801	131,361	146,598	134,496	143,878	141,461	144,113	156,824	166,638
Computer services	43,767	61,707	51,803	31,135	45,123	52,675	37,647	37,838	39,926
Cons/prof:business & advisory services	465,442	284,958	311,035	394,587	315,613	313,566	294,738	340,785	459,625
Cons/prof: Infrastructre & planning	21,080	42,836	31,800	183,266	186,778	186,778	86,429	90,219	94,782
Cons/prof: Laboratory services	70	357	272,537	328,890	282,899	284,099	304,428	350,277	369,418
Cons/prof: Legal cost	9,165	21,851	21,091	13,407	24,190	24,168	20,538	22,991	23,942
Contractors	296,113	335,391	374,925	432,777	530,306	530,441	467,649	521,151	612,394
Agency & support/outsourced services	459,974	447,234	222,687	195,736	219,316	218,881	170,446	221,771	307,003
Entertainment	1,035	2,989	3,361	2,219	1,563	1,563	1,900	2,007	2,111
Government motor transport	1,288	2,207	602	1,064	13,607	13,607	29,083	30,042	31,927
Housing	482	522	4	-	-	-	-	-	-
Inventory: Food and food supplies	10,352	10,925	5,603	6,438	27,037	27,037	5,473	5,801	6,116
Inventory: Fuel, oil and gas	23,563	39,476	39,798	60,349	56,709	56,709	61,700	65,311	68,898
Inventory:Learn & teacher support material	272,454	210,259	304,163	312,499	332,691	332,691	373,918	397,163	408,460
Inventory: Raw materials	26,451	39,140	31,323	63,516	60,902	60,902	56,565	67,575	71,211
Inventory: Medical supplies	483,932	483,410	624,857	664,704	663,800	663,800	719,880	946,161	962,291
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	5	9	-	-	-	-	-	-	-
Inventory: Military stores	1,036	1,126	1,761	-	-	495	-	-	-
Inventory: Other consumables	101,175	120,514	132,199	157,365	154,276	157,461	175,625	189,562	198,834
Inventory: Stationery and printing	95,598	113,958	102,733	131,314	127,210	126,284	134,543	143,793	150,550
Leasehold payments	165,903	174,687	205,555	201,958	250,377	247,783	274,505	294,357	319,099
Owned & leasehold property expenditure	393,101	297,848	367,546	354,958	273,235	273,335	410,259	436,741	454,289
Transport provided dept activity	23,089	34,987	27,177	14,025	22,476	29,206	29,258	31,430	33,713
Travel and subsistence	236,674	363,422	358,840	318,380	333,655	329,438	340,514	365,152	386,025
Training & staff development	102,331	99,146	106,319	145,634	127,518	127,053	149,084	155,543	164,411
Operating expenditure	26,249	29,157	26,883	69,641	60,118	61,678	97,158	114,627	122,630
Venues and facilities	43,460	26,698	26,428	30,349	30,022	30,022	29,471	32,544	34,158
Interest and rent on land	369	750	464	755	728	728	387	408	424
Interest	360	739	464	755	728	728	387	408	424
Debt interest	-	-	-	-	-	-	-	-	-

**Table A.3: Details of provincial payment and estimates by economic classification (Continued)**

R thousand	outcome			Main Appropriatio	Adjusted Appropriatio 2010/11	Revised Estimate	Medium term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
<b>Transfer and subsidies to:</b>	2,232,690	2,726,676	3,199,456	3,908,218	3,809,371	3,807,145	3,925,001	4,123,459	4,419,596
Province and municipalities	668,418	213,311	164,824	170,543	176,596	176,596	256,035	275,838	305,955
Provinces	104,375	7,693	-	-	-	-	-	-	-
Provincial Revenue Funds	104,292	7,692	-	-	-	-	-	-	-
Provincial agencies and Funds	83	1	-	-	-	-	-	-	-
Municipalities	564,043	205,617	164,824	170,543	176,596	176,596	256,035	275,838	305,955
Municipalities	564,043	205,617	164,824	170,543	176,596	176,596	256,035	275,838	305,955
Municipal agencies and Funds	-	-	-	-	-	-	-	-	-
Departmental Agencies and accounts	490,710	233,430	265,063	308,717	270,445	270,445	275,835	280,253	293,646
Social security funds	244,984	5,030	2	13	12,265	12,265	3,618	3,700	3,800
Provide list of entities receiving transfers	245,726	228,400	265,061	308,704	258,180	258,180	272,217	276,553	289,846
Universities and technikons	-	-	3,890	11	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public Corporations and private enterprises	347,219	409,504	500,069	620,758	640,300	640,300	689,989	710,150	739,529
Public Corporations	16,982	21,183	5,639	33,750	88,966	88,966	111,855	92,665	94,445
Subsidies on production	5,507	6,932	-	12,000	12,000	12,000	-	-	-
Other transfers	11,475	14,252	5,639	21,750	76,966	76,966	111,855	92,665	94,445
Private enterprises	330,237	388,321	494,431	587,008	551,334	551,334	578,134	617,485	645,084
Subsidies on production	252,296	361,147	469,351	584,647	550,259	550,259	577,344	616,695	644,244
Other transfers	77,942	27,174	25,080	2,361	1,075	1,075	790	790	840
Non-profit organisations	553,272	758,621	969,450	1,243,347	1,292,574	1,291,226	1,366,615	1,447,573	1,579,408
Households:	173,071	1,111,811	1,296,160	1,564,842	1,429,456	1,428,578	1,336,527	1,409,645	1,501,059
Social Benefits	60,783	45,709	32,289	40,342	48,101	47,223	59,408	64,238	70,524
Other transfers to households	112,288	1,066,102	1,263,871	1,524,500	1,381,355	1,381,355	1,277,119	1,345,407	1,430,535
<b>Payment for capital assets</b>	1,037,421	1,412,130	1,759,679	1,620,730	1,667,323	1,768,187	1,818,791	2,008,779	2,163,816
Buildings and other fixed structures	796,058	1,186,417	1,487,483	1,409,694	1,341,638	1,527,178	1,571,323	1,741,149	1,810,599
Buildings	542,436	726,920	713,106	770,736	705,829	891,369	1,051,497	1,133,082	1,155,804
Other fixed structures	253,622	459,497	774,377	638,958	635,809	635,809	519,826	608,067	654,795
Machinery and equipment	240,535	225,602	271,608	211,036	324,935	240,259	247,268	267,417	352,992
Transport equipment	51,895	18,021	2,104	39,025	42,789	44,097	51,347	52,512	42,901
Other machinery and equipment	188,640	207,581	269,504	172,011	282,146	196,162	195,921	214,905	310,091
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	828	111	588	-	750	750	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	200	212	225
<b>Payment for financial assets</b>	143	-5,068	1,069	275	254	254	280	295	300
<b>Total economic classification</b>	<b>15,346,858</b>	<b>17,709,001</b>	<b>20,335,481</b>	<b>22,114,378</b>	<b>22,430,544</b>	<b>22,549,516</b>	<b>24,464,699</b>	<b>26,221,055</b>	<b>27,991,121</b>

**Table 1.12: Summary of provincial payment and estimates by policy area**

R thousand	outcome			Main Appropriatio	Adjusted Appropriatio 2010/11	Revised Estimate	Medium term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
<b>General Public services</b>									
Executive and Legislature	258,855	289,968	335,206	356,274	371,431	374,538	386,580	393,873	414,346
Office of the Premier	150,425	170,537	182,139	213,118	210,210	213,317	234,921	237,234	249,577
RDP									
Provincial Legislature	108,430	119,432	153,067	143,156	161,221	161,221	151,659	156,640	164,769
Financial and Fiscal Services									
Provincial Treasury	242,896	249,253	258,412	318,727	304,052	304,052	331,782	388,748	513,790
General Services (Public Works and Local Government)	664,164	787,430	794,737	878,697	941,481	941,481	1,056,933	1,154,053	1,222,367
<b>Total: General Public Service</b>	<b>1,165,915</b>	<b>1,326,651</b>	<b>1,388,355</b>	<b>1,553,698</b>	<b>1,616,964</b>	<b>1,620,071</b>	<b>1,775,295</b>	<b>1,936,675</b>	<b>2,150,503</b>
<b>Public order and safety</b>									
Police Services									
Safety and Liaison	447,039	298,550	295,603	336,862	338,795	338,795	350,132	364,924	383,721
<b>Total: Public Order and safety</b>	<b>447,039</b>	<b>298,550</b>	<b>295,603</b>	<b>336,862</b>	<b>338,795</b>	<b>338,795</b>	<b>350,132</b>	<b>364,924</b>	<b>383,721</b>
<b>Economic Affairs</b>									
General Economic Affairs									
Department of Economic Development	318,907	304,967	337,381	401,639	408,703	408,703	455,850	450,445	476,166
Agriculture									
Department of Agriculture	412,214	535,856	532,475	580,431	580,155	580,155	716,752	767,992	839,821
Transport									
Department of Transport	1,334,454	1,624,418	1,996,680	2,017,544	2,060,756	2,060,757	2,087,227	2,278,120	2,455,996
<b>Total: Economic Affairs</b>	<b>2,065,575</b>	<b>2,465,241</b>	<b>2,866,536</b>	<b>2,999,614</b>	<b>3,049,614</b>	<b>3,049,615</b>	<b>3,259,829</b>	<b>3,496,557</b>	<b>3,771,983</b>
<b>Environmental protection</b>									
Environmental protection	21,754	23,212	22,911	33,174	33,895	33,895	42,083	45,101	47,556
<b>Total: Environmental Protection</b>	<b>21,754</b>	<b>23,212</b>	<b>22,911</b>	<b>33,174</b>	<b>33,895</b>	<b>33,895</b>	<b>42,083</b>	<b>45,101</b>	<b>47,556</b>
<b>Housing and community amenities</b>									
Department of Human Settlements	882,119	1,058,895	1,204,691	1,401,873	1,336,763	1,336,763	1,138,971	1,190,650	1,255,652
<b>Total: Housing and community amenities</b>	<b>882,119</b>	<b>1,058,895</b>	<b>1,204,691</b>	<b>1,401,873</b>	<b>1,336,763</b>	<b>1,336,763</b>	<b>1,138,971</b>	<b>1,190,650</b>	<b>1,255,652</b>
<b>Health</b>									
Outpatient Services									
R and D Health (CS)									
Hospital Services	3,847,301	4,485,187	5,195,680	5,582,752	5,704,786	5,820,650	6,321,446	6,932,480	7,462,892
<b>Total: Health</b>	<b>3,847,301</b>	<b>4,485,187</b>	<b>5,195,680</b>	<b>5,582,752</b>	<b>5,704,786</b>	<b>5,820,650</b>	<b>6,321,446</b>	<b>6,932,480</b>	<b>7,462,892</b>
<b>Recreation ,culture and religion</b>									
Sporting and Recreation Affairs									
Department of Sport, Arts and Culture	302,833	337,149	363,450	399,243	426,030	426,030	433,259	456,943	480,993
<b>Total: Recreation ,culture and religion</b>	<b>302,833</b>	<b>337,149</b>	<b>363,450</b>	<b>399,243</b>	<b>426,030</b>	<b>426,030</b>	<b>433,259</b>	<b>456,943</b>	<b>480,993</b>
<b>Education</b>									
Pre-primary and Primary phases	3,028,301	3,521,064	4,031,469	4,181,942	4,209,199	4,209,199	4,668,735	4,974,424	5,233,828
Secondary Education Phase	1,497,542	1,728,806	2,017,313	2,164,550	2,179,543	2,179,543	2,361,131	2,444,005	2,588,899
Subsidised Services to Education	7,000	7,554	11,025	18,693	18,693	18,693	19,877	20,121	21,127
Education not defined by level	1,672,769	1,921,221	2,330,825	2,685,606	2,769,204	2,769,204	3,211,745	3,421,254	3,599,954
<b>Total: Education</b>	<b>6,205,613</b>	<b>7,178,646</b>	<b>8,390,632</b>	<b>9,050,791</b>	<b>9,176,639</b>	<b>9,176,639</b>	<b>10,261,488</b>	<b>10,859,804</b>	<b>11,443,808</b>
<b>Social protection</b>									
Social Security Services									
Social Services and Poupulation Development	408,709	535,471	607,729	756,371	747,058	747,058	882,196	937,921	994,013
<b>Total: Social Protection</b>	<b>408,709</b>	<b>535,471</b>	<b>607,729</b>	<b>756,371</b>	<b>747,058</b>	<b>747,058</b>	<b>882,196</b>	<b>937,921</b>	<b>994,013</b>
<b>Total provincial payment and estimates by policy area</b>	<b>15,346,858</b>	<b>17,709,001</b>	<b>20,335,587</b>	<b>22,114,378</b>	<b>22,430,544</b>	<b>22,549,516</b>	<b>24,464,699</b>	<b>26,221,055</b>	<b>27,991,121</b>

